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PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Thursday, July 1, 1999*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. EWING).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 1, 1999.

I hereby appoint the Honorable THOMAS W. EWING to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Chris Geeslin, Harvest Christian Fellowship, Frederick, Maryland, offered the following prayer:

Almighty God, we acknowledge our dependence on Thee, and we beg Thy blessing upon our children, our parents, our teachers, our leaders, and our country.

Gracious Father, we thank You for the great prosperity You have given us, the wealthiest Nation in the world. Yet, we come this morning with sorrowful hearts at the recent tragedies and continued social ills in our Nation.

Lord, we humbly ask that You would heal our land. We rededicate our Nation and ourselves to Your gracious Lordship. Pour out Your love, acceptance, and forgiveness as we come with heartfelt humility and repentance before You.

O God, we recognize that some things cannot be changed by legislation, but only by our Nation being reconciled to You, as stated in Your word, "If my people who are called by my name will humble themselves and pray, and seek my face and turn from their wicked ways, then I will hear from heaven, I will forgive their sin, and will heal their land."

Bless this Congress with Your protection, Your provision, and Your priesthood. Give them wisdom to make the right decisions before a holy, righteous and loving God. In Jesus' name, Amen.

THE JOURNAL

The SPEAKER pro tempore (Mr. EWING). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Ms. ESHOO. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker pro tempore's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. ESHOO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Pursuant to clause 8, rule XX, further proceedings on the question of approving the Journal are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Illinois (Mr. SHIMKUS) come forward and lead the House in the Pledge of Allegiance.

Mr. SHIMKUS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 21. Joint resolution to designate September 29, 1999, as "Veterans of Foreign Wars of the United States Day".

WELCOMING REVEREND CHRIS GEESLIN, HARVEST CHRISTIAN FELLOWSHIP, FREDERICK, MD

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute.)

Mr. BARTLETT of Maryland. Mr. Speaker, it gives me great pleasure to introduce to my colleagues a constituent and a friend, Pastor Chris Geeslin.

Pastor Geeslin is a graduate of the Evangel Seminary of Harrisonburg, Virginia, with a Master's degree in theological studies, and is currently a doctoral candidate at the Wagner Institute in Colorado Springs, Colorado.

Pastor Chris resides in Frederick, Maryland, with his wife of 15 years, Maryellen and their four children. Pastor Chris started the Frederick Worship Center, an evangelical transdenominational church in Frederick 19 years ago. His church was instrumental in starting the Crisis Pregnancy Center, my favorite charity; the Downtown Community Church, a ministry to the inner-city of Frederick; and most recently has completed a merger with the Word of Life Church, now called the Harvest Christian Fellowship.

Pastor Chris is also the executive director of Servant Ministries, a hub-ministry for pastors, intercessors, and ministry leaders who desire to be networked in prayer for their community, city, and national leader so that "none should perish."

Please join me in welcoming Pastor Chris Geeslin.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will recognize 5 one-minutes on each side.

COMMEMORATING 25TH ANNIVERSARY OF FBI'S "CRISIS NEGOTIATION PROGRAM"

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. HYDE. Mr. Speaker, July 5 will mark the 25th anniversary of the Federal Bureau of Investigation's Crisis Negotiation Program. The program created the Crisis Negotiation Unit, which has worked to negotiate the release of hostages for the last 25 years.

We live in a very dangerous world, one that has for two decades seen a steady rise in hostage-taking incidents. We know that we will face new challenges from criminals and terrorists in the next century and that the work of this unit will be even more vital to the security of the American people both at home and abroad.

The FBI Special Agents who serve in the Crisis Negotiation Unit deserve the gratitude of our Nation for their bravery and for their devotion. They deserve recognition of the fact that they have saved the lives of countless hostages and law enforcement personnel in the most dire of circumstances.

The Crisis Negotiation Unit has also protected numerous potential innocent bystanders from harm in many high-profile hostage crises, like the Lufthansa skyjacking at John F. Kennedy Airport in 1993 to many serious incidents that have received little or no publicity.

On behalf of the House of Representatives, I commend and congratulate the Crisis Negotiation Unit and its Special Agents on their 25th anniversary. They deserve our special thanks for a job well done and our prayers for all the dangers they are sure to face in the coming years.

IN APPRECIATION OF THE VETERANS OF THE UNITED STATES

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, we are about to again celebrate our independence day. I mentioned on the floor yesterday how grateful we should be to all the men and women who wore the uniform of the United States military through the years. Because had it not been for their sacrifice, we would not have the privilege of going around bragging about how we live in the freest and most open democracy on the face of the Earth.

Freedom is not free. We paid a tremendous price for it. But it goes beyond freedom in the United States of America. Just in the past decade, we have seen the tearing down of the Berlin Wall, the democratization of all of Eastern Europe, the breakup of the Soviet Union. And we should recognize that the sacrifice of our soldiers have meant freedom and democracy for hundreds of millions of other people all around the world.

So it is a weekend where we should practice great gratitude. And, in my opinion, Mr. Speaker, I hope more and more Americans do what I do every morning when I get up. First I thank God for my life, and then I thank veterans for my way of life.

DEPARTMENT OF INTERIOR COMPLIANCE REQUIREMENT ENDANGERS RANCHING INDUSTRY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the Department of Interior has issued a policy that requires compliance with the National Environmental Policy Act prior to the renewal or transfer of any livestock grazing permits.

Well, the Department now also requires that the Bureau of Land Management complete an environmental assessment or environmental impact statement prior to this grazing permit reissuance or transfer.

If any of these studies are challenged by some extremist special-interest groups or if the analyses are not complete before the permit or lease expires, the permittee is kicked off the allotment without recourse even if the range is in excellent condition.

Completing these analyses and implementing the resulting decisions will likely take many, many years. During those years, the permittee will be excluded from the allotment, essentially destroying their livelihood, and bankrupting another family business.

The problem here, Mr. Speaker, is that NEPA applies to "a major Federal action significantly impacting the quality of the human environment." The Department of Interior has not explained why a simple paper transaction requires years of study.

The Secretary of Interior is attempting to destroy the ranching industry and is assaulting generations of families who have nurtured and cared for our public lands. Such unreasonable regulation is the death of all good business.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces to all the Members that the Chair will recognize up to ten 1-minutes on each side, not five.

MAKING RESEARCH AND DEVELOPMENT TAX CREDIT PERMANENT

(Ms. ESHOO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ESHOO. Mr. Speaker, yesterday the Research and Development tax credit in our Nation expired. H.R. 835, a bipartisan bill supported by over 150 of our colleagues, would make this Research and Development tax credit permanent.

Mr. Speaker, because the tax credit has expired, we need to act. What are we waiting for? We really should pass this bill because the bill is good public policy. Making the R&D tax credit permanent is critical to the continuing growth of America's economy, especially our new economy.

If this tax credit were made permanent, our GDP would increase by nearly $28 billion over the next 20 years.

American businesses, Mr. Speaker, cannot base their planning on a year-to-year renewal of this credit anymore than the American family should base their financial planning on a year-to-year renewal of the home mortgage deduction.

So now that the tax credit has expired, Congress should extend it. What are we waiting for, Mr. Speaker? Let us take action on this and expand our economy in a new and better way.

SALUTE TO NEW MILITARY SERVICE STUDENTS OF PENNSYLVANIA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, as we celebrate the Declaration of Independence on the 4th of July this weekend, I rise to talk about the students who will ensure that the United States remains a beacon of freedom throughout the world.

This year I had the pleasure of nominating 25 young men and women from the 16th Congressional District of Pennsylvania to the United States military services academies. A number of those students were appointed to the academies.

This week, those young men and women will start a journey; four years of study at premier institutions of higher learning, followed by active duty in the United States Armed Forces. Throughout their 4 years, they will not only study academics but prepare themselves militarily and physically for service to the Nation as military officers. They are living proof that patriotism is alive at the turn of the millennium, and they are tomorrow's leaders. Therefore, I would like to join their parents and friends in saluting these outstanding students.

PRESIDENTIAL ELECTION DEBATES SHOULD INCLUDE ALL VIABLE CANDIDATES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, last November polls in Minnesota said it was a two-man race for governor. Beam me up. Who were they polling? Bullwinkle? Jesse Ventura, the third candidate, actually won due to the debates and quite frankly he is a breath of fresh air in our country.

That is the reason, another reason, why I have reintroduced my bill that would require that all presidential debates must include every candidate that has a mathematical chance of winning. They qualify on enough State ballots. They qualify for matching funds. They give the American people a choice, and they make the two major party candidates tell us what they really feel.

I yield back Bullwinkle, and I yield back the fact that the Federal Election Commission can do this without my bill.

□ 1015

U.S. MISSES BOAT ON LATIN AMERICAN TRADE

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, we have all heard the old expression, "You snooze, you lose." An article in yesterday's Washington Times brings that old expression to mind. It was entitled, EU, that is European Union, Latin Trade Zone Doesn't Include U.S.

It seems that while our government has dawdled, European governments have worked hard to cultivate trade relationships in our own backyard. Latin American countries and the European Union worked toward lowering trade barriers, and our government stands idly by.

Trade means jobs. Trade means economic growth. Trade means a higher standard of living for the American people. Let us not continue to sit back and watch while Europe and Latin America reap the benefits of an aggressive trade policy. Let us work with our trading partners to tear down barriers and open up markets for American products around the world. Mr. Speaker, we can ill afford to be pushed out of the international trade markets. Let us get back in the game.

Mr. DREIER. Mr. Speaker, if the gentleman will yield, I would simply like to congratulate the gentleman on his remarks; and I would like to associate myself with the gentleman's statement.

THE PRESIDENT'S MEDICARE PROPOSAL

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, it is time that this Congress gets smart and starts to invest in our 39 million Medicare beneficiaries. I urge my colleagues to stop hemming and hawing and take heed of the needs of our seniors.

Plainly speaking, the President has a plan to save Medicare by dedicating 15 percent of the Federal budget surplus. The plan modernizes Medicare by adding a vital drug benefit, eliminating the copay on preventive services, providing a buy-in option for the vulnerable and offering needed assistance for low-income beneficiaries. The Republican leadership has no Medicare plan and really has only one choice. Roll up your sleeves, work with the Democrats, save Medicare.

Mr. Speaker, we need to protect our seniors. We can do it and we can do it now.

COMPASSIONATE CONSERVATISM

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, Dr. Joseph Jacobs wrote an exceptional book about "compassionate conservatism," a slogan today adopted by the distinguished governor of Texas, George W. Bush. The concept reminds me that many liberals go through their lives thinking that they are compassionate because of their willingness to spend other people's money.

So often there is absolutely no recognition from liberals that conservatives share many of the same ultimate goals. But we certainly disagree over the best ways in which to achieve them. That is why we hear day after day on the House floor the motives of conservatives attacked. In my view, the liberal version of compassion has done more harm and has had more devastating consequences on the less fortunate than the most fiscally conservative lawmaker ever could have. Theirs is the philosophy of dependence on government. We conservatives share the philosophy of celebrating individual self-reliance. Compassion is not a product of policy. It is a product of the human heart. There is no compassion in destroying the motivation of the less fortunate to achieve, to grow and to prosper.

MEDICARE

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, since the bipartisan Medicare Commission met, the Medicare debate has come front and center. Republicans want to improve the access of seniors to prescription drugs. No senior should have to worry about whether they can afford the medicines they need to stay healthy. We need to work in a bipartisan manner to solve this problem, putting politics aside. This issue is too important.

The President has recently entered this debate, and we are awaiting bill language, but it brings up some interesting questions. What does the President's plan do? Does it target those most in need? Does it threaten the solvency of Medicare? Does it take money out of the Social Security Trust Fund? Who pays? Will seniors pay higher premiums? Will the Government set price controls? Will all Americans face higher taxes? Will payments to hospitals, doctors and other health care providers be cut? Does the plan address holistic medicine and Medicare fraud, waste and abuse? Will Medicare innovation be threatened? Will seniors be able to participate based upon their choice?

What we need to focus on is providing drug coverage, solvency and choice to our seniors. That is what we will be working for.

PASS RESEARCH AND DEVELOPMENT TAX CREDIT

(Mr. UDALL of Colorado asked and was given permission to address the House for 1 minute.)

Mr. UDALL of Colorado. Mr. Speaker, it is July. Half a year is gone. Next week we will go home to tell our constituents what the House has accomplished. What will we say? If we are candid, we will have to say, not enough.

We have not acted to protect patients' rights. We have not acted to reform campaign finance. We have not acted to help communities respond to growth and sprawl. We have not even done an easy thing like renewing the research and development tax credit. It expired last night.

We need to do better. In fact, we need to make the credit permanent and broaden it. A temporary credit like the one that expired last night is a less effective credit because researchers cannot count on it. Making it permanent would end this uncertainty. A broader credit would benefit small businesses and high-tech entrepreneurial start-ups. Under the law that just expired, these firms did not benefit. We should go further and use the credit to promote collaboration between the Federal Government, the private sector and universities like the University of Colorado in my district.

Half the year is gone, but half remains. We need to stop wasting time and missing deadlines. Let us pass this tax credit as soon as possible.

TOP TEN TERRIBLE TAX ACT

(Mr. TANCREDO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TANCREDO. Mr. Speaker, the House will soon consider legislation to implement the budget resolution's call for $778 billion in tax relief over the next 10 years. While I believe today's complicated and cumbersome Tax Code needs to be completely replaced, this will take time as the American people debate alternative tax systems. In the meantime, we can take a major step toward tax simplification by eliminating 10 of the worst taxes in the Tax Code today. We should pull these taxes out by their roots, not just reduce them, trim them or cut them back or decrease them. This will make it more difficult for them ever to grow back again.

That is why I am introducing the Top Ten Terrible Tax Act today—boy, that is quite alliterative—which would completely eliminate 10 of the most egregious taxes on the American people, including estate and gift taxes, the tax on telephone calls, capital gains taxes and the tax increase on Social Security beneficiaries. The American people deserve to keep more of their hard-earned money and the Top Ten Terrible Tax Act would provide much-needed tangible tax relief to every American.

THE JOURNAL

The SPEAKER pro tempore (Mr. EWING). Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 358, nays 56, answered "present" 1, not voting 19, as follows:

[Roll No. 262]

YEAS—358

Abercrombie
Ackerman
Allen
Andrews
Armey
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Chenoweth
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Coyne
Cramer
Crowley
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
Eshoo
Etheridge
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pascrell
Paul
Payne
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Regula
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Toomey
Towns
Traficant
Turner
Upton
Vento
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—56

Aderholt
Baird
Bilbray
Bonior
Borski
Clay
Costello
Crane
DeFazio
English
Filner
Ford
Frank (MA)
Gephardt
Gillmor
Hall (OH)
Hastings (FL)
Hefley
Hilliard
Hinchey
Kucinich
LaFalce
Lee
LoBiondo
Markey
McDermott
McGovern
McNulty
Meek (FL)
Meeks (NY)
Miller, George
Moran (KS)
Neal
Oberstar
Pallone
Pastor
Peterson (MN)
Pickett
Pomeroy
Ramstad
Riley
Sabo
Schaffer
Schakowsky
Stupak
Sweeney
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Weller

ANSWERED "PRESENT"—1

Carson

NOT VOTING—19

Archer
Blunt
Brown (CA)
Conyers
Cox
Cubin
Cummings
Ehrlich
Evans
Fossella
Green (TX)
Hutchinson
Hyde
Nadler
Rangel
Scott
Tierney
Wise
Young (AK)

☐ 1106

So the Journal was approved.

The result of the vote was announced as above recorded.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 775, YEAR 2000 READINESS AND RESPONSIBILITY ACT

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 234 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 234

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 775) to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. EWING). The gentleman from California (Mr. DREIER) is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from South Boston, Massachusetts (Mr. MOAKLEY), the distinguished ranking minority member of the Committee on Rules, pending which I yield myself such time as I might consume. During consideration of this rule, all time that I will be yielding is for debate purposes only.

Mr. Speaker, the resolution provides for the consideration of the conference report to accompany H.R. 775, the Y2K

Act. The rule waives points of order against the conference report and its consideration. The rule further provides that the conference report be considered as read. This rule is a fair rule which will enable the House to expeditiously consider this important and very timely matter.

Mr. Speaker, we all know the year 2000 is right around the corner, and most Americans have heard that some computers may, I underscore may, have a problem dealing with this historic date change. Now, I am not an alarmist, and I hope that we will not suffer major problems, but that does not mean that we can sit back and ignore this very important issue.

The fact is we live in the computer age. We have a digital economy. Therefore, we have a responsibility to do what we can to help people solve Y2K problems before anything goes wrong. That is what we are doing here today by passing this bipartisan conference report on H.R. 775, the Year 2000 Readiness and Responsibility Act.

Mr. Speaker, I come to this issue with the belief that the American private sector is clearly the most energetic, creative, and powerful force in the world. In particular, our high technology, computer and software companies are the best and the brightest. If anyone is up to tackling this technology challenge, they are. Mr. Speaker, I am very glad that they are on our team.

But make no mistake about it, there are some hurdles standing in the way of the kind of teamwork and cooperation needed to solve Y2K problems. A broad coalition of private sector companies believe that uncertainty regarding unbridled Y2K litigation is the biggest hurdle for them of all. This view is not limited just to the high-tech and computer companies. It cuts across the business community large and small, including retail, manufacturing, and services alike.

Fixing the Y2K computer bug should not be a partisan issue. That is why over a year ago I began to work with my colleagues on both sides of the aisle, and with a broad private sector coalition, to enact a targeted Y2K litigation reform bill. Mr. Speaker, I am happy to say that we are now nearing the finishing line.

In particular, I want to applaud the work of my colleagues, the gentleman from Virginia (Mr. DAVIS), the gentleman from California (Mr. DOOLEY), the gentleman from California (Mr. COX), the gentleman from Virginia (Mr. MORAN), and the gentleman from Alabama (Mr. CRAMER) for joining in this bipartisan introduction of H.R. 775.

The conference agreement is clearly a product of compromise, and that is not a criticism of it. It says a lot about the leadership and skill of our colleagues, the gentleman from Virginia (Mr. GOODLATTE), and the gentleman from Illinois (Mr. HYDE), and the gentleman from Detroit, Michigan (Mr. CONYERS), and the gentlewoman from California (Ms. LOFGREN).

I will say that I greatly appreciated when the gentleman from Michigan (Mr. CONYERS) was able to sit upstairs in the Committee on Rules with the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Virginia (Mr. DAVIS) in support of this conference agreement.

When I joined my friend from Fairfax, Virginia (Mr. DAVIS) in introducing H.R. 775 on February 23, we talked about the importance of enacting meaningful bipartisan Y2K litigation reform as quickly as possible this year so that we would lift the shadow of frivolous litigation in time to do some good. Mr. Speaker, that is exactly what we are doing today.

So I strongly urge all of my colleagues to support this bipartisan conference report. It is a credit to this institution and to the bipartisan teamwork that is so often critical to enacting meaningful legislation. So I urge support of both the rule and the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California (Mr. DREIER), my dear friend, the chairman of the Committee on Rules for yielding me the customary half hour.

Mr. Speaker, when the House version of this bill came to the floor a few weeks ago, it was a massive tort reform package masquerading as a way to exterminate the millennium bug. The version of that bill was dangerous and probably would have made matters even worse. Fortunately, this bill has changed significantly from the original version. Although I still have some concerns over the measure, it is still a vast improvement over the last version.

Mr. Speaker, in exactly 6 months, all of us will find out whether the predictions of doom and gloom surrounding the event of the year 2000 are all they are cracked up to be. We will see whether or not medical care, food safety, and environmental safety are compromised in any way because, right now, high-tech companies from Boston to Silicon Valley are working very hard to correct their programs in order to ward off potential disasters. I certainly hope that they succeed.

But in case they do not, Mr. Speaker, they should be held responsible for problems that might arise within reason because even though we need to weed out frivolous claims and encourage alternatives to lawsuits, we still need to preserve the people's judicial recourse.

What I would prefer, Mr. Speaker, is for companies to work out these problems before anything horrible happens. I hope this bill will help get us there, and I hope Congress will keep working with the high-tech firms to help them fix the problem now so that we can minimize the amount of pain and suffering felt in the days following January 1, 2000.

Mr. Speaker, I urge my colleagues to support this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have no speakers at this time, and I would urge that we move ahead with the expeditious consideration of this rule. I hope that my friend on the minority could help us move along.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentlewoman from California (Ms. LOFGREN).

□ 1115

Ms. LOFGREN. Mr. Speaker, I am very pleased to support the rule on this conference report and look forward to voting for the conference report itself. I think that this is a good example of what we can accomplish when we extend our hands across the aisle and work in a bi-partisan way to come up with solutions that are practical and effective.

As I mentioned about a week ago today, there are probably a dozen different ways we could draft a bill that would address the Y2K issues. The conference report is one of them. There is no one way it is perfect, but certainly it is workable and one approach that I think will gain broad support in this House on both sides of the aisle.

I wanted to say something else today about bi-partisanship. I want to note that yesterday, once again, as has happend for years now, the research and development tax credit expired. This is a terrible situation that we have allowed to occur once again. High-tech companies in Silicon Valley become frustrated when the research and development tax credit expires each year. And, as we know, if the research and development tax credit is not lengthy or permanent, it is very difficult to get the maximum value out of that research and development tax credit.

That's why I and 157 other Members of this House, support H.R. 835, a bill to make the research and development tax credit permanent. We have not yet acted on this bill. I would therefore ask, in the spirit of bi-partisanship evidenced by this Y2K bill, that we bring the R&D permanent tax credit to this floor for a vote no later than the week of July 12. I know that once we get the R&D tax credit to the floor, we will have an overwhelming vote in support of that permanent extension. I look forward to doing that.

I do not want, as has happened several times each year in the past, to have a gap where the R&D tax credit was not renewed and, did not exist, as it does not exist today.

We know from the 1998 study by Coopers & Lybrand that the permanent R&D tax credit would likely have prompted an additional $41 billion in research and development investment from 1998 through 2010, a 31-percent return on investments.

So let us celebrate what we have achieved here on the Y2K remediation bill, and let it serve as a challenge to us to do the same thing with regard to the R&D tax credit by making it permanent.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to simply congratulate my California colleague on her superb statement, and I would say that the spirit of bipartisanship which we have shown on this Y2K litigation reform bill is, I hope, a model we can use not only for, as she said, research and development tax credit, making that permanent, but also in just a few minutes when we consider the very important rule on H.R. 10, financial services modernization.

With that, I urge support of the rule and the conference report.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. EWING). All time has expired.

Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 423, nays 1, not voting 10, as follows:

[Roll No. 263]

YEAS—423

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee
(TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-
McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Kucinich

NOT VOTING—10

Becerra
Brown (CA)
Brown (FL)
Cox
Doolittle
Ehrlich
Fossella
Green (TX)
Lewis (CA)
Pickett

☐ 1141

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. DOOLITTLE. Mr. Speaker, on rollcall No. 263, I voted "yes" on the Y2K Rule, but my vote was not recorded. On the subsequent vote, I discovered that my voting was not being read by the voting machine. The card has been turned in for replacement. Had I been present, I would have voted "yes."

PROVIDING FOR CONSIDERATION OF H.R. 10, FINANCIAL SERVICES ACT OF 1999

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 235 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 235

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed 90 minutes, with 45 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Financial Services and 45 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Commerce. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of the Rules Committee Print dated June 24, 1999. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. No amendment to that amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

☐ 1145

The SPEAKER pro tempore (Mr. EWING). The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, this legislation before us is a structured rule providing for the consideration of H.R. 10, the Financial Services Modernization Act of 1999. Passage of this rule today is another step in the long and carefully considered repeal of the Depression-era rules that govern our Nation's modern financial services industry.

The rule provides for 90 minutes of general debate, 45 minutes equally divided between the chairman and the ranking member of the Committee on Banking and Financial Services and 45 minutes divided equally between the chairman and ranking member of the Committee on Commerce.

The rule also waives all points of order against consideration of the bill. The rule makes in order an amendment in the nature of a substitute consisting of the text of the Committee on Rules print dated June 24, 1999, as original text for the purposes of amendment.

The rule also waives all points of order against the amendment in the nature of a substitute.

The rule further provides that no amendment to the amendment in the nature of a substitute shall be in order except those printed in the Committee on Rules report, which may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and opponent, and shall not be subject to amendment and shall not be subject to a demand for a division of the question.

The rule also waives all points of order against the amendments printed in the report.

The rule allows the chairman of the Committee of the Whole to reduce voting time to 5 minutes on any postponed question, provided voting time on the first in any series of questions is not less than 15 minutes. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, this rule allows for consideration of a total of 11 amendments, five which are offered by the Democrats on a bipartisan basis. The rule, like the underlying legislation, deserves strong bipartisan support.

Ten of the amendments made in order with this rule are debatable for 10 minutes each. They address important issues such as limitation of fees associated with acquiring financial products and taking steps to prevent institutions from requiring customers to purchase insurance products as a condition of receiving a loan and other important items.

This rule also allows 30 minutes of debate on an important amendment, crafted in a bipartisan manner to strengthen the bill's provisions related to maintaining the privacy of a consumer's personal financial information.

This privacy amendment is truly historic. It represents the strongest proconsumer privacy language ever considered by the House.

This work product that we present today comes as a result of extensive work out of two major committees, including the Committee on Banking and Financial Services and the Committee on Commerce who have primary jurisdiction over this bill. In an intensely bipartisan effort to bring together or to merge the best parts of both of these bills, colleagues of mine on the Committee on Rules on both sides of the aisle have crafted what I think is the best legislation for America. In fact, a senior member of the Committee on Banking and Financial Services, the gentleman from Minnesota (Mr. VENTO), yesterday stated in testimony before the Committee on Rules, and I quote, "Obviously the issues with privacy that have been worked out here are stronger than either bill from the other committees." This compromise is well crafted and bipartisan.

Mr. Speaker, this rule meets the twin goals the Committee on Rules grappled with yesterday, allowing fair and vigorous debate on various alternatives, yet moving this delicate compromise forward to House passage.

Mr. Speaker, 65 years ago, on the heels of the great Depression, the Glass-Steagall Act was passed, prohibiting affiliation between commercial banking, insurance and securities.

However, merely 2 years after passage, the first attempt at repealing Glass-Steagall was instituted by Senator Carter Glass, one of the sponsors of the legislation. He recognized that changes in the world and in the marketplace called for more effective legislation.

Two generations later, the need to modernize our financial laws is more appropriate than ever.

There is no doubt about it, reexamination of regulation of the financial services industry in America is a complicated matter. Congress recognizes that busy American families where many times both parents work to make ends meet have little time to consider complicated banking law. But Congress now is working again to repeal Glass-Steagall with exactly these hard-working Americans in mind.

This legislation is designed to give all Americans the benefit of one-stop shopping for all their financial services needs. New companies will offer a broad array of financial products under one roof, bringing convenience and competition. More products will be offered to more people at a lower price.

As a result of this legislation, Americans will have more time to spend with their families, more money to spend on their children, and the opportunity to save for their future.

Americans deserve the most efficient borrowing and investment choices. Americans deserve the freedom to pursue financial options without being charged three different times by three different companies for a product.

This legislation is designed to increase market forces in an already competitive marketplace to drive down costs and broaden the number of potential customers for securities and other products that are before us today.

Mr. Speaker, I urge my colleagues to support this well-balanced rule that is an extremely complicated and delicate piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my colleague from Texas for yielding me the customary half-hour, and I yield myself such time as I may consume.

Mr. Speaker, Congress has been working on a banking modernization bill for decades. Last night, June 30, 1999, we finally had a chance to get it right. Last night, we had a bill that managed the confusing crossroads where banks, insurance companies and securities industries meet. It had bipartisan support in two committees. It would have passed the House overwhelmingly. It would have been signed by the President quickly. And for the first time since 1933, Mr. Speaker, the United States would have updated its banking laws.

But, for some reason, the Republican leadership decided that it was more important to keep Democrats out of the process than to pass this banking bill. After years, Democrats and Republicans together worked out a bill to modernize financial services, but the Republican leadership decided to make war instead of history and remove several important provisions because they were authored by Democrats.

This pattern of sabotaging bills with overwhelming bipartisan support in committees then removing Democratic-authored provisions and passing bills by the narrowest of margins with the fewest Democratic votes is becoming more the rule than the exception.

Mr. Speaker, we do not have to look any further than the agriculture appropriations bill, the legislative branch appropriations bill, the DOD rule and the juvenile justice bill to see the pattern that has emerged.

Mr. Speaker, why does the Republican leadership feel compelled to do this? On a substantive level, it is the American people who ultimately lose out.

The gentlewoman from California (Ms. LEE) had an amendment to require insurance companies to treat people from low-income areas the same as anyone else. It passed the Committee on Banking and Financial Services. It was part of the bill. And, last night, the Republican Committee on Rules took it out.

The gentlewoman from New York (Ms. SLAUGHTER) had an amendment to strengthen family decision-making by requiring parents' signatures on credit card increases for children under 18. Last night, the Committee on Rules' Republican members refused to allow it.

The gentleman from Massachusetts (Mr. MARKEY) had an amendment to protect people's private information from becoming part of Big Brother's marketing arsenal. Last night, the Republican leadership refused to allow it.

The gentleman from Oklahoma (Mr. LARGENT) had a great amendment, to enable the Federal Reserve to protect small towns and rural areas from being taken over by mega-banks the way hardware stores have been taken over by Wal-Mart. It was part of the Commerce bill. Last night, the Republican Committee on Rules took it out.

The gentleman from California (Mr. CONDIT) had an amendment to keep people's personal medical records private. Last night, the Committee on Rules refused to allow it.

The gentlewoman from Colorado (Ms. DEGETTE) had an amendment to prohibit insurance companies from discriminating against victims of domestic abuse. It passed the committee overwhelmingly, but the Republican leadership took it out.

Meanwhile, for some reason, Mr. Speaker, that I still cannot fathom, last night the Republican leadership included an amendment which will shut down the Bank Secrecy Act and cripple law enforcement's ability to trace and recover ill-gotten money.

In other words, the Republican leadership is protecting the privacy of suspected felons while at the same time opening up the private lives of American families. They are choosing enormous corporations over victims of abuse and profits over progress.

Mr. Speaker, when this new Congress began, I was hopeful about the new Republican leadership. I was hopeful they would put partisanship aside, reinvigorate the committee process and pass some bills to help the American people. But, Mr. Speaker, I am very sorry to see that party politics is still winning out over responsible legislating, and I think it is time the American people get a little more from their Congress.

Mr. Speaker, I feel the American people have had enough investigations, they have had enough partisanship. They want their Medicare protected, they want their Social Security shored up, they want their medical records kept private, and they want their banks to operate fairly.

□ 1200

They want their Congress to pass some bills, even if Democrats vote for them, that will make their lives just a little bit easier, their children a little bit safer and their world a little bit fairer.

Mr. Speaker, I am sorry that I have to withdraw my support from this rule. I hoped we could have passed this bill with a wide range of support. I had hoped the American people would be put first.

I urge my colleagues to oppose this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased and honored to have the gentleman from Massachusetts (Mr. MOAKLEY) to stand up and to talk about this process that we have been going through. As he is well aware, for many weeks we have worked together in a bipartisan basis. It is absolutely true that last night we came at the time a vote was necessary for us to decide what would be made in order, and I would like to reiterate that there were 11 amendments, 5 which were offered by Democrats or on a bipartisan basis that were accepted, and one of those amendments that was accepted was crafted very carefully, with a lot of hard work by the gentlewoman from Ohio (Ms. PRYCE).

Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Ms. PRYCE) to join in this debate.

Ms. PRYCE of Ohio. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding this time to me. I rise in strong support of this fair and balanced rule which the House or which allows the House to debate and vote on the Financial Services Act. Updating our Nation's antiquated banking laws has been a goal of Congress for nearly 20 years, and we are finally standing on the doorstep of success. The journey to this point has been arduous, but those of us who have worked on this legislation understand the great benefit to our Nation's competitiveness and to American consumers who will enjoy more seamless financial services as a result.

The delicately crafted compromise legislation that will allow us to achieve these goals is protected by this balanced rule, and anyone who claims to be for financial services modernization should support the rule. It is our best chance to go forward.

There are many who have sacrificed their own key issues and set aside their view of a perfect world in order to achieve the laudable goals of financial modernization, but, Mr. Speaker, sadly last night the spirit of compromise and sacrifice broke down in spite of the fact that 5 of 11 of the amendments that were adopted had Democratic names on them; broke down, and my Democrat colleagues on the Committee on Rules decided to undermine the years of hard work and jeopardize the success of financial modernization over the fate of one amendment.

Perhaps more disappointing is their decision to dishonor a commitment to bipartisanship on the bill and on an amendment that will protect the privacy of consumers' financial personal information. This is not a policy issue. The substance of the privacy amendment has not changed. It is a case of political one-upsmanship that dismisses the interest of the American people.

I hate to say it, but it appears that the Democrats are grasping at straws to find any issue with traction that bolsters their political advantage whether or not the policy is sound.

As a moderate Republican and a person who advocates reaching out across party lines to build consensus, I have to say that today I understand the public's cynicism about politics and politicians. It is truly a sad day for America when their elected representatives expend their energy to create chaos for political gain rather than progress for the American people. It is no wonder the American people are jaded. I know I am. But I cling to the hope that we will use our better judgment and redeem ourselves by voting to pass this rule and moving forward to pass historic bipartisan financial modernization legislation. I urge a yes vote on the previous question and the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. FROST), a member of the Committee on Rules and the caucus chair.

Mr. FROST. Mr. Speaker, it is with great sadness that I rise in opposition to this rule. I do so, Mr. Speaker, in spite of my efforts to work with the Republican majority to pass a meaningful and bipartisan financial services modernization bill.

Mr. Speaker, I must oppose this rule because the Republican majority has deliberately given short shrift to redlining, an issue fundamental to Democrats and has denied us even the right to bring this subject up on the floor today. Democratic opposition to this rule because of this move on the part of the Republican leadership should come as no surprise. I would like to review how we reached this situation.

Several weeks ago, I was encouraged by the Republican leadership on the Committee on Rules to work on a bipartisan solution to the issue of financial privacy. I along with ranking Democrats on the Committee on Banking and Financial Services, the gentleman from New York (Mr. LAFALCE) and the gentleman from Minnesota (Mr. VENTO) worked closely with my colleague on the Committee on Rules, the gentlewoman from Ohio (Ms. PRYCE) to develop a reasonable compromise on what has become a very contentious issue. We believed we had come up with just such a compromise. While our amendment gained support of a number of members of the Democratic Caucus, a significant number of our caucus oppose it because they believe it does not go far enough.

While my Democratic colleagues and I were working to fashion this compromise, it came to my attention that the leadership of the Committee on Banking and Financial Services and the Committee on Commerce had unilaterally dropped from H.R. 10 an important provision relating to insurance redlining against minorities and women. This provision had been part of the Committee on Banking and Financial Services bill reported by the Committee on Banking and Financial Services, and its inclusion had been instrumental in assuring the large bipartisan majority approval of the bill in the Committee on Banking and Financial Services.

The gentleman from Iowa (Mr. LEACH) had been told by his ranking member that this provision had to stay in the text of the bill in order for Democrats to continue to support the bill. Yet when the Committee on Banking and Financial Services and the Committee on Commerce Republicans met to reconcile the two differing versions of the bill, the antiredlining language was dropped.

Let us talk about what was dropped. This is a provision that seeks to prevent a financial holding company from engaging in the new activities allowed by H.R. 10 if an affiliated insurance company engages in discriminatory insurance redlining. Mr. Speaker, this is a fundamental issue for Democrats. This is an issue of fairness and equity. It is an issue that divides right from wrong.

I told the Republicans on the Committee on Rules in no uncertain terms that it would be unlikely that a single Democrat would vote for this rule if this language were not restored to the bill either by incorporating it into the base text or allowing an amendment to restore it on the floor. Let there be no mistake. I made this very clear long before last night's meeting. This was no surprise.

Yet, Mr. Speaker, last night the Republican majority on the Committee on Rules cavalierly ignored my advice. By doing so they have created a situation in which it is impossible to consider this bill on a bipartisan basis. They have thrown away the bipartisan goodwill and the hard work and dedication to the issue of financial services modernization as well as the hard work that went into what could have been a true bipartisan compromise on the most contentious issue of the bill, that of financial privacy.

It is clear that the Republican leadership has decided to try to pass this rule without Democrat support. In doing so they have made a decision to jeopardize essential and critical legislation if even a few members of their own party desert them. Stated more simply: The Republican leadership runs the very real risk of snatching defeat from the jaws of victory.

This is a tragedy for our country. It is high time that we pass financial modernization legislation, that we leave behind the depression era laws that hamstring the financial services industry and prevent them from becoming truly competitive in the global marketplace. With the hard work of a number of Members of good will on both sides of the aisle, that objective was in sight, yet, Mr. Speaker, the Committee on Rules majority last night denied the one amendment that could have guaranteed passage of the rule and perhaps the bill.

I cannot understand how the Republican leadership could let this happen. But their decision has been made, and now all of us must live with the consequences.

Mr. SESSIONS. Mr. Speaker, I yield 2 minute to the gentleman from Findley, Ohio (Mr. OXLEY).

Mr. OXLEY. Mr. Speaker, the gentleman protested too much.

When I came to the Committee on Rules yesterday in support of the bipartisan amendment on privacy and I was greeted by my friends on both sides of the aisle saying that we had a positive amendment that was going to deal with the privacy issue, it was supported by broad sectors of both parties, and when I left the Committee on Rules late yesterday afternoon, my assumption was that not only would that amendment be made in order, but the amendment would be cosponsored by Democrats and Republicans alike. When I found out later that evening, last evening, that there had been a failure on the part of my friends on the Democratic side to cosponsor the bill, I was deeply offended.

Now I do not get on this floor very often and get partisan, but I am telling my colleagues, around this place your word is your bond, and if you tell me that you are going to cosponsor an amendment with me, I fully expect that you will carry through. And the fact is that because of some political gamesmanship and somebody trying to take partisan advantage of somebody of goodwill, we find ourselves today in a partisan debate over an issue like financial services that has been bipartisan and supported by bipartisan majorities in both the Committee on Commerce and the Committee on Banking and Financial Services. And I think it is an outrage, an outrage, for people like me who acted in good faith to have the rug pulled out from under me because of some political game playing.

Now I want everybody to support the rule. This is a good rule, it is a fair rule, and I suspect that when our amendment is offered on the floor, there are going to be a lot of Democrats who were going to cosponsor that amendment who were going to vote with us on that amendment because they thought it was a good amendment last night and they think it is a good amendment today.

So let us support the rule, let us get away from this nonsense of partisanship, pass this rule and pass this historic legislation as well.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. LAFALCE), the ranking member on the Committee on Banking and Financial Services.

Mr. LAFALCE. Mr. Speaker, I regret so very much that I must come here and oppose the rule because from the beginning of this Congress I have worked so closely with the chairman of the Committee on Banking and Financial Services, the gentleman from Iowa

(Mr. LEACH), the chairman of the Committee on Rules, the gentleman from California (Mr. DREIER), and so many Members on my side of the aisle such as the gentleman from Minnesota (Mr. VENTO), et cetera, to craft a bill that we could wrap up and give almost as a gift and say: Pass it. And I think we did, and unfortunately last night the gift was unraveled.

We thought that there would be basic Committee on Banking and Financial Services text. In considerable part there was, but in some important parts there was not. For example, the issue of insurance redlining, I advised my chairman that this was taking on increased importance. I went to the Committee on Rules and said, I have a consumer amendment that I would like to offer with four parts; the most important part is the Barbara Lee amendment. I cannot begin to tell you how many Democratic votes I might lose if this is not base text or at least permitted as an amendment.

There was something else I said too: Look at the gentleman from Ohio (Mr. OXLEY), he said we worked out a good bipartisan amendment on privacy. He is right, it is good. It could be better, no question about it, but it is very, very good. But on the issue of medical privacy, which is totally different, I said we have a big concern.

Virtually every medical association and health association in the entire United States is concerned. We can deal with that concern by either making crystal clear, explicit that the language on medical privacy does not preempt the right of the Secretary of HHS to issue regulations subsequent to August 21, and the bill, the amendment of the gentleman from Iowa (Mr. GANSKE), just does not do that, it does not address the issue. Or alternatively, take the amendment of the gentleman from California (Mr. WAXMAN) which would delete the medical privacy provisions. The amendment of the gentleman from Ohio (Mr. OXLEY) and myself and others does not deal with that issue at all; that is in base text now.

They did not do that. They allowed some other amendments that are atrocious, that undermine the Bank Secrecy Act. It would permit the redomestication of mutual insurance companies that has nothing whatsoever to do with financial services.

□ 1215

Mr. SESSIONS. Mr. Speaker, I yield 3 minutes to the gentleman from Atlanta, Georgia (Mr. LINDER).

Mr. LINDER. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding the time.

Mr. Speaker, I rise in strong support for House Resolution 235, a structured rule providing for consideration of H.R. 10, the Financial Services Act of 1999.

Mr. Speaker, what we are witnessing this afternoon is the politics of legislative destruction. There are some in this Congress whose game is to stop important legislation, especially historic legislation, and there should be no doubt that this banking bill is an historic accomplishment.

This bill has been painstakingly crafted to achieve a balance between all of the parties, and we have a great opportunity to promote competition, protect consumers and give firms the ability to compete globally as we enter the 21st century, and this rule will hold together the compromise legislation that Members have constructed after many years of hard work. Unfortunately, because some Members did not get everything they wanted, they decided to threaten the passage of the legislation.

Earlier this week, we had a strong, bipartisan privacy amendment with Democrat and Republican cosponsors. I sat through 4 hours of testimony in the Committee on Rules yesterday, and leading Democrats on the Committee on Banking and Financial Services argued that this privacy legislation was a great accomplishment and that the language would benefit American consumers. Then last night, because they did not get everything they wanted, some Members took their names off the bipartisan amendment and decided for partisan purposes to jeopardize this important legislation.

Perhaps because of this kind of partisan demagoguery, and we are going to hear the minority demagogue privacy and redlining all afternoon, much of the financial services industry remains the same as it was 66 years ago. We have a chance to change the New Deal regulations that locked down certain activities and interests of financial security. H.R. 10 will free the market to determine the future of the financial services industry.

I am also surprised that any Member would endanger banking modernization, because the timing of this legislation is critical. American institutions are losing market share to foreign financial institutions. This bill will modernize the industry and relieve U.S. financial institutions of their current international competitive disadvantage.

It comes down to this: The philosophy of this Congress is to encourage competition in order to provide more efficient service and superior products to the consumer. We did that in telecommunications. We put market forces to work in crafting Medicare. Today we lay the foundation for a new financial services industry that creates more choices and lower prices for consumers and enables companies to compete in the global marketplace.

Are all the interested parties happy with everything in the bill? No, certainly not; including me.

There is an amendment that I wish were made in order but it could not be, and that is probably a pretty good indication that we have a good piece of legislation in front of us.

I urge all of my colleagues to ignore the demagoguery, understand that there is an effort here to make a partisan victory. Support this rule and pass this historic legislation.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was just handed a letter written by Robert Rubin, Department of Treasury, who I am sure is not engaged in this political plight. I would like to read a paragraph.

"While the amendment purports to be about bank customer privacy, in reality it will significantly undermine the crucial law enforcement tool, the Bank Secrecy Act. The amendment would eliminate the mandatory reporting of suspicious activity, enabling money launderers to deposit as much as $25,000 of dirty money with no report being filed, and eviscerate provisions aimed at preventing money laundering at financial institutions." Signed Robert Rubin.

This was done away with as a result of the Paul amendment.

Mr. Speaker, I include the letter for the RECORD.

DEPARTMENT OF THE TREASURY,
Washington, DC, July 1, 1999.

Hon. RICHARD A. GEPHARDT,
Minority Leader,
House of Representatives, Washington, DC.

DEAR DICK: I write to express my concern about the Paul-Barr-Campbell amendment to H.R. 10, the Financial Services Act of 1999. The Department of the Treasury strongly opposes this amendment.

While the amendment purports to be about bank customer privacy, in reality it will significantly undermine a critical law enforcement tool—the Bank Secrecy Act (BSA). The amendment would eliminate the mandatory reporting of suspicious activity enable money launderers to deposit as much as $25,000 of dirty money with no report being filed, and eviscerate provisions aimed at preventing money laundering at financial institutions.

For nearly 30 years, the BSA has been a critical component of our attack on money laundering. Its requirements help prevent the placement of dirty money in our financial institutions and provide information vital to detecting and investigating money laundering. Combating money laundering, in turn, has proven to be a remarkably effective way to attack drug cartels and other criminal groups. In Operation Casablanca, the largest drug money laundering case in U.S. history. Customs used suspicious activity reports (SARs) and currency transaction reports (CTRs) to identify subjects and assets linked to the overall conspiracy. By weakening these BSA reporting requirements, Paul-Barr-Campbell would mark a retreat in our fight against narcotraffickers.

In addition to keeping drug money out of our financial institutions, the record-keeping and reporting requirements also help law enforcement detect and investigate financial crimes aimed at those institutions. According to the FBI, during FY 1998, it used SARs in 98 percent of the cases initiated by its financial institution fraud unit. In the same period, the Department of Justice secured

2,613 fraud-related convictions in cases involving SARs, and restored more than $490 million in proceeds to victims of fraud schemes.

Every Administration since 1970 has supported the BSA. Because of the BSA, the United States is viewed as a leader throughout the world in assuring that individual freedom and reasonable financial transparency are not only compatible but go hand in hand. I urge you to support law enforcement and protect the integrity of our financial institutions from drug traffickers and other criminals by opposing the Paul-Barr-Campbell amendment.

Sincerely,

ROBERT E. RUBIN.

Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. DINGELL), the ranking member of the Committee on Commerce.

Mr. DINGELL. Mr. Speaker, this is a bad rule. It is a bad bill, and the process is arrogantly crafted to deny the House the opportunity to consider important questions.

It is the function of the Committee on Rules to make possible an orderly debate but also to see to it that important national questions are discussed. This is not a rule: it is a gag rule.

The committee has chosen to deny the committees and the Members of this body opportunities to discuss very important matters.

The rule is unfair to taxpayers. It greatly prevents us from addressing the question of how we will assure that banking insurance paid for by the taxpayer will not be used to cover risky, speculative activities. No amendment can be offered on this point.

The rule is unfair to consumers. The rule does not permit amendments to restore consumer protections stripped out of the bill by the Committee on Rules.

The bill preempts more than 1,700 State insurance laws across the country, and, if this bill passes in its current form, every State insurance law that is to protect consumers of insurance products will be essentially rendered null and void.

We will be allowed to consider one consumer-related provision. That is an amendment to deny consumers meaningful information on the costs of products that they buy, and we will change that.

This rule is unfair to investors. The bill still contains enormous loopholes in investor protections when securities are sold or underwritten by banks. An amendment to close just one of those loopholes was denied by the Committee on Rules.

The worst thing that this bill does is it denies protection of privacy of American people. It does not allow the ordinary citizen to know that his personal financial information is not going to be thrown around wherever the holder of that particular information might choose to place it.

We have an amendment which would have assured protection of that. That amendment is prohibited by this rule.

In like fashion, the medical information of every citizen is, under this legislation, thrown open to the gaze of all. The result of that, of course, is going to be significant loss of personal privacy by ordinary citizens with regard to medical conditions and medical care.

I think that is wrong. The Committee on Rules did not permit an amendment to address that question.

My question to the Republican leadership, my question to the Committee on Rules is: What are they afraid of? Why is it they are gagging this body? Why is it that they refuse to allow these questions to be debated?

Let us allow the House to work its will. Let us allow fair consideration of all of the important questions that need to be addressed. If my colleagues are right, I am sure they will prevail. If they have the votes, they might even prevail when they are not right, but the hard fact of the matter is at least allow the House to address these questions. They are important.

I am sorry to see the day when the Committee on Rules would exert such outrageous power.

Mr. SESSIONS. Mr. Speaker, I would inquire as to the time remaining on both sides.

The SPEAKER pro tempore (Mr. EWING). The gentleman from Texas (Mr. SESSIONS) has 15½ minutes remaining. The gentleman from Massachusetts (Mr. MOAKLEY) has 14 minutes remaining.

Mr. SESSIONS. Mr. Speaker, I yield 2 minutes to the gentleman from Des Moines, Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Speaker, as Members on both sides of the aisle know, I have stood on this floor night after night talking about abuses in the HMO industry and insurance, and I do that not to bash the insurance industry but to try to protect patients.

There is a provision in this bill that I think helps protect consumers. We are talking about creating an entity that combines insurance, banking and securities. I think there should be a provision in this bill that protects a person who has insurance information on their health from having that information transferred over to the banking side.

I do not want information like this, or HIV positive status, being transferred to the banking component. So in this bill there is a provision that was passed by the Committee on Banking and Financial Services with a lot of Democrat votes. Most of the Democrats on the Committee on Banking and Financial Services voted for this language that says that unless a consumer authorizes, someone cannot take that health information from the insurance portion and transfer it to the banking portion, or outside of it.

Nothing in this legislation precludes the Secretary of Health and Human Services from going ahead and issuing her regulations. I want it to be on the record that the intent of the author of this provision, me, specifically says this legislation does not preclude the Secretary from going ahead and issuing regulations. Specifically in this bill, this language, it says that if comprehensive medical privacy legislation passes, it supersedes this language. This is an important consumer consideration. We should have something in this bill that protects a consumer from thinking that their private health insurance information can be shared with those affiliates within that financial services company.

This is a consumer protection. Does it go as far as some of the people who want comprehensive language? No. Does it deal with research? No. Those are very complicated issues that we need to deal with, but this is something that we all should support, and I urge my colleagues to support the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MARKEY), the author of the privacy amendment that was not allowed.

Mr. MARKEY. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding me this time.

Mr. Speaker, this is a terrible rule. The gentlewoman from California (Ms. LEE) in the Committee on Banking and Financial Services wanted an amendment to protect against insurance companies redlining the poorest people in our country. The Committee on Rules strips out the protection for those poor people, just strips it out. That is not fair. It is a bad rule.

I won my amendment in the Committee on Commerce guaranteeing the protection of privacy for the checks, for the mortgages, for the insurance records, for the brokerage receipts of every American, inside the bank, outside the bank. The Committee on Rules strips it out. They will not allow for those protections to be built into this bill, and no amendment will be put on the floor which makes it possible.

The gentleman from California (Mr. CONDIT) asked the Committee on Rules to put in order an amendment which would allow for medical records, your children's Ritalin, your daughter's anorexia, your wife's breast condition, your father's prostate condition to be protected. They will not allow the Condit amendment to be debated on the floor.

Mr. Speaker, there is a Dickensian quality to this wire. Yes, we want financial industries to be able to work more efficiently, but it is the best of wires and the worse of wires simultaneously.

The Republicans are saying we need commerce but commerce without a conscience, without any protection for poor people, without any protection for medical records, without any protection for everyone's financial secrets that no one else has any business getting into.

Mr. Speaker, they are willing to protect people's secrets from being robbed by third parties but not against embezzlement inside of a bank. They can take someone's information and sell it to anybody they want.

This is a terrible rule. This is a rule which compromises the individual integrity of every American in our country. I strongly urge a no vote on the rule so that we can have the proper amendments put in order to give the American individual the protections which they are going to need as we move to this new era of cyber-banking.

Every American has a right to knowledge about information being gathered about them, notice that it is going to be reused for purposes other than that which they originally intended, and the right to say no to banks, to hospitals, to insurance companies, to anyone else that seeks to use a family's private information as a product.

The Ganske amendment does not provide that protection. The exceptions in the Ganske amendment swallow this rule. There is no protection against medical records being compromised. Vote no on this rule. Send it back to the Committee on Rules. Allow for these amendments to be brought out here on the floor for a full debate of the modern financial era and what it means to every American in our country.

Mr. SESSIONS. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. LEACH), the gentleman who is the chairman of the Committee on Banking and Financial Services and a gentleman who has been engaged in the methodical, bipartisan effort to get this bill where it is.

□ 1230

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding time to me.

Frankly, Mr. Speaker, perspective is very difficult to bring to situations like this. Let me say that I believe both sides have some truth. I am not a great enthusiast for this rule, but I would urge serious consideration to its passage. I will vote for it.

Frankly, the main two amendments that I asked to be placed in order were the Largent amendment, which would have protected community banks somewhat stronger, and the Lee amendment. By background, let me stress, the Lee amendment comes from the Committee on Banking and Financial Services. It passed by a one-vote margin in committee. I voted for the Lee amendment. I would have supported it on the House floor.

But I would also say to my colleagues that if they look at the big picture, two aspects have to be understood.

One, the principal committee of jurisdiction over the act that it modifies is the Committee on the Judiciary, and the Committee on the Judiciary objected to its consideration in this bill before it had a chance to look at it. That is something that in my view the Committee on Rules gave disproportionate attention to, but it was a valid consideration.

Second, let me just say on redlining, it is an important issue. But the most important aspect on this bill relates to the Community Reinvestment Act, which this bill broadens in two profound ways. One, it makes CRA a condition of affiliation for banks if they want to affiliate with insurance companies and securities firms, and second, it applies the CRA to a newly created institution called wholesale financial institutions. These are strong steps towards protecting against redlining.

Finally, I would caution people on the rhetoric of privacy. There has never been a bill in the modern generation that in its underlying text has brought more privacy protection to financial services than this one. The amendment that is being worked on brings even more. It may not go quite as far as some might want, but it nonetheless is the strongest privacy protection bill ever brought before this body in any modern Congress.

Mr. MOAKLEY. I yield myself such time as I may consume, Mr. Speaker.

I am sure if the gentleman's two amendments had been adopted in the Committee on Rules, we would not have had this fight on the floor. It probably would have been passed already.

Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, I rise to speak against the rule. First, I cannot believe that the Committee on Rules blocked several of our important consumer protection amendments. It is shocking that the Committee on Rules blocked the anti-redlining amendment adopted by the Committee on Banking and Financial Services in markup.

Somehow this amendment was just deleted with no vote, no debate, by the stroke of a pen or a computer error. When I asked my colleagues how this could happen this morning, I was reminded of the many anti-democratic maneuvers that we face each and every day in this House. How tragic.

This anti-redlining amendment is to prevent insurance affiliates from redlining. It fits squarely into our country's history to not tolerate discrimination in its many forms, but particularly not to allow discrimination in housing.

It was adopted in open session on a rollcall bipartisan vote. Whether it was by one vote or by 20 votes, it was democratically adopted. The amendment is an important tool in fighting redlining and racial discrimination. It is inconceivable to me that members of the Committee on Rules would go on record as opposing fair housing and in support of redlining.

I urge rejection of this horrendous, outrageous rule.

Mr. Speaker, we have not allowed banks to discriminate—why should we allow insurance Companies to discriminate?

It is vital to remember, to know that the Supreme Court, in recent years, upheld the Fair Housing Act as covering the sale of homeowner's insurance. The NAACP, and the Justice Department sued the American Family Mutual Insurance company on discrimination in selling their homeowner insurance. The Supreme Court ruled in their favor and the company settled. Thus, there is no question of federal interest in the sale of homeowners' insurance.

I have been informed that this amendment displeases the insurance industry. I hope that I am wrong. We are almost forty years from the blood, sweat and deaths of the civil rights movement. The cause for that struggle remains in 1999. This modest amendment asks the minimum: that insurance companies, just like banks, should not discriminate.

H.R. 10 is heavily biased toward the interests of the financial services industry with little concern for consumers and communities. Deletion of the Fair Housing Act protections exacerbates this imbalance—and reinforces the image of H.R. 10 as an industry legislative product.

The record of companies on fair lending, redlining, and discrimination should be a consideration in establishing eligibility for the formation of a financial holding company. Elimination of this provision rewards the lawbreakers and allows the guilty companies to have the same rights, the same privileges, the same benefits as the majority of companies which are law abiding.

I am shocked. I do not want to believe that insurance companies, in the lushness of our booming economy, would resist the idea behind the legislation. As I said earlier, the goal of the legislation is modest. It only asks insurance companies to not be in violation of the Fair Housing Act. That they be fair in selling their policies. That the sale of an insurance policy should be a business Transaction, not a transaction that gives vent to prejudices, stereotypes as to who is and who is not worthy of being a customer by virtue of their residence.

The Rules Committee has effectively blocked a formal, and democratically arrived-at decision to eliminate redlining. This blatant violation of our legislation process is outrageous and should be illegal.

I ask my colleagues to vote against the rule and to support a motion to recommit.

Mr. SESSIONS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Speaker, in urging adoption of this rule, I want to just touch on two issues that may be troubling some of our colleagues.

First, we are blessed in America with a greatly diversified financial services industry. Oftentimes, however, these financial institutions, their regulators, and Members of Congress find themselves at odds on important policy, business, and competitive issues.

While some banks are a part of a very large, diversified holding company and can take advantage of sophisticated delivery systems, others are independent and must fend for themselves.

Regulations are written chiefly to keep the large, complex organizations operating within the law, but then they are similarly applied to the same small, independent bank. This situation is made worse for the small community bank when we consider that their primary competitors escape the consequences of heavy regulatory and tax burden.

This is wrong. Federal policies should not be implemented to create an unfair competitive advantage that benefits one industry over another, where they compete for the same customer base.

We often overlook the fact that small banks are small businesses themselves. They serve as economic engines that drive the local rural economies, benefiting millions of consumers, small businesses, family farms, and local merchants.

Having said that, however, and as a free market proponent, I must also add that I am sensitive to the community banks' concerns. Although I am sensitive to those concerns, I cannot agree with their position that we should act to isolate them from competition.

No, I say to my colleagues, that is not a satisfactory answer to their concerns. Instead, let us work together in passing this rule and H.R. 10 today, and then work to pursue regulatory and tax relief for small community banks. It is crucial that we act to preserve the open market competition, rather than attempting to burden their potential competitors, and rather than attempting to turn back the clock.

Congress should work to help unburden the community banks in this country.

Mr. Speaker, my second point concerns the unitary thrift issue. H.R. 10 is designed to help increase competition and to benefit consumers, communities, and businesses. With those goals in mind, how can we justify reining in the unitary thrift holding companies?

Mr. Speaker, for the record, I would like to clarify that the unitary thrift holding company is not a loophole. More than 30 years of experience and volumes of legislative history underlay the foundation of its structure. Congress acted specifically to bring both capital and management expertise into the thrift industry and to promote housing.

Simply put, restricting firms from transfering ownership in an attempt to thwart competition disadvantages investors. In fact, some thrifts were created at the urging of the Federal government. I am strongly opposed to a legislative taking that might lead to significant costs to the U.S. Treasury. I feel strongly that investors should not have value taken from them through some arbitrary action of Congress.

No evidence based on safety and soundness has been presented that would justify prohibiting unitary thrifts from being sold to other companies. Likewise, no evidence suggests that financial companies that buy unitary thrifts should not continue operating their commercial activities.

Mr. Speaker, today we are focused on promoting economic efficiency and growth. Congress should do something positive for our independent community banks, rather than trying to do something negative to a group of potential competitors.

I urge my colleagues to pass this rule and adopt H.R. 10, and let us send it to conference.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I rise in strong opposition to the rule.

Frankly, banking modernization, financial modernization, is one of the important issues before the Congress. I want to commend especially the gentleman from Iowa (Chairman LEACH) and my fellow members on the Committee on Banking and Financial Services for working together. We brought together a good bill, with a lot of effort in terms of the private sector concerns, banks, securities, insurance firms, to deal with issues and the administration.

The other side of financial modernization is how it affects consumers. We protected CRA, we provided choice for corporations with regards corporate structure and regulator. Frankly, I think we put together a pretty good privacy solution that is embodied in this rule.

But beyond that, there is an important issue here of principle, one that I cannot violate. That is that communities cannot be redlined by insurance companies or anyone else. I know many stand for those same civil rights, those same rights to poor people, to minorities and others.

Frankly, the Committee on Rules last night extinguished that bright light of bipartisanship on the basis of something to me that is fundamental principle. We should correct that. We had before us a nice, bipartisan meal, three courses, and this Committee on Rules turned that meal to gruel. We should address that particular concern.

We cannot go back on the progress that we have made eliminating discrimination moving forward in terms of home ownership in this country, and the many other economic opportunities; that this financial modernization should not just extend to the profit side the financial institutions bottom line, but to the service of our constituents, to the minority populations blacks, Asians and Hispanics, to all the poor in our society who have a right to benefit from financial modernization. We have a responsibility to make certain that this law works for all.

That is what the promise of this bill is, and Members cannot stand up for three or four insurance companies that want to get in the way of extending that particular benefit to those who would be redlined. That is what this rule does.

There is probably enough blame to go around on both sides regarding the misunderstanding. There is much good in this bill. We could march forward and change this rule and provide for the opportunity to in fact challenge the redlining that occurs or may arise, and to fulfill really what is the promise of this Nation to all people, the opportunity to fully and fairly participate in the Nations economy and financial market place without discriminatory barriers such as redlining!

Mr. Speaker, as late as yesterday afternoon, I fully expected to be speaking in strong support of the Rule. That expectation was based on the fact that the House would be considering a solid, bipartisan legislative product. With Chairman LEACH's leadership, the Financial Services Modernization Act, as approved by the Banking Committee, laid a solid base which Democrats and Republicans alike could support. It had the support of the Administration and virtually most of the affected financial entities. There were congressional jurisdictional differences, to be sure, and pride of authorship disagreements but we worked together and achieved a good bill prior to the rules action. The reason for this broad support was simple—most Democrats and Republicans had put aside most partisan differences and worked on the issues. In the Banking Committee, very few votes were along party lines and the debate was on the substance—not to score political points. That is why our Committee reported H.R. 10 by a vote of 51 to 8.

My hope for this legislation was raised by the solid bipartisan agreement that was achieved for a strong privacy policy within the Rules Committee. I was proud to initially cosponsor that amendment with my Democratic and Republican colleagues. It was an amendment which would bring an effective, workable privacy protections for all consumers and an amendment which Democrats and Republicans could support.

Unfortunately, late in the night, the bright light of bipartisan cooperation was extinguished. With a good meal of bipartisanship set before us, the Majority Party leadership got a case of indigestion and served the House a rule of thin gruel. Instead of using Rolaids, the Leadership resorted to the old home remedy—muscle through a rule without any Democratic support.

It is an unfortunate decision. What could prompt the Speaker and the Republican leadership to walk away from the brink of bipartisanship? Was it some new Democratic plot to gain control? Or a liberal demand for more bureaucracy? No, it was a simple request for fairness. It was a request that in order for insurance companies to affiliate under this law of financial modernization, they had to comply with the Fair Housing Act. Simple stated insurance companies that discriminate cannot reap the rewards of this Act. Is that such an onerous demand? Should this legislation protect and reward those who practice racial redlining? That is what the House would be left with in this Rule. It's a matter of fundamental fairness.

The Republican majority and leadership run this House and while mistakes have occurred on both sides of the aisle, this issue of redlining can still be fixed. Unfortunately stubborn partisanship and special interests have won out. As a result, I cannot support this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, unfortunately, on the way to passing what would have been a very good bill, would have worked out the privacy issue in my regard, and I have worked with both sides to try and do this and was trying to get the rule passed, but the leadership, the Republican leadership, through apparently arrogant ineptitude, has messed this thing up.

We told them not to take the Lee amendment out, that that would raise the bar and make it impossible to get the rule done, but they did it anyway. They say they do not want to stop redlining, they want to stop commerce and banking, but then they made the Burr-Myrick amendment in order. Do Members know who that helps? It helps one insurance company in North Carolina. This is like a State legislative bill. This is like a special interest tax bill.

We worked in a bipartisan way to get this bill done. I take a more free market approach on these issues than probably most of the Republicans do. We had a good bill going. They messed it up. Are they going to do that to every piece of legislation that comes to the floor? This is just ridiculous. This is an important issue that we should get done and they failed, and they failed miserably.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, this bill was supposed to be about financial services, but it actually contains the most severe invasion of Americans' right to medical privacy ever considered by the Congress.

As the L.A. Times wrote in an editorial today, "not a shred of protections are left. Health insurers can peddle patients' privacy with little or no restraint." Under this bill, health insurers can sell genetic records to credit bureaus, life insurance companies, without the consent or even the knowledge of the patient.

I have a high regard for the gentleman from Iowa (Mr. GANSKE). I do not think he realizes what he has opened the door to in terms of the invasion of medical privacy. That is a different issue than privacy of financial records. But this medical privacy provision allows information to be made available and to be sold without us ever knowing about it, about our most intimate medical problems.

I would rather have nothing on medical privacy than a provision which takes us a big step backwards.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, here is another reason to oppose this rule. In the Committee on Commerce, the gentleman from Ohio (Mr. OXLEY), chairman of the subcommittee on Finance and Hazardous Materials and I offered an amendment to prohibit entities that sell insurance from discriminating against victims of domestic violence by selling, underwriting, or paying insurance policies by using domestic violence as an underwriting criteria.

This was an amendment unanimously supported in the committee, passed the House last year. It is very important. We should have voted on it by itself. Unfortunately, the amendment was not made in order by itself and was included as part of a very controversial amendment offered by the gentleman from Virginia (Mr. BLILEY).

What we are talking about here is trying to help businesses and trying to help consumers. Instead, we are just getting too cute by half. I think what we need to do is send this rule back to the Committee on Rules so they can get all of these amendments straight, and they can benefit consumers as well as businesses.

□ 1245

Then we can all vote for the bill. We can send it on to conference, and we can adopt it.

Mr. SESSIONS. Mr. Speaker, I yield 15 seconds to the gentleman from Iowa (Mr. GANSKE) for the purposes of rebuttal.

Mr. GANSKE. Mr. Speaker, I point out that the language on medical privacy says the insurance company shall maintain a practice of protecting the confidentiality of individually identifiable consumer health and medical and genetic information and may disclose such information only with the consent or at the direction of the customer.

Mr. MOAKLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. MENENDEZ), the chief deputy whip.

Mr. MENENDEZ. Mr. Speaker, I rise in opposition to the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, this rule is defective. This rule does not protect Americans' privacy. It protects piracy. It protects the continued piracy of banks who are selling our credit card numbers, selling our checking account information, selling even the account numbers in our savings accounts to telemarketers who call us at night and try to sell us products we do not want and we did not ask for.

Americans deserve the right to say no, to tell banks do not sell my credit card number. Do not sell my account information. Do not sell my checking account information.

If we kill this rule, we are going to give Americans that right. This rule is a cruel hoax. It has a loophole big enough to drive an armored car through. Because while it says they cannot give our information to third party telemarketers, it allows banks to simply buy the telemarketers and continue to commit the same crime, the same sin. All they have got to do is change the name on the door, and they will continue to violate our privacy rights.

Listen to the American people. Do not have industry dictate this rule. This is the people's House. Kill this rule.

Mr. SESSIONS. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Speaker, I must say that I do not believe quite this partisanship here. After all, this was the product of years of careful negotiation. If it had been easy, we would have passed this years ago.

But having said that, I want to get back to this question of privacy because obviously this does not deal with all the issues of privacy. But what is in this bill that has been stated is excellent.

Now, weeks ago, I, as the chairman of the Subcommittee on Financial Institutions and Consumer Credit, announced that, given the complexities of the privacy questions, we were going to have hearings. Those hearings are being held in July.

This is not the vehicle to write comprehensive privacy reform. I know that not only I, but certainly the gentleman from Iowa (Mr. GANSKE) and the gentleman from Virginia (Mr. BLILEY) and the Committee on Commerce will be working with us to get a more comprehensive look at the privacy issues.

This is not the vehicle for comprehensive privacy reform. This is being used as an excuse to let us not do our job and hand over to the regulators and the courts the continued rewriting of financial institutions. That is abrogation of our constitutional responsibility.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I rise in opposition to this rule. We had a chance to protect the privacy of American consumers. The Republican leadership blocked it. Instead, we have a bill that enables the insurance and the banking industry to disclose an individual's personal health and financial information without their consent.

What will failure to include these basic privacy provisions in the bill mean for Americans? One could be denied medical coverage based on incorrect information in one's medical record, records that consumers would have no opportunity to correct. Medical research would be stifled because no one would trust that their participation in a medical study would be private.

As a cancer survivor, I can tell my colleagues that the thought of my personal records being zipped around the Internet is frightening. This is the Big Brother bill. Big Brother is watching, watching one's medical records, watching one's financial records. He knows when one has been sick. He knows how much one has in one's bank account.

Enough is enough Congress. This bill violates the constitutional rights of American citizens. We can do better.

Mr. SESSIONS. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I rise in strong support of this rule. I am known to be very concerned about the privacy of all Americans and am tenacious in protecting the privacy of everyone.

I believe I am a well-known civil libertarian. But I do believe this bill adequately protects privacy, except in one area. It has not eliminated the potential Know Your Customer regulations. My amendment permits this. It is the regulations such as Know Your Customer that is the motivation for banks to collect so much information.

So I rise in support of the rule, but also mention that the Paul-Campbell-Barr amendment will allow us to bring to the floor an amendment that will eliminate once and for all the availability of Know Your Customer regulations by the various regulators.

I am in strong support of this rule, believing very sincerely this bill does protect privacy. But we can make it better by passing my amendment.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, I stand to ask the Congress to vote against this rule. I want to tell my colleagues why. Whenever there are this many kinds of constraints and hesitancies on the part of the body concerning a bill so important as this one, the main thing to do is just to kill it. Get rid of it. Vote against it because there are too many ifs in this particular rule. The if in terms of the gentlewoman from California (Ms. LEE) who tried to make it better by putting in something against redlining. All of the attempts at trying to help in terms of privacy were ignored by the Committee on Rules.

Well, that means only one bottom line. Vote against the rule so that they will have to go back and change this and consider some of the many things which my colleagues have heard here.

Holding companies who seek to be qualifying financial holding companies under H.R. 10 would be prohibited from violating the Fair Housing Act if one were to take the amendment of the gentlewoman from California (Ms. LEE). But, no, they did not. They did not see the right to take it. So now they take away the ability to pass a bill. Vote against this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I thank the very distinguished ranking member of the Committee on Rules for yielding me this time.

Mr. Speaker, I rise this afternoon in opposition to the rule. So many of my colleagues on this side of the aisle have expressed very eloquently their problems with the rule and why they oppose it.

My main reason and what brings me to the floor today in opposition is for the reason of privacy, privacy, privacy. If there is anything that runs through the veins of the American people, it does not matter what party they belong to, it does not matter where they live, it does not matter how much money they have, it does not matter what color they are, they want their privacy protected.

There is something wrong when the Congress considers a bill where the bankers know more than our doctors or have the same information. We need to stand with our constituents in this battle, and we need to stand next to what every red-blooded American understands, that what they have in their checking account, what they have in their money market account is no one else's business. It should not be sold. It should not be marketed. It should be kept private.

I urge a "no" vote on the rule and the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CONDIT).

Mr. CONDIT. Mr. Speaker, I rise in opposition to the rule today. We ought to do financial services reform. We ought to be doing that. But we ought not to be doing it at the expense of the consumer, at the expense of the patient and the citizen when it comes to protecting their privacy. That is what we are doing today.

We have made a choice to do this bill, to pass this bill in the House today at the expense of protecting the privacy of patients and consumers, and that is wrong. That is flat dead wrong. We ought to oppose this rule today.

I want to speak just for a moment to the reason why I think we ought to oppose it beyond not protecting our citizens' privacy. But we ought to oppose it on the medical privacy part of this bill. We offered two amendments to the Committee on Rules yesterday, both were rejected, that simply said let us set aside the medical privacy part of this bill.

It has been suggested by the gentlewoman from New Jersey (Mrs. ROUKEMA) that this is not the place or the time. She is right. We ought to debate it in a more comprehensive bill coming in July.

I would ask my colleagues please vote against this rule. Protect the privacy of the American people. Let us have a privacy debate at the appropriate time.

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are now at the very end of this debate on the rule. We have heard and had a vigorous debate today about. We have had a vigorous debate about the various aspects of this rule and of the bill that is before us.

I am pleased to say that, until last night, we had been working for weeks to craft a compromise, not only on privacy, but other issues. I can tell my colleagues that the compromise that was crafted up until last night is the one that is in the rule. It was bipartisan until then, and I am very proud of it.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER) the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I would like to thank the gentleman from Texas (Mr. SESSIONS) for yielding to me, and I congratulate him on the superb management of this rule.

The framers of our Constitution wanted the process of lawmaking to be difficult, and they wanted this place to actually be inefficient because they did not want one person to get too much power.

When I think about where I was 13 years ago, I was a Member of the House Committee on Banking, and I joined with the gentleman from New York (Mr. LAFALCE) and several of our former colleagues who are no longer here, Doug Bernard, Steve Barlett, Jack Hiler and others. At that time, we began crafting legislation that allowed for the establishment of financial services holding companies with what is known as a three-way street for affiliation among securities, banks, and insurance. It obviously was the wave of the future, and it is something that we are finally dealing with today.

Those efforts are finally coming to fruition after nearly a decade and a half. It is happening because of the work of the gentleman from Virginia (Mr. BLILEY) sitting back there in the back of the Chamber, the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking, and the gentleman from Ohio (Mr. BOEHNER), who is back in the cloakroom who last year brought us very close to a victory.

I think that we unfortunately have gotten to the point where we are allowing what has been said earlier, very, very petty partisanship, to undermine what is a very, very important issue that needs to be resolved.

Before we get to the issue of H.R. 10, as we all know, we have to pass this rule. This is a good rule which should have Democrats and Republicans supporting it. It makes in order as the underlying bill an amendment in the nature of a substitute which represents the extraordinary work of those people I have mentioned. I think that it helps us deal with these very, very competing interests that have been out there.

This amendment, the bill that we are going to be considering once we pass this bill is, as the gentleman from Iowa (Chairman LEACH) said when he stood up, the strongest pro consumer effort we could possibly have, the strongest privacy language that we could possibly have.

□ 1300

Now, there has been a lot of criticism leveled at my friend, the gentleman from Iowa (Mr. GANSKE). He and I were mentioned in my hometown newspaper today. The fact of the matter is, I encourage those critics on the medical privacy issue to read the bill, and I am just going to share a couple of lines.

It says: An insurance company shall maintain a practice of protecting the confidentiality of individually identifiable customer health and medical and genetic information, and may disclose such information only, only, with the consent or at the direction of the customer or as otherwise required, as specifically permitted, by Federal or State law; and compliance with Federal, State and local law, compliance with a properly authorized civil, criminal or regulatory investigation by Federal, State or local authorities is governed by the requirements of this section; or in broad protection risk control.

The fact of the matter is there are tremendous consumer protections in here to maintain the privacy.

Mr. Speaker, I am trying to complete my closing statement. I encourage my colleague to actually read the bill.

Now, let me make a couple of comments here about the rule.

If I can close my statement, because I am talking about this issue. We are trying to pass this rule. I have read the bill, and I encourage my friend to read exactly what I have read.

Let me say that as we look at efforts by my friend, the gentleman from Massachusetts, and by my colleague, the gentlewoman from California (Ms. LEE), these issues were put forward with one thing in mind, to try to delay this process even more than it already has been delayed. The goal is, in fact, to put this off for weeks. They would very much like to do that.

So I think that we have, in fact, put together a very, very important measure that finally moves us beyond 1933 and depression-era legislation. I do not think it moves us far enough, but this is a small and first step.

We know there is bipartisan support for most of the provisions in this bill. We know that there is bipartisan support for these packages. I hope very much that my colleagues on the other side of the aisle will join in supporting what is a very, very important measure.

Mr. SANDLIN. Mr. Speaker, I rise today in opposition to this rule.

I support financial services modernization, Mr. Speaker, and voted for H.R. 10 during committee consideration of the bill in the House Banking Committee. In order to deliver financial services to consumers effectively in today's economy, and in order to compete with financial conglomerates from overseas, American financial institutions need a modernized legal and regulatory environment. American consumers deserve the opportunity to take advantage of technological advances that have made one-stop shopping for financial services possible.

However, the Republican leadership and the Rules Committee have denied this House the opportunity to vote on several significant amendments on both sides of the aisle. Amendments preventing "redlining" and discrimination by insurance companies, promoting community banks in rural areas and protecting consumers' medical privacy information, just to mention a few. If we want a good bill, one that we can be proud of, we must vote against this rule.

Mr. DREIER. Mr. Speaker, I yield back the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 203, not voting 5, as follows:

[Roll No. 264]

YEAS—227

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boucher
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—203

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt

Gonzalez
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOT VOTING—5

Brown (CA)
Fossella
Graham
Green (TX)
Serrano

☐ 1323

Mr. SKEEN changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 775, YEAR 2000 READINESS AND RESPONSIBILITY ACT

Mr. GOODLATTE. Mr. Speaker, pursuant to House Resolution 235, I call up the conference report on the bill (H.R. 775) to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 234, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of June 29, 1999 at page H5066.)

Mr. LAHOOD. The gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. GOODLATTE).

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GOODLATTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today is day 182 of 1999, half way through the year.

☐ 1330

Over the past 6 months, Congress has climbed the mountain of Y2K liability reform legislation, and as we stand at the legislative summit, ready to pass legislation that Republicans, Democrats and the White House can support, we can only hope that our work will help those who are climbing an ever-larger mountain, those who are trying to fix their Y2K bugs before they hit.

Our job is now done. For the next 6 months, we can only hope that this legislation, which will greatly reduce the threat of frivolous Y2K lawsuits, will allow our Nation's businesses to pour their energies into avoiding Y2K failures instead of planning their Y2K legal defenses.

Frankly, I did not think that this moment would actually arrive. Just last week, we stood here facing the wide gulf of a weaker Senate-passed bill. We faced an even wider gulf with the White House which, up until last week, was nowhere to be seen in the negotiations and was backing badly defeated Senate proposals that provided nothing but smoke and mirrors for addressing the Y2K problem. Fortunately, all parties eventually realized that compromise is an essential part of successful legislating. Both the House and the White House moved significantly from their original positions to reach an agreement closely resembling the Senate-passed legislation.

The final conference report is a model of compromise. Not only did the White House get many of the concessions it sought, but the core pieces of the House-passed legislation remain firmly in place. Caps on punitive damages, reform of class action lawsuits, proportionate liability, a 90-day waiting period, and contract preservation all remain in this legislation.

Mr. Speaker, I want to congratulate all those who have worked hard over the past week and over the past 6 months to make this bill happen. I want to commend my colleagues who worked on this, including the sponsor of the bill, the gentleman from Virginia (Mr. DAVIS), the gentleman from California (Mr. DREIER), the gentleman from California (Mr. COX), the gentleman from Wisconsin (Mr. SENSENBRENNER) and the Democratic sponsors, the gentleman from Virginia (Mr. MORAN), the gentleman from California (Mr. DOOLEY) and the gentleman from Alabama (Mr. CRAMER). I also want to thank Senators MCCAIN, HATCH and the other Senate conferees for working so hard to get a good piece of legislation that the White House would sign.

Finally, I want to commend the House and Senate personal and committee staffs on both sides of the aisle who worked so hard to make this legislation happen. They are to be commended for a job well done.

Mr. Speaker, this conference report is a victory for small businesses and a victory for consumers. One hundred eighty-two days down and 183 to go, now Americans can begin the homestretch in their efforts to keep the Y2K problem from becoming a reality.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

I want to stand here today to congratulate the gentleman from Virginia (Mr. GOODLATTE) on the committee; the gentleman from Virginia (Mr. DAVIS), who has put this bill before us and brought it to our attention; and all of those in this House and in the other body who have helped make this a day that a conference report can be brought to the floor for support. It represents a marked improvement over the House-passed version of the bill of which I was not able to support in the House form. The bill was improved first in the Senate at the insistence of many Democrats and again in conference at the insistence of the administration.

As has been suggested, a lot of work went into this, including members of the staff, and I think we now have a bill, though far from perfect and despite some last-minute drafting glitches, I believe it will achieve the purpose of allowing high-tech companies to focus on the fixing of the Y2K problem without trampling on consumer rights.

I am glad the administration met with the conferees over the past weekend to achieve this compromise. Had we taken up the Senate-passed bill as some in this body were proposing, we would be facing a drastically worse bill which would surely have faced a presidential veto. More importantly, I can support this legislation because it represents a one-time Federal response to a unique nationwide problem relating to possible year 2000 computer failures and does not serve in any way as precedent for broader-ranging changes in our tort laws. In addition, the bill will have no force or effect with respect to actions stemming from any harm occurring after January 1, 2003.

In my judgment, the final conference report is far closer in text and in spirit to the Democratic substitute offered by the gentlewoman from California (Ms. LOFGREN), the gentleman from Virginia (Mr. BOUCHER) and myself, which received 190 votes here in the House, than it is to the more extreme bill that was originally passed by the House.

The conference report improves upon the House-passed bill in a number of respects. First, it deletes the so-called reasonable defense effort. Under this defense, of course, a defendant who was grossly negligent could completely avoid liability as long as he took minimal steps to fix the problem, even if these efforts did not result in a cure and caused substantial damages.

It also deletes the "loser pays" defense requiring a litigant to pay the other side's attorneys fees if they rejected a pretrial settlement and ultimately obtained a less favorable verdict. The provision would operate as a tremendous disincentive to small businesses and poor and middle-class victims of Y2K failures because they have far less financial resources and cannot afford the risk of paying a large corporation's legal fees based on the outcome of a trial.

The conference report also significantly narrows the doctrine of joint and several liability limitation. The House bill, my colleagues will recall, would have wiped out the doctrine of joint and several liability. Fortunately, the conference report excludes individual consumers from this limitation and incorporates several changes designed to protect innocent plaintiffs and help ensure that "bad actors" are not rewarded.

Finally, the conference report significantly narrows the bill's punitive damages limitations. The Committee on the Judiciary reported a bill that would have prevented any plaintiff from ever receiving punitive damages in a Y2K action. The conference report is far fairer and caps punitive damages at the lesser of three times the compensatory damages or $250,000 and only applies caps to small business defendants.

So although the legislation is not perfect, on balance I believe it will help protect the Nation's high-tech community against frivolous lawsuits and encourage businesses to remedy their Y2K problems without unduly infringing on the rights of small business and individual plaintiffs.

Mr. Speaker, I include for the RECORD a letter from John Podesta to myself dated June 30, 1999, as well as a section-by-section description of the Y2K conference report, as follows:

THE WHITE HOUSE,
Washington, June 30, 1999.

Re H.R. 775—the Year 2000 Readiness and Responsibility Act.

HON. JOHN CONYERS, JR.,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE CONYERS: The nation faces the possibility that widespread frivolous litigation will distract high technology companies and firms throughout the economy from the important work of preventing—and if necessary—repairing damage caused by the inability of systems to process dates in the new millennium. Special, time-limited legislation to deter unwarranted Y2K lawsuits is important to our economy.

Over the last few months, the Administration sought to ensure that, while we deterred frivolous claims, we also preserved important protections for litigants who suffer bona fide harm. We believed that the Senate-passed bill failed this test. The Conference Committee agreed to make a list of changes that were important to provide necessary protections.

The agreed-upon changes were translated into legislative language extremely narrowly, threatening the effectiveness of the negotiated protections. Nonetheless, we have concluded that, with these changes, the legislation is significantly improved. Specifically, as modified, the Conference Report: ensures that individual consumers can be made whole for harm suffered, even if a partially responsible party is judgment-proof; excludes actions brought by investors from most provisions of the bill and preserves the ability of the SEC to bring actions to protect investors and the integrity of the national securities markets; ensures that public health, safety and the environment are fully protected, even if some firms are temporarily unable to fully comply with all regulatory requirements due to Y2K failures; encourages companies to act responsibly and remediate because those defendants who act recklessly are liable for a greater share of a plaintiff's uncollectible damages; and ensures that unconscionable contracts cannot be enforced against unwary consumers or small businesses.

As a result, I will recommend to the President that he sign the bill when it comes to his desk.

In the normal course of business, the Administration would oppose many of the extraordinary steps taken in this legislation to alter liability and procedural rules. The Y2K problem is unique and unprecedented. The Administration's support for this legislation in no way reflects support for its provisions in any other context.

Sincerely,

JOHN PODESTA.

SECTION BY SECTION DESCRIPTION OF Y2K CONFERENCE REPORT

Section 1. Short Title; Table of Sections.—Sets forth the title and table of contents.

Section 2. Findings and Purposes.—Sets forth a variety of findings designed to establish a constitutional nexus for the legislation.

Section 3. Definitions.—Among other definitions, this section defines a "Y2K action" as any civil action in which the alleged harm arises from or is related to an actual or potential Y2K failure.

This reflects a change suggested by the White House which deletes language which would have permitted the bill to apply to lawsuits which only indirectly involved Y2K actions.

Section 4. Application of Act.—This includes nine separate subsections. The most important provisions are as follows:

(a) General Rule.—Act only applies to Y2K failures which occur before January 1, 2003.

This means that the bill represents a one time change in tort and contract related actions limited to harm caused during a narrow three year window. This represents a critical improvement over the House passed bill which had no termination date.

(c) Claims for Personal Injury or Wrongful Death Excluded.—Specifies that the bill does not apply to claims for personal injury or wrongful death.

This reflects an improvement over the House passed bill which only excluded personal injury claims. The existence of this important carve out in the bill illustrates that the Y2K problem presents a unique one time issue, and the legislative response should not apply to ordinary consumers suffering personal injuries. In this respect, it cannot be seen as a precedent for broader tort reforms.

(d) Warranty and Contract Preservation.—Specifies that contract terms shall be strictly enforced, unless such enforcement is inconsistent with state statutory law, or the state common law doctrine of unconscionability, including adhesion, in effect on January 1, 1999.

This is a variation of a provision originally included in the House Democratic substitute (offered by Reps. Lofgren, Boucher, and Conyers). Preserving state laws concerning unconscionability and adhesion reflects an important change suggested by the White House.

(g) Application to Actions Brought by a Government Entity.—This provision provides limited relief from penalties for Y2K related reporting or monitoring violations. Because the provision is limited to a defense to penalties, the government would be allowed to seek injunctive relief to require compliance and to correct violations. In addition, the defendant would have to show, among other things, that the noncompliance was both unavoidable in the face of an emergency directly related to a Y2K failure and necessary to prevent the disruption of critical functions or services that could result in harm to life or property. Other safeguards further limit the applicability of the defense. For example, the defendant would not obtain the benefit of the defense if the reporting or monitoring violations constitute or would create an imminent threat to public health, safety, or the environment. The defendant would also be required to demonstrate that it previously made a reasonable good faith effort to anticipate, prevent and effectively correct a potential Y2K failure; that it has notified the agency within 72 hours of the violation; and that it has fixed it within 15 days. The defense does not apply to any reporting or monitoring violations occurring after June 30, 2000.

Many of the safeguards against misuse of this defense were added at the insistence of the White House. Absent these changes, the Senate bill could have provided corporate polluters and others responsible for health and safety requirements with complete defenses to these reporting or monitoring violations.

(h) Consumer Protection From Y2K failures.—Ensures that homeowners cannot be foreclosed on due to a Y2K failure.

This provision did not appear in the House passed bill or the House Democratic substitute. The Senate passed language was modified in conference to limit the provision's applicability to residential mortgages, to require consumers to provide notice of the Y2K failure and their inability to pay, and to limit the applicability to transactions occurring between December 16, 1999 and March 15, 2000.

(i) Applicability to Securities Litigation.—Specifies that, other than the bystander liability provisions (section 13(b)), the bill does not apply to securities actions.

Many of the bill's restrictions only make sense in the context of ordinary tort or contract suits, not securities actions which Congress has reformed twice in recent years. This improvement was suggested by the White House.

Section 4 also includes technical subsections specifying that the bill does not create a new cause of action; only preempts state law to the extent it establishes a rule that is inconsistent with state law; and does not supersede legislation concerning Y2K disclosure passed on a bipartisan basis last year.

Section 5. Punitive Damage Limitations.—Provides that defendants shall not be subject to punitive damages unless such damages are proved by "clear and convincing evidence." Also caps punitive damages against "small businesses" at the lesser of 3 times compensatory damages or $250,000. "Small business" is defined as individuals having a net worth of less than $500,000 and businesses with fewer than 50 employees. The cap does not apply where the defendant acted with specific intent to injure.

This reflects a significant improvement over the House passed bill which would have capped punitive damages against all defendants, regardless of their size; and the House Judiciary Committee approved bill which would have completely eliminated the plaintiff's ability to recover any punitive damages.

Section 6. Proportionate Liability.—Sets forth a general rule that defendants are liable only for their proportionate share of liability (in lieu of the common law rule of joint and several liability applicable in some states). This general rule does not apply in cases where the defendant acted with specific intent to injure the plaintiff or knowingly committed fraud. In addition, if portions of the plaintiff's damage claim ultimately prove to be uncollectible, and the plaintiff is an individual with a net worth of less than $200,000 (a so called "widow or orphan") and damages are greater than 10% of a plaintiff's net worth, a solvent defendant is responsible for paying an additional 100% share of their liability, or an additional 150% of this amount if they acted with "reckless disregard for the likelihood that its acts would cause injury." Also, the general proportionate liability rule does not apply to suits by consumers who sue individually rather than as part of a larger class (brought on behalf of ten or more individuals). Although the section is one-way preemptive of state law, it is not intended to allow a defendant to assert that it is subject to some but not other subsections.

This provision is somewhat similar in operation to a section included in the House Democratic substitute which gave the court discretion to avoid joint and several liability depending on the defendant's overall conduct and share of liability. The exceptions to the general rule of proportionate liability reflect changes suggested by the White House to make sure that ordinary consumers were protected and so-called "bad actors" were not rewarded. This represents an effort to encourage remediation which, of course, is unique to the Y2K problem. The final provisions represent an improvement over the House passed bill which would have eliminated joint and several liability in virtually all cases.

Section 7. Prelitigation Notice.—Y2K actions would not be permitted to proceed to trial until the defendant has had an opportunity to fix the Y2K failure within 90 days after receiving notice in writing with the problem described with particularity. The 90 day period includes an initial 30 day notice period, and a subsequent 60 day period in which to remedy the defect.

This provision is substantially identical to the House Democratic substitute.

Section 8. Pleading Requirements.—Requires greater specificity in the notice of damages sought in Y2K actions; the factual basis for the damages claim; a statement of specific information regarding the manifestations of the material defect and the facts supporting such material defect; and a statement of facts showing a strong inference that defendant acted with a required state of mind.

This provision is substantially identical to the House Democratic substitute.

Section 9. Duty to Mitigate.—Provides that damages awarded in Y2K actions exclude compensation for damages the plaintiff could reasonably have avoided in light of any disclosure or other information of which the plaintiff was or reasonably should have been aware. This limitation on damages does not apply where the defendant has engaged in fraud.

This provision is similar to a provision included in the House Democratic substitute. It includes a suggestion made by the White House that the protection not apply to so-called fraudulent "bad actors." Again, this is an effort to encourage remediation by all parties, which is a unique issue to Y2K liability.

Section 10. Application of Existing Impossibility or Commercial Impracticability Doctrines.—Freeze state law on these doctrines as of January 1, 1999.

This provision represents an effort to insure that states do not alter their laws to take advantage of the Y2K problem to make it easier to bring suits against "deep pocket" Y2K defendants. This provision is substantially identical to a provision included in the House Democratic substitute.

Section 11. Damages Limitations by Contract.—Provides that, in Y2K contract actions, damages are limited to those provided in the contract, or, if the contract is silent, to those provided under state law.

This provision was not included in the House passed bill or the House Democratic substitute.

Section 12. Damages in Tort Claims.—Codifies the so-called "economic damages" rule, which prohibits tort plaintiffs from seeking economic or consequential damages (e.g., lost profits stemming from a Y2K failure) unless such damages are permitted by contract. This rule does not apply in cases of intentional torts arising independent of a contract.

This reflects a variation of a suggestion by the White House to protect persons who have claims for separately cognizable torts, such as some forms of fraud. This is similar to a provision included in the House Democratic substitute.

Section 13. State of Mind; Bystander Liability; Control.—Subsection (a) freezes state law concerning the standard of evidence needed to establish defendant's state of mind in a tort action (e.g., negligence) as of January 1, 1999. Subsection (b) provides that Y2K service providers are not liable to third parties who are not in privity with them unless the defendant actually knew, or recklessly disregarded a known and substantial risk, that a Y2K failure would occur. This would make it more difficult for a customer of business that was certified to be Y2K compliant to sue the consultant who so certified. Subsection (c) provides that the fact that a Y2K failure occurred in an environment within the control of the defendant shall not be permitted to constitute a sole basis for the recovery of damages.

Other than bystander liability, these provisions were not included in the House passed bill or the House Democratic substitute.

Section 14. Appointment of Special Masters or Magistrate Judges for Y2K Actions.—Includes a technical change which would merely authorize federal courts to appoint special masters to consider Y2K matters.

This provision was not included in either the House passed bill or the House Democratic substitute.

Section 15. Y2K Actions as Class Actions.—Subsection (a) only permits class actions involving material product defects. Subsection (b) requires class members to receive direct notices of class actions (which shall include information on the attorney's fee arrangements).

Subsection (a) is substantially identical to a provision included in the House Democratic Substitute.

Subsection (c) places all Y2K class actions in federal, rather than state court. The only exceptions are where (1) a substantial majority of members of the plaintiff class are citizens of a single state, the primary defendants are citizens of that state, and the claims asserted will be governed primarily by the laws of that state; (2) the primary defendants are states or state officials; (3) the plaintiff class does not seek an award of punitive damages and the amount in controversy is less than $10 million; or (4) there are less than 100 members of the class. The burden is on the plaintiff to establish that any of these four exceptions apply.

The idea behind this provision is that Y2K actions are inherently interstate and the problem is uniquely nationwide and federal in its source and impact. This provision incorporates some White House suggestions that safeguards be built into the rule to allow some class actions which have a state focus be permitted to be brought in state court.

Section 16. Applicability of State Law.—Specifies that the bill does not supercede any state law with stricter damage and liability limitations.

This provision was not included in either the House passed bill or the House Democratic substitute.

Section 17. Admissible Evidence Ultimate Issue in State Courts.—Applies Rule 704 of the Federal Rules of Civil Procedure (concerning the use of expert testimony) to State courts.

This provision was not included in either the House passed bill or the House Democratic substitute.

Section 18. Suspension of Penalties for Certain Y2K Failures by Small Business Concerns.—This section provides for civil penalty waivers for first-time violations by a small business (50 employees or fewer) of federally enforceable rules or requirements that are caused by a Y2K failure. In order to obtain a waiver, small business must meet certain strengthened standards, including, among other things, that it made a reasonable good faith effort to anticipate, prevent and effectively remediate a potential Y2K failure; that the first-time violation occurred as a result of a Y2K failure significantly affecting its ability to comply and was unavoidable in the face of a Y2K failure; that the small business initiated reasonable and prompt measures to correct the violation, notified the agency within 5 business days, and corrected the violation within a month of notification.

As was the case with section 4(g), the Administration insisted on developing common sense safeguards so that the provision would not create new health, and environmental problems. For example, the Administration obtained changes that clarified that it is the government that determines whether a small business meets the standards for a civil penalty waiver; that an agency may impose a civil penalty if the noncompliance resulted in actual harm (in addition to creating an imminent threat to public health, safety, or the environment); and that the civil penalty waiver does not apply to any violations occurring after December 31, 2000.

The following anti-consumer provisions were dropped entirely by the Conference from the Republican bill approved by the House.

A. REASONABLE EFFORTS DEFENSE FOR DEFENDANTS (SECTION 303 OF HOUSE PASSED BILL)

Under the so-called "reasonable efforts" defense in the original House passed bill, the fact that a defendant took reasonable measures to prevent the Y2K-related failure was a complete defense to liability. Thus, despite the defendant's level of fault, if it made reasonable efforts to fix the problem—even if those efforts did not result in a cure—it would have had no responsibility for damages suffered by the plaintiff. Even if a defendant takes only minimal steps to remedy a Y2K problem, it would have served as a complete defense against a tort action, thereby undercutting incentives to prepare for and prevent Y2K errors. The defense was so broad it would even cover intentional wrongdoing or fraud, so long as the misconduct was eventually papered over by some sort of post-hoc reasonable effort.

B. LIMITS THE LIABILITY OF CORPORATE OFFICERS AND DIRECTORS (SECTION 305 OF HOUSE PASSED BILL)

The original House passed bill also capped the personal liability of corporate directors and officers at the greater of $100,000 or their past 12-months' compensation. This provision was unnecessary because under current law the "business judgment rule" already insulates officers and directors from liability for their business decisions as long as they acted reasonably in governing the affairs of the corporation. The provision also would have protected irresponsible and reckless Y2K behavior.

C. LOSER PAYS AND FEE DISCLOSURE (TITLE V OF HOUSE PASSED BILL)

The House passed bill also included a "loser pays" (or "English Rule") provision requiring a litigant to be liable to pay the other side's attorneys fees if they rejected a pre-trial settlement offer and ultimately secured a less favorable verdict. Because small businesses and individuals have far less financial resources than large defendant corporations and cannot afford the risk of paying a large corporation's legal fees based on the outcome of a trial, the provision would have operated as a tremendous disincentive to small businesses and poor and middle class victims of Y2K failures. The provision was so onerous that it would even apply to a harmed party that prevails in a Y2K action so long as they obtained less than a pre-trial settlement—in this respect it could actually operate as a "winner pays" provision. The bill also included a number of procedural restrictions that would have governed the attorney-client relationship—such as the requirement that attorneys disclose to their clients the fee arrangement up-front, and the requirement that attorneys provide a monthly statement to clients regarding the hours and fees spent on the case. The original House Republican bill also would have regulated attorneys fees for plaintiffs (but not defendants) in Y2K actions.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODLATTE. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, as the clocks move forward on December 31, there is a strong likelihood that some computers will fail to recognize the year 2000, instead rolling back to January 1, 1900. A Y2K-initiated computer crash could have disastrous impacts on many aspects of daily life, ranging from transportation and aviation, data processing, health care and financial services. Indeed, American society could be confronted by an extended period of technological and economic duress.

Instead of taking a proactive approach to solving the Y2K problem, many businesses, large and small, find themselves expending time and energy on liability issues. This bipartisan legislation, of which I am an original cosponsor, addresses this concern and creates incentives for businesses to address the impending Y2K problem by creating a legal framework by which Y2K-related results will be resolved.

We must not permit a climate to foster in which businesses, paralyzed by fear of unrestrained lawsuits, fail to take action that would adequately address this problem.

Mr. GOODLATTE. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER), a member of the conference committee and a senior member of the Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Speaker, I rise today in support of the conference report to H.R. 775, the Y2K Act. This bill, while markedly different from when it was first introduced, has retained several key core principles: The establishment of uniform legal standards for all businesses and users of computer-related technologies; the encouragement of alternative dispute resolution to avoid costly and time-consuming lawsuits; the lessening of the burden on interstate commerce by discouraging frivolous lawsuits while preserving the ability of individuals and businesses who have suffered injury to obtain relief.

The year 2000 computer problem, commonly referred to as the Y2K bug, presents grave challenges to both the private and public sectors throughout the United States. H.R. 775 has had a difficult history in Congress. Substantial changes were made during every step of the process, in committees, on the House floor, in the other body, and finally in conference committee in an effort to deal with this pressing issue in a way that is fair and equitable to all parties involved, both potential plaintiffs and defendants in Y2K-related disputes.

The reason we are here today is because of the persistence of the House and the other body to enact legislation far enough in advance of the year 2000 to stem the potential litigation explosion over the Y2K bug, one that has been estimated as costing our economy a potential $1 trillion. Throughout this whole process, the administration has remained cool to the idea of passing any legislation dealing with Y2K liability. In addition, the administration was noticeably absent at every junction of this debate.

The White House was invited to testify before the House Committee on the Judiciary on this legislation but declined. Instead of active participation, the administration chose to issue veto threats to even the amended bipartisan Senate-passed version of the bill with only general descriptions on which provisions they found to be objectionable. In all, the administration sent five veto threats, with the fifth being issued on June 24 by the President's chief of staff just prior to the conferees meeting on that day.

At the first meeting of the House-Senate conference, the House conferees accepted the Senate amendments to H.R. 775 and added two additional amendments. It was at this conference after the train had already left the station that the White House finally got serious and requested additional time to work out a compromise. The chairman of the conference postponed further proceedings until the drop-dead date of June 28 in a good-faith effort to see this bill enacted without the potential of a White House veto. Finally, the administration gave specifics on what they found to be objectionable and suggestions on how to change these provisions in order for the President to support it.

Fortunately, the administration's differences with Congress were resolved, which allows the conference report to be brought to the floor today without the uncertainty of a veto. The conference report has the support of the broad-based Year 2000 Coalition and the Information Technology Industry Council.

The conference report includes the following key provisions which warrant its adoption by the House of Representatives:

It allows class action suits for Y2K claims to be brought into Federal courts if they involve $10 million in claims or at least 100 plaintiffs. It creates a proportionate liability formula for assessing blame so companies would be penalized for their share of any Y2K damage. This formula would make whole individual consumers even if one of the defendants went bankrupt. It caps punitive damages at $250,000, or three times the amount of compensatory damages, whichever is less, for individuals with a net worth of up to $500,000 and for companies with fewer than 50 employees. And it applies current State standards for establishing punitive damages instead of creating a new preemptive Federal standard.

In addition, the conference report requires plaintiffs to mitigate damages, defines the term "economic loss," but does not place caps on directors and officers liability.

In summary, while H.R. 775 has been whittled down by the administration's efforts to accommodate trial lawyers, enough substantial provisions remain to warrant support by the House of Representatives.

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Ms. LOFGREN. Mr. Speaker, I yield 4 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentlewoman from California.

Let me just as a manner and focus on the proceedings that we have had over these past couple of months.

As a Member of the House Committee on Science and the House Committee on the Judiciary, I have had the privilege of sitting through a number of hearings. I particularly want to thank the gentlewoman from Maryland (Mrs. MORELLA) for carrying on with such informative hearings on the Y2K matters, bringing forward so many different witnesses from the business community, the legal community and, of course, a consumer community.

Through those hearings I think I can articulate today that it has taken enormous amount of work to bring us to where we are at this juncture, and I would like to lend my thoughts and appreciation to the gentlewoman from California (Ms. LOFGREN), the gentleman from Michigan (Mr. CONYERS) and the gentleman from Virginia (Mr. BOUCHER) who did craft legislation in which the White House was actively engaged and did support and had all the elements of being able to solve the problems that so many of us were concerned about.

I am disappointed that we did not prevail on that legislation, but I thank them for their leadership. I thank the gentleman from Virginia (Mr. DAVIS) and the gentleman from Virginia (Mr. GOODLATTE) for where we are today, and I hope that this House will pass this bill because I oppose the original version of the bill, and I oppose the bill on its final passage, but it does not mean that we cannot try and improve it. I was delighted to be able to get a technical amendment passed on the floor of the House, but it would have been good to have had other improvements, and I felt the bill could have been made acceptable.

We know there will be a Y2K situation, if my colleagues will, but I do not know if we can rely upon all the testimony that was presented to establish it as a precedent for changing all of the tort laws of this Nation, nor can we isolate Y2K and suggest that it has no limitations on the legislation that we are making.

In particular, I am very delighted that the legislation we are bringing forward now has a sunset provision acknowledging the fact that this is a limited issue and should be isolated to a certain period of time. It protects the consumers by having in homeowner protection, a provision that protects homeowners from being evicted because of a Y2K failure that is imperative.

It also responds to preventive lawsuits. A provision was added to allow suits before Y2K failures. We heard the testimony of a small grocer in Michigan who said, "If I don't have an opportunity for relief before I collapse, then you've done nothing for me."

I also want to make it clear that I tried to remain open on the bill in recognition of the unique problem that it attempts to address. I understand the plight of many of our software developers and Y2K solution providers who do not want to take on additional clients because they fear a costly lawsuit. That is understandable. But as a member of the Committee on Science who has sat through numerous hearings on this subject, I do not feel that we need to pass open-ended legislation that could be used too, used by corporate America to protect themselves from liability that they have rightfully incurred. I think it is important to strike a balance.

One of the amendments that I introduced and I truly hoped we would have a chance to debate on the floor was a sunset amendment, and I am delighted, as I indicated earlier, that a 3-year sunset provision was placed in the bill. Although I feel that the sunset provision in the bill which is actually contained in the definition section of H.R. 775 is not as cleanly implemented as I would have liked, the provision does allay many of the concerns that I had about the original bill.

But let me not be misleading. There are some concerns, the caps on punitive damages, and it is interesting that this would be noted in the context of trial lawyers. I think it is important to note that trial lawyers do not decide punitive damages, it is courts that do so. I hope we will be able to find sufficient relief in this legislation that will allow plaintiffs to be able to secure the relief that they need and to make themselves whole.

The bill also contains modifications to the longstanding, well-accepted court doctrine of joint and several liability. The doctrine was established in order to keep plaintiffs who have been wronged by multiple parties from having to enter into lawsuit after lawsuit against different defendants in order to make them whole.

We should consider these issues as we monitor this legislation, but thankfully, however, the version that has come back to us from the conference committee contains a more narrow set of joint and several liability modifications. Included in the new version is a clause which protects consumers who are innocently victimized by Y2K solution providers who act in bad faith.

It is my hope that the definitional structure of what will constitute a Y2K action for the purpose of these lawsuits, along with the sunset provision, will help balance between the consumer and, of course, our providers.

I urge my colleagues to vote for this conference report. I want to thank all those who brought us to the table of resolution, and I want to acknowledge the White House was intimately and actively involved. They just wanted to come down, as we all did, on the side of a very good bill. I am watching and monitoring as well, as I indicate as we all are, for the Y2K event, but I hope that we will watch it together being reflective of the fact that we voted today for a solution that would help us move into the 21st century with the minimum amount of concern.

Mr. Speaker, I rise to speak in support of this Conference Report, but first I would like to thank the Conferees who worked very hard to find a compromise on certain key issues raised in this bill.

At the outset, let me say that I opposed the version of this bill that was introduced in the House. I opposed the version that came out of the Judiciary Committee. And I opposed the bill on final passage. But that does not mean that I did not try to improve the bill at every stage. I was able to pass a technical amendment on the floor of the House, but there were other improvements that I would have preferred to have made—that I felt would make the bill much more acceptable.

I also want to make clear that I tried to remain open this bill—in recognition of the unique problem that it attempts to address. I understand the plight of many of our software developers, and Y2K solution providers who do not want to take on additional clients because they fear a costly lawsuit. That is understandable. But as a Member of the Committee on Science who has sat through numerous hearings on this subject, I do not feel that we needed to pass open-ended legislation that could be used by corporate America to protect themselves from liability that they have rightfully incurred.

One of the amendments that I introduced, and that I truly hoped we would have a chance to debate on the floor, was a sunset amendment. I am happy to hear that a three-year sunset provision was placed in this bill in conference. Although I feel that the sunset provision in the bill, which is actually contained in the definitions section of H.R. 775, is not as cleanly implemented as I would like, the provision does allay many of the concerns I have about the original bill.

But let me not be misleading—the bill still contains dangerous measures. It still retains caps on punitive damages, but the caps only protect small business whose net worth is less than $500,000. Large Y2K solution providers do not need this sort of protection—they have the resources to responsibly remediate Y2K problems that manifest themselves. This bill allows plaintiffs to hold them fully responsible, should they choose to behave in a manner befitting of punitive damages.

The bill also contains modifications to the long-standing and well-accepted court doctrine of joint and several liability. The doctrine was established in order to keep plaintiffs, who have been wronged by multiple parties, from having to enter into lawsuit after lawsuit, against different defendants, in order to be made whole. In the original version of the bill, joint and several liability was basically eliminated. Thankfully, however, the version that has come back to us from the Conference Committee contains a narrowed set of joint and several liability modifications. Included in the new version is a clause which protects consumers who are innocently victimized by Y2K solution providers who act in bad faith.

It is my hope, that the definitional structure of what will constitute a Y2K action for the purposes of these lawsuits, along with the sunset provision, will contain the anti-consumer provisions contained in this bill. I also hope that the changes that have been made to the punitive damages and proportional liability sections in the bill keep this from becoming the bloated tort-reform bill we all feared when it was originally introduced.

With that, I urge my colleagues to vote for this Conference Report, and to continue to work together to protect our constituents from discomfort stemming from the Y2K bug.

Mr. GOODLATTE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding this time to me. I rise in strong support of the conference support on the Y2K Act. I also want to take a moment to congratulate the gentleman from Virginia (Mr. GOODLATTE), the gentleman from Virginia (Mr. DAVIS), the gentleman from Wisconsin (Mr. SENSENBRENNER), the conferees and those who worked so hard on this piece of legislation. I am honored to be one of the cosponsors of the bill, and I am glad the conference committee has reached an accord with this issue.

As my colleagues know, it was over 3 years ago that we started with my Committee on Science's Subcommittee on Technology and the Committee on Government Reform and Oversight's Subcommittee on Government Management, Information and Technology chaired by the gentleman from California (Mr. HORN) to have a complete review of the Y2K problem, and in the course of these hearings it became undeniably clear that the prevalence of potential Y2K litigation could adversely impact our Nation's currently robust economy and tie up our legal system long after the problem has been fixed in the computers, and that is why I am very pleased that a compromise was able to be crafted that satisfies the concerns of both congressional chambers and the White House to address the millennium bug and its legal after effects.

The conference report reflects the changes of the High Technology Association's industry the Chamber of Commerce believe are necessary to close the floodgates of frivolous litigation and protect companies that have engaged in good faith remedial efforts, and it does so without taking away an aggrieved party's right to bring a legitimate lawsuit for negligent Y2K failures. This is a legislative solution that will ensure that the year 2000 problem does not extend well into the new millennium.

I urge all of my colleagues to support the conference report. This will greatly assist us to be Y2K okay.

Ms. LOFGREN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. ESHOO), my colleague from Silicon Valley.

Ms. ESHOO. Mr. Speaker, I thank my colleague and wonderful leader on this issue and so many others from the Committee on the Judiciary, the gentlewoman from California (Ms. LOFGREN). I rise in support of the conference report, and I first of all want to salute everyone that has worked on bringing this resolution forward. I think it is a much improved version of the House bill. I did not support the House bill, and I was reluctant in doing that, and I think many people were surprised that I rose in opposition to it, especially because I represent so much of the high technology industry. I thought it was an effort that could be improved upon, and we have that here today, because after all, with the year 2000 Y2K problem, which has now become part of our day-to-day language across America, we wanted legislation that would help American business spend its time and its resources repairing the problem and not moving over into their legal departments to continually litigate it.

This legislation provides limits on the lawsuits while providing redress for real damages, which is what the American people want and need. It encourages remediation and alternative dispute resolution over litigation, which I think is really fairly enlightened in an area that we need to build upon and do more and more with. It provides protections to companies that have acted in good faith while ensuring that bad actors will be liable for the damage they have caused.

I want to take just a brief moment to salute my colleague in the other body, Senator DODD, who has been a real leader on this issue and has worked on a bipartisan basis in the other body coupled with the hard work done, of course, with those that I have mentioned here in the House and finally in the White House. I am very pleased that the President has signaled that he will sign this legislation into law. It would not be effective if it were passed in the year 2001.

So now is the moment, and I am proud to support the conference report.

Mr. GOODLATTE. Mr. Speaker, I yield 6 minutes to the gentleman from Virginia (Mr. DAVIS) the chief sponsor of the legislation.

Mr. DAVIS of Virginia. I thank my friend for yielding the time.

Mr. Speaker, obviously if we had a different President and Vice President, we would have a stronger bill here today, but I think it shows the willingness of our side of the aisle to try to get some kind of bill and some kind of protections for American industry, particularly the high technology industries that are so at risk with the Y2K bug that we are here today with the bill that the President can sign, and now that he has indicated he will sign it, he has given permission to Democrats who opposed this to vote for it.

I think, as I look at this, going back to what was originally offered on the House side, their original bill, this is a much stronger bill in final than was offered on the other side of the aisle in their substitute originally. I just want to highlight some of those.

The conference report, for example, grants benefits in consumer and business. They excluded consumer exceptions, cases from the protections of this bill. The original bill on the Democratic side, their substitute that they tendered, liability of defendants is joint and several subject to the court's discretion in that it should be proportional for a defendant of minimal responsibility.

This mandates proportional liability unless there are insolvent defendants, in which case the injured party is made whole. This is a far more complete protection to companies than was originally offered on the other side. Had we gone in with their entry, we would not be here where we are today with the strengths of this bill. The administration was willing to come further than their colleagues were on the other side of the aisle.

Or this bill has a limitation on punitive damages for small businesses and no punitive damage awards available against governmental entities. Their original provision offered no protections at all in this area, at all. So we have that as well. We were able to work with the administration.

We have Federal jurisdiction over class actions now Federalizing class actions with over 100 plaintiffs who are claiming more than $10 million with special notice requirements to class members. There was nothing offered on the other side when this was offered as their substitute.

And we also offer in this legislation regulatory relief for small businesses, protection for individuals who cannot make their mortgage payments because of a Y2K problem. Nothing was offered in the original tender from the other side on this issue, so I am grateful for the support that we have received from the 236 Members of this body, from both sides of the aisle, who were willing to start out and support this legislation and not support the fig leaf that was offered up on the other side in the original legislation.

I also want to thank the U.S. Chamber of Commerce, Tom Donohue and Lonnie Taylor, in particular, who worked very hard on this, National Association of Manufacturers and Jerry Jasinowski and their group, the Information Technology Industry Counsel and all of my companies out in northern Virginia, dozens of them, who supported this legislation and felt that this is an appropriate, common sense route even in its weakened state as we move forward.

And I want to thank the administration for coming and meeting us halfway on this and moving on a number of issues where they appeared intransigent just 2 or 3 months ago. It takes two to tango, and at the end of the day I am glad that we are all singing from the same sheet of music.

As the lead sponsor of H.R. 775, the year 2000 Readiness and Responsibility Act, I am pleased to voice my strong support for this conference report. I want to congratulate my colleagues who serve on the Committee on the Judiciary and their staffs for the long hours and late nights that they invested over the last few days and bringing the White House around to making real and significant compromises that will allow this critical legislation to become law in the very near future. And I want to thank Amy Heerink, Trey Hardin from my staff who worked very hard on this as well.

More than 6 weeks ago this body passed a strong and balanced bipartisan legislation that will encourage businesses across the Nation to pursue Y2K repair and remediation efforts without fear of frivolous litigation that would otherwise threaten the competitiveness of the fastest growing segments of the U.S. economy. The President said he would veto the House bill. Following passage on May 12, the weaker bipartisan compromise crafted in the Senate faced a veto after two failed cloture votes before garnering the votes of 12 courageous Democratic senators and passed 62-37.

During that time, the Senate debated and rejected an offer by Senator KERRY from Massachusetts that had the support of the President, but I liken it to the House substitute offered up on the other side. It failed to win a support of even the majority of the Senate by a fairly substantial margin. I would also note that the Kerry proposal, like the substitute offered here, was soundly rejected by the year 2000 Coalition who supported the original legislation including the vast remnants of the high technology industry.

□ 1400

Despite modifications made to the Y2K Act by the bipartisan cosponsors in the other body responding to nearly all of the President's objections, the White House still insisted the President would veto the Senate measure. The President's statement of administration policy is that he would accept the modified version of proportionate liability in the Senate bill. He opposed liability caps on directors and officers. Those were eliminated.

The punitive damage caps were severely modified to only apply to small businesses with fewer than 50 employees and individuals with a net worth of less than half a million dollars; and when the defendant is found to have intentionally injured a plaintiff, by the jury, the sky is the limit.

In recognizing the need to have a bill enacted into law as soon as possible, the House conferees accepted the Senate amendments to the House bill and adopted the Y2K Act with two technical amendments. But due to the White House's failure up to that point to come forward with any substantive suggestions for a compromise, we in the House urged them to come to our conferees in good faith and provide us with specific language that we would consider in order to get a bill passed and working to encourage businesses to spend their dollars on fixing the Y2K problem, not in frivolous litigation.

Understanding that, the House and Senate conferees were moving quickly to produce the conference report in this legislation. We wanted to get it passed and through before the July 4 recess; and I want to congratulate the White House on recognizing the necessity for this legislation, for a vast turnaround from their earlier testimony before one of our committees where they said no such problem exists.

I urge all of my colleagues to vote yes on the conference report for H.R. 775, the Y2K Act.

Finally, I want to thank my colleague, the gentleman from Virginia (Mr. GOODLATTE), who steered this through the Committee on the Judiciary and the House. Without the gentleman from Virginia (Mr. GOODLATTE), this would not be here; and I appreciate his good work.

Ms. LOFGREN. Mr. Speaker, I yield 2½ minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, as one of the lead Democratic sponsors of the Year 2000 Readiness and Responsibility Act, I rise today in strong support of this legislation. Anybody that has followed this legislation knows that the debate surrounding it on both sides of the aisle has at times been driven more by political maneuvering than substantive policy concerns. That is why we are so pleased that this truly bipartisan compromise conference report has been worked out with both Chambers and the White House.

It was done because all involved decided it was more important to our Nation and our economy to pass Y2K litigation reform than to play politics as usual.

Currently, American businesses, governments and other organizations are tirelessly working to correct potential Y2K failures. It involves reviewing, testing and correcting billions of lines of computer code. American businesses will spend an estimated $50 billion to reprogram their computers, but despite these efforts many of the Y2K computer failures will occur because of the interdependency of the United States and world economies.

In contrast to other problems that affect some businesses or even entire industries engaged in damaging activity, the Y2K problem will affect all aspects of our economy, especially the most productive high-tech industries.

As the Progressive Policy Institute said, this is a unique, one-time event, best understood as an incomparable societal problem rooted in the early stages of our Nation's transformation to the digital economy. That is why it is so important that we do the right thing on this legislation.

Without this legislation, it has been estimated by legal experts that the litigation surrounding the Year 2000 could be in excess of $1 trillion. If this bill does not prevent economic damage recoveries, injured plaintiffs will still be able to recover all of their damages and defendant companies will still be held liable for the entire amount of economic damages that they cause.

Additionally, all personal injury claims are exempt from this legislation.

This is the time for Congress to act to protect American jobs and industry, and that is what this bill does.

The goal of Congress should be to encourage economic growth and innovation, not to foster predatory legal tactics that will only compound the damage of this one-time national crisis. Congress owes it to the American people to do everything we can to lessen the economic impact of the worldwide Y2K problem and not let it unnecessarily become a litigation bonanza.

In summary, in the State of the Union address, President Clinton urged Congress to find solutions that would make the Year 2000 computer problem the last headache of the 20th century rather than the first crisis of the 21st.

This legislation accomplishes that objective. It is good legislation. We should get a unanimous vote for it.

Mr. GOODLATTE. Mr. Speaker, I yield 1 minute to the gentleman from

Iowa (Mr. LEACH), the chairman of the House Committee on Banking and Financial Services.

Mr. LEACH. Mr. Speaker, I thank my distinguished friend, the gentleman from Virginia (Mr. GOODLATTE), for yielding me this time.

Mr. Speaker, let me just stress that no one knows at this time either in America or worldwide if this is not the most exaggerated or the most understated issue in the history of the American or world economy.

On the other hand, what this bill does is move in the direction of trying to deal with some potential problems which may arise, and in this regard, I would like to express particular thanks to the extraordinary leadership of the gentleman from Virginia (Mr. DAVIS) and the gentleman from Virginia (Mr. GOODLATTE) and the constructive involvement of my good friend, the gentleman from Virginia (Mr. MORAN).

Mr. Speaker, I would like to submit additional comments on one very subtle aspect of this particular bill.

These comments relate to Section 4(h) of the Senate amendment.

A June 23, 1999, letter from four federal financial regulatory agencies—the Federal Reserve Board, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Office of Thrift Supervision (OTS)—warned that in their view, Section 4(h) was "drafted so broadly that it could lead to significant unintended consequences having the potential to adversely affect the safety and soundness of the banking system and the national economy." In fact, the letter went so far as to assert that, ". . . it is difficult to overstate the disruptions that a broad reading of this amendment could cause."

Given that assessment, we worked closely with House and Senate Judiciary committees and with the federal regulatory agencies to develop compromise language which the conferees have adopted. The new language focuses narrowly on consumer mortgages and prohibits any party from taking action to foreclose on residential property if an actual Y2K failure early next year interferes with timely and accurate mortgage payments. A consumer who becomes aware that a Y2K failure has occurred, and that his or her mortgage payment was lost or delayed as result of that failure, will have seven business days to notify the mortgage service company in writing. The parties to the transaction will then have four weeks to work out a solution. This amendment in no way excuses anyone from fulfilling their legal and financial obligations but will allow for extra time to resolve what may be a once-in-a-lifetime problem.

The bottom line is that this language accommodates potential homeowner concerns without having disruptive implications for how financial services are delivered or posing a litigative nightmare. I urge adoption of the conference report.

Before concluding, I might add that yesterday, June 30, 1999, was a bellwether day in the banking industry's Y2K readiness program. Bank regulators had told financial institutions across the country that they were expected to finish fixing their mission critical systems and testing them for Y2K bugs by that date. The Committee expects to have data by Monday, July 26, on the numbers of institutions which met the deadline. I am hopeful that the regulatory agencies and the banking and financial services industry will prove to be sufficiently prepared that no homeowner will find it necessary to avail themselves of the relief in this bill.

Ms. LOFGREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am happy that we are here today and about to approve this conference report with what I'm certain will be a very wide margin of votes in support. Just a week ago, I was not at all confident that we could achieve what we are about to achieve here today. People had dug in and compromise seemed unlikely.

I was actually a member of the conference committee, as the Speaker well knows. It was the first conference committee I had ever been a member of, and I could easily observe at our first and only meeting that there was a great deal of anger in the room. People were fed up with the process that brought them there, to that meeting. Without going into who did what to whom, and how it could have been improved, we got past that anger.

Many have been mentioned for their contributions to this process. I want to give special thanks to my colleague and my leader on the Committee on the Judiciary, the gentleman from Michigan (Mr. CONYERS), the ranking member, whom I think, showed great serenity and leadership as he tried to sort through the many complex issues that comprise Y2K.

I also want to mention someone who has not been praised by anyone else today, and that is Senator HATCH. His cool voice of reason and comity suggested that the White House should be invited to sort through these issues with the conference staff last Friday and through the weekend and all through Monday night. Senator HATCH was therefore enormously helpful in getting people together.

I also want to thank the staff. As I just said, the White House lawyers and staff were up all Monday night working on this settlement, and I think the Committee on the Judiciary staff put in similar hours, and this is true on both sides of the aisle. I appreciate the effort that they put into this.

I also want to mention my own special counsel, John Flannery, who put in extraordinary efforts trying to keep people working together on this.

This conference report, as I said earlier this morning when we were discussing the rule, could have been approached in a variety of ways. I am happy to support this one. I think this bill is narrowly crafted to deal with this Y2K event, only months away. As the chairman of the Committee on Banking and Financial Services just said, we do not know what is going to happen when the Year 2000 arrives, or strikes, as the case maybe. There are many people in Silicon Valley, many CEOs, who do not believe anything much is going to happen when the Year 2000 strikes. Then there are others who believe a lot may happen. None of us will know—until the event occurs.

It is because of the latter possibility, what could go really wrong that makes it so very important we take this step to prepare for the possible litigation that may accompany this worst-case possible scenario.

I want to underscore, however, the fact that the parties have come together on this issue at this time does not mean there will be agreement on a wide diversion of seemingly related issues. Pending in the Committee on the Judiciary are a variety of measures that would change tort law, change civil law in America dramatically. Some of the people who are going to vote for this conference report will not, in fact, support a wholesale change of American civil law.

Let me explain why. When I was thinking about this conference report and the underlying bill, I was reminded of President Abraham Lincoln. In the Civil War, President Lincoln suspended habeas corpus because the threat to the Union was so severe that the President believed he had to resort to this extraordinary remedy. That does not mean that we held the habeas clause any less dear as a guarantor of our liberty, but we had a crisis that prompted this action.

If bubonic plague were to break out, the health officers would not need to get a search warrant when, in pursuit of the plague, they had to gain entry. That would not mean we had any less affinity or affection for the fourth amendment, which helps keep our country free.

In this sense, the Y2K event is similar. Although none of us will be around at the next millennium, after the Year 2000 this will hopefully not be an issue. If it is, we can say here and now, that at least once a millennium, we will make a special exception to deal with this kind of crisis.

I appreciate the fact that the White House has sorted through these same policy issues and said as much.

I think that what we have before us is a fair and reasoned response that will provide useful benefit to the high-tech community and to our economy, because the real underlying issue is, if we do experience the worst-case scenario, the hit on our economy would be so enormous, that it would require the remedy and relief provided for in this bill.

I am proud to say that this conference report has the support not only of myself but of the ranking member, the gentleman from Michigan (Mr.

CONYERS), and many, many others, including our friends across the aisle and on this side of the aisle. I think it is something that we can be proud of and I sincerely hope and expect it shall in the near future serve as a model for additional legislative collaboration.

Mr. Speaker, I yield back the balance of my time.

Mr. GOODLATTE. Mr. Speaker, I yield 2 additional minutes to the gentleman from Virginia (Mr. DAVIS).

Mr. DAVIS of Virginia. Mr. Speaker, let me just say when this came up, we sent the conferees last week, the gentlewoman from California (Ms. LOFGREN) and others had said, please work with us. I know there was skepticism, but at the end of the day I think we recognized that this legislation is far better than the current status quo in terms of the protection it gives to companies and people who have acted innocently and in good faith to try to fix the Y2K problem.

So we took their suggestions. They have come over and have met us halfway. I think we have the final product.

I would like to rehash this because I think it is important for American industry to know where the people come from as they try to decide these things, and I went through it in that manner. But we are here today because we recognize that there is a need and because they were ready to meet us halfway on that issue. So I am glad we have this final product.

I am proud to stand up here as the chief sponsor of the legislation and say we have a product that I think does, in large part, what we intended for it to do when we started out. It does not do everything we wanted, for the reasons I outlined before, but again I want to urge all of my colleagues to vote yes on this.

Mr. GOODLATTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I would like to commend the gentleman from Virginia (Mr. DAVIS) for his leadership on this issue from start to finish. Sometimes individuals introduce legislation and it goes to a committee that they are not a member of and it goes through the process and they are not involved too much. The gentleman from Virginia (Mr. DAVIS) has been involved in this process, he and his staff, from start to finish, and I want to commend him for shepherding this legislation. He has done an outstanding job in that regard, making sure that the needs of the high-tech community not only in his district in Northern Virginia but all across the country are met, along with the needs of the broader business community who buys this equipment and needs to make sure that it operates effectively and have good working systems on January 1 of next year, not a good lawsuit on January 1 of next year. That is what this legislation accomplishes.

In addition, this legislation is very, very sensitive to the needs of America's consumers, those folks who not only rely on businesses to provide them with the goods and services they need but who have consumer products in their homes. Whether they be microwave ovens or personal computers or automobiles, whatever the case might be, we want to make sure that they have the problems that are associated with Y2K solved; and if they are not solved, that they have still their good legal remedies.

Under this legislation, they do. If there is a personal injury involved, for example, this legislation does not affect their rights to bring a cause of action for injury in any way, shape or form.

□ 1415

There is a carve-out for consumers with regard to consumer goods that assures them that they can recover the full amount of their loss if they experience one.

But the main intent of this legislation is to not see those losses occur at all. That is why I am so proud of this legislation, and have had the opportunity to move it through the Committee on the Judiciary, through the House, and through the conference to a good, solid bill that adheres to the original principles contained in the original legislation of the gentleman from Virginia (Mr. DAVIS).

While we have compromised, while we have made a number of changes with regard to the details of the bill, the core of the bill in terms of putting caps on punitive damages, in this case for small businesses of fewer than 50 employees, to make sure that we do not have a strong discouragement of solving this problem, that is in the bill.

To move to the standard of proportional liability, so somebody who may be 1 percent responsible for a Y2K problem does not get stuck with 100 percent of the bill, that is in this legislation. They will only pay their respective percentage of the problem, except under certain details, in which case it can be a little bit higher. But nonetheless, they are not going to be, in most circumstances, faced with the entire tab if they only caused a small percentage of the problem.

Class action reform, something that I am vitally interested in because I have introduced legislation on this in a broader sense to apply to all class actions, we have that reform in this legislation.

It makes sense for our Federal courts to handle Y2K class actions when they go beyond the scope of a single State. When they have plaintiffs or defendents from a multitude of States, this legislation will allow us in most instances to remove that legislation to the Federal courts, where they can consolidate actions from different States and they can apply a more consistent standard, and they can avoid the kind of forum shopping that takes place sometimes now.

In addition, the legislation contains conditions that if the plaintiffs seek punitive damages in their class action suit the case can be removed to Federal court, regardless of the amount in controversy. So these reforms are vital.

In addition, there are reforms that encourage folks to settle their differences outside of the courtroom: A 90-day cooling off period that is so important to allow a defendant who is made aware of a problem that somebody has in their computer system, in the machinery that is operating the manufacture of their products, whatever the case might be, they need to be given notice that the problem exists and then an ample amount of time to correct the problem. This bill does that.

The thing that pleases me the most is that because of the bipartisan compromise that we have reached with I think we are going to see soon an overwhelming majority of Members of both sides of the aisle voting for this, and with the support of the White House indicated in several letters that have now been received, because of this cooperation we are getting this bill done in very short order, and that means that we will have about 6 months for everybody who is facing this problem to go at solving the problem without fear of entangling themselves in a litigation morass, and that is going to do more than anything else to make sure that when that clock ticks to 12:01 on January 1 of the year 2000, computers across the country will know that indeed it is the new millenium and that we have not gone back to the horse and carriage era of 1900.

That, to me, will spell a continuation of the success we have had in this country with a booming economy as a result of the high-tech industry that is fueling our leadership around the world, our growth in our economy compared to other countries around the world, and the fantastic job creation that has taken place of good, high-paying jobs.

This industry needs to have this incentive to move forward, rather than the hindrance to be set back with a major problem in the year 2000. We are going to accomplish that here with passage of this legislation today, send it to the Senate, and then send it to the President, and get on with the business of getting ready for the new millennium.

Mr. COX. Mr. Speaker, I am pleased today to support the conference report on H.R. 775, the Y2K Act of 1999. This bill seeks to promote Y2K preparedness and prevent a crushing, $1 trillion lawsuit tax on American workers and families—the cost of litigation predicted to result from the Y2K bug.

The 1st Y2K lawsuits were filed in mid-1997, two and half years before the millennium. Some unethical lawyers are now holding workshops on how to start Y2K class actions. They are planning for abusive class actions on an unprecedented scale, which will—unless Congress acts—injure virtually every sector of the economy.

This bill will prevent extortion suits against deep-pockets defendants. It will protect consumers with meritorious claims by requiring lawyers to act for their clients' benefit rather than their own. It will guard against unethical lawyers raking off hundreds of millions, and even billions of dollars in fees that should go to redress real injuries.

Far too long, the fear of litigation has seriously impeded remediation of Y2K problems. Small and large businesses are too often limiting their own internal reviews, and their external disclosure and cooperation, so that they can avoid being accused of making inaccurate statements about their Y2K readiness, or of "misconduct" or "negligence" when they are actually trying to fix the problems that someone else created.

This bill will ensure that America does everything possible to fix Y2K problems before January 1, 2000. Inevitably, some Y2K failures will occur; and when they do, the innovative procedural reforms in this bill will encouraged alternatives to unnecessary litigation. And the bill's pro-consumer class-action reforms will ensure fair treatment of every individual, even in enormous, nationwide Y2K cases.

As an original cosponsor of this important, common-sense reform legislation, I am pleased to join in this effort to help consumers and preserve our country's high-tech edge in the global economy.

Mr. GOODLATTE. Mr. Speaker, I urge every Member of the House to vote for this conference report, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. LOFGREN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 404, nays 24, not voting 7, as follows:

[Roll No. 265]

YEAS—404

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
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Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—24

Bonior
Capuano
Crowley
Delahunt
Duncan
Filner
Hinchey
Kennedy
Kucinich
Lee
Lewis (GA)
McKinney
Meeks (NY)
Paul
Rahall
Rothman
Sanders
Schakowsky
Scott
Stark
Tierney
Waxman
Weiner
Weygand

NOT VOTING—7

Brown (CA)
Dingell
Fossella
Goodling
Green (TX)
Hall (OH)
Lipinski

□ 1442

Messrs. TIERNEY, CAPUANO, KENNEDY of Rhode Island and MEEKS of New York changed their vote from "yea" to "nay."

Mr. BURTON of Indiana changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 1059, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

Mr. SPENCE. Mr. Speaker, pursuant to clause 1 of rule XXII, and by direction of the Committee on Armed Services, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SPENCE moves that the House take from the Speaker's table the Senate bill (S. 1059) to authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with the House amendment thereto, insist on the House amendment, and agree to the conference requested by the Senate on the disagreeing votes of the two Houses thereon.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from South Carolina (Mr. SPENCE).

The motion was agreed to.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. SKELTON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 1059 be instructed to insist upon the provisions contained in section 1207 of the House amendment (relating to goals for the conflict with Yugoslavia), in order to recognize the achievement of goals stated therein by—

(1) the United States Armed Forces who participated in Operation Allied Force and served and succeeded in the highest traditions of the Armed Forces of the United States;

(2) the families of American service men and women participating in Operation Allied Force, who have bravely borne the burden of separation from their loved ones, and staunchly supported them during the conflict;

(3) President Clinton, Commander in Chief of United States Armed Forces, for his leadership during Operation Allied Force;

(4) Secretary of Defense William Cohen, Chairman of the Joint Chiefs of Staff General Henry Shelton and Supreme Allied Commander-Europe General Wesley Clark, for their planning and implementation of Operation Allied Force;

(5) Secretary of State Madeleine Albright, National Security Advisor Sandy Berger, and other Administration officials who engaged in diplomatic efforts to resolve the Kosovo conflict;

(6) all of the forces from our NATO allies, who served with distinction and success; and

(7) the front line states, Albania, Macedonia, Bulgaria, and Romania, which experienced firsthand the instability produced by the Federal Republic of Yugoslavia's policy of ethnic cleansing.

□ 1445

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the rule, the gentleman from Missouri (Mr. SKELTON) and the gentleman from South Carolina (Mr. SPENCE) each will control 30 minutes.

The Chair recognizes the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume, and I move that the motion to instruct be adopted by this House.

This is a motion to require or to urge the conferees to adopt section 1207 of the House amendment. The House will remember this is an amendment offered by the gentleman from Mississippi (Mr. TAYLOR) which dealt with the goals for the conflict in Yugoslavia. I might say that these goals were set forth by numerous people, including General Wesley Clark, including the President, including the Secretary General of NATO. They have been the polestars of this whole conflict.

We do this in a customary manner, Mr. Speaker. Customarily, at the end of a conflict, we compliment as a body those who participated in and helped achieve a victory. There is no question about it, this is a substantial victory for the allies, a substantial victory for NATO, and a substantial victory for the United States of America.

First, we speak of the United States Armed Forces. True, it was an air war primarily, but many of the Army and much of the Navy were deeply involved. But for that effort, it would not have been nearly as well done or as well planned nor as well executed.

To the families of American servicemen and women who bear the brunt of their spouses and their mothers and their fathers being gone, because of the separation from their home, from their loved ones, and we support them through this by giving them a congratulatory word.

To the President, for his steadfastness, for his perseverance toward the goal of victory.

To the Secretary of Defense, the Chairman of the Joint Chiefs, the Supreme Allied Commander, all of them for their hard work and planning and implementation of this Operation Allied Force.

To the Secretary of State, the National Security Adviser, and the other administration officials who engaged in diplomatic efforts which, in the end, resolved the Kosovo conflict.

And to all the forces of our NATO allies. This was not a mere United States effort. It was an effort on behalf of all the NATO nations led by the Secretary General and the Allied Commander in Europe, General Wesley Clark.

To all the front line states, those who bore the burden of refugees and of having foreign forces on their soil. Albania, Macedonia, Bulgaria, and Romania, they all experienced the instability produced by the Federal Republic of Yugoslavia in its policy of ethnic cleansing.

This is a mere token of appreciation by this House to each of these people, to each of these countries, to each of those who participated and bore the burden of victory in Yugoslavia.

Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the motion by the gentleman from Missouri speaks to an uncontroversial provision offered by the gentleman from Mississippi (Mr. TAYLOR) and adopted by a voice vote on June 10 during House consideration of H.R. 1401.

Section 1207, the provision in question in the motion, has two parts. The first part restates the authorities of the Congress under the Constitution to declare war and provide for the common defense. The second part establishes eight policy goals for the NATO military operation against Yugoslavia which, at the time the provision was adopted, was winding down and, in fact, is now over.

The gentleman's motion does go beyond the text of the House-passed language and asserts that the House should support section 1207 in order to recognize the efforts of our troops, the military chain of commands and a long list of others. While I do not believe that section 1207 or its legislative history had, or has, anything to do with the assertions contained in this motion, I nonetheless support the motion of the gentleman from Missouri and specifically want to commend the United States military and our NATO allies who executed Operation Allied Force with skill and courage.

Our Armed Forces, together with the military forces of NATO allies, conducted a military campaign involving over 35,000 aircraft sorties without a single casualty. The United States was responsible for the bulk of this military effort, especially with regard to air strikes against the most heavily defended and difficult targets in Kosovo and Serbia.

In addition, the United States forces provided most of the essential military capabilities in the areas of intelligence surveillance, reconnaissance, aerial refueling, electronic warfare and combat search and rescue. While having to carry out what unexpectedly and unfortunately turned into the equivalent of a major theater war, the United States Armed Forces were also providing almost simultaneously significant contributions to the humanitarian assistance effort as part of our Operation Allied Harbor in Macedonia and Albania.

Mr. Speaker, irrespective of how one might feel about the policy assumptions and judgments that unfortunately got us into this conflict, assumptions and judgments which I strongly disagreed with at the time, these in no way are endorsed by the motion of the gentleman from Missouri. I believe we can join together in commending the dedication and courage of all those in the Armed Forces who carried out this difficult military campaign. I am prepared to support this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Speaker, I thank my colleague for yielding me this time, and I rise in strong support of the motion to instruct conferees on the Defense Authorization bill to insist on language in the House bill articulating the goals and objectives of the air campaign in Yugoslavia.

Our military forces with our NATO allies have done a tremendous job in Kosovo. They have ended Yugoslav aggression against its own people, forced the withdrawal of Yugoslav military forces from Kosovo, reached an agreement with Yugoslavia on an international military presence in Kosovo, and started the safe return of Kosovo refugees.

The success we have achieved in Kosovo could not have been achieved without strong leadership from President Clinton and his senior military advisers. In particular, General Wesley Clark distinguished himself by conducting an air campaign that suffered not a single combat casualty. I will be introducing legislation shortly, Mr. Speaker, to award General Clark the Congressional Gold Medal for his efforts.

Or Nation's goals and objectives have been achieved with unparalleled success. We owe our military personnel a debt of gratitude for their service. I urge my colleagues to vote for this motion to instruct conferees.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, while I agree with my friend, the gentleman from Missouri (Mr. SKELTON), on the service of our military men and women, because their efforts are laudatory, I disagree extremely with the laudatory comments about our diplomatic corps and the President in this effort. As a veteran, it is sickening to me, and I will tell my colleagues why.

The total number of people killed in Kosovo prior to our bombing was 2,012. We have killed more than five times that amount in our bombing, and yet we are supposed to be saving people. There has been a forced and increased evacuation of Albanians outside of the country. The United States flew 85 percent of all the sorties and provided 90 percent of all of the weapons, and we are only supposed to pay 15 percent of it. If my colleagues will remember, in Desert Storm, George Bush actually made $2 billion. We did not have to spend $100 billion in the war and rebuilding Kosovo.

Rambouillet was a joke to start with and, in my opinion, caused us to go there. Jesse Jackson said that we need to understand both sides of an issue. One, what were the fears of the Serbs? One, that the number of Serbs that were killed by the KLA was going to continue if Rambouillet existed. There are 300,000 Albanians that live in Yugoslavia that have not left, where the KLA is not. Secondly, that none of their police forces could stay and protect the Serbs. And we can see what is happening today there. Third, they were afraid that no one would protect them at all. And to me this is a travesty.

Our diplomatic corps did not make this happen. If my colleagues will take a look, it was Russia. From the day we started bombing, I said, we need Russia to negotiate, we need Scandinavian and we need Italian troops to resolve this, A, to protect both sides; and, B, to have some stability in there. And yet the United States and our diplomatic corps did not.

We are going to see increased interest rates. We will see us pay $100 billion before this is over. And my colleagues that want to save Social Security and Medicare, where do they think this comes out of? The surplus.

General Reimer told me that we used 1 year of life in our aircraft, which were already devastated with parts, and most of those are engines and so on. If we take a look, one-half of our tankers participated, but we used all the crew. We are only keeping 23 percent of our military personnel in here, and it has been devastating.

So, yes, our troops were exemplary, we did the job. But, in my opinion, the President of the United States and the whole diplomatic corps, through their failure, caused the war in the first place.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I respectfully disagree with my friend from California. Let us give credit where credit is due. It was because of the strength and perseverance and unity of all 19 democratic nations of NATO that finally got Milosevic to capitulate and end the atrocities in Kosovo. But, ultimately, the credit belongs to those young men and women in American and NATO uniform who were being asked yet again in the 20th century to restore some peace and humanity to the European continent.

A few weeks ago I had the opportunity to travel to the Balkans and to meet and see firsthand those troops who were carrying out this dangerous mission. I wish all Americans had the opportunity to experience what I did and to feel the patriotism and the pride that I felt in those troops over there.

□ 1500

They performed their mission with honor and with great success. Unfortunately, two young officers were not able to return home safely. These were Chief Warrant Officer David Gibbs of Ohio and Chief Warrant Officer Kevin Riechert from a small town in my congressional district in western Wisconsin, Chetek.

I am sure that all our thoughts and prayers go out to their families today. I just wanted to recognize and acknowledge their service and the sacrifice they and their families made on behalf of our country.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I want to speak about some concerns and reservations about what we are doing here. Because I certainly, unequivocally, join 435 Members of this House in support of our Armed Forces and the great work that they have done and their families who have supported them throughout this and I support the whole chain in that respect. But I must say, I am very concerned that this could be misconstrued as an endorsement of support for our policy in Kosovo.

Because I, as do so many Members of this House, oppose this war. This was the result of diplomatic ineptitude. It is bad foreign policy. The President and the leaders never have told the American people what our American peril was in Kosovo. We do know that one of the goals was to try to bring peace to that area, and yet we are going to have 50,000 "peacekeepers" acting as proactive police officers in that area for an unlimited amount of time. I hardly say that that is a fitting conclusion to a war and animosities that date back at least to the Field of Blackbirds in 1389.

So I want to say, unequivocally, that this House Member joins many, many other House Members in saying we did not support this war and do not want to have this vote being construed as supporting the war. I do not think that the President showed great leadership, nor did most of his cabinet members, when they cannot define what the peril is, why we are in a conflict, and when the result of that conflict or that action is the evacuation of 855,000 people from the country and then another 500,000 within the country who have lost their homes, and now, after already spending $12 billion in the Balkans and another $5 billion in Kosovo itself, we are going to be spending billions more to rebuild that society, which I will not say we should run from that responsibility at all.

But I do think now we are in it, and it just seems to me that this administration's whole policy in the Balkans has been a quagmire. It has been vague. It has been haphazard. I do not believe that this is an outstanding chapter in American diplomatic history whatsoever.

So I do understand that the gentleman from Missouri (Mr. SKELTON) has great respect for the armed services, which we all admire and we all join him in doing. I am going to support this portion because the armed services personnel are being commended. But I do want to emphasize strongly that a large number of Members of the House on the Democratic and Republican side oppose this policy in the Balkans, oppose this war, and we have great questions about the so-called peace agreement.

How long are we going to be there? When do we get out? What will be the result? Why is Russia in the process when they did not contribute to this yet they are going to have a major part in the rebuilding of Kosovo? Will this make Kosovo more western, or is it going to make them more pro-Russia?

So I just wanted to air those reservations, Mr. Speaker.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is a limitation on time, but I wish to point out to my friend from California that the wording herein is a reflection exactly of the matter that was passed in the United States Senate unanimously.

I might also say that, because of what we did, the horrors, the deaths, the starvings, the burned homes, the rapes, and all the tragedies have come to an end because of what we, our leadership, our Armed Forces, and our allies did. So this is an effort to commend all of them in urging the House to adopt section 1207.

Mr. Speaker, I yield 1 minute to the gentleman from Puerto Rico (Mr. ROMERO-BARCELÓ).

Mr. ROMERO-BARCELÓ. Mr. Speaker, I rise in strong support of the motion to instruct conferees and to commend our troops for the success in Kosovo.

We in Puerto Rico are pleased to have participated in the endeavor to secure democracy for Kosovo. A portion of our military's training was carried out in Vieques, Puerto Rico. During that training, a tragic accident occurred when a bomb went 1½ miles off target and killed one civilian and injured four others.

I urge the conferees to address the safety and security concerns of the 9,300 American citizens who reside in Vieques. The accident of April 19 underscored the hazards to which the residents of the island are exposed by the bombings during our military maneuvers at the Navy range.

We must consider other options for training which do not pose a danger to the U.S. citizens in Vieques, Puerto Rico.

Mr. SPENCE. Mr. Speaker, I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I thank the gentleman from Missouri (Mr. Skelton) for yielding me the time.

Mr. Speaker, I rise in strong support of this motion. I certainly commend our brave United States Armed Forces, their families. I believe that President Clinton ought to get all the praise possible for the conduct of this war. Secretary Cohen, Secretary Albright, all the NATO allies, the front-line states, Albania, Macedonia, Romania, and Bulgaria, this was truly a united effort.

I very much regret that we needed this vehicle to put forth this resolution commending our Armed Forces. The Senate, as the gentleman from Missouri (Mr. SKELTON) pointed out, unanimously adopted a resolution several weeks now. We have been trying to get the Republican leadership to allow us to have a similar resolution on the floor, but they have denied it. This is the only vehicle.

What, frankly, really bothers me is that the same critics in this House who were calling the war "Clinton's war" and were saying that bombing would never work and the war would never be won and this was a tragedy and this was a travesty now will not give credit where credit is due.

The fact is we won this war. We ought to be proud of winning this war. The President was right. The President did the right thing in Kosovo.

I co-chaired the Albanian Issues Caucus, and we have been yelling for years and years about the ethnic cleansing that is going on in Kosovo, the lack of human rights, the fact that the ethnic Albanians there were denied for years and years the basic rights.

I am proud of our country for stepping in and standing up for human rights. I am proud of our President for taking a stand. It would have been politically easier for him to just sit back and say, what can we do? This is not our war. Ethnic cleansing and genocide, as abhorrent as it is, there is nothing we can do about it.

But the President did not say that. The President took action, and thank God he took action and saved thousands upon thousands of lives.

The fallacy that ethnic cleansing somehow was not happening and that the bombing caused it is nonsense. It is what I have been calling for years "quiet ethnic cleansing" or "slow ethnic cleansing." And we put a stop to it and we allowed ethnic Albanians, who constituted 90 percent of the population of Kosovo before the war, to be able to live normal lives.

So I think that our Armed Forces ought to be praised. The President of the United States deserves all the praise there can be. And my colleagues on the other side of the aisle that were calling this "Clinton's war" ought to be calling it "Clinton's victory" because the President deserves the credit. I am very, very proud of what we did.

I want to say, I hope that there will be autonomy and self-governing. But, as I have always said, I believe, long range, the solution for Kosovo is independence because those people have the same right of self-determination and independence that the other people of former Yugoslavia when the former Yugoslavia broke up and Croatia and Bosnia and Macedonia and Slovenia all had the right to self-determination. The ethnic Albanians in Kosovo, in my estimation, ought to have that same right.

So, again, I commend the gentleman from Missouri (Mr. SKELTON) for this. I think we all ought to go on record as praising the Armed Forces and commend President Clinton.

Mr. SKELTON. Mr. Speaker, may I inquire as to the amount of time that we have remaining on this side, please?

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Missouri (Mr. SKELTON) has 19½ minutes remaining. The gentleman from South Carolina (Mr. SPENCE) has 21 minutes remaining.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in strong support of his motion to recommit. Of course we should commend the troops. Of course we should commend the President. Of course we should commend the Secretaries of State and Defense and all of the NATO leaders and all the NATO countries and all the front-line States that stood up to this terrible situation in Kosovo.

What astonishes me is that it was bad enough that the effort here in this House was not bipartisan to support our effort in Kosovo and today we do not have bipartisan support to commend the effort in Kosovo. We have to resort to this parliamentary effort to get a vote to commend these terrific achievements. And I think it is a sad day.

My father and grandfather, lifelong Republicans, taught me that politics ended at the water's edge. Well, I am afraid to tell the gentleman and the House that this Republican party is not my grandfather's or my father's Republican party. Something has gone wrong here. But we had strong leadership. NATO did the right thing.

I support the motion of the gentleman.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this motion by my good friend from Missouri. This motion instructs conferees to retain the provisions of the defense authorization legislation relating to the goals for the conflict in Yugoslavia.

Maintaining this language will allow us to recognize the brave men and women in the U.S. Armed Forces who have served this Nation so well. Through their efforts and the efforts of our allies in NATO, we have stopped a brutal tyrant from continuing his attempts to destroy a region and its people. This motion not only praises our uniformed personnel, but it also recognizes the critical contributions of their families. Without the sacrifices of the husbands and wives and children back home, we could not have accomplished our military goals.

When we debated the defense authorization on the floor of this House, the military conflict was underway. Now, however, we are afforded an opportunity to show our thanks on the record for the victory that they have achieved. Now, as the peacekeeping work begins, we must continue to support the military's efforts and stand by our military men and women in the field and their military and civilian leaders.

I urge my colleagues to vote for this motion.

Mr. SKELTON. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank my friend the gentleman from Missouri (Mr. SKELTON), our ranking member, for yielding me the time.

Mr. Speaker, the system that is over 200 years old in our country has been a very wise one indeed. It is a system in which we vigorously debate and often disagree about what direction our country's policies should go in before we engage in conflict. But it is also a tradition that says that, once we engage in conflict, we unify.

It is the wisdom of this motion to instruct that reflects that tradition, and it is because of that wisdom that I rise in strong support of the motion. This motion appropriately looks both backward and forward.

It looks backward to say thank you to a lot of people who made a tremendous effort to make the successful result in Kosovo possible, to our very brave and noble troops, to their families who supported them back home, to our allies who stood with us, to the front-line States who endured, and, yes, to the leaders of our country, the military leaders in uniform, the diplomatic leaders at the State Department, Secretary Cohen at the Defense Department, and certainly to the Commander in Chief, to President Clinton. These are words that are definitely worthy of being said by this Congress.

It is also important to support this motion because it looks forward. It recognizes that although the conflict is hopefully over in Kosovo, the job is not, that there still are objectives to be met to establish a framework under international law for a Democratic government to make sure that those, including President Milosevic, who commit crimes against humanity are brought to justice, to be sure that refugees are brought to a safe and humane home and resting place once again.

This resolution is in the finest bipartisan tradition of our country. It looks forward and says there is work still to be done in a bipartisan way, and it looks backward to the brave and noble work of our troops, their families, and their leaders and delivers a well-deserved thanks. I am proud to support it.

Mr. SKELTON. Mr. Speaker, I yield 1½ minutes to the gentleman from Virginia (Mr. MORAN).

□ 1515

Mr. MORAN of Virginia. I want to thank the very distinguished gentleman from Missouri for finding a way to bring this resolution to the floor. We ought to be proud of what we have done. Nineteen nations worked together cooperatively to stand up for the freedoms that we enjoy and to stand up against thuggery. The Kosovar Albanians had been denied virtually every freedom that we take for granted in this country since 1989, but that is not why we got involved. We got involved because we knew a war criminal had 40,000 troops massed on the border, was going to go into Kosovo and was going to burn homes, oftentimes with people in them, rape women, execute men, that is what he would have been able to do in order to clear their country of people based purely upon their ethnicity. That is wrong.

The free nations of the world stood up and were successful, and in the process they showed that we can prevail without the loss of one American soldier, sailor or airman. We were successful with an air war when people said it could not be done. We were successful in putting strength and resoluteness in NATO. This set a precedent. We should be proud of what we have accomplished. And we should tell the rest of the world that we are proud in a bipartisan manner.

That is what this resolution is all about. It should be passed unanimously.

Mr. SKELTON. Mr. Speaker, I yield 2 minutes to the gentleman from Guam (Mr. UNDERWOOD).

Mr. UNDERWOOD. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in very, very strong support of this motion to instruct conferees that has been presented by the ranking member of the Committee on Armed Services. One of the basic principles that we learn in trying to deal with fellow human beings in our lives is that we should give credit where credit is due. What this motion to instruct conferees does is basically to recognize success, the success of our armed services, the success of our joint efforts along with our NATO allies, and in particular also the contributions of front line states that surround the Federal Republic of Yugoslavia, the success of our diplomatic efforts, and the success of the leadership of our military as well as our civilian authorities and, of course, the success of our President.

But this is not just about a great victory. It is about a great success, with some fairly limited objectives. I am sure that many people will take the time to point out and there will be lots of discussion about the problems that this has created. It will be pointed out that there will be problems with the occupation of Kosovo, problems associated with civil administration, infrastructure, trying to bring people together who have experienced lots of division and have been subjected to all the kinds of things which have gone on under the leadership of Milosevic. But I would like to point out that the problems of peace are infinitely preferable to the problems of war.

What we have here is a resolution that highlights our gratitude to the men and women of our armed services and their families and President Clinton and Secretary of Defense William Cohen and Chairman of the Joint Chiefs of Staff General Shelton, Supreme Allied Commander Europe General Wesley Clark for their planning and implementation, Secretary of State Madeleine Albright and National Security Adviser Sandy Berger. We must send a message of gratitude to all of those who worked hard for this success.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Speaker, I thank the gentleman from South Carolina for yielding me this time. I want this body to know and through this body the Nation to know that I support the troops. I think the job that they gave to us and did for us was outstanding. As always, our men and women in uniform have done an outstanding and admirable job. I would vote for this motion to instruct if that is what we were doing. But I have got to tell my colleagues, a declaration of success in Yugoslavia by the media and the White House does not mean that victory was actually at hand. This charade in the Balkans has gone on long enough.

How can you call it victory when Milosevic is still in power? The agreement that they signed to end the bombing is an agreement that Milosevic would have signed before the bombing. How can you call it a victory when the reasons that we went to war are exactly the reasons why it cannot be called a victory. The President said that if we did nothing, there would be Kosovar Albanians destroyed and killed and refugees would flood the borders, there would be instability in the region, and that NATO's credibility would be undermined if we did nothing.

Take a look at it. Thousands of Kosovars were killed, refugees had lost their homes, they are coming back to burned-out homes and areas that are absolutely devastated. Instability is still in the region. In fact, I contend there is even more instability in the region because we now have a partitioned Kosovo, including Russian troops reintroduced into Yugoslavia, something that we have been afraid of ever since World War II. And NATO's credibility has been undermined. NATO for the first time in the history of NATO changed its mission from being a defensive organization to being an organization that bombs and invades sovereign nations. I contend that their credibility is seriously undermined. On top of all that, our relationships with Russia and our relationships with China and many other countries in the region have been seriously undermined.

That is a victory? Was it worth it? Was it worth it to bomb? Was it worth it to devastate and suck the very strength out of our defenses so that the fact that we had to move an entire aircraft carrier task force out of the Pacific and leave our troops in Korea at risk and move it to the Adriatic Sea? Was it worth it to take our stockpile of cruise missiles and reduce them from 1,000 that we need for a two-theater war down to what some people say is less than 45 and we do not have a production line to build any more? Was it worth it to put the United States in one of the weakest positions that it has been in many, many a year in its ability to fight a two-theater war? I think not.

I do not think this House ought to be commending a President for his leadership, particularly someone like Sandy Berger, Mr. Speaker, whom many people on both sides of the aisle have questioned his leadership, in a motion to instruct. I think this is a terrible mistake to bring this kind of debate to the floor of the House. But it is here and we have to debate it.

I reiterate, once again, that this body unanimously supports our troops and the job that they have done when asked to go. We have no question that they did the best, the job that they were trained to do, under very difficult circumstances. But for us to call this a victory and to commend the President of the United States as the Commander in Chief showing great leadership in Operation Allied Force is a farce.

Therefore, I am going to vote against the motion to instruct and hopefully we can bring a resolution to this floor commending our troops.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume. Let me take this opportunity to point out a bit of history, that I supported the efforts of our country regarding the Contras, that I supported President Bush's efforts, successful efforts against Saddam Hussein, that I supported this country and NATO's efforts against Mr. Milosevic. Omar Bradley, the famous Missourian, Second World War General, once said that "second place doesn't count on the battlefield." We were victorious, Mr. Speaker. Milosevic's troops, his presence is no longer in Kosovo. Was it worth it to take on Saddam Hussein? Certainly. It was well worth it to take on Milosevic. The killing has stopped. The NATO alliance has held together.

I might point out to this body that we are talking about section 1207, and in particular in response to the gentleman from Texas, I wish to read subsection 7 that says, "President Slobodan Milosevic will be held accountable for his actions while President of the Federal Republic of Yugoslavia in initiating four armed conflicts," et cetera. Also section 8 says, "Bringing to justice through the International Criminal Tribunal of Yugoslavia individuals in the Federal Republic of Yugoslavia."

That is what we are commending, that is what we are instructing the conferees to adopt, among other items.

Mr. Speaker, it is with pleasure that I yield 3 minutes to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend for yielding me this time.

Three weeks ago, the Federal Republic of Yugoslavia agreed to comply with NATO's demands to withdraw its forces from Kosovo, ending more than 80 days of hostility.

In bringing this conflict to a close, the United States and NATO brought an end to a Yugoslavian campaign of ethnic cleansing, rape and murder. It ended the flood of refugees fleeing Kosovo and gave hope to hundreds of thousands of men, women and children that they would soon be able to return to their homes.

More than 2 weeks ago, the Senate passed a resolution commending all those involved in our Nation's successful efforts in Kosovo. We had hoped that the leadership in the House would bring forth a similar bipartisan resolution commending our troops and congratulating President Clinton and other administration officials for their leadership.

To date, they have refused to bring up such a resolution. For goodness sake, is the dislike so intense, the hatred so great of President Clinton that the Republican majority cannot bring themselves to commend our troops and congratulate the President for his leadership? Listening to some of my colleagues on the floor this afternoon, I can only conclude that this is the case. These troops under the leadership of the President of the United States and the NATO officials stopped a modern day Holocaust from taking place in eastern Europe.

Mr. Speaker, we should overlook partisanship today and vote for the motion to instruct.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. METCALF).

Mr. METCALF. Mr. Speaker, I rise in strong support and pride in our service personnel in this most difficult Kosovo situation. But I cannot vote for this motion. I can neither support nor condone this military bombing of Kosovo. Bombing is by definition an act of war which if I read the Constitution correctly must be supported by a vote of Congress. There was no such vote for a declaration of war. I am very reticent to allow any President to commit acts of war without such a declaration. The bombing probably killed 7,500 people and did an immense amount of damage. Now we will be asked to go in and repair it.

I think the Congress should notify the President that from now on, no money will be available for acts of war without a declaration of such by Congress. I believe the cost in billions of dollars now will be borrowed—we have not got the money to pay it—now will be borrowed from our children and grandchildren and they will pay interest on it the rest of their lives. I think this is atrocious.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. GEJDENSON).

Mr. GEJDENSON. Mr. Speaker, I am impressed by the agility of the majority party. They come to the floor with incredible arguments on why we can never recognize a Clinton accomplishment.

The whip was in the well saying that, well, Clinton went to Yugoslavia and Milosevic was there before and he is still there now. Let me tell my colleagues, when the Democrats were in control, George Bush went to Iraq. After the Bush administration told Saddam Hussein, "Oh, you can take a little bit of Iraq, we don't get involved in Arab land disputes," and then President Bush, with a majority of Congress, went to Iraq and Democrats and Republicans alike commended the President for a job well done, those who voted for the war and those who did not.

□ 1530

This Congress, on the majority side, cannot find it in its nature to recognize even one act the President may achieve that is successful, stopping a slaughter similar to the ones that led to World War II. Every argument; we have hit buildings, we have caused damage, as if the thousands of people killed by Milosevic were irrelevant. The President deserves no credit.

How many speeches did we hear on the other side that bombing would never work? We have never been able to achieve a goal through bombing day after day on the floor. We achieved our goal. We have rid Kosovo of Mr. Milosevic and his murderers. We are in the process of trying to establish a peaceful society where people can live civilly together. It will not be easy.

But just as Mr. Milosevic is still in control, so is Saddam Hussein still in control. Our goals were never the removal simply of these presidents. God knows we all hope that Mr. Milosevic and Mr. Saddam Hussein are tried as war criminals. But to come to this floor under almost any excuse because God forbid they should ever say a good word about what President Clinton did; he had the courage to lead the West, to keep NATO united and to succeed in stopping murder on our watch.

First the argument was we could not succeed, second the argument was the danger was too great. The only loss of life was not in combat, as sad as that was. I believe two pilots died in a helicopter crash.

This President succeeded to lead a successful policy, and this Congress had a chance to vote, and there was one day here where somebody described it better than I can. Congress voted. They decided not to go back, not to go forward, and by an even vote, I think of 213 to 213, did not even vote to support what we were doing.

Now after the fact take your partisan hate aside for one moment. Recognize our troops and our Commander in Chief. They politicize the foreign policy of this country I believe more than it has ever been politicized. We always had the courage to come down here, and if we were wrong initially, we stood up and commended Reagan or Bush or whatever Republican President was here. Have the guts to do the same.

Mr. SPENCE. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. WELDON).

Mr. WELDON of Pennsylvania. Mr. Speaker, I thank my good friend and chairman for yielding this time to me, and I rise with a great deal of disappointment. I have the highest respect for my good friend from Missouri. I think he is a great American. I have acknowledged that publicly on a regular and consistent basis.

I would join with him in a heartbeat if this were a resolution honoring our troops, and the gentleman knows if that were the case, that resolution would pass this body 435 to zip with no dissenters. But if we took the resolution and if we want to honor the President, which is evidently what some on the other side want to do, then let us have that vote. Take out the troops and just honor the President for his role. I would say this to my colleagues: That would not pass this body. That resolution would not pass this body.

So what do we have here? We have a resolution where we are using the patriotic troops as the cover, as the cover to allow a Commander in Chief with a policy that is being questioned by Members on both sides of the aisle in this body to be able to have him say that we praised him for his actions.

If my colleagues want to have the vote on supporting the President's actions, then have the guts to have that vote separately. Have their up or down vote. Let us see how and whether Congress comes out in terms of whether or not they agree that this President did a good job. Let us have that debate. Let us talk about the fact that our relations with Russia and China have never been worse in this decade. Let us talk about the fact that we are driving the Duma election this December into the hands of the ultra nationalists because of our deliberate policy of not involving the Russians for the first 3 weeks, and if a Member challenges me, I will show them a confidential internal State Department memorandum that outlines that because I have it.

This debate is not about honoring our troops, and it is unfortunate because those on the other side know they boxed the Members on this side, Members who want to display their patriotism and their thanks for America's sons and daughters for the job they did. But as the President did when he used the military and paraded them down the White House lawn for that photo op, as the President did when he stood on the deck of an aircraft carrier and talked about his commitment for our military while cutting the budget to an unprecedented level, we are again going to give this President cover.

We are going to let him hide behind the skirts of the women who served in the military in combat and did the service for this because we are going to let him hide behind the uniforms of our military personnel to get a victory based on the military so he can tell the fact that Congress is supportive of what he did.

I have never been more sick in the 13 years that I have been here that we would have to have a vote where we use our military to give cover to a policy that should be openly debated, and if Members want to debate support for the President's policy, I would say to my colleague make that the motion to instruct conferees, make it be on the administration and the policy, but do not use the troops as political pawns. All of us praise our troops, but Democrats and Republicans alike express grave concerns about what we have done here.

We caused the worst humanitarian crisis in the history of Europe in helping to push a million people out into the hinterlands, and now we are not going to have a chance to say that. All we are going to do is say because it has a paragraph that praises the President, all of us then must be behind what he did.

What a crock of my colleagues know what.

This is a very sad day in the history of this body.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, this is a very dysfunctional Chamber. Blind partisan hatred infuses, it seems like all issues, even something as we look back at a successful completion of a military conflict, an end of a series of atrocities against a people too horrible to fully contemplate.

The preceding speaker is 100 percent incorrect in suggesting that this conflict created the humanitarian catastrophe unleashed by Slobodan Milosevic. The American people know what happened. The military action under the leadership of the President ended this humanitarian crisis and stopped the slaughter of a people. We ought to be proud as Americans for the role played by our military, the role played by our troops, the role played by our leaders, including President Clinton, and it might be tough in light of this partisan period that we are in to say so, but nothing less is deserved.

The President provided leadership when leadership was needed, and the military conflict has been successfully concluded.

Mr. SPENCE. Mr. Speaker, I yield 2 additional minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, where do we have to go from here? First of all, NATO nations have got to upgrade their own military so that we do not have to fly 85 percent of all the sorties and drop 90 percent of the bombs in the future. We cannot afford it, to take the lead in all of these. Tudjman's ethnic cleansing is 750,000 out of Croatia, is a war criminal, should be attacked. Izetbegovic according to the Mujahedeem and Hamas should be a war criminal right along with Milosevic.

A supplemental check, our next supplemental, should be a check from NATO paying for our fair share. We are supposed to pay for 15 percent, not an 80 percent of a war that happened. When we talk about 300,000 Albanians and Yugoslavs that live peacefully, how about the 200,000 Serbs that are now evacuated. My colleagues do not think that those men, women, and children are innocent victims, that we have a great victory on our hands and we ought to take care and have as much compassion for them as well.

Efforts to repay and the relationship with Russia has got to be a priority. Now Russia, in my opinion, is our enemy, but we have made great gains with Russia, and unless we continue in that direction, then all is lost. I think we need to take a look at the Progressive Caucus in this House listed under the web page: Democrats Socialists for America, and their last of their 12 point agenda is to cut defense by 50 percent should remove that from their agenda because it does disservice to our men and women in military and disservice to the national security of this country.

We need to take a look at how we are going to conduct ourselves in these wars, and when the gentlemen say this is partisan; no, there is a disagreement on what victory is and that we should not have been there in the first place. Not partisan, but a fact that we should not have been there in the first place and expend the resources of this country when there was only 2,000 people killed and we killed over 7,500.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. DAVIS).

Mr. DAVIS of Florida. Mr. Speaker, I rise in support of the motion to instruct conferees. This is not a vote of a popularity contest with respect to the President. This is a vote to recognize the achievement of goals.

We had several debates on the floor of this House. We had disagreement as to those goals. But ultimately we as a country, acted in furtherance of goals, and we achieved those. Why did we achieve those goals? Because we had our best men and women in the country here in the field giving their very best efforts, and by the grace of God we prevailed.

Were mistakes made? Of course there were. Were lessons learned? Absolutely. An important part of our job is to think about what lessons were learned. But we did achieve those goals, and I do not think anybody can stand here today and say that everybody did not give it their best effort.

So let us come together as a country through this Congress. Let us recognize that we achieved those goals. Let us be thankful we succeeded. Let us learn our lessons from Kosovo and let us put this behind us and recognize our troops and everybody who played a part in the mission.

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, I read the resolution. It starts out commending the troops, and of course that is the most important thing that we can do. I think we should all be involved in that. It then goes on to commend Secretary Albright and the President of the United States in this operation.

Mr. Speaker, I voted for the air war. I voted to support the operation even though it was a retroactive vote that was placed before us. But I am not going to vote to support the President's leadership, and I am not going to vote, make that vote, for partisan reasons. I am going to vote because of the President's leadership and because of his treatment of the military.

Now let us review the facts:

Today we have shorted our military people $13 billion worth of ammunition. That is all the way from cruise missiles to M16 bullets. That means, if we have to go to war tomorrow because this administration has pulled money out of the cash register that was meant for bullets and used it for peacekeeping operations, we are going to have people die because they run out of bullets.

Today we are 13½ percent below the civilian pay rate for our military. That means that we have 10,000 military families on food stamps. That is a direct result of the President's leadership or lack thereof. If my colleagues think the President has paid our men and women in the military adequately, then vote for this resolution. But I am not going to do that. Today our mission-capable rates have dropped like a rock for lack of spare parts, and that is because the President has not put enough money in the military budget for spares, for aircraft and the Army, the Navy, the Marine Corps and the Air Force. I am not going to commend the President for that.

So, Mr. Speaker, if the President wants to really do something that thanks our military families for their valiant effort in this war, I suggest that he pay them, increase their pay to the full 13 percent like President Reagan did when he came in and closed that 12.6 percent pay gap, and I recommend that he supply adequate ammunition so that they can fight wars without running out of ammunition, and I recommend that he comes forward with all the spares and the modernization that is required to keep 55 airplanes a year from falling out of the sky and crashing, resulting in 55 deaths in peacetime operations like we had last year.

☐ 1545

This President has hollowed out the military. If he was a Republican, I would say exactly the same thing.

We have some fault, I think, Mr. Speaker, because we have allowed ourselves as a Congress to be finessed by this administration and not to come back with all the requirements our military really needs.

I recommended a $28 billion emergency supplemental because that is what the services said they needed, and yet when we even tried to get above $6 billion and finally got to $12 billion, the President resisted that mightily.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, when George Bush came to this Chamber after a successful campaign in destroying the designs which Saddam Hussein had on Kuwait, he came to this Chamber and we rose as one, not Democrat, not Republican, not liberal, not conservative. We stood to praise our Commander-in-chief.

We did not say, Mr. President, how could April Glasbie, your ambassador to Iraq, have told those people we would have no protest if you had designs on Kuwait? Which she did.

We could have said, Mr. President, how could you have not detected the gas centrifuge technology that he was using for nuclear weapons?

How could you have voted to condemn Israel in the U.N. for bombing the Osirak nuclear power plant?

How could you have not killed the Red Guard when you had a chance? How could you have not wiped out Saddam Hussein when you had a chance?

We did not do that. We praised George Bush, after a successful military campaign, as our Commander-in-Chief. The majority in this House should be ashamed. They continue this pathology of bitter hatred of the President at the expense of our country.

Mr. SPENCE. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. WELDON).

Mr. WELDON of Pennsylvania. Mr. Speaker, I thank my distinguished chairman, the gentleman from South Carolina (Mr. SPENCE), for yielding me this time.

Mr. Speaker, I say to my colleague and friend, I agree with him. Let us have the question on whether or not we support this President.

Mr. MARKEY. No.

Mr. WELDON of Pennsylvania. That is what you just said.

Mr. MARKEY. No.

Mr. WELDON of Pennsylvania. You just said in your statement, and I will take your words down if you want to repeat them, that we voted on whether or not to support the policies of President Bush.

What I am saying and what my colleagues are saying, let us have that debate. Let us have a real amendment, not a phony amendment, where we have the President's policies hidden behind the skirts and the uniforms of the men and women in this military.

Mr. MARKEY. Will the gentleman yield?

Mr. WELDON of Pennsylvania. No, I will not yield.

Mr. MARKEY. You are over the line.

Mr. WELDON of Pennsylvania. Regular order, Mr. Speaker.

The gentleman knows full well, as all of our colleagues on the other side know, if there is a freestanding amendment on supporting the troops, it will pass 435 to 0. If there is a freestanding motion to recommit or motion to instruct that only supports the President, they could not get the votes. You could not get the votes.

Let us have that vote. Let us have the vote you want. Let us have the policy decision that you have asked for, but you will not give it to us.

Mr. SKELTON. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I rise in strong support of the motion to instruct the conferees, yes, to commend the President of the United States, our Commander-in-Chief, and our troops, for the success of the air war over Yugoslavia.

I say shame on those who do not want to honor our troops or to honor our Commander-in-Chief. If we may recall in this body, some of these are the same people, indeed, who refused to authorize the air strikes in Yugoslavia when our young men and women were, in fact, flying through enemy fire.

What is also interesting to note is over the last 2 weeks, the House Democratic leadership have urged a similar kind of an effort to have a bipartisan resolution in the same way that the other body did, and they have been turned down at every single turn, in order to do this in a bipartisan way.

If we are serious about what we are doing here today, we need in fact to say, thanks, and commend the Commander-in-Chief of this United States for his leadership and his efforts to honor the valor of the young men and women who fought so bravely so that in fact, yes, we can stand here today and talk to the people of the United States. That is what both of them did for us.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from South Carolina (Mr. SPENCE) has 3 minutes remaining, the gentleman from Missouri (Mr. SKELTON) has 1 minute remaining, and the gentleman from Missouri (Mr. SKELTON) has the right to close.

Mr. SPENCE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. KUYKENDALL), a Marine veteran and the father of an F–14 female pilot.

Mr. KUYKENDALL. Mr. Speaker, we in this country did not recognize the service of those that fought the war that I was part of. We did a terrific job recognizing the young men and women we sent to the Persian Gulf.

I will stand foursquare in front of anybody to praise the young men and women in this military force we have in the field today. They are asked to do more with less, more frequently, than any force we have had in our recent history that I am aware of.

I live that from my past experience. I live it from my current experience with a daughter that is involved in those kinds of conflicts.

I find it distasteful, in order to stand up, and want to praise the civilian leadership, which is actually their praise comes by being elected to those jobs and being approved by us to hold those positions as secretaries of defense or other elected leadership that are civilian. And I am happy to sign on any motion to praise everyone from General Shelton and General Clark, whether I agreed or disagreed with how they managed that war on down, because they put themselves in the position of putting young people in harm's way. The civilian leadership is not the one where that praise needs to be. It needs to be to the people who were doing the job, the people who were there and had their lives at risk and had their families torn apart because of those deployments.

I very much want to praise them, and I do every time I see some of them, and I will continue to do that because the times that I and my counterparts lived through in the 1960s and 1970s should never come back to this country again, because they do so willingly when they step forward to carry that banner for us.

I would not be in favor of this. I guess I cannot get myself to the inflamed pitch of some of my opponents or some of my colleagues, but the feeling is just as heartfelt. These young men and women are the finest we have, and they deserve our praise, and that is who we should be praising specifically and no one else in this.

Mr. SPENCE. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. HUNTER).

The SPEAKER pro tempore. The gentleman from California (Mr. HUNTER) is recognized for 1 minute.

Mr. HUNTER. Mr. Speaker, I appreciate the gentleman from South Carolina (Mr. SPENCE) for yielding the balance of his time.

Mr. Speaker, let me just say to my colleagues, if this President will close the $13 billion ammunition shortage and supply adequate ammunition to our troops, I will personally join with the gentleman from Missouri (Mr. SKELTON) in offering any type of a resolution to thank the President for doing that and say that he is doing a good job.

If he will take the 10,000 service people off of food stamps and close that 13½ percent pay disparity between the civilian sector and the military sector, I will join with the gentleman from Missouri (Mr. SKELTON) in saying the President is doing a good job in leading the military.

The President right now is not doing a good job in leading the military. He is willing to do anything to thank them except pay them and arm them, and I am going to vote no on this resolution.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is an old saying that a rose by any other name is still a rose, and I say, Mr. Speaker, today that victory by any other name is still a victory.

We won this for a number of reasons; the troops. Representing the Fourth District of Missouri, I feel compelled to compliment the 509th Bomb Wing of the United States Air Force led by Brigadier General Leroy Barnidge, for the magnificent job that they did.

They, and many others, won by the air war; and also but for the Army and what they did, their presence, the Navy and what they did and its flying missions, all of them did a good job.

I think we are losing sight of what this instruction is. We all voted on this amendment. It passed the House unanimously. So I say let us vote on the instruction. The other arguments are side issues. A victory is a victory, Mr. Speaker.

Mr. BLAGOJEVICH. Mr. Speaker, I cannot vote against this resolution because I support our troops. Our Nation is forever indebted to our service men and women, and they deserve our praise for doing the job we sent them to do in Yugolsavia.

But there are other aspects to this resolution that I find troubling. I can't help but think that the agreement signed to end this conflict could have been signed before the conflict began, avoiding significant suffering and loss of life on all sides.

Having visited refugee camps in Albania and Macedonia, and having traveled to Yugoslavia during the N.A.T.O. bombing, I have seen first-hand the suffering of innocent people. Ethnic cleansing is evil, and we are right to oppose it. But I cannot in good conscience deny my belief that this conflict and the refugee crisis could have been avoided but for the failure of our diplomatic efforts and our lack of foresight in anticipting events.

Mr. Speaker, with all the suffering that has taken place, this is time for solemn reflection, not celebration.

Ms. DELAURO. Mr. Speaker, I rise in strong support of the motion to instruct conferees to commend the President and our troops for the success of the air war over Yugoslavia.

By passing this amendment, we reaffirm Congress' support for our men and women in the armed forces who carried out this vital mission, and for their efforts to bring justice to a devastated region and send an important message to Milosevic that his savage campaign of ethnic cleansing will not be tolerated.

27 Reservists from the 103rd Air Control Squadron in Orange—part of my District in Connecticut—volunteered to join our troops supporting the NATO effort in Kosovo. I am proud of the dedication and bravery of these men and women, and honored to have the opportunity to commend them for the sacrifice they made to protect our nation and the values it represents.

We must let our forces know of our prayers and our gratitude for their efforts to counter aggression, end the misery, and foster peace. Support the Motion to Instruct.

Mr. HAYES. Mr. Speaker, our airmen and soldiers deployed to Kosovo executed their mission, albeit unclear, with swiftness and precision. Thanks to them and the rigorous training they undertake daily, the crisis in Kosovo is over. For this I, my colleagues, the American people, and the ethnic Albanian of Kosovo are grateful, and as a member of the Armed Services Committee, I'm proud to take any opportunity to thank and honor them.

I cannot, however, support a motion that commends this Administration for its role in the Kosovo conflict. How can we praise the Administration for a mission that was never defined, an exit strategy that was never communicated, and a failure to consult the Congress of the United States? While I am glad that the violence in Kosovo has ceased, I remain critical of the means which brought about the end. And quite frankly, I believe the President should feel fortunate that we appear to have at least temporarily resolved the conflict.

Mr. Speaker, the Administration never presented the Congress and the American people with a clear outline of our goals in Kosovo. More importantly, never were we provided with the leadership that the people of our nation and of the entire free world have come to expect from the United States.

Fortunately, our fighting forces prevailed and proved, once again, that they are the finest in the world. But to suggest that they ended the conflict in Kosovo because they were given a blueprint for victory is simply wrong.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Missouri (Mr. SKELTON).

The question was taken, and the Speaker pro tempore announced that the noes appeared to have it.

Mr. ENGEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Without objection, the Chair will reduce to 5 minutes the vote on closing the conference that will immediately follow the first vote on instructing conferees.

There was no objection.

The vote was taken by electronic device, and there were—yeas 261, nays 162, answered "present" 5, not voting 7, as follows:

[Roll No. 266]

YEAS—261

Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Callahan
Calvert
Camp
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Greenwood
Gutierrez
Hall (OH)
Hastert
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kolbe
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shaw
Shays
Sherman
Sherwood
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spence
Spratt
Stabenow
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thornberry
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weller
Wexler
Weygand
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—162

Abercrombie
Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Brady (TX)
Bryant
Burr
Burton
Buyer
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Duncan
Ehrlich
Everett
Ewing
Fletcher
Fowler
Gallegly
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hoekstra
Hostettler
Hunter
Istook
Jackson (IL)
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kingston
Knollenberg
Kucinich
Kuykendall
Largent
Lazio
Lee
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McInnis
McIntosh
McKeon
McKinney
Metcalf
Myrick
Nethercutt
Ney
Norwood
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Radanovich
Reynolds
Riley
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Stark
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thune
Tiahrt
Toomey
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Whitfield
Wicker
Wilson
Young (AK)

ANSWERED "PRESENT"—5

Bateman
Bereuter
Blagojevich
Rivers
Rogan

NOT VOTING—7

Brown (CA)
Cox
Fossella
Gibbons
Green (TX)
Lipinski
Smith (NJ)

□ 1616

Mr. MCINTOSH and Mr. WATTS of Oklahoma changed their vote from "yea" to "nay."

Mr. MCCOLLUM changed his vote from "nay" to "yea."

Mr. ROGAN changed his vote from "yea" to "present."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will appoint conferees after the next motion.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETING ON S. 1059, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000, WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. SPENCE. Mr. Speaker, pursuant to clause 12(a)(2) of House rule XXII, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SPENCE of South Carolina moves that the conference committee meetings on the bill (S. 1059) be closed to the public at such times as classified national security information is under consideration, provided, however, that any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. SPENCE).

Pursuant to clause 12(a)(2) of rule XXII, this vote must be taken by the yeas and nays.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 413, nays 9, not voting 12, as follows:

[Roll No. 267]

YEAS—413

Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton

Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—9

Blumenauer
DeFazio
Kucinich
Lee
McKinney
Oberstar
Owens
Stark
Watt (NC)

NOT VOTING—12

Abercrombie
Brown (CA)
Emerson
Fossella
Franks (NJ)
Gibbons
Green (TX)
Larson
Lipinski
Salmon
Smith (MI)
Souder

□ 1626

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. LARSON. Mr. Speaker, on rollcall No. 267, a motion to close portions of D.O.D. authorization conference, I was out of the Chamber on legislative business. Had I been present, I would have voted "Yea."

(Mr. ARMEY asked and was given permission to speak out of order for 1 minute.)

LEGISLATIVE PROGRAM

Mr. ARMEY. Mr. Speaker, I am pleased to announce to my colleagues that, pending completion of today's legislative business, we will be adjourning for the Independence Day District Work period. Members will be happy to know that the House will, therefore, not be in session tomorrow. Please be advised that we expect votes to run late into the evening. By completing our work tonight, Members will be able to return home a day sooner than expected.

Mr. Speaker, I would furthermore like to notify Members that we will be returning on Monday, July 12 at 12:30 p.m. for morning hour debates. We will begin legislative business at 2 p.m., with no votes expected until 6 p.m. There will be an official Whip notice distributed to Members' offices next week outlining the legislative agenda.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

From the Committee on Armed Services, for consideration of the Senate bill and the House amendment, and modifications committed to conference: Messrs. SPENCE, STUMP, HUNTER, BATEMAN, HANSEN, WELDON of Pennsylvania, HEFLEY, SAXTON, BUYER, Mrs. FOWLER, Messrs. McHUGH, TALENT, EVERETT, BARTLETT of Maryland, McKEON, WATTS of Oklahoma, THORNBERRY, HOSTETTLER, CHAMBLISS, HILLEARY, SKELTON, SISISKY, SPRATT, ORTIZ, PICKETT, EVANS, TAYLOR of Mississippi, ABERCROMBIE, MEEHAN, UNDERWOOD, REYES, TURNER, Ms. SANCHEZ, Mrs. TAUSCHER, Mr. ANDREWS and Mr. LARSON;

From the Permanent Select Committee on Intelligence, for consideration of the matters within the jurisdiction of that committee under clause 11 of rule X: Messrs. GOSS, LEWIS of California, and DIXON;

From the Committee on Banking and Financial Services, for consideration of section 1059 of the Senate bill and section 1409 of the House bill, and modifications committed to conference: Messrs. McCOLLUM, BACHUS, and LAFALCE;

From the Committee on Commerce, for consideration of sections 326, 601, 602, 1049, 1050, 3151–53, 3155–65, 3173, 3175, 3176–78 of the Senate bill, and sections 601, 602, 653, 3161, 3162, 3165, 3167, 3184, 3186, 3188, 3189, and 3191 of the House amendment, and modifications committed to conference: Messrs. BLILEY, BARTON of Texas, and DINGELL;

Provided that Mr. BILIRAKIS is appointed in lieu of Mr. BARTON of Texas for consideration of sections 326, 601, and 602 of the Senate bill, and sections 601, 602, and 653 of the House amendment, and modifications committed to conference.

Provided that Mr. TAUZIN appointed in lieu of Mr. BARTON of Texas for consideration of sections 1049 and 1050 of the Senate bill, and modifications committed to conference.

From the Committee on Education and the Workforce, for consideration of sections 579 and 698 of the Senate bill, and sections 341, 343, 549, 567, and 673 of the House amendment, and modifications committed to conference: Messrs. GOODLING, DEAL of Georgia, and Mrs. MINK of Hawaii.

□ 1630

From the Committee on Government Reform, for consideration of sections 538, 652, 654, 805–810, 1004, 1052–54, 1080, 1101–1107, 2831, 2862, 3160, 3161, 3163, and 3173 of the Senate bill, and sections 522, 524, 525, 661–64, 672, 802, 1101–05, 2802, and 3162 of the House amendment, and modifications committed to conference: Messrs. BURTON of Indiana, SCARBOROUGH and CUMMINGS;

Provided that Mr. HORN is appointed in lieu of Mr. SCARBOROUGH for consideration of sections 538, 805–810, 1052–1054, 1080, 2831, 2862, 3160, and 3161 of the Senate bill and sections 802 and 2802 of the House amendment.

From the Committee on International Relations, for consideration of sections 1013, 1043, 1044, 1046, 1066, 1071, 1072, and 1083 of the Senate bill, and sections 1202, 1206, 1301–1307, and 1404, 1407, 1408, 1411, and 1413 of the House amendment, and modifications committed to conference: Messrs. GILMAN, BEREUTER, and GEJDENSON.

From the Committee on the Judiciary, for consideration of sections 3156 and 3163 of the Senate bill and sections 3166 and 3194 of the House amendment, and modifications committed to conference: Messrs. HYDE, MCCOLLUM and CONYERS.

From the Committee on Resources, for consideration of sections 601, 602, 695, 2833, and 2861 of the Senate bill, and sections 365, 601, 602, 653, 654, and 2863 of the House amendment, and modifications committed to conference: Messrs. YOUNG of Alaska, TAUZIN and GEORGE MILLER of California.

From the Committee on Science, for consideration of sections 1049, 3151–53, and 3155–65 of the Senate bill, and sections 3167, 3170, 3184, 3188–90, and 3191 of the House amendment, and modifications committed to conference: Messrs. SENSENBRENNER, CALVERT and COSTELLO.

From the Committee on Transportation and Infrastructure, for consideration of sections 601, 602, 1060, 1079, and 1080 of the Senate bill, and sections 361, 601, 602, and 3404 of the House amendment, and modifications committed to conference: Messrs. SHUSTER, GILCHREST and DEFAZIO.

From the Committee on Veterans' Affairs, for consideration of sections 671–75, 681, 682, 696, 697, 1062, and 1066 of the Senate bill, and modifications committed to conference: Messrs. BILIRAKIS, QUINN and FILNER.

There was no objection.

ANNOUNCEMENT BY CHAIRMAN OF COMMITTEE ON RULES REGARDING AMENDMENT PROCESS FOR H.R. 434, AFRICA GROWTH AND OPPORTUNITY ACT; AND H.R. 1211, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000 AND 2001

Mr. DREIER. Mr. Speaker, the Committee on Rules is expected to meet the week of July 12 to grant a rule which may limit amendments for consideration of H.R. 434, the Africa Growth and Opportunity Act. The Committee on Rules is also expected to meet the week of July 12 to grant a rule which may limit amendments for consideration of H.R. 1211, the Foreign Relations Authorization Act, Fiscal Years 2000 and 2001.

Any Member contemplating an amendment to H.R. 434 should submit 55 copies of the amendment and a brief explanation of the amendment to the Committee on Rules no later than noon, Tuesday, July 13. Amendments should be drafted to the text of the bill as reported by the Committee on Ways and Means on June 17.

Any Member contemplating an amendment to H.R. 1211 should also submit 55 copies of the amendment and a brief explanation of the amendment to us up in the Committee on Rules no later than 4 p.m. on Tuesday, July 13.

For those who are not aware of it, the Committee on Rules is located in room H–312 in the Capitol. That is right upstairs.

Amendments should be drafted to the text of H.R. 2415, the American Embassy Security Act of 1999, as introduced by the gentleman from New Jersey (Mr. SMITH) and the gentlewoman from Georgia (Ms. MCKINNEY) on July 1, 1999.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL FRIDAY, JULY 9, 1999, TO FILE PRIVILEGED REPORT ON A BILL MAKING APPROPRIATIONS FOR DEPARTMENT OF INTERIOR AND RELATED AGENCIES FOR FISCAL YEAR 2000

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until Friday, July 9, 1999, to file a privileged report on a bill making appropriations for the Department of Interior and related agencies for the fiscal year 2000, and for other purposes.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. All points of order are reserved on the bill.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL FRIDAY, JULY 9, 1999, TO FILE PRIVILEGED REPORT ON A BILL MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION, FAMILY HOUSING, AND BASE REALIGNMENT AND CLOSURE FOR THE DEPARTMENT OF DEFENSE FOR FISCAL YEAR 2000

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until Friday, July 9, 1999 to file a privileged report on a bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year 2000, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. All points of order are reserved on the bill.

APPOINTMENT OF CONFEREES ON H.R. 1905, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2000

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1905) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2000, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina? The Chair hears none and, without objection, appoints the following conferees: Messrs. TAYLOR of North Carolina, WAMP, LEWIS of California, Ms. GRANGER, and Messrs. PETERSON of Pennsylvania, YOUNG of Florida, PASTOR, MURTHA, HOYER and OBEY.

There was no objection.

FINANCIAL SERVICES ACT OF 1999

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 235 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 10.

□ 1638

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes, with Mrs. EMERSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Iowa (Mr. LEACH), the gentleman from New York (Mr. LAFALCE), the gentleman from Virginia (Mr. BLILEY), and the gentleman from Michigan (Mr. DINGELL) each will control 22½ minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I realize that feelings are imperfect with relation to the rule debate. For all the frustration on the minority side, it is more than matched by this Member whose advice was disregarded by the Rules Committee on key amendments. Nonetheless the big picture is that this is a good bill, good for individual citizens and the economy at large. I ask all my colleagues to vote on the quality of the end product, not the process of consideration which I acknowledge has been imperfect.

In this regard, let me stress that the big picture is that financial modernization legislation will save the public approximately $15 billion a year. It will provide increased services to individuals and firms, particularly those in less comprehensively served parts of the country. It will also allow U.S. financial companies to compete more fully abroad.

The economy on a global basis is changing and we must be prepared to lead market developments, rather than lose market share. In this effort, the fundamental precept of the bill is to end the arbitrary constraints on commerce implicit in the 65-year-old Glass-Steagall law. Competition is the American way and enhanced competition is the underlying precept of this bill.

In this regard, I'd like to address the issues of bigness and of privacy. With regard to conglomeration which is proceeding at a pace with which I am deeply uncomfortable, it should be understood that the big are getting bigger from the top down, utilizing regulatory fiat. What this bill does is provide a modern regulation framework for change. It empowers all equally. Smaller institutions will be provided the same competitive tools that currently are only available to a few. Indeed, in a David and Goliath world, H.R. 10 is the community bankers and independent insurance agents' slingshot.

Finally, with regard to privacy, let me stress no financial services bill in modern history has gone to this floor with stronger privacy provisions. Importantly, pretext calling—the idea that someone can call a financial institution and obtain your financial information—is now effectively outlawed; medical records are protected; and individuals are given powerful new rights to prevent financial institutions from transferring or selling information to third parties.

Here, let me stress, if Congress subsequently passes more comprehensive medical records provisions, they will be allowed to bolster or supercede these safeguards and if HHS promulgates regulations in this area they would augment the provisions of this bill. Nothing in this act is intended to shackle Executive Branch actions in this area.

In conclusion, I would like to thank my Democratic colleagues on the Banking Committee and, in particular, JOHN LAFALCE and BRUCE VENTO, and JOHN DINGELL of the Commerce Committee, whose support I have been appreciative in the past and whose dissent I respect today; also my friends TOM BLILEY, MIKE OXLEY, DAVID DREIER, JOHN BOEHNER and so many others, like MARGE ROUKEMA, RICHARD BAKER, SUE KELLY, PAT TOOMEY and RICK LAZIO, whose leadership has been so important to bringing this bill to the floor.

The legislation before the House is historic win-win-win legislation, updating America's financial services system for the 21st Century.

It's a win for consumers who will benefit from more convenient and less expensive financial services, from major consumer protection provisions and from the strongest financial and medical privacy protections ever considered by the Congress.

It's a win for the American economy by modernizing the financial services industry and savings an estimated $15 billion in unnecessary costs.

And, it's a win for America's international competition position by allowing U.S. companies to compete more effectively for business around the world and create more financial services jobs for Americans.

It would be an understatement to say that this has not been an easy, nor a quickly-produced piece of legislation to bring before the House.

For many of the 66 years since the Congress enacted the Glass-Steagall Act in 1933 to separate commercial banking from investment banking, there have been proposals to repeal the act. The Senate has thrice passed repeal legislation and last year the House approved the 105th Congress version of H.R. 10.

But, this year it appears that we may be closer than ever before to final passage. The bill before us today is the result of months and months of tough negotiation and compromise; among different congressional committees, different political parties, different industrial groupings and different regulators. No single individual or group got all—or even most—of what it wanted. Equity and the public interest have prevailed.

It should be remembered that while the work of Congress inevitably involves adjudicating regulatory turf battles or refereeing industrial groups fighting for their piece of the pie, the principal work of Congress is the work of the people—to ensure that citizens have access to the widest range of products at the lowest possible price; that taxpayers are not put at risk; that large institutions are able to compete against their larger international rivals; and that small institutions can compete effectively against big ones.

We address this legislation in the shadow of major, ongoing changes in the financial services sector, largely the result of decisions by the courts and regulators, who have stepped forward in place of Congress. Many of us have concern about certain trends in finance. Whether one likes or dislikes what is happening in the marketplace, the key is to ensure that there is fair competition among industry groups and protection for consumers. In this regard, this bill provides for functional regulation with state and federal bank regulators overseeing banking activities, state and federal securities regulators governing securities activities and the state insurance commissioners looking over the operations of insurance companies and sales.

The text of the insurance language contained in the bill generally reflects the versions reported out of both the House Banking Committee and the full Senate, with certain limited modifications suggested by the House Commerce Committee. One such modification inserts additional parenthetical language in Section 303 dealing with the functional regulation of insurance activities. The addition of this parenthetical language is not intended to have any effect on the broad protections against state discrimination set forth in section 104 of this bill, the application of the preemption standards set forth in the 1996 Barnett Supreme Court case, or the rule-writing and implementation authority of federal regulators under Federal law.

The benefits to consumers in this bill cannot be stressed more. First, they will gain in improved convenience. This bill allows for one-stop shopping for financial services with banking, insurance and securities activities being available under one roof.

Second, consumers will benefit from increased competition and the price advantages that competition produces.

Third, there are increased protections on insurance and securities sales, a required disclosure on ATM machines and screens of bank fees and a requirement that the Federal Reserve Board hold public hearings on large financial services merger proposals.

Fourth, the Federal Home Loan Bank reform provisions expand the availability of credit to farmers and small businesses and for rural and low-income community economic development projects.

Fifth, the bill also contains major consumer privacy protections making so-called pretext calling, in which a person uses fraudulent means to obtain private financial information of another person, a federal crime punishable by up to five years in jail and a fine of up to $250,000; would wall off the medical records held by insurance companies from transfer to any other party; and requires banks to disclose their privacy policies to customers.

A bipartisan amendment developed by members of the Banking, Commerce and Rules Committee will further enhance these protections and I urge its adoption.

In closing, I'd like to emphasize again the philosophic underpinnings of this legislation. Americans have long held concerns about bigness in the economy. As we have seen in other countries, concentration of economic power does not automatically lead to increased competition, innovation or customer service.

But the solution to the problem of concentration of economic power is to empower our smaller financial institutions to compete against large institutions, combining the new powers granted in this legislation with their personal service and local knowledge in order to maintain and increase their market share.

For many communities, retaining their local, independent bank depends upon granting that bank the power to compete against mega-giants which are being formed under the current regulatory and legal framework.

H.R. 10 provides community banks with the tools to compete, not only against large megabanks but also against new technologies such as Internet banking. Banks which stick with offering the same old accounts and services in the same old ways will find their viability threatened. Those that innovate and adapt under the provisions of this bill will be extraordinarily well positioned to grow and serve their customer base.

Large financial institutions can already offer a variety of services. But community banks are usually not large enough to utilize legal loopholes like Section 20 affiliates or the creation of a unitary thrift holding company to which large financial institutions—commercial as well as financial—have turned.

By bolstering the viability of community-based institutions and providing greater flexibility to them, H.R. 10 increases the percentage of dollars retained in local communities. Community institutions are further protected by a small, but important provision that prohibits banks from setting up "deposit production offices" which gather up deposits in communities without lending out money to people in the community.

Additionally, the bill before us strengthens the Community Reinvestment Act by making compliance with the act a condition for a bank to affiliate with a securities firm or securities company. CRA is also expanded to a newly created entity called Wholesale Financial Institutions.

One of the most controversial provisions in H.R. 10 is the provision in Title IV which prohibits commercial entities from establishing thrifts in the future. Under current law, commercial entities are already prohibited from buying or owning commercial banks. This restriction between commercial banking and commerce is not only maintained in H.R. 10 but extended to restrict future commercial affiliations with savings associations.

The reason this restriction on commerce and banking is being expanded is several fold. First, savings associations that once were exclusively devoted to providing housing loans, have become more like banks, devoting more of their assets to consumer and commercial loans. Hence the appropriateness for comparability between the commercial bank and thrift charter is self-evident.

Second, this provision must be viewed with the history of past legislative efforts affecting the banking and thrift industries. The S&L industry has tapped the U.S. Treasury for $140 billion to clean up the 1980s S&L crisis. In 1996, savings associations received a multibillion dollar tax break to facilitate their conversion to a bank charter. Also, in 1996, the S&Ls tapped the banking industry for $6 to $7 billion to help pay over the next 30 years for their FICO obligations, that part of the S&L bailout costs that remained with the thrift industry.

During this time period, Congress has liberalized the qualified thrift lending test and the restrictions on the Federal savings association charter. These legislative changes are in addition to the numerous advantages that the industry has historically enjoyed, such as the broad preemption rights over state laws and more liberal branching laws.

H.R. 10 continues the Congressional grant of benefits to the thrift industry by repealing the SAIF special reserve, providing voluntary membership by Federal savings associations in the Federal Home Loan Bank System, allowing state thrifts to keep the term "Federal" in their names, and allowing mutual S&L holding companies to engage in the same activities as stock S&L holding companies.

Opponents of this provision correctly argue that commercial companies that have acquired thrifts (so-called unitary thrift holding companies) before and after the S&L debacles of the 1980s have not, for the most part, caused taxpayer losses. However, the Federal deposit insurance fund that was bailed out by the taxpayers applied to the entire thrift industry including the unitary thrift holding companies. Three years ago some $6 billion to $7 billion in thrift industry liabilities left over from cleaning up the S&Ls were transferred to the commercial banking industry with the understanding that sharing liabilities would be matched by ending special provisions. This is another reason to provide comparable regulation.

It is with this history and the assumption that decisions in this bill are made in the context of a legislative continuum that the provision in the bill was added to not only restrict the establishment of new unitary thrift holding companies, but also to require that commercial entities may not buy a thrift from an existing grandfathered company without first getting Federal Reserve Board approval.

As we all know, there are complex issues involved in this legislation, and there will be differing judgments by Members. One thing we all may agree upon, however, is that Congress needs to reassert its Constitutional role in determining what should be the laws governing financial services, instead of allowing the regulators and courts to usurp this responsibility.

If Congress turns its back on financial services modernization, we should not fool ourselves that rapid evolution in the fields of banking, securities and insurance will cease. It will not. Financial services modernization will take place with or without Congressional approval. Without this legislation, however, changes in financial services will continue unabated, but they will take place in an ad hoc manner through the courts and through regulatory fiat, and will not be subject to the safeguards and prudential parameters established in this legislation.

Now is the time for Congress, to step up to the challenge of modernizing our nation's financial services sector for the 21st century, to ensure that it remains competitive internationally, that it is stable and poses the least possible threat to the taxpayer, and that it provides quality service to all our citizens and communities.

Madam Chairman, I reserve the balance of my time.

Mr. LAFALCE. Madam Chairman, I yield myself 3 minutes.

Madam Chairman, first, I want to thank the Chairman of the Committee on Banking and Financial Services, the gentleman from Iowa (Mr. LEACH), for working collegially with so many of us on the Democratic side of the aisle in order to produce a bipartisan bill out of the Committee on Banking and Financial Services that could be signed by the President and enacted into law. Each side had to give and take, each side had to make tremendous amount of concessions, but we did in order to advance the public interest and financial services modernization.

□ 1645

We produced a bill with a 51–8 vote, 21–6 on the Democratic side of the aisle. The Democrats voted for it, however, in large part because we were able to retain the strongest community reinvestment provisions, because we were able to have strong consumer protection before and beyond that, most especially provisions regarding redlining in the insurance industry. Once that eroded, so too did a lot of the Democratic support. And that is unfortunate. It is unfortunate.

There are other provisions that we are concerned about, too, and that is the medical privacy language of the gentleman from Iowa (Mr. GANSKE). I am hopeful that if this bill passes those concerns that we have can be dealt with in conference, and I look forward to a colloquy with the gentleman from Iowa (Mr. GANSKE) regarding his disposition on that.

There are some amendments that have been offered that I do not think should have been allowed that would create severe difficulties for me, in particular, the amendment of the gentleman from Texas (Mr. PAUL) which would eviscerate the ability of law enforcement agencies to enforce our anti-money-laundering statutes. The FBI is adamantly opposed to that.

I also am adamantly opposed to the Bliley amendment that would be a rip-off for the officers of mutual insurance companies at the expense of policyholders. It would be a Federal intrusion on State law. It would say to insurance officers, disregard your policyholders if they want to convert. They are entitled to all the money, not their policyholders. We must defeat the Bliley amendment if this bill is to advance the way I would like it to advance.

I am hopeful that, at the conclusion of debate and at the conclusion of the amendment process, we could advance to conference and then deal with whatever problems are left in conference. But that remains to be seen.

Mr. LAFALCE. Madam Chairman, I reserve the balance of my time.

Mr. BLILEY. Madam Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. OXLEY), chairman of the Subcommittee on Finance and Hazardous Material, the coach of our successful baseball team.

Mr. OXLEY. Madam Chairman, I rise in support of H.R. 10, the Financial Services Act of 1999.

This is indeed an historic occasion, something that many of us have worked on for a number of years. As a matter of fact, this is by my count the 10th time in the last 20 years that we have sought to bring our financial laws into the modern world as we enter the 21st century. So here is hoping that number 11 is the charm.

Building on the progress we made last year through the help of many people that I see here on the floor, including our good friend, the gentleman from Ohio (Mr. BOEHNER), the gentleman from Virginia (Chairman BLILEY), the gentleman from Iowa (Chairman LEACH), the gentleman from

Michigan (Mr. DINGELL), the gentleman from New York (Mr. TOWNS) and others, that we passed this bill by one vote in the House.

I suspect this year it will be far different and it will be a large vote, because the time has come for financial services modernization in this Congress and indeed in this country.

We have arrived at a point where just about everybody, including those on the opposite side of specific issues on the op-sub issue, for example, agree that the country's financial regulations crafted during the Depression years of the 1930s need to be brought up to date.

The Glass-Steagall Act has outlived its useful purpose. It now serves only as the cause of inefficiency in the markets as our markets change dramatically.

Madam Chairman, we have had a series of hearings, for example, in my committee about what is going on with the securities industry and how on-line brokerage has now become the most growing part of the securities industry. That shows how things have changed in technology and in markets and in consumer preference. And yet we continue to rely on a 1930 statute known as Glass-Steagall that simply has outlived its usefulness.

That means legislation that will provide for fair competition among all players. And it also means not only modernizing the marketplace and treating the consumer as the one who makes those kinds of decisions in the marketplace to provide that consumer with a new array of services and products, some products we probably have not even thought of or that financial service institutions have not even thought of yet today will be offered more and more to the consuming public and they are going to be able to one-stop shop as they go into this financial institution.

And ultimately it will not make any difference what it says on the door because they are going to be able to buy a wide variety of products in that area. And, yes, those functions will be regulated by the regulators who know what that is all about. It is called functional regulation. Or as chairman of the SEC Arthur Levitt says, commonsense regulation in our marketplace is to protect the consumer but not to constrict the marketplace so that people do not have the ability to make decisions based on what is in their long-term economic interest. It means legislation that will promote, not jeopardize, the long-term stability of U.S. financial markets and the interests of American taxpayers.

Americans are becoming increasingly active participants in our booming securities markets and going on-line and investing, sometimes around the clock, for their families' future, investing for their education, for their children's education, investing for the future that we have tried to encourage.

One of the frustrations, I guess, in our country over the years has been that our savings rate has been far too low compared to some of our other competing nations. This will give people the ability to make long-term plans, to work with a financial institution that has the ability for them to buy their banking products, to get their securities, their 401(k), their savings, their insurance needs, all of those, under one roof dealing with professionals that they trust and that they know can provide them with the kind of economic security that they have come to expect.

The change already taking place in the marketplace may make it impossible for us to try Glass-Steagall reform a 12th time, and I would implore the Members to understand that this may be our last really good shot at bringing our laws up-to-date with what is happening in the marketplace and what is happening with technology, and all of those forces are now moving us so inextricably in that direction.

Because of the leadership of the gentleman from Iowa (Mr. LEACH), chairman of the Committee on Banking and Financial Services, because of the leadership of the gentleman from Virginia (Mr. BLILEY) chairman of the Committee on Commerce, because of participation on the other side of the aisle, it brings us here today.

Let us move forward. Let us support H.R. 10. Let us provide the kind of modern financial institutions that all of us have come to expect.

Mr. DINGELL. Madam Chairman, I yield myself 4 minutes.

Madam Chairman, this is a bad bill. We consider it under a bad rule.

George Santayana said something which I thought was very interesting. He said, "He who does not learn from history is doomed to repeat it."

It looks like this Congress is setting out to create exactly the same situation which caused the 1929 crash. It looks like this Congress is setting out to create the situation that caused the collapse of the banks in Japan and Thailand by setting up op-subs and by setting up monstrous conglomerates which will expose the American taxpayers and American investors to all manner of mischief and to the most assured economic calamity.

The bill is considered under a rule which does not afford either an opportunity to offer all the amendments or to have adequate debate thereof. But what does the bill do, among other things?

First all, it allows megamergers to create monstrous institutions which could engage in almost any sort of financial action. It sets up essentially, devices like the banks in Japan, which are in a state of collapse at this time, banks in Korea and Thailand, which are in a state of collapse, or banks in the United States, which could do anything and which did anything and contributed in a massive way to the economic collapse of this country in 1929 which was only cleared and cured by World War II.

Some of the special abuses of this particular legislation need to be noted. The Committee on Rules has stripped out an anti-redlining provision which had been in the law and which is valuable, and it is brazen and outrageous discrimination against women and minorities and it sanctifies such actions by insurance companies and others within the banks' financial holding companies which will be set up hereunder.

It attacks the privacy of American citizens. It allows unauthorized dissemination of their personal financial information and records. It guts the current protections for medical information now under State law. And it hampers the ability of the Secretary of Health and Human Services to adopt meaningful protections.

Every single health group in the United States and the AFL-CIO oppose this provision because it guts the rights of Americans to know that what they tell their doctor and what their doctor tells them is secure.

If we want to protect the security of our own financial records, we should tremble at this bill. It contains laughable financial privacy protections that tell a bank that it only has to disclose its privacy policy if it happens to have one. In other words, if they are going to give them the shaft, they should tell them. But they can do anything they want in terms of the financial information which they give them and which can be used to hurt them in their personal affairs.

The bill wipes out more than 1,700 essential State insurance laws across the country. It creates no Federal regulator to fill the void. So, as a result, their protections when they buy insurance are stripped away.

Alan Greenspan, the chairman of the Federal Reserve, is properly worried, and that should count for a lot. Let me read to my colleagues what he said to the Committee on Commerce this year.

"I and my colleagues are firmly of the view that the long-term stability of U.S. financial markets and the interests of the American taxpayer would be better served by no financial modernization bill rather than one that allows the proposed new activities to be conducted by the bank." And he goes on to state that he and his colleagues "believe strongly that the operating subsidiary approach would damage competition in and the vitality of our financial services industry and poses serious risks for the American taxpayer."

He noted that it creates a situation where banks and other financial activities will be made too big to fail and that the taxpayers then will be compelled to come in and bail them out.

So if my colleagues enjoyed the outrage of what the Committee on Banking and Financial Services did to us on the savings and loan reform, this, they should know, is a perfection of that. That cost us about $500 billion. This, my colleagues can be assured, will cost us a lot more.

I urge my colleagues to vote against this abominable legislation.

In case my colleagues have any questions about my views, I want to clearly state for the record that I rise to condemn this bill. It is a terrible piece of legislation and should cause Americans to quake at the prospect of its passing.

If you value your civil rights, you should worry about this bill. The Rules Committee stripped out an anti-redlining provision, offered by our colleague Ms. LEE and agreed to by the Banking Committee. This brazen act allows discrimination against women and minorities by insurance companies within the bill's financial holding companies.

If you have had cancer or diabetes or depression or any other medical condition that could affect your employment or lead to discrimination against you, you should fear this bill. It contains a medical privacy provision that actually sanctifies the unauthorized dissemination of your personal medical information records. It guts many current protections for medical information and hampers the ability of the Secretary of Health and Human Services to adopt meaningful protections. Legions of groups oppose this provision from the American Medical Association to the AFL–CIO.

If you want to protect the privacy of your own personal financial records, you should tremble at the prospect of this bill. The bill contains laughable financial privacy protections that tell a bank to disclose its privacy policy—if it has one. This bill deprives you of the right to say no.

If you own insurance, you should worry if you bought it from a bank. This bill wipes out more than 1,700 essential state insurance laws across the country, with no federal regulator to fill the void.

If you are a taxpayer, you should recoil in horror at this bill. No less an august person than Alan Greenspan is worried, and usually that counts for a lot. Let me read to you what he said before the Commerce Committee in April of this year:

> I and my colleagues are firmly of the view that the long-term stability of U.S. financial markets and the interests of the American taxpayer would be better served by no financial modernization bill rather than one that allows the proposed new activities to be conducted by the bank.

He reiterated these views to me on June 28 in a letter which I intend to put into the RECORD, but I want to read just one part:

> I and my colleagues on the Board believe strongly that the operating subsidiary approach would damage competition in and the vitality of our financial services industry and poses serious risks for the American taxpayer. We have no doubt that the holding company approach, adopted by the house last year, passed by the Senate this year, and supported by each previous Treasury and Administration for nearly 20 years, is the prudent and safest way to modernize our financial affiliation laws and does not sacrifice any of the benefits of financial reform.

This bill greatly expands the authority of political appointees and bureaucrats over banking and monetary policy. That worries Alan Greenspan. It should worry all Americans.

In the earlier debate on the rule, several of my Republican colleagues labeled our concerns as "partisan." So be it! If the Republicans want to accuse Democrats of caring about equal rights and protection from discrimination under the Constitution, I'll proudly stand with my Democratic colleagues. If the Republicans want to accuse Democrats of standing for full and fair protection of Americans' privacy rights, I'll proudly stand under that banner as well.

What I won't stand for is this abominable legislation. I support responsible financial modernization. I do not support this bill. It is a terrible piece of legislation and I urge the House to defeat it so we can go back to the drawing board and write a good bill.

In closing, I would like to address an important technical matter and explain the purpose of the Section 303 "Functional Regulation of Insurance" reference to Section 13 of the Federal Reserve Act. That reference is included to ensure that everyone that engages in the business of insurance—including national banks selling insurance as agents under the small-town sales provision commonly known as "Section 92"—are subject to state regulation of those activities.

Some have argued that this reference is not meant to overrule the Supreme Court's ruling in the Barnett Bank case. I want to make clear that that statement is correct to the extent that the Commerce Committee intended that all state functional regulation of the insurance activities of financial institutions would be subject to the preemption rules set forth in Section 104. Indeed, that is why there is a specific reference to Section 104 at the end of Section 303. And Section 104 incorporates the preemption standard articulated by the Supreme Court in the Barnett Bank case and even specifically cites that case.

The statement, however, is incorrect to the extent that it implies that the Comptroller of the Currency remains free to issue his own set of rules and regulations to govern small-town national bank insurance sales activities. Although—as the Barnett Bank opinion recognizes—Section 92 specifically authorizes the Comptroller to issue such regulations, Section 303 makes clear that States are now the paramount authority in the regulation of small-town national bank insurance sales activities. Under Section 303, all state regulations of insurance sales activities apply to small-town national bank insurance sales activities under Section 92 unless those regulations are prohibited under the Section 104 preemption standard.

ORGANIZATIONS OPPOSED TO THE MEDICAL RECORDS PROVISIONS IN H.R. 10

Physician Organizations

American Medical Association
American Psychiatric Association
American College of Surgeons
American College of Physicians/American Society of Internal Medicine
American Academy of Family Physicians
American Psychological Association

Nurses Organizations

American Nurses Association
American Association of Occupational Health Nurses

Patient Organizations

National Breast Cancer Coalition
Consortium for Citizens with Disabilities/Privacy Working Group
National Association of People with AIDS
AIDS Action
National Organization for Rare Disorders
National Mental Health Association
Myositis Association
Infectious Disease Society

Privacy/Civil Rights Organizations

Consumer Coalition for Health Privacy
American Civil Liberties Union
Center for Democracy and Technology
Bazwlon Center for Mental Health Law

Labor Organizations

AFL–CIO
American Federation of State, County and Municipal Employees
Service Employees International Union

Senior and Family Organizations

American Association of Retired Persons
National Senior Citizens Law Center
Planned Parenthood Federation of America, Inc.
National Partnership for Women and Families
American Family Foundation

Other Organizations

American Association for Psychosocial Rehabilitation
American Counseling Association
American Lung Association
American Occupational Therapy Association
American Osteopathic Association
American Psychoanalytic Association
American Society of Cataract and Refractive Surgery
American Society of Clinical Psychopharmacology
American Society for Gastrointestinal Endoscopy
American Society of Plastic and Reconstructive Surgeons
American Thoracic Society
Anxiety Disorders Association of America
Association for the Advancement of Psychology
Association for Ambulatory Behavioral Health
Center for Women Policy Studies
Children & Adults with Attention-Deficit/Hyperactivity Disorder
Corporation for the Advancement of Psychiatry
Federation of Behavioral, Psychological and Cognitive Sciences
Intenational Association of Psychosocial Rehabilitation Services
Legal Action Center
National Association of Alcoholism And Drug Abuse Counselors
National Association of Developmental Disabilities Councils
National Association of Psychiatric Treatment Centers for Children
National Association of Social Workers
National Council for Community Behavioral Healthcare
National Depressive and Manic Depressive Association
National Foundation for Depressive Illness
Renal Physicians Association

ADDITIONAL VIEWS

During the consideration of H.R. 10, an amendment was offered to add a new section 351, entitled "Confidentiality of Health and Medical Information." While we support increased protection for medical information, we opposed this provision, because, unfortunately, the provision weakens existing protections for medical confidentiality, and establishes a number of poor precedents for private medical information disclosure.

While the provision at first blush appears to place limits on the disclosure of medical information, the lengthy list of exceptions to these limits leaves the consumer with little, if any protection. In fact, the provisions ends up authorizing disclosure of information rather than limiting it.

In medicine, the first principle is "Do no harm." In crafting a Federal medical privacy law, this principle requires that state laws providing a greater level of protection be left in place. Yet section 351 could preempt the laws of 21 states that have enacted medical privacy laws. While we agree that genetic information should also be protected—in fact, should deserve a higher level of protection—this provision could also preempt 36 state laws which protect the confidentiality of genetic information.

The provision also lacks any right for the individual to inspect and correct one's medical records. As a result, an individual has greater rights to inspect and correct credit information than medical records.

There is no requirement that the customer even be told that his medical information is being provided to a third party. Thus there is no way that the customer could prevent the records from being disseminated if the customer believed that statutory rights were being violated.

An individual has no right to seek redress if the rights under this provision are violated. In fact, the customer is unlikely to even know that the rights were violated. The only enforcement authority is given to the states. If the individual is unlikely to have knowledge of the transfer of confidential medical records, it is hard to understand how the state Attorney General would know to bring an action as provided in subsection (b) of the provision. Even if the state brings an action, it can only enjoin further disclosures. The customer has no right to seek damages.

The provision places absolutely no restrictions on the subsequent disclosure of medical records by anyone receiving the records. Once the records are out the door for any of the myriad exceptions in this provision, they are fair game for anyone.

We agree that information should be disclosed only with the consent of the customer, as provided in (a)(1), but this right is rendered meaningless with the extensive laundry list of exceptions that swallows this simple rule. We shall only discuss a few of these exceptions.

The provision allows financial institutions to provide medical records, including genetic information, for purposes of underwriting. As a result, customers could find themselves being uninsurable, or facing whopping rate increases for health insurance, based upon their genetic information, or health records. In addition, the information may be inaccurate, but the customer cannot correct it.

The provision allows financial institutions to provide medical records for "research projects." This term is undefined, and could include marketing research, or nearly anything else. For example, a customer's prescription drug information could be provided to a drug company doing marketing research on candidates for a new related drug.

Moreover, the provision establishes no research protections for individually identifiable records. The majority of human subject research studies conducted in this country are subject to the Common Rule, a set of requirements for federally-funded research. Analogous requirements apply to clinical trials conducted pursuant to the FDA's product approval procedures. The Common Rule dictates that a study must be approved by an entity that specifically examines whether the potential benefits of the study outweigh the potential intrusion into an individual's private records and whether the study includes strong safeguards to protect the confidentiality of those records. Two weeks ago at a hearing before the Health and Environment Subcommittee, witnesses from the National Breast Cancer Coalition and the National Organization for Rare Disorders testified that these Federal standards should be extended to all research using individually-identifiable medical records. Extending these protections would strengthen confidence in the integrity of the research community and encourage more individuals to participate in studies. Because this provision establishes no protections for individually-identifiable records, it could actually stifle research.

The provision allows the disclosure of confidential medical records "in connection with" a laundry list of transactions, most of which have nothing to do with medical records. The provision does not define who can receive the records, but instead allows disclosure to anyone, so long as it is "in connection with" a transaction. There was no explanation at the markup why medical records should be disclosed in connection with "the transfer of receivables, accounts, or interest therein." There is no definition of "fraud protection" or "risk control" for which the provision also authorizes disclosure. The provision gives carte blanche to financial institutions to disclose confidential medical records for "account administration" or for "reporting, investigating, or preventing fraud." Reporting to whom? An investigation by whom?

While most laws protecting medical records provide for disclosure in compliance with criminal investigations, those laws provide safeguards to permit the individual the opportunity to raise legal issues. This provision does not. In fact, as is the case with all other disclosures in this provision, the consumer would not even be informed that the information has been disclosed. Thus, a customer's medical records could be disclosed to an opponent in a civil action without the customer even knowing it.

Within hours of passage of this provision, we began learning from patient groups and others who have fought to improve the privacy rights of individuals that this provision is seriously flawed. These concerns demonstrate why Congress needs to deal comprehensively with the issue of medical confidentiality, not in a slapdash amendment that has received no scrutiny. The Health and Environment Subcommittee of the Commerce Committee has already held a hearing on medical privacy, and a Senate committee has held multiple hearings on the subject. We look forward to enacting real medical information privacy provisions that will truly protect individuals. Unfortunately, this premature move by the Committee will actually set back the health and medical information privacy rights of all Americans.

John D. Dingell, Henry A. Waxman, Edward J. Markey, Rick Boucher, Edolphus Towns, Frank Pallone, Jr., Sherrod Brown, Bart Gordon, Peter Deutsch, Bobby L. Rush, Ron Klink, Bart Stupak, Tom Sawyer, Albert R. Wynn, Gene Green, Ted Strickland, Diana DeGette, Thomas M. Barrett, and Lois Capps.

THE VERSION OF HR 10 RELEASED BY THE HOUSE RULES COMMITTEE SWEEPS AWAY 1,781 ESSENTIAL STATE INSURANCE LAWS ACROSS THE COUNTRY

State governments are solely responsible for regulating the business of insurance in the United States.

The States regulate insurance in order to protect consumers and supervise the solvency and stability of insurers and agents.

The version of HR 10 released by the House Rules Committee on June 24, 1999 will likely preempt many State consumer protection and solvency laws needed to regulate the insurance activities of banks and their affiliates.

State	Number of State laws likely preempted by the House Rules Committee version of H.R. 10
Alabama	33
Alaska	30
Arizona	35
Arkansas	41
California	43
Colorado	35
Connecticut	36
Delaware	32
Florida	40
Georgia	38
Hawaii	28
Idaho	31
Illinois	41
Indiana	33
Iowa	39
Kansas	41
Kentucky	36
Louisiana	37
Maine	37
Maryland	36
Massachusetts	32
Michigan	33
Minnesota	36
Mississippi	32
Missouri	37
Montana	36
Nebraska	36
Nevada	36
New Hampshire	28
New Jersey	41
New Mexico	31
New York	37
North Carolina	46
North Dakota	34
Ohio	38
Oklahoma	31
Oregon	39
Pennsylvania	35
Rhode Island	35
South Carolina	34
South Dakota	37
Tennessee	37
Texas	42
Utah	34
Vermont	32
Virginia	36
Washington	36
West Virginia	34
Wisconsin	33
Wyoming	31
Total	1,781

Source: National Association of Insurance Commissioners

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, DC, June 28, 1999.

Hon. JOHN D. DINGELL,
Ranking Minority Member, Committee on Commerce, House of Representatives, Washington, DC.

DEAR MR. DINGELL: This is in response to your request for the Board's views on the operating subsidiary approach to financial modernization contained in H.R. 10. As I have testified, I, and my colleagues on the Board believe strongly that the operating subsidiary approach would damage competition in and the vitality of our financial services industry and poses serious risks for the American taxpayer. We have no doubt that the holding company approach, adopted by the House last year, passed by the Senate this year, and supported by each previous Treasury and Administration for nearly 20 years, is the prudent and safest way to modernize our financial affiliation laws and does not sacrifice any of the benefits of financial reform.

The structure adopted by Congress for financial modernization will prove decisive to the shape of our financial system, the long term health of our economy, and the level of protection afforded the American taxpayer long into the next century. Thus, this decision on banking structure is a policy matter of national importance. Allowing national banks to engage through operating subsidiaries in merchant banking, securities underwriting, and other newly authorized financial activities is likely to have as profound an impact on our entire financial sector as the 1982 legislation regarding the thrift industry.

The problem with the operating subsidiary approach is that insured banks are supported by the U.S. Government and, consequently, are able to raise funds at a materially lower cost, which is equivalent to approximately half of the interest spread on an investment grade loan. This subsidized ability to raise lower cost funds provides banks and their operating subsidiaries a decisive advantage over independent securities, insurance and financial services firms. This advantage will inevitably reduce competition and innovation in and between these industries as it has in other countries that have adopted the universal banking approach. In addition, the experiences in Asia demonstrate that linking financial markets more tightly to the health of the banking system—as is inevitable under the operating subsidiary approach—makes the economy more vulnerable to crises that affect banks and makes the broader financial markets more dependent on the protection and advantages of the federal safety net.

The operating subsidiary approach also poses substantial risks to the safety and soundness of our banking system and to the American taxpayer. This derives from the fact that an operating subsidiary of a bank is consolidated with, and controlled by, the bank and the fate of the bank and its subsidiary are inextricably interdependent. The measures contained in H.R. 10 to address these risks are not adequate. These measures are based on creating a regulatory accounting system that is different from market accounting and on the hope that operating subsidiaries can be quickly divested before problems spread to the parent bank. We have learned from the thrift crisis of the 1980s that regulatory accounting can give a dangerously false sense of security that only masks real problems. In addition, experience with other subsidiaries of national banks illustrates that banks can lose far more than they invest in an operating subsidiary, that those losses can occur quickly and before regulators have an opportunity to act, and that banks feel forced to support their subsidiaries through capital injections and liberal interpretations of the law. Troubled operating subsidiaries are also very difficult to sell and can result in prolonged exposure and expense to the parent bank. In the heat of a crisis, the taxpayer cannot be confident that regulatory constraints will prove entirely effective.

In a world where mega-mergers are increasing the size of banks on a stand-alone basis, the operating subsidiary structure allows banks to increase their balance sheets in even more dramatic fashion. This, on its own, may not be a problem. However, the operating subsidiary structure focuses all losses from new activities—as well as the risks from the bank's direct activities—on the bank itself. Thus, the operating subsidiary structure leads to precisely the type of organization that inspires too-big-to-fail concerns.

Some argue that H.R. 10 does nothing more than preserve freedom of choice of management. However, this is not a matter of choice for private enterprise. Rational management will inevitably choose the operating subsidiary because it allows the maximum exploitation of the cheaper funding ability of the bank. Because this so-called "choice" involves the use of the sovereign credit of the United States, it is a decision that should rest exclusively with Congress.

It is also noteworthy that the holding company approach does not in any way diminish the powers or attractiveness of the national bank charter. The national bank charter has flourished in recent years even though national banks are not authorized today to conduct through operating subsidiaries the broad new powers permitted in H.R. 10. Nor does the holding company approach diminish the influence of the Treasury over bank policy. Treasury continues to play a significant and appropriate role through its oversight of all national banks and thrifts.

On the other hand, the operating subsidiary approach would damage the Federal Reserve's ability to address systemic concerns in our financial system. This will occur as the holding company structure atrophies because of the funding advantage the operating subsidiary derives from the federal safety net.

I and my colleagues are especially concerned because there is no reason to take the risks associated with the operating subsidiary approach. The holding company framework achieves all the public and consumer benefits contemplated by H.R. 10 without the dangers of the operating subsidiary approach.

The Board has been a strong supporter of financial modernization legislation for nearly 20 years. We are seriously concerned, however, about the destructive effects of the operating subsidiary approach for the long-term health of the national economy and the taxpayer.

Sincerely,

ALAN GREENSPAN.

Madam Chairman, I reserve the balance of my time.

Mr. LEACH. Madam Chairman, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA) the distinguished chairperson of the Subcommittee on Financial Institutions, whose work on this bill is the most important of any Member of this body, and I very very much appreciate her friendship and leadership.

Mrs. ROUKEMA. Madam Chairman, I thank the chairman for yielding me the time.

I certainly rise in support, strong support, of H.R. 10 and associate myself with the commentary of the chairman at the beginning of this discussion and completely disagree with the gentleman we just heard.

I have worked on this issue for a long time, and really it is very clear. We are going beyond the 1930 laws, Glass-Steagall, far out-of-date. Technology and market forces have broken down the barriers here, and over the years we have just been letting the regulators and the courts and creative industries deal with this.

It is now the time for us to catch up with the modern financial world both domestically and globally and do what the Constitution requires us to do and not abrogate our responsibility to the courts and other Federal regulators.

I am most intent on saying that, is it a perfect bill? No. Can it be after all these years of negotiation? Maybe not. Maybe. But, on the other hand, only not perfect because we cannot get all these industries to agree on every single thing. But we have compromises represented here that strongly protect the fundamental principles that we should have, and that is preserving the safety and soundness of the financial system.

They are protected here. The Federal deposit system and the rest of the Federal safety net. If we abandon this now, we are just saying it is just going to evolve as the regulators or the courts would like them to, without any statutory responsibility.

Do we provide for fair and equal competition? I believe we do in the real world of financial institutions.

□ 1700

I believe strongly that we have protected the consumers and enhanced their choices in this bill. The new holding company structure that is in this bill will be overseen by the Federal Reserve Board. H.R. 10 includes new consumer privacy. There will be an amendment on the floor that will increase the consumer privacy that is in this bill and close any of the loopholes that we can see.

I urge strong support for this bill.

Madam Chairman, I rise in strong support of H.R. 10, the Financial Services Act and associate myself with the commentary of our Chairman, Representative LEACH, and urge my Colleagues to support this landmark legislation.

As many of my colleagues know, I have long been and advocate for passing financial modernization legislation. Markets are changing every day. Technology and market forces have broken down the barriers between insurance, securities and banking. Mega-merger deals like Citicorp/Travelers, NationsBank/Bank of America, Bankers Trust/Deutsche Bank—are being contemplated or announced daily.

We need to replace the outdated Glass-Steagall Act of the 1930s. Glass-Steagall did its part in its day, but the financial world has changed and we must have a financial system that is able to compete in the modern world. Our current statutory framework has remained stuck in the '30s because of Congress's reluctance to act, hampering the ability of our financial institutions to compete. In the absence of congressional action, federal agencies, the courts and the industry have been forced to find loopholes and novel interpretations of the law to allow financial institutions to adapt to an ever-changing marketplace. Unfortunately, this has resulted in piecemeal regulatory reform that may not be in the best interest of the U.S. financial services industry as a whole.

As elected representatives of Congress, it is our constitutional duty to make the important policy decisions that determine the structure and legal authority under which our financial institutions will operate. For Congress to not act today would be a serious abdication of our responsibility.

Throughout this process, I have based my support for this bill on some very fundamental principles:

It must:

(1) Preserve the safety and soundness of the financial system—including the federal deposit system and the rest of the federal safety net.

(2) Provide for fair and equal competition; and

(3) Protect consumers and enhance their choices.

H.R. 10 maintains these fundamental principles.

Much like the bill we passed last year, H.R. 10 creates a new holding company structure under which entities that are financial in nature can directly affiliate.

This new holding company will be overseen by the Federal Reserve Board, but each affiliate will be regulated by its own "functional" regulator.

H.R. 10 includes important new consumer privacy provisions requiring banking institutions to tell customers their policies for sharing customer's financial information with third parties for marketing purposes. It would also makes "pre-text calling" illegal.

In addition, the bill prohibits all insurance companies (including companies not affiliated under a Financial Holding Company) from disclosing medical information to third parties—without prior consent. In addition to these important privacy provisions, my colleagues and I will later be offering an amendment that further enhances privacy protection.

Finally, we have included legislation that I introduced which provides important consumer ATM disclosures. These provisions mandate clear ATM fee disclosures and guarantees the consumers rights to opt out of a transaction before a fee is charged.

This legislation also includes language I proposed to allow new Financial Holding Companies to retain or acquire commercial entities that are "complimentary" to their current or future financial activities. While I do not support full mixing of banking and commerce, this amendment accepts the reality that the lines between financial and commerce are blurring. At a time when we are allowing various financial to affiliate and create new financial holding companies, it is prudent to provide flexibility for companies to engaged in activities which may not meet the definition of financial but are complimentary to the financial activities. This provision stipulates that the investment in the complimentary activity must remain small, and will be subject to Federal Reserve review.

For those of us that serve on the Banking Committee, we are painfully aware of how controversial the issues surrounding the financial services industry can be. To say the least, various sectors of the financial services industry have had different and often conflicting views on how best to go about modernization, but H.R. 10 includes many compromises between all of the interested parties, and it deserves our support.

Did everyone get everything they wanted? No they did not. In fact, I strongly oppose the operating subsidiary provisions included in this bill. We must work to improve this regulatory structure in conference. In addition, while I support the provisions in the bill that would close the unitary thrift loophole, I do not support permitting the transferability of unitary thrift holding companies to commercial entities. The unitary thrift provisions included in this bill today do not prohibit transfers to commercial entities.

In short, allowing the transferability of unitary thrifts to commercial entities in the same as allowing full banking and commerce. I do not support full banking and commerce and believe it could pose serious safety and soundness risks to the deposit insurance fund.

We respect to the operating subsidiary, I am concerned that losses in an operating subsidiary could ultimately affect the parent bank.

A case in point is the First Options/Continental Illinois problems in the late 1980s—Continental Illinois lost considerable more than its investment in First Options. While there are firewalls in place that limit the amount of bank investment, in times of stress, firewalls melt. Such was the case with First Options/Continental Illinois where Continental Illinois injected millions of dollars to prevent the failure of First Options.

Furthermore, the likely result of allowing bank operating subsidiaries is that an independent securities industry will become a thing of the past. The advantage that the U.S. economy has enjoyed is that the credit and capital markets have grown up separately and are strong with each having a great deal of depth.

Not having an independent securities industry will seriously undermine these vitally important markets. Innovation will be stifled and these markets will become less competitive. And importantly, it will make it much harder on the U.S. economy to address economic downturns because the securities system will become directly tie to the health of the banking system. Any stresses on the banking system will affect all of the capital markets. I, for one, do not want to see that result, particularly because the simple answer is to allow banks and securities firms to become sister companies through a holding company which means the securities industry will not be tied directly to the banking industry.

For these reasons I will continue to work to change the operating subsidiary and unitary thrift provisions included in H.R. 10 as this bill moves through conference. However, despite the problems I have with these specific provisions, I believe that we must act today to pass this landmark legislation. There is far too much in this bill that warrants our support. We have come too far to turn back now.

If we fail to act today, we will lose the opportunity to reform our financial system in a meaningful, rational way. It's now or never.

Years of good faith negotiation and compromise have gone into this bill.

Support the passage of H.R. 10.

Mr. LAFALCE. Madam Chairman, I yield 3 minutes to the distinguished gentleman from Minnesota (Mr. VENTO) the ranking Democrat on the Subcommittee on Financial Institutions and Consumer Credit.

Mr. VENTO. Madam Chairman, I rise in strong support of H.R. 10. This is a good work product. This is a legislative product that finally brings our statutory provisions of law in line with the current developed financial entities and the future policy path that is necessary to in fact fully engage our economy and our financial institutions in serving our enterprise and serving the consumers of this Nation.

The fact is that I think it is due to a lot of hard work on the part of the gentleman from Iowa (Mr. LEACH) and the gentleman from Virginia (Mr. BLILEY) and the gentleman from New York (Mr. LAFALCE), so too the work of the gentleman from Michigan (Mr. DINGELL) who is in dissent today.

Nevertheless, I think it follows a tradition and path that will, in fact, put us in charge. I think, though, that we probably will not work ourselves out of a job with this measure. There is much to do in many, many aspects of it, but it does for the first time through the work with the various enterprises, the industry, the banks, the securities firms and the insurance firms that are already affiliating today under court and under regulatory practices, it finally puts a statutory policy path that Congress stipulates in place and one that is effective. Of course there is a claim that there is $15 billion worth of saving that inures to the benefit of our economy in terms of some of the streamlining that takes place with this policy and law.

Do we like big banks and big financial institutions? Probably not. But the fact is that the global marketplace that we compete in and that we participate in today is actually bringing these together and about. This is happening in the absence of this law. But what we are trying to do is to try to put in place a legal framework to put back some consumer voice, some public policy voice in that process that affects consumers.

This bill has strengthened Community Reinvestment Act provisions. This bill when the amendment on privacy is adopted, I think the banks will have about the strongest privacy policy of any of the financial entities commercial or otherwise that we have responsibility at the national government for or, for that matter, even at the State level. We know how important that issue is. The privacy provisions that will finally be written into this bill are stronger than those that were in the Commerce bill, stronger than those that were in the Banking provision of H.R. 10.

Beyond that, I think that the bill provides many opportunities to deal with antitrust issues, other issues such as supernotice requirements for mergers, mandatory ATM fee disclosure. It provides the opportunity for posted privacy policies. Some medical privacy. I think we are going to have some debate about that today. Some would have us believe that no policy is better than the policy that we have in this bill, but we are trying to, in fact, do the right thing. As I said, it deals with antitrust concentration.

As far as the operating subsidiary goes, I think we ought to look very closely at Chairman Greenspan's comments because he pointed out in 1997 that operating subsidiaries pose no safety soundness problem in terms of their operation. As a matter of fact, the Chairman of the Federal Reserve Board regulates just such operating subsidiaries in the States and in the foreign bank operation. These are safe, they are sound, and I think this bill is a good bill and deserves our support.

H.R. 10 represents the changes in law that we need to catch up with reality by mapping a path of true modernization for financial institutions in the financial services marketplace for today and tomorrow. We need to enhance the competitiveness of our financial services sector and to move forward with predictable, certain, logical, and uniform regulation.

As my colleagues are by now painfully aware, there are many Democrats, some of whom supported the bill in the Banking Committee, who can now no longer feel comfortable supporting this legislation. Despite the partisan gamesmanship of the past 24 hours, I remain committed to achieving comprehensive financial modernization through the enactment of H.R. 10 into law, and thus hope that we can pass this bill at the end of the day.

I have put a great deal of time, effort and energy working with my Democratic Colleague and my Colleagues from across the aisle. We have been laboring together for many years—three Congresses on this particular version—crafting and perfecting a compromise on financial modernization that will put the Congressional imprint on modernization. Our Chairman, Mr. LEACH, and the Ranking Member, Mr. LAFALCE were able to work together with Members such as myself and Mrs. ROUKEMA to put together a bill. The Administration, which was opposed to the bill passed last year, was supportive of our Banking Committee product.

We have accomplished much of which we should be proud.

Back in March, the House Banking and Financial Services Committee approved H.R. 10 on a strong bi-partisan basis, 51–8 with 21 Democratic votes cast in support of the bill. Much of this Banking Committee product has been carried forward in the product before us today.

Some important provisions are lacking or inadequate. We do not have complete parity, for example, for affiliation between banks and insurance and securities firms with regard to commercial activities. I would preferred to have gone a little further on limiting Unitary Thrift Holding Companies—indeed, we could have merged the bank and thrift charters. I would have also hoped that we could have included fair housing compliance on affiliates, low-cost banking accounts and application of Community Reinvestment Act-like requirements on products that are similar to bank products, such as mortgages product sold and issued through affiliates.

On the main, however, we have a product that will remove the rusted chains of Glass-Steagall, providing in its place a new financial services infrastructure to keep U.S. companies competitive in the global marketplace, while ensuring consumers the quality services and protections they deserve. We remove the barriers preventing affiliation. We provide financial services firms the choice of conducting certain financial activities in bank holding company affiliates or in subsidiaries of banks on a safe and sound basis.

Some today may say that the operating subsidiary is too risky. That is just not the case. Outgoing Treasury Secretary Robert Rubin, the Federal Deposit Insurance Corporation, and four past Chairs of the FDIC have all explained how the subsidiary structure protects the public interest as well as the affiliate structure—and provides greater protection for the FDIC and bank safety and soundness. Even Chairman Greenspan—the foremost opponent of subsidiaries—acknowledged in 1997 testimony that the subsidiary approach posed no safety and soundness problems.

By requiring bank to be well-capitalized even after investing capital in a subsidiary, we are providing a proper cushion that is not the S&L crisis all over again. Our national banks have been and should remain a source of economic strength and a solid foundation to construct an economic framework of growth. This bill will keep them vigorous and viable, with or without a holding company structure and does not change the balance between the national bank and state bank dual banking charters, and regulation structure.

As I said earlier today, the focus of the lengthy and seemingly endless public debate over this legislation has been the opening of the financial services marketplace to new competition and the reduction of barriers between financial services providers. It is equally important that this bill is a positive step for our constituents and the communities in which they live, as well.

In general, there are inherent benefits of being able to provide streamlined, one-stop shopping with comprehensive services choices for consumers. According to the Treasury Department, financial services modernization could mean as much as $15 billion annually in savings to consumers.

There are additional, specific and key positive consumer and community provisions in the base text.

We have modernized the Community Reinvestment Act (CRA) in a positive manner. And I am pleased that this bill will not contain provisions that move us back in time for CRA. The CRA was enacted by Congress in 1977 to combat discrimination. The CRA encourages federally-insured financial institutions to help meet the credit needs of their entire communities by providing credit and deposit services in the communities they serve on a safe and sound basis. According to the National Community Reinvestment Coalition, the law has helped bring more than $1 trillion in commitments to these communities since its enactment. Groups like LISC, Enterprise, Neighborhood Housing Services, and others too plentiful to mention them all, use CRA to work with their local financial institutions to make their communities better places to live.

CRA's success results from the effective partnership of municipal leaders, local development advocacy organizations, and community-minded financial institutions. By creating such partnerships, the CRA has proven that local investment is not only good for business, but critical to improving the quality of life for low- and moderate-income constituents in the communities financial institutions serve.

Importantly, H.R. 10 ensures CRA will remain of central relevance in a changing financial marketplace. It furthers the goals of the Community Reinvestment Act by requiring that all of a holding company's subsidiary depository institutions have at least a "satisfactory" CRA rating in order to affiliate as a Financial Holding Company and in order to maintain that affiliation, including appropriate enforcement. In addition, H.R. 10 extends the CRA to the newly created Wholesale Financial Institutions ("Woofies"). These provisions represent substantial progress and a critical contribution to the overall balance reflected in this bill.

Other positive provisions include the requirement that institutions ensure that consumers are not confused about new financial products along with strong anti-typing the anti-coercion provisions governing the marketing of financial products; super notices to customers that state that when banks sell non-deposit products they are not insured by the Federal Deposit Insurance Corporation (FDIC) like traditional bank accounts are insured; the requirement to maintain market-related data and to produce an annual report on concentration of financial resources to assure that community credit needs are being met; and the disclosure to consumers of ATM fees, not only on the computer screen, but, also on the ATM machine itself. Additionally, when issuing ATM cards, banks must issue a warning that surcharges may be imposed by other parties.

I would also like to highlight an amendment of I advanced that has been included with a minor change from Commerce committee, requiring public meetings in the case of mega-mergers between banks which both have more than $1 billion in assets where there may be a substantial public impact because of the larger merger, providing our constituents with the important opportunity to express their views regarding mega mergers in their communities.

Importantly, the base text also includes required posted privacy policies by depository institutions of financial holding companies to clearly and conspicuously disclose to their customers their privacy policies, specifying what their policies are with regard to a customer's information. While an amendment later today will make vast improvements for consumer privacy, with this provision, customers can learn what a financial institution's policies are and could be clearly informed of their rights under the Fair Credit Reporting Act to choose not to have their information shared among affiliates.

Frankly, in this way, customers would be able to choose whether they want to do business with institutions that have privacy policies with which they disagree. If they don't like affiliate sharing or other parts of the privacy policy that an institution has, they have the benefit of living in a country with thousands of small community banks and with other institutions even offering banking on the Internet.

I do want to note something on the medical privacy provisions in Title III of the bill. Mindful of the deep concerns raised by our colleagues on the Commerce Committee and many other outside the Congress, I want to state that we do not want to preempt any comprehensive medical privacy provision. We do not want to create loopholes or set up consumers to be forced to disclosed private data just to get insurance coverage. Neither, however, do we want to leave wide open the possibility that within the confines of this new affiliated structure this bill creates allowing insurance, banking and securities firms to join, that they can learn private medical or genetic information to base credit decisions upon.

I would hope that we will have an opportunity in time to appropriately fix this provision and if that means limiting it to situations where insurance and banks affiliate—so that within these confines insurance companies which affiliate with a bank will keep confidential customer's health and medical information. This represents an initial effort to assure that health information cannot be used to determine eligibility for credit or other financial services. It was not our intent to undercut, circumvent of weaken—but rather to enhance and protect, so let us work together in Conference to improve this if the amendment sought by Mr. WAXMAN and Mr. CONDIT cannot be a part of this process here today.

As I noted earlier in my statement, I had hoped that we could have included a Banking committee reported provision to condition affiliation of insurance companies with banks based on compliance with an existing law—the Fair Housing Act. It is a productive provision that more than suggests that companies who seek to expand their opportunities are meeting the needs of communities and following the law by not discriminating.

There have been settlement agreements and consent decrees between the Department of Housing and Urban Development, the Department of Justice and insurance entities that resulted from alleged violations of the Fair Housing Act. What has resulted is changes in underwriting guidelines (such as changes eliminating "year the dwelling the built" or "minimum dollar amounts of coverage" OR not denying coverage SOLELY on the basis of information contained in credit reports) that will better ensure the homeowners are not denied insurance—and quite possibly the opportunity to become homeowners—because of discrimination.

It is indeed unfortunate that neither the base text has not did the rule allow as an amendment a provision to strengthen fair housing and to eliminate discrimination. This provision could have been step forward for consumers as much as requiring low-cost banking accounts could have been. These provisions would have ensured that the benefits of modernization would be more available to consumers of all economic means. Low cost accounts could have taken a form similar to the ETA accounts created by Treasury with little or no burden, and certainly no credit risk borne by depository institutions.

Mr. Chairman, in closing, following more than 20 years of debate on financial modernization, I think that we are close to achieving our goal. And if not on the rule, on much of the substance of the bill before us today, we have done so on a bipartisan basis. We have much to do so we can get this bill through a Conference with Members of the other body. Their bill has many provisions that are extremely problematic for the Administration and for House Democrats, from debilitating limitation on the national bank operating subsidiary to outright gutting of the Community Reinvestment Act.

I ask my colleagues to join me in supporting H.R. 10. I want to thank Chairman LEACH, Ranking Member LAFALCE, and Chairwoman ROUKEMA and their respective staff for all of their work and cooperation on this important legislation.

Mr. BLILEY. Madam Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. GILLMOR), the vice chairman of the committee.

Mr. GILLMOR. Madam Chairman, I thank the gentleman for yielding me this time and I thank him for his leadership on this issue. I rise in support of the bill.

Madam Chairman, this bill makes the most fundamental change in the laws covering financial institutions in 60 years. It deals with a broad scope of services, banking, insurance, securities. It also recognizes the changes that have taken place in the economy over that period of time and also the dramatic change in technology which has made possible the offering of services now which would not have been possible before.

The financial combinations authorized by this bill can result in significant savings in the delivery of financial services. But as institutions are combined and as they become larger, it is essential that there be safeguards for safety and soundness to protect both consumers and taxpayers. This bill for the most part contains those safeguards.

I am also happy that the bill before us contains several provisions I sponsored in the Committee on Commerce. Among those was the requirement that the Federal Reserve consider before approving mergers whether the merged institution would be "too big to fail." Mergers that are if they fail so big that the taxpayers or the government will have to bail them out simply should not be permitted.

The bill also contains a provision I introduced to prevent discrimination against certain banks in the sale of title insurance, and those regulatory restrictions I sponsored in last year's bill have stayed in here called "Fed Lite."

Regrettably, it does not include some of the provisions I introduced in the Committee on Commerce, which the committee approved, to protect the privacy of customers of merged institutions. But I am happy that those privacy provisions were made in order in the amendment to be offered by the gentleman from Ohio (Mr. OXLEY) later in this bill.

I urge the support of that amendment and I urge the support of the bill.

Madam Chairman, I rise in support of the bill.

This bill makes the most fundamental change in the laws covering financial institutions in over 60 years. It deals with the broad scope of services—including banking, insurance and securities. It recognizes the changes which have taken place in the economy in that time, and also the dramatic change in technology which has made possible the offering of services now which would not have been possible before.

This bill has the potential of expanding financial services to consumers and creating more competition. The financial combinations authorized by this bill can result in substantial savings in the delivery of financial services. However, as institutions are combined, and as they become larger, it is essential that there be safeguards for safety and soundness to protect both consumers and taxpayers. The bill for the most part contains those safeguards.

Two years ago as H.R. 10 was being considered in the previous Congress, I was concerned with the broad expansion of certain regulatory powers. My amendment in the Commerce Committee two years ago, which was included in the current bill, created the functional regulation framework for financial holding companies. The purpose of this "Fed Lite" regulatory framework is to parallel the financial services affiliate structure envisioned under this legislation. This parallel regulatory structure eliminates the duplicative and burdensome regulations on businesses not engaged in banking activities, and importantly, preserves the role of the Federal Reserve as the prudential supervisor over businesses that have access to taxpayer guarantees and the federal safety net.

Besides numerous consumer protections, H.R. 10 also includes important taxpayer protections. I am happy that the bill before us contains certain provisions that I sponsored before the Commerce Committee. Among those was the requirement that the Federal Reserve consider before approving mergers whether the merged company will be "too big to fail." Mergers that are so big that failure would result in the government or taxpayers bailing them out should not be permitted.

We are in the age of megamergers, and the creation of increasingly large financial institutions. To give you an idea of how big, consider that the recent merger of Citicorp and Travelers created a company with $690 billion in assets. The merger of Bank of America and Nations Bank left an institution with $614 billion. To put those figures in prospective, the budget for the entire federal government is $1.8 trillion, or one thousand eight hundred billion.

There are clearly economic benefits to be gained from consolidation. But the larger the potential for economic benefits, the larger the potential costs become to the financial system, and the American taxpayers, should the combined entity fail. Any substantial disruption in the institution's operations would likely have a serious effect on the financial markets.

There is currently no statutory requirement that the Fed explicitly examine whether a combined entity would be too big to fail. The too big to fail provision does not focus on limiting megamergers, but instead maximizes the credibility of prudently managed large financial institutions, which will benefit financial consumers and the American taxpayers.

The bill before us also contains the provision I introduced to prevent discrimination against certain banks in the sale of title insurance. This amendment brings the special carve out for one kind of insurance activity back in line with the purpose of financial modernization—the consistent application of authority and restrictions on title insurance activity for all banks.

The operating structure of the new financial entities created by this bill is a crucial issue for the safety and soundness of our financial system. The question is not how the financial institutions can best offer and market their financial services and products. The fact is, whether under an affiliate structure or an operating-subsidiary structure, business will make it work either way. Instead, the question is how to regulate the structure under which financial services and products are offered and sold.

Under the holding company affiliate structure, if one business goes broke, that failure will not affect the safety and soundness of the bank in the holding company. But under the operating-subsidiary structure, if a subsidiary of a bank goes broke, that can pose material risk to the safety and soundness of the bank.

Banking regulators have indicated that they do not like deferring to functional regulators for activities of bank subsidiaries. Do we want a politicized federal banking regulator to regulate a structure that is supposed to achieve competitive equality across the board for all financial services? The bank holding company affiliate structure is the best institutional vehicle that permits participation in financial modernization with the least risk of transferring the safety net subsidy.

Regrettably, this bill does not include all the provisions I introduced in the Commerce Committee, and which the committee approved, to protect the privacy of customers of these merged institutions. However, I am pleased that most of my privacy protections were made in order to be offered in an amendment later in the bill.

This amendment which I offered in committee was an important step forward in protecting individual privacy. It protected consumer privacy by regulating the disclosure and sharing of customer information by financial institutions to third parties.

My amendment, which the committee adopted, required that a financial institution not only disclose to a customer its policy about transfer of non-public personal information about the customer to a third party, it also requires that the customer have the opportunity to opt-out of having personal information disclosed to a third party.

Privacy is more of a concern than it was in the past. George Washington didn't have the privacy threats that face even the average individual today. To obtain George Washington's private information you would probably have had to break into Mount Vernon, and then have been lucky enough to find the right papers in his desk or strong box. It is now much easier to get anyone's personal information.

The simple reason for the much greater threat to privacy today is the astounding growth of technology and information gathering. The tremendous human benefits that have come from these advances also carry with them unprecedented new threats to personal privacy. Personal privacy needs reasonable protections, because personal privacy is an important part of individual freedom.

Personal information is much more accessible now, even without the person whose privacy is being invaded ever knowing. The sale and transfer of personal information, without the individual's knowledge or consent, is both widespread and growing.

Individual privacy is in danger from government, from business, and even from individuals sitting at home with a computer. My amendment recognizes those changes by providing in the area of financial institutions reasonable and realistic privacy protections, without unduly interfering with the normal and reasonable conduct of business.

Mr. DINGELL. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Madam Chairman, I thank the gentleman for yielding me this time.

The banking modernization bill could be a good bill, but I oppose the selling out of your and my personal privacy. I oppose compromising my privacy. Democrats oppose the selling of the privacy of all Americans. All Democratic amendments on privacy have been rejected. And why?

Let us take a look at the Los Angeles Times editorial dated today, "No Prescription for Privacy," and I quote:

"The House must defeat legislation that would allow health insurers to sell medical records to other insurers without the consent or even knowledge of the patients.

"Legislators usually become angry and defensive when ulterior motives are ascribed to legislation. But if voters are to believe that this measure is unrelated to the fact that the insurance industry was the single largest soft-money donor to Republicans in 1997–98, then let them explain how this anti-consumer amendment benefits those voters."

Folks, they are selling you out. They are selling your privacy, not just your financial privacy but now your medical privacy. When I go to the bank, when I buy insurance, I provide information which is personal, private. But this bill allows personal, private medical, financial information. Every check I ever wrote, every medical decision I ever made, they are going to sell it, and they are going to sell it to the telemarketers, without my knowledge and without my consent.

I know the Republicans have said they will fix it later with comprehensive privacy legislation. Later, later. But once they sell the information, once it is out in the world, once it is out in this electronic world we live in, they are going to pass a law then and say you cannot have it. Are they going to recall it? Are they going to tell every person, every business to recall the information? Plus once it is paid for, you think businesses are not going to make copies and continue to hold it?

Your privacy has been violated. Oh, they will stop all right. Will they? Will they? Will they let their largest single soft-money contributor to the GOP, the insurance industry, call it back? They will not.

Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from Alabama (Mr. BACHUS), the distinguished subcommittee chairman.

Mr. BACHUS. Madam Chairman, in 1933, most of our U.S. highways were gravel-topped, we had no controlled interstates like we do today, controlled access four-lane highways; our railroads were operating steam engines, diesels were still several years off; our airlines were flying biplanes with three engines; and we had Glass-Steagall.

Today we have interstate highways, they have replaced our gravel U.S. highways; we do not have any more steam engines, you have to go to China to see one; but we still have Glass-Steagall.

Thank goodness that today we have a modern financial bill that is before us to vote that will save the American people $15 billion a year, that will increase privacy protections. You can tell your bank, "No, I would rather not have that information released." Finally, these two things:

It will increase our competitive ability against the world and the global market, our financial firms, it will increase convenience for Americans, and it will increase competition, lowering the cost of insurance, mortgages and all financial services.

I urge the Members to vote "yes" on final passage and get us out of the biplane, steam engine age.

1933. There were no interstate highways. In fact, there were no four-lane limited-access highways in America. Most of our U.S. highways were gravel; a few were dirt.

In 1933 steam engines pulled trains along America's railroads. Diesels were still a decade away. Today's college graduates have never seen a steam engine in revenue service on America's railroads. Want to see a working steam engine. You had better take a quick trip to the third world or remote areas of China, for instance, because the last few in service are rapidly disappearing.

1933. Take a trip on a jet airplane. Hardly. They were decades away. To get from city to city, if there was air service (and that was a big if), you might climb aboard a tri-engine wood-framed biplane. Today you can see that very aircraft of 1933 in the Smithsonian. Not even my generation saw them in service.

However, such is not the case for our financial services laws. The law which regulates and applies to the entire financial services industry (banking, insurance and securities) today applied in 1933. In fact, it was in 1933—not the year Albert Einstein became famous, but the year he immigrated to America—that the law in effect today was enacted by Congress. You may not recall that Congress or even the events in Washington that year. The big political happening in 1933 was Calvin Coolidge's funeral. You don't recall that event? The "Three Little Pigs" was making its debut as one of Walt Disney's first productions. It has been several years since Walt Disney died. But our 1933 financial services laws of that day live on today. Yes, like the memory of Calvin Cooledge's funeral they are dog-eared and worn. And every bit as inefficient as a steam engine would be on today's railroad tracks or a tri-engine wood-frame biplane in service by today's airlines. Imagine wanting to travel across country and finding not only no controlled access highways, but only gravel-topped or dirt-topped highways. What an inefficiency. What an inconvenience. What a cost to the economy. How outmoded. That's exactly what America's financial services community has to contend with today. The law is no more intended for today's market than a Model T Ford. This is true of today's outdated financial services laws. It is time to bring financial modernization laws not only into the late 20th Century but revise them for the fast-approaching 21st Century. H.R. 10 is such a law.

But H.R. 10 is more than just an updated or modern approach to banking. It's an improvement over existing laws. All Americans today would benefit from H.R. 10 in the following ways:

Greaer efficiency in competition will drive down prices of financial services (loan rates, insurance premiums, etc.). Savings are estimated at $15 billion a year. Seeing what competition can do in sports and other businesses, it is time to find out in financial services.

Imagine our American financial firms having to compete effectively in international markets restrained by laws of yesteryear. In a global economy the ability of American financial firms to compete effectively internationally is mandatory. They can only do so under modern laws such as H.R. 10. Let's increase their effectiveness to compete internationally. It is past due.

Americans not only love competition and low prices, but also convenience. H.R. 10 promises better convenience and access to financial products, more choices in both urban and rural America. Time is money and convenience is paramount in today's fast-moving society. After years of trying and failing, isn't it time this Congress finally offered the convenience of modern banking to American consumers? Convenience and more choices.

Not only does H.R. 10 offer improved ability for our companies to compete in the world market, more competition and choice for the American public, but it also promises increased privacy protections. Under an amendment to be offered today, which I support, the American banking customer can tell his local bank, "I'd rather you did not show that information outside the bank." Americans love their privacy and what it protected.

For all of these reasons, it's time, no it's past time, to modernize our financial services laws. Accomplish this and preserve American financial leadership for the 21st Century by voting yes on final passage of the Financial Services Act of 1999.

Mr. LAFALCE. Madam Chairman, I yield 2 minutes to the distinguished gentlewoman from California (Ms. WATERS).

Ms. WATERS. Madam Chairman, I rise in opposition to H.R. 10, the Financial Services Act of 1999. I must oppose this legislation because it distorts the intent of the members of the House Committee on Banking and Financial Services who worked hard to develop a credible piece of legislation that would cover the mergers of banks and commercial interests.

Instead of respecting the bipartisan work of the House Committees on Banking and Financial Services and Commerce, the House Committee on Rules hijacked this bill. They stripped out the Lee anti-redlining amendment that had been adopted in Banking and the Markey amendment was stripped out on privacy that had been adopted in Commerce. I have never seen this before. You vote, you get an amendment passed, and then the Committee on Rules literally takes it out without a vote? The Committee on Rules then denied a rule to have a debate on privacy. And, of course, they denied my amendment on lifeline banking for low-income consumers who do not have bank accounts with traditional banking institutions.

The House Committee on Rules further added a dangerous amendment by the gentleman from Iowa (Mr. GANSKE) that allows private medical record information to be given to subsidiaries and sold to others. Then, to add insult to injury, the Committee on Rules made in order an amendment by the gentleman from Texas (Mr. PAUL), the gentleman from Georgia (Mr. BARR) and the gentleman from California (Mr. CAMPBELL) that can only be identified as the Dope Dealers and Money Launderers Act of 1999. The Paul amendment adjusts the currency transaction reporting requirement from $10,000 to $25,000, making it easier for drug dealers to spend and launder drug proceeds.

Let us go a little bit further. The gentleman from Virginia (Mr. BLILEY) will have Members believe that he is doing something about domestic violence and protecting the victims. It is a trick. He is allowing these mutual insurance companies to move out of their States that do not allow them to take their proceeds away from the policyholders and put them in the hands of the officers. He is trying to make Members believe that he is doing something for women. Members do not want their fingerprints on this bill. This is a bad one. Vote "no."

Mr. BLILEY. Madam Chairman, I yield 3 minutes to the gentleman from New York (Mr. LAZIO), a member of the Committee on Commerce and a member of the Committee on Banking and Financial Services.

Mr. LAZIO. Madam Chairman, let me begin by congratulating and thanking the gentleman from Virginia (Mr. BLILEY) and the gentleman from Iowa (Mr. LEACH) for the stewardship of this fundamentally important piece of legislation for the American economy, having persevered through a number of different discussions and bringing this to the verge of passing as an historic piece of legislation.

Let us go back for a moment to the early 1930s. The stock market collapsed, the SEC did not exist, and there were few Federal securities laws. In 3 years between 1930 and 1933, 8,000 banks went bankrupt and American families lost $5 billion in deposits, an enormous sum at the time.

To restore American confidence in our banks, Glass-Steagall erected a wall between commercial banks and securities firms. Deposit insurance was created so American families knew their financial nest egg was safe. Glass-Steagall made sense, 60 years ago. But 60 years ago, families kept the bulk of their savings in banks, earning low rates of interest. Today, families invest in the stock market and 43 percent of adults own a piece of the market because Americans in the 1990s seek higher returns on their investments.

Consumer behavior changed because stocks and mutual funds achieved superior long-term results, people began managing their own retirement funds through individual retirement accounts, 401(k) plans and Keogh plans. In short, Americans are no longer hiding their savings in their mattresses.

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Today we stand at the center of an electronic revolution. On line brokerage businesses are growing. Three securities legends teamed up to create a rival to the New York Stock Exchange. Money moves from Tokyo and back in an instant. A consumer can see and speak to a live teller via the Internet. We simply no longer live in a depression era that gave birth to Glass-Steagall.

With this bill, working families will have more choices. Do my colleagues want an account with no commissions and pricing based on household assets? Do my colleagues want to carry a credit card that has no ATM fees for transactions worldwide? Do my colleagues want a e-commerce link that has a rewards point program?

With this bill, small businesses will have a greater array of products and services from which to choose. Do my colleagues want convenient Internet access to their checking, savings and investment activities? Do my colleagues want a discount for goods purchased through e-commerce? Do my colleagues want global market intelligence and unified accounting reporting?

This bill breaks the chains of Glass-Steagall that no longer serve the interests of American families without sweeping us away in a tide of economic euphoria. This bill intends to keep us as the caretakers of a senior citizen's nest egg and to ensure that the life savings of working families are not lost in economic downturns.

Congress should break down these barriers and encourage competition, creating an environment for more innovative products and better prices. I urge my colleagues, Democrats and Republicans, to let American banking step into the 21st century. Support the Financial Services Act.

Mr. DINGELL. Madam Chairman, I yield 1½ minutes to the distinguished gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Madam Chairman, I commend the ranking member, the gentleman from Michigan (Mr. DINGELL) and the gentleman from Florida (Mr. BLILEY) for their leadership on this bill. H.R. 10 would be a much more efficient financial service bill, bringing greater choices and lower prices for consumers, and that is a good thing. But this bill has serious flaws that must be corrected. Most important, the language regarding privacy of medical information has to be strengthened.

The American Nurses Association says this about H.R. 10:

> The proposed language would, in fact, facilitate the broad sharing of sensitive health and medical information without the consent of the consumer.

H.R. 10, as it is now written, will allow an insurance company to sell consumers personal health information. That is wrong. Patients should be encouraged to share with their doctors, nurses, and therapists all their health information. No diagnosis or treatment is complete without it. But if patients cannot be sure that this sensitive and personal information will be kept confidential, they will not be so forthcoming, and that will hurt patient care and stifle research projects.

Let us be clear. Privacy must never take a back seat to profits. We must first fix these provisions and then pass an outstanding financial services bill.

Mr. LEACH. Madam Chairman, I yield 1 minute to my great friend, the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Madam Chairman, today marks a positive and long sought milestone along the long journey to financial modernization. I commend the chairman and the ranking member, the gentleman from New York (Mr. LAFALCE) and the Committee on Commerce leadership also for their involvement and cooperation.

This bill is necessary to keep the United States in its preeminent position in the world's financial marketplace. There are a number of reasons to support. I am going to list just a few:

H.R. 10 illustrates that a Federal statutory change in financial law is imperative.

Second, this measure will allow financial companies to offer a diverse number of financial products to their consumers.

Third, this bill will have a distinct positive effect on consumers.

Fourth, the bill allows for no mixing of banking commerce through a commercial basket.

Fifth, this measure will necessarily restrict unitary thrifts.

Sixth, the bill will avoid the threat of presidential veto by placing the integrated financial activities in the operating subsidiary structure.

Seventh, it balances the interests of a State in regulating insurance with that ability of a national bank to sell insurance.

And Number 8, it strikes an equilibrium on the issue of securities.

My colleagues, I urge strong support for this legislation. It is a long time coming. It is worth the effort.

First, a Federal statutory change in financial law is imperative because Congress must call a halt to the recent trend of ad hoc financial modernization through regulatory fiat and judicial consent. Instead we need to modernize the nation's banking laws through statute.

As a matter of fact, on the first day of Banking Committee consideration of financial modernization legislation in 1998, during the 105th Congress, this Member stated: "Once more, we start an effort to modernize our financial institutions structure. It is an effort we have tried before and must begin someplace. It should begin in the House, and so I commend you, Chairman Leach, for launching this effort. We need to do this. We need to face up to our responsibilities as a legislative body. There is no doubt about that."

Second, this Member supports H.R. 10 as it will allow financial companies to offer a diverse number of financial services to the consumer. This bill removes the legislative barriers within the Glass-Stegall Act of 1933 and the 1956 Bank Holding Company Act. As a result, H.R. 10 will allow financial companies to offer a broad spectrum of financial services to their customers, including banking, insurance, securities, and other financial products through either a financial holding company or through an operating subsidiary.

Banks, securities firms, and insurance companies will be able to affiliate one another through this financial holding company model. These entities will be able to engage in those activities which are defined to be "financial in nature" which include: lending, other traditional bank activities, insurance underwriting, financial and investment services, securities underwriting and dealing, merchant banking, and other activities.

In order for banks to be able to engage in the new financial activities, the banks affiliated under the holding company or through an operating subsidiary have to be well-capitalized, well-managed, and have at least a satisfactory Community Reinvestment Act rating.

Third, this Member supports H.R. 10 because it is very pro-consumer. It will increase choices for the consumer in the financial services marketplace by creating an environment of greater competition. As a result, financial modernization will allow consumers to be able to choose from a variety of services from the same, convenient, financial institution. Financial modernization will give consumers more options.

Whether it be in rural Nebraska, or in New York City, consumers of financial products all across the United States deserve additional competitive options. Moreover, under the current setting, many rural communities are under-served in regards to their access to a broad array of financial services. Financial modernization will help ensure that the financial sector keeps pace with the ever-changing needs and desires of the all-important consumer.

In addition, H.R. 10 will also allow financial institutions to provide more affordable services to the consumer. Financial modernization will result in additional competition and in efficiency which in turn should result in lower prices for financial services to the customer.

Fourth, this Member has been a fervent advocate of keeping banking and commerce separate. In fact, this Member is quite pleased that H.R. 10 does not contain a "commercial market basket" which would have allowed the very dangerous mix of commerce and banking—equity positions by commercial banks. We must avoid the problems that the Japanese have lately experienced because of such a dangerously volatile mixture of commerce and banking in their banking institutions.

An amendment was initially filed, but not offered, in the House Banking Committee in the 106th Congress which would have allowed for the mixing of banking and commerce in a five percent market basket. However, this Member believes in large part because of expressed strong opposition, including vocal and effective opposition of this Member, this amendment was withdrawn for consideration in the Committee.

Fifth, the issues of the unitary thrift charter is of significant importance to Nebraska commercial banks. One of the reasons this Member is unequivocally opposed to the existence of this unitary thrift charter is because of its mixing of thrift activities with commercial ventures. However, this is not the sole reason—it also results in an extremely powerful variety of financial institutions that has an uncompetitive advantage over other types of financial institutions. At the H.R. 10, Banking Committee markup in the 106th Congress, I expressed my desire to completely closing the unitary thrift loophole.

Financial modernization, H.R. 10, allows for no new unitary thrifts; indeed it restricts commercial entities from purchasing grandfathered, existing thrifts. There was a compromise in the legislation before us which establishes an application process whereby the Federal Reserve Board and the Office of Thrift Supervision will determine whether an existing unitary thrift holding company may be sold to a commercial firm. This Member wants that grandfather loophole closed altogether.

This Member also believes that the provisions on unitary thrifts in H.R. 10 are better than the status quo which allows both new unitary thrifts as well the unfettered transferability of existing thrifts to commercial entities.

A very recent example is Walmart's recent application with the Office of Thrift Supervision to acquire a unitary thrift in Oklahoma. Again, this Member wishes that H.R. 10 would go one step further and prohibit the transferability of existing unitary thrifts to commercial entities. If H.R. 10 passes, this Member is hopeful that such a prohibition could be considered and adopted during the probably House-Senate conference on H.R. 10. This Member would reiterate that his concerns about unitary thrifts transferability remains as a major concern regarding H.R. 10.

Sixth, this Member believes that, in order to avoid the President's veto of H.R. 10, the operating subsidiary structure for these integrated financial activities is the preferred financial structure to adopt. As is well known among the Members of this body, the Treasury Department desires the operating subsidiary structure. However, the Federal Reserve Board desires the affiliate structure. Both sides of this issue make compelling arguments for their positions on this matter. However, among other important reasons, because of the threat of a veto, this Member believes that the operating subsidiary is the best structure for these integrated financial activities.

Seventh, this Member supports H.R. 10 because, it balances the interest of a state in regulating insurance with that of the interests of a national bank to sell insurance. At the outset, this Member notes that he has a strong record of supporting states rights, especially in the area of insurance regulation.

In that respect it is important to note that H.R. 10 preserves state rights by providing that the state insurance regulator is the appropriate functional regulator of insurance sales. Whether insurance is sold by an independent agent or through a national bank, the state, and only the state, is the functional regulator of insurance in both instances. Moreover, H.R. 10 also does not unduly burden the ability of national banks to be able to sell insurance.

Eighth, this Member supports H.R. 10 as it strikes an equilibrium between the interests of securities firms with those banks that will be allowed to sell securities under H.R. 10. This measure amends the 1934 Securities Exchange Act to provide functional regulation of bank securities activities. As a general rule, securities activities under H.R. 10 will continue to be regulated by the Securities and Exchange Commission.

Financial modernization, H.R. 10, repeals the "broker" and "dealer" exemptions that banks have under Federal law, which subject banks to the same regulation as all securities firms. In addition, H.R. 10 replaces the "broker" and "dealer" exemptions with other exemptions which allow banks to be able to engage in their current activities involving securities.

Lastly, this Member supports H.R. 10 as its passage is necessary to keep the United States in its preeminent position in the world, financial marketplace. U.S. financial institutions are among the most competitive providers of financial products in the world. However, the financial marketplace is currently undergoing three changes which are altering the financial landscape of the world.

The first of those changes involves a technological revolution including the internet through electronic banking. Technology is blurring the distinction between financial products. The other two changes include innovations in capital markets, and the globalization of the financial services industry.

Financial modernization is the proper, appropriate step in this ever-changing financial marketplace. Consequently, in order to maintain American's financial institutions' competitive and innovative position abroad, H.R. 10 needs to be enacted into law. In the absence of this bill, the American banking system could suffer irreparable harm in the world market as we will allow our foreign competitors to overtake U.S. financial institutions in terms of innovative products and services. We must simply not allow this to happen.

Therefore, for all these reasons, and many more than have been addressed today by this Member's colleagues, we must, and will pass H.R. 10. This Member urges his colleagues to support H.R. 10, the Financial Modernization bill.

Mr. LAFALCE. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Madam Chairman, I rise in strong opposition to this bill. I support financial modernization if modernization means more choices for consumers, more competition, greater safety and soundness, stopping unfair bank fees and protecting consumers and underserved communities. But Madam Chairman, I believe this legislation in its current form will do more harm than good. It will lead to fewer banks and financial service providers, increased charges in fees for individual consumers and small businesses, diminish credit for rural America and taxpayer exposure to potential loses should a financial conglomerate fail. It will lead to more megamergers, a small number of corporations dominating the financial service industry and further concentration of economic power in this country.

It is no secret, Madam Chairman, that far bigger financial institutions lead to bigger fees which total more than $18 billion last year. The U.S. Public Interest Research Group and the Federal Reserve Bank have conducted studies and confirm that bigger banks charge larger fees, and there is no question in my mind that if this bill is passed, that process will be accelerated.

This bill is, in fact, however, good for big banks, but the big banks are doing just fine without this bill. Government-insured banks earned a record $18 billion in just the first 3 months of this year, 2.1 billion more than they earned in the same period last year. At a time of increasing bank fees, increasing ATM surcharges, increasing credit card fees, increasing minimum balance requirements, it is time for the Congress to stand up for the consumers. The big banks are doing fine. Let us protect the consumers. Let us vote no on this legislation.

Madam Chairman, I rise in opposition to the bill.

I support financial modernization—if modernization means more choices for consumers; more competition; greater safety and soundness; stopping unfair bank fees; and protecting consumers and under-served communities.

But Madam Chairman, I believe this legislation, in its current form, will do more harm than good. It will lead to fewer banks and financial service providers; increased charges and fees for individual consumers and small businesses; diminished credit for rural America; and taxpayer exposure to potential losses should a financial conglomerate fail. It will lead to more mega-mergers; and small number of corporations dominating the financial service industry; and further concentration of economic power in our country.

The banking industry is currently involved in some of the largest mergers in history. Four of the top ten mergers last year involved bank deals totaling almost $200 billion. Today, three-quarters of all domestic bank assets are held by 100 large banks. And this bill, if passed in its current form, will further accelerate the consolidation of banking and financial assets that we have seen in recent years.

It is no secret, Madam Chairman, that bigger financial institutions lead to bigger fees—which totaled more than $18 billion last year. The U.S. Public Interest Research Group and the Federal Reserve Bank have conducted studies and confirmed that bigger banks charge higher fees than smaller banks and credit unions. The Public Interest Research Group's 1997 study of deposit account fees at over 400 banks found that big banks charge fees that are 15 percent higher than fees at small banks. Credit union fees, by comparison, were half those of big banks. And the Public Interest Research Group's 1998 ATM surcharging report found that more big banks surcharge non-customers, and big-bank surcharges are higher.

This bill is certainly good for the big banks of America, but the big banks are doing fine even without this bill. Government-insured banks earned a record $18 billion in just the first three months of this year—$2.1 billion more than they earned in the same period last year. Bank profits were also up $1.9 billion in the first three months of this year—beating the previous record set in 1998. And, according to the Federal Deposit Insurance Corporation, the increase in earnings was led by the largest banks, while smaller banks saw their earnings decline.

This bill has everything the big banks want, but it has little or nothing for consumers. It does not modernize the Community Reinvestment Act (CRA) by applying CRA requirements to new financial conglomerates. It does not stop ATM surcharges. It does not safeguard stronger consumer protection laws passed by the various States. It does not provide the strong privacy provisions that will be needed with the creation of large financial service conglomerates, It does not require that banks serve low- and moderate-income consumers by offering basic, lifeline accounts. And it does not even include provisions to protect women and minorities from discrimination in homeowner's insurance and mortgage services. These anti-discrimination provisions were included in the version of the bill that was reported out the Banking Committee, but they mysteriously disappeared from the bill when it came out of the Rules Committee.

At a time of increasing bank fees, ATM surcharges, credit card fees, increasing minimum balance requirements, discrimination against women and minorities, and the loss of many locally-owned banks to large, multi-billion dollar corporate institutions, Congress should consider pro-consumer legislation to directly address those problems. But this bill is not good for consumers, or small businesses, or taxpayers, or under-served communities. I urge my colleagues to reject this bill.

Mr. BLILEY. Madam Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. GANSKE), my friend and colleague.

Mr. GANSKE. Madam Chairman, I yield to the gentleman from New York (Mr. LAFALCE), my friend and colleague.

Mr. LAFALCE. Madam Chairman, I and many, many others have tremendous concerns about the gentleman's amendment, two in particular.

Number one, we want to make sure that it does not in any way preclude the authority of the Secretary of HHS to promulgate medical privacy regulations subsequent to August 21, and it is imperative that that be made explicit in conference.

Secondly, there are so many health provider organizations, the AMA, the Nurses Association that have concerns primarily because of the exceptions in the gentleman's amendment, and I want my colleague's assurance that he will work for specific statutory language in conference that will deal with both those problems.

Mr. GANSKE. Madam Chairman, I want to assure my friend that it was not the intent of the language in this bill to preclude the Secretary from being able to issue her regulations in August, and I will work with the gentleman in conference to make that explicitly clear in language, that nothing in this would preclude her from doing that.

Madam Chairman, I yield to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Madam Chairman, as a clinical psychologist myself and in the gentleman's role as a physician I know that we are both concerned about protecting the confidentiality of individual medical information. I also know of the gentleman's hard work to craft language that would limit the sharing of information between financial industry entities and their subsidy areas.

However, it is my concern and the concern of other Members about the confidentiality of sensitive health and medical information under the listed exemptions of the current bill. To address those concerns I would like to ask my colleague and good friend if he would agree to support at conference inclusion of language to allow the exchange of general economic and clinical information but prohibit the exchange of personally identifying information such as the names, addresses, or social securities of specific patients.

Mr. GANSKE. Madam Chairman, I appreciate the comments of my colleague the gentleman from Washington (Mr. BAIRD). We both want privacy for our patients. We also both want to see insurance function. I pledge to work with my colleague and also the gentleman from Massachusetts (Mr. MARKEY), the gentleman from California (Mr. CONDIT), the gentleman from California (Mr. WAXMAN) to improve the provisions in this bill in conference so that we can do both.

Mr. DINGELL. Madam Chairman, I yield 4 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Madam Chairman, the gentleman from Michigan (Mr. DINGELL), myself, many Members of this body over the last 14 years for me have worked to produce this financial modernization bill. Many times I have brought it out here on the floor. I can remember our final meeting with President Bush and Secretary Baker back in 1990 where it just came down to one final detail. We have been here many times before. It is an important bill. But it is only half a bill because as the financial revolution speeded up by the global technology telecommunications revolution, hits our country, we need to provide protections for ordinary people as well.

Yes, this bill gives ordinary Americans a window on Wall Street, but simultaneously it gives Wall Street a window on each one of our living rooms. The problem with the Republican bill is that it says that if their checks, and let us just say for the sake of this discussion, they you have had their checks in the same bank for the last 25 years, every check my colleagues have written for your family. Now, after this bill passes, that bank can now buy a brokerage or an insurance affiliate. This legislation says that they can hand over all of my colleagues checks for the last 25 years to the 300 or 400 brokers in their new affiliate even though they have got a broker down the street who has been their broker for the last 25 years. So every one of the checks that my colleagues have written are now in the hands of 300 brokers in town who my colleagues do not want to go through everything that they have done financially for the last 25 years.

Now should people have the right to say, no, I do not want that? The Republicans refuse to give that right. What they say is we are going to give people notification that we are going to compromise their privacy. That is like a burglar leaving behind a note saying what they have stolen, giving notice, but my colleagues have no right to stop it.

Now, my colleagues, here is how the American people feel about this issue. Question, AARP: "Would you mind if a company did business with sold information about you to another company?" Ninety-two percent of Americans would mind. I do not know who the other 7 percent are, but 92 percent would mind.

Now let us go to the next poll. The next poll is just as bad. Here is the question: "In the future banks, insurance companies, and investment firms may be able to merge into a single company. If they do, would you support or oppose these narrowly merged companies from internally sharing information about your accounts or your insurance policy?" Eighty percent would oppose sharing. Eleven percent would support it.

Eighty percent oppose. They want the right. This is the AARP.

And the final chart: Here is what a typical bank's policy says quite simply: "Even if you request to be excluded from affiliate sharing of information, we will share this other information about you and your products and services with each other to the extent permitted by law." We determine what the law is. If we do not pass a law, they are sharing that information.

Madam Chairman, the world breaks into three categories, the information peepers, and they are out there; now, with the new technology, the information mining reapers who use these electronic technologies to gather all parts of our life, medical, financial, checking; and third, information keepers. They used to be our local doctor, our local banker, but they have been purchased by multinational banks, by multinational or by national HMOs.

The information keepers of the modern era are the United States Congress. If we do not pass these laws today, the American people are unprotected.

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Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from California (Mr. ROYCE), my colleague and great friend.

Mr. ROYCE. Madam Chairman, we can create a financial structure that provides lower costs, increased access, better services, and greater convenience to consumers.

Every consumer in this country is connected in some way to the financial services industry. Nearly every economic transaction involves the exchange of money or the promise of a future exchange of money, meaning that every day every consumer feels the weight of an outdated and overburdened system of regulation in the form of higher costs.

The legislation we are voting on today provides consumers with significant relief from these costs. Indeed, with the efficiencies that could be realized from increased competition among banking, securities and insurance providers under this legislation, the Treasury Department tells us that consumers will ultimately save as much as 5 percent, or $15 billion per year in the aggregate.

As a member of the House Committee on Banking and Financial Services, I urge my colleagues to support this legislation.

Madam Chairman, we have the opportunity here today to accomplish what no other Congress of the last 20 years has been able to, and that is to modernize the depression era laws governing our financial services sector. In doing so, we will create a structure that provides lower costs, increased access, better services, and greater convenience to consumers.

Every consumer is connected in some way to the financial services industry. Nearly every economic transaction involves the exchange of money or the promise of a future exchange of money—meaning that every day, every consumer in this country feels the weight of an outdated and overburdened system of regulation, in the form of higher costs.

The legislation we are voting on today provides consumers with significant relief from these costs. Indeed, with the efficiencies that could be realized from increased competition among banking, securities, and insurance providers under this legislation, the Treasury Department has estimated that consumers may ultimately save as much as 5 percent—or $15 billion per year in the aggregate.

This monumental legislation is good for consumers and it is good for America.

At this time, I would like to commend Rules Committee Chairman DAVID DREIER for his work on the compromise language for Title IV, and take a few moments to clarify this language.

The Title IV of the Dreier substitute amendment to H.R. 10 requires that certain companies with nonfinancial activities that propose to acquire control of a savings association must notify the Board of Governors of the Federal Reserve in the same manner as a notice of nonbanking activities is filed with the Board under section 4(j) of the Bank Holding Company Act of 1956. This notice would be in addition to the application that is already filed with the Office of Thrift Supervision. The Federal Reserve would have the opportunity to review and take action on the notice prior to the applicable time periods under section 4(j).

The Federal Deposit Insurance Corporation and the Office of Thrift Supervision have testified that affiliations between commercial companies and thrift institutions have not been a cause for regulatory concern.

Thus, we do not intend or anticipate that the Federal Reserve Board will treat the affiliation of commercial companies and savings associations as giving rise, per se, to undue concentration of resources, anti-competitive effects, conflicts of interest or unsound banking practices.

Rather, it is intended that the Federal Reserve Board will examine proposed transactions for unusual or extraordinary circumstances that would have an adverse effect on a subsidiary savings association that outweighs the public benefits of the transaction.

Again, as a member of the House Banking Committee, I urge my colleagues to support this legislation.

Mr. LAFALCE. Madam Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. BENTSEN), a distinguished member of the committee.

Mr. BENTSEN. Madam Chairman, this is, overall, a pretty good bill. It starts to bring statutory law up to pace with where the marketplace is. The markets, the financial markets in the United States, are the strongest in the world, but the laws governing them are greatly outdated.

As a result of financial disintermediation in the markets, we now see different industries, banking and securities, securities and insurance, banking and insurance. It is time to catch up with that.

This bill goes a long way in getting there. It does not create the perfect holding company model, the perfect financial holding company model, but it goes a long way to get there. I am very much appreciative that we have included the operating subsidiary language, allowing banks to decide what model they want to have, whether a national bank or a holding company. I think this is very safe and sound.

In fact, one of my previous colleagues mentioned that the chairman of the Federal Reserve even said that there was no safety and soundness issue; at least 2 years ago he said that. Then he entered into a turf battle and changed his position, but he has been known to change his position before.

I think this is overall a good bill. There are a couple of problems with it. Unfortunately, I think we are going backwards in putting restrictions on unitary thrifts. We are bringing the Federal Reserve into regulation of unitary thrifts where they have never been before. I offered amendments in committee that would have addressed that in a proper way, either with the FDIC, which has regulatory authority, or bringing the OTS in. Unfortunately, the committee did not accept it.

It is ironic again that we made in order the Burr amendment which goes the other direction for certain entities but we take it away from thrifts.

Madam Chairman, thank you for giving me this opportunity to discuss H.R. 10, financial modernization legislation. As a member of the House Banking Committee, I strongly support this legislation and urge my colleagues to support it. I believe that this comprehensive banking reform legislation will bring new benefits to consumers by encouraging competition between banking, securities, and insurance firms to create a "one-stop" shopping for consumers.

Our markets today in the United States are the strongest financial markets in the world and provide a robust market system for consumers. Yet, our system has been restrained by the Glass-Steagall law that requires financial companies to separate their banking, securities, and insurance companies into different companies. By repealing Glass-Steagall, Congress will bring new competition to financial services so that consumers can purchase more products. The net effect of this legislation will be to promote more competition, create more products at lower prices, and better protect American consumers. It allows federal law to catch-up to the fast paced structural changes occurring in the financial marketplace.

While H.R. 10 does not necessarily produce the "ideal" financial holding company model or charter, it does repeal portions of existing regulatory constraints dating back to the Great Depression commensurate with a market that has matured greatly through disintermediation brought on by increased consumer wealth, sophistication, and access to information. This proposal should not be viewed as a repudiation of past regulatory regimes, but rather a maturing of such regimes.

While this bill is not perfect, it strikes a balance in this new marketplace. First, H.R. 10 includes multiple structures for banking entities through either a holding company-affiliate model or operating subsidiary, which I have long supported and believe is adequately safe and sound. In fact, the majority of bank regulators believe this model is in some cases more safe than an affiliated holding company structure. Second, the bill addresses in a prudent way the issue of commerce and banking through a new "complimentary to banking" approach that I hope will meet my previous concerns that an outright ban on commerce would limit future abilities to meet market demands and product development. Finally, it continues the efforts of the Community Reinvestment Act so that all sectors of our society can benefit equally from capital formation and economic development. It is important that these areas of H.R. 10 are not changed or watered down.

It is regrettable that the Rules Committee chose to strip the bill of the Lee amendment addressing "redlining" by insurance companies.

Additionally, this bill inadequately addresses an issue that I have long advocated related to the transferability of unitary thrift holding companies. In the House Banking Committee, I successfully offered an amendment that would ensure that grandfathered unitary thrift holding companies can be sold and transferred. I strongly believe that we must ensure this transferability in order to protect those unitary thrift holding companies which have existed for more than 30 years on a sound and safe manner.

Regrettably, the bill we are considering today includes a provision that would make it more difficult for these transfers to be approved. This bill would impose a new requirement that the Federal Reserve Board should review any of these mergers. I believe that this Federal Reserve Board review is unnecessary and unprecedented. As you may know, the unitary thrift holding companies are regulated on the federal level by the Office of Thrift Supervision. This new language, would for the first time, subject unitary thrifts to federal regulatory oversight by the Federal Reserve Board. I believe that this review process will prevent transfers and would lower the value of unitary thrifts holding companies. I am also concerned that the Federal Reserve will not be required to provide a written record for their reasoning related to reviews.

I filed three amendments in the House Rules Committee that would have corrected this inequity.

Unfortunately, the House Rules Committee did not allow any of these amendments to be considered today. My first amendment, which is also jointly supported by Representatives ROYCE, INSLEE, and WELLER would strike the Federal Reserve Board review process and restore the language to the amendment that was adopted by the Housing Banking Committee by a roll-call vote. I believe that this is the best option and would ensure that transfers are reviewed by the Office of Thrift Supervision.

The second amendment which is also sponsored by Representatives ROYCE and INSLEE would substitute the Federal Deposit Insurance Corporation as the secondary reviewer in cases of unitary thrift holding companies mergers. I believe that the FDIC is better equipped to review these mergers, because they already have enforcement authority over federally-chartered thrifts and have worked well with thrifts. This amendment would also require that the review process should consider reasonable criteria related to these reviews and that the final decisions should be written so that parties would understand the reasoning behind decisions.

The third amendment which was also sponsored by Representatives ROYCE and INSLEE would add the Office of Thrift Supervision to the current Federal Reserve review process. This joint review would help to ensure that grandfathered unitary thrift holding companies mergers have a fair hearing of their cases and that all final decisions would be written. I believe that the OTS, as the principal regulatory for unitary thrifts, should be part of the final decision to approve such mergers. In a case where OTS and the Federal Reserve do not agree, this amendment would ensure that all final decisions would be written and would permit owners to apply for judicial review of any decisions made.

I believe that all of my amendments would improve the current Federal Reserve review included in this bill.

Unitary thrift holding companies have existed for more than 30 years. During the thrift crisis of the 1980's, Congress acted to encourage commercial companies to purchase insolvent thrifts. As a result, for instance, Ford Motor Company infused more than $3 billion in one thrift to prevent their failure.

Second, unitary thrift holding companies are safe and sound institutions subject to strict regulatory standards as are all federally insured thrifts. In fact, unitary thrift holding companies must meet strict standards to stay in business. Unitary thrift holding companies must meet the "Qualified Thrift Lender (QTL)" test in which they purchase and provide mortgages. As opposed to banks, unitary thrift holding companies are greatly limited in underwriting commercial loans. And, Congress has prohibited loans from unitary thrift holding companies to their non-banking affiliates. I believe that all of these safety and soundness protections ensure that taxpayers are protected.

Third, the thrift business is specialized. As of the end of 1998, there are only 547 thrift holding companies. Of these 547 thrift holding companies, only 24, less than 5% are engaged in commercial activities. If the unitary thrift holding company charter was so valuable, you would expect that many companies would be applying for this specialized charter. Yet, the evidence does not bear this out. A powerful reason that limits the number of applicants is the qualified thrift lending test and the commercial lending limits have done their job; a thrift charter is only attractive to those companies prepared to commit to residential real estate and credit card lending, and a few other forms of consumer banking. For most companies, these restrictions are sufficient to deter interest.

Fourth, nearly three-quarters of the recent holding company applicants are acceptable to critics. A total of 75 companies with non-banking interests has applied for the thrift charter since the beginning of 1997. Of those, a total of 55 firms or 73 percent is currently in the insurance and securities businesses and therefore could not obtain a bank charter under current law. However, under H.R. 10, these firms would be eligible to convert a bank charter. Indeed, the Travelers-Citigroup merger suggests that the bank charter would be preferable and they would transfer their charter once this broader bank charter is available. Travelers actually gave up its unitary thrift holding company status in favor of becoming a bank holding company and in the expectation of financial services reform legislation.

Finally, it is a question of equity. Congress allowed for the creation and growth of the unitary thrift charter in the 1960s. To retroactively close the market for those who have "played by the rules" and pose no threat to safety and soundness of the Nation's federally insured lending does not seem fair. And while H.R. 10 may provide a new financial model we should at least hold harmless those already in the program and not legislatively depreciate their value. Congress has been down that road before with limited success. Such a course deviates from the concepts of increased competition, economic vibrancy and consumer choice that inspired the pending bills.

Finally, with respect to the issue of privacy, I believe that we have structured strong, bipartisan financial privacy language which goes far beyond existing law. For the first time transfer of specific account information to third parties would be prohibited. Consumers could "opt-out" of other third party transfers and financial institutions would be required to establish a financial privacy standard for its customers. And while some questions remain with respect to the language on medical privacy, this bill still goes far beyond current law. Passing this does far more than doing nothing.

While this bill is not perfect, I strongly believe that we must act to promote more competition and provide new products for consumers. I strongly urge my colleagues to vote for H.R. 10.

Mr. BLILEY. Madam Chairman, I yield 3 minutes to the gentleman from Florida (Mr. STEARNS), a member of the Committee on Commerce.

Mr. STEARNS. Madam Chairman, H.R. 10 would modernize America's financial service industry. Now, the big debate seems to be on the privacy protection. I think this bill contains very important: very start-of-the-debate important, issues for protecting the customers of the insurance industry, the banking industry and the securities industries.

One of the most important provisions of this bill is this privacy information.

Now, during consideration of this measure in the House Committee on Commerce, many of us know the gentleman from Iowa (Mr. GANSKE) offered an amendment on health information confidentiality, a lot of debate on it. We had a lot of debate on it. We talked about it, but all of us felt that this was just the start. If we did nothing, if we could not even get this debate started and we defeat this bill today, then we are going to have no privacy.

So I think we should not let this small debate that we are having on privacy stall the entire bill, because in the end we can amend and we can work through HCFA and other places to create more privacy and perhaps more to everyone's liking.

Think about it. If we allow a bank, an insurance company, to work together and the insurance company does a check on a person's health records, how does one know that those health records could not end up in a bank? Or perhaps the bank, when applying for a loan, would use some of the information from a person's health records? So that is why I think what we offered in the full committee was important.

I was also able to have an amendment that offered the word genetic information to include in that privacy information. So I say to the Members on that side of the aisle, I think genetic information is something that also should be protected.

Now, there are a lot of people that say we are going to stop the Secretary of Health and Human Services from issuing regulations on this issue as required under the Health Insurance Portability and Accountability Act that we passed in 1996.

This language in this bill says nothing to stop the Secretary of HHS from issuing regulations on this matter. In fact, Madam Chairman, the cite reference in the bill, which is 264(c)(1), if we go to look at it, is the very language, the very language that gives authority to Health and Human Services to issue the regulations.

So, Madam Chairman, I think we should all come together. We have looked at H.R. 10 until we are blue in the face. We have talked about this. We should not let this be defeated today, trying to talk about just the privacy. I think it is a first step, so I look forward to our continuing discussion on this, and we can go back after we have passed H.R. 10 to talk about medical records and confidentiality with a separate piece of legislation.

So, in the meantime, I support the language we have in the bill today protecting all Americans, consumers, so that their information is not inappropriately shared.

Mr. DINGELL. Madam Chairman, I yield 3 minutes to the distinguished gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Madam Chairman, I thank the ranking member, the very distinguished ranking member of the House Committee on Commerce, the gentleman from Michigan (Mr. DINGELL), for yielding me this time.

Madam Chairman, I think I am going to leave my printed copy just on the stand here because really I think everyone in the Chamber has their minds made up about what kind of a vote they are going to cast on this bill.

We are here as representatives for the American people. So my message to the American people, whomever is tuned in, is what is it that we are debating? What is it that we are fighting and arguing about which is so important in this bill?

First of all, this is a bill to reshape financial services and how they are delivered in our great Nation. It is an overhaul of laws that need to be overhauled because they have not been touched really since the Great Depression. So we know that there is a timeliness to this effort and an importance attached to it.

I want to raise something to the American people, and the reason why I come to the floor in my disappointment is because when I cast my votes in the House Committee on Commerce I had every intention of supporting this financial services bill.

This is not an excuse on my part, American people. I feel very strongly about this.

What brings me to the floor is the issue of privacy, financial privacy.

Now, if someone asks Mrs. Smith how much is in her money market account, her first reaction is, why should I say? It is not anyone's business.

Financial dealings and how we conduct our finances is very, very private. Who we write our checks to, where they go, whether it is to a doctor, should the bank manager know more or as much as our personal physicians? I think not. I think it is the responsibility of the House of Representatives, the House of the people, the people that are out there, to protect their personal financial privacy.

That is what I am raising in this. Regardless of what anyone else says, and whomever rises, when one reads the print, it says, we will protect their financial privacy, dot, dot, dot, with all of these following exceptions. I do not think this is good enough. I know we can do better.

I think the American consumer deserves this kind of protection. In fact, I think there is going to be like a prairie fire of objection that moves across the country on this issue, because no one would believe that their elected representative would not stand between them, the constituent, and whatever financial institutions are out there. We need them to do business with. But that our personal, private financial information be sold and dealt away and possibly used against us? Come on. We can do better than this. I would say thanks to Mr. and Mrs. America. This is what brought me to the floor.

Mr. LEACH. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. BOEHNER), who has worked on this legislation more than any noncommittee member in the history of the Congress. To him I am grateful.

Mr. BOEHNER. Madam Chairman, I rise today in support of this landmark piece of legislation. In one great cascade, it washes over decades of obsolete law, congressional inattention and regulatory creep to give us a modern and prudent legislative framework for one of our most important and dynamic industries. I believe it is the most important bill that we will debate in this Congress this year, and I strongly urge its passage.

In a bill this complex, it is easy to miss the forest for the trees, but the broad direction I think is what is most important. Our Nation's financial services sector is the irrigation system for our economy. If we remove outdated obstacles to innovation and greater efficiency in the financial services industry, we are helping our entire economy become more competitive, more vibrant and healthier.

It is important to recognize additional benefits of this legislation. By putting in place a regulatory system that actually makes sense for today's financial services industry, not the industry of 1933, we are both making the industry more internationally competitive and reducing the kinds of risks that led to bank and savings and loan failures of the late 1980s.

By giving consumers the chance to do one-stop shopping for all of their financial needs, we are giving them more control, better information and better choices for their financial needs.

Madam Chairman, this really is a superb piece of legislation, crafted with great care, with fairness and with patience. Let me say about patience, of the four gentlemen, the two chairmen and the two ranking members who I have had the pleasure to work with over the last 3 years on this legislation, this is a great example of how the Congress can work, when we agree on what the goals are and we work together and work through all types of objections. The gentlemen that I have just pointed out deserve a great deal of credit for a job well done.

Mr. LAFALCE. Madam Chairman, I yield 1½ minutes to a distinguished member of the committee, the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Madam Chairman, I would like to thank my distinguished ranking member, the gentleman from New York (Mr. LAFALCE), and the committee chair, the gentleman from Iowa (Mr. LEACH), for all of their hard work that they have done on this bill.

I rise today in support of H.R. 10, which, in fact, is good for the ordinary citizen and, in fact, does provide more privacy protection than they have ever had before. This bill uses the House banking bill as its text base, which passed the Committee on Banking and Financial Services 50 to 8. It had support of Democrats, Republicans and the administration, who took painstaking work on this particular piece of legislation to strike a compromise that is also supported by a diverse sector of the financial services industry.

After 15 years of moving the ball down the field, it is time we put it over the goal line. This bill preserves the Community Reinvestment Act, which has brought billions of dollars of investment into our underserved urban and rural communities and encompasses important consumer protections.

While we may hear otherwise today, this bill has good privacy measures in it. Today we have the opportunity to support an amendment that would make those privacy sections even better. With the passage of a strong privacy measure, I urge my colleagues to vote yes on H.R. 10.

Madam Chairman, this bill strengthens the safety and soundness of our financial institutions. This bill gives consumers one-stop shopping. This bill gives consumers better privacy protection. This bill saves consumers money. This bill is good for the economy. Let us pass stronger privacy amendments. Let us put the ball over the goal and pass H.R. 10 today.

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Mr. BLILEY. Madam Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. LEACH) for purposes of control.

Mr. DINGELL. Madam Chairman, I yield 3 minutes to the distinguished gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, the proponents of this bill say they have increased privacy protection for health records, but in fact, every independent expert that has reviewed the legislation has reached exactly the opposite conclusion.

The medical record provisions in H.R. 10 are opposed by physician organizations like the American Medical Association and the American Psychiatric Association. They are opposed by nurses' organizations, like the American Nurses' Association. They are opposed by patients groups, like the National Association of People with AIDS and the Consortium for Citizens With Disabilities, and they are opposed by privacy experts, like the Consumer Coalition for Health Privacy and the ACLU.

Why have they reached that conclusion, when the other side on this issue say they have put something in the bill to protect medical privacy? They have a provision saying an organization cannot give out information without the consent or the direction of the customer, but then they have this huge exception.

They can, however, give it without ever asking the customer to insurance companies, who then can keep a whole database on a lot of people's medical records. They can give it to people participating in research projects. It does not say it is a scientific research project. Anybody could say they have a research project and therefore they get the medical data, and these groups can then turn around and sell it. There is no restriction on them whatsoever from further disseminating our personal medical records.

This idea that we have to give our consent is not very convincing when an insurance company can say to us that in order to get insurance, we have to sign a waiver that will allow them to do whatever they want with our medical records, or we go without insurance.

I feel that this provision is a step backwards. The proponents say they are following a democratic process. In fact, they snuck the medical records provision into the legislation like a midnight prowler, to use the words of the Los Angeles Times. There have been no hearings on the implications of what we are doing.

In fact, we are not even allowed to offer amendments to this provision. Under the rule, the gentleman from California (Mr. CONDIT), who has been working on health privacy issues for 10 years, was even denied a motion to strike.

It would be better to strike all the medical provisions, privacy provisions that are in this bill out because they do such a disservice to the idea that we are protecting people's privacy.

In 1949 George Orwell wrote a chilling novel called 1984 about a society that denied its citizens privacy. It is 15 years later than Mr. Orwell predicted, but today 1984 is becoming a reality. Doublespeak reigns in this House, and Big Brother in the form of all-knowing financial conglomerates is being brought to life.

I urge my colleagues to vote against the bill because of this provision alone.

Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Madam Chairman, we have heard that we should should not make the perfect the enemy of the good. We have some people, I believe, who would like to make the perfect the enemy of the very, very, very good.

We are about to set history here. This body has attempted to pass and enact into law reform of our financial services industry for I understand a decade and a half, and we have a product that the vast majority of stakeholders agree on.

The medical privacy provisions happen to be something that I am very interested in as a physician, and I believe the language in this bill is pretty good. Can it be made better? Yes. As a matter of fact, we put provisions in the language that say if the administration passes regulations that are stronger, these provisions expire. We have language in there that says if this body enacts legislation signed by the President that is stronger, these provisions expire.

So to oppose this bill now, at this point, when we have an extremely good product here, a very, very good product on this to me is a tremendous disservice. I believe that all of our colleagues on both sides of the aisle should support this, because this is extremely good for America.

Mr. LAFALCE. Madam Chairman, I yield 1 minute to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Madam Chairman, financial modernization is already occurring in this country, and is here to stay. However, burdensome regulatory barriers are hindering the efforts of our financial institutions to compete globally through the development and delivery of new financial products. This only exacerbates or makes worse the problems within the financial services industry.

The bottom line is simple: Financial modernization is necessary and will continue in this country as a result of market forces, even in the absence of any sort of legislation. However, the success of American firms and ultimately the strength of our economy is going to depend upon passing a good bill, one that will ensure that financial modernization occurs in an efficient manner, and protects the interests of consumers as well as the safety and soundness of our financial industries.

But as we debate these important issues, we must remember community banks. People trust community banks. They know their community bankers. We have recognized these institutions as an integral part of rural America. We must not overlook them or jeopardize their future in any way as we undertake this monumental legislation.

I believe this bill addresses the needs of Main Street as much as Wall Street, and I urge Members to cast their vote in support of this important legislation.

Mr. LEACH. Madam Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY), who has worked so diligently on this bill.

Mrs. KELLY. Madam Chairman, I thank my good friend, the gentleman from Iowa (Mr. LEACH) for yielding time to me.

Madam Chairman, I rise in strong support of H.R. 10. I would like to take just a minute to talk about the provision in H.R. 10 regarding NARAB, the National Association of Registered Agents and Brokers.

Under NARAB, States would be encouraged to streamline insurance agent and broker licensing laws, creating reciprocity, uniformity, and eliminating protectionist residency barriers. The NARAB provisions have been designed to bring true modernization to insurance licensing, and it is something that I believe that we really do need to have in the United States of America today.

It is for the commonsense provisions in H.R. 10 like NARAB that we all need to join together in support of H.R. 10.

Madam Chairman, I rise in strong support of H.R. 10. We have been hearing the debates so far mostly focus on the more controversial sections of the bill. Many of the benefits of H.R. 10 have been heralded here today because they represent breakthroughs on issues that have been contentious and seemingly irreconcilable for many years. Yet there are other modernization provisions which are extremely valuable, but have not been highly publicized because they have been essentially non-controversial. I'd like to specifically point to the provisions regarding NARAB—the National Association of Registered Agents and Brokers.

Under the NARAB subtitle of Title III, states would be encouraged to streamline insurance agent and broker licensing laws—creating reciprocity, uniformity, and eliminating projectionist residency barriers. If a majority of states fail to enact reciprocal licensing laws within three years of enactment of this legislation, NARAB would be created as a uniform, agent/broker licensing clearinghouse governed by state insurance regulators.

I'd like to thank the bipartisan leadership of both the Banking and Commerce Committees for including this provision in H.R. 10. Since I raised this issue in the Banking Committee in 1997, the National Association of Insurance Commissioners and individual states have significantly ratcheted up their efforts to achieve licensing reform. For many years prior, there were attempts to ease the burden and unnecessary costs associated with multi-state licensing. But those attempts failed to keep pace with consolidations in the insurance industry, along with increasing financial services consolidation and globalization of insurance markets. The NARAB provisions have been designed to bring true modernization to insurance licensing laws, in keeping with functional state insurance regulations.

Perhaps the most gratifying development on the licensing front in recent months has been the increasing acceptance of NARAB by the

NAIC as a good incentive for licensing reform. NAIC President George Reider, Kentucky Commissioner George Nichols, North Dakota Commissioner Glenn Pomeroy and others have been doing a superb job in elevating uniform and reciprocal licensing on the agendas of individual state legislatures. They understand that barriers to competition from out-of-state insurance agents and brokers is incompatible with today's integrated financial institutions marketplace. Their commitment to reform is real, and NARAB will be the assurance their efforts will ultimately succeed.

Currently, there is no counterpart NARAB provision in the financial services bill approved by the other body, and I look forward to working with congressional conferees to assure that these important licensing reforms can be achieved in the context of broad modernization legislation.

It is for these common sense provisions that we all must join together in support of H.R. 10.

I want to take a moment to thank Chairman Leach for his superior leadership in steering H.R. 10 through committee. It was because of his patience, thoughtfulness and considerable knowledge of the financial service industry that this legislation has come to the floor with a strong bipartisan support it now has. The gentleman from Iowa has also had the assistance of an excellent staff at his side to assist his considerable efforts. Just to name a few, Tony Cole, Gary Parker, Laurie Schaffer and Alison Watson. There are so many more but I haven't the time to name them all. Chairman Leach really does have the highest standards for his staff and they have all lived up to those standards set by the Chairman.

Secretary Rubin estimates that passage of this legislation will save consumers $15 billion a year. The efficiencies created by this legislation will allow financial institutions to stop wasting time and money complying with out of date laws written in the 1930's and enable them to better serve their customers in the 21st century.

H.R. 10 comes before us with the strong support of both parties and the administration. Let's join together in ensuring that we preserve this agreement by passing this rule with a strong bipartisan vote. I thank the gentleman from California and his colleagues on the Rules Committee for their good work on the rule and ask all of my colleagues from both sides of the aisle to join me in voting for legislation years in the making that will improve the lives of all Americans, H.R. 10.

Mr. LAFALCE. Madam Chairman, I yield 1½ minutes to the gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON. Madam Chairman, I would like to thank the ranking member for yielding me the time to engage the chairman of the committee, the gentleman from Iowa (Mr. LEACH) in a colloquy.

Madam Chairman, I would like the chairman's clarification with respect to section 351 relating to the medical information confidentiality provisions.

The rule report on page 371, line 7, subparagraphs 1, 2, and 3, I read each as several separate clauses, and that following clause 1 and before clause 2 there is an implied "or" that indicates that each of these is to be read as separate clauses.

Mr. LEACH. Madam Chairman, will the gentlewoman yield?

Ms. CARSON. I yield to the gentleman from Iowa.

Mr. LEACH. The gentlewoman has raised a very important point. I fully concur in her interpretation. That is exactly correct. I think it is an important clarification for the RECORD.

Ms. CARSON. Madam Chairman, I appreciate the gentleman's comment.

Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. Madam Chairman, I thank the chairman for yielding time to me.

Madam Chairman, I joined the Committee on Banking and Financial Services, and my desire is to help spur economic growth in my congressional district in upstate New York. In my mind, today is a historic step in that direction. I am very proud to fully support H.R. 10, because financial services provide the basis for private investment in new business that creates jobs.

We here in Congress have the responsibility to ensure that our financial services law reflects and therefore does not stifle the level of innovation and service in the financial services marketplace.

We have a responsibility to ensure that all participants in the marketplace, from security brokers to community banks to independent insurance agents, are given the opportunity to compete and thereby provide the best service to our constituents.

So I urge support for this bill, H.R. 10, and confirm this House's commitment to that responsibility.

Madam Chairman, I rise in strong support of H.R. 10 and commend the hard work of its sponsors.

I joined the Banking Committee based on my desire to spur economic growth in my Congressional district in Upstate, NY—by providing businesses and entrepreneurs with the access to capital to create new jobs. Therefore, I am pleased to speak in support of this important legislation.

Financial services provide the basis for private investment in new business that create jobs, for the protection of people's hard-earned assets from catastrophic loss, and for the ability of Americans to save and effectively plan for their retirements.

Given the importance of financial services as the base for our economy, Congress has many responsibilities to ensure that our laws are responsive to the everyday function of these essential markets.

We have a responsibility to ensure that our laws reflect, and therefore do not stifle, the level of innovation and service in the financial services marketplace.

We, as a Congress, have a responsibility to oversee those laws to ensure that consumers are treated fairly in the marketplace, protected from fraud and other potential abuses.

We have a responsibility to ensure that all participants in the marketplace—from securities brokers, to the community banks, to independent insurance agents—are given the opportunity to compete and thereby provide the best possible service in the world.

H.R. 10 confirms this House's commitment to these responsibilities.

I commend the work of the Chairmen and the Ranking Members.

I urge your support of the bill.

Mr. LAFALCE. Madam Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Madam Chairman, I would like to engage the managers from both sides, if I might, in a colloquy.

Mr. Chairman and Mr. ranking member, I first want to express my appreciation to you for the hard work that you and your colleagues have put into the drafting of this complex and necessary piece of legislation.

I am a former member of the Committee on Banking and Financial Services, and I am well acquainted with the difficulties that have to be overcome just to bring a financial services modernization bill to this floor. I do have a concern, however, that I hope the gentlemen will spend some time addressing before bringing a conference report back to the House.

The National Association of Insurance Commissioners and North Carolina's Insurance Commissioner, Jim Long, have expressed to me a concern with section 104 of this bill. This is a section that describes under what circumstances State insurance law should be preempted in order to ensure that financial institutions are not discriminated against.

I know there are differing interpretations of this section as to what sorts of State laws might be preempted. For example, North Carolina just passed a Patients' Bill of Rights. This is legislation that is very important to our citizens. I hope the gentlemen can assure me that it is not the Committee's intention in this bill to allow financial institutions that provide insurance products to be exempted from this law or other important consumer protection statutes.

If there are remaining problems or ambiguities that need to be cleared up, I hope the gentlemen will work during the conference to clarify in what situations State insurance law should and should not be preempted by this bill, and to make sure that functional regulation and vital consumer protections are not compromised.

Mr. LEACH. Madam Chairman, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentleman from Iowa.

Mr. LEACH. Madam Chairman, let me say to the gentleman that the major intent of the law is to maintain functional regulation, and the major intent of the law is to have State regulation and law apply without discrimination.

Mr. LaFALCE. Madam Chairman, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentleman from New York.

Mr. LaFALCE. Madam Chairman, I share the judgment of the chairman on this particular question. That certainly is our intent, to prohibit discriminatory action and to preserve the maximum amount of consumer protection.

With respect to a State's Patients' Bill of Rights, I strongly support a Federal Patients' Bill of Rights, and to the extent that the State has acted similarly or more strongly, we would want to give deference to such a bill of rights.

Certainly to the extent that it might need clarification, I am not sure that it does, we would attempt to clarify that.

Mr. PRICE of North Carolina. I appreciate the gentlemen's assurances, both the chairman and the ranking member, that it is not the intent of this bill as drafted to compromise these essential consumer protections, many of them administered by State insurance commissioners, and that if there is any remaining ambiguity, that that will be attended to in conference.

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Mr. BLILEY. Madam Chairman, I continue to reserve the balance of my time.

Mr. DINGELL. Madam Chairman, I continue to reserve the balance of my time.

Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from Texas (Mr. Paul), one of the most thoughtful philosophers of the United States Congress.

Mr. PAUL. Madam Chairman, I will take my one minute to address the subject of privacy, because I do have an amendment that I think would improve the protection of privacy.

We have had a lot of talk and indication on this side of the aisle about protecting privacy. But I believe the understanding of what our role is in protecting privacy, if it applied across the board, would mean that politicians and political action committees could never rent a list from the Sierra club or the American Civil Liberties Union.

But I am addressing the subject of Know Your Customer. At the same time we hear these declarations for protection of privacy, we hear from the same people that we cannot get rid of Know Your Customer.

Now, if one wants to really find something where one invades the privacy of the individual citizen, it is this notion that the Federal Government would dictate a profiling of every bank customer in this country; and then, if that customer varied its financial activities at any time, it could be reported to the various agencies of the Federal Government. Now, that is privacy. That is what we have to stop. I ask for support for my amendment.

Mr. LaFALCE. Madam Chairman, I yield 2 minutes to the very distinguished Member of the committee, the gentlewoman from New York (Mrs. Maloney).

Mrs. MALONEY of New York. Madam Chairman, I thank the gentleman from New York for yielding me this time. It is long past due that we have a bill that brings our financial services into the 21st Century.

We should be able to compete with other industrialized nations where financial institutions have been allowed to merge and bring a wide variety of products and services to their customers. The bill allows the law to catch up with the reality of the international merger movement.

Some of these mergers have taken place on the probability that Congress will finally act so that financial services will no longer be hamstrung by outdated restrictions of the 1930s. The bill allows financial institutions to merge, but prevents banks from merging with commercial businesses, and it requires functional regulation.

The Committee on Rules has changed what came out of our Committee on Banking and Financial Services with tremendous bipartisan support. I thank the gentleman from Iowa (Chairman Leach) and the gentleman from New York (Mr. LaFalce), the ranking member, for their leadership.

Many of these changes are inappropriate and wrong, such as the medical privacy provision, and they should be changed in conference. While I will vote for this bill so that it can go to conference, my final vote will be contingent on a bill that has strong privacy provisions.

Also, we should be cognizant that the President will veto any bill that does not contain strong CRA provisions, which I also fully support, and are in the House bill.

Mr. BLILEY. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I want to take a moment first to recognize the hours and hours of hard work contributed by my finance staff team, Linda Rich, David Cavicke, Robert Gordon, Brian McCullough, and the trusted clerks, Robert Simison and Mike Flood.

They were joined by diligent efforts of the minority staff, Consuela Washington and Bruce Gwinn. These professionals performed above and beyond the call of duty, and the committee is in their debt.

Glass-Steagall, Madam Chairman, was passed in 1933 in reaction to the financial markets crash in the Great Depression. Those were extreme times, and the American people demanded extreme measures to rescue them from continuing economic crisis.

Just two years after Glass-Steagall was enacted, the law's primary architect, the gentleman from Virginia named Carter Glass, realized that Congress had gone too far, and he began an effort to undue the damage that had been done.

Carter Glass may have been the first Congressman who tried to reform Glass-Steagall, but he was not the last. In just the last 20 years, there have been 11 efforts to modernize these archaic laws.

Last term, the Committee on Commerce Republicans and Democrats worked with the Republican leadership of the Committee on Banking and Financial Services to pass Glass-Steagall on the House floor for the first time ever. I strongly supported that bill and was disappointed that it faltered in the waning days of the Senate.

Today is a historic day. We join together here in the House to approve legislation that is long overdue, and we are in a stronger position than ever before to achieve our goal of modernizing financial regulation in America.

Every step of the way we were opposed by lobbyists and special interest groups who said it could not be done. But we heard the concerns of the American people about all of these megamergers. We heard the concerns of the local businessmen who want to compete, but have one hand tied behind their backs by the archaic Glass-Steagall restrictions. We heard from the Federal and State financial regulators who emphasized the need to protect consumers and preserve the safety and soundness of our financial system.

It is a testament to the will of the American people that we have heard their concerns and are here today to pass legislation to protect the future.

The legislation protects American investors by ensuring that the rules for securities sales will be the same for everybody, no matter where the securities activities take place. That means that investors will be assured of the protections of the Federal securities laws, even when they purchase securities in a bank, a protection investors do not enjoy today.

The bill also treats the thrift industry fairly, by preventing future expansion of the unitary thrift system, while protecting the ability of existing thrifts to raise capital from the commercial markets. This is an important win for American homebuyers who have relied on the thrift industry to realize their American dream of homeownership.

This bill provides a better structure for regulating the financial marketplace in the 21st Century. I look forward to further strengthening that structure as we go to conference, by eliminating the operating subsidiary and improving insurance consumer protections.

Our financial system has not been modernized since the Great Depression. Federal regulators have been forced to invent highly questionable and unauthorized make-shift regulations to try and shoehorn an archaic legal system into the modern world. It must be fixed. It must be fixed by Congress, not some unelected special interest regulators.

H.R. 10 is the solution, and I am proud we are at the bridge of achieving another historic accomplishment for the American people.

Beginning with the seminal efforts from the gentleman from Virginia in 1935 to repeal the Glass-Steagall barriers to competition, Congress has had neither the will nor the vision to open our financial markets to full competition.

Mr. DINGELL. Madam Chairman, I yield 2 minutes to the distinguished gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Madam Chairman, I would like to begin by applauding the leadership on both sides of the aisle in terms of the gentleman from Virginia (Mr. BLILEY), the chairman of the committee, and, of course, the gentleman from Ohio (Mr. OXLEY), the chairman of the Subcommittee on Finance and Hazardous Materials, and, of course, the gentleman from Michigan (Mr. DINGELL), the ranking member on the Democratic side for all their hard work. A lot of work and time and effort has gone into this, a lot of hearings and all of that.

But I come today to say that I am concerned. First, I am concerned about the privacy issue. I am very concerned about that. I am also concerned about the behavior of the Committee on Rules. I think that we want to be open and want to have the democratic process, but when the Committee on Rules just makes decisions to drop out things just because they have the ability to drop them out, without having a discussion on them, I think that it does not serve this body well. It does not serve the American people well. I am hoping that the Committee on Rules will take another look at that and not continue to behave in that fashion.

This is not a perfect bill, but it is a step in the right direction. I think that it will make us internationally competitive, which we need to do. The time has come when we need to stop vacillating and to begin to do the right thing, as my constituent Spike Lee says in Brooklyn.

I am very happy that at least the CRA provision, in terms of the fact Community Reinvestment Act is very important, that they had the common sense and good sense to leave that in there. They did not eliminate that. I want to applaud the Committee on Rules for that because, I will be honest with my colleagues, any bill that does not have the Community Reinvestment Act in a strong way in it, I could not vote for it in any way. So I am happy that at least that part is there.

But to conclude, let me say that I am hoping that some of the problems that still exists with this legislation that we will correct it in conference.

Mr. LEACH. Madam Chairman, I yield 2½ minutes to the gentleman from Texas (Mr. BARTON), a distinguished member of the Committee on Commerce.

Mr. BARTON of Texas. Madam Chairman, I thank the distinguished gentleman from Iowa (Mr. LEACH), chairman of the Committee on Banking and Financial Services.

Madam Chairman. I am standing on the Republican side to express some of the same concerns that have been expressed on the Democratic side about the inadequacy about the privacy protections in the bill that is pending before us.

I want to commend the gentlewoman from Ohio (Ms. PRYCE) and the gentleman from Ohio (Mr. GILLMOR) and others on the Republican side for beginning to address the issue.

Sadly, we have not gone as far as we should go. We are about to enter a brave new world where financial institutions offer large ranges of services, not just checking account balances and savings account balances. That is good. That is going to provide additional choice and additional products for the American consuming public.

In the bill before us, if the Oxley amendment is adopted, we are going to protect privacy in most cases for third-party transfers outside the affiliate structure with some exceptions. We are going to allow, within the affiliate structure, transfers with disclosure.

My opinion is, if it is a necessity to provide privacy for third-party transactions outside of the affiliate structure, it is just as much a necessity to provide that same opt-out provision within the affiliate structure, given the fact that the very reason the bill is before us is because we want to have these financial service conglomerates.

I had offered, with the gentleman from Massachusetts (Mr. MARKEY), a modified version of his amendment that was adopted on a voice vote by the full Subcommittee on Energy and Power and Committee on Commerce. That was not made in order by the Committee on Rules. I think that is unfortunate.

I voted for the rule even knowing that my amendment had not been made in order. I have spoken with the Speaker and the majority leader, and I have their assurances that these privacy issues will continue to be addressed.

I am sure that the gentleman from Iowa (Chairman LEACH) and the gentleman from Virginia (Chairman BLILEY) share these same assurances.

But I want to let the body know that this concern about privacy is not specifically a Democrat concern or Republican concern, it is concern for all Americans. It is not going to go away, and we will have to address it as this bill moves forward in the conference if it passes the House.

Madam Chairman, I yield to the gentleman from Iowa (Mr. LEACH) if he wants to make a comment.

Mr. LEACH. Madam Chairman, I would just like to stress there is no intent in this bill to jeopardize any confidences associated with doctor-patient relationships nor the privacy protections currently afforded any medical records. Indeed, the intent is to strengthen those protections. To the degree that more precision in this area is required, this gentleman is prepared to work in conference to ensure that that occurs.

Mr. BARTON of Texas. Madam Chairman, I appreciate that pledge, and I will work with the gentleman.

Mr. LAFALCE. Madam Chairman, I yield 30 seconds to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Madam Speaker, I am just flattered to continue to be yielded time.

I yield to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Madam Chairman, it is my expectation that the bipartisan amendment that was drafted with the gentlewoman from Ohio (Ms. PRYCE), the gentleman from Texas (Mr. FROST), myself, the gentleman from Iowa (Mr. LEACH) and others, and that a motion to recommit that will be offered that will take whatever this body works its will on and then simply takes the Markey-Barton amendment and a provision striking the medical privacy provisions that my colleague is concerned about, and that will be in the motion to recommit. So the gentleman will have an opportunity to vote on exactly what he expressed concern about.

Mr. BARTON of Texas. Madam Chairman, I look forward to that opportunity.

Mr. LAFALCE. Madam Chairman, I yield 1½ minutes to the gentleman from Pennsylvania (Mr. KANJORSKI), the distinguished ranking member of the Subcommittee on Capital Markets, Securities, and Government Sponsored Enterprises.

Mr. KANJORSKI. Madam Chairman, I thank the ranking member for yielding me this time.

Madam Chairman, I will take just one second to congratulate the gentleman from Iowa (Chairman LEACH) and the gentleman from New York (Mr. LAFALCE), the ranking member, on a job well done, a number of years that everybody slaved over this. It is not a perfect bill, but I think we should support the bill and move it on to conference.

Now, I would like to engage in a colloquy with the gentleman from Louisiana (Mr. BAKER). Madam Chairman, I rise to engage in a colloquy with him about the Federal Home Loan Bank provisions contained in H.R. 10. As he will note, and as we have worked over the years, will there be an understanding that he and I will work in conference together to address issues to appropriately revise the REFCorp payments, put a cap on the class B stock that can be counted toward meeting the risk-based capital requirement, and that we should determine who should issue debt for the system, and finally to work on the issue advanced base stock purchase requirements for non-QTL members?

Madam Chairman, I yield to the gentleman from Louisiana (Mr. BAKER).

Mr. BAKER. Madam Chairman, I certainly appreciate the gentleman's interest and wish to express my full cooperation on these matters and others that will be before us on the Federal Home Loan Bank. I congratulate the gentleman from Pennsylvania and thank him for all his courtesies and cooperation over the year in making this a reality.

Mr. KANJORKSI. Madam chairman, I want to thank the gentleman from Louisiana (Mr. BAKER) for his commitment to address these issues in conference.

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Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Madam Chairman, I thank the gentleman for yielding me this time, and in this colloquy with the chairman I would just say that it is this Member's understanding that H.R. 10 would not alter the definition of a diversified savings and loan holding company. Is this correct?

Mr. LEACH. Madam Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Iowa.

Mr. LEACH. The answer to the gentleman's question is, yes, that is correct.

Mr. BEREUTER. I thank the chairman. In particular, it is this Member's understanding that under H.R. 10 insurance revenues will still not be deemed to be banking related for the purposes of determining whether a savings and loan holding company qualifies as diversified. Is this correct?

Mr. LEACH. If the gentleman will continue to yield, the answer to that question is also yes, that is correct, sir.

Mr. BEREUTER. Madam Chairman, I thank the gentleman for his comments.

Mr. LAFALCE. Madam Chairman, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Madam Chairman, as a freshman congressman representing the financial capital of the U.S., I rise today in support of H.R. 10.

Madam Chairman, currently our financial services industry is governed by outdated laws and regulations which are costly and inconvenient to consumers and which have put the industry at a competitive disadvantage in the global marketplace.

Modernizing these outdated laws is needed to bring about the real benefits available to the millions of Americans who use financial services and to allow U.S. financial firms to remain the predominant force in global markets.

Madam Chairman, this legislation strikes a critical, unprecedented balance by providing a new financial services infrastructure aimed at keeping the United States competitive in the global marketplace while ensuring quality services and protections for consumers and communities.

Madam Chairman, I know many of my colleagues are disappointed that stronger privacy language was not included to protect the confidential medical and financial information of consumers. I understand and agree with their disappointment that the Committee on Rules did not rule in order many Democratic-sponsored amendments to protect consumers.

The underlying Banking Committee version is a good bill. Let us not lose sight of what we are trying to do.

Madam Chairman, we simply cannot afford to wait any longer to create a modern framework for U.S. financial corporations and our Nation's capital markets.

Failure to act now on financial services reform would send a terrible message to global financial markets, and constitute a clear danger to U.S. economic leadership in the world and so I strongly urge my colleagues to support passage of H.R. 10.

Mr. LEACH. Madam Chairman, I yield 1 minute to the gentleman from Delaware (Mr. CASTLE), the former chairman of the Subcommittee on Domestic and International Monetary Policy.

Mr. CASTLE. Madam Chairman, let me just congratulate the gentleman from Iowa and the gentleman from New York for the wonderful and extraordinary work they have done on this. I rise in strong support of H.R. 10, the Financial Services Modernization Act of 1999, and I urge my colleagues to seize the opportunity to pass this historic legislation.

This legislation is not just years overdue, it is decades overdue. H.R. 10 will allow the marketplace to give American consumers more products and better choices to build a better financial future for them and their families. H.R. 10 will give American banks, insurance companies and insurance firms the opportunity to compete fairly in the international marketplace.

We are finally close to achieving the overdue goal of financial modernization. The President is ready to work with us to enact a law. We cannot falter now. This legislation will benefit American families and American business and maintain sound regulation. Seize this great opportunity. Pass H.R. 10. Let us move our financial laws out of the 1930s and into the next century. Vote "yes" on H.R. 10. It means a better future for our Nation.

To say that this legislation is long-overdue is a tremendous understatement. It is not just years overdue. It is decades overdue. Past attempts to pass financial services reform often failed because one industry group or another felt that past bills put them at a disadvantage.

While this legislative struggle has been going on, our constituents have been looking for new, efficient and affordable products to give their families financial security. We are long past the days when people were satisfied with a simple savings account or life insurance policy. Most Americans want to maximize their earnings and to find products that will give them the best return.

The financial services marketplace has been struggling to meet consumers needs within a regulatory structure that was created in the 1930s and 1950s.

Our Nation's banking, securities and insurance laws must be updated to face the challenges of the next century.

Over the past three years, Congress has moved ever closer to the goal of legislation that will benefit consumers and fairly balance the divergent interests of banks, insurance companies, insurance agents, and securities firms, as well as the federal and state regulators that oversee these industries.

As a member of the House Banking Committee, I have been directly involved in the work to modernize our financial services laws since I came to Congress in 1993. I have to tell you it has been a difficult struggle to balance the competing interests of the banking, securities and insurance industries.

The legislation before us today, while not perfect, has finally won the endorsement of all major industry groups.

Now is the time to act. We must do this to benefit consumers who need a variety of financial products to help them plan for their economic futures. In addition, we must update these laws to allow our financial services providers to compete effectively in the next century.

The most important reason for supporting this legislation is that it will benefit every American seeking to improve their family's financial security by saving and investing more. This legislation will help them achieve that goal by making more savings and investment products available in one-stop shopping at competitive prices. In addition, the bill contains important disclosure and sales standards to protect consumers as they shop for these products.

This legislation will help consumers, but it will also benefit the businesses seeking to provide these financial products. It will enable banks, insurance companies and securities firms to affiliate and operate more competitively on a level playing field. It will expand the products that these financial services firms can offer to their customers, while maintaining adequate regulation to preserve the safety and soundness of the system.

Madam Chairman, as part of the long deliberations seeking to treat all financial services providers fairly, I have been particularly interested in assuring that national banks are permitted to compete fairly in selling and underwriting insurance products. Bank sales and underwriting of insurance will be good for competition and good for American consumers.

To be candid, the provisions in this legislation regarding banking and insurance are not perfect. I am sure representatives of the banking and insurance industries can tell you how they believe the provisions can be improved, but the fact of the matter is we have a workable compromise that will protect consumers and allow for improved and fair competition in how insurance is sold and underwritten by banks and their new affiliates.

Madam Chairman, on this floor last year, I said to my colleagues that this is historic legislation that has been a longtime in coming. That statement is more true than ever.

Overall, H.R. 10 is a well-crafted effort to make our financial services system ready for the 21st century and to meet the needs of American consumers and business.

This is our best opportunity in years to bring our financial laws out of the past and into the next century. The Senate has finally passed its own legislation and the President is ready to join us in enacting this legislation.

Every American who has a bank account, a mutual fund, or an insurance policy will have new opportunities and choices to help build financial security for their families. I urge my colleagues to take this historic step and pass H.R. 10 today.

Mr. LAFALCE. Madam Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from New York (Mr. LAFALCE) has 1¼ minutes remaining.

Mr. LEACH. Madam Chairman, I yield 2 minutes to the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. Madam Chairman, I rise in support of H.R. 10 and thank the gentleman from Iowa for the opportunity to speak.

As a freshman member of the Committee on Banking and Financial Services, I was privileged to help produce in committee a bipartisan bill that will modernize our Nation's banking, insurance and securities industries. Over the past months I have heard from hundreds of my constituents in support of this monumental legislation.

H.R. 10 allows broad new affiliations among banks, securities and insurance companies. As our Nation and the world have progressed technologically, the distinctions between financial fields have eased. H.R. 10 reforms the outdated laws and regulations that add cost and inconvenience to consumers and restrict their choices for financial services.

Madam Chairman, H.R. 10 will allow our Nation's financial institutions, security companies and insurance industries to compete in the global marketplace. I am pleased that the Committee on Banking and Financial Services and the Committee on Commerce overwhelmingly approved this legislation. I hope that any snafus can be worked out in the near future, and I urge the support of the whole House.

Mr. LEACH. Madam Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. BAKER).

Mr. BAKER. Madam Chairman, I thank the gentleman for yielding me this time; and I wish to extend my appreciation and congratulations on the job the chairman has done over the decade. He has committed himself to the goal of financial modernization. I do not think without his persistence this evening would have been possible.

I wish to speak tonight directly to the issue of what is in this bill for the small town bank. With all the discussions about op-subs, opting out, and privacy issues, there are a great deal of concerns that affect many people, but when it comes to the 9,000 small institutions across this Nation, I think it is important to point out that they are struggling like any other small business to survive. Often their product, money, is hard to come by. As banks merge and acquire one another, small town banks do not often have the partner down the street that can take part of that loan and help them extend credit in the local community.

The Federal Home Loan Bank provisions in this legislation provide an extraordinary new opportunity for small town banks. For banks in asset size under $500 million, which is about 85 percent of the banks in America, they can now go to the Federal Home Loan Bank and get credit. And get this: Fixed interest rates for up to 15 years; and now for small business and agricultural lending purposes.

With the passage of H.R. 10, we are opening up small town America banks to the Federal Home Loan Bank credit window and giving them the opportunity to meet the needs of working people, small businesses and farmers across this country.

I think it is high time we do something in this Congress for those small banks which have been too long ignored and neglected. And in this process tonight, due to the leadership of the gentleman from Iowa (Mr. LEACH), we are going to meet this important community need. I congratulate him and the ranking member on what I think will be an important, successful night when we pass H.R. 10.

Mr. DINGELL. Madam Chairman, I yield 1 minute to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Madam Chairman, I regretfully say that I must oppose this bill. This bill is an abject total failure to deal with the issue of telemarketing by affiliated telemarketing firms.

Imagine this: Aunt Emma inherits $10,000. She puts her $10,000 into her trusted bank. Should that banker be able to call their affiliated telemarketing company, tell them that Aunt Emma is a ripe target to sell some hot stock or annuity, and allow them to call her at 6 o'clock at night and interrupt her watching Jeopardy to sell her that? And the answer is, "no," they should not be allowed to do that if Aunt Emma does not want it.

Now, why is this important now? Some people have said we have moved ahead a little on third parties, but we are creating an entirely new species of telemarketer here. We are creating an entirely new species with H.R. 10 of affiliated firms. And if we are going to create the Tyrannosaurus rex of telemarketing, we ought to tame that before we create the species.

Today is the time to tame that. Today is the time to reject this, go back, and protect the rights of privacy of our constituents.

Mr. DINGELL. Madam Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. LUTHER).

Mr. LUTHER. Madam Chairman, I thank the gentleman from Michigan for yielding me this time, and I rise in opposition to this bill.

Let me tell my colleagues a little bit about my home State of Minnesota's unique experience with financial privacy rights. Less than a month ago, Minnesota Attorney General Mike Hatch filed a civil suit against a large financial institution for allegedly selling its customers confidential information to a telemarketer. Of course, the bank's customers had no idea their financial data was being handled like this, and they never would have dreamed of it. The public reacted very strongly upon learning the information.

This week that case was settled, only after a few weeks, on terms very favorable to Minnesota consumers and very similar to the Markey-Dingell-Stupak amendment.

I would simply ask my colleagues this: Should the consumers of America be entitled to anything less than what the Minnesota Attorney General obtained for Minnesota consumers after only a few weeks?

I urge my colleagues to oppose this bill. All Americans deserve real privacy protections, and they deserve them now.

The CHAIRMAN. The Chair would propose to recognize Members for final speeches in reverse order of their original allocations of time under the rule, to wit: The gentleman from Michigan (Mr. DINGELL), the gentleman from New York (Mr. LAFALCE), and the gentleman from Iowa (Mr. LEACH).

Mr. DINGELL. Madam Chairman, I yield myself the balance of my time.

Let us talk about medical privacy. The Secretary's recommendations on this matter would explicitly preserve existing State laws that provide for essential privacy protection. H.R. 10 implicitly overrides them. With few exceptions, the Secretary's recommendations would require consent before medical records could be disclosed. H.R. 10 permits extensive disclosure without consent. Indeed, there are two pages of exceptions in the rule and in the bill.

The recommendations of the Secretary would prohibit unauthorized disclosure of medical records to insurance companies for underwriting purposes, to credit agencies and to banks. H.R. 10 expressly allows such disclosure. The Secretary's recommendations would require that any authorization to disclose medical records be truly voluntary. H.R. 10 permits the insurers to coerce consent by saying they will refuse the right to insurance unless that disclosure takes place.

H.R. 10 provides no safeguards ensuring only genuine medical research projects attain access to medical records. The Secretary's recommendations would include express protection in that regard.

The Secretary's recommendations would hold third parties responsible for medical information that they receive. H.R. 10 allows third parties to disclose medical information to anybody.

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Mr. LAFALCE. Madam Chairman, I yield myself the balance of my time.

First of all, I would like to thank the staff of the Committee on Banking and Financial Services, the majority and minority staff. The majority acted in a very bipartisan way. Our minority staff, Jeanne Roslanovick, Rick Maurano, Dean Sagar, Tricia Haisten, Kirsten Johnson, Patty Lord, and so many others were just terrific. We would not be here without them.

Secondly, I would like to point out that there is a Statement of Administration Policy. The administration supports the bill that is on the floor today, but it has some very serious reservations, reservations that are very similar to those I expressed.

They strongly favor the bipartisan privacy amendment that the gentleman from Texas (Mr. FROST), the gentlewoman from Ohio (Ms. PRYCE), myself, the gentleman from Minnesota (Mr. VENTO), the gentleman from Iowa (Mr. LEACH) and others have worked out so strongly. They are terrific privacy.

They strongly oppose the medical privacy language of Ganske and want that deleted. They strongly oppose the Paul-Barr-Campbell amendment, et cetera. They strongly object to the fact that the Committee on Rules did not permit the Lee anti-redlining amendment.

So, in sum, the position of the administration and the position that I have expressed have been virtually identical. They would like us to go forward but only if certain amendments are defeated and only if certain provisions within the bill are cured in conference.

Mr. LEACH. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, let me just first thank all associated with this process. My colleagues have had varied perspectives, and this is a very controversial bill. The staff has been extraordinarily professional. I personally believe that the committee staff that the gentleman from New York (Mr. LAFALCE) and I have is as good a staff as any in the history of the Congress.

We have also enjoyed working with the committee staff of the Committee on Commerce, which does not quite meet that standard, because we have the highest standard, but we appreciate working with the committee staff of the Committee on Commerce.

Let me also say that there are some perspectives that have been presented in a contrasting way that on many of the underlying philosophical aspects there is total consensus in this body. The intent of this legislation is dramatic in the area of privacy. It will be inconceivable to bring forth a law that will do anything except bolster privacy. There is no intent in this law of any nature to undercut executive discretion, which may arise later this summer if certain follow-on legislation does not arise in a timely fashion from another committee of jurisdiction.

In any regard, I am personally convinced that, in any historical landscape of consideration, this is the right bill at the right time. There will be nuances that we will all disagree about. But the framework is to present a financial community that will be second to none in the world, a financial community that will serve the American consumer and be so competitive and broad that it will help bring American financial practices and models to the rest of the world. So this bill is designed to look to the next century in such a way that finance will serve rather than be the servant of the people of the world.

I urge support of this bill. I personally believe that we can go forth. To the degree there are nuances that need to be corrected, I assure my colleagues they will be.

Ms. STABENOW. Madam Chairman, I rise today to explain my vote on the Bliley amendment to H.R. 10, the Financial Services Act of 1999. While I support the efforts of my colleague, Mr. BLILEY, to add new protections for victims of domestic violence, I object to the second provision in his amendment regarding mutual insurance companies.

One of my top priorities as a legislator here in the House and when I served in both the Michigan House and Senate, has been to help the victims of domestic violence. Last year I introduced two bills to help victims of domestic abuse, H.R. 3901, Arrest Policies for Domestic Violence and H.R. 3902, Court Appointed Special Advocates for Victims of Child Abuse.

I strongly support the first provision in the Bliley amendment that would prohibit banks from discriminating against victims of domestic violence in providing insurance. This provision expressed the Sense of Congress that all states should enact laws prohibiting such discrimination. This kind of discrimination must be stopped so that victims of domestic violence take the necessary steps toward financial and personal freedom. Had I been given the opportunity to vote on this provision of the amendment separately, I would have voted in favor.

Unfortunately, I was compelled to vote against the Bliley amendment due to the language in the second provision regarding mutual insurance companies. This language would permit mutual insurance companies to relocate from one state to another and to reorganize into a mutual holding company or stock company. This would permit some companies to operate outside the important safety net of state regulation. Therefore, in an effort to protect consumers, I voted against the Bliley amendment.

Mr. POMEROY. Madam Chairman, I am reluctantly voting yes on H.R. 10. It needs work—a lot of work—in conference committee to fully establish functional regulation of insurance in state insurance departments.

In light of assurances I have received from the Banking Committee Chairman and Ranking Member to revisit the concerns I have advanced in this regard I will vote for the bill to keep the process moving forward.

We desperately need financial services modernization, but it is vitally important the legislation establishing these reforms get it done right.

Mrs. CAPPS. Madam Chairman, tonight I will vote against H.R. 10.

I do this with great disappointment because I truly believe that we must modernize our woefully out-of-date financial service laws.

Modernizing these laws would create a more efficient financial service industry and bring greater choice and lower prices for consumers.

But I cannot in good conscience support this legislation. The so-called medical privacy provision endangers consumer privacy protection by allowing their sensitive health information to be sold.

I hope to work with my colleagues to tighten these provisions during conference so I can support a financial services bill that does not endanger patient privacy.

Mr. GONZALEZ. Madam Chairman, I am disappointed that the Rules Committee did not allow me the opportunity to offer on the floor the amendment on title insurance. I hoped to be able to explain the treatment of title insurance in the bill and ensure the protection of Texas state law.

The title insurance section of H.R. 10—Section 305—generally prohibits national banks from underwriting or selling title insurance, either directly or through a subsidiary. There is a grandfather clause (Section 305(c)) that enables any national bank or national bank subsidiary currently engaged in title insurance sales activities to continue to engage in those activities. National banks would remain free, however, to underwrite and sell title insurance products through affiliates. The core prohibition on national bank and national bank subsidiary title insurance sales activities is based on the idea that there are problems associated with bank sales of title insurance. These are real problems, and I thought that the best way to address them was to limit bank-related title insurance activities to their affiliates. This was why I originally offered the amendment that was adopted by the House Banking Committee to require that title insurance sales be done only through affiliates.

Section 305(b) of this bill has a "parity" exception that grants national banks parity with state-chartered banks in the sale of title insurance. The intent is to grant national banks in a State the power to sell title insurance products in the same manner and to the same extent as state-chartered banks that we actually and lawfully engaged in title insurance sales activities in that State. My amendment would simply have made it clear that Section 305(b) was a true parity provision. It would have made clear that national banks could sell title insurance products in a State only if state-chartered banks are actively and lawfully engaged in title insurance activity on the date of enactment. Alternatively, national banks could sell title insurance if a state expressly authorizes bank title insurance sales for national banks. Therefore, if the State legislature has not expressly authorized title insurance sales as a lawful power for its State banks, but has some other general statutory provision that might be interpreted as an authorization (but does not explicitly do so), that other general provision would not trigger parity rights for national banks. I thought this clarification was necessary because it is only in states where state legislatures had actually considered these problems that the unique problems associated with bank title insurance sales activities have been addressed.

Texas State insurance law is very important to me, and I hope this clarification can still be made at some point during the consideration of the bill.

Mr. PAYNE. Madam Chairman, I rise to express my strong support for the Community Reinvestment Act which has helped ensure fair and equal access to capital and credit. We all strive for the American dream of home ownership and many of us aspire to start our own businesses. But that dream is out of reach for some in our society because there are financial institutions which discriminate against minorities living in working class neighborhoods.

Fortunately, blatant discrimination in lending is declining, and homeownership and small business opportunities are on the rise. Much of this progress against so-called "relining" can be attributed to the Community Reinvestment Act. Under CRA, federal banking agencies grade lending institutions on how well they meet the credit and capital needs of all the communities in which they are chartered and from which they take deposits.

In my own state of New Jersey, CRA has helped provide more than $8 billion in discounted mortgages, discounted home improvement loans, loans to small businesses owned by women and minorities and loans and investments for community and economic development. Many people who never thought it would be possible to own their own home have succeeded through programs made possible by the Community Reinvestment Act.

Madam Chairman, let's help make the American Dream a reality for millions of Americans by continuing to support a strong CRA.

Ms. ROYBAL-ALLARD. Madam Chairman, I rise in opposition to H.R. 1. Rather than updating our antiquated banking laws and bringing the United States financial system into the 21st century, H.R. 10 will leave consumers and our communities more vulnerable than ever before.

Why should we allow for the unprecedented conglomeration of banks, securities firms, and insurance companies while at the same time we ignore the most modest provisions to protect our consumers?

I am opposed to H.R. 10 for a number of reasons:

H.R. 10 is missing important community reinvestment provisions. Specifically, the bill fails to extend the Community Reinvestment Act—the CRA—to the banking activities of nonbank financial institutions that seek to affiliate with banks. In other words, if credit card companies, securities firms or insurers would like to offer traditional banking products such as checking accounts or loans, they should be subject to the CRA. Why should we make it easier for banks, brokers and insurance companies to merge without simultaneously modernizing and expanding the CRA?

The CRA has averaged billions of dollars of investment into communities such as mine, where unemployment and poverty levels are still well above the national average. Low-income families, small businesses and small farmers have all benefited from the CRA through increased opportunities to purchase a home, and obtain start-up and business expansion loans. Let's strengthen it, not weaken it.

H.R. 10 fails to crack down on insurance redlining. Missing from this bill is a modest, consumer-friendly provision, authored by my colleague BARBARA LEE, which would combat redlining of neighborhoods by insurance companies. Excluding this provision will once again leave vast segments of our urban and rural communities vulnerable to discriminatory lending practices by some unscrupulous insurance companies.

H.R. 10 isn't friendly to our thrifts and severely limits their viability. The bill grants the Federal Reserve significant and perhaps unwarranted new regulatory authority over unitary thrift holding companies. Thrifts have been critically important in serving the financial needs of low income and minority communities, particularly in the area of mortgage financing. Threats to the thrift charter would, therefore, disproportionately impact low income and minority communities.

H.R. 10 permits the unprecedented preemption of stronger consumer-friendly state laws thereby undermining state authority and harming consumers. Under H.R. 10, progressive State banking laws such as those requiring low-cost checking accounts or prohibiting ATM surcharges would be weakened.

H.R. 10 fails to provide strong financial and medical privacy protections. If we're going to allow H.R. 10 to accelerate mergers, create mega one-stop centers with access to information about millions of customers, we need to stop information from being disclosed to third parties and affiliates. Anything less is unacceptable.

Certainly, we need to preserve America's financial leadership as we approach the 21st century.

Certainly, we need to update our archaic laws so that U.S. companies are not at a competitive disadvantage in the global marketplace.

Certainly, we should promote convenient and affordable one-stop shopping for consumers in order to meet all of their financial needs.

But not at the expense of consumer privacy. Nor at the expense of the Community Reinvestment Act.

I am not willing to trade the so-called perks of financial modernization—efficiency, choice, convenience, one-stop-shopping—for the decimation of privacy rights and community reinvestment. It's that simple.

Our nations consumers should be our number one priority as we contemplate the merits of H.R. 10. Unfortunately, H.R. 10 doesn't meet this threshold. I urge my colleagues to oppose this bill.

Ms. MCCARTHY of Missouri. Madam Chairman, I rise today in opposition to this measure, H.R. 10, as put forth by the Rules Committee. I support financial modernization, but the current bill fails to achieve the goals set out by both the Banking and Commerce Committees. We can do better than the measure that we are considering this evening. The committee efforts were solid and established a procedure for consensus. The Rules Committee refused to allow the consideration of key amendments vital to financial modernization so that opportunities for investment and savings continue fairly, and fair pricing practices and misuse of private information essential to consumers are assured.

In the Commerce Committee on which I serve, agreement was achieved on issues such as consumer privacy, state regulatory authority, and the Community Reinvestment Act (CRA). The bipartisan resolution was altered by the Rules Committee to preempt important language to protect consumers against unfair lending, ATM surcharges, and check cashing charges. Further, the measure now preempts essential state insurance laws across the country, including requirements that insurance companies pay legitimate claims in a timely manner, invest premiums paid by insurance consumers in a prudent and safe manner, and contribute to state funds established to guarantee the solvency of insurers.

The measure before us no longer includes full disclosure requirements allowing consumers to control how their financial information will be used, transferred, and shared. Consumers should have confidence that personal information shared with their insurer will be kept confidential. To achieve this goal, the need to safeguard consumers' personal and medical information must be balanced with the need to allow financial institutions, including insurance companies, to efficiently provide services to consumers.

The measure under consideration does not proactively address the issue of insurance redlining. Allowing banks and insurance companies to discriminate against consumers for any reason is unacceptable. Violating fair housing practices should be addressed—this is a glaring omission in the bill.

Finally, as written, this measure will sanctify the ability of the Comptroller of the Currency (OCC) to override state consumer laws and allow national banks to ignore essential consumer protections, such as unnecessarily high prices on checking accounts and prepayment penalties when consumers sell their homes and pay off their mortgages. Further, we must address the issue of operating subsidiaries.

Consumers are easily confused and unfairly targeted when subsidiaries are allowed to coexist with traditional banking services. Further, the Securities Exchange Commission (SEC) and not the Comptroller should regulate these entitles, to ensure that consumers are properly protected. The OCC's focus is on the safety and soundness of investments, while the SEC focuses on consumer protection.

Each of our lives are impacted daily by financial transactions—when we write a check, have our paychecks directly deposited, pay our bills, buy something over the Internet, purchase a house, or invest for our retirement. We must successfully address and modernize the procedures to safeguard consumer rights and prevent the inappropriate use of personal information.

I will continue my advocacy for the proper balance between consumer privacy and economic growth and hope the measure improves so that I can support passage following Conference Committee efforts.

Mr. WEYGAND. Madam Chairman, I rise in support of H.R. 10, the Financial Services Act of 1999.

I believe the House Banking Committee, of which I am a member, has done an admirable job at balancing the many differing views and opinions on how to structure financial services reform. I commend Chairman LEACH, Ranking Member LAFALCE, and their staffs for all their hard work in bringing what I believe is a balanced approach to financial services reform to the floor.

Mr. Speaker, I have previously stated that there are two fundamental questions to ask when considering the type of financial services overhaul we are debating. First, what effect will this legislation have on consumers? Second, what effect will the same legislation have on U.S. financial institutions' ability to compete in an ever increasing global market place?

In my view, this bill that makes significant progress on a number of consumer issues. First, the bill we have before us preserves the integrity of the Community Reinvestment Act (CRA). In fact, as a requirement of affiliation, a financial holding company must have and maintain at least a satisfactory CRA rating. Additionally, this bill extends CRA requirements to any newly created Wholesale Financial Institution. This language will ensure that financial institutions continue to invest in those communities from which they take deposits. This investment is crucial in order to meet the credit and lending needs of traditionally underserved communities. The fact is, CRA has provided thousands of families and entrepreneurs with the credit they needed to buy a home or start a business. CRA works. I urge my colleagues to support the CRA provisions in this bill and oppose any potentially weakening amendments.

Second, the bill addresses the important matter of financial privacy. During the Banking Committee's consideration of H.R. 10, I cosponsored an amendment with Mr. INSLEE, of Washington, addressing financial privacy. That amendment would have provided consumers with the ability to 'opt out' of information sharing by their financial institution. Ultimately, our amendment was defeated. However, due to the hard work of Mr. INSLEE, his staff, and the Banking Committee we are taking positive steps toward protecting consumers personal financial information.

This bill also requires greater disclosure of policies, procedures, risks, and costs of certain transactions, including ATM fees. It requires disclosure of existing privacy policies, contains strong anti-tying and anti-coercion provisions, and includes the requirement to disclose what products are federally insured and which ones are not. All of these are pro-consumer and make good business sense.

However, I am concerned about one glaring omission from this bill. The House Banking Committee approved an amendment that would have prevented the practice of insurance redlining in low-income communities. Redlining is a practice that strikes at the very heart of what we should be opposing—discrimination based on your neighborhood or income level.

The second concern I have with this bill, as it is before us today, is with the potential disclosure of medical or health information. I believe that there should be strong firewalls established between affiliates or operating subsidiaries as it pertains to the exchange of medical or health information. When a person shares private medical information with an insurance company they should have every assurance that whatever information is shared is not then given to the bank or securities company that happens to own or is affiliated with that insurance company.

It is my sincere hope that as this bill moves to conference with the Senate we will continue to make progress on protecting individuals' private medical information. I also hope that we can reinstate the Banking Committee provision that would prohibit insurance redlining.

H.R. 10 will indeed make U.S. financial institutions more competitive and assist them in remaining leaders in the world financial marketplace. It will remove antiquated barriers to expansion and competition. It will also allow financial institutions to take advantage of new technologies, economies of scale and scope that will result in efficiencies providing consumers with greater choice at lower costs.

Developing this financial services modernization bill has been a long and difficult process. What we have before us today is a carefully constructed, balanced bill that will make our financial services industry more competitive, provide consumers with more choice, and takes several positive steps regarding consumer protections. This bill deserves our support.

Mr. BLUMENAUER. Madam Chairman, I support the modernization principles in this long overdue financial legislation. It has been years in the making and this legislation is about as good as it is going to get. On balance, it will improve the competitiveness of our financial system and provide more choices for consumers.

There has emerged a growing concern about protecting the privacy rights of Americans. These concerns are independent, but related to financial services. Privacy is a major issue in business practices generally and in the health care system in particular. I am disappointed that the Republican Leadership did not allow several provisions to be discussed that would have strengthened the protections and I believe they would have made H.R. 10 a better bill. Nonetheless, these concerns are not going to go away. They will be a part of the Patients' Bill of Rights legislation and may be the subject of a comprehensive stand alone bill that will spell out what protections Americans can expect from their government regarding sensitive and personal data.

Even though we were denied an opportunity to deal with these issues in connection with H.R. 10, I hope the attention and the controversy will spur this Congress to action and that we will not adjourn until we provide a vehicle for understanding the rights and responsibility surrounding individual privacy.

Mr. EWING. Madam Chairman, I rise today in support of H.R. 10. While many of us have reservations about some sections of H.R. 10, I believe that the House needs to pass this legislation to begin the process of modernizing outdated, Depression-era laws that separate the financial services industry. These changes are long overdue.

However, I would hope that the conference takes a hard look at the so-called parity provision that was added to Section 305 by the Commerce Committee. This parity provision would grant title insurance sales authority to any national bank or its subsidiary located in a state in which state-chartered banks have such authority. I believe that the adoption of any such parity provision is unwarranted.

For instance, individual consumers purchasing homes and refinancing their mortgages will have to pay for title insurance, and under the current language in this bill, will pay a bank-owned agency to insure the bank and basically your home. A national bank should be prohibited from engaging in title insurance sales activities in a State unless the state-chartered banks in that State are explicitly authorized to engage in title insurance sales activities. H.R. 10 should require that subsequent to enactment of the bill, states must explicitly authorize state banks to sell title insurance.

Congress has always set the parameters for the exercise of national bank powers and there is no reason to depart from that traditional approach in this context. Moreover, adopting such an approach would ignore the unique issues related to bank sales of title insurance that mandate the confinement of such activities to bank affiliates. Simply stated, I think we should leave it up to the individual States to decide what best suits their banking and title insurance agents and not Washington, D.C. There is a very unique relationship that currently exists and this provision would significantly endanger the title insurance agents across the nation.

I am also concerned that the unique needs of independent bankers are not fully accounted for by H.R. 10. This issue should be resolved in conference, so that independent bankers will be able to continue to provide their crucial services to their communities.

In conclusion, I would like to express my support of H.R. 10 and urge my colleagues on both sides of the aisle to support the passage of this legislation.

Mr. DAVIS of Illinois. Madam Chairman, I take this opportunity to express my support for H.R. 10, although reluctantly. In spite of and notwithstanding the good premises of this bill, I am concerned that it does not go far enough in its protection and/or expansion of Community Reinvestment. I represent one of the most diverse districts in the nation, the 7th District of Illinois. It contains many of the very wealthy and many of the very poor. Moderately stable, upscale and low-income communities, sixty-eight percent of all public housing in Chicago. Community Reinvestment requirements have been a pipeline and a lifesaver for the inner-city south and westside of my District. It has saved communities and revitalized neighborhoods. It is amazing to me that, as we debate such a revolutionizing, and modernizing bill, that this House has failed to use this opportunity to elevate the Community Reinvestment Act to its appropriate level.

Since its enactment in 1977, the CRA has made sure that our banks would reach our country's poor communities. At the time of CRA's enactment, banks and thrifts held ⅔ of all financial industry assets, today that number has fallen to ¼ of financial assets. This steady erosion of CRA's financial base has the possibility to threaten the future of the Act's effectiveness. Today, the specter of reduced CRA effectiveness looms over H.R. 10. This bill could allow banks to move their money into their securities and insurance affiliates where the CRA cannot reach.

In my district, where nearly 175,000 individuals live at or below the poverty level, CRA has been the most effective means by which they have been able to purchase their home, or start their own business. But now, as a result of H.R. 10's failure on the CRA, banks' ties to the local community will be diminished, and the needs of the poor may not be met. For those living in places like the West Side of Chicago, maintaining a strong CRA will make all the difference in world.

Though I agree that the time has arrived to tear down the walls that divide the banking, securities, and insurance industries, there is no reason that the new conglomerates that this bill will spawn should not also be subject to CRA. Though H.R. 10 does not include any changes that will specifically alter CRA, without being amended, H.R. 10 can deteriorate the financial base of CRA coverage. That a basic banking service, whether offered through a parent bank or through a subsidiary bank or a bank holding company, should affect its coverage under the CRA does not make sense. Even if we pass H.R. 10 in its current form, we must recognize a need to expand the current CRA laws to include all institutions that are engaged in banking practices so that CRA's effectiveness in revitalizing low income communities will never be diminished. As long as I am a member in Congress, I will stand guard over the CRA and make sure financial service companies respect the intent and purpose of the CRA.

Mr. COYNE. Madam Chairman, as we consider the legislation before us today, I want to express my strong support for the Community Reinvestment Act.

Thanks to the CRA, many families and small businesses across the country have gained meaningful access to credit for the first time. Nationwide, more than one trillion dollars has been invested in traditionally underserved neighborhoods as a result of the CRA.

I strongly support efforts to apply the CRA's requirements to the banking activities of non-bank financial institutions which seek to affiliate with banks. I deeply regret that the Rules Committee has not made such an amendment in order.

I urge my colleagues to work with me as Congressional action on financial services legislation proceeds to ensure that the CRA will continue to promote equal access to credit.

Mr. BOEHNER. Madam Chairman, I rise in support of this landmark legislation. In one great cascade, it washes over decades of obsolete law, Congressional inattention, and regulatory creep to give us a modern and prudent legislative framework for one of our most important and dynamic industries. I believe it's the most important bill we'll debate this year, and I strongly urge its passage.

In a bill this complex, it's easy to miss the forest for the trees. But the broad direction is what's most important. Our nation's financial services sector is the irrigation system for our economy. By allowing for the quick and efficient flow of cash and of capital, it provides the fuel that the rest of our economy needs to grow. By calculating and allocating risk effectively, it minimizes the harm that sudden distortions can do. And by providing a variety of savings, investment, and insurance vehicles for our citizens, it allows us all to plan and work for a secure retirement. Much is made of the dynamism of the so-called high-tech sector, and its growth has been truly phenomenal. But without a vibrant, stable, and innovative financial services marketplace, many of these high-tech firms would still be languishing on someone's chalkboard.

We have the most dynamic and competitive financial service sector in the world. And that's why we have to pass this bill. Because the industry has so outgrown our Depression-era regulatory framework that soon, the framework will be irrelevant. And because our competitors are catching up by passing modernized financial service laws of their own. Unless we act here today, we may find ourselves ceding our dominance in this critical market to our foreign competitors.

How does the bill accomplish this? Again, the broad strokes are the important ones. First, functional regulation. Conduct should be overseen by regulators who understand it. That means that securities activities should be supervised by securities regulators, even if they're performed by a bank. It means banking activities should be regulated by banking authorities, and insurance activities by insurance authorities. Functional regulations means that proper regulators can see the warning signs of instability early enough to head it off. Writing a functional regulatory structure is far more difficult, however, than simply describing one, and the chairmen of the Banking and Commerce committees have done a superb job.

Second, the bill reflects the marketplace fact that banking, securities, and insurance underwriting all have far more in common than not. All essentially reflect the same functions—calculating and allocating risk, accumulating and investing capital. Keeping them apart makes little sense economically, and so for the first time in 66 years, the bill lets them affiliate. In good times, this means more innovation, greater efficiency, and better products. In bad times, it means that their risks will be diversified, protecting our economy and our taxpayers from the failure of financial firms.

Third, it mixes this new flexibility with prudence. We've learned from Japan that we need to go slow on mixing banking and commerce. Let's see how we do with affiliation first, then return to the question of commerce and banking.

And fourth, it's politically viable. We all know the controversy that has always surrounded this bill. With industry groups historically fighting each other for every advantage, it's no surprise that over the last 22 years this bill has failed 11 times. But this bill, building on the work of last year's, has the support of the broadest financial services coalition yet.

Madam Chairman, in closing I want to congratulate my friends the gentlemen from Iowa and Virginia, the chairmen of the Banking and Commerce Committees. This is a huge accomplishment for this Congress and for them personally. It's a testament to their leadership and, given the history of this issue, it's a testament to their character that we're here today to debate and pass this bill. I admire them both.

Madam Chairman, I strongly support H.R. 10, the Financial Services Act of 1999. It is the right bill at the right time for our financial services industry, for its consumers, and for our entire economy.

Mr. STARK. Madam Chairman, lawmakers casting a "yea" vote today on the Financial Services Act, H.R. 10, are making a fundamental error. They are effectively voting to strip millions of Americans of a basic right: the ability to exercise meaningful control over who sees their most sensitive information. Title III, Subtitle D, Section 351 of the bill gives insurers extensive ability to disclose medical information without a consumer's consent.

If this provision is enacted into law, it will create legal chaos. As written, it appears to overlay myriad state medical privacy laws that regulate disclosure and access.

Does it make you feel ill to know that under H.R. 10, a travel insurance agent could peruse your medical records? Does it make your blood pressure rise to know that under H.R. 10, auto insurance companies could use medical data to raise your family's rate? And that any insurer, as well as its affiliates and subsidiaries, would be legally authorized to share sensitive, personal information with credit reporting companies?

Unless lawmakers appointed as conferees for H.R. 10 take action to strike the bill's medical privacy provisions, American consumers will wake up to find that the insurance industry—which makes most of its money through underwriting to reduce financial risk—can disclose their medical data without authorization in many, many circumstances. And that's plainly wrong.

It's also disturbing that the majority leadership has done next to nothing to advance comprehensive medical privacy legislation in the House of Representatives. Title V of the 1998 GOP managed care bill, H.R. 4250, featured sorry medical privacy provisions that were roundly condemned by consumer groups and privacy advocates through the country.

Now the August deadline for action set three years ago by the Health Insurance Portability and Accountability Act is fast approaching. It is my hope that a coalition of members to work together to produce medical confidentiality legislation that is at least as strong as the 1997 recommendations developed by the HHS Secretary—with one notable exception. The Secretary's recommendations proposed no additional restraints on access to medical data by law enforcement officials in the form of a subpoena or court order requirement. That is a position with which I strongly disagree.

It is not too late to enact sound medical privacy legislation that puts federal protections in place for consumers across the country, while leaving stronger state laws in place and allowing states the flexibility to add additional protections for those customers of the future who find themselves afflicted with as-yet-unknown disorders, and who, as a result, also suffer discrimination.

Enactment of H.R. 10's medical privacy provisions would not only eradicate many existing medical privacy protections, but also hinder the HHS Secretary's ability to promulgate regulations under HIPAA if Congress does not act by next month.

Madam Chairman, we must not do this. The consequences for consumers are far too grave.

Mr. FALEOMAVAEGA. Madam Chairman, H.R. 10 is about as complex a bill as we address in this house. The bill has been in the making for years, and at times it seemed impossible to get a majority of the Banking Committee, let alone the full House, to agree on its contents.

Mr. Speaker, I know H.R. 10 remains a controversial bill, with supporters on both sides of many issues. Without getting into the more controversial issues, I do wish to comment on Section 162 contained in the subtitle entitled "Federal Home Loan Bank System Modernization". Among other technical amendments, this section adds American Samoa and the Commonwealth of the Northern Mariana Islands to the provisions of the Federal Home Loan Bank Act.

The condition of much of the private housing in American Samoa is deplorable. Too many people are forced to live without electricity and running water, and many structures could not withstand gale-force winds, let alone the hurricane-force winds which blow through Samoa on a regular basis. With an annual per capita income barely over $3,000, and interest rates on commercial home loans in the 13%–14% range, there is very little new construction or refurbishment of housing in American Samoa.

To partially address this problem, Public Law 102–547 created a pilot program through which Native American Samoan veterans, and other Native American veterans, could obtain home loans at moderate rates, and the response in American Samoa has been overwhelming. Unfortunately, this pilot program is available only to a small segment of the population residing in American Samoa.

During the first five-year authorization of the VA pilot program, to the best of my knowledge, no loan went into default and needed to be assumed by the Department of Veterans Affairs. I believe there is now a sufficient track record for private lenders to feel comfortable in making residential loans in American Samoa.

There is interest within the banking industry in American Samoa to be included in the Federal Home Loan Bank program, The Amerika Samoa Bank, a local bank, is on record in support of including American Samoa in this federal housing program and is looking forward to obtaining access to a source of long-term, low-interest funding to make home loans.

The number of complaints I receive from constituents in American Samoa concerning the cost of home loans will further attest to the need for loans at affordable interest rates in this remote, rural area.

Last year, the Federal Housing Finance Board issued a final rule including American Samoa within its regulations. I am appreciative of the willingness and efforts of the Federal Housing Finance Board to include American Samoa and the Commonwealth of the Northern Mariana Islands within its regulations, and that administrative action has been working well; however, this statutory amendment will ensure a more permanent solution.

In the 105th Congress I introduced H.R. 904, a bill which would clarify that American Samoa is included in the Federal Home Loan Bank Act. That provision is a part of Section 162 of H.R. 10, and I strongly support that provision.

Mr. SANDLIN. Madam Chairman, I rise today in support of this bill.

Financial modernization is already occurring. Innovation and technological advances are allowing financial services firms to offer customers a wide range of new products and thus increasing competition and benefitting consumers. These changes are occurring globally and dramatically changing how financial services providers operate and deliver their products. In the United States, however, burdensome regulatory barriers are hindering the efforts of our financial institutions to compete globally through the development and delivery of new financial products.

The bottom line is simple, financial modernization is necessary and will continue as a result of market forces, even in the absence of legislation. However, the success of American firms, and ultimately, the strength of the American economy, depend on a good bill—one that will ensure that financial modernization occurs in an efficient manner and protects the interests of customers as well as the safety and soundness of our financial system.

But as we debate these important issues and work to modernize the way our financial services firms do business, we must remember our community banks. In East Texas, people trust their community banks and know their local bankers. We have recognized that these institutions are an integral part of rural America and that we must not overlook them or jeopardize their future in any way as we undertake this monumental legislation. I believe that this bill addresses these needs—the needs of Main Street as much as Wall Street—and I urge you to cast your vote in support.

Mr. NEY. Madam Chairman, I rise today in support of H.R. 10, The Financial Services Modernization Bill of 1999. As a supporter of this bill, I want to send a message to the Office of the Comptroller of the Currency, on behalf of the Members who worked so hard to obtain passage of this much-needed legislation.

This bill for the first time allows the true marriage of insurance, banking and securities. The principle behind the bill is functional regulation, the activities of any entity should be regulated by function. So when a bank engages in insurance activities, those activities should be regulated by insurance regulators, not banking regulators. The same holds true for securities activities.

The bill seeks to craft a balance between Congress' authority to grant banks certain powers and the States' authority to regulate certain activities. This balance is particularly delicate in the context of state regulation of the insurance sales activities of banks and their affiliates. Section 104 of the bill sets up a fairly complex scheme, designed to allow states to regulate insurance activities without substantially interfering with banks' ability to sell insurance. While the bill affords states a certain amount of certainty regarding what is permissible regulation, through a creation of safe harbor, it leaves much to potential challenge. As the bill makes clear, our creation of a safe harbor is not intended to establish any kind of inference regarding the permissibility of state insurance laws that fall outside the safe harbor.

As a result of this legislation, federal banking regulators and state insurance regulators will work together cooperatively in the best interests of the public. This positive relationship should be given an opportunity to develop. What we do not want to see is aggressive moves on the part of the OCC, or other federal banking regulators, to displace state insurance laws and regulations applied to banks. This legislation is designed to foreclose the OCC's opportunity to do that.

Mr. PACKARD. Madam Chairman, I would like to issue my support for H.R. 10, the Financial Services Act of 1999. This legislation will allow citizens more control of their own money, not Washington bureaucrats.

H.R. 10 enhances competition in the banking and financial service markets. As the law stands today, the financial sector has to comply with regulations set up after the Great Depression. This has to change. The Financial Services Act will allow American companies to enter the new millennium on an equal standing with financial businesses around the world.

The Financial Services Act will benefit each individual who uses a financial institute. Increasing free trade inside the financial sector ensures higher quality services and lower prices. The government is already far too involved in the lives of private citizens. This legislation will increase choices and services for the American people.

Madam Chairman, the Financial Services Act will ensure that American companies continue to lead the world in the financial sector. I urge my colleagues to support its passage.

Mr. BONILLA. Madam Chairman, I rise today in support of our community leaders, America's bankers. Everyday, America's bankers serve their communities whether it's through lending to home buyers, supporting small businesses or even softball sponsorships. Still, if their actions don't fit into the arbitrary mandates of the Community Reinvestment Act, banks are strapped with large fines and their good deeds go unnoticed.

Banks are the primary engines for small business lending everywhere. Banks, especially small banks, invest in their communities and reflect their communities. If they don't, they simply do not survive.

The rising tide of CRA threatens to put these community leaders out of business. The CRA has gone far, far beyond its original intent of ensuring fair lending. Banks are now forced to have employees whose entire job is devoted to CRA compliance.

Instead of working for their communities, these folks are working for CRA federal bureaucrats. Instead of helping families buy their first home, bankers are living in fear of their next CRA review.

Our colleagues in the Senate have already approved much-needed changes in CRA. Let's end the bureaucratic nightmare of CRA and give bankers a chance to truly serve their communities.

Mr. HYDE. Madam Chairman, I rise in support of H.R. 10, the "Financial Services Act of 1999." For many years, we have been trying to repeal the outdated restrictions that keep banks, securities firms, and insurance companies from getting into one another's businesses. After all the debate, I think we have finally come up with something in this bill that will open up a whole new world of competition.

Financial services are becoming increasingly globalized, increasingly computerized, and increasingly seamless. Banking laws passed during the Depression simply will not do in the 21st century. I wish that we could maintain a world where everyone knew their banker on a first name basis and loans were made on a handshake, and I think in the new world some banks will provide that kind of service to those who demand it. But we need not have laws that limit us to that kind of service, as desirable as it may seem. Everyone is better off if the market decides what kinds of services financial firms will offer.

Just think about the progress we have made in the past ten years. When I was a child, only the wealthy owned stocks. Now, with the growth of the mutual fund industry and self-directed retirement funds, millions and millions of average Americans not only own stocks, but make their own investment decisions. These developments create wealth, increase people's incentive to produce, and relieve some of the entitlement burden of government. I believe that this bill will bring more such positive developments.

I want to say a word about my friends Jim Leach, chairman of the Banking Committee, and Tom Bliley, chairman of the Commerce Committee. They have done an excellent job of putting this package together. I commend them for their work in bringing this bill to the floor in a very difficult and contentious environment.

I especially want to commend them for working with me on the bank merger provisions of the bill and the bankruptcy provisions relating to wholesale financial institutions. Under current law, bank mergers are reviewed under special bank merger statutes, and they do not go through the Hart-Scott-Rodino merger review process that covers most other mergers. Now banks will be able to get into other businesses which they have not been able to do before.

The principle that we have tried to follow is that when mergers occur, the bank part of that merger will be judged under the current bank merger statutes, and we do not intend any change in that process or in any of the agencies' respective jurisdictions. The non-bank part of that merger, which will fall under the new Section 6 of the Bank Holding Company Act, will be subject to the normal Hart-Scott-Rodino merger review by either the Justice Department or the Federal Trade Commission. The amendment in the nature of a substitute has language that embodies that principle. This language is essentially the same as that in last year's bill, but certain technical and clarifying changes have been made.

In short, no bank is treated differently than it otherwise would be because it has some other business within its corporate family. Likewise, no other business is treated differently than it otherwise would be because it has a bank within its corporate family.

We have embodied that same principle with respect to the Federal Trade Commission's authority to enforce the Federal Trade Commission Act and other laws. Section 5 of the Federal Trade Commission Act specifically prohibits the FTC from enforcing the Act against banks because they are heavily regulated. The language in the amendment in the nature of a substitute does not change that, but it does clarify that the bank prohibition does not extend to any other non-bank parts of a bank's corporate family. I would also note that similar language was not necessary for the Justice Department because there are no specific statutory prohibitions on its ability to enforce laws against banks, other than the Hart-Scott-Rodino exemption that I have already discussed.

With respect to the bankruptcy language on wholesale financial institutions, I think that we all agree on the substance involved, but the specific language may require some further refinement in conference.

I will be requesting Judiciary Committee conferees on a few narrow parts of the bill, and I look forward to continuing to work with my Banking Committee and Commerce Committee colleagues.

I will insert four jurisdictional letters relating to the Judiciary Committee's participation in this matter for printing in the Record.

Let me again commend my friends Jim Leach and Tom Bliley and everyone else who has worked on this legislation, and I ask my colleagues to support it.

House of Representatives,
Committee on the Judiciary,
Washington, DC, June 15, 1999.

Hon. Dennis Hastert,
Speaker, U.S. House of Representatives,
Washington, DC.

Dear Mr. Speaker: I am writing to let you know of the Committee on the Judiciary's jurisdictional interest in H.R. 10, the "Financial Services Act of 1999." As you know, the Committee on Banking and Financial Services has filed its report on H.R. 10, and the Committee on Commerce will do so shortly.

The Committee on the Judiciary has jurisdiction over several provisions of the bill as introduced: §104(a)(3) (dealing with the preservation of state antitrust laws); §104(b)(3)(A) & (b)(4)(B) (dealing with the non-preemption of the McCarran-Ferguson Act); §122 (amending Title 18 to create a crime for misrepresentations regarding financial institution liability for obligations of affiliates); §136(b) (to the extent that it deals with the treatment of wholesale financial institutions under the Bank Merger Act and the Bankruptcy Code in the new §9B(b)(5) & (e)(3) of the Federal Reserve Act); §13(d) (dealing with amendments to the Bankruptcy Code for wholesale financial institutions); §136(e) (to the extent that it deals with the treatment under the Bankruptcy Code of corporations organized under §25A of the Federal Reserve Act); §§141–44 (dealing with the antitrust review of mergers in the financial services industry); §206(b) & (d) (dealing with administrative procedures for the Securities and Exchange Commission outside the Administrative Procedure Act); §214 (to the extent that it creates a new crime under the Investment Company Act); §301 (dealing with the continued viability of the McCarran-Ferguson Act); §306 (dealing with expedited dispute resolution for disputes between state and federal regulators); §314(a) (dealing with court jurisdiction over litigation concerning redomesticated insurer); §321(d) (dealing with court jurisdiction over litigation concerning reciprocity or uniformity determinations); §335 (dealing with court jurisdiction over litigation concerning the National Association of Registered Agents and Brokers). In addition, there are at least two provisions of the bill as reported by the Banking Committee over which this committee has jurisdiction: §179 (creating new criminal and civil liability for violations of new privacy requirements) and §193 (to the extent that it limits the claims of bankruptcy trustees).

The foregoing list is intended to be as comprehensive as possible, but any inadvertent omission of a provision in either the introduced or reported versions of the bill that the Committee would otherwise have jurisdiction over does not waive that jurisdiction. The Committee has not yet been able to obtain a copy of the bill as ordered reported by the Commerce Committee, and it reserves its rights with respect to any additional provisions that may be included therein.

I have several relatively minor concerns with the language of these provisions, and my staff has been working with the staffs of the Banking and Commerce Committees to resolve those concerns. I am confident that we will resolve them in the near future. For that reason, I have written to Chairman Leach and Chairman Bliley to inform them that I am willing to waive the Committee's right to a sequential referral of H.R. 10 subject to the good faith commitment of all concerned that these minor concerns will be addressed to our satisfaction either in the base text made in order under the rule or a manager's amendment when H.R. 10 goes to the floor.

My doing so does not constitute any waiver of the Committee's jurisdiction over these provisions and does not prejudice its rights in any future legislation relating to these provisions or other similar provisions that may be included in the Act. I request that you appoint Members of this Committee as conferees on these provisions or any other similar provisions in the bill should it go to conference.

I appreciate your consideration of my views on this issue. Please let me know if you need any further information.

Sincerely,

Henry J. Hyde,
Chairman.

Hon. JIM LEACH,
Chairman, Committee on Banking and Financial Services,
Washington, DC.
Hon. TOM BLILEY,
Chairman, Committee on Commerce,
Washington, DC.

DEAR JIM AND TOM. I am writing to let you know of the Committee on the Judiciary's jurisdictional interest in H.R. 10, the "Financial Services Act of 1999." As you know, the Committee on Banking and Financial Services has filed its report on H.R. 10, and the Committee on Commerce will do so shortly.

The Committee on the Judiciary has jurisdiction over several provisions of the bill as introduced: §104(a)(3) (dealing with the preservation of state antitrust laws); §104(b)(3)(A) & (b)(4)(B) (dealing with the non-preemption of the McCarran-Ferguson Act); §122 (amending Title 18 to create crime for mispresentations regarding financial institution liability for obligations of affiliates); §136(b) (to the extent that it deals with the treatment of wholesale financial institutions under the Bank Merger Act and the Bankruptcy Code in the new §9B(b)(5) & (e)(3) of the Federal Reserve Act); §136(d) (dealing with amendments to the Bankruptcy Code for wholesale financial institutions); §136(e) (to the extent that it deals with the treatment under the Bankruptcy Code of corporations organized under §25A of the Federal Reserve Act); §§141–44 (dealing with the antitrust review mergers in the financial services industry); §206(b) & (d) (dealing with administrative procedures for the Securities and Exchange Commission outside the Administrative Procedure Act); §214 (to the extent that it creates a new crime under the Investment Company Act); §301 (dealing with the continued viability of the McCarran-Ferguson Act); §306 (dealing with expedited dispute resolution for disputes between state and federal regulators); §314(a) (dealing with court jurisdiction over litigation concerning redomesticated insurer); §321(d) (dealing with court jurisdiction over litigation concerning reciprocity or uniformity determinations); §335 (dealing with court jurisdiction over litigation concerning the National Association of Registered Agents and Brokers). In addition, there are at least two provisions of the bill as reported by the Banking Committee over which this committee has jurisdiction: §179 (creating new criminal and civil liability for violations of new privacy requirements) and §193 (to the extent that it limits the claims of bankruptcy trustees).

The foregoing list is intended to be as comprehensive as possible, but any inadvertent omission of a provision in either the introduced or reported versions of the bill that the Committee would otherwise have jurisdiction over does not waive that jurisdiction. The Committee has not yet been able to obtain a copy of the bill as ordered reported by the Commerce Committee, and it reserves its rights with respect to any additional provisions that may be included therein.

As you know, I have several relatively minor concerns with the language of these provisions, and my staff has been working with yours to resolve them. I am confident that we will resolve them in the near future. For that reason, I am willing to waive the Committee's right to a sequential referral of H.R. 10 subject to the good faith commitment of all concerned that these minor concerns will be addressed to our satisfaction either in the base text made in order under the rule or a manager's amendment which H.R. 10 goes to the floor.

However, my doing so does not constitute any waiver of the Committee's jurisdiction over these provisions and does not prejudice its rights in any future legislation relating to these provisions or any other similar provisions that may be included in the Act. I will, of course, insist that Members of this Committee be named as conferees on these provisions or any other similar provisions in the bill should it go to conference. By separate letter, a copy of which is attached, I am making that request Speaker Hastert today.

I appreciate your consideration of my views on this issue. Please let me know if you need any further information.

Sincerely,

HENRY J. HYDE,
Chaiman.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
Washington, DC, June 18, 1999.

Hon. HENRY HYDE,
Chairman, Committee on the Judiciary,
Washington, DC.

DEAR HENRY: Thank you for your letter regarding the Committee on the Judiciary's jurisdictional interest in H.R. 10, the "Financial Services Act of 1999."

I acknowledge the Judiciary Committee jurisdictional interest in a number of provisions in H.R. 10. The Committee on Commerce has included your proposed revision to the antitrust subtitle in its consideration of the legislation. I will work with you to address any other concerns you have either in base text or as part of a manager's amendment on the House floor.

I would not oppose Members of the Judiciary Committee being named as conferees for provisions within your Committee's jurisdiction.

Thank you for foregoing a request for a sequential referral of this important legislation. I appreciate your willingness to work with me.

Sincerely,

TOM BLILEY,
Chairman.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON BANKING AND FINANCIAL SERVICES,
Washington, DC, June 15, 1999.

Hon. HENRY HYDE,
Chairman, Committee on the Judiciary,
Washington, DC.

DEAR HENRY: Thank you for your letter regarding the Judiciary Committee's jurisdictional interest in H.R. 10, the "Financial Services Act of 1999."

I recognize that the Committee on the Judiciary has jurisdictional claims to those provisions in H.R. 10 which affect the Bankruptcy Code, criminal sanctions, antitrust laws, the McCarran-Ferguson Act, administrative procedures and the court system. Your willingness to waive the Committee's right to a sequential referral of this legislation so that we may move it to the floor expeditiously is appreciated. As outlined in your letter, I will continue to work with you in good faith to see that the thrust of the Judiciary Committee's concerns will be addressed as H.R. 10 goes to the floor. In addition, I agree with you that on the provisions within the Judiciary Committee's jurisdiction the Judiciary Committee should be represented when the bill goes to conference.

Thanks again for your cooperation. I appreciate your willingness to work with the Committee on Banking and Financial Services.

Sincerely,

JAMES A. LEACH,
Chairman.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of the Committee on Rules print dated June 24, 1999, is considered as an original bill for the purpose of amendment under the 5-minute rule and is considered read.

The text of the amendment in the nature of a substitute is as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; PURPOSES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Financial Services Act of 1999".

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To enhance competition in the financial services industry, in order to foster innovation and efficiency.

(2) To ensure the continued safety and soundness of depository institutions.

(3) To provide necessary and appropriate protections for investors and ensure fair and honest markets in the delivery of financial services.

(4) To avoid duplicative, potentially conflicting, and overly burdensome regulatory requirements through the creation of a regulatory framework for financial holding companies that respects the divergent requirements of each of the component businesses of the holding company, and that is based upon principles of strong functional regulation and enhanced regulatory coordination.

(5) To reduce and, to the maximum extent practicable, to eliminate the legal barriers preventing affiliation among depository institutions, securities firms, insurance companies, and other financial service providers and to provide a prudential framework for achieving that result.

(6) To enhance the availability of financial services to citizens of all economic circumstances and in all geographic areas.

(7) To enhance the competitiveness of United States financial service providers internationally.

(8) To ensure compliance by depository institutions with the provisions of the Community Reinvestment Act of 1977 and enhance the ability of depository institutions to meet the capital and credit needs of all citizens and communities, including underserved communities and populations.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; purposes; table of contents.

TITLE I—FACILITATING AFFILIATION AMONG SECURITIES FIRMS, INSURANCE COMPANIES, AND DEPOSITORY INSTITUTIONS

Subtitle A—Affiliations

Sec. 101. Glass-Steagall Act reformed.
Sec. 102. Activity restrictions applicable to bank holding companies which are not financial holding companies.
Sec. 103. Financial holding companies.
Sec. 104. Operation of State law.
Sec. 105. Mutual bank holding companies authorized.
Sec. 105A. Public meetings for large bank acquisitions and mergers.
Sec. 106. Prohibition on deposit production offices.
Sec. 107. Clarification of branch closure requirements.
Sec. 108. Amendments relating to limited purpose banks.

Sec. 109. GAO study of economic impact on community banks, other small financial institutions, insurance agents, and consumers.
Sec. 110. Responsiveness to community needs for financial services.

Subtitle B—Streamlining Supervision of Financial Holding Companies

Sec. 111. Streamlining financial holding company supervision.
Sec. 112. Elimination of application requirement for financial holding companies.
Sec. 113. Authority of State insurance regulator and Securities and Exchange Commission.
Sec. 114. Prudential safeguards.
Sec. 115. Examination of investment companies.
Sec. 116. Limitation on rulemaking, prudential, supervisory, and enforcement authority of the Board.
Sec. 117. Equivalent regulation and supervision.
Sec. 118. Prohibition on FDIC assistance to affiliates and subsidiaries.
Sec. 119. Repeal of savings bank provisions in the Bank Holding Company Act of 1956.
Sec. 120. Technical amendment.

Subtitle C—Subsidiaries of National Banks

Sec. 121. Permissible activities for subsidiaries of national banks.
Sec. 122. Safety and soundness firewalls between banks and their financial subsidiaries.
Sec. 123. Misrepresentations regarding depository institution liability for obligations of affiliates.
Sec. 124. Repeal of stock loan limit in Federal Reserve Act.

Subtitle D—Wholesale Financial Holding Companies; Wholesale Financial Institutions

CHAPTER 1—WHOLESALE FINANCIAL HOLDING COMPANIES

Sec. 131. Wholesale financial holding companies established.
Sec. 132. Authorization to release reports.
Sec. 133. Conforming amendments.

CHAPTER 2—WHOLESALE FINANCIAL INSTITUTIONS

Sec. 136. Wholesale financial institutions.

Subtitle E—Preservation of FTC Authority

Sec. 141. Amendment to the Bank Holding Company Act of 1956 to modify notification and post-approval waiting period for section 3 transactions.
Sec. 142. Interagency data sharing.
Sec. 143. Clarification of status of subsidiaries and affiliates.
Sec. 144. Annual GAO report.

Subtitle F—National Treatment

Sec. 151. Foreign banks that are financial holding companies.
Sec. 152. Foreign banks and foreign financial institutions that are wholesale financial institutions.
Sec. 153. Representative offices.
Sec. 154. Reciprocity.

Subtitle G—Federal Home Loan Bank System Modernization

Sec. 161. Short title.
Sec. 162. Definitions.
Sec. 163. Savings association membership.
Sec. 164. Advances to members; collateral.
Sec. 165. Eligibility criteria.
Sec. 166. Management of banks.
Sec. 167. Resolution Funding Corporation.
Sec. 168. Capital structure of Federal home loan banks.

Subtitle H—ATM Fee Reform

Sec. 171. Short title.
Sec. 172. Electronic fund transfer fee disclosures at any host ATM.
Sec. 173. Disclosure of possible fees to consumers when ATM card is issued.
Sec. 174. Feasibility study.
Sec. 175. No liability if posted notices are damaged.

Subtitle I—Direct Activities of Banks

Sec. 181. Authority of national banks to underwrite certain municipal bonds.

Subtitle J—Deposit Insurance Funds

Sec. 186. Study of safety and soundness of funds.
Sec. 187. Elimination of SAIF and DIF special reserves.

Subtitle K—Miscellaneous Provisions

Sec. 191. Termination of "know your customer" regulations.
Sec. 192. Study and report on Federal electronic fund transfers.
Sec. 193. General Accounting Office study of conflicts of interest.
Sec. 194. Study of cost of all Federal banking regulations.
Sec. 195. Study and report on adapting existing legislative requirements to online banking and lending.
Sec. 196. Regulation of uninsured State member banks.
Sec. 197. Clarification of source of strength doctrine.
Sec. 198. Interest rates and other charges at interstate branches.

Subtitle L—Effective Date of Title

Sec. 199. Effective date.

TITLE II—FUNCTIONAL REGULATION

Subtitle A—Brokers and Dealers

Sec. 201. Definition of broker.
Sec. 202. Definition of dealer.
Sec. 203. Registration for sales of private securities offerings.
Sec. 204. Information sharing.
Sec. 205. Treatment of new hybrid products.
Sec. 206. Definition of excepted banking product.
Sec. 207. Additional definitions.
Sec. 208. Government securities defined.
Sec. 209. Effective date.
Sec. 210. Rule of construction.

Subtitle B—Bank Investment Company Activities

Sec. 211. Custody of investment company assets by affiliated bank.
Sec. 212. Lending to an affiliated investment company.
Sec. 213. Independent directors.
Sec. 214. Additional SEC disclosure authority.
Sec. 215. Definition of broker under the Investment Company Act of 1940.
Sec. 216. Definition of dealer under the Investment Company Act of 1940.
Sec. 217. Removal of the exclusion from the definition of investment adviser for banks that advise investment companies.
Sec. 218. Definition of broker under the Investment Advisers Act of 1940.
Sec. 219. Definition of dealer under the Investment Advisers Act of 1940.
Sec. 220. Interagency consultation.
Sec. 221. Treatment of bank common trust funds.
Sec. 222. Investment advisers prohibited from having controlling interest in registered investment company.
Sec. 223. Statutory disqualification for bank wrongdoing.
Sec. 224. Conforming change in definition.
Sec. 225. Conforming amendment.
Sec. 226. Church plan exclusion.
Sec. 227. Effective date.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

Sec. 231. Supervision of investment bank holding companies by the Securities and Exchange Commission.

Subtitle D—Disclosure of Customer Costs of Acquiring Financial Products

Sec. 241. Improved and consistent disclosure.

TITLE III—INSURANCE

Subtitle A—State Regulation of Insurance

Sec. 301. State regulation of the business of insurance.
Sec. 302. Mandatory insurance licensing requirements.
Sec. 303. Functional regulation of insurance.
Sec. 304. Insurance underwriting in national banks.
Sec. 305. Title insurance activities of national banks and their affiliates.
Sec. 306. Expedited and equalized dispute resolution for Federal regulators.
Sec. 307. Consumer protection regulations.
Sec. 308. Certain State affiliation laws preempted for insurance companies and affiliates.
Sec. 309. Interagency consultation.
Sec. 310. Definition of State.

Subtitle B—National Association of Registered Agents and Brokers

Sec. 321. State flexibility in multistate licensing reforms.
Sec. 322. National Association of Registered Agents and Brokers.
Sec. 323. Purpose.
Sec. 324. Relationship to the Federal Government.
Sec. 325. Membership.
Sec. 326. Board of directors.
Sec. 327. Officers.
Sec. 328. Bylaws, rules, and disciplinary action.
Sec. 329. Assessments.
Sec. 330. Functions of the NAIC.
Sec. 331. Liability of the Association and the directors, officers, and employees of the Association.
Sec. 332. Elimination of NAIC oversight.
Sec. 333. Relationship to State law.
Sec. 334. Coordination with other regulators.
Sec. 335. Judicial review.
Sec. 336. Definitions.

Subtitle C—Rental Car Agency Insurance Activities

Sec. 341. Standard of regulation for motor vehicle rentals.

Subtitle D—Confidentiality

Sec. 351. Confidentiality of health and medical information.

TITLE IV—UNITARY SAVINGS AND LOAN HOLDING COMPANIES

Sec. 401. Prohibition on new unitary savings and loan holding companies.
Sec. 402. Retention of "Federal" in name of converted Federal savings association.

TITLE V—PRIVACY

Subtitle A—Privacy Policy

Sec. 501. Depository institution privacy policies.
Sec. 502. Study of current financial privacy laws.

Subtitle B—Fraudulent Access to Financial Information

Sec. 521. Privacy protection for customer information of financial institutions.
Sec. 522. Administrative enforcement.
Sec. 523. Criminal penalty.
Sec. 524. Relation to State laws.
Sec. 525. Agency guidance.
Sec. 526. Reports.
Sec. 527. Definitions.

TITLE I—FACILITATING AFFILIATION AMONG SECURITIES FIRMS, INSURANCE COMPANIES, AND DEPOSITORY INSTITUTIONS

Subtitle A—Affiliations

SEC. 101. GLASS-STEAGALL ACT REFORMED.

(a) SECTION 20 REPEALED.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) (commonly referred to as the "Glass-Steagall Act") is repealed.

(b) SECTION 32 REPEALED.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is repealed.

SEC. 102. ACTIVITY RESTRICTIONS APPLICABLE TO BANK HOLDING COMPANIES WHICH ARE NOT FINANCIAL HOLDING COMPANIES.

(a) IN GENERAL.—Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended to read as follows:

"(8) shares of any company the activities of which had been determined by the Board by regulation or order under this paragraph as of the day before the date of the enactment of the Financial Services Act of 1999, to be so closely related to banking as to be a proper incident thereto (subject to such terms and conditions contained in such regulation or order, unless modified by the Board);".

(b) CONFORMING CHANGES TO OTHER STATUTES.—

(1) AMENDMENT TO THE BANK HOLDING COMPANY ACT AMENDMENTS OF 1970.—Section 105 of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1850) is amended by striking ", to engage directly or indirectly in a nonbanking activity pursuant to section 4 of such Act,".

(2) AMENDMENT TO THE BANK SERVICE COMPANY ACT.—Section 4(f) of the Bank Service Company Act (12 U.S.C. 1864(f)) is amended by striking the period and adding at the end the following: "as of the day before the date of enactment of the Financial Services Act of 1999.".

SEC. 103. FINANCIAL HOLDING COMPANIES.

(a) IN GENERAL.—The Bank Holding Company Act of 1956 is amended by inserting after section 5 (12 U.S.C. 1844) the following new section:

"SEC. 6. FINANCIAL HOLDING COMPANIES.

"(a) FINANCIAL HOLDING COMPANY DEFINED.—For purposes of this section, the term 'financial holding company' means a bank holding company which meets the requirements of subsection (b).

"(b) ELIGIBILITY REQUIREMENTS FOR FINANCIAL HOLDING COMPANIES.—

"(1) IN GENERAL.—No bank holding company may engage in any activity or directly or indirectly acquire or retain shares of any company under this section unless the bank holding company meets the following requirements:

"(A) All of the subsidiary depository institutions of the bank holding company are well capitalized.

"(B) All of the subsidiary depository institutions of the bank holding company are well managed.

"(C) All of the subsidiary depository institutions of the bank holding company have achieved a rating of 'satisfactory record of meeting community credit needs', or better, at the most recent examination of each such institution.

"(D) The company has filed with the Board a declaration that the company elects to be a financial holding company and certifying that the company meets the requirements of subparagraphs (A), (B), and (C).

"(2) FOREIGN BANKS AND COMPANIES.—For purposes of paragraph (1), the Board shall establish and apply comparable capital and other operating standards to a foreign bank that operates a branch or agency or owns or controls a bank or commercial lending company in the United States, and any company that owns or controls such foreign bank, giving due regard to the principle of national treatment and equality of competitive opportunity.

"(3) LIMITED EXCLUSIONS FROM COMMUNITY NEEDS REQUIREMENTS FOR NEWLY ACQUIRED DEPOSITORY INSTITUTIONS.—Any depository institution acquired by a bank holding company during the 12-month period preceding the submission of a notice under paragraph (1)(D) and any depository institution acquired after the submission of such notice may be excluded for purposes of paragraph (1)(C) during the 12-month period beginning on the date of such acquisition if—

"(A) the bank holding company has submitted an affirmative plan to the appropriate Federal banking agency to take such action as may be necessary in order for such institution to achieve a rating of 'satisfactory record of meeting community credit needs', or better, at the next examination of the institution; and

"(B) the plan has been accepted by such agency.

"(c) ENGAGING IN ACTIVITIES THAT ARE FINANCIAL IN NATURE.—

"(1) FINANCIAL ACTIVITIES.—

"(A) IN GENERAL.—Notwithstanding section 4(a), a financial holding company may engage in any activity, and acquire and retain the shares of any company engaged in any activity, that the Board has determined (by regulation or order and in accordance with subparagraph (B)) to be—

"(i) financial in nature or incidental to such financial activities; or

"(ii) complementary to activities authorized under this subsection to the extent that the amount of such complementary activities remains small.

"(B) COORDINATION BETWEEN THE BOARD AND THE SECRETARY OF THE TREASURY.—

"(i) PROPOSALS RAISED BEFORE THE BOARD.—

"(I) CONSULTATION.—The Board shall notify the Secretary of the Treasury of, and consult with the Secretary of the Treasury concerning, any request, proposal, or application under this subsection, including a regulation or order proposed under paragraph (4), for a determination of whether an activity is financial in nature or incidental to such a financial activity.

"(II) TREASURY VIEW.—The Board shall not determine that any activity is financial in nature or incidental to a financial activity under this subsection if the Secretary of the Treasury notifies the Board in writing, not later than 30 days after the date of receipt of the notice described in subclause (I) (or such longer period as the Board determines to be appropriate in light of the circumstances) that the Secretary of the Treasury believes that the activity is not financial in nature or incidental to a financial activity.

"(ii) PROPOSALS RAISED BY THE TREASURY.—

"(I) TREASURY RECOMMENDATION.—The Secretary of the Treasury may, at any time, recommend in writing that the Board find an activity to be financial in nature or incidental to a financial activity.

"(II) TIME PERIOD FOR BOARD ACTION.—Not later than 30 days after the date of receipt of a written recommendation from the Secretary of the Treasury under subclause (I) (or such longer period as the Secretary of the Treasury and the Board determine to be appropriate in light of the circumstances), the Board shall determine whether to initiate a public rulemaking proposing that the subject recommended activity be found to be financial in nature or incidental to a financial activity under this subsection, and shall notify the Secretary of the Treasury in writing of the determination of the Board and, in the event that the Board determines not to seek public comment on the proposal, the reasons for that determination.

"(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to financial activities, the Board shall take into account—

"(A) the purposes of this Act and the Financial Services Act of 1999;

"(B) changes or reasonably expected changes in the marketplace in which bank holding companies compete;

"(C) changes or reasonably expected changes in the technology for delivering financial services; and

"(D) whether such activity is necessary or appropriate to allow a bank holding company and the affiliates of a bank holding company to—

"(i) compete effectively with any company seeking to provide financial services in the United States;

"(ii) use any available or emerging technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and

"(iii) offer customers any available or emerging technological means for using financial services.

"(3) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—The following activities shall be considered to be financial in nature:

"(A) Lending, exchanging, transferring, investing for others, or safeguarding money or securities.

"(B) Insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death, or providing and issuing annuities, and acting as principal, agent, or broker for purposes of the foregoing.

"(C) Providing financial, investment, or economic advisory services, including advising an investment company (as defined in section 3 of the Investment Company Act of 1940).

"(D) Issuing or selling instruments representing interests in pools of assets permissible for a bank to hold directly.

"(E) Underwriting, dealing in, or making a market in securities.

"(F) Engaging in any activity that the Board has determined, by order or regulation that is in effect on the date of enactment of the Financial Services Act of 1999, to be so closely related to banking or managing or controlling banks as to be a proper incident thereto (subject to the same terms and conditions contained in such order or regulation, unless modified by the Board).

"(G) Engaging, in the United States, in any activity that—

"(i) a bank holding company may engage in outside the United States; and

"(ii) the Board has determined, under regulations issued pursuant to section 4(c)(13) of this Act (as in effect on the day before the date of enactment of the Financial Services Act of 1999) to be usual in connection with the transaction of banking or other financial operations abroad.

"(H) Directly or indirectly acquiring or controlling, whether as principal, on behalf of 1 or more entities (including entities, other than a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

"(i) the shares, assets, or ownership interests are not acquired or held by a depository institution;

"(ii) such shares, assets, or ownership interests are acquired and held by an affiliate of the bank holding company that is a registered broker or dealer that is engaged in securities underwriting activities, or an affiliate of such broker or dealer, as part of a bona fide underwriting or investment banking activity, including investment activities engaged in for the purpose of appreciation and ultimate resale or disposition of the investment;

"(iii) such shares, assets, or ownership interests are held only for such a period of time as will permit the sale or disposition thereof on a reasonable basis consistent with the nature of the activities described in clause (ii); and

"(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not actively participate in the day to day management or operation of such company or entity, except insofar as necessary to achieve the objectives of clause (ii).

"(I) Directly or indirectly acquiring or controlling, whether as principal, on behalf of 1 or more entities (including entities, other than a depository institution or subsidiary of a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

"(i) the shares, assets, or ownership interests are not acquired or held by a depository institution or a subsidiary of a depository institution;

"(ii) such shares, assets, or ownership interests are acquired and held by an insurance company that is predominantly engaged in underwriting life, accident and health, or property and casualty insurance (other than credit-related insurance) or providing and issuing annuities;

"(iii) such shares, assets, or ownership interests represent an investment made in the ordinary course of business of such insurance company in accordance with relevant State law governing such investments; and

"(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not directly or indirectly participate in the day-to-day management or operation of the company or entity except insofar as necessary to achieve the objectives of clauses (ii) and (iii).

"(4) AUTHORIZATION OF NEW FINANCIAL ACTIVITIES.—The Board shall, by regulation or order and in accordance with paragraph (1)(B), define, consistent with the purposes of this Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to activities which are financial in nature:

"(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

"(B) Providing any device or other instrumentality for transferring money or other financial assets.

"(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

"(5) POST-CONSUMMATION NOTIFICATION.—

"(A) IN GENERAL.—A financial holding company that acquires any company, or commences any activity, pursuant to this subsection shall provide written notice to the Board describing the activity commenced or conducted by the company acquired no later than 30 calendar days after commencing the activity or consummating the acquisition.

"(B) APPROVAL NOT REQUIRED FOR CERTAIN FINANCIAL ACTIVITIES.—Except as provided in section 4(j) with regard to the acquisition of a savings association or in paragraph (6) of this subsection, a financial holding company may commence any activity, or acquire any company, pursuant to paragraph (3) or any regulation prescribed or order issued under paragraph (4), without prior approval of the Board.

"(6) NOTICE REQUIRED FOR LARGE COMBINATIONS.—

"(A) IN GENERAL.—No financial holding company shall directly or indirectly acquire, and no company that becomes a financial holding company shall directly or indirectly acquire control of, any company in the United States, including through merger, consolidation, or other type of business combination, that—

"(i) is engaged in activities permitted under this subsection or subsection (g); and

"(ii) has consolidated total assets in excess of $40,000,000,000,

unless such holding company has provided notice to the Board, not later than 60 days prior to such proposed acquisition or prior to becoming a financial holding company, and during that time period, or such longer time period not exceeding an additional 60 days, as established by the Board, the Board has not issued a notice disapproving the proposed acquisition or retention.

"(B) FACTORS FOR CONSIDERATION.—In reviewing any prior notice filed under this paragraph, the Board shall take into consideration—

"(i) whether the company is in compliance with all applicable criteria set forth in subsection (b) and the provisions of subsection (d);

"(ii) whether the proposed combination represents an undue aggregation of resources;

"(iii) whether the proposed combination poses a risk to the deposit insurance system;

"(iv) whether the proposed combination poses a risk to State insurance guaranty funds;

"(v) whether the proposed combination can reasonably be expected to be in the best interests of depositors or policyholders of the respective entities;

"(vi) whether the proposed transaction can reasonably be expected to further the purposes of this Act and produce benefits to the public; and

"(vii) whether, and the extent to which, the proposed combination poses an undue risk to the stability of the financial system in the United States.

"(C) REQUIRED INFORMATION.—The Board may disapprove any prior notice filed under this paragraph if the company submitting such notice neglects, fails, or refuses to furnish to the Board all relevant information required by the Board.

"(D) SOLICITATION OF VIEWS OF OTHER SUPERVISORY AGENCIES.—

"(i) IN GENERAL.—Upon receiving a prior notice under this paragraph, in order to provide for the submission of their views and recommendations, the Board shall give notice of the proposal to—

"(I) the appropriate Federal banking agency of any bank involved;

"(II) the appropriate functional regulator of any functionally regulated nondepository institution (as defined in section 5(c)(1)(C)) involved; and

"(III) the Secretary of the Treasury, the Attorney General, and the Federal Trade Commission.

"(ii) TIMING.—The views and recommendations of any agency provided notice under this paragraph shall be submitted to the Board not later than 30 calendar days after the date on which notice to the agency was given, unless the Board determines that another shorter time period is appropriate.

"(d) PROVISIONS APPLICABLE TO FINANCIAL HOLDING COMPANIES THAT FAIL TO MEET REQUIREMENTS.—

"(1) IN GENERAL.—If the Board finds, after notice from or consultation with the appropriate Federal banking agency, that a financial holding company is not in compliance with the requirements of subparagraph (A), (B), or (C) of subsection (b)(1), the Board shall give notice of such finding to the company.

"(2) AGREEMENT TO CORRECT CONDITIONS REQUIRED.—Within 45 days of receipt by a financial holding company of a notice given under paragraph (1) (or such additional period as the Board may permit), the company shall execute an agreement acceptable to the Board to comply with the requirements applicable to a financial holding company.

"(3) AUTHORITY TO IMPOSE LIMITATIONS.—Until the conditions described in a notice to a financial holding company under paragraph (1) are corrected—

"(A) the Board may impose such limitations on the conduct or activities of the company or any affiliate of the company as the Board determines to be appropriate under the circumstances; and

"(B) the appropriate Federal banking agency may impose such limitations on the conduct or activities of an affiliated depository institution or subsidiary of a depository institution as the appropriate Federal banking agency determines to be appropriate under the circumstances.

"(4) FAILURE TO CORRECT.—If, after receiving a notice under paragraph (1), a financial holding company does not—

"(A) execute and implement an agreement in accordance with paragraph (2);

"(B) comply with any limitations imposed under paragraph (3);

"(C) in the case of a notice of failure to comply with subsection (b)(1)(A), restore each depository institution subsidiary to well capitalized status before the end of the 180-day period beginning on the date such notice is received by the company (or such other period permitted by the Board); or

"(D) in the case of a notice of failure to comply with subparagraph (B) or (C) of subsection (b)(1), restore compliance with any such subparagraph by the date the next examination of the depository institution subsidiary is completed or by the end of such other period as the Board determines to be appropriate,

the Board may require such company, under such terms and conditions as may be imposed by the Board and subject to such extension of time as may be granted in the Board's discretion, to divest control of any depository institution subsidiary or, at the election of the financial holding company, instead to cease to engage in any activity conducted by such company or its subsidiaries pursuant to this section.

‘‘(5) CONSULTATION.—In taking any action under this subsection, the Board shall consult with all relevant Federal and State regulatory agencies.

‘‘(e) SAFEGUARDS FOR BANK SUBSIDIARIES.—A financial holding company shall assure that—

‘‘(1) the procedures of the holding company for identifying and managing financial and operational risks within the company, and the subsidiaries of such company, adequately protect the subsidiaries of such company which are insured depository institutions or wholesale financial institution from such risks;

‘‘(2) the holding company has reasonable policies and procedures to preserve the separate corporate identity and limited liability of such company and the subsidiaries of such company, for the protection of the company's subsidiary insured depository institutions and wholesale financial institutions; and

‘‘(3) the holding company complies with this section.

‘‘(f) AUTHORITY TO RETAIN LIMITED NONFINANCIAL ACTIVITIES AND AFFILIATIONS.—

‘‘(1) IN GENERAL.—Notwithstanding section 4(a), a company that is not a bank holding company or a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978) and becomes a financial holding company after the date of the enactment of the Financial Services Act of 1999 may continue to engage in any activity and retain direct or indirect ownership or control of shares of a company engaged in any activity if—

‘‘(A) the holding company lawfully was engaged in the activity or held the shares of such company on September 30, 1997;

‘‘(B) the holding company is predominantly engaged in financial activities as defined in paragraph (2); and

‘‘(C) the company engaged in such activity continues to engage only in the same activities that such company conducted on September 30, 1997, and other activities permissible under this Act.

‘‘(2) PREDOMINANTLY FINANCIAL.—For purposes of this subsection, a company is predominantly engaged in financial activities if the annual gross revenues derived by the holding company and all subsidiaries of the holding company (excluding revenues derived from subsidiary depository institutions), on a consolidated basis, from engaging in activities that are financial in nature or are incidental to activities that are financial in nature under subsection (c) represent at least 85 percent of the consolidated annual gross revenues of the company.

‘‘(3) NO EXPANSION OF GRANDFATHERED COMMERCIAL ACTIVITIES THROUGH MERGER OR CONSOLIDATION.—A financial holding company that engages in activities or holds shares pursuant to this subsection, or a subsidiary of such financial holding company, may not acquire, in any merger, consolidation, or other type of business combination, assets of any other company which is engaged in any activity which the Board has not determined to be financial in nature or incidental to activities that are financial in nature under subsection (c).

‘‘(4) CONTINUING REVENUE LIMITATION ON GRANDFATHERED COMMERCIAL ACTIVITIES.—Notwithstanding any other provision of this subsection, a financial holding company may continue to engage in activities or hold shares in companies pursuant to this subsection only to the extent that the aggregate annual gross revenues derived from all such activities and all such companies does not exceed 15 percent of the consolidated annual gross revenues of the financial holding company (excluding revenues derived from subsidiary depository institutions).

‘‘(5) CROSS MARKETING RESTRICTIONS APPLICABLE TO COMMERCIAL ACTIVITIES.—A depository institution controlled by a financial holding company shall not—

‘‘(A) offer or market, directly or through any arrangement, any product or service of a company whose activities are conducted or whose shares are owned or controlled by the financial holding company pursuant to this subsection or subparagraph (H) or (I) of subsection (c)(3); or

‘‘(B) permit any of its products or services to be offered or marketed, directly or through any arrangement, by or through any company described in subparagraph (A).

‘‘(6) TRANSACTIONS WITH NONFINANCIAL AFFILIATES.—A depository institution controlled by a financial holding company may not engage in a covered transaction (as defined by section 23A(b)(7) of the Federal Reserve Act) with any affiliate controlled by the company pursuant to section 10(c), this subsection, or subparagraph (H) or (I) of subsection (c)(3).

‘‘(7) SUNSET OF GRANDFATHER.—A financial holding company engaged in any activity, or retaining direct or indirect ownership or control of shares of a company, pursuant to this subsection, shall terminate such activity and divest ownership or control of the shares of such company before the end of the 10-year period beginning on the date of the enactment of the Financial Services Act of 1999. The Board may, upon application by a financial holding company, extend such 10-year period by a period not to exceed an additional 5 years if such extension would not be detrimental to the public interest.

‘‘(g) DEVELOPING ACTIVITIES.—A financial holding company may engage directly or indirectly, or acquire shares of any company engaged, in any activity that the Board has not determined to be financial in nature or incidental to financial activities under subsection (c) if—

‘‘(1) the holding company reasonably concludes that the activity is financial in nature or incidental to financial activities;

‘‘(2) the gross revenues from all activities conducted under this subsection represent less than 5 percent of the consolidated gross revenues of the holding company;

‘‘(3) the aggregate total assets of all companies the shares of which are held under this subsection do not exceed 5 percent of the holding company's consolidated total assets;

‘‘(4) the total capital invested in activities conducted under this subsection represents less than 5 percent of the consolidated total capital of the holding company;

‘‘(5) neither the Board nor the Secretary of the Treasury has determined that the activity is not financial in nature or incidental to financial activities under subsection (c);

‘‘(6) the holding company is not required to provide prior written notice of the transaction to the Board under subsection (c)(6); and

‘‘(7) the holding company provides written notification to the Board describing the activity commenced or conducted by the company acquired no later than 10 business days after commencing the activity or consummating the acquisition.’’.

(b) FACTORS FOR CONSIDERATION IN REVIEWING APPLICATION BY FINANCIAL HOLDING COMPANY TO ACQUIRE BANK.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended by adding at the end the following new paragraph:

‘‘(6) ‘TOO BIG TO FAIL’ FACTOR.—In considering an acquisition, merger, or consolidation under this section involving a financial holding company or a company that would be any such holding company upon the consummation of the transaction, the Board shall consider whether, and the extent to which, the proposed acquisition, merger, or consolidation poses an undue risk to the stability of the financial system of the United States.’’.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end the following new subsection:

‘‘(p) INSURANCE COMPANY.—For purposes of sections 5, 6, and 10, the term ‘insurance company’ includes any person engaged in the business of insurance to the extent of such activities.’’.

(2) Section 4(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(j)) is amended—

(1) in paragraph (1)(A), by inserting ‘‘or in any complementary activity under section 6(c)(1)(B)’’ after ‘‘subsection (c)(8) or (a)(2)’’; and

(2) in paragraph (3)—

(A) by inserting ‘‘, other than any complementary activity under section 6(c)(1)(B),’’ after ‘‘to engage in any activity’’; and

(B) by inserting ‘‘or a company engaged in any complementary activity under section 6(c)(1)(B)’’ after ‘‘insured depository institution’’.

(d) REPORT.—

(1) IN GENERAL.—By the end of the 4-year period beginning on the date of the enactment of this Act and every 4 years thereafter, the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall submit a joint report to the Congress containing a summary of new activities which are financial in nature, including grandfathered commercial activities, in which any financial holding company is engaged pursuant to subsection (c)(1) or (f) of section 6 of the Bank Holding Company Act of 1956 (as added by subsection (a)).

(2) OTHER CONTENTS.—Each report submitted to the Congress pursuant to paragraph (1) shall also contain the following:

(A) A discussion of actions by the Board of Governors of the Federal Reserve System and the Secretary of the Treasury, whether by regulation, order, interpretation, or guideline or by approval or disapproval of an application, with regard to activities of financial holding companies which are incidental to activities financial in nature or complementary to such financial activities.

(B) An analysis and discussion of the risks posed by commercial activities of financial holding companies to the safety and soundness of affiliate depository institutions.

(C) An analysis and discussion of the effect of mergers and acquisitions under section 6 of the Bank Holding Company Act of 1956 on market concentration in the financial services industry.

(D) An analysis and discussion, by the Board and the Secretary in consultation with the other Federal banking agencies (as defined in section 3(z) of the Federal Deposit Insurance Act), of the impact of the implementation of this Act, and the amendments made by this Act, on the extent of meeting community credit needs and capital availability under the Community Reinvestment Act of 1977.

SEC. 104. OPERATION OF STATE LAW.

(a) AFFILIATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), no State may, by statute, regulation, order, interpretation, or other action, prevent or restrict an insured depository institution or wholesale financial institution, or a subsidiary or affiliate thereof, from being affiliated directly or indirectly or associated with any person or entity, as authorized or permitted by this Act or any other provision of Federal law.

(2) INSURANCE.—With respect to affiliations between insured depository institutions or wholesale financial institutions, or any subsidiary or affiliate thereof, and persons or entities engaged in the business of insurance, paragraph (1) does not prohibit—

(A) any State from requiring any person or entity that proposes to acquire control of an entity that is engaged in the business of insurance and domiciled in that State (hereafter in this subparagraph referred to as the "insurer") to furnish to the insurance regulatory authority of that State, not later than 60 days before the effective date of the proposed acquisition—

(i) the name and address of each person by whom, or on whose behalf, the affiliation referred to in this subparagraph is to be effected (hereafter in this subparagraph referred to as the "acquiring party");

(ii) if the acquiring party is an individual, his or her principal occupation and all offices and positions held during the 5 years preceding the date of notification, and any conviction of crimes other than minor traffic violations during the 10 years preceding the date of notification;

(iii) if the acquiring party is not an individual—

(I) a report of the nature of its business operations during the 5 years preceding the date of notification, or for such shorter period as such person and any predecessors thereof shall have been in existence;

(II) an informative description of the business intended to be done by the acquiring party and any subsidiary thereof; and

(III) a list of all individuals who are, or who have been selected to become, directors or executive officers of the acquiring party or who perform, or will perform, functions appropriate to such positions, including, for each such individual, the information required by clause (ii);

(iv) the source, nature, and amount of the consideration used, or to be used, in effecting the merger or other acquisition of control, a description of any transaction wherein funds were, or are to be, obtained for any such purpose, and the identity of persons furnishing such consideration, except that, if a source of such consideration is a loan made in the lender's ordinary course of business, the identity of the lender shall remain confidential if the person filing such statement so requests;

(v) fully audited financial information as to the earnings and financial condition of each acquiring party for the 5 fiscal years preceding the date of notification of each such acquiring party, or for such lesser period as such acquiring party and any predecessors thereof shall have been in existence, and similar unaudited information as of a date not earlier than 90 days before the date of notification, except that, in the case of an acquiring party that is an insurer actively engaged in the business of insurance, the financial statements of such insurer need not be audited, but such audit may be required if the need therefor is determined by the insurance regulatory authority of the State;

(vi) any plans or proposals that each acquiring party may have to liquidate such insurer, to sell its assets, or to merge or consolidate it with any person or to make any other material change in its business or corporate structure or management;

(vii) the number of shares of any security of the insurer that each acquiring party proposes to acquire, the terms of any offer, request, invitation, agreement, or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at;

(viii) the amount of each class of any security of the insurer that is beneficially owned or concerning which there is a right to acquire beneficial ownership by each acquiring party;

(ix) a full description of any contracts, arrangements, or understandings with respect to any security of the insurer in which any acquiring party is involved, including transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies, and identification of the persons with whom such contracts, arrangements, or understandings have been entered into;

(x) a description of the purchase of any security of the insurer during the 12-month period preceding the date of notification by any acquiring party, including the dates of purchase, names of the purchasers, and consideration paid, or agreed to be paid, therefor;

(xi) a description of any recommendations to purchase any security of the insurer made during the 12-month period preceding the date of notification by any acquiring party or by any person based upon interviews or at the suggestion of such acquiring party;

(xii) copies of all tender offers for, requests or invitations for tenders of, exchange offers for and agreements to acquire or exchange any securities of the insurer and, if distributed, of additional soliciting material relating thereto; and

(xiii) the terms of any agreement, contract, or understanding made with any broker-dealer as to solicitation of securities of the insurer for tender and the amount of any fees, commissions, or other compensation to be paid to broker-dealers with regard thereto;

(B) in the case of a person engaged in the business of insurance which is the subject of an acquisition or change or continuation in control, the State of domicile of such person from reviewing or taking action (including approval or disapproval) with regard to the acquisition or change or continuation in control, as long as the State reviews and actions—

(i) are completed by the end of the 60-day period beginning on the later of the date the State received notice of the proposed action or the date the State received the information required under State law regarding such acquisition or change or continuation in control;

(ii) do not have the effect of discriminating, intentionally or unintentionally, against an insured depository institution or affiliate thereof or against any other person based upon affiliation with an insured depository institution; and

(iii) are based on standards or requirements relating to solvency or managerial fitness;

(C) any State from requiring an entity that is acquiring control of an entity that is engaged in the business of insurance and domiciled in that State to maintain or restore the capital requirements of that insurance entity to the level required under the capital regulations of general applicability in that State to avoid the requirement of preparing and filing with the insurance regulatory authority of that State a plan to increase the capital of the entity, except that any determination by the State insurance regulatory authority with respect to such requirement shall be made not later than 60 days after the date of notification under subparagraph (A);

(D) any State from taking actions with respect to the receivership or conservatorship of any insurance company;

(E) any State from restricting a change in the ownership of stock in an insurance company, or a company formed for the purpose of controlling such insurance company, for a period of not more than 3 years beginning on the date of the conversion of such company from mutual to stock form; or

(F) any State from requiring an organization which has been eligible at any time since January 1, 1987, to claim the special deduction provided by section 833 of the Internal Revenue Code of 1986 to meet certain conditions in order to undergo, as determined by the State, a reorganization, recapitalization, conversion, merger, consolidation, sale or other disposition of substantial operating assets, demutualization, dissolution, or to undertake other similar actions and which is governed under a State statute enacted on May 22, 1998, relating to hospital, medical, and dental service corporation conversions.

(3) PRESERVATION OF STATE ANTITRUST AND GENERAL CORPORATE LAWS.—

(A) IN GENERAL.—Subject to subsection (c) and the nondiscrimination provisions contained in such subsection, no provision in paragraph (1) shall be construed as affecting State laws, regulations, orders, interpretations, or other actions of general applicability relating to the governance of corporations, partnerships, limited liability companies or other business associations incorporated or formed under the laws of that State or domiciled in that State, or the applicability of the antitrust laws of any State or any State law that is similar to the antitrust laws.

(B) DEFINITION.—The term "antitrust laws" has the same meaning as in subsection (a) of the first section of the Clayton Act, and includes section 5 of the Federal Trade Commission Act to the extent that such section 5 relates to unfair methods of competition.

(b) ACTIVITIES.—

(1) IN GENERAL.—Except as provided in paragraph (3), and except with respect to insurance sales, solicitation, and cross marketing activities, which shall be governed by paragraph (2), no State may, by statute, regulation, order, interpretation, or other action, prevent or restrict an insured depository institution, wholesale financial institution, or subsidiary or affiliate thereof from engaging directly or indirectly, either by itself or in conjunction with a subsidiary, affiliate, or any other entity or person, in any activity authorized or permitted under this Act.

(2) INSURANCE SALES.—

(A) IN GENERAL.—In accordance with the legal standards for preemption set forth in the decision of the Supreme Court of the United States in Barnett Bank of Marion County N.A. v. Nelson, 517 U.S. 25 (1996), no State may, by statute, regulation, order, interpretation, or other action, prevent or significantly interfere with the ability of an insured depository institution or wholesale financial institution, or a subsidiary or affiliate thereof, to engage, directly or indirectly, either by itself or in conjunction with a subsidiary, affiliate, or any other party, in any insurance sales, solicitation, or cross-marketing activity.

(B) CERTAIN STATE LAWS PRESERVED.—Notwithstanding subparagraph (A), a State may impose any of the following restrictions, or restrictions which are substantially the same as but no more burdensome or restrictive than those in each of the following clauses:

(i) Restrictions prohibiting the rejection of an insurance policy by an insured depository institution, wholesale financial institution, or any subsidiary or affiliate thereof, solely because the policy has been issued or underwritten by any person who is not associated with such insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof, when such insurance is required in connection with a loan or extension of credit.

(ii) Restrictions prohibiting a requirement for any debtor, insurer, or insurance agent or broker to pay a separate charge in connection with the handling of insurance that is required in connection with a loan or other extension of credit or the provision of another traditional banking product by an insured depository institution, wholesale financial institution, or any subsidiary or affiliate thereof, unless such charge would be required when the insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof, is the licensed insurance agent or broker providing the insurance.

(iii) Restrictions prohibiting the use of any advertisement or other insurance promotional material by an insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof, that would cause a reasonable person to believe mistakenly that—

(I) a State or the Federal Government is responsible for the insurance sales activities of, or stands behind the credit of, the institution, affiliate, or subsidiary; or

(II) a State, or the Federal Government guarantees any returns on insurance products, or is a source of payment on any insurance obligation of or sold by the institution, affiliate, or subsidiary;

(iv) Restrictions prohibiting the payment or receipt of any commission or brokerage fee or other valuable consideration for services as an insurance agent or broker to or by any person, unless such person holds a valid State license regarding the applicable class of insurance at the time at which the services are performed, except that, in this clause, the term "services as an insurance agent or broker" does not include a referral by an unlicensed person of a customer or potential customer to a licensed insurance agent or broker that does not include a discussion of specific insurance policy terms and conditions.

(v) Restrictions prohibiting any compensation paid to or received by any individual who is not licensed to sell insurance, for the referral of a customer that seeks to purchase, or seeks an opinion or advice on, any insurance product to a person that sells or provides opinions or advice on such product, based on the purchase of insurance by the customer.

(vi) Restrictions prohibiting the release of the insurance information of a customer (defined as information concerning the premiums, terms, and conditions of insurance coverage, including expiration dates and rates, and insurance claims of a customer contained in the records of the insured depository institution or wholesale financial institution, or a subsidiary or affiliate thereof) to any person or entity other than an officer, director, employee, agent, subsidiary, or affiliate of an insured depository institution or a wholesale financial institution, for the purpose of soliciting or selling insurance, without the express consent of the customer, other than a provision that prohibits—

(I) a transfer of insurance information to an unaffiliated insurance company, agent, or broker in connection with transferring insurance in force on existing insureds of the insured depository institution or wholesale financial institution, or subsidiary or affiliate thereof, or in connection with a merger with or acquisition of an unaffiliated insurance company, agent, or broker; or

(II) the release of information as otherwise authorized by State or Federal law.

(vii) Restrictions prohibiting the use of health information obtained from the insurance records of a customer for any purpose, other than for its activities as a licensed agent or broker, without the express consent of the customer.

(viii) Restrictions prohibiting the extension of credit or any product or service that is equivalent to an extension of credit, lease or sale of property of any kind, or furnishing of any services or fixing or varying the consideration for any of the foregoing, on the condition or requirement that the customer obtain insurance from an insured depository institution, wholesale financial institution, a subsidiary or affiliate thereof, or a particular insurer, agent, or broker, other than a prohibition that would prevent any insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof—

(I) from engaging in any activity described in this clause that would not violate section 106 of the Bank Holding Company Act Amendments of 1970, as interpreted by the Board of Governors of the Federal Reserve System; or

(II) from informing a customer or prospective customer that insurance is required in order to obtain a loan or credit, that loan or credit approval is contingent upon the procurement by the customer of acceptable insurance, or that insurance is available from the insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof.

(ix) Restrictions requiring, when an application by a consumer for a loan or other extension of credit from an insured depository institution or wholesale financial institution is pending, and insurance is offered or sold to the consumer or is required in connection with the loan or extension of credit by the insured depository institution or wholesale financial institution or any affiliate or subsidiary thereof, that a written disclosure be provided to the consumer or prospective customer indicating that his or her choice of an insurance provider will not affect the credit decision or credit terms in any way, except that the insured depository institution or wholesale financial institution may impose reasonable requirements concerning the creditworthiness of the insurance provider and scope of coverage chosen.

(x) Restrictions requiring clear and conspicuous disclosure, in writing, where practicable, to the customer prior to the sale of any insurance policy that such policy—

(I) is not a deposit;

(II) is not insured by the Federal Deposit Insurance Corporation;

(III) is not guaranteed by the insured depository institution or wholesale financial institution or, if appropriate, its subsidiaries or affiliates or any person soliciting the purchase of or selling insurance on the premises thereof; and

(IV) where appropriate, involves investment risk, including potential loss of principal.

(xi) Restrictions requiring that, when a customer obtains insurance (other than credit insurance or flood insurance) and credit from an insured depository institution or wholesale financial institution, or its subsidiaries or affiliates, or any person soliciting the purchase of or selling insurance on the premises thereof, the credit and insurance transactions be completed through separate documents.

(xii) Restrictions prohibiting, when a customer obtains insurance (other than credit insurance or flood insurance) and credit from an insured depository institution or wholesale financial institution or its subsidiaries or affiliates, or any person soliciting the purchase of or selling insurance on the premises thereof, inclusion of the expense of insurance premiums in the primary credit transaction without the express written consent of the customer.

(xiii) Restrictions requiring maintenance of separate and distinct books and records relating to insurance transactions, including all files relating to and reflecting consumer complaints, and requiring that such insurance books and records be made available to the appropriate State insurance regulator for inspection upon reasonable notice.

(C) LIMITATIONS.—

(i) OCC DEFERENCE.—Section 306(e) does not apply with respect to any State statute, regulation, order, interpretation, or other action regarding insurance sales, solicitation, or cross marketing activities described in subparagraph (A) that was issued, adopted, or enacted before September 3, 1998, and that is not described in subparagraph (B).

(ii) NONDISCRIMINATION.—Subsection (c) does not apply with respect to any State statute, regulation, order, interpretation, or other action regarding insurance sales, solicitation, or cross marketing activities described in subparagraph (A) that was issued, adopted, or enacted before September 3, 1998, and that is not described in subparagraph (B).

(iii) CONSTRUCTION.—Nothing in this paragraph shall be construed to limit the applicability of the decision of the Supreme Court in Barnett Bank of Marion County N.A. v. Nelson, 116 S. Ct. 1103 (1996) with respect to a State statute, regulation, order, interpretation, or other action that is not described in subparagraph (B).

(iv) LIMITATION ON INFERENCES.—Nothing in this paragraph shall be construed to create any inference with respect to any State statute, regulation, order, interpretation, or other action that is not referred to or described in this paragraph.

(3) INSURANCE ACTIVITIES OTHER THAN SALES.—State statutes, regulations, interpretations, orders, and other actions shall not be preempted under subsection (b)(1) to the extent that they—

(A) relate to, or are issued, adopted, or enacted for the purpose of regulating the business of insurance in accordance with the Act of March 9, 1945 (commonly known as the "McCarran-Ferguson Act");

(B) apply only to persons or entities that are not insured depository institutions or wholesale financial institutions, but that are directly engaged in the business of insurance (except that they may apply to depository institutions engaged in providing savings bank life insurance as principal to the extent of regulating such insurance);

(C) do not relate to or directly or indirectly regulate insurance sales, solicitations, or cross-marketing activities; and

(D) are not prohibited under subsection (c).

(4) FINANCIAL ACTIVITIES OTHER THAN INSURANCE.—No State statute, regulation, interpretation, order, or other action shall be preempted under subsection (b)(1) to the extent that—

(A) it does not relate to, and is not issued and adopted, or enacted for the purpose of regulating, directly or indirectly, insurance sales, solicitations, or cross marketing activities covered under paragraph (2);

(B) it does not relate to, and is not issued and adopted, or enacted for the purpose of regulating, directly or indirectly, the business of insurance activities other than sales, solicitations, or cross marketing activities, covered under paragraph (3);

(C) it does not relate to securities investigations or enforcement actions referred to in subsection (d); and

(D) it—

(i) does not distinguish by its terms between insured depository institutions, wholesale financial institutions, and subsidiaries and affiliates thereof engaged in the activity at issue and other persons or entities engaged in the same activity in a manner that is in any way adverse with respect to the conduct of the activity by any such insured depository institution, wholesale financial institution, or subsidiary or affiliate thereof engaged in the activity at issue;

(ii) as interpreted or applied, does not have, and will not have, an impact on depository institutions, wholesale financial institutions, or subsidiaries or affiliates thereof engaged in the activity at issue, or any person or entity affiliated therewith, that is substantially more adverse than its impact on other persons or entities engaged in the same activity that are not insured depository institutions, wholesale financial institutions, or subsidiaries or affiliates thereof, or persons or entities affiliated therewith;

(iii) does not effectively prevent a depository institution, wholesale financial institution, or subsidiary or affiliate thereof from engaging in activities authorized or permitted by this Act or any other provision of Federal law; and

(iv) does not conflict with the intent of this Act generally to permit affiliations that are authorized or permitted by Federal law.

(c) NONDISCRIMINATION.—Except as provided in any restrictions described in subsection (b)(2)(B), no State may, by statute, regulation, order, interpretation, or other action, regulate the insurance activities authorized or permitted under this Act or any other provision of Federal law of an insured depository institution or wholesale financial institution, or subsidiary or affiliate thereof, to the extent that such statute, regulation, order, interpretation, or other action—

(1) distinguishes by its terms between insured depository institutions or wholesale financial institutions, or subsidiaries or affiliates thereof, and other persons or entities engaged in such activities, in a manner that is in any way adverse to any such insured depository institution or wholesale financial institution, or subsidiary or affiliate thereof;

(2) as interpreted or applied, has or will have an impact on depository institutions or wholesale financial institutions, or subsidiaries or affiliates thereof, that is substantially more adverse than its impact on other persons or entities providing the same products or services or engaged in the same activities that are not insured depository institutions, wholesale financial institutions, or subsidiaries or affiliates thereof, or persons or entities affiliated therewith;

(3) effectively prevents a depository institution or wholesale financial institution, or subsidiary or affiliate thereof, from engaging in insurance activities authorized or permitted by this Act or any other provision of Federal law; or

(4) conflicts with the intent of this Act generally to permit affiliations that are authorized or permitted by Federal law between insured depository institutions or wholesale financial institutions, or subsidiaries or affiliates thereof, and persons and entities engaged in the business of insurance.

(d) LIMITATION.—Subsections (a) and (b) shall not be construed to affect the jurisdiction of the securities commission (or any agency or office performing like functions) of any State, under the laws of such State—

(1) to investigate and bring enforcement actions, consistent with section 18(c) of the Securities Act of 1933, with respect to fraud or deceit or unlawful conduct by any person, in connection with securities or securities transactions; or

(2) to require the registration of securities or the licensure or registration of brokers, dealers, or investment advisers (consistent with section 203A of the Investment Advisers Act of 1940), or the associated persons of a broker, dealer, or investment adviser (consistent with such section 203A).

(e) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" includes any foreign bank that maintains a branch, agency, or commercial lending company in the United States.

(2) STATE.—The term "State" means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

SEC. 105. MUTUAL BANK HOLDING COMPANIES AUTHORIZED.

Section 3(g)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(g)(2)) is amended to read as follows:

"(2) REGULATIONS.—A bank holding company organized as a mutual holding company shall be regulated on terms, and shall be subject to limitations, comparable to those applicable to any other bank holding company.".

SEC. 105A. PUBLIC MEETINGS FOR LARGE BANK ACQUISITIONS AND MERGERS.

(a) BANK HOLDING COMPANY ACT OF 1956.—Section 3(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)(2)) is amended—

(1) by striking "FACTORS.—In every case" and inserting "FACTORS.—

"(A) IN GENERAL.—In every case"; and

(2) by adding at the end the following new subparagraph:

"(B) PUBLIC MEETINGS.—In each case involving 1 or more insured depository institutions each of which has total assets of $1,000,000,000 or more, the Board shall, as necessary and on a timely basis, conduct public meetings in 1 or more areas where the Board believes, in the sole discretion of the Board, there will be a substantial public impact.".

(b) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended by adding at the end the following new paragraph:

"(12) PUBLIC MEETINGS.—In each merger transaction involving 1 or more insured depository institutions each of which has total assets of $1,000,000,000 or more, the responsible agency shall, as necessary and on a timely basis, conduct public meetings in 1 or more areas where the agency believes, in the sole discretion of the agency, there will be a substantial public impact.".

(c) NATIONAL BANK CONSOLIDATION AND MERGER ACT.—The National Bank Consolidation and Merger Act (12 U.S.C. 215 et seq.) is amended by adding at the end the following new section:

"SEC. 6. PUBLIC MEETINGS FOR LARGE BANK CONSOLIDATIONS AND MERGERS.

"In each case of a consolidation or merger under this Act involving 1 or more banks each of which has total assets of $1,000,000,000 or more, the Comptroller shall, as necessary and on a timely basis, conduct public meetings in 1 or more areas where the Comptroller believes, in the sole discretion of the Comptroller, there will be a substantial public impact.".

(d) HOME OWNERS' LOAN ACT.—Section 10(e) of the Home Owners' Loan Act (12 U.S.C. 1463) is amended by adding at the end the following new paragraph:

"(7) PUBLIC MEETINGS FOR LARGE DEPOSITORY INSTITUTION ACQUISITIONS AND MERGERS.—In each case involving 1 or more insured depository institutions each of which has total assets of $1,000,000,000 or more, the Director shall, as necessary and on a timely basis, conduct public meetings in 1 or more areas where the Director believes, in the sole discretion of the Director, there will be a substantial public impact.".

SEC. 106. PROHIBITION ON DEPOSIT PRODUCTION OFFICES.

(a) IN GENERAL.—Section 109(d) of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. 1835a(d)) is amended—

(1) by inserting ", the Financial Services Act of 1999," after "pursuant to this title"; and

(2) by inserting "or such Act" after "made by this title".

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 109(e)(4) of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. 1835a(e)(4)) is amended by inserting "and any branch of a bank controlled by an out-of-State bank holding company (as defined in section 2(o)(7) of the Bank Holding Company Act of 1956)" before the period.

SEC. 107. CLARIFICATION OF BRANCH CLOSURE REQUIREMENTS.

Section 42(d)(4)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1831r-1(d)(4)(A)) is amended by inserting "and any bank controlled by an out-of-State bank holding company (as defined in section 2(o)(7) of the Bank Holding Company Act of 1956)" before the period.

SEC. 108. AMENDMENTS RELATING TO LIMITED PURPOSE BANKS.

(a) IN GENERAL.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended—

(1) in paragraph (2)(A)(ii)—

(A) by striking "and" at the end of subclause (IX);

(B) by inserting "and" after the semicolon at the end of subclause (X); and

(C) by inserting after subclause (X) the following new subclause:

"(XI) assets that are derived from, or are incidental to, consumer lending activities in which institutions described in subparagraph (F) or (H) of section 2(c)(2) are permitted to engage,";

(2) in paragraph (2), by striking subparagraph (B) and inserting the following new subparagraphs:

"(B) any bank subsidiary of such company engages in any activity in which the bank was not lawfully engaged as of March 5, 1987, unless the bank is well managed and well capitalized;

"(C) any bank subsidiary of such company both—

"(i) accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties; and

"(ii) engages in the business of making commercial loans (and, for purposes of this clause, loans made in the ordinary course of a credit card operation shall not be treated as commercial loans); or

"(D) after the date of the enactment of the Competitive Equality Amendments of 1987, any bank subsidiary of such company permits any overdraft (including any intraday overdraft), or incurs any such overdraft in such bank's account at a Federal reserve bank, on behalf of an affiliate, other than an overdraft described in paragraph (3)."; and

(3) by striking paragraphs (3) and (4) and inserting the following new paragraphs:

"(3) PERMISSIBLE OVERDRAFTS DESCRIBED.—For purposes of paragraph (2)(D), an overdraft is described in this paragraph if—

"(A) such overdraft results from an inadvertent computer or accounting error that is beyond the control of both the bank and the affiliate;

"(B) such overdraft—

"(i) is permitted or incurred on behalf of an affiliate which is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York; and

"(ii) is fully secured, as required by the Board, by bonds, notes, or other obligations which are direct obligations of the United States or on which the principal and interest are fully guaranteed by the United States or by securities and obligations eligible for settlement on the Federal Reserve book entry system; or

"(C) such overdraft—

"(i) is incurred on behalf of an affiliate solely in connection with an activity that is so closely related to banking, or managing or controlling banks, as to be a proper incident thereto, to the extent the bank incurring the overdraft and the affiliate on whose behalf the overdraft is incurred each document that the overdraft is incurred for such purpose; and

"(ii) does not cause the bank to violate any provision of section 23A or 23B of the Federal Reserve Act, either directly, in the case of a member bank, or by virtue of section 18(j) of the Federal Deposit Insurance Act, in the case of a nonmember bank.

"(4) DIVESTITURE IN CASE OF LOSS OF EXEMPTION.—If any company described in paragraph (1) fails to qualify for the exemption provided under such paragraph by operation of paragraph (2), such exemption shall cease to apply to such company and such company shall divest control of each bank it controls before the end of the 180-day period beginning on the date that the company receives notice from the Board that the company has failed to continue to qualify for such exemption, unless before the end of such 180-day period, the company has—

"(A) corrected the condition or ceased the activity that caused the company to fail to continue to qualify for the exemption; and

"(B) implemented procedures that are reasonably adapted to avoid the reoccurrence of such condition or activity.

The issuance of any notice under this paragraph that relates to the activities of a bank shall not be construed as affecting the authority of the bank to continue to engage in such activities until the expiration of such 180-day period.".

(b) INDUSTRIAL LOAN COMPANIES AFFILIATE OVERDRAFTS.—Section 2(c)(2)(H) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(H)) is amended by inserting before the period at the end ", or that is otherwise permissible for a bank controlled by a company described in section 4(f)(1)".

SEC. 109. GAO STUDY OF ECONOMIC IMPACT ON COMMUNITY BANKS, OTHER SMALL FINANCIAL INSTITUTIONS, INSURANCE AGENTS, AND CONSUMERS.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study of the projected economic impact and the actual economic impact that the enactment of this Act will have on financial institutions, including community banks, registered brokers and dealers and insurance companies, which have total assets of $100,000,000 or less, insurance agents, and consumers.

(b) REPORTS TO THE CONGRESS.—

(1) IN GENERAL.—The Comptroller General of the United States shall submit reports to the Congress, at the times required under paragraph (2), containing the findings and conclusions of the Comptroller General with regard to the study required under subsection (a) and such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(2) TIMING OF REPORTS.—The Comptroller General shall submit—

(A) an interim report before the end of the 6-month period beginning after the date of the enactment of this Act;

(B) another interim report before the end of the next 6-month period; and

(C) a final report before the end of the 1-year period after such second 6-month period."

SEC. 110. RESPONSIVENESS TO COMMUNITY NEEDS FOR FINANCIAL SERVICES.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Federal banking agencies (as defined in section 3(z) of the Federal Deposit Insurance Act), shall conduct a study of the extent to which adequate services are being provided as intended by the Community Reinvestment Act of 1977, including services in low- and moderate-income neighborhoods and for persons of modest means, as a result of the enactment of this Act.

(b) REPORT.—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Federal banking agencies, shall submit a report to the Congress on the study conducted pursuant to subsection (a) and shall include such recommendations as the Secretary determines to be appropriate for administrative and legislative action with respect to institutions covered under the Community Reinvestment Act of 1977.

Subtitle B—Streamlining Supervision of Financial Holding Companies

SEC. 111. STREAMLINING FINANCIAL HOLDING COMPANY SUPERVISION.

Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)) is amended to read as follows:

"(c) REPORTS AND EXAMINATIONS.—

"(1) REPORTS.—

"(A) IN GENERAL.—The Board from time to time may require any bank holding company and any subsidiary of such company to submit reports under oath to keep the Board informed as to—

"(i) its financial condition, systems for monitoring and controlling financial and operating risks, and transactions with depository institution subsidiaries of the holding company; and

"(ii) compliance by the company or subsidiary with applicable provisions of this Act.

"(B) USE OF EXISTING REPORTS.—

"(i) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fulfillment of the Board's reporting requirements under this paragraph that a bank holding company or any subsidiary of such company has provided or been required to provide to other Federal and State supervisors or to appropriate self-regulatory organizations.

"(ii) AVAILABILITY.—A bank holding company or a subsidiary of such company shall provide to the Board, at the request of the Board, a report referred to in clause (i).

"(iii) REQUIRED USE OF PUBLICLY REPORTED INFORMATION.—The Board shall, to the fullest extent possible, accept in fulfillment of any reporting or recordkeeping requirements under this Act information that is otherwise required to be reported publicly and externally audited financial statements.

"(iv) REPORTS FILED WITH OTHER AGENCIES.—In the event the Board requires a report from a functionally regulated nondepository institution subsidiary of a bank holding company of a kind that is not required by another Federal or State regulator or appropriate self-regulatory organization, the Board shall request that the appropriate regulator or self-regulatory organization obtain such report. If the report is not made available to the Board, and the report is necessary to assess a material risk to the bank holding company or any of its subsidiary depository institutions or compliance with this Act, the Board may require such subsidiary to provide such a report to the Board.

"(C) DEFINITION.—For purposes of this subsection, the term 'functionally regulated nondepository institution' means—

"(i) a broker or dealer registered under the Securities Exchange Act of 1934;

"(ii) an investment adviser registered under the Investment Advisers Act of 1940, or with any State, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

"(iii) an insurance company subject to supervision by a State insurance commission, agency, or similar authority; and

"(iv) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.

"(2) EXAMINATIONS.—

"(A) EXAMINATION AUTHORITY.—

"(i) IN GENERAL.—The Board may make examinations of each bank holding company and each subsidiary of a bank holding company.

"(ii) FUNCTIONALLY REGULATED NONDEPOSITORY INSTITUTION SUBSIDIARIES.—Notwithstanding clause (i), the Board may make examinations of a functionally regulated nondepository institution subsidiary of a bank holding company only if—

"(I) the Board has reasonable cause to believe that such subsidiary is engaged in activities that pose a material risk to an affiliated depository institution, or

"(II) based on reports and other available information, the Board has reasonable cause to believe that a subsidiary is not in compliance with this Act or with provisions relating to transactions with an affiliated depository institution and the Board cannot make such determination through examination of the affiliated depository institution or bank holding company.

"(B) LIMITATIONS ON EXAMINATION AUTHORITY FOR BANK HOLDING COMPANIES AND SUBSIDIARIES.—Subject to subparagraph (A)(ii), the Board may make examinations under subparagraph (A)(i) of each bank holding company and each subsidiary of such holding company in order to—

"(i) inform the Board of the nature of the operations and financial condition of the holding company and such subsidiaries;

"(ii) inform the Board of—

"(I) the financial and operational risks within the holding company system that may pose a threat to the safety and soundness of any subsidiary depository institution of such holding company; and

"(II) the systems for monitoring and controlling such risks; and

"(iii) monitor compliance with the provisions of this Act and those governing transactions and relationships between any subsidiary depository institution and its affiliates.

"(C) RESTRICTED FOCUS OF EXAMINATIONS.—The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a bank holding company to—

"(i) the bank holding company; and

"(ii) any subsidiary of the holding company that, because of—

"(I) the size, condition, or activities of the subsidiary; or

"(II) the nature or size of transactions between such subsidiary and any depository institution which is also a subsidiary of such holding company,

could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

"(D) DEFERENCE TO BANK EXAMINATIONS.—The Board shall, to the fullest extent possible, use, for the purposes of this paragraph, the reports of examinations of depository institutions made by the appropriate Federal and State depository institution supervisory authority.

"(E) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, address the circumstances which might otherwise permit or require an examination by the Board by forgoing an examination and instead reviewing the reports of examination made of—

"(i) any registered broker or dealer by or on behalf of the Securities and Exchange Commission;

"(ii) any investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State, whichever is required by law;

"(iii) any licensed insurance company by or on behalf of any state regulatory authority responsible for the supervision of insurance companies; and

"(iv) any other subsidiary that the Board finds to be comprehensively supervised by a Federal or State authority.

"(3) CAPITAL.—

"(A) IN GENERAL.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, guidelines, standards, or requirements on any subsidiary of a financial holding company that is not a depository institution and—

"(i) is in compliance with applicable capital requirements of another Federal regulatory authority (including the Securities and Exchange Commission) or State insurance authority;

"(ii) is registered as an investment adviser under the Investment Advisers Act of 1940, or with any State, whichever is required by law; or

"(iii) is licensed as an insurance agent with the appropriate State insurance authority.

"(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to—

"(i) activities of a registered investment adviser other than investment advisory activities or activities incidental to investment advisory activities; or

"(ii) activities of a licensed insurance agent other than insurance agency activities or activities incidental to insurance agency activities.

"(C) LIMITATIONS ON INDIRECT ACTION.—In developing, establishing, or assessing holding company capital or capital adequacy rules, guidelines, standards, or requirements for purposes of this paragraph, the Board shall not take into account the activities, operations, or investments of an affiliated investment company registered under the Investment Company Act of 1940, unless the investment company is—

"(i) a bank holding company; or

"(ii) controlled by a bank holding company by reason of ownership by the bank holding company (including through all of its affiliates) of 25 percent or more of the shares of the investment company, and the shares owned by the bank holding company have a market value equal to more than $1,000,000.

"(4) TRANSFER OF BOARD AUTHORITY TO APPROPRIATE FEDERAL BANKING AGENCY.—

"(A) IN GENERAL.—In the case of any bank holding company which is not significantly engaged in nonbanking activities, the Board, in consultation with the appropriate Federal banking agency, may designate the appropriate Federal banking agency of the lead insured depository institution subsidiary of such holding company as the appropriate Federal banking agency for the bank holding company.

"(B) AUTHORITY TRANSFERRED.—An agency designated by the Board under subparagraph (A) shall have the same authority as the Board under this Act to—

"(i) examine and require reports from the bank holding company and any affiliate of such company (other than a depository institution) under section 5;

"(ii) approve or disapprove applications or transactions under section 3;

"(iii) take actions and impose penalties under subsections (e) and (f) of section 5 and section 8; and

"(iv) take actions regarding the holding company, any affiliate of the holding company (other than a depository institution), or any institution-affiliated party of such company or affiliate under the Federal Deposit Insurance Act and any other statute which the Board may designate.

"(C) AGENCY ORDERS.—Section 9 of this Act and section 105 of the Bank Holding Company Act Amendments of 1970 shall apply to orders issued by an agency designated under subparagraph (A) in the same manner such sections apply to orders issued by the Board.

"(5) FUNCTIONAL REGULATION OF SECURITIES AND INSURANCE ACTIVITIES.—The Board shall defer to—

"(A) the Securities and Exchange Commission with regard to all interpretations of, and the enforcement of, applicable Federal securities laws (and rules, regulations, orders, and other directives issued thereunder) relating to the activities, conduct, and operations of registered brokers, dealers, investment advisers, and investment companies;

"(B) the relevant State securities authorities with regard to all interpretations of, and the enforcement of, applicable State securities laws (and rules, regulations, orders, and other directives issued thereunder) relating to the activities, conduct, and operations of brokers, dealers, and investment advisers required to be registered under State law; and

"(C) the relevant State insurance authorities with regard to all interpretations of, and the enforcement of, applicable State insurance laws (and rules, regulations, orders, and other directives issued thereunder) relating to the activities, conduct, and operations of insurance companies and insurance agents.".

SEC. 112. ELIMINATION OF APPLICATION REQUIREMENT FOR FINANCIAL HOLDING COMPANIES.

(a) PREVENTION OF DUPLICATIVE FILINGS.—Section 5(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(a)) is amended by adding the following new sentence at the end: "A declaration filed in accordance with section 6(b)(1)(D) shall satisfy the requirements of this subsection with regard to the registration of a bank holding company but not any requirement to file an application to acquire a bank pursuant to section 3.".

(b) DIVESTITURE PROCEDURES.—Section 5(e)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(e)(1)) is amended—

(1) by striking "Financial Institutions Supervisory Act of 1966, order" and inserting "Financial Institutions Supervisory Act of 1966, at the election of the bank holding company—

"(A) order"; and

(2) by striking "shareholders of the bank holding company. Such distribution" and inserting "shareholders of the bank holding company; or

"(B) order the bank holding company, after due notice and opportunity for hearing, and after consultation with the primary supervisor for the bank, which shall be the Comptroller of the Currency in the case of a national bank, and the Federal Deposit Insurance Corporation and the appropriate State supervisor in the case of an insured nonmember bank, to terminate (within 120 days or such longer period as the Board may direct) the ownership or control of any such bank by such company.

The distribution referred to in subparagraph (A)".

SEC. 113. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

(a) BANK HOLDING COMPANIES.—Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by adding at the end the following new subsection:

"(g) AUTHORITY OF STATE INSURANCE REGULATOR AND THE SECURITIES AND EXCHANGE COMMISSION.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the Board which requires a bank holding company to provide funds or other assets to a subsidiary insured depository institution shall not be effective nor enforceable with respect to an entity described in subparagraph (A) if—

"(A) such funds or assets are to be provided by—

"(i) a bank holding company that is an insurance company, a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; or

"(ii) an affiliate of the depository institution which is an insurance company or a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State ; and

"(B) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker, dealer, investment adviser (solely with respect to investment advisory activities or activities incidental thereto), or investment company, as the case may be, determines in writing sent to the holding company and the Board that the holding company shall not provide such funds or assets because such action would have a material adverse effect on the financial condition of the insurance company or the broker, dealer, investment company, or investment adviser, as the case may be.

"(2) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the Board requires a bank holding company, or an affiliate of a bank holding company, which is an insurance company or a broker, dealer, investment company, or investment adviser described in paragraph (1)(A) to provide funds or assets to an insured depository institution subsidiary of the holding company pursuant to any regulation, order, or other action of the Board referred to in paragraph (1), the Board shall promptly notify the State insurance authority for the insurance company, the Securities and Exchange Commission, or State securities regulator, as the case may be, of such requirement.

"(3) DIVESTITURE IN LIEU OF OTHER ACTION.—If the Board receives a notice described in paragraph (1)(B) from a State insurance authority or the Securities and Exchange Commission with regard to a bank holding company or affiliate referred to in that paragraph, the Board may order the bank holding company to divest the insured depository institution not later than 180 days after receiving the notice, or such longer period as the Board determines consistent with the safe and sound operation of the insured depository institution.

"(4) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the Board under paragraph (3) to a bank holding company and ending on the date the divestiture is completed, the Board may impose any conditions or restrictions on the holding company's ownership or operation of the insured depository institution, including restricting or prohibiting transactions between the insured depository institution and any affiliate of the institution, as are appropriate under the circumstances.".

(b) SUBSIDIARIES OF DEPOSITORY INSTITUTIONS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 45. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

"(a) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the appropriate Federal banking agency which requires a subsidiary to provide funds or other assets to an insured depository institution shall not be effective nor enforceable with respect to an entity described in paragraph (1) if—

"(1) such funds or assets are to be provided by a subsidiary which is an insurance company, a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; and

"(2) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker or dealer, the investment company, or the investment adviser, as the case may be, determines in writing sent to the insured depository institution and the appropriate Federal banking agency that the subsidiary shall not provide such funds or assets because such action would have a material adverse effect on the financial condition of the insurance company or the broker, dealer, investment company, or investment adviser, as the case may be.

"(b) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the appropriate Federal banking agency requires a subsidiary, which is an insurance company, a broker or dealer, an investment company, or an investment adviser (solely with respect to investment advisory activities or activities incidental thereto) described in subsection (a)(1) to provide funds or assets to an insured depository institution pursuant to any regulation, order, or other action of the appropriate Federal banking agency referred to in subsection (a), the appropriate Federal banking agency shall promptly notify the State insurance authority for the insurance company, the Securities and Exchange Commission, or State securities regulator, as the case may be, of such requirement.

"(c) DIVESTITURE IN LIEU OF OTHER ACTION.—If the appropriate Federal banking agency receives a notice described in subsection (a)(2) from a State insurance authority or the Securities and Exchange Commission with regard to a subsidiary referred to in that subsection, the appropriate Federal banking agency may order the insured depository institution to divest the subsidiary not later than 180 days after receiving the notice, or such longer period as the appropriate Federal banking agency determines consistent with the safe and sound operation of the insured depository institution.

"(d) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the appropriate Federal banking agency under subsection (c) to an insured depository institution and ending on the date the divestiture is complete, the appropriate Federal banking agency may impose any conditions or restrictions on the insured depository institution's ownership of the subsidiary including restricting or prohibiting transactions between the insured depository institution and the subsidiary, as are appropriate under the circumstances.".

SEC. 114. PRUDENTIAL SAFEGUARDS.

(a) COMPTROLLER OF THE CURRENCY.—

(1) IN GENERAL.—The Comptroller of the Currency may, by regulation or order, impose restrictions or requirements on relationships or transactions between a national bank and a subsidiary of the national bank which the Comptroller finds are consistent with the public interest, the purposes of this Act, title LXII of the Revised Statutes of the United States, and other Federal law applicable to national banks, and the standards in paragraph (2).

(2) STANDARDS.—The Comptroller of the Currency may exercise authority under paragraph (1) if the Comptroller finds that such action will have any of the following effects:

(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

(B) Enhance the financial stability of banks.

(C) Avoid conflicts of interest or other abuses.

(D) Enhance the privacy of customers of the national bank or any subsidiary of the bank.

(E) Promote the application of national treatment and equality of competitive opportunity between subsidiaries owned or controlled by domestic banks and subsidiaries owned or controlled by foreign banks operating in the United States.

(3) REVIEW.—The Comptroller of the Currency shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

(B) modify or eliminate any restriction or requirement the Comptroller finds is no longer required for such purposes.

(b) BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.—

(1) IN GENERAL.—The Board of Governors of the Federal Reserve System may, by regulation or order, impose restrictions or requirements on relationships or transactions—

(A) between a depository institution subsidiary of a bank holding company and any affiliate of such depository institution (other than a subsidiary of such institution); or

(B) between a State member bank and a subsidiary of such bank,

which the Board finds are consistent with the public interest, the purposes of this Act, the Bank Holding Company Act of 1956, the Federal Reserve Act, and other Federal law applicable to depository institution subsidiaries of bank holding companies or State banks (as the case may be), and the standards in paragraph (2).

(2) STANDARDS.—The Board of Governors of the Federal Reserve System may exercise authority under paragraph (1) if the Board finds that such action will have any of the following effects:

(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

(B) Enhance the financial stability of bank holding companies.

(C) Avoid conflicts of interest or other abuses.

(D) Enhance the privacy of customers of the State member bank or any subsidiary of the bank.

(E) Promote the application of national treatment and equality of competitive opportunity between nonbank affiliates owned or controlled by domestic bank holding companies and nonbank affiliates owned or controlled by foreign banks operating in the United States.

(3) REVIEW.—The Board of Governors of the Federal Reserve System shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

(B) modify or eliminate any restriction or requirement the Board finds is no longer required for such purposes.

(4) Foreign banks.—

(A) In general.—The Board may, by regulation or order, impose restrictions or requirements on relationships or transactions between a branch, agency, or commercial lending company of a foreign bank in the United States and any affiliate in the United States of such foreign bank that the Board finds are consistent with the public interest, the purposes of this Act, the Bank Holding Company Act of 1956, the Federal Reserve Act, and other Federal law applicable to foreign banks and their affiliates in the United States, and the standards in paragraphs (2) and (3).

(B) Evasion.—In the event that the Board determines that there may be circumstances that would result in an evasion of this paragraph, the Board may also impose restrictions or requirements on relationships or transactions between operations of a foreign bank outside the United States and any affiliate in the United States of such foreign bank that are consistent with national treatment and equality of competitive opportunity.

(c) Federal Deposit Insurance Corporation.—

(1) In general.—The Federal Deposit Insurance Corporation may, by regulation or order, impose restrictions or requirements on relationships or transactions between a State nonmember bank (as defined in section 3 of the Federal Deposit Insurance Act) and a subsidiary of the State nonmember bank which the Corporation finds are consistent with the public interest, the purposes of this Act, the Federal Deposit Insurance Act, or other Federal law applicable to State nonmember banks and the standards in paragraph (2).

(2) Standards.—The Federal Deposit Insurance Corporation may exercise authority under paragraph (1) if the Corporation finds that such action will have any of the following effects:

(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

(B) Enhance the financial stability of banks.

(C) Avoid conflicts of interest or other abuses.

(D) Enhance the privacy of customers of the State nonmember bank or any subsidiary of the bank.

(E) Promote the application of national treatment and equality of competitive opportunity between subsidiaries owned or controlled by domestic banks and subsidiaries owned or controlled by foreign banks operating in the United States.

(3) Review.—The Federal Deposit Insurance Corporation shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

(B) modify or eliminate any restriction or requirement the Corporation finds is no longer required for such purposes.

SEC. 115. EXAMINATION OF INVESTMENT COMPANIES.

(a) Exclusive Commission Authority.—

(1) In general.—Except as provided in paragraph (3), the Commission shall be the sole Federal agency with authority to inspect and examine any registered investment company that is not a bank holding company or a savings and loan holding company.

(2) Prohibition on banking agencies.—Except as provided in paragraph (3), a Federal banking agency may not inspect or examine any registered investment company that is not a bank holding company or a savings and loan holding company.

(3) Certain examinations authorized.—Nothing in this subsection prevents the Federal Deposit Insurance Corporation, if the Corporation finds it necessary to determine the condition of an insured depository institution for insurance purposes, from examining an affiliate of any insured depository institution, pursuant to its authority under section 10(b)(4) of the Federal Deposit Insurance Act, as may be necessary to disclose fully the relationship between the depository institution and the affiliate, and the effect of such relationship on the depository institution.

(b) Examination Results and Other Information.—The Commission shall provide to any Federal banking agency, upon request, the results of any examination, reports, records, or other information with respect to any registered investment company to the extent necessary for the agency to carry out its statutory responsibilities.

(c) Definitions.—For purposes of this section, the following definitions shall apply:

(1) Bank holding company.—The term "bank holding company" has the same meaning as in section 2 of the Bank Holding Company Act of 1956.

(2) Commission.—The term "Commission" means the Securities and Exchange Commission.

(3) Federal banking agency.—The term "Federal banking agency" has the same meaning as in section 3(z) of the Federal Deposit Insurance Act.

(4) Registered investment company.—The term "registered investment company" means an investment company which is registered with the Commission under the Investment Company Act of 1940.

(5) Savings and loan holding company.—The term "savings and loan holding company" has the same meaning as in section 10(a)(1)(D) of the Home Owners' Loan Act.

SEC. 116. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by inserting after section 10 the following new section:

"SEC. 10A. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

"(a) Limitation on Direct Action.—

"(1) In general.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a regulated subsidiary of a bank holding company unless the action is necessary to prevent or redress an unsafe or unsound practice or breach of fiduciary duty by such subsidiary that poses a material risk to—

"(A) the financial safety, soundness, or stability of an affiliated depository institution; or

"(B) the domestic or international payment system.

"(2) Criteria for board action.—The Board shall not take action otherwise permitted under paragraph (1) unless the Board finds that it is not reasonably possible to effectively protect against the material risk at issue through action directed at or against the affiliated depository institution or against depository institutions generally.

"(b) Limitation on Indirect Action.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a financial holding company or a wholesale financial holding company where the purpose or effect of doing so would be to take action indirectly against or with respect to a regulated subsidiary that may not be taken directly against or with respect to such subsidiary in accordance with subsection (a).

"(c) Actions Specifically Authorized.—Notwithstanding subsection (a), the Board may take action under this Act or section 8 of the Federal Deposit Insurance Act to enforce compliance by a regulated subsidiary with Federal law that the Board has specific jurisdiction to enforce against such subsidiary.

"(d) Regulated Subsidiary Defined.—For purposes of this section, the term 'regulated subsidiary' means any company that is not a bank holding company and is—

"(1) a broker or dealer registered under the Securities Exchange Act of 1934;

"(2) an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State, whichever is required by law, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

"(3) an investment company registered under the Investment Company Act of 1940;

"(4) an insurance company or an insurance agency, with respect to the insurance activities and activities incidental to such insurance activities, subject to supervision by a State insurance commission, agency, or similar authority; or

"(5) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.".

SEC. 117. EQUIVALENT REGULATION AND SUPERVISION.

(a) In General.—Notwithstanding any other provision of law, the provisions of—

(1) section 5(c) of the Bank Holding Company Act of 1956 (as amended by this Act) that limit the authority of the Board of Governors of the Federal Reserve System to require reports from, to make examinations of, or to impose capital requirements on bank holding companies and their nonbank subsidiaries or that require deference to other regulators; and

(2) section 10A of the Bank Holding Company Act of 1956 (as added by this Act) that limit whatever authority the Board might otherwise have to take direct or indirect action with respect to bank holding companies and their nonbank subsidiaries,

shall also limit whatever authority that a Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) might otherwise have under any statute to require reports, make examinations, impose capital requirements or take any other direct or indirect action with respect to bank holding companies and their nonbank subsidiaries (including nonbank subsidiaries of depository institutions), subject to the same standards and requirements as are applicable to the Board under such provisions.

(b) Certain Examinations Authorized.—No provision of this section shall be construed as preventing the Federal Deposit Insurance Corporation, if the Corporation finds it necessary to determine the condition of an insured depository institution for insurance purposes, from examining an affiliate of any insured depository institution, pursuant to its authority under section 10(b)(4) of the Federal Deposit Insurance Act, as may be necessary to disclose fully the relationship between the depository institution and the affiliate, and the effect of such relationship on the depository institution.

SEC. 118. PROHIBITION ON FDIC ASSISTANCE TO AFFILIATES AND SUBSIDIARIES.

Section 11(a)(4)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)(B)) is amended by striking “to benefit any shareholder of” and inserting “to benefit any shareholder, affiliate (other than an insured depository institution that receives assistance in accordance with the provisions of this Act), or subsidiary of”.

SEC. 119. REPEAL OF SAVINGS BANK PROVISIONS IN THE BANK HOLDING COMPANY ACT OF 1956.

Section 3(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(f)) is amended to read as follows:

“(f) [Repealed].”.

SEC. 120. TECHNICAL AMENDMENT.

Section 2(o)(1)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(o)(1)(A)) is amended by striking “section 38(b)” and inserting “section 38”.

Subtitle C—Subsidiaries of National Banks

SEC. 121. PERMISSIBLE ACTIVITIES FOR SUBSIDIARIES OF NATIONAL BANKS.

(a) Financial Subsidiaries of National Banks.—Chapter one of title LXII of the Revised Statutes of United States (12 U.S.C. 21 et seq.) is amended—

(1) by redesignating section 5136A as section 5136C; and

(2) by inserting after section 5136 (12 U.S.C. 24) the following new section:

“SEC. 5136A. SUBSIDIARIES OF NATIONAL BANKS.

“(a) Subsidiaries of National Banks Authorized To Engage in Financial Activities.—

“(1) Exclusive authority.—No provision of section 5136 or any other provision of this title LXII of the Revised Statutes of the United States shall be construed as authorizing a subsidiary of a national bank to engage in, or own any share of or any other interest in any company engaged in, any activity that—

“(A) is not permissible for a national bank to engage in directly; or

“(B) is conducted under terms or conditions other than those that would govern the conduct of such activity by a national bank, unless a national bank is specifically authorized by the express terms of a Federal statute and not by implication or interpretation to acquire shares of or an interest in, or to control, such subsidiary, such as by paragraph (2) of this subsection and section 25A of the Federal Reserve Act.

“(2) Specific authorization to conduct activities which are financial in nature.—Subject to paragraphs (3) and (4), a national bank may control a financial subsidiary, or hold an interest in a financial subsidiary, that is controlled by insured depository institutions or subsidiaries thereof.

“(3) Eligibility requirements.—A national bank may control or hold an interest in a company pursuant to paragraph (2) only if—

“(A) the national bank and all depository institution affiliates of the national bank are well capitalized;

“(B) the national bank and all depository institution affiliates of the national bank are well managed;

“(C) the national bank and all depository institution affiliates of such national bank have achieved a rating of ‘satisfactory record of meeting community credit needs’, or better, at the most recent examination of each such bank or institution; and

“(D) the bank has received the approval of the Comptroller of the Currency.

“(4) Activity limitations.—In addition to any other limitation imposed on the activity of subsidiaries of national banks, a subsidiary of a national bank may not, pursuant to paragraph (2)—

“(A) engage as principal in insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death (other than in connection with credit-related insurance) or in providing or issuing annuities;

“(B) engage in real estate investment or development activities; or

“(C) engage in any activity permissible for a financial holding company under paragraph (3)(I) of section 6(c) of the Bank Holding Company Act of 1956 (relating to insurance company investments).

“(5) Size factor with regard to free-standing national banks.—Notwithstanding paragraph (2), a national bank which has total assets of $10,000,000,000 or more may not control a subsidiary engaged in financial activities pursuant to such paragraph unless such national bank is a subsidiary of a bank holding company.

“(6) Limited exclusions from community needs requirements for newly affiliated depository institutions.—Any depository institution which becomes an affiliate of a national bank during the 12-month period preceding the date of an approval by the Comptroller of the Currency under paragraph (3)(D) for such bank, and any depository institution which becomes an affiliate of the national bank after such date, may be excluded for purposes of paragraph (3)(C) during the 12-month period beginning on the date of such affiliation if—

“(A) the national bank or such depository institution has submitted an affirmative plan to the appropriate Federal banking agency to take such action as may be necessary in order for such institution to achieve a rating of ‘satisfactory record of meeting community credit needs’, or better, at the next examination of the institution; and

“(B) the plan has been accepted by such agency.

“(7) Definitions.—For purposes of this section, the following definitions shall apply:

“(A) Company; control; affiliate; subsidiary.—The terms ‘company’, ‘control’, ‘affiliate’, and ‘subsidiary’ have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

“(B) Financial subsidiary.—The term ‘financial subsidiary’ means a company which is a subsidiary of an insured bank and is engaged in financial activities that have been determined to be financial in nature or incidental to such financial activities in accordance with subsection (b) or permitted in accordance with subsection (b)(4), other than activities that are permissible for a national bank to engage in directly or that are authorized under the Bank Service Company Act, section 25 or 25A of the Federal Reserve Act, or any other Federal statute (other than this section) that specifically authorizes the conduct of such activities by its express terms and not by implication or interpretation.

“(C) Well capitalized.—The term ‘well capitalized’ has the same meaning as in section 38 of the Federal Deposit Insurance Act and, for purposes of this section, the Comptroller shall have exclusive jurisdiction to determine whether a national bank is well capitalized.

“(D) Well managed.—The term ‘well managed’ means—

“(i) in the case of a depository institution that has been examined, unless otherwise determined in writing by the appropriate Federal banking agency—

“(I) the achievement of a composite rating of 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating under an equivalent rating system) in connection with the most recent examination or subsequent review of the depository institution; and

“(II) at least a rating of 2 for management, if that rating is given; or

“(ii) in the case of any depository institution that has not been examined, the existence and use of managerial resources that the appropriate Federal banking agency determines are satisfactory.

“(E) Incorporated definitions.—The terms ‘appropriate Federal banking agency’ and ‘depository institution’ have the same meanings as in section 3 of the Federal Deposit Insurance Act.

“(b) Activities That Are Financial in Nature.—

“(1) Financial activities.—

“(A) In general.—For purposes of subsection (a)(7)(B), an activity shall be considered to have been determined to be financial in nature or incidental to such financial activities only if—

“(i) such activity is permitted for a financial holding company pursuant to section 6(c)(3) of the Bank Holding Company Act of 1956 (to the extent such activity is not otherwise prohibited under this section or any other provision of law for a subsidiary of a national bank engaged in activities pursuant to subsection (a)(2)); or

“(ii) the Secretary of the Treasury determines the activity to be financial in nature or incidental to such financial activities in accordance with subparagraph (B) or paragraph (3).

“(B) Coordination between the Board and the Secretary of the Treasury.—

“(i) Proposals raised before the Secretary of the Treasury.—

“(I) Consultation.—The Secretary of the Treasury shall notify the Board of, and consult with the Board concerning, any request, proposal, or application under this subsection, including any regulation or order proposed under paragraph (3), for a determination of whether an activity is financial in nature or incidental to such a financial activity.

“(II) Board view.—The Secretary of the Treasury shall not determine that any activity is financial in nature or incidental to a financial activity under this subsection if the Board notifies the Secretary in writing, not later than 30 days after the date of receipt of the notice described in subclause (I) (or such longer period as the Secretary determines to be appropriate in light of the circumstances) that the Board believes that the activity is not financial in nature or incidental to a financial activity.

"(ii) PROPOSALS RAISED BY THE BOARD.—

"(I) BOARD RECOMMENDATION.—The Board may, at any time, recommend in writing that the Secretary of the Treasury find an activity to be financial in nature or incidental to a financial activity (other than an activity which the Board has sole authority to regulate under subparagraph (C)).

"(II) TIME PERIOD FOR SECRETARIAL ACTION.—Not later than 30 days after the date of receipt of a written recommendation from the Board under subclause (I) (or such longer period as the Secretary of the Treasury and the Board determine to be appropriate in light of the circumstances), the Secretary shall determine whether to initiate a public rulemaking proposing that the subject recommended activity be found to be financial in nature or incidental to a financial activity under this subsection, and shall notify the Board in writing of the determination of the Secretary and, in the event that the Secretary determines not to seek public comment on the proposal, the reasons for that determination.

"(C) AUTHORITY OVER MERCHANT BANKING.—The Board shall have sole authority to prescribe regulations and issue interpretations to implement this paragraph with respect to activities described in section 6(c)(3)(H) of the Bank Holding Company Act of 1956.

"(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to financial activities, the Secretary shall take into account—

"(A) the purposes of this Act and the Financial Services Act of 1999;

"(B) changes or reasonably expected changes in the marketplace in which banks compete;

"(C) changes or reasonably expected changes in the technology for delivering financial services; and

"(D) whether such activity is necessary or appropriate to allow a bank and the subsidiaries of a bank to—

"(i) compete effectively with any company seeking to provide financial services in the United States;

"(ii) use any available or emerging technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and

"(iii) offer customers any available or emerging technological means for using financial services.

"(3) AUTHORIZATION OF NEW FINANCIAL ACTIVITIES.—The Secretary of the Treasury shall, by regulation or order and in accordance with paragraph (1)(B), define, consistent with the purposes of this Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to activities which are financial in nature:

"(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

"(B) Providing any device or other instrumentality for transferring money or other financial assets.

"(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

"(4) DEVELOPING ACTIVITIES.—Subject to subsection (a)(2), a financial subsidiary of a national bank may engage directly or indirectly, or acquire shares of any company engaged, in any activity that the Secretary has not determined to be financial in nature or incidental to financial activities under this subsection if—

"(A) the subsidiary reasonably concludes that the activity is financial in nature or incidental to financial activities;

"(B) the gross revenues from all activities conducted under this paragraph represent less than 5 percent of the consolidated gross revenues of the national bank;

"(C) the aggregate total assets of all companies the shares of which are held under this paragraph do not exceed 5 percent of the national bank's consolidated total assets;

"(D) the total capital invested in activities conducted under this paragraph represents less than 5 percent of the consolidated total capital of the national bank;

"(E) neither the Secretary of the Treasury nor the Board has determined that the activity is not financial in nature or incidental to financial activities under this subsection; and

"(F) the national bank provides written notice to the Secretary of the Treasury describing the activity commenced by the subsidiary or conducted by the company acquired no later than 10 business days after commencing the activity or consummating the acquisition.

"(c) PROVISIONS APPLICABLE TO NATIONAL BANKS THAT FAIL TO MEET REQUIREMENTS.—

"(1) IN GENERAL.—If a national bank or depository institution affiliate is not in compliance with the requirements of subparagraph (A), (B), or (C) of subsection (a)(3), the appropriate Federal banking agency shall notify the Comptroller of the Currency, who shall give notice of such finding to the national bank.

"(2) AGREEMENT TO CORRECT CONDITIONS REQUIRED.—Not later than 45 days after receipt by a national bank of a notice given under paragraph (1) (or such additional period as the Comptroller of the Currency may permit), the national bank and any relevant affiliated depository institution shall execute an agreement acceptable to the Comptroller of the Currency and the other appropriate Federal banking agencies, if any, to comply with the requirements applicable under subsection (a)(3).

"(3) COMPTROLLER OF THE CURRENCY MAY IMPOSE LIMITATIONS.—Until the conditions described in a notice to a national bank under paragraph (1) are corrected—

"(A) the Comptroller of the Currency may impose such limitations on the conduct or activities of the national bank or any subsidiary of the bank as the Comptroller of the Currency determines to be appropriate under the circumstances; and

"(B) the appropriate Federal banking agency may impose such limitations on the conduct or activities of an affiliated depository institution or any subsidiary of the depository institution as such agency determines to be appropriate under the circumstances.

"(4) FAILURE TO CORRECT.—If, after receiving a notice under paragraph (1), a national bank and other affiliated depository institutions do not—

"(A) execute and implement an agreement in accordance with paragraph (2);

"(B) comply with any limitations imposed under paragraph (3);

"(C) in the case of a notice of failure to comply with subsection (a)(3)(A), restore the national bank or any depository institution affiliate of the bank to well capitalized status before the end of the 180-day period beginning on the date such notice is received by the national bank (or such other period permitted by the Comptroller of the Currency); or

"(D) in the case of a notice of failure to comply with subparagraph (B) or (C) of subsection (a)(3), restore compliance with any such subparagraph on or before the date on which the next examination of the depository institution subsidiary is completed or by the end of such other period as the Comptroller of the Currency determines to be appropriate,

the Comptroller of the Currency may require such national bank, under such terms and conditions as may be imposed by the Comptroller of the Currency and subject to such extension of time as may be granted in the Comptroller of the Currency's discretion, to divest control of any subsidiary engaged in activities pursuant to subsection (a)(2) or, at the election of the national bank, instead to cease to engage in any activity conducted by a subsidiary of the national bank pursuant to subsection (a)(2).

"(5) CONSULTATION.—In taking any action under this subsection, the Comptroller of the Currency shall consult with all relevant Federal and State regulatory agencies.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter one of title LXII of the Revised Statutes of the United States is amended—

(1) by redesignating the item relating to section 5136A as section 5136C; and

(2) by inserting after the item relating to section 5136 the following new item:

"5136A. Subsidiaries of national banks.".

SEC. 122. SAFETY AND SOUNDNESS FIREWALLS BETWEEN BANKS AND THEIR FINANCIAL SUBSIDIARIES.

(a) PURPOSES.—The purposes of this section are—

(1) to protect the safety and soundness of any insured bank that has a financial subsidiary;

(2) to apply to any transaction between the bank and the financial subsidiary (including a loan, extension of credit, guarantee, or purchase of assets), other than an equity investment, the same restrictions and requirements as would apply if the financial subsidiary were a subsidiary of a bank holding company having control of the bank; and

(3) to apply to any equity investment of the bank in the financial subsidiary restrictions and requirements equivalent to those that would apply if—

(A) the bank paid a dividend in the same dollar amount to a bank holding company having control of the bank; and

(B) the bank holding company used the proceeds of the dividend to make an equity investment in a subsidiary that was engaged in the same activities as the financial subsidiary of the bank.

(b) SAFETY AND SOUNDNESS FIREWALLS APPLICABLE TO SUBSIDIARIES OF BANKS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 45 (as added by section 113(b) of this title) the following new section:

"SEC. 46. SAFETY AND SOUNDNESS FIREWALLS APPLICABLE TO SUBSIDIARIES OF BANKS.

"(a) LIMITING THE EQUITY INVESTMENT OF A BANK IN A SUBSIDIARY.—

"(1) CAPITAL DEDUCTION.—In determining whether an insured bank complies with applicable regulatory capital standards—

"(A) the appropriate Federal banking agency shall deduct from the assets and tangible equity of the bank the aggregate amount of the outstanding equity investments of the bank in financial subsidiaries of the bank; and

"(B) the assets and liabilities of such financial subsidiaries shall not be consolidated with those of the bank.

"(2) INVESTMENT LIMITATION.—An insured bank shall not, without the prior approval of the appropriate Federal banking agency, make any equity investment in a financial subsidiary of the bank if that investment would, when made, exceed the amount that the bank could pay as a dividend without obtaining prior regulatory approval.

``(3) TREATMENT OF RETAINED EARNINGS.—The amount of any net earnings retained by a financial subsidiary of an insured depository institution shall be treated as an outstanding equity investment of the bank in the subsidiary for purposes of paragraph (1).

``(b) OPERATIONAL AND FINANCIAL SAFEGUARDS FOR THE BANK.—An insured bank that has a financial subsidiary shall maintain procedures for identifying and managing any financial and operational risks posed by the financial subsidiary.

``(c) MAINTENANCE OF SEPARATE CORPORATE IDENTITY AND SEPARATE LEGAL STATUS.—

``(1) IN GENERAL.—Each insured bank shall ensure that the bank maintains and complies with reasonable policies and procedures to preserve the separate corporate identity and legal status of the bank and any financial subsidiary or affiliate of the bank.

``(2) EXAMINATIONS.—The appropriate Federal banking agency, as part of each examination, shall review whether an insured bank is observing the separate corporate identity and separate legal status of any subsidiaries and affiliates of the bank.

``(d) FINANCIAL SUBSIDIARY DEFINED.—For purposes of this section, the term `financial subsidiary' has the meaning given to such term in section 5136A(a)(7)(B) of the Revised Statutes of the United States.

``(e) REGULATIONS.—The appropriate Federal banking agencies shall jointly prescribe regulations implementing this section.''.

(c) TRANSACTIONS BETWEEN FINANCIAL SUBSIDIARIES AND OTHER AFFILIATES.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d), the following new subsection:

``(e) RULES RELATING TO BANKS WITH FINANCIAL SUBSIDIARIES.—

``(1) FINANCIAL SUBSIDIARY DEFINED.—For purposes of this section and section 23B, the term `financial subsidiary' means a company which is a subsidiary of a bank and is engaged in activities that are financial in nature or incidental to such financial activities pursuant to subsection (a)(2) or (b)(4) of section 5136A of the Revised Statutes of the United States.

``(2) APPLICATION TO TRANSACTIONS BETWEEN A FINANCIAL SUBSIDIARY OF A BANK AND THE BANK.—For purposes of applying this section and section 23B to a transaction between a financial subsidiary of a bank and the bank (or between such financial subsidiary and any other subsidiary of the bank which is not a financial subsidiary) and notwithstanding subsection (b)(2) and section 23B(d)(1), the financial subsidiary of the bank—

``(A) shall be an affiliate of the bank and any other subsidiary of the bank which is not a financial subsidiary; and

``(B) shall not be treated as a subsidiary of the bank.

``(3) APPLICATION TO TRANSACTIONS BETWEEN FINANCIAL SUBSIDIARY AND NONBANK AFFILIATES.—

``(A) IN GENERAL.—A transaction between a financial subsidiary and an affiliate of the financial subsidiary shall not be deemed to be a transaction between a subsidiary of a national bank and an affiliate of the bank for purposes of section 23A or section 23B of the Federal Reserve Act.

``(B) CERTAIN AFFILIATES EXCLUDED.—For purposes of subparagraph (A) and notwithstanding paragraph (4), the term `affiliate' shall not include a bank, or a subsidiary of a bank, which is engaged exclusively in activities permissible for a national bank to engage in directly or which are authorized by any Federal law other than section 5136A of the Revised Statutes of the United States.

``(4) EQUITY INVESTMENTS EXCLUDED SUBJECT TO THE APPROVAL OF THE BANKING AGENCY.—Subsection (a)(1) shall not apply so as to limit the equity investment of a bank in a financial subsidiary of such bank, except that any investment that exceeds the amount of a dividend that the bank could pay at the time of the investment without obtaining prior approval of the appropriate Federal banking agency and is in excess of the limitation which would apply under subsection (a)(1), but for this paragraph, may be made only with the approval of the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) with respect to such bank.''.

(d) ANTITYING.—Section 106(a) of the Bank Holding Company Act Amendments of 1970 is amended by adding at the end the following new sentence: ``For purposes of this section, a subsidiary of a national bank which engages in activities pursuant to subsection (a)(2) or (b)(4) of section 5136A of the Revised Statutes of the United States shall be deemed to be a subsidiary of a bank holding company, and not a subsidiary of a bank.''.

SEC. 123. MISREPRESENTATIONS REGARDING DEPOSITORY INSTITUTION LIABILITY FOR OBLIGATIONS OF AFFILIATES.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by inserting after section 1007 the following new section:

``§ 1008. Misrepresentations regarding financial institution liability for obligations of affiliates

``(a) IN GENERAL.—No institution-affiliated party of an insured depository institution or institution-affiliated party of a subsidiary or affiliate of an insured depository institution shall fraudulently represent that the institution is or will be liable for any obligation of a subsidiary or other affiliate of the institution.

``(b) CRIMINAL PENALTY.—Whoever violates subsection (a) shall be fined under this title, imprisoned for not more than 5 years, or both.

``(c) INSTITUTION-AFFILIATED PARTY DEFINED.—For purposes of this section, the term `institution-affiliated party' has the same meaning as in section 3 of the Federal Deposit Insurance Act and any reference in that section shall also be deemed to refer to a subsidiary or affiliate of an insured depository institution.

``(d) OTHER DEFINITIONS.—For purposes of this section, the terms `affiliate', `insured depository institution', and `subsidiary' have same meanings as in section 3 of the Federal Deposit Insurance Act.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1007 the following new item:

``1008. Misrepresentations regarding financial institution liability for obligations of affiliates.''.

SEC. 124. REPEAL OF STOCK LOAN LIMIT IN FEDERAL RESERVE ACT.

Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by striking the paragraph designated as ``(m)'' and inserting ``(m) [Repealed]''.

Subtitle D—Wholesale Financial Holding Companies; Wholesale Financial Institutions

CHAPTER 1—WHOLESALE FINANCIAL HOLDING COMPANIES

SEC. 131. WHOLESALE FINANCIAL HOLDING COMPANIES ESTABLISHED.

Section 10 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended to read as follows:

``SEC. 10. WHOLESALE FINANCIAL HOLDING COMPANIES.

``(a) COMPANIES THAT CONTROL WHOLESALE FINANCIAL INSTITUTIONS.—

``(1) WHOLESALE FINANCIAL HOLDING COMPANY DEFINED.—The term `wholesale financial holding company' means any company that—

``(A) is registered as a bank holding company;

``(B) is predominantly engaged in financial activities as defined in section 6(f)(2);

``(C) controls 1 or more wholesale financial institutions;

``(D) does not control—

``(i) a bank other than a wholesale financial institution;

``(ii) an insured bank other than an institution permitted under subparagraph (D), (F), or (G) of section 2(c)(2); or

``(iii) a savings association; and

``(E) is not a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978).

``(2) SAVINGS ASSOCIATION TRANSITION PERIOD.—Notwithstanding paragraph (1)(D)(iii), the Board may permit a company that controls a savings association and that otherwise meets the requirements of paragraph (1) to become supervised under paragraph (1), if the company divests control of any such savings association within such period not to exceed 5 years after becoming supervised under paragraph (1) as permitted by the Board.

``(b) SUPERVISION BY THE BOARD.—

``(1) IN GENERAL.—The provisions of this section shall govern the reporting, examination, and capital requirements of wholesale financial holding companies.

``(2) REPORTS.—

``(A) IN GENERAL.—The Board from time to time may require any wholesale financial holding company and any subsidiary of such company to submit reports under oath to keep the Board informed as to—

``(i) the company's or subsidiary's activities, financial condition, policies, systems for monitoring and controlling financial and operational risks, and transactions with depository institution subsidiaries of the holding company; and

``(ii) the extent to which the company or subsidiary has complied with the provisions of this Act and regulations prescribed and orders issued under this Act.

``(B) USE OF EXISTING REPORTS.—

``(i) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fulfillment of the Board's reporting requirements under this paragraph that the wholesale financial holding company or any subsidiary of such company has provided or been required to provide to other Federal and State supervisors or to appropriate self-regulatory organizations.

``(ii) AVAILABILITY.—A wholesale financial holding company or a subsidiary of such company shall provide to the Board, at the request of the Board, a report referred to in clause (i).

``(C) EXEMPTIONS FROM REPORTING REQUIREMENTS.—

``(i) IN GENERAL.—The Board may, by regulation or order, exempt any company or class of companies, under such terms and conditions and for such periods as the Board shall provide in such regulation or order, from the provisions of this paragraph and any regulation prescribed under this paragraph.

"(ii) CRITERIA FOR CONSIDERATION.—In making any determination under clause (i) with regard to any exemption under such clause, the Board shall consider, among such other factors as the Board may determine to be appropriate, the following factors:

"(I) Whether information of the type required under this paragraph is available from a supervisory agency (as defined in section 1101(7) of the Right to Financial Privacy Act of 1978) or a foreign regulatory authority of a similar type.

"(II) The primary business of the company.

"(III) The nature and extent of the domestic and foreign regulation of the activities of the company.

"(3) EXAMINATIONS.—

"(A) LIMITED USE OF EXAMINATION AUTHORITY.—The Board may make examinations of each wholesale financial holding company and each subsidiary of such company in order to—

"(i) inform the Board regarding the nature of the operations and financial condition of the wholesale financial holding company and its subsidiaries;

"(ii) inform the Board regarding—

"(I) the financial and operational risks within the wholesale financial holding company system that may affect any depository institution owned by such holding company; and

"(II) the systems of the holding company and its subsidiaries for monitoring and controlling those risks; and

"(iii) monitor compliance with the provisions of this Act and those governing transactions and relationships between any depository institution controlled by the wholesale financial holding company and any of the company's other subsidiaries.

"(B) RESTRICTED FOCUS OF EXAMINATIONS.—The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a wholesale financial holding company under this paragraph to—

"(i) the holding company; and

"(ii) any subsidiary (other than an insured depository institution subsidiary) of the holding company that, because of the size, condition, or activities of the subsidiary, the nature or size of transactions between such subsidiary and any affiliated depository institution, or the centralization of functions within the holding company system, could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

"(C) DEFERENCE TO BANK EXAMINATIONS.—The Board shall, to the fullest extent possible, use the reports of examination of depository institutions made by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision or the appropriate State depository institution supervisory authority for the purposes of this section.

"(D) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, address the circumstances which might otherwise permit or require an examination by the Board by forgoing an examination and by instead reviewing the reports of examination made of—

"(i) any registered broker or dealer or any registered investment adviser by or on behalf of the Commission; and

"(ii) any licensed insurance company by or on behalf of any State government insurance agency responsible for the supervision of the insurance company.

"(E) CONFIDENTIALITY OF REPORTED INFORMATION.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, the Board shall not be compelled to disclose any nonpublic information required to be reported under this paragraph, or any information supplied to the Board by any domestic or foreign regulatory agency, that relates to the financial or operational condition of any wholesale financial holding company or any subsidiary of such company.

"(ii) COMPLIANCE WITH REQUESTS FOR INFORMATION.—No provision of this subparagraph shall be construed as authorizing the Board to withhold information from the Congress, or preventing the Board from complying with a request for information from any other Federal department or agency for purposes within the scope of such department's or agency's jurisdiction, or from complying with any order of a court of competent jurisdiction in an action brought by the United States or the Board.

"(iii) COORDINATION WITH OTHER LAW.—For purposes of section 552 of title 5, United States Code, this subparagraph shall be considered to be a statute described in subsection (b)(3)(B) of such section.

"(iv) DESIGNATION OF CONFIDENTIAL INFORMATION.—In prescribing regulations to carry out the requirements of this subsection, the Board shall designate information described in or obtained pursuant to this paragraph as confidential information.

"(F) COSTS.—The cost of any examination conducted by the Board under this section may be assessed against, and made payable by, the wholesale financial holding company.

"(4) CAPITAL ADEQUACY GUIDELINES.—

"(A) CAPITAL ADEQUACY PROVISIONS.—Subject to the requirements of, and solely in accordance with, the terms of this paragraph, the Board may adopt capital adequacy rules or guidelines for wholesale financial holding companies.

"(B) METHOD OF CALCULATION.—In developing rules or guidelines under this paragraph, the following provisions shall apply:

"(i) FOCUS ON DOUBLE LEVERAGE.—The Board shall focus on the use by wholesale financial holding companies of debt and other liabilities to fund capital investments in subsidiaries.

"(ii) NO UNWEIGHTED CAPITAL RATIO.—The Board shall not, by regulation, guideline, order, or otherwise, impose under this section a capital ratio that is not based on appropriate risk-weighting considerations.

"(iii) NO CAPITAL REQUIREMENT ON REGULATED ENTITIES.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, standards, guidelines, or requirements upon any subsidiary that—

"(I) is not a depository institution; and

"(II) is in compliance with applicable capital requirements of another Federal regulatory authority (including the Securities and Exchange Commission) or State insurance authority.

"(iv) LIMITATION.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, standards, guidelines, or requirements upon any subsidiary that is not a depository institution and that is registered as an investment adviser under the Investment Advisers Act of 1940, except that this clause shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to activities of a registered investment adviser other than investment advisory activities or activities incidental to investment advisory activities.

"(v) LIMITATIONS ON INDIRECT ACTION.—In developing, establishing, or assessing holding company capital or capital adequacy rules, guidelines, standards, or requirements for purposes of this paragraph, the Board shall not take into account the activities, operations, or investments of an affiliated investment company registered under the Investment Company Act of 1940, unless the investment company is—

"(I) a bank holding company; or

"(II) controlled by a bank holding company by reason of ownership by the bank holding company (including through all of its affiliates) of 25 percent or more of the shares of the investment company, and the shares owned by the bank holding company have a market value equal to more than $1,000,000.

"(vi) APPROPRIATE EXCLUSIONS.—The Board shall take full account of—

"(I) the capital requirements made applicable to any subsidiary that is not a depository institution by another Federal regulatory authority or State insurance authority; and

"(II) industry norms for capitalization of a company's unregulated subsidiaries and activities.

"(vii) INTERNAL RISK MANAGEMENT MODELS.—The Board may incorporate internal risk management models of wholesale financial holding companies into its capital adequacy guidelines or rules and may take account of the extent to which resources of a subsidiary depository institution may be used to service the debt or other liabilities of the wholesale financial holding company.

"(c) NONFINANCIAL ACTIVITIES AND INVESTMENTS.—

"(1) GRANDFATHERED ACTIVITIES.—

"(A) IN GENERAL.—Notwithstanding section 4(a), a company that becomes a wholesale financial holding company may continue to engage, directly or indirectly, in any activity and may retain ownership and control of shares of a company engaged in any activity if—

"(i) on the date of the enactment of the Financial Services Act of 1999, such wholesale financial holding company was lawfully engaged in that nonfinancial activity, held the shares of such company, or had entered into a contract to acquire shares of any company engaged in such activity; and

"(ii) the company engaged in such activity continues to engage only in the same activities that such company conducted on the date of the enactment of the Financial Services Act of 1999, and other activities permissible under this Act.

"(B) NO EXPANSION OF GRANDFATHERED COMMERCIAL ACTIVITIES THROUGH MERGER OR CONSOLIDATION.—A wholesale financial holding company that engages in activities or holds shares pursuant to this paragraph, or a subsidiary of such wholesale financial holding company, may not acquire, in any merger, consolidation, or other type of business combination, assets of any other company which is engaged in any activity which the Board has not determined to be financial in nature or incidental to activities that are financial in nature under section 6(c).

"(C) LIMITATION TO SINGLE EXEMPTION.—No company that engages in any activity or controls any shares under subsection (f) of section 6 may engage in any activity or own any shares pursuant to this paragraph.

"(2) COMMODITIES.—

"(A) IN GENERAL.—Notwithstanding section 4(a), a wholesale financial holding company which was predominately engaged as of January 1, 1997, in financial activities in the United States (or any successor to any such company) may engage in, or directly or indirectly own or control shares of a company engaged in, activities related to the trading, sale, or investment in commodities and underlying physical properties that were not permissible for bank holding companies to conduct in the United States as of January 1, 1997, if such wholesale financial holding company, or any subsidiary of such holding company, was engaged directly, indirectly, or through any such company in any of such activities as of January 1, 1997, in the United States.

"(B) LIMITATION.—The attributed aggregate consolidated assets of a wholesale financial holding company held under the authority granted under this paragraph and not otherwise permitted to be held by all wholesale financial holding companies under this section may not exceed 5 percent of the total consolidated assets of the wholesale financial holding company, except that the Board may increase such percentage of total consolidated assets by such amounts and under such circumstances as the Board considers appropriate, consistent with the purposes of this Act.

"(3) CROSS MARKETING RESTRICTIONS.—A wholesale financial holding company shall not permit—

"(A) any company whose shares it owns or controls pursuant to paragraph (1) or (2) to offer or market any product or service of an affiliated wholesale financial institution; or

"(B) any affiliated wholesale financial institution to offer or market any product or service of any company whose shares are owned or controlled by such wholesale financial holding company pursuant to such paragraphs.

"(d) QUALIFICATION OF FOREIGN BANK AS WHOLESALE FINANCIAL HOLDING COMPANY.—

"(1) IN GENERAL.—Any foreign bank, or any company that owns or controls a foreign bank, that operates a branch, agency, or commercial lending company in the United States, including a foreign bank or company that owns or controls a wholesale financial institution, may request a determination from the Board that such bank or company be treated as a wholesale financial holding company other than for purposes of subsection (c), subject to such conditions as the Board considers appropriate, giving due regard to the principle of national treatment and equality of competitive opportunity and the requirements imposed on domestic banks and companies.

"(2) CONDITIONS FOR TREATMENT AS A WHOLESALE FINANCIAL HOLDING COMPANY.—A foreign bank and a company that owns or controls a foreign bank may not be treated as a wholesale financial holding company unless the bank and company meet and continue to meet the following criteria:

"(A) NO INSURED DEPOSITS.—No deposits held directly by a foreign bank or through an affiliate (other than an institution described in subparagraph (D) or (F) of section 2(c)(2)) are insured under the Federal Deposit Insurance Act.

"(B) CAPITAL STANDARDS.—The foreign bank meets risk-based capital standards comparable to the capital standards required for a wholesale financial institution, giving due regard to the principle of national treatment and equality of competitive opportunity.

"(C) TRANSACTION WITH AFFILIATES.—Transactions between a branch, agency, or commercial lending company subsidiary of the foreign bank in the United States, and any securities affiliate or company in which the foreign bank (or any company that owns or controls such foreign bank) has invested, directly or indirectly, and which engages in any activity pursuant to subsection (c) or (g) of section 6, comply with the provisions of sections 23A and 23B of the Federal Reserve Act in the same manner and to the same extent as such transactions would be required to comply with such sections if the bank were a member bank.

"(3) TREATMENT AS A WHOLESALE FINANCIAL INSTITUTION.—Any foreign bank which is, or is affiliated with a company which is, treated as a wholesale financial holding company under this subsection shall be treated as a wholesale financial institution for purposes of subsections (c)(1)(C) and (c)(3) of section 9B of the Federal Reserve Act, and any such foreign bank or company shall be subject to paragraphs (3), (4), and (5) of section 9B(d) of the Federal Reserve Act, except that the Board may adopt such modifications, conditions, or exemptions as the Board deems appropriate, giving due regard to the principle of national treatment and equality of competitive opportunity.

"(4) SUPERVISION OF FOREIGN BANK WHICH MAINTAINS NO BANKING PRESENCE OTHER THAN CONTROL OF A WHOLESALE FINANCIAL INSTITUTION.—A foreign bank that owns or controls a wholesale financial institution but does not operate a branch, agency, or commercial lending company in the United States (and any company that owns or controls such foreign bank) may request a determination from the Board that such bank or company be treated as a wholesale financial holding company, except that such bank or company shall be subject to the restrictions of paragraphs (2)(A) and (3) of this subsection.

"(5) NO EFFECT ON OTHER PROVISIONS.—This section shall not be construed as limiting the authority of the Board under the International Banking Act of 1978 with respect to the regulation, supervision, or examination of foreign banks and their offices and affiliates in the United States.

"(6) APPLICABILITY OF COMMUNITY REINVESTMENT ACT OF 1977.—The branches in the United States of a foreign bank that is, or is affiliated with a company that is, treated as a wholesale financial holding company shall be subject to section 9B(b)(11) of the Federal Reserve Act as if the foreign bank were a wholesale financial institution under such section. The Board and the Comptroller of the Currency shall apply the provisions of sections 803(2), 804, and 807(1) of the Community Reinvestment Act of 1977 to branches of foreign banks which receive only such deposits as are permissible for receipt by a corporation organized under section 25A of the Federal Reserve Act, in the same manner and to the same extent such sections apply to such a corporation.".

SEC. 132. AUTHORIZATION TO RELEASE REPORTS.

(a) FEDERAL RESERVE ACT.—The last sentence of the eighth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 326) is amended to read as follows: "The Board of Governors of the Federal Reserve System, at its discretion, may furnish reports of examination or other confidential supervisory information concerning State member banks or any other entities examined under any other authority of the Board to any Federal or State authorities with supervisory or regulatory authority over the examined entity, to officers, directors, or receivers of the examined entity, and to any other person that the Board determines to be proper.".

(b) COMMODITY FUTURES TRADING COMMISSION.—The Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.) is amended—

(1) in section 1101(7) of the (12 U.S.C. 3401(7))—

(A) by redesignating subparagraphs (G) and (H) as subparagraphs (H) and (I), respectively; and

(B) by inserting after subparagraph (F) the following new subparagraph:

"(G) the Commodity Futures Trading Commission; or"; and

(2) in section 1112(e), by striking "and the Securities and Exchange Commission" and inserting ", the Securities and Exchange Commission, and the Commodity Futures Trading Commission".

SEC. 133. CONFORMING AMENDMENTS.

(a) BANK HOLDING COMPANY ACT OF 1956.—

(1) DEFINITIONS.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by inserting after subsection (p) (as added by section 103(b)(1)) the following new subsections:

"(q) WHOLESALE FINANCIAL INSTITUTION.—The term 'wholesale financial institution' means a wholesale financial institution subject to section 9B of the Federal Reserve Act.

"(r) COMMISSION.—The term 'Commission' means the Securities and Exchange Commission.

"(s) DEPOSITORY INSTITUTION.—The term 'depository institution'—

"(1) has the meaning given to such term in section 3 of the Federal Deposit Insurance Act; and

"(2) includes a wholesale financial institution.".

(2) DEFINITION OF BANK INCLUDES WHOLESALE FINANCIAL INSTITUTION.—Section 2(c)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(1)) is amended by adding at the end the following new subparagraph:

"(C) A wholesale financial institution.".

(3) INCORPORATED DEFINITIONS.—Section 2(n) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(n)) is amended by inserting "'insured bank'," after "'in danger of default',".

(4) EXCEPTION TO DEPOSIT INSURANCE REQUIREMENT.—Section 3(e) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(e)) is amended by adding at the end the following: "This subsection shall not apply to a wholesale financial institution.".

(b) FEDERAL DEPOSIT INSURANCE ACT.—Section 3(q)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)(2)(A)) is amended to read as follows:

"(A) any State member insured bank (except a District bank) and any wholesale financial institution subject to section 9B of the Federal Reserve Act;".

CHAPTER 2—WHOLESALE FINANCIAL INSTITUTIONS

SEC. 136. WHOLESALE FINANCIAL INSTITUTIONS.

(a) NATIONAL WHOLESALE FINANCIAL INSTITUTIONS.—

(1) IN GENERAL.—Chapter one of title LXII of the Revised Statutes of the United States (12 U.S.C. 21 et seq.) is amended by inserting after section 5136A (as added by section 121(a) of this title) the following new section:

"SEC. 5136B. NATIONAL WHOLESALE FINANCIAL INSTITUTIONS.

"(a) AUTHORIZATION OF THE COMPTROLLER REQUIRED.—A national bank may apply to the Comptroller on such forms and in accordance with such regulations as the Comptroller may prescribe, for permission to operate as a national wholesale financial institution.

"(b) REGULATION.—A national wholesale financial institution may exercise, in accordance with such institution's articles of incorporation and regulations issued by the Comptroller, all the powers and privileges of a national bank formed in accordance with section 5133 of the Revised Statutes of the United States, subject to section 9B of the Federal Reserve Act and the limitations and restrictions contained therein.

"(c) COMMUNITY REINVESTMENT ACT OF 1977.—A national wholesale financial institution shall be subject to the Community Reinvestment Act of 1977.

(2) CLERICAL AMENDMENT.—The table of sections for chapter one of title LXII of the Revised Statutes of the United States is amended by inserting after the item relating to section 5136A (as added by section 121(d) of this title) the following new item:

"5136B. National wholesale financial institutions.".

(b) WHOLESALE FINANCIAL INSTITUTIONS.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 9A the following new section:

"SEC. 9B. WHOLESALE FINANCIAL INSTITUTIONS.

"(a) APPLICATION FOR MEMBERSHIP AS WHOLESALE FINANCIAL INSTITUTION.—

"(1) APPLICATION REQUIRED.—

"(A) IN GENERAL.—Any bank may apply to the Board of Governors of the Federal Reserve System to become a State wholesale financial institution, or to the Comptroller of the Currency to become a national wholesale financial institution, and, as a wholesale financial institution, to subscribe to the stock of the Federal reserve bank organized within the district where the applying bank is located.

"(B) TREATMENT AS MEMBER BANK.—Any application under subparagraph (A) shall be treated as an application under, and shall be subject to the provisions of, section 9.

"(2) INSURANCE TERMINATION.—No bank the deposits of which are insured under the Federal Deposit Insurance Act may become a wholesale financial institution unless it has met all requirements under that Act for voluntary termination of deposit insurance.

"(b) GENERAL REQUIREMENTS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—

"(1) FEDERAL RESERVE ACT.—Except as otherwise provided in this section, wholesale financial institutions shall be member banks and shall be subject to the provisions of this Act that apply to member banks to the same extent and in the same manner as State member insured banks or national banks, except that a wholesale financial institution may terminate membership under this Act only with the prior written approval of the Board and on terms and conditions that the Board determines are appropriate to carry out the purposes of this Act.

"(2) PROMPT CORRECTIVE ACTION.—A wholesale financial institution shall be deemed to be an insured depository institution for purposes of section 38 of the Federal Deposit Insurance Act except that—

"(A) the relevant capital levels and capital measures for each capital category shall be the levels specified by the Board for wholesale financial institutions;

"(B) subject to subparagraph (A), all references to the appropriate Federal banking agency or to the Corporation in that section shall be deemed to be references to the Comptroller of the Currency, in the case of a national wholesale financial institution, and to the Board, in the case of all other wholesale financial institutions; and

"(C) in the case of wholesale financial institutions, the purpose of prompt corrective action shall be to protect taxpayers and the financial system from the risks associated with the operation and activities of wholesale financial institutions.

"(3) ENFORCEMENT AUTHORITY.—Section 3(u), subsections (j) and (k) of section 7, subsections (b) through (n), (s), (u), and (v) of section 8, and section 19 of the Federal Deposit Insurance Act shall apply to a wholesale financial institution in the same manner and to the same extent as such provisions apply to State member insured banks or national banks, as the case may be, and any reference in such sections to an insured depository institution shall be deemed to include a reference to a wholesale financial institution.

"(4) CERTAIN OTHER STATUTES APPLICABLE.—A wholesale financial institution shall be deemed to be a banking institution, and the Board shall be the appropriate Federal banking agency for such bank and all such bank's affiliates, for purposes of the International Lending Supervision Act.

"(5) BANK MERGER ACT.—A wholesale financial institution shall be subject to sections 18(c) and 44 of the Federal Deposit Insurance Act in the same manner and to the same extent the wholesale financial institution would be subject to such sections if the institution were a State member insured bank or a national bank.

"(6) BRANCHING.—Notwithstanding any other provision of law, a wholesale financial institution may establish and operate a branch at any location on such terms and conditions as established by, and with the approval of—

"(A) the Board, in the case of a State-chartered wholesale financial institution; and

"(B) the Comptroller of the Currency, in the case of a national bank wholesale financial institution.

"(7) ACTIVITIES OF OUT-OF-STATE BRANCHES OF WHOLESALE FINANCIAL INSTITUTIONS.—A State-chartered wholesale financial institution shall be deemed to be a State bank and an insured State bank for purposes of paragraphs (1), (2), and (3) of section 24(j) of the Federal Deposit Insurance Act.

"(8) DISCRIMINATION REGARDING INTEREST RATES.—Section 27 of the Federal Deposit Insurance Act shall apply to State-chartered wholesale financial institutions in the same manner and to the same extent as such provisions apply to State member insured banks and any reference in such section to a State-chartered insured depository institution shall be deemed to include a reference to a State-chartered wholesale financial institution.

"(9) PREEMPTION OF STATE LAWS REQUIRING DEPOSIT INSURANCE FOR WHOLESALE FINANCIAL INSTITUTIONS.—The appropriate State banking authority may grant a charter to a wholesale financial institution notwithstanding any State constitution or statute requiring that the institution obtain insurance of its deposits and any such State constitution or statute is hereby preempted solely for purposes of this paragraph.

"(10) PARITY FOR WHOLESALE FINANCIAL INSTITUTIONS.—A State bank that is a wholesale financial institution under this section shall have all of the rights, powers, privileges, and immunities (including those derived from status as a federally chartered institution) of and as if it were a national bank, subject to such terms and conditions as established by the Board.

"(11) COMMUNITY REINVESTMENT ACT OF 1977.—A State wholesale financial institution shall be subject to the Community Reinvestment Act of 1977.

"(c) SPECIFIC REQUIREMENTS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—

"(1) LIMITATIONS ON DEPOSITS.—

"(A) MINIMUM AMOUNT.—

"(i) IN GENERAL.—No wholesale financial institution may receive initial deposits of $100,000 or less, other than on an incidental and occasional basis.

"(ii) LIMITATION ON DEPOSITS OF LESS THAN $100,000.—No wholesale financial institution may receive initial deposits of $100,000 or less if such deposits constitute more than 5 percent of the institution's total deposits.

"(B) NO DEPOSIT INSURANCE.—Except as otherwise provided in section 8A(f) of the Federal Deposit Insurance Act, no deposits held by a wholesale financial institution shall be insured deposits under the Federal Deposit Insurance Act.

"(C) ADVERTISING AND DISCLOSURE.—The Board and the Comptroller of the Currency shall prescribe jointly regulations pertaining to advertising and disclosure by wholesale financial institutions to ensure that each depositor is notified that deposits at the wholesale financial institution are not federally insured or otherwise guaranteed by the United States Government.

"(2) MINIMUM CAPITAL LEVELS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—The Board shall, by regulation, adopt capital requirements for wholesale financial institutions—

"(A) to account for the status of wholesale financial institutions as institutions that accept deposits that are not insured under the Federal Deposit Insurance Act; and

"(B) to provide for the safe and sound operation of the wholesale financial institution without undue risk to creditors or other persons, including Federal reserve banks, engaged in transactions with the bank.

"(3) ADDITIONAL REQUIREMENTS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—In addition to any requirement otherwise applicable to State member insured banks or applicable, under this section, to wholesale financial institutions, the Board may impose, by regulation or order, upon wholesale financial institutions—

"(A) limitations on transactions, direct or indirect, with affiliates to prevent—

"(i) the transfer of risk to the deposit insurance funds; or

"(ii) an affiliate from gaining access to, or the benefits of, credit from a Federal reserve bank, including overdrafts at a Federal reserve bank;

"(B) special clearing balance requirements; and

"(C) any additional requirements that the Board determines to be appropriate or necessary to—

"(i) promote the safety and soundness of the wholesale financial institution or any insured depository institution affiliate of the wholesale financial institution;

"(ii) prevent the transfer of risk to the deposit insurance funds; or

"(iii) protect creditors and other persons, including Federal reserve banks, engaged in transactions with the wholesale financial institution.

"(4) EXEMPTIONS FOR WHOLESALE FINANCIAL INSTITUTIONS.—The Board may, by regulation or order, exempt any wholesale financial institution from any provision applicable to a member bank that is not a wholesale financial institution, if the Board finds that such exemption is consistent with—

"(A) the promotion of the safety and soundness of the wholesale financial institution or any insured depository institution affiliate of the wholesale financial institution;

"(B) the protection of the deposit insurance funds; and

"(C) the protection of creditors and other persons, including Federal reserve banks, engaged in transactions with the wholesale financial institution.

"(5) LIMITATION ON TRANSACTIONS BETWEEN A WHOLESALE FINANCIAL INSTITUTION AND AN INSURED BANK.—For purposes of section 23A(d)(1) of the Federal Reserve Act, a wholesale financial institution that is affiliated with an insured bank shall not be a bank.

"(6) NO EFFECT ON OTHER PROVISIONS.—This section shall not be construed as limiting the Board's authority over member banks or the authority of the Comptroller of the Currency over national banks under any other provision of law, or to create any obligation for any Federal Reserve bank to make, increase, renew, or extend any advance or discount under this Act to any member bank or other depository institution.

"(d) CAPITAL AND MANAGERIAL REQUIREMENTS.—

"(1) IN GENERAL.—A wholesale financial institution shall be well capitalized and well managed.

"(2) NOTICE TO COMPANY.—The Board shall promptly provide notice to a company that controls a wholesale financial institution whenever such wholesale financial institution is not well capitalized or well managed.

"(3) AGREEMENT TO RESTORE INSTITUTION.—Not later than 45 days after the date of receipt of a notice under paragraph (2) (or such additional period not to exceed 90 days as the Board may permit), the company shall execute an agreement acceptable to the Board to restore the wholesale financial institution to compliance with all of the requirements of paragraph (1).

"(4) LIMITATIONS UNTIL INSTITUTION RESTORED.—Until the wholesale financial institution is restored to compliance with all of the requirements of paragraph (1), the Board may impose such limitations on the conduct or activities of the company or any affiliate of the company as the Board determines to be appropriate under the circumstances.

"(5) FAILURE TO RESTORE.—If the company does not execute and implement an agreement in accordance with paragraph (3), comply with any limitation imposed under paragraph (4), restore the wholesale financial institution to well capitalized status not later than 180 days after the date of receipt by the company of the notice described in paragraph (2), or restore the wholesale financial institution to well managed status within such period as the Board may permit, the company shall, under such terms and conditions as may be imposed by the Board subject to such extension of time as may be granted in the discretion of the Board, divest control of its subsidiary depository institutions.

"(6) WELL MANAGED DEFINED.—For purposes of this subsection, the term 'well managed' has the same meaning as in section 2 of the Bank Holding Company Act of 1956.

"(e) RESOLUTION OF WHOLESALE FINANCIAL INSTITUTIONS.—

"(1) CONSERVATORSHIP OR RECEIVERSHIP.—

"(A) APPOINTMENT.—The Board may appoint a conservator or receiver to take possession and control of a wholesale financial institution to the same extent and in the same manner as the Comptroller of the Currency may appoint a conservator or receiver for a national bank.

"(B) POWERS.—The conservator or receiver for a wholesale financial institution shall exercise the same powers, functions, and duties, subject to the same limitations, as a conservator or receiver for a national bank.

"(2) BOARD AUTHORITY.—The Board shall have the same authority with respect to any conservator or receiver appointed under paragraph (1), and the wholesale financial institution for which it has been appointed, as the Comptroller of the Currency has with respect to a conservator or receiver for a national bank and the national bank for which the conservator or receiver has been appointed.

"(3) BANKRUPTCY PROCEEDINGS.—The Comptroller of the Currency (in the case of a national wholesale financial institution) or the Board may direct the conservator or receiver of a wholesale financial institution to file a petition pursuant to title 11, United States Code, in which case, title 11, United States Code, shall apply to the wholesale financial institution in lieu of otherwise applicable Federal or State insolvency law.

"(f) BOARD BACKUP AUTHORITY.—

"(1) NOTICE TO THE COMPTROLLER.—Before taking any action under section 8 of the Federal Deposit Insurance Act involving a wholesale financial institution that is chartered as a national bank, the Board shall notify the Comptroller and recommend that the Comptroller take appropriate action. If the Comptroller fails to take the recommended action or to provide an acceptable plan for addressing the concerns of the Board before the close of the 30-day period beginning on the date of receipt of the formal recommendation from the Board, the Board may take such action.

"(2) EXIGENT CIRCUMSTANCES.—Notwithstanding paragraph (1), the Board may exercise its authority without regard to the time period set forth in paragraph (1) where the Board finds that exigent circumstances exist and the Board notifies the Comptroller of the Board's action and of the exigent circumstances.

"(g) EXCLUSIVE JURISDICTION.—Subsections (c) and (e) of section 43 of the Federal Deposit Insurance Act shall not apply to any wholesale financial institution.".

(c) VOLUNTARY TERMINATION OF INSURED STATUS BY CERTAIN INSTITUTIONS.—

(1) SECTION 8 DESIGNATIONS.—Section 8(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (10) as paragraphs (1) through (9), respectively.

(2) VOLUNTARY TERMINATION OF INSURED STATUS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 8 the following new section:

"SEC. 8A. VOLUNTARY TERMINATION OF STATUS AS INSURED DEPOSITORY INSTITUTION.

"(a) IN GENERAL.—Except as provided in subsection (b), an insured State bank or a national bank may voluntarily terminate such bank's status as an insured depository institution in accordance with regulations of the Corporation if—

"(1) the bank provides written notice of the bank's intent to terminate such insured status—

"(A) to the Corporation and the Board of Governors of the Federal Reserve System, in the case of an insured State bank, or to the Corporation and the Comptroller of the Currency, in the case of an insured national bank authorized to operate as a wholesale financial institution, not less than 6 months before the effective date of such termination; and

"(B) to all depositors at such bank, not less than 6 months before the effective date of the termination of such status; and

"(2) either—

"(A) the deposit insurance fund of which such bank is a member equals or exceeds the fund's designated reserve ratio as of the date the bank provides a written notice under paragraph (1) and the Corporation determines that the fund will equal or exceed the applicable designated reserve ratio for the 2 semiannual assessment periods immediately following such date; or

"(B) the Corporation and the Board of Governors of the Federal Reserve System, in the case of an insured State bank, or the Corporation and the Comptroller of the Currency, in the case of an insured national bank authorized to operate as a wholesale financial institution, has approved the termination of the bank's insured status and the bank pays an exit fee in accordance with subsection (e).

"(b) EXCEPTION.—Subsection (a) shall not apply with respect to—

"(1) an insured savings association; or

"(2) an insured branch that is required to be insured under subsection (a) or (b) of section 6 of the International Banking Act of 1978.

"(c) ELIGIBILITY FOR INSURANCE TERMINATED.—Any bank that voluntarily elects to terminate the bank's insured status under subsection (a) shall not be eligible for insurance on any deposits or any assistance authorized under this Act after the period specified in subsection (f)(1).

"(d) INSTITUTION MUST BECOME WHOLESALE FINANCIAL INSTITUTION OR TERMINATE DEPOSIT-TAKING ACTIVITIES.—Any depository institution which voluntarily terminates such institution's status as an insured depository institution under this section may not, upon termination of insurance, accept any deposits unless the institution is a wholesale financial institution subject to section 9B of the Federal Reserve Act.

"(e) EXIT FEES.—

"(1) IN GENERAL.—Any bank that voluntarily terminates such bank's status as an insured depository institution under this section shall pay an exit fee in an amount that the Corporation determines is sufficient to account for the institution's pro rata share of the amount (if any) which would be required to restore the relevant deposit insurance fund to the fund's designated reserve ratio as of the date the bank provides a written notice under subsection (a)(1).

"(2) PROCEDURES.—The Corporation shall prescribe, by regulation, procedures for assessing any exit fee under this subsection.

"(f) TEMPORARY INSURANCE OF DEPOSITS INSURED AS OF TERMINATION.—

"(1) TRANSITION PERIOD.—The insured deposits of each depositor in a State bank or a national bank on the effective date of the voluntary termination of the bank's insured status, less all subsequent withdrawals from any deposits of such depositor, shall continue to be insured for a period of not less than 6 months and not more than 2 years, as determined by the Corporation. During such period, no additions to any such deposits, and no new deposits in the depository institution made after the effective date of such termination shall be insured by the Corporation.

"(2) TEMPORARY ASSESSMENTS; OBLIGATIONS AND DUTIES.—During the period specified in paragraph (1) with respect to any bank, the bank shall continue to pay assessments under section 7 as if the bank were an insured depository institution. The bank shall, in all other respects, be subject to the authority of the Corporation and the duties and obligations of an insured depository institution under this Act during such period, and in the event that the bank is closed due to an inability to meet the demands of the bank's depositors during such period, the Corporation shall have the same powers and rights with respect to such bank as in the case of an insured depository institution.

"(g) ADVERTISEMENTS.—

"(1) IN GENERAL.—A bank that voluntarily terminates the bank's insured status under this section shall not advertise or hold itself out as having insured deposits, except that the bank may advertise the temporary insurance of deposits under subsection (f) if, in connection with any such advertisement, the advertisement also states with equal prominence that additions to deposits and new deposits made after the effective date of the termination are not insured.

"(2) CERTIFICATES OF DEPOSIT, OBLIGATIONS, AND SECURITIES.—Any certificate of deposit or other obligation or security issued by a State bank or a national bank after the effective date of the voluntary termination of the bank's insured status under this section shall be accompanied by a conspicuous, prominently displayed notice that such certificate of deposit or other obligation or security is not insured under this Act.

"(h) NOTICE REQUIREMENTS.—

"(1) NOTICE TO THE CORPORATION.—The notice required under subsection (a)(1)(A) shall be in such form as the Corporation may require.

"(2) NOTICE TO DEPOSITORS.—The notice required under subsection (a)(1)(B) shall be—

"(A) sent to each depositor's last address of record with the bank; and

"(B) in such manner and form as the Corporation finds to be necessary and appropriate for the protection of depositors.".

(3) DEFINITION.—Section 19(b)(1)(A)(i) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)(i)) is amended by inserting ", or any wholesale financial institution subject to section 9B of this Act" after "such Act".

(d) TECHNICAL AND CONFORMING AMENDMENTS TO THE BANKRUPTCY CODE.—

(1) BANKRUPTCY CODE DEBTORS.—Section 109(b)(2) of title 11, United States Code, is amended by striking "; or" and inserting the following: ", except that—

"(A) a wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act may be a debtor if a petition is filed at the direction of the Comptroller of the Currency (in the case of a wholesale financial institution established under section 5136B of the Revised Statutes of the United States) or the Board of Governors of the Federal Reserve System (in the case of any wholesale financial institution); and

"(B) a corporation organized under section 25A of the Federal Reserve Act may be a debtor if a petition is filed at the direction of the Board of Governors of the Federal Reserve System; or".

(2) CHAPTER 7 DEBTORS.—Section 109(d) of title 11, United States Code, is amended to read as follows:

"(d) Only a railroad and a person that may be a debtor under chapter 7 of this title, except that a stockbroker, a wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act, a corporation organized under section 25A of the Federal Reserve Act, or a commodity broker, may be a debtor under chapter 11 of this title.".

(3) DEFINITION OF FINANCIAL INSTITUTION.—Section 101(22) of title 11, United States Code, is amended to read as follows:

"(22) 'financial institution' means a person that is a commercial or savings bank, industrial savings bank, savings and loan association, trust company, wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act, or corporation organized under section 25A of the Federal Reserve Act and, when any such person is acting as agent or custodian for a customer in connection with a securities contract, as defined in section 741 of this title, such customer,".

(4) SUBCHAPTER V OF CHAPTER 7.—

(A) IN GENERAL.—Section 103 of title 11, United States Code, is amended—

(i) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(ii) by inserting after subsection (d) the following:

"(e) Subchapter V of chapter 7 of this title applies only in a case under such chapter concerning the liquidation of a wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act, or a corporation organized under section 25A of the Federal Reserve Act.".

(B) WHOLESALE BANK LIQUIDATION.—Chapter 7 of title 11, United States Code, is amended by adding at the end the following:

"SUBCHAPTER V—WHOLESALE BANK LIQUIDATION

"§ 781. Definitions for subchapter

"In this subchapter—

"(1) the term 'Board' means the Board of Governors of the Federal Reserve System;

"(2) the term 'depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act, and includes any wholesale bank;

"(3) the term 'national wholesale financial institution' means a wholesale financial institution established under section 5136B of the Revised Statutes of the United States; and

"(4) the term 'wholesale bank' means a national wholesale financial institution, a wholesale financial institution established under section 9B of the Federal Reserve Act, or a corporation organized under section 25A of the Federal Reserve Act.

"§ 782. Selection of trustee

"(a) Notwithstanding any other provision of this title, the conservator or receiver who files the petition shall be the trustee under this chapter, unless the Comptroller of the Currency (in the case of a national wholesale financial institution for which it appointed the conservator or receiver) or the Board (in the case of any wholesale bank for which it appointed the conservator or receiver) designates an alternative trustee. The Comptroller of the Currency or the Board (as applicable) may designate a successor trustee, if required.

"(b) Whenever the Comptroller of the Currency or the Board appoints or designates a trustee, chapter 3 and sections 704 and 705 of this title shall apply to the Comptroller or the Board, as applicable, in the same way and to the same extent that they apply to a United States trustee.

"§ 783. Additional powers of trustee

"(a) The trustee under this subchapter has power to distribute property not of the estate, including distributions to customers that are mandated by subchapters III and Iv of this chapter.

"(b) The trustee under this subchapter may, after notice and a hearing—

"(1) sell the wholesale bank to a depository institution or consortium of depository institutions (which consortium may agree on the allocation of the wholesale bank among the consortium);

"(2) merge the wholesale bank with a depository institution;

"(3) transfer contracts to the same extent as could a receiver for a depository institution under paragraphs (9) and (10) of section 11(e) of the Federal Deposit Insurance Act;

"(4) transfer assets or liabilities to a depository institution;

"(5) transfer assets and liabilities to a bridge bank as provided in paragraphs (1), (3)(A), (5), (6), and (9) through (13), and subparagraphs (A) through (H) and (K) of paragraph (4) of section 11(n) of the Federal Deposit Insurance Act, except that—

"(A) the bridge bank shall be treated as a wholesale bank for the purpose of this subsection; and

"(B) any references in any such provision of law to the Federal Deposit Insurance Corporation shall be construed to be references to the appointing agency and that references to deposit insurance shall be omitted.

"(c) Any reference in this section to transfers of liabilities includes a ratable transfer of liabilities within a priority class.

"§ 784. Right to be heard

"The Comptroller of the Currency (in the case of a national wholesale financial institution), the Board (in the case of any wholesale bank), or a Federal Reserve bank (in the case of a wholesale bank that is a member of that bank) may raise and may appear and be heard on any issue in a case under this subchapter.

(C) CONFORMING AMENDMENT.—The table of sections for chapter 7 of title 11, United States Code, is amended by adding at the end the following:

"SUBCHAPTER V—WHOLESALE BANK LIQUIDATION

"781. Definitions for subchapter.
"782. Selection of trustee.
"783. Additional powers of trustee.
"784. Right to be heard.".

(e) RESOLUTION OF EDGE CORPORATIONS.—The 16th undesignated paragraph of section 25A of the Federal Reserve Act (12 U.S.C. 624) is amended to read as follows:

"(16) APPOINTMENT OF RECEIVER OR CONSERVATOR.—

"(A) IN GENERAL.—The Board may appoint a conservator or receiver for a corporation organized under the provisions of this section to the same extent and in the same manner as the Comptroller of the Currency may appoint a conservator or receiver for a national bank, and the conservator or receiver for such corporation shall exercise the same powers, functions, and duties, subject to the same limitations, as a conservator or receiver for a national bank.

"(B) EQUIVALENT AUTHORITY.—The Board shall have the same authority with respect to any conservator or receiver appointed for a corporation organized under the provisions of this section under this paragraph and any such corporation as the Comptroller of the Currency has with respect to a conservator or receiver of a national bank and the national bank for which a conservator or receiver has been appointed.

"(C) TITLE 11 PETITIONS.—The Board may direct the conservator or receiver of a corporation organized under the provisions of this section to file a petition pursuant to title 11, United States Code, in which case, title 11, United States Code, shall apply to the corporation in lieu of otherwise applicable Federal or State insolvency law.''.

Subtitle E—Preservation of FTC Authority

SEC. 141. AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956 TO MODIFY NOTIFICATION AND POST-APPROVAL WAITING PERIOD FOR SECTION 3 TRANSACTIONS.

Section 11(b)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1849(b)(1)) is amended by inserting "and, if the transaction also involves an acquisition under section 4 or section 6, the Board shall also notify the Federal Trade Commission of such approval" before the period at the end of the first sentence.

SEC. 142. INTERAGENCY DATA SHARING.

To the extent not prohibited by other law, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System shall make available to the Attorney General and the Federal Trade Commission any data in the possession of any such banking agency that the antitrust agency deems necessary for antitrust review of any transaction requiring notice to any such antitrust agency or the approval of such agency under section 3, 4, or 6 of the Bank Holding Company Act of 1956, section 18(c) of the Federal Deposit Insurance Act, the National Bank Consolidation and Merger Act, section 10 of the Home Owners' Loan Act, or the antitrust laws.

SEC. 143. CLARIFICATION OF STATUS OF SUBSIDIARIES AND AFFILIATES.

(a) CLARIFICATION OF FEDERAL TRADE COMMISSION JURISDICTION.—Any person which directly or indirectly controls, is controlled directly or indirectly by, or is directly or indirectly under common control with, any bank or savings association (as such terms are defined in section 3 of the Federal Deposit Insurance Act) and is not itself a bank or savings association shall not be deemed to be a bank or savings association for purposes of the Federal Trade Commission Act or any other law enforced by the Federal Trade Commission.

(b) SAVINGS PROVISION.—No provision of this section shall be construed as restricting the authority of any Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) under any Federal banking law, including section 8 of the Federal Deposit Insurance Act.

(c) HART–SCOTT–RODINO AMENDMENTS.—

(1) BANKS.—Section 7A(c)(7) of the Clayton Act (15 U.S.C. 18a(c)(7)) is amended by inserting before the semicolon at the end the following: ", except that a portion of a transaction is not exempt under this paragraph if such portion of the transaction (A) is subject to section 6 of the Bank Holding Company Act of 1956; and (B) does not require agency approval under section 3 of the Bank Holding Company Act of 1956".

(2) BANK HOLDING COMPANIES.—Section 7A(c)(8) of the Clayton Act (15 U.S.C. 18a(c)(8)) is amended by inserting before the semicolon at the end the following: ", except that a portion of a transaction is not exempt under this paragraph if such portion of the transaction (A) is subject to section 6 of the Bank Holding Company Act of 1956; and (B) does not require agency approval under section 4 of the Bank Holding Company Act of 1956".

SEC. 144. ANNUAL GAO REPORT.

(a) IN GENERAL.—By the end of the 1-year period beginning on the date of the enactment of this Act and annually thereafter, the Comptroller General of the United States shall submit a report to the Congress on market concentration in the financial services industry and its impact on consumers.

(b) ANALYSIS.—Each report submitted under subsection (a) shall contain an analysis of—

(1) the positive and negative effects of affiliations between various types of financial companies, and of acquisitions pursuant to this Act and the amendments made by this Act to other provisions of law, including any positive or negative effects on consumers, area markets, and submarkets thereof or on registered securities brokers and dealers which have been purchased by depository institutions or depository institution holding companies;

(2) the changes in business practices and the effects of any such changes on the availability of venture capital, consumer credit, and other financial services or products and the availability of capital and credit for small businesses; and

(3) the acquisition patterns among depository institutions, depository institution holding companies, securities firms, and insurance companies including acquisitions among the largest 20 percent of firms and acquisitions within regions or other limited geographical areas.

(c) SUNSET.—This section shall not apply after the end of the 5-year period beginning on the date of the enactment of this Act.

Subtitle F—National Treatment

SEC. 151. FOREIGN BANKS THAT ARE FINANCIAL HOLDING COMPANIES.

Section 8(c) of the International Banking Act of 1978 (12 U.S.C. 3106(c)) is amended by adding at the end the following new paragraph:

"(3) TERMINATION OF GRANDFATHERED RIGHTS.—

"(A) IN GENERAL.—If any foreign bank or foreign company files a declaration under section 6(b)(1)(D) or receives a determination under section 10(d)(1) of the Bank Holding Company Act of 1956, any authority conferred by this subsection on any foreign bank or company to engage in any activity which the Board has determined to be permissible for financial holding companies under section 6 of such Act shall terminate immediately.

"(B) RESTRICTIONS AND REQUIREMENTS AUTHORIZED.—If a foreign bank or company that engages, directly or through an affiliate pursuant to paragraph (1), in an activity which the Board has determined to be permissible for financial holding companies under section 6 of the Bank Holding Company Act of 1956 has not filed a declaration with the Board of its status as a financial holding company under such section or received a determination under section 10(d)(1) by the end of the 2-year period beginning on the date of enactment of the Financial Services Act of 1999, the Board, giving due regard to the principle of national treatment and equality of competitive opportunity, may impose such restrictions and requirements on the conduct of such activities by such foreign bank or company as are comparable to those imposed on a financial holding company organized under the laws of the United States, including a requirement to conduct such activities in compliance with any prudential safeguards established under section 114 of the Financial Services Act.''.

SEC. 152. FOREIGN BANKS AND FOREIGN FINANCIAL INSTITUTIONS THAT ARE WHOLESALE FINANCIAL INSTITUTIONS.

Section 8A of the Federal Deposit Insurance Act (as added by section 136(c)(2) of this Act) is amended by adding at the end the following new subsection:

"(i) VOLUNTARY TERMINATION OF DEPOSIT INSURANCE.—The provisions on voluntary termination of insurance in this section shall apply to an insured branch of a foreign bank (including a Federal branch) in the same manner and to the same extent as they apply to an insured State bank or a national bank.''.

SEC. 153. REPRESENTATIVE OFFICES.

(a) DEFINITION OF "REPRESENTATIVE OFFICE".—Section 1(b)(15) of the International Banking Act of 1978 (12 U.S.C. 3101(15)) is amended by striking "State agency, or subsidiary of a foreign bank" and inserting "or State agency".

(b) EXAMINATIONS.—Section 10(c) of the International Banking Act of 1978 (12 U.S.C. 3107(c)) is amended by adding at the end the following: "The Board may also make examinations of any affiliate of a foreign bank conducting business in any State if the Board deems it necessary to determine and enforce compliance with this Act, the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), or other applicable Federal banking law.''.

SEC. 154. RECIPROCITY.

(a) NATIONAL TREATMENT REPORTS.—

(1) REPORT REQUIRED IN THE EVENT OF CERTAIN ACQUISITIONS.—

(A) IN GENERAL.—Whenever a person from a foreign country announces its intention to acquire or acquires a bank, a securities underwriter, broker, or dealer, an investment adviser, or insurance company that ranks within the top 50 firms in that line of business in the United States, the Secretary of Commerce, in the case of an insurance company, or the Secretary of the Treasury, in the case of a bank, a securities underwriter, broker, or dealer, or an investment adviser, shall, within the earlier of 6 months of such announcement or such acquisition and in consultation with other appropriate Federal and State agencies, prepare and submit to the Congress a report on whether a United States person would be able, de facto or de jure, to acquire an equivalent sized firm in the country in which such person from a foreign country is located.

(B) ANALYSIS AND RECOMMENDATIONS.—If a report submitted under subparagraph (A) states that the equivalent treatment referred to in such subparagraph, de facto and de jure, is not provided in the country which is the subject of the report, the Secretary of Commerce or the Secretary of the Treasury, as the case may be and in consultation with other appropriate Federal and State agencies, shall include in the report analysis and recommendations as to how that country's laws and regulations would need to be changed so that reciprocal treatment would exist.

(2) REPORT REQUIRED BEFORE FINANCIAL SERVICES NEGOTIATIONS COMMENCE.—The Secretary of Commerce, with respect to insurance companies, and the Secretary of the Treasury, with respect to banks, securities underwriters, brokers, dealers, and investment advisers, shall, not less than 6 months before the commencement of the financial services negotiations of the World Trade Organization and in consultation with other appropriate Federal and State agencies, prepare and submit to the Congress a report containing—

(A) an assessment of the 30 largest financial services markets with regard to whether reciprocal access is available in such markets to United States financial services providers; and

(B) with respect to any such financial services markets in which reciprocal access is not available to United States financial services providers, an analysis and recommendations as to what legislative, regulatory, or enforcement changes would be required to ensure full reciprocity for such providers.

(3) PERSON OF A FOREIGN COUNTRY DEFINED.—For purposes of this subsection, the term "person of a foreign country" means a person, or a person which directly or indirectly owns or controls that person, that is a resident of that country, is organized under the laws of that country, or has its principal place of business in that country.

(b) PROVISIONS APPLICABLE TO SUBMISSIONS.—

(1) NOTICE.—Before preparing any report required under subsection (a), the Secretary of Commerce or the Secretary of the Treasury, as the case may be, shall publish notice that a report is in preparation and seek comment from United States persons.

(2) PRIVILEGED SUBMISSIONS.—Upon the request of the submitting person, any comments or related communications received by the Secretary of Commerce or the Secretary of the Treasury, as the case may be, with regard to the report shall, for the purposes of section 552 of title 5, of the United States Code, be treated as commercial information obtained from a person that is privileged or confidential, regardless of the medium in which the information is obtained. This confidential information shall be the property of the Secretary and shall be privileged from disclosure to any other person. However, this privilege shall not be construed as preventing access to that confidential information by the Congress.

(3) PROHIBITION OF UNAUTHORIZED DISCLOSURES.—No person in possession of confidential information, provided under this section may disclose that information, in whole or in part, except for disclosure made in published statistical material that does not disclose, either directly or when used in conjunction with publicly available information, the confidential information of any person.

Subtitle G—Federal Home Loan Bank System Modernization

SEC. 161. SHORT TITLE.

This subtitle may be cited as the "Federal Home Loan Bank System Modernization Act of 1999".

SEC. 162. DEFINITIONS.

Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended—

(1) in paragraph (1), by striking "term 'Board' means" and inserting "terms 'Finance Board' and 'Board' mean";

(2) by striking paragraph (3) and inserting the following:

"(3) STATE.—The term 'State', in addition to the States of the United States, includes the District of Columbia, Guam, Puerto Rico, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands."; and

(3) by adding at the end the following new paragraph:

"(13) COMMUNITY FINANCIAL INSTITUTION.—

"(A) IN GENERAL.—The term 'community financial institution' means a member—

"(i) the deposits of which are insured under the Federal Deposit Insurance Act; and

"(ii) that has, as of the date of the transaction at issue, less than $500,000,000 in average total assets, based on an average of total assets over the 3 years preceding that date.

"(B) ADJUSTMENTS.—The $500,000,000 limit referred to in subparagraph (A)(ii) shall be adjusted annually by the Finance Board, based on the annual percentage increase, if any, in the Consumer Price Index for all urban consumers, as published by the Department of Labor.".

SEC. 163. SAVINGS ASSOCIATION MEMBERSHIP.

Section 5(f) of the Home Owners' Loan Act (12 U.S.C. 1464(f)) is amended to read as follows:

"(f) FEDERAL HOME LOAN BANK MEMBERSHIP.—On and after January 1, 1999, a Federal savings association may become a member of the Federal Home Loan Bank System, and shall qualify for such membership in the manner provided by the Federal Home Loan Bank Act.".

SEC. 164. ADVANCES TO MEMBERS; COLLATERAL.

(a) IN GENERAL.—Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and indenting appropriately;

(2) by striking "(a) Each" and inserting the following:

"(a) IN GENERAL.—

"(1) ALL ADVANCES.—Each";

(3) by striking the 2d sentence and inserting the following:

"(2) PURPOSES OF ADVANCES.—A long-term advance may only be made for the purposes of—

"(A) providing funds to any member for residential housing finance; and

"(B) providing funds to any community financial institution for small business, agricultural, rural development, or low-income community development lending.";

(4) by striking "A Bank" and inserting the following:

"(3) COLLATERAL.—A Bank";

(5) in paragraph (3) (as so designated by paragraph (4) of this subsection)—

(A) in subparagraph (C) (as so redesignated by paragraph (1) of this subsection) by striking "Deposits" and inserting "Cash or deposits";

(B) in subparagraph (D) (as so redesignated by paragraph (1) of this subsection), by striking the 2d sentence; and

(C) by inserting after subparagraph (D) (as so redesignated by paragraph (1) of this subsection) the following new subparagraph:

"(E) Secured loans for small business, agriculture, rural development, or low-income community development, or securities representing a whole interest in such secured loans, in the case of any community financial institution.";

(6) in paragraph (5)—

(A) in the 2d sentence, by striking "and the Board";

(B) in the 3d sentence, by striking "Board" and inserting "Federal home loan bank"; and

(C) by striking "(5) Paragraphs (1) through (4)" and inserting the following:

"(4) ADDITIONAL BANK AUTHORITY.—Subparagraphs (A) through (E) of paragraph (3)"; and

(7) by adding at the end the following:

"(5) REVIEW OF CERTAIN COLLATERAL STANDARDS.—The Board may review the collateral standards applicable to each Federal home loan bank for the classes of collateral described in subparagraphs (D) and (E) of paragraph (3), and may, if necessary for safety and soundness purposes, require an increase in the collateral standards for any or all of those classes of collateral.

"(6) DEFINITIONS.—For purposes of this subsection, the terms 'small business', 'agriculture', 'rural development', and 'low-income community development' shall have the meanings given those terms by rule or regulation of the Finance Board.".

(b) CLERICAL AMENDMENT.—The section heading for section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended to read as follows:

"SEC. 10. ADVANCES TO MEMBERS.".

(c) CONFORMING AMENDMENTS RELATING TO MEMBERS WHICH ARE NOT QUALIFIED THRIFT LENDERS—The 1st of the 2 subsections designated as subsection (e) of section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430(e)(1)) is amended—

(1) in the last sentence of paragraph (1), by inserting "or, in the case of any community financial institution, for the purposes described in subsection (a)(2)" before the period; and

(2) in paragraph (5)(C), by inserting "except that, in determining the actual thrift investment percentage of any community financial institution for purposes of this subsection, the total investment of such member in loans for small business, agriculture, rural development, or low-income community development, or securities representing a whole interest in such loans, shall be treated as a qualified thrift investment (as defined in such section 10(m))" before the period.

SEC. 165. ELIGIBILITY CRITERIA.

Section 4(a) of the Federal Home Loan Bank Act (12 U.S.C. 1424(a)) is amended—

(1) in paragraph (2)(A), by inserting, "(other than a community financial institution)" after "institution"; and

(2) by adding at the end the following new paragraph:

"(3) LIMITED EXEMPTION FOR COMMUNITY FINANCIAL INSTITUTIONS.—A community financial institution that otherwise meets the requirements of paragraph (2) may become a member without regard to the percentage of its total assets that is represented by residential mortgage loans, as described in subparagraph (A) of paragraph (2).".

SEC. 166. MANAGEMENT OF BANKS.

(a) BOARD OF DIRECTORS.—Section 7(d) of the Federal Home Loan Bank Act (12 U.S.C. 1427(d)) is amended—

(1) by striking "(d) The term" and inserting the following:

"(d) TERMS OF OFFICE.—The term"; and

(2) by striking "shall be two years".

(b) COMPENSATION.—Section 7(i) of the Federal Home Loan Bank Act (12 U.S.C. 1427(i)) is amended by striking ", subject to the approval of the board".

(c) REPEAL OF SECTIONS 22A AND 27.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by striking sections 22A (12 U.S.C. 1442a) and 27 (12 U.S.C. 1447).

(d) SECTION 12.—Section 12 of the Federal Home Loan Bank Act (12 U.S.C. 1432) is amended—

(1) in subsection (a)—

(A) by striking ", but, except" and all that follows through "ten years";

(B) by striking "subject to the approval of the Board" the first place that term appears;

(C) by striking "and, by its Board of directors," and all that follows through "agent of such bank," and inserting "and, by the board of directors of the bank, to prescribe, amend, and repeal by-laws governing the manner in which its affairs may be administered, consistent with applicable laws and regulations, as administered by the Finance Board. No officer, employee, attorney, or agent of a Federal home loan bank"; and

(D) by striking "Board of directors" where such term appears in the penultimate sentence and inserting "board of directors"; and

(2) in subsection (b), by striking "loans banks" and inserting "loan banks".

(e) POWERS AND DUTIES OF FEDERAL HOUSING FINANCE BOARD.—

(1) Issuance of notices of violations.—Section 2B(a) of the Federal Home Loan Bank Act (12 U.S.C. 1422b(a)) is amended by adding at the end the following new paragraphs:

“(5) To issue and serve a notice of charges upon a Federal home loan bank or upon any executive officer or director of a Federal home loan bank if, in the determination of the Finance Board, the bank, executive officer, or director is engaging or has engaged in, or the Finance Board has reasonable cause to believe that the bank, executive officer, or director is about to engage in, any conduct that violates any provision of this Act or any law, order, rule, or regulation or any condition imposed in writing by the Finance Board in connection with the granting of any application or other request by the bank, or any written agreement entered into by the bank with the agency, in accordance with the procedures provided in section 1371(c) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. Such authority includes the same authority to take affirmative action to correct conditions resulting from violations or practices or to limit activities of a bank or any executive officer or director of a bank as appropriate Federal banking agencies have to take with respect to insured depository institutions under paragraphs (6) and (7) of section 8(b) of the Federal Deposit Insurance Act, and to have all other powers, rights, and duties to enforce this Act with respect to the Federal home loan banks and their executive officers and directors as the Office of Federal Housing Enterprise Oversight has to enforce the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, the Federal National Mortgage Association Charter Act, or the Federal Home Loan Mortgage Corporation Act with respect to the Federal housing enterprises under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

“(6) To address any insufficiencies in capital levels resulting from the application of section 5(f) of the Home Owners' Loan Act.

“(7) To sue and be sued, by and through its own attorneys.”.

(2) Technical amendment.—Section 111 of Public Law 93-495 (12 U.S.C. 250) is amended by striking “Federal Home Loan Bank Board,” and inserting “Director of the Office of Thrift Supervision, “the Federal Housing Finance Board,”.

(f) Eligibility To Secure Advances.—

(1) Section 9.—Section 9 of the Federal Home Loan Bank Act (12 U.S.C. 1429) is amended—

(A) in the 2d sentence, by striking “with the approval of the Board”; and

(B) in the 3d sentence, by striking “, subject to the approval of the Board.”.

(2) Section 10.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended—

(A) in subsection (c)—

(i) in the 1st sentence, by striking “Board” and inserting “Federal home loan bank”; and

(ii) by striking the 2d sentence;

(B) in subsection (d)—

(i) in the 1st sentence, by striking “and the approval of the Board”; and

(ii) by striking “Subject to the approval of the Board, any” and inserting “Any”; and

(C) in subsection (j)(1)—

(i) by striking “to subsidize the interest rate on advances” and inserting “to provide subsidies, including subsidized interest rates on advances”;

(ii) by striking “Pursuant” and inserting the following:

“(A) Establishment.—Pursuant”; and

(iii) by adding at the end the following new subparagraph:

“(B) Nondelegation of approval authority.—Subject to such regulations as the Finance Board may prescribe, the board of directors of each Federal home loan bank may approve or disapprove requests from members for Affordable Housing Program subsidies, and may not delegate such authority.”.

(g) Section 16.—Section 16(a) of the Federal Home Loan Bank Act (12 U.S.C. 1436(a)) is amended—

(1) in the 3d sentence—

(A) by striking “net earnings” and inserting “previously retained earnings or current net earnings”; and

(B) by striking “, and then only with the approval of the Federal Housing Finance Board”; and

(2) by striking the 4th sentence.

(h) Section 18.—Section 18(b) of the Federal Home Loan Bank Act (12 U.S.C. 1438(b)) is amended by striking paragraph (4).

SEC. 167. RESOLUTION FUNDING CORPORATION.

(a) In General.—Section 21B(f)(2)(C) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)(C)) is amended to read as follows:

“(C) Payments by federal home loan banks.—

“(i) In general.—To the extent that the amounts available pursuant to subparagraphs (A) and (B) are insufficient to cover the amount of interest payments, each Federal home loan bank shall pay to the Funding Corporation in each calendar year, 20.75 percent of the net earnings of that bank (after deducting expenses relating to section 10(j) and operating expenses).

“(ii) Annual determination.—The Board annually shall determine the extent to which the value of the aggregate amounts paid by the Federal home loan banks exceeds or falls short of the value of an annuity of $300,000,000 per year that commences on the issuance date and ends on the final scheduled maturity date of the obligations, and shall select appropriate present value factors for making such determinations.

“(iii) Payment term alterations.—The Board shall extend or shorten the term of the payment obligations of a Federal home loan bank under this subparagraph as necessary to ensure that the value of all payments made by the banks is equivalent to the value of an annuity referred to in clause (ii).

“(iv) Term beyond maturity.—If the Board extends the term of payments beyond the final scheduled maturity date for the obligations, each Federal home loan bank shall continue to pay 20.75 percent of its net earnings (after deducting expenses relating to section 10(j) and operating expenses) to the Treasury of the United States until the value of all such payments by the Federal home loan banks is equivalent to the value of an annuity referred to in clause (ii). In the final year in which the Federal home loan banks are required to make any payment to the Treasury under this subparagraph, if the dollar amount represented by 20.75 percent of the net earnings of the Federal home loan banks exceeds the remaining obligation of the banks to the Treasury, the Finance Board shall reduce the percentage pro rata to a level sufficient to pay the remaining obligation.”.

(b) Effective Date.—The amendment made by subsection (a) shall become effective on January 1, 1999. Payments made by a Federal home loan bank before that effective date shall be counted toward the total obligation of that bank under section 21B(f)(2)(C) of the Federal Home Loan Bank Act, as amended by this section.

SEC. 168. CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS.

Section 6 of the Federal Home Loan Bank Act (12 U.S.C. 1426) is amended to read as follows:

“SEC. 6. CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS.

“(a) Regulations.—

“(1) Capital standards.—Not later than 1 year after the date of enactment of the Financial Services Act of 1999, the Finance Board shall issue regulations prescribing uniform capital standards applicable to each Federal home loan bank, which shall require each such bank to meet—

“(A) the leverage requirement specified in paragraph (2); and

“(B) the risk-based capital requirements, in accordance with paragraph (3).

“(2) Leverage requirement.—

“(A) In general.—The leverage requirement shall require each Federal home loan bank to maintain a minimum amount of total capital based on the aggregate on-balance sheet assets of the bank and shall be 5 percent.

“(B) Treatment of stock and retained earnings.—In determining compliance with the minimum leverage ratio established under subparagraph (A), the paid-in value of the outstanding Class B stock shall be multiplied by 1.5, the paid-in value of the outstanding Class C stock and the amount of retained earnings shall be multiplied by 2.0, and such higher amounts shall be deemed to be capital for purposes of meeting the 5 percent minimum leverage ratio.

“(3) Risk-based capital standards.—

“(A) In general.—Each Federal home loan bank shall maintain permanent capital in an amount that is sufficient, as determined in accordance with the regulations of the Finance Board, to meet—

“(i) the credit risk to which the Federal home loan bank is subject; and

“(ii) the market risk, including interest rate risk, to which the Federal home loan bank is subject, based on a stress test established by the Finance Board that rigorously tests for changes in market variables, including changes in interest rates, rate volatility, and changes in the shape of the yield curve.

“(B) Consideration of other risk-based standards.—In establishing the risk-based standard under subparagraph (A)(ii), the Finance Board shall take due consideration of any risk-based capital test established pursuant to section 1361 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4611) for the enterprises (as defined in that Act), with such modifications as the Finance Board determines to be appropriate to reflect differences in operations between the Federal home loan banks and those enterprises.

“(4) Other regulatory requirements.—The regulations issued by the Finance Board under paragraph (1) shall—

“(A) permit each Federal home loan bank to issue, with such rights, terms, and preferences, not inconsistent with this Act and the regulations issued hereunder, as the board of directors of that bank may approve, any 1 or more of—

“(i) Class A stock, which shall be redeemable in cash and at par 6 months following submission by a member of a written notice of its intent to redeem such shares;

"(ii) Class B stock, which shall be redeemable in cash and at par 5 years following submission by a member of a written notice of its intent to redeem such shares; and

"(iii) Class C stock, which shall be nonredeemable;

"(B) provide that the stock of a Federal home loan bank may be issued to and held by only members of the bank, and that a bank may not issue any stock other than as provided in this section;

"(C) prescribe the manner in which stock of a Federal home loan bank may be sold, transferred, redeemed, or repurchased; and

"(D) provide the manner of disposition of outstanding stock held by, and the liquidation of any claims of the Federal home loan bank against, an institution that ceases to be a member of the bank, through merger or otherwise, or that provides notice of intention to withdraw from membership in the bank.

"(5) DEFINITIONS OF CAPITAL.—For purposes of determining compliance with the capital standards established under this subsection—

"(A) permanent capital of a Federal home loan bank shall include (as determined in accordance with generally accepted accounting principles)—

"(i) the amounts paid for the Class C stock and any other nonredeemable stock approved by the Finance Board;

"(ii) the amounts paid for the Class B stock, in an amount not to exceed 1 percent of the total assets of the bank; and

"(iii) the retained earnings of the bank; and

"(B) total capital of a Federal home loan bank shall include—

"(i) permanent capital;

"(ii) the amounts paid for the Class A stock, Class B stock (excluding any amount treated as permanent capital under subparagraph (5)(A)(ii)), or any other class of redeemable stock approved by the Finance Board;

"(iii) consistent with generally accepted accounting principles, and subject to the regulation of the Finance Board, a general allowance for losses, which may not include any reserves or allowances made or held against specific assets; and

"(iv) any other amounts from sources available to absorb losses incurred by the bank that the Finance Board determines by regulation to be appropriate to include in determining total capital.

"(6) TRANSITION PERIOD.—Notwithstanding any other provisions of this Act, the requirements relating to purchase and retention of capital stock of a Federal home loan bank by any member thereof in effect on the day before the date of enactment of the Federal Home Loan Bank System Modernization Act of 1999, shall continue in effect with respect to each Federal home loan bank until the regulations required by this subsection have taken effect and the capital structure plan required by subsection (b) has been approved by the Finance Board and implemented by such bank.

"(b) CAPITAL STRUCTURE PLAN.—

"(1) APPROVAL OF PLANS.—Not later than 270 days after the date of publication by the Finance Board of final regulations in accordance with subsection (a), the board of directors of each Federal home loan bank shall submit for Finance Board approval a plan establishing and implementing a capital structure for such bank that—

"(A) the board of directors determines is best suited for the condition and operation of the bank and the interests of the members of the bank;

"(B) meets the requirements of subsection (c); and

"(C) meets the minimum capital standards and requirements established under subsection (a) and other regulations prescribed by the Finance Board.

"(2) APPROVAL OF MODIFICATIONS.—The board of directors of a Federal home loan bank shall submit to the Finance Board for approval any modifications that the bank proposes to make to an approved capital structure plan.

"(c) CONTENTS OF PLAN.—The capital structure plan of each Federal home loan bank shall contain provisions addressing each of the following:

"(1) MINIMUM INVESTMENT.—

"(A) IN GENERAL.—Each capital structure plan of a Federal home loan bank shall require each member of the bank to maintain a minimum investment in the stock of the bank, the amount of which shall be determined in a manner to be prescribed by the board of directors of each bank and to be included as part of the plan.

"(B) INVESTMENT ALTERNATIVES.—

"(i) IN GENERAL.—In establishing the minimum investment required for each member under subparagraph (A), a Federal home loan bank may, in its discretion, include any 1 or more of the requirements referred to in clause (ii), or any other provisions approved by the Finance Board.

"(ii) AUTHORIZED REQUIREMENTS.—A requirement is referred to in this clause if it is a requirement for—

"(I) a stock purchase based on a percentage of the total assets of a member; or

"(II) a stock purchase based on a percentage of the outstanding advances from the bank to the member.

"(C) MINIMUM AMOUNT.—Each capital structure plan of a Federal home loan bank shall require that the minimum stock investment established for members shall be set at a level that is sufficient for the bank to meet the minimum capital requirements established by the Finance Board under subsection (a).

"(D) ADJUSTMENTS TO MINIMUM REQUIRED INVESTMENT.—The capital structure plan of each Federal home loan bank shall impose a continuing obligation on the board of directors of the bank to review and adjust the minimum investment required of each member of that bank, as necessary to ensure that the bank remains in compliance with applicable minimum capital levels established by the Finance Board, and shall require each member to comply promptly with any adjustments to the required minimum investment.

"(2) TRANSITION RULE.—

"(A) IN GENERAL.—The capital structure plan of each Federal home loan bank shall specify the date on which it shall take effect, and may provide for a transition period of not longer than 3 years to allow the bank to come into compliance with the capital requirements prescribed under subsection (a), and to allow any institution that was a member of the bank on the date of enactment of the Financial Services Act of 1999, to come into compliance with the minimum investment required pursuant to the plan.

"(B) INTERIM PURCHASE REQUIREMENTS.—The capital structure plan of a Federal home loan bank may allow any member referred to in subparagraph (A) that would be required by the terms of the capital structure plan to increase its investment in the stock of the bank to do so in periodic installments during the transition period.

"(3) DISPOSITION OF SHARES.—The capital structure plan of a Federal home loan bank shall provide for the manner of disposition of any stock held by a member of that bank that terminates its membership or that provides notice of its intention to withdraw from membership in that bank.

"(4) CLASSES OF STOCK.—

"(A) IN GENERAL.—The capital structure plan of a Federal home loan bank shall afford each member of that bank the option of maintaining its required investment in the bank through the purchase of any combination of classes of stock authorized by the board of directors of the bank and approved by the Finance Board in accordance with its regulations.

"(B) RIGHTS REQUIREMENT.—A Federal home loan bank shall include in its capital structure plan provisions establishing terms, rights, and preferences, including minimum investment, dividends, voting, and liquidation preferences of each class of stock issued by the bank, consistent with Finance Board regulations and market requirements.

"(C) REDUCED MINIMUM INVESTMENT.—The capital structure plan of a Federal home loan bank may provide for a reduced minimum stock investment for any member of that bank that elects to purchase Class B, Class C, or any other class of nonredeemable stock, in a manner that is consistent with meeting the minimum capital requirements of the bank, as established by the Finance Board.

"(D) LIQUIDATION OF CLAIMS.—The capital structure plan of a Federal home loan bank shall provide for the liquidation in an orderly manner, as determined by the bank, of any claim of that bank against a member, including claims for any applicable prepayment fees or penalties resulting from prepayment of advances prior to stated maturity.

"(5) LIMITED TRANSFERABILITY OF STOCK.—The capital structure plan of a Federal home loan bank shall—

"(A) provide that—

"(i) any stock issued by that bank shall be available only to, held only by, and tradable only among members of that bank and between that bank and its members; and

"(ii) a bank has no obligation to repurchase its outstanding Class C stock but may do so, provided it is consistent with Finance Board regulations and is at a price that is mutually agreeable to the bank and the member; and

"(B) establish standards, criteria, and requirements for the issuance, purchase, transfer, retirement, and redemption of stock issued by that bank.

"(6) BANK REVIEW OF PLAN.—Before filing a capital structure plan with the Finance Board, each Federal home loan bank shall conduct a review of the plan by—

"(A) an independent certified public accountant, to ensure, to the extent possible, that implementation of the plan would not result in any write-down of the redeemable bank stock investment of its members; and

"(B) at least 1 major credit rating agency, to determine, to the extent possible, whether implementation of the plan would have any material effect on the credit ratings of the bank.

"(d) TERMINATION OF MEMBERSHIP.—

"(1) VOLUNTARY WITHDRAWAL.—Any member may withdraw from a Federal home loan bank by providing written notice to the bank of its intent to do so. The applicable stock redemption notice periods shall commence upon receipt of the notice by the bank. Upon the expiration of the applicable notice period for each class of redeemable stock, the member may surrender such stock to the bank, and shall be entitled to receive in cash the par value of the stock. During the applicable notice periods, the member shall be entitled to dividends and other membership rights commensurate with continuing stock ownership.

"(2) INVOLUNTARY WITHDRAWAL.—

"(A) IN GENERAL.—The board of directors of a Federal home loan bank may terminate the membership of any institution if, subject to Finance Board regulations, it determines that—

"(i) the member has failed to comply with a provision of this Act or any regulation prescribed under this Act; or

"(ii) the member has been determined to be insolvent, or otherwise subject to the appointment of a conservator, receiver, or other legal custodian, by a State or Federal authority with regulatory and supervisory responsibility for the member.

"(B) STOCK DISPOSITION.—An institution, the membership of which is terminated in accordance with subparagraph (A)—

"(i) shall surrender redeemable stock to the Federal home loan bank, and shall receive in cash the par value of the stock, upon the expiration of the applicable notice period under subsection (a)(4)(A);

"(ii) shall receive any dividends declared on its redeemable stock, during the applicable notice period under subsection (a)(4)(A); and

"(iii) shall not be entitled to any other rights or privileges accorded to members after the date of the termination.

"(C) COMMENCEMENT OF NOTICE PERIOD.—With respect to an institution, the membership of which is terminated in accordance with subparagraph (A), the applicable notice period under subsection (a)(4) for each class of redeemable stock shall commence on the earlier of—

"(i) the date of such termination; or

"(ii) the date on which the member has provided notice of its intent to redeem such stock.

"(3) LIQUIDATION OF INDEBTEDNESS.—Upon the termination of the membership of an institution for any reason, the outstanding indebtedness of the member to the bank shall be liquidated in an orderly manner, as determined by the bank and, upon the extinguishment of all such indebtedness, the bank shall return to the member all collateral pledged to secure the indebtedness.

"(e) REDEMPTION OF EXCESS STOCK.—

"(1) IN GENERAL.—A Federal home loan bank, in its sole discretion, may redeem or repurchase, as appropriate, any shares of Class A or Class B stock issued by the bank and held by a member that are in excess of the minimum stock investment required of that member.

"(2) EXCESS STOCK.—Shares of stock held by a member shall not be deemed to be 'excess stock' for purposes of this subsection by virtue of a member's submission of a notice of intent to withdraw from membership or termination of its membership in any other manner.

"(3) PRIORITY.—A Federal home loan bank may not redeem any excess Class B stock prior to the end of the 5-year notice period, unless the member has no Class A stock outstanding that could be redeemed as excess.

"(f) IMPAIRMENT OF CAPITAL.—If the Finance Board or the board of directors of a Federal home loan bank determines that the bank has incurred or is likely to incur losses that result in or are expected to result in charges against the capital of the bank, the bank shall not redeem or repurchase any stock of the bank without the prior approval of the Finance Board while such charges are continuing or are expected to continue. In no case may a bank redeem or repurchase any applicable capital stock if, following the redemption, the bank would fail to satisfy any minimum capital requirement.

"(g) REJOINING AFTER DIVESTITURE OF ALL SHARES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding any other provision of this Act, an institution that divests all shares of stock in a Federal home loan bank may not, after such divestiture, acquire shares of any Federal home loan bank before the end of the 5-year period beginning on the date of the completion of such divestiture, unless the divestiture is a consequence of a transfer of membership on an uninterrupted basis between banks.

"(2) EXCEPTION FOR WITHDRAWALS FROM MEMBERSHIP BEFORE 1998.—Any institution that withdrew from membership in any Federal home loan bank before December 31, 1997, may acquire shares of a Federal home loan bank at any time after that date, subject to the approval of the Finance Board and the requirements of this Act.

"(h) TREATMENT OF RETAINED EARNINGS.—

"(1) IN GENERAL.—The holders of the Class C stock of a Federal home loan bank, and any other classes of nonredeemable stock approved by the Finance Board (to the extent provided in the terms thereof),,shall own the retained earnings, surplus, undivided profits, and equity reserves, if any, of the bank.

"(2) NO NONREDEEMABLE CLASSES OF STOCK.—If a Federal home loan bank has no outstanding Class C or other such nonredeemable stock, then the holders of any other classes of stock of the bank then outstanding shall have ownership in, and a private property right in, the retained earnings, surplus, undivided profits, and equity reserves, if any, of the bank.

"(3) EXCEPTION.—Except as specifically provided in this section or through the declaration of a dividend or a capital distribution by a Federal home loan bank, or in the event of liquidation of the bank, a member shall have no right to withdraw or otherwise receive distribution of any portion of the retained earnings of the bank.

"(4) LIMITATION.—A Federal home loan bank may not make any distribution of its retained earnings unless, following such distribution, the bank would continue to meet all applicable capital requirements.".

Subtitle H—ATM Fee Reform

SEC. 171. SHORT TITLE.

This subtitle may be cited as the "ATM Fee Reform Act of 1999".

SEC. 172. ELECTRONIC FUND TRANSFER FEE DISCLOSURES AT ANY HOST ATM.

Section 904(d) of the Electronic Fund Transfer Act (15 U.S.C. 1693b(d)) is amended by adding at the end the following new paragraph:

"(3) FEE DISCLOSURES AT AUTOMATED TELLER MACHINES.—

"(A) IN GENERAL.—The regulations prescribed under paragraph (1) shall require any automated teller machine operator who imposes a fee on any consumer for providing host transfer services to such consumer to provide notice in accordance with subparagraph (B) to the consumer (at the time the service is provided) of—

"(i) the fact that a fee is imposed by such operator for providing the service; and

"(ii) the amount of any such fee.

"(B) NOTICE REQUIREMENTS.—

"(i) ON THE MACHINE.—The notice required under clause (i) of subparagraph (A) with respect to any fee described in such subparagraph shall be posted in a prominent and conspicuous location on or at the automated teller machine at which the electronic fund transfer is initiated by the consumer; and

"(ii) ON THE SCREEN.—The notice required under clauses (i) and (ii) of subparagraph (A) with respect to any fee described in such subparagraph shall appear on the screen of the automated teller machine, or on a paper notice issued from such machine, after the transaction is initiated and before the consumer is irrevocably committed to completing the transaction.

"(C) PROHIBITION ON FEES NOT PROPERLY DISCLOSED AND EXPLICITLY ASSUMED BY CONSUMER.—No fee may be imposed by any automated teller machine operator in connection with any electronic fund transfer initiated by a consumer for which a notice is required under subparagraph (A), unless—

"(i) the consumer receives such notice in accordance with subparagraph (B); and

"(ii) the consumer elects to continue in the manner necessary to effect the transaction after receiving such notice.

"(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

"(i) ELECTRONIC FUND TRANSFER.—The term 'electronic fund transfer' includes a transaction which involves a balance inquiry initiated by a consumer in the same manner as an electronic fund transfer, whether or not the consumer initiates a transfer of funds in the course of the transaction.

"(ii) AUTOMATED TELLER MACHINE OPERATOR.—The term 'automated teller machine operator' means any person who—

"(I) operates an automated teller machine at which consumers initiate electronic fund transfers; and

"(II) is not the financial institution which holds the account of such consumer from which the transfer is made.

"(iii) HOST TRANSFER SERVICES.—The term 'host transfer services' means any electronic fund transfer made by an automated teller machine operator in connection with a transaction initiated by a consumer at an automated teller machine operated by such operator.".

SEC. 173. DISCLOSURE OF POSSIBLE FEES TO CONSUMERS WHEN ATM CARD IS ISSUED.

Section 905(a) of the Electronic Fund Transfer Act (15 U.S.C. 1693c(a)) is amended—

(1) by striking "and" at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting "; and"; and

(3) by inserting after paragraph (9) the following new paragraph:

"(10) a notice to the consumer that a fee may be imposed by—

"(A) an automated teller machine operator (as defined in section 904(d)(3)(D)(ii)) if the consumer initiates a transfer from an automated teller machine which is not operated by the person issuing the card or other means of access; and

"(B) any national, regional, or local network utilized to effect the transaction.".

SEC. 174. FEASIBILITY STUDY.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the feasibility of requiring, in connection with any electronic fund transfer initiated by a consumer through the use of an automated teller machine—

(1) a notice to be provided to the consumer before the consumer is irrevocably committed to completing the transaction, which clearly states the amount of any fee which will be imposed upon the consummation of the transaction by—

(A) any automated teller machine operator (as defined in section 904(d)(3)(D)(ii) of the Electronic Fund Transfer Act) involved in the transaction;

(B) the financial institution holding the account of the consumer;

(C) any national, regional, or local network utilized to effect the transaction; and

(D) any other party involved in the transfer; and

(2) the consumer to elect to consummate the transaction after receiving the notice described in paragraph (1).

(b) Factors To Be Considered.—In conducting the study required under subsection (a) with regard to the notice requirement described in such subsection, the Comptroller General shall consider the following factors:

(1) The availability of appropriate technology.

(2) Implementation and operating costs.

(3) The competitive impact any such notice requirement would have on various sizes and types of institutions, if implemented.

(4) The period of time which would be reasonable for implementing any such notice requirement.

(5) The extent to which consumers would benefit from any such notice requirement.

(6) Any other factor the Comptroller General determines to be appropriate in analyzing the feasibility of imposing any such notice requirement.

(c) Report to the Congress.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing—

(1) the findings and conclusions of the Comptroller General in connection with the study required under subsection (a); and

(2) the recommendation of the Comptroller General with regard to the question of whether a notice requirement described in subsection (a) should be implemented and, if so, how such requirement should be implemented.

SEC. 175. NO LIABILITY IF POSTED NOTICES ARE DAMAGED.

Section 910 of the Electronic Fund Transfer Act (15 U.S.C 1693h) is amended by adding at the end the following new subsection:

"(d) Exception for Damaged Notices.—If the notice required to be posted pursuant to section 904(d)(3)(B)(i) by an automated teller machine operator has been posted by such operator in compliance with such section and the notice is subsequently removed, damaged, or altered by any person other than the operator of the automated teller machine, the operator shall have no liability under this section for failure to comply with section 904(d)(3)(B)(i).".

Subtitle I—Direct Activities of Banks

SEC. 181. AUTHORITY OF NATIONAL BANKS TO UNDERWRITE CERTAIN MUNICIPAL BONDS.

The paragraph designated the Seventh of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24(7)) is amended by adding at the end the following new sentence: "In addition to the provisions in this paragraph for dealing in, underwriting or purchasing securities, the limitations and restrictions contained in this paragraph as to dealing in, underwriting, and purchasing investment securities for the national bank's own account shall not apply to obligations (including limited obligation bonds, revenue bonds, and obligations that satisfy the requirements of section 142(b)(1) of the Internal Revenue Code of 1986) issued by or on behalf of any State or political subdivision of a State, including any municipal corporate instrumentality of 1 or more States, or any public agency or authority of any State or political subdivision of a State, if the national bank is well capitalized (as defined in section 38 of the Federal Deposit Insurance Act).".

Subtitle J—Deposit Insurance Funds

SEC. 186. STUDY OF SAFETY AND SOUNDNESS OF FUNDS.

(a) Study Required.—The Board of Directors of the Federal Deposit Insurance Corporation shall conduct a study of the following issues with regard to the Bank Insurance Fund and the Savings Association Insurance Fund:

(1) Safety and soundness.—The safety and soundness of the funds and the adequacy of the reserve requirements applicable to the funds in light of—

(A) the size of the insured depository institutions which are resulting from mergers and consolidations since the effective date of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994; and

(B) the affiliation of insured depository institutions with other financial institutions pursuant to this Act and the amendments made by this Act.

(2) Concentration levels.—The concentration levels of the funds, taking into account the number of members of each fund and the geographic distribution of such members, and the extent to which either fund is exposed to higher risks due to a regional concentration of members or an insufficient membership base relative to the size of member institutions.

(3) Merger issues.—Issues relating to the planned merger of the funds, including the cost of merging the funds and the manner in which such costs will be distributed among the members of the respective funds.

(b) Report Required.—

(1) In general.—Before the end of the 9-month period beginning on the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation shall submit a report to the Congress on the study conducted pursuant to subsection (a).

(2) Contents of report.—The report shall include—

(A) detailed findings of the Board of Directors with regard to the issues described in subsection (a);

(B) a description of the plans developed by the Board of Directors for merging the Bank Insurance Fund and the Savings Association Insurance Fund, including an estimate of the amount of the cost of such merger which would be borne by Savings Association Insurance Fund members; and

(C) such recommendations for legislative and administrative action as the Board of Directors determines to be necessary or appropriate to preserve the safety and soundness of the deposit insurance funds, reduce the risks to such funds, provide for an efficient merger of such funds, and for other purposes.

(c) Definitions.—For purposes of this section, the following definitions shall apply:

(1) Insured depository institution.—The term "insured depository institution" has the same meaning as in section 3(c) of the Federal Deposit Insurance Act.

(2) BIF and SAIF members.—The terms "Bank Insurance Fund member" and "Savings Association Insurance Fund member" have the same meanings as in section 7(l) of the Federal Deposit Insurance Act.

SEC. 187. ELIMINATION OF SAIF AND DIF SPECIAL RESERVES.

(a) SAIF Special Reserves.—Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended by striking subparagraph (L).

(b) DIF Special Reserves.—Section 2704 of the Deposit Insurance Funds Act of 1996 (12 U.S.C. 1821 note) is amended—

(1) by striking subsection (b); and

(2) in subsection (d)—

(A) by striking paragraph (4);

(B) in paragraph (6)(C)(i), by striking "(6) and (7)" and inserting "(5), (6), and (7)"; and

(C) in paragraph (6)(C), by striking clause (ii) and inserting the following:

"(ii) by redesignating paragraph (8) as paragraph (5).".

Subtitle K—Miscellaneous Provisions

SEC. 191. TERMINATION OF "KNOW YOUR CUSTOMER" REGULATIONS.

(a) In General.—None of the proposed regulations described in subsection (b) may be published in final form and, to the extent any such regulation has become effective before the date of the enactment of this Act, such regulation shall cease to be effective as of such date.

(b) Proposed Regulations Described.—The proposed regulations referred to in subsection (a) are as follows:

(1) The regulation proposed by the Comptroller of the Currency to amend part 21 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

(2) The regulation proposed by the Director of the Office of Thrift Supervision to amend part 563 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

(3) The regulation proposed by the Board of Governors of the Federal Reserve System to amend parts 208, 211, and 225 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

(4) The regulation proposed by the Federal Deposit Insurance Corporation to amend part 326 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

SEC. 192. STUDY AND REPORT ON FEDERAL ELECTRONIC FUND TRANSFERS.

(a) Study.—The Secretary of the Treasury shall conduct a feasibility study to determine—

(1) whether all electronic payments issued by Federal agencies could be routed through the Regional Finance Centers of the Department of the Treasury for verification and reconciliation;

(2) whether all electronic payments made by the Federal Government could be subjected to the same level of reconciliation as United States Treasury checks, including matching each payment issued with each corresponding deposit at financial institutions;

(3) whether the appropriate computer security controls are in place in order to ensure the integrity of electronic payments;

(4) the estimated costs of implementing, if so recommended, the processes and controls described in paragraphs (1), (2), and (3); and

(5) a possible timetable for implementing those processes if so recommended.

(b) Report to Congress.—Not later than October 1, 2000, the Secretary of the Treasury shall submit a report to Congress containing the results of the study required by subsection (a).

(c) Definition.—For purposes of this section, the term "electronic payment" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tapes so as to order, instruct, or authorize a debit or credit to a financial account.

SEC. 193. GENERAL ACCOUNTING OFFICE STUDY OF CONFLICTS OF INTEREST

(a) Study Required.—The Comptroller General of the United States shall conduct a study analyzing the conflict of interest faced by the Board of Governors of the Federal Reserve System between its role as a primary regulator of the banking industry and its role as a vendor of services to the banking and financial services industry.

(b) Specific Conflict Required To Be Addressed.—In the course of the study required under subsection (a), the Comptroller General shall address the conflict of interest faced by the Board of Governors of the Federal Reserve System between the role of the Board as a regulator of the payment system, generally, and its participation in the payment system as a competitor with private entities who are providing payment services.

(c) Report to Congress.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing the findings and conclusions of the Comptroller General in connection with the study required under this section, together with such recommendations for such legislative or administrative actions as the Comptroller General may determine to be appropriate, including recommendations for resolving any such conflict of interest.

SEC. 194. STUDY OF COST OF ALL FEDERAL BANKING REGULATIONS.

(a) In General.—In accordance with the finding in the Board of Governors of the Federal Reserve System Staff Study Numbered 171 (April, 1998) that "Further research covering more and different types of regulations and regulatory requirements is clearly needed to make informed decisions about regulations", the Board of Governors of the Federal Reserve System, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act) shall conduct a comprehensive study of the total annual costs and benefits of all Federal financial regulations and regulatory requirements applicable to banks.

(b) Report Required.—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System shall submit a comprehensive report to the Congress containing the findings and conclusions of the Board in connection with the study required under subsection (a) and such recommendations for legislative and administrative action as the Board may determine to be appropriate.

SEC. 195. STUDY AND REPORT ON ADAPTING EXISTING LEGISLATIVE REQUIREMENTS TO ONLINE BANKING AND LENDING.

(a) Study Required.—The Federal banking agencies shall conduct a study of banking regulations regarding the delivery of financial services, including those regulations that may assume that there will be person-to-person contact during the course of a financial services transaction, and report their recommendations on adapting those existing requirements to online banking and lending.

(b) Report Required.—Within 1 year of the date of the enactment of this Act, the Federal banking agencies shall submit a report to the Congress on the findings and conclusions of the agencies with respect to the study required under subsection (a), together with such recommendations for legislative or regulatory action as the agencies may determine to be appropriate.

(c) Definition.—For purposes of this section, the term "Federal banking agencies" means each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act).

SEC. 196. REGULATION OF UNINSURED STATE MEMBER BANKS.

Section 9 of the Federal Reserve Act (12 U.S.C. 321 et seq.) is amended by adding at the end the following new paragraph:

"(24) Enforcement authority over uninsured state member banks.—Section 3(u) of the Federal Deposit Insurance Act, subsections (j) and (k) of section 7 of such Act, and subsections (b) through (n), (s), (u), and (v) of section 8 of such Act shall apply to an uninsured State member bank in the same manner and to the same extent such provisions apply to an insured State member bank and any reference in any such provision to 'insured depository institution' shall be deemed to be a reference to 'uninsured State member bank' for purposes of this paragraph.".

SEC. 197. CLARIFICATION OF SOURCE OF STRENGTH DOCTRINE.

Section 18 of the Federal Deposit Insurance Act (21 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(t) Limitation on Claims.—

"(1) In general.—Notwithstanding any other provision of law other than paragraph (2), no person shall have any claim for monetary damages or return of assets or other property against any Federal banking agency (including in its capacity as conservator or receiver) relating to the transfer of money, assets, or other property to increase the capital of an insured depository institution by any depository institution holding company or controlling shareholder for such depository institution, or any affiliate or subsidiary of such depository institution, if at the time of the transfer—

"(A) the insured depository institution is subject to any direction issued in writing by a Federal banking agency to increase its capital;

"(B) the depository institution is undercapitalized, significantly undercapitalized, or critically undercapitalized (as defined in section 38 of this Act); and

"(C) for that portion of the transfer that is made by an entity covered by section 5(g) of the Bank Holding Company Act of 1956 or section 45 of this Act, the Federal banking agency has followed the procedure set forth in such section.

"(2) Exception.—No provision of this subsection shall be construed as limiting—

"(A) the right of an insured depository institution, a depository institution holding company, or any other agency or person to seek direct review of an order or directive issued by a Federal banking agency under this Act, the Bank Holding Company Act of 1956, the National Bank Receivership Act, the Bank Conservation Act, or the Home Owners' Loan Act;

"(B) the rights of any party to a contract pursuant to section 11(e) of this Act; or

"(C) the rights of any party to a contract with a depository institution holding company or a subsidiary of a depository institution holding company (other than an insured depository institution)."

SEC. 198. INTEREST RATES AND OTHER CHARGES AT INTERSTATE BRANCHES.

Section 44 of the Federal Deposit Insurance Act (12 U.S.C. 1831u) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) Applicable Rate and Other Charge Limitations.—

"(1) In general.—Except as provided for in paragraph (3), upon the establishment of a branch of any insured depository institution in a host State under this section, the maximum interest rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved from time to time in any loan or discount made or upon any note, bill of exchange, financing transaction, or other evidence of debt by any insured depository institution in such State shall be equal to not more than the greater of—

"(A) the maximum interest rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved in a similar transaction under the constitution, statutory, or other lows of the home State of the insured depository institution establishing any such branch, without reference to this section, as such maximum interest rate or amount of interest may change from time to time; or

"(B) the maximum rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved in a similar transaction by an insured depository institution under the constitution, statutory, or other laws of the host State, without reference to this section.

"(2) Preemption.—The limitations established under paragraph (1) shall apply only in any State that has a constitutional provision that sets a maximum lawful rate of interest on any contract at not more than 5 percent per annum above the Federal Reserve Discount Rate or 90-day commercial paper in effect in the Federal Reserve Bank in the Federal Reserve District in which the State is located.

"(3) Rule of construction.—No provision of this subsection shall be construed as superseding section 501 of the Depository Institutions Deregulation and Monetary Control Act of 1980.

Subtitle L—Effective Date of Title

SEC. 199. EFFECTIVE DATE.

Except with regard to any subtitle or other provision of this title for which a specific effective date is provided, this title and the amendments made by this title shall take effect at the end of the 180-day period beginning on the date of the enactment of this Act.

TITLE II—FUNCTIONAL REGULATION

Subtitle A—Brokers and Dealers

SEC. 201. DEFINITION OF BROKER.

Section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)) is amended to read as follows:

"(4) Broker.—

"(A) In general.—The term 'broker' means any person engaged in the business of effecting transactions in securities for the account of others.

"(B) Exception for certain bank activities.—A bank shall not be considered to be a broker because the bank engages in any one or more of the following activities under the conditions described:

"(i) Third party brokerage arrangements.—The bank enters into a contractual or other written arrangement with a broker or dealer registered under this title under which the broker or dealer offers brokerage services on or off the premises of the bank if—

"(I) such broker or dealer is clearly identified as the person performing the brokerage services;

"(II) the broker or dealer performs brokerage services in an area that is clearly marked and, to the extent practicable, physically separate from the routine deposit-taking activities of the bank;

"(III) any materials used by the bank to advertise or promote generally the availability of brokerage services under the arrangement clearly indicate that the brokerage services are being provided by the broker or dealer and not by the bank;

"(IV) any materials used by the bank to advertise or promote generally the availability of brokerage services under the arrangement are in compliance with the Federal securities laws before distribution;

"(V) bank employees (other than associated persons of a broker or dealer who are qualified pursuant to the rules of a self-regulatory organization) perform only clerical or ministerial functions in connection with brokerage transactions including scheduling appointments with the associated persons of a broker or dealer, except that bank employees may forward customer funds or securities and may describe in general terms the types of investment vehicles available from the bank and the broker or dealer under the arrangement;

"(VI) bank employees do not receive incentive compensation for any brokerage transaction unless such employees are associated persons of a broker or dealer and are qualified pursuant to the rules of a self-regulatory organization, except that the bank employees may receive compensation for the referral of any customer if the compensation is a nominal one-time cash fee of a fixed dollar amount and the payment of the fee is not contingent on whether the referral results in a transaction;

"(VII) such services are provided by the broker or dealer on a basis in which all customers which receive any services are fully disclosed to the broker or dealer;

"(VIII) the bank does not carry a securities account of the customer except as permitted under clause (ii) or (viii) of this subparagraph; and

"(IX) the bank, broker, or dealer informs each customer that the brokerage services are provided by the broker or dealer and not by the bank and that the securities are not deposits or other obligations of the bank, are not guaranteed by the bank, and are not insured by the Federal Deposit Insurance Corporation.

"(ii) TRUST ACTIVITIES.—The bank effects transactions in a trustee or fiduciary capacity in its trust department, or another department where the trust or fiduciary activity is regularly examined by bank examiners under the same standards and in the same way as such activities are examined in the trust department, and—

"(I) is chiefly compensated for such transactions, consistent with fiduciary principles and standards, on the basis of an administration or annual fee (payable on a monthly, quarterly, or other basis), a percentage of assets under management, or a flat or capped per order processing fee equal to not more than the cost incurred by the bank in connection with executing securities transactions for trustee and fiduciary customers, or any combination of such fees; and

"(II) does not solicit brokerage business, other than by advertising that it effects transactions in securities in conjunction with advertising its other trust activities.

"(iii) PERMISSIBLE SECURITIES TRANSACTIONS.—The bank effects transactions in—

"(I) commercial paper, bankers acceptances, or commercial bills;

"(II) exempted securities;

"(III) qualified Canadian government obligations as defined in section 5136 of the Revised Statutes, in conformity with section 15C of this title and the rules and regulations thereunder, or obligations of the North American Development Bank; or

"(IV) any standardized, credit enhanced debt security issued by a foreign government pursuant to the March 1989 plan of then Secretary of the Treasury Brady, used by such foreign government to retire outstanding commercial bank loans.

"(iv) CERTAIN STOCK PURCHASE PLANS.—

"(I) EMPLOYEE BENEFIT PLANS.—The bank effects transactions, as a registered transfer agent (including as a registrar of stocks), in the securities of an issuer as part of any pension, retirement, profit-sharing, bonus, thrift, savings, incentive, or other similar benefit plan for the employees of that issuer or its affiliates (as defined in section 2 of the Bank Holding Company Act of 1956), if—

"(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan; and

"(bb) the bank's compensation for such plan or program consists chiefly of administration fees, or flat or capped per order processing fees, or both.

"(II) DIVIDEND REINVESTMENT PLANS.—The bank effects transactions, as a registered transfer agent (including as a registrar of stocks), in the securities of an issuer as part of that issuer's dividend reinvestment plan, if—

"(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan;

"(bb) the bank does not net shareholders' buy and sell orders, other than for programs for odd-lot holders or plans registered with the Commission; and

"(cc) the bank's compensation for such plan or program consists chiefly of administration fees, or flat or capped per order processing fees, or both.

"(III) ISSUER PLANS.—The bank effects transactions, as a registered transfer agent (including as a registrar of stocks), in the securities of an issuer as part of that issuer's plan for the purchase or sale of that issuer's shares, if—

"(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan or program;

"(bb) the bank does not net shareholders' buy and sell orders, other than for programs for odd-lot holders or plans registered with the Commission; and

"(cc) the bank's compensation for such plan or program consists chiefly of administration fees, or flat or capped per order processing fees, or both.

"(IV) PERMISSIBLE DELIVERY OF MATERIALS.—The exception to being considered a broker for a bank engaged in activities described in subclauses (I), (II), and (III) will not be affected by a bank's delivery of written or electronic plan materials to employees of the issuer, shareholders of the issuer, or members of affinity groups of the issuer, so long as such materials are—

"(aa) comparable in scope or nature to that permitted by the Commission as of the date of the enactment of the Financial Services Act of 1999; or

"(bb) otherwise permitted by the Commission.

"(v) SWEEP ACCOUNTS.—The bank effects transactions as part of a program for the investment or reinvestment of deposit funds into any no-load, open-end management investment company registered under the Investment Company Act of 1940 that holds itself out as a money market fund.

"(vi) AFFILIATE TRANSACTIONS.—The bank effects transactions for the account of any affiliate (as defined in section 2 of the Bank Holding Company Act of 1956) of the bank other than—

"(I) a registered broker or dealer; or

"(II) an affiliate that is engaged in merchant banking, as described in section 6(c)(3)(H) of the Bank Holding Company Act of 1956.

"(vii) PRIVATE SECURITIES OFFERINGS.—The bank—

"(I) effects sales as part of a primary offering of securities not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 or the rules and regulations issued thereunder;

"(II) at any time after the date that is 1 year after the date of enactment of the Financial Services Act of 1999, is not affiliated with a broker or dealer that has been registered for more than 1 year in accordance with this Act, and engages in dealing, market making, or underwriting activities, other than with respect to exempted securities; and

"(III) effects transactions exclusively with qualified investors.

"(viii) SAFEKEEPING AND CUSTODY ACTIVITIES.—

"(I) IN GENERAL.—The bank, as part of customary banking activities—

"(aa) provides safekeeping or custody services with respect to securities, including the exercise of warrants and other rights on behalf of customers;

"(bb) facilitates the transfer of funds or securities, as a custodian or a clearing agency, in connection with the clearance and settlement of its customers' transactions in securities;

"(cc) effects securities lending or borrowing transactions with or on behalf of customers as part of services provided to customers pursuant to division (aa) or (bb) or invests cash collateral pledged in connection with such transactions; or

"(dd) holds securities pledged by a customer to another person or securities subject to purchase or resale agreements involving a customer, or facilitates the pledging or transfer of such securities by book entry or as otherwise provided under applicable law, if the bank maintains records separately identifying the securities and the customer.

"(II) EXCEPTION FOR CARRYING BROKER ACTIVITIES.—The exception to being considered a broker for a bank engaged in activities described in subclause (I) shall not apply if the bank, in connection with such activities, acts in the United States as a carrying broker (as such term, and different formulations thereof, are used in section 15(c)(3) of this title and the rules and regulations thereunder) for any broker or dealer, unless such carrying broker activities are engaged in with respect to government securities (as defined in paragraph (42) of this subsection).

"(ix) EXCEPTED BANKING PRODUCTS.—The bank effects transactions in excepted banking products, as defined in section 206 of the Financial Services Act of 1999.

"(x) MUNICIPAL SECURITIES.—The bank effects transactions in municipal securities.

"(xi) DE MINIMIS EXCEPTION.—The bank effects, other than in transactions referred to in clauses (i) through (x), not more than 500 transactions in securities in any calendar year, and such transactions are not effected by an employee of the bank who is also an employee of a broker or dealer.

"(C) BROKER DEALER EXECUTION.—The exception to being considered a broker for a bank engaged in activities described in clauses (ii), (iv), and (viii) of subparagraph (B) shall not apply if the activities described in such provisions result in the trade in the United States of any security that is a publicly traded security in the United States, unless—

"(i) the bank directs such trade to a registered broker or dealer for execution;

"(ii) the trade is a cross trade or other substantially similar trade of a security that—

"(I) is made by the bank or between the bank and an affiliated fiduciary; and

"(II) is not in contravention of fiduciary principles established under applicable Federal or State law; or

"(iii) the trade is conducted in some other manner permitted under rules, regulations, or orders as the Commission may prescribe or issue.

"(D) FIDUCIARY CAPACITY.—For purposes of subparagraph (B)(ii), the term 'fiduciary capacity' means—

"(i) in the capacity as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian, assignee, receiver, or custodian under a uniform gift to minor act, or as an investment adviser if the bank receives a fee for its investment advice;

"(ii) in any capacity in which the bank possesses investment discretion on behalf of another; or

"(iii) in any other similar capacity.

"(F) EXCEPTION FOR ENTITIES SUBJECT TO SECTION 15(e).—The term 'broker' does not include a bank that—

"(i) was, immediately prior to the enactment of the Financial Services Act of 1999, subject to section 15(e) of this title; and

"(ii) is subject to such restrictions and requirements as the Commission considers appropriate.".

SEC. 202. DEFINITION OF DEALER.

Section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5)) is amended to read as follows:

"(5) DEALER.—

"(A) IN GENERAL.—The term 'dealer' means any person engaged in the business of buying and selling securities for such person's own account through a broker or otherwise.

"(B) EXCEPTION FOR PERSON NOT ENGAGED IN THE BUSINESS OF DEALING.—The term 'dealer' does not include a person that buys or sells securities for such person's own account, either individually or in a fiduciary capacity, but not as a part of a regular business.

"(C) EXCEPTION FOR CERTAIN BANK ACTIVITIES.—A bank shall not be considered to be a dealer because the bank engages in any of the following activities under the conditions described:

"(i) PERMISSIBLE SECURITIES TRANSACTIONS.—The bank buys or sells—

"(I) commercial paper, bankers acceptances, or commercial bills;

"(II) exempted securities;

"(III) qualified Canadian government obligations as defined in section 5136 of the Revised Statutes of the United States, in conformity with section 15C of this title and the rules and regulations thereunder, or obligations of the North American Development Bank; or

"(IV) any standardized, credit enhanced debt security issued by a foreign government pursuant to the March 1989 plan of then Secretary of the Treasury Brady, used by such foreign government to retire outstanding commercial bank loans.

"(ii) INVESTMENT, TRUSTEE, AND FIDUCIARY TRANSACTIONS.—The bank buys or sells securities for investment purposes—

"(I) for the bank; or

"(II) for accounts for which the bank acts as a trustee or fiduciary.

"(iii) ASSET-BACKED TRANSACTIONS.—The bank engages in the issuance or sale to qualified investors, through a grantor trust or other separate entity, of securities backed by or representing an interest in notes, drafts, acceptances, loans, leases, receivables, other obligations (other than securities of which the bank is not the issuer), or pools of any such obligations predominantly originated by—

"(I) the bank;

"(II) an affiliate of any such bank other than a broker or dealer; or

"(III) a syndicate of banks of which the bank is a member, if the obligations or pool of obligations consists of mortgage obligations or consumer-related receivables.

"(iv) EXCEPTED BANKING PRODUCTS.—The bank buys or sells excepted banking products, as defined in section 206 of the Financial Services Act of 1999.

"(v) DERIVATIVE INSTRUMENTS.—The bank issues, buys, or sells any derivative instrument to which the bank is a party—

"(I) to or from a qualified investor, except that if the instrument provides for the delivery of one or more securities (other than a derivative instrument or government security), the transaction shall be effected with or through a registered broker or dealer; or

"(II) to or from other persons, except that if the derivative instrument provides for the delivery of one or more securities (other than a derivative instrument or government security), or is a security (other than a government security), the transaction shall be effected with or through a registered broker or dealer; or

"(III) to or from any person if the instrument is neither a security nor provides for the delivery of one or more securities (other than a derivative instrument).".

SEC. 203. REGISTRATION FOR SALES OF PRIVATE SECURITIES OFFERINGS.

Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3) is amended by inserting after subsection (i) the following new subsection:

"(j) REGISTRATION FOR SALES OF PRIVATE SECURITIES OFFERINGS.—A registered securities association shall create a limited qualification category for any associated person of a member who effects sales as part of a primary offering of securities not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the rules and regulations thereunder, and shall deem qualified in such limited qualification category, without testing, any bank employee who, in the six month period preceding the date of enactment of this Act, engaged in effecting such sales.".

SEC. 204. INFORMATION SHARING.

Section 18 of the Federal Deposit Insurance Act is amended by adding at the end the following new subsection:

"(t) RECORDKEEPING REQUIREMENTS.—

"(1) REQUIREMENTS.—Each appropriate Federal banking agency, after consultation with and consideration of the views of the Commission, shall establish recordkeeping requirements for banks relying on exceptions contained in paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934. Such recordkeeping requirements shall be sufficient to demonstrate compliance with the terms of such exceptions and be designed to facilitate compliance with such exceptions. Each appropriate Federal banking agency shall make any such information available to the Commission upon request.

"(2) DEFINITIONS.—As used in this subsection the term 'Commission' means the Securities and Exchange Commission.".

SEC. 205. TREATMENT OF NEW HYBRID PRODUCTS.

Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following new subsection:

"(i) RULEMAKING TO EXTEND REQUIREMENTS TO NEW HYBRID PRODUCTS.—

"(1) LIMITATION.—The Commission shall not—

"(A) require a bank to register as a broker or dealer under this section because the bank engages in any transaction in, or buys or sells, a new hybrid product; or

"(B) bring an action against a bank for a failure to comply with a requirement described in subparagraph (A);

unless the Commission has imposed such requirement by rule or regulation issued in accordance with this section.

"(2) CRITERIA FOR RULEMAKING.—The Commission shall not impose a requirement under paragraph (1) of this subsection with respect to any new hybrid product unless the Commission determines that—

"(A) the new hybrid product is a security; and

"(B) imposing such requirement is necessary or appropriate in the public interest and for the protection of investors, consistent with the requirements of section 3(f).

"(3) CONSIDERATIONS.—In making a determination under paragraph (2), the Commission shall consider—

"(A) the nature of the new hybrid product; and

"(B) the history, purpose, extent, and appropriateness of the regulation of the new hybrid product under the Federal securities laws and under the Federal banking laws.

"(4) CONSULTATION.—In promulgating rules under this subsection, the Commission shall consult with and consider the views of the Board of Governors of the Federal Reserve System regarding the nature of the new hybrid product, the history, purpose, extent, and appropriateness of the regulation of the new product under the Federal banking laws, and the impact of the proposed rule on the banking industry.

"(5) NEW HYBRID PRODUCT.—For purposes of this subsection, the term 'new hybrid product' means a product that—

"(A) was not subjected to regulation by the Commission as a security prior to the date of enactment of this subsection; and

"(B) is not an excepted banking product, as such term is defined in section 206 of the Financial Services Act of 1999.".

SEC. 206. DEFINITION OF EXCEPTED BANKING PRODUCT.

(a) DEFINITION OF EXCEPTED BANKING PRODUCT.—For purposes of paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a) (4), (5)), the term "excepted banking product" means—

(1) a deposit account, savings account, certificate of deposit, or other deposit instrument issued by a bank;

(2) a banker's acceptance;

(3) a letter of credit issued or loan made by a bank;

(4) a debit account at a bank arising from a credit card or similar arrangement;

(5) a participation in a loan which the bank or an affiliate of the bank (other than a broker or dealer) funds, participates in, or owns that is sold—

(A) to qualified investors; or

(B) to other persons that—

(i) have the opportunity to review and assess any material information, including information regarding the borrower's creditworthiness; and

(ii) based on such factors as financial sophistication, net worth, and knowledge and experience in financial matters, have the capability to evaluate the information available, as determined under generally applicable banking standards or guidelines; or

(6) a derivative instrument that involves or relates to—

(A) currencies, except options on currencies that trade on a national securities exchange;

(B) interest rates, except interest rate derivative instruments that—

(i) are based on a security or a group or index of securities (other than government securities or a group or index of government securities);

(ii) provide for the delivery of one or more securities (other than government securities); or

(iii) trade on a national securities exchange; or

(C) commodities, other rates, indices, or other assets, except derivative instruments that—

(i) are securities or that are based on a group or index of securities (other than government securities or a group or index of government securities);

(ii) provide for the delivery of one or more securities (other than government securities); or

(iii) trade on a national securities exchange.

(b) Classification Limited.—Classification of a particular product as an excepted banking product pursuant to this section shall not be construed as finding or implying that such product is or is not a security for any purpose under the securities laws, or is or is not an account, agreement, contract, or transaction for any purpose under the Commodity Exchange Act.

(c) Incorporated Definitions.—For purposes of this section—

(1) the terms "bank", "qualified investor", and "securities laws" have the same meanings given in section 3(a) of the Securities Exchange Act of 1934, as amended by this Act; and

(2) the term "government securities" has the meaning given in section 3(a)(42) of such Act (as amended by this Act), and, for purposes of this section, commercial paper, bankers acceptances, and commercial bills shall be treated in the same manner as government securities.

SEC. 207. ADDITIONAL DEFINITIONS.

Section 3(a) of the Securities Exchange Act of 1934 is amended by adding at the end the following new paragraphs:

"(54) Derivative instrument.—

"(A) Definition.—The term 'derivative instrument' means any individually negotiated contract, agreement, warrant, note, or option that is based, in whole or in part, on the value of, any interest in, or any quantitative measure or the occurrence of any event relating to, one or more commodities, securities, currencies, interest or other rates, indices, or other assets, but does not include an excepted banking product, as defined in paragraphs (1) through (5) of section 206(a) of the Financial Services Act of 1999.

"(B) Classification limited.—Classification of a particular contract as a derivative instrument pursuant to this paragraph shall not be construed as finding or implying that such instrument is or is not a security for any purpose under the securities laws, or is or is not an account, agreement, contract, or transaction for any purpose under the Commodity Exchange Act.

"(55) Qualified investor.—

"(A) Definition.—For purposes of this title, the term 'qualified investor' means—

"(i) any investment company registered with the Commission under section 8 of the Investment Company Act of 1940;

"(ii) any issuer eligible for an exclusion from the definition of investment company pursuant to section 3(c)(7) of the Investment Company Act of 1940;

"(iii) any bank (as defined in paragraph (6) of this subsection), savings association (as defined in section 3(b) of the Federal Deposit Insurance Act), broker, dealer, insurance company (as defined in section 2(a)(13) of the Securities Act of 1933), or business development company (as defined in section 2(a)(48) of the Investment Company Act of 1940);

"(iv) any small business investment company licensed by the United States Small Business Administration under section 301 (c) or (d) of the Small Business Investment Act of 1958;

"(v) any State sponsored employee benefit plan, or any other employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, other than an individual retirement account, if the investment decisions are made by a plan fiduciary, as defined in section 3(21) of that Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser;

"(vi) any trust whose purchases of securities are directed by a person described in clauses (i) through (v) of this subparagraph;

"(vii) any market intermediary exempt under section 3(c)(2) of the Investment Company Act of 1940;

"(viii) any associated person of a broker or dealer other than a natural person;

"(ix) any foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

"(x) the government of any foreign country;

"(xi) any corporation, company, or partnership that owns and invests on a discretionary basis, not less than $10,000,000 in investments;

"(xii) any natural person who owns and invests on a discretionary basis, not less than $10,000,000 in investments;

"(xiii) any government or political subdivision, agency, or instrumentality of a government who owns and invests on a discretionary basis not less than $50,000,000 in investments; or

"(xiv) any multinational or supranational entity or any agency or instrumentality thereof.

"(B) Additional authority.—The Commission may, by rule or order, define a 'qualified investor' as any other person, taking into consideration such factors as the financial sophistication of the person, net worth, and knowledge and experience in financial matters.".

SEC. 208. GOVERNMENT SECURITIES DEFINED.

Section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)) is amended—

(1) by striking "or" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(E) for purposes of sections 15, 15C, and 17A as applied to a bank, a qualified Canadian government obligation as defined in section 5136 of the Revised Statutes of the United States.".

SEC. 209. EFFECTIVE DATE.

This subtitle shall take effect at the end of the 270-day period beginning on the date of the enactment of this Act.

SEC. 210. RULE OF CONSTRUCTION.

Nothing in this Act shall supersede, affect, or otherwise limit the scope and applicability of the Commodity Exchange Act (7 U.S.C. 1 et seq.).

Subtitle B—Bank Investment Company Activities

SEC. 211. CUSTODY OF INVESTMENT COMPANY ASSETS BY AFFILIATED BANK.

(a) Management Companies.—Section 17(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(f)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by striking "(f) Every registered" and inserting the following:

"(f) Custody of Securities.—

"(1) Every registered";

(3) by redesignating the second, third, fourth, and fifth sentences of such subsection as paragraphs (2) through (5), respectively, and indenting the left margin of such paragraphs appropriately; and

(4) by adding at the end the following new paragraph:

"(6) The Commission may adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the conditions under which a bank, or an affiliated person of a bank, either of which is an affiliated person, promoter, organizer, or sponsor of, or principal underwriter for, a registered management company may serve as custodian of that registered management company.".

(b) Unit Investment Trusts.—Section 26 of the Investment Company Act of 1940 (15 U.S.C. 80a–26) is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively; and

(2) by inserting after subsection (a) the following new subsection:

"(b) The Commission may adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the conditions under which a bank, or an affiliated person of a bank, either of which is an affiliated person of a principal underwriter for, or depositor of, a registered unit investment trust, may serve as trustee or custodian under subsection (a)(1).".

(c) Fiduciary Duty of Custodian.—Section 36(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–35(a)) is amended—

(1) in paragraph (1), by striking "or" at the end;

(2) in paragraph (2), by striking the period at the end and inserting "; or"; and

(3) by inserting after paragraph (2) the following:

"(3) as custodian.".

SEC. 212. LENDING TO AN AFFILIATED INVESTMENT COMPANY.

Section 17(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(a)) is amended—

(1) by striking "or" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(4) to loan money or other property to such registered company, or to any company controlled by such registered company, in contravention of such rules, regulations, or orders as the Commission may prescribe or issue consistent with the protection of investors.”.

SEC. 213. INDEPENDENT DIRECTORS.

(a) IN GENERAL.—Section 2(a)(19)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(19)(A)) is amended—

(1) by striking clause (v) and inserting the following new clause:

“(v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for—

“(I) the investment company;

“(II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or

“(III) any account over which the investment company's investment adviser has brokerage placement discretion,”;

(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following new clause:

“(vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to—

“(I) the investment company;

“(II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or

“(III) any account for which the investment company's investment adviser has borrowing authority,”.

(b) CONFORMING AMENDMENT.—Section 2(a)(19)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(19)(B)) is amended—

(1) by striking clause (v) and inserting the following new clause:

“(v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for—

“(I) any investment company for which the investment adviser or principal underwriter serves as such;

“(II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or

“(III) any account over which the investment adviser has brokerage placement discretion,”;

(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following new clause:

“(vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to—

“(I) any investment company for which the investment adviser or principal underwriter serves as such;

“(II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or

“(III) any account for which the investment adviser has borrowing authority,”.

(c) AFFILIATION OF DIRECTORS.—Section 10(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-10(c)) is amended by striking “bank, except” and inserting “bank (together with its affiliates and subsidiaries) or any one bank holding company (together with its affiliates and subsidiaries) (as such terms are defined in section 2 of the Bank Holding Company Act of 1956), except”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect at the end of the 1-year period beginning on the date of enactment of this subtitle.

SEC. 214. ADDITIONAL SEC DISCLOSURE AUTHORITY.

Section 35(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-34(a)) is amended to read as follows:

“(a) MISREPRESENTATION OF GUARANTEES.—

“(1) IN GENERAL.—It shall be unlawful for any person, issuing or selling any security of which a registered investment company is the issuer, to represent or imply in any manner whatsoever that such security or company—

“(A) has been guaranteed, sponsored, recommended, or approved by the United States, or any agency, instrumentality or officer of the United States;

“(B) has been insured by the Federal Deposit Insurance Corporation; or

“(C) is guaranteed by or is otherwise an obligation of any bank or insured depository institution.

“(2) DISCLOSURES.—Any person issuing or selling the securities of a registered investment company that is advised by, or sold through, a bank shall prominently disclose that an investment in the company is not insured by the Federal Deposit Insurance Corporation or any other government agency. The Commission may adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the manner in which the disclosure under this paragraph shall be provided.

“(3) DEFINITIONS.—The terms ‘insured depository institution’ and ‘appropriate Federal banking agency’ have the same meanings given in section 3 of the Federal Deposit Insurance Act.”.

SEC. 215. DEFINITION OF BROKER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(6) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(6)) is amended to read as follows:

“(6) The term ‘broker’ has the same meaning given in section 3 of the Securities Exchange Act of 1934, except that such term does not include any person solely by reason of the fact that such person is an underwriter for one or more investment companies.”.

SEC. 216. DEFINITION OF DEALER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(11)) is amended to read as follows:

“(11) The term ‘dealer’ has the same meaning given in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.”.

SEC. 217. REMOVAL OF THE EXCLUSION FROM THE DEFINITION OF INVESTMENT ADVISER FOR BANKS THAT ADVISE INVESTMENT COMPANIES.

(a) INVESTMENT ADVISER.—Section 202(a)(11)(A) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11)(A)) is amended by striking “investment company” and inserting “investment company, except that the term ‘investment adviser’ includes any bank or bank holding company to the extent that such bank or bank holding company serves or acts as an investment adviser to a registered investment company, but if, in the case of a bank, such services or actions are performed through a separately identifiable department or division, the department or division, and not the bank itself, shall be deemed to be the investment adviser”.

(b) SEPARATELY IDENTIFIABLE DEPARTMENT OR DIVISION.—Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)) is amended by adding at the end the following:

“(26) The term ‘separately identifiable department or division’ of a bank means a unit—

“(A) that is under the direct supervision of an officer or officers designated by the board of directors of the bank as responsible for the day-to-day conduct of the bank's investment adviser activities for one or more investment companies, including the supervision of all bank employees engaged in the performance of such activities; and

“(B) for which all of the records relating to its investment adviser activities are separately maintained in or extractable from such unit's own facilities or the facilities of the bank, and such records are so maintained or otherwise accessible as to permit independent examination and enforcement by the Commission of this Act or the Investment Company Act of 1940 and rules and regulations promulgated under this Act or the Investment Company Act of 1940.”.

SEC. 218. DEFINITION OF BROKER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(3) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(3)) is amended to read as follows:

“(3) The term ‘broker’ has the same meaning given in section 3 of the Securities Exchange Act of 1934.”.

SEC. 219. DEFINITION OF DEALER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(7) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(7)) is amended to read as follows:

“(7) The term ‘dealer’ has the same meaning given in section 3 of the Securities Exchange Act of 1934, but does not include an insurance company or investment company.”.

SEC. 220. INTERAGENCY CONSULTATION.

The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is amended by inserting after section 210 the following new section:

“SEC. 210A. CONSULTATION.

“(a) EXAMINATION RESULTS AND OTHER INFORMATION.—

“(1) The appropriate Federal banking agency shall provide the Commission upon request the results of any examination, reports, records, or other information to which such agency may have access with respect to the investment advisory activities—

“(A) of any—

“(i) bank holding company;

“(ii) bank; or

“(iii) separately identifiable department or division of a bank,

that is registered under section 203 of this title; and

"(B) in the case of a bank holding company or bank that has a subsidiary or a separately identifiable department or division registered under that section, of such bank or bank holding company.

"(2) The Commission shall provide to the appropriate Federal banking agency upon request the results of any examination, reports, records, or other information with respect to the investment advisory activities of any bank holding company, bank, or separately identifiable department or division of a bank, which is registered under section 203 of this title.

"(b) Effect on Other Authority.—Nothing in this section shall limit in any respect the authority of the appropriate Federal banking agency with respect to such bank holding company, bank, or department or division under any other provision of law.

"(c) Definition.—For purposes of this section, the term 'appropriate Federal banking agency' shall have the same meaning given in section 3 of the Federal Deposit Insurance Act.".

SEC. 221. TREATMENT OF BANK COMMON TRUST FUNDS.

(a) Securities Act of 1933.—Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended by striking "or any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustee, executor, administrator, or guardian" and inserting "or any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940".

(b) Securities Exchange Act of 1934.—Section 3(a)(12)(A)(iii) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)(A)(iii)) is amended to read as follows:

"(iii) any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940;".

(c) Investment Company Act of 1940.—Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)(3)) is amended by inserting before the period the following: ", if—

"(A) such fund is employed by the bank solely as an aid to the administration of trusts, estates, or other accounts created and maintained for a fiduciary purpose;

"(B) except in connection with the ordinary advertising of the bank's fiduciary services, interests in such fund are not—

"(i) advertised; or

"(ii) offered for sale to the general public; and

"(C) fees and expenses charged by such fund are not in contravention of fiduciary principles established under applicable Federal or State law".

SEC. 222. INVESTMENT ADVISERS PROHIBITED FROM HAVING CONTROLLING INTEREST IN REGISTERED INVESTMENT COMPANY.

Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a–15) is amended by adding at the end the following new subsection:

"(g) Controlling Interest in Investment Company Prohibited.—

"(1) In general.—If an investment adviser to a registered investment company, or an affiliated person of that investment adviser, holds a controlling interest in that registered investment company in a trustee or fiduciary capacity, such person shall—

"(A) if it holds the shares in a trustee or fiduciary capacity with respect to any employee benefit plan subject to the Employee Retirement Income Security Act of 1974, transfer the power to vote the shares of the investment company through to another person acting in a fiduciary capacity with respect to the plan who is not an affiliated person of that investment adviser or any affiliated person thereof; or

"(B) if it holds the shares in a trustee or fiduciary capacity with respect to any person or entity other than an employee benefit plan subject to the Employee Retirement Income Security Act of 1974—

"(i) transfer the power to vote the shares of the investment company through to—

"(I) the beneficial owners of the shares;

"(II) another person acting in a fiduciary capacity who is not an affiliated person of that investment adviser or any affiliated person thereof; or

"(III) any person authorized to receive statements and information with respect to the trust who is not an affiliated person of that investment adviser or any affiliated person thereof;

"(ii) vote the shares of the investment company held by it in the same proportion as shares held by all other shareholders of the investment company; or

"(iii) vote the shares of the investment company as otherwise permitted under such rules, regulations, or orders as the Commission may prescribe or issue consistent with the protection of investors.

"(2) Exemption.—Paragraph (1) shall not apply to any investment adviser to a registered investment company, or any affiliated person of that investment adviser, that holds shares of the investment company in a trustee or fiduciary capacity if that registered investment company consists solely of assets held in such capacities.

"(3) Safe harbor.—No investment adviser to a registered investment company or any affiliated person of such investment adviser shall be deemed to have acted unlawfully or to have breached a fiduciary duty under State or Federal law solely by reason of acting in accordance with clause (i), (ii), or (iii) of paragraph (1)(B).".

SEC. 223. STATUTORY DISQUALIFICATION FOR BANK WRONGDOING.

Section 9(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(a)) is amended in paragraphs (1) and (2) by striking "securities dealer, transfer agent," and inserting "securities dealer, bank, transfer agent,".

SEC. 224. CONFORMING CHANGE IN DEFINITION.

Section 2(a)(5) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(5)) is amended by striking "(A) a banking institution organized under the laws of the United States" and inserting "(A) a depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or a branch or agency of a foreign bank (as such terms are defined in section 1(b) of the International Banking Act of 1978)".

SEC. 225. CONFORMING AMENDMENT.

Section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2) is amended by adding at the end the following new subsection:

"(c) Consideration of Promotion of Efficiency, Competition, and Capital Formation.—Whenever pursuant to this title the Commission is engaged in rulemaking and is required to consider or determine whether an action is necessary or appropriate in the public interest, the Commission shall also consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation.".

SEC. 226. CHURCH PLAN EXCLUSION.

Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(14)) is amended—

(1) by redesignating clauses (i) and (ii) of subparagraph (B) as subclauses (I) and (II), respectively;

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) by inserting "(A)" after "(14)"; and

(4) by adding at the end the following new subparagraph:

"(B) If a registered investment company would be excluded from the definition of investment company under this subsection but for the fact that some of the company's assets do not satisfy the condition of subparagraph (A)(ii) of this paragraph, then any investment adviser to the company or affiliated person of such investment adviser shall not be subject to the requirements of section 15(g)(1)(B) with respect to shares of the investment company.".

SEC. 227. EFFECTIVE DATE.

This subtitle shall take effect 90 days after the date of the enactment of this Act.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

SEC. 231. SUPERVISION OF INVESTMENT BANK HOLDING COMPANIES BY THE SECURITIES AND EXCHANGE COMMISSION.

(a) Amendment.—Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) by redesignating subsection (i) as subsection (k); and

(2) by inserting after subsection (h) the following new subsection:

"(i) Investment Bank Holding Companies.—

"(1) Elective supervision of an investment bank holding company not having a bank or savings association affiliate.—

"(A) In general.—An investment bank holding company that is not—

"(i) an affiliate of a wholesale financial institution, an insured bank (other than an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956), or a savings association;

"(ii) a foreign bank, foreign company, or company that is described in section 8(a) of the International Banking Act of 1978; or

"(iii) a foreign bank that controls, directly or indirectly, a corporation chartered under section 25A of the Federal Reserve Act,

may elect to become supervised by filing with the Commission a notice of intention to become supervised, pursuant to subparagraph (B) of this paragraph. Any investment bank holding company filing such a notice shall be supervised in accordance with this section and comply with the rules promulgated by the Commission applicable to supervised investment bank holding companies.

"(B) Notification of status as a supervised investment bank holding company.—An investment bank holding company that elects under subparagraph (A) to become supervised by the Commission shall file with the Commission a written notice of intention to become supervised by the Commission in such form and containing such information and documents concerning such investment bank holding company as the Commission, by rule, may prescribe as necessary or appropriate in furtherance of the purposes of this section. Unless the Commission finds that such supervision is not necessary or appropriate in furtherance of the purposes of this section, such supervision shall become effective 45 days after the date of receipt of such written notice by the Commission or within such shorter time period as the Commission, by rule or order, may determine.

"(2) ELECTION NOT TO BE SUPERVISED BY THE COMMISSION AS AN INVESTMENT BANK HOLDING COMPANY.—

"(A) VOLUNTARY WITHDRAWAL.—A supervised investment bank holding company that is supervised pursuant to paragraph (1) may, upon such terms and conditions as the Commission deems necessary or appropriate, elect not to be supervised by the Commission by filing a written notice of withdrawal from Commission supervision. Such notice shall not become effective until one year after receipt by the Commission, or such shorter or longer period as the Commission deems necessary or appropriate to ensure effective supervision of the material risks to the supervised investment bank holding company and to the affiliated broker or dealer, or to prevent evasion of the purposes of this section.

"(B) DISCONTINUATION OF COMMISSION SUPERVISION.—If the Commission finds that any supervised investment bank holding company that is supervised pursuant to paragraph (1) is no longer in existence or has ceased to be an investment bank holding company, or if the Commission finds that continued supervision of such a supervised investment bank holding company is not consistent with the purposes of this section, the Commission may discontinue the supervision pursuant to a rule or order, if any, promulgated by the Commission under this section.

"(3) SUPERVISION OF INVESTMENT BANK HOLDING COMPANIES.—

"(A) RECORDKEEPING AND REPORTING.—

"(i) IN GENERAL.—Every supervised investment bank holding company and each affiliate thereof shall make and keep for prescribed periods such records, furnish copies thereof, and make such reports, as the Commission may require by rule, in order to keep the Commission informed as to—

"(I) the company's or affiliate's activities, financial condition, policies, systems for monitoring and controlling financial and operational risks, and transactions and relationships between any broker or dealer affiliate of the supervised investment bank holding company; and

"(II) the extent to which the company or affiliate has complied with the provisions of this Act and regulations prescribed and orders issued under this Act.

"(ii) FORM AND CONTENTS.—Such records and reports shall be prepared in such form and according to such specifications (including certification by an independent public accountant), as the Commission may require and shall be provided promptly at any time upon request by the Commission. Such records and reports may include—

"(I) a balance sheet and income statement;

"(II) an assessment of the consolidated capital of the supervised investment bank holding company;

"(III) an independent auditor's report attesting to the supervised investment bank holding company's compliance with its internal risk management and internal control objectives; and

"(IV) reports concerning the extent to which the company or affiliate has complied with the provisions of this title and any regulations prescribed and orders issued under this title.

"(B) USE OF EXISTING REPORTS.—

"(i) IN GENERAL.—The Commission shall, to the fullest extent possible, accept reports in fulfillment of the requirements under this paragraph that the supervised investment bank holding company or its affiliates have been required to provide to another appropriate regulatory agency or self-regulatory organization.

"(ii) AVAILABILITY.—A supervised investment bank holding company or an affiliate of such company shall provide to the Commission, at the request of the Commission, any report referred to in clause (i).

"(C) EXAMINATION AUTHORITY.—

"(i) FOCUS OF EXAMINATION AUTHORITY.—The Commission may make examinations of any supervised investment bank holding company and any affiliate of such company in order to—

"(I) inform the Commission regarding—

"(aa) the nature of the operations and financial condition of the supervised investment bank holding company and its affiliates;

"(bb) the financial and operational risks within the supervised investment bank holding company that may affect any broker or dealer controlled by such supervised investment bank holding company; and

"(cc) the systems of the supervised investment bank holding company and its affiliates for monitoring and controlling those risks; and

"(II) monitor compliance with the provisions of this subsection, provisions governing transactions and relationships between any broker or dealer affiliated with the supervised investment bank holding company and any of the company's other affiliates, and applicable provisions of subchapter II of chapter 53, title 31, United States Code (commonly referred to as the 'Bank Secrecy Act') and regulations thereunder.

"(ii) RESTRICTED FOCUS OF EXAMINATIONS.—The Commission shall limit the focus and scope of any examination of a supervised investment bank holding company to—

"(I) the company; and

"(II) any affiliate of the company that, because of its size, condition, or activities, the nature or size of the transactions between such affiliate and any affiliated broker or dealer, or the centralization of functions within the holding company system, could, in the discretion of the Commission, have a materially adverse effect on the operational or financial condition of the broker or dealer.

"(iii) DEFERENCE TO OTHER EXAMINATIONS.—For purposes of this subparagraph, the Commission shall, to the fullest extent possible, use the reports of examination of an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956 made by the appropriate regulatory agency, or of a licensed insurance company made by the appropriate State insurance regulator.

"(4) HOLDING COMPANY CAPITAL.—

"(A) AUTHORITY.—If the Commission finds that it is necessary to adequately supervise investment bank holding companies and their broker or dealer affiliates consistent with the purposes of this subsection, the Commission may adopt capital adequacy rules for supervised investment bank holding companies.

"(B) METHOD OF CALCULATION.—In developing rules under this paragraph:

"(i) DOUBLE LEVERAGE.—The Commission shall consider the use by the supervised investment bank holding company of debt and other liabilities to fund capital investments in affiliates.

"(ii) NO UNWEIGHTED CAPITAL RATIO.—The Commission shall not impose under this section a capital ratio that is not based on appropriate risk-weighting considerations.

"(iii) NO CAPITAL REQUIREMENT ON REGULATED ENTITIES.—The Commission shall not, by rule, regulation, guideline, order or otherwise, impose any capital adequacy provision on a nonbanking affiliate (other than a broker or dealer) that is in compliance with applicable capital requirements of another Federal regulatory authority or State insurance authority.

"(iv) APPROPRIATE EXCLUSIONS.—The Commission shall take full account of the applicable capital requirements of another Federal regulatory authority or State insurance regulator.

"(C) INTERNAL RISK MANAGEMENT MODELS.—The Commission may incorporate internal risk management models into its capital adequacy rules for supervised investment bank holding companies.

"(5) FUNCTIONAL REGULATION OF BANKING AND INSURANCE ACTIVITIES OF SUPERVISED INVESTMENT BANK HOLDING COMPANIES.—The Commission shall defer to—

"(A) the appropriate regulatory agency with regard to all interpretations of, and the enforcement of, applicable banking laws relating to the activities, conduct, ownership, and operations of banks, and institutions described in subparagraph (D), (F), and (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956; and

"(B) the appropriate State insurance regulators with regard to all interpretations of, and the enforcement of, applicable State insurance laws relating to the activities, conduct, and operations of insurance companies and insurance agents.

"(6) DEFINITIONS.—For purposes of this subsection:

"(A) The term 'investment bank holding company' means—

"(i) any person other than a natural person that owns or controls one or more brokers or dealers; and

"(ii) the associated persons of the investment bank holding company.

"(B) The term 'supervised investment bank holding company' means any investment bank holding company that is supervised by the Commission pursuant to this subsection.

"(C) The terms 'affiliate', 'bank', 'bank holding company', 'company', 'control', 'savings association', and 'wholesale financial institution' have the same meanings given in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).

"(D) The term 'insured bank' has the same meaning given in section 3 of the Federal Deposit Insurance Act.

"(E) The term 'foreign bank' has the same meaning given in section 1(b)(7) of the International Banking Act of 1978.

"(F) The terms 'person associated with an investment bank holding company' and 'associated person of an investment bank holding company' mean any person directly or indirectly controlling, controlled by, or under common control with, an investment bank holding company.".

"(j) AUTHORITY TO LIMIT DISCLOSURE OF INFORMATION.—Notwithstanding any other provision of law, the Commission shall not be compelled to disclose any information required to be reported under subsection (h) or (i) or any information supplied to the Commission by any domestic or foreign regulatory agency that relates to the financial or operational condition of any associated person of a broker or dealer, investment bank holding company, or any affiliate of an investment bank holding company. Nothing in this subsection shall authorize the Commission to withhold information from Congress, or prevent the Commission from complying with a request for information from any other Federal department or agency or any self-regulatory organization requesting the information for purposes within the scope of its jurisdiction, or complying with an order of a court of the United States in an action brought by the United States or the Commission. For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552. In prescribing regulations to carry out the requirements of this subsection, the Commission shall designate information described in or obtained pursuant to subparagraphs (A), (B), and (C) of subsection (i)(5) as confidential information for purposes of section 24(b)(2) of this title.".

(b) Conforming Amendments.—

(1) Section 3(a)(34) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)) is amended by adding at the end the following new subparagraph:

"(H) When used with respect to an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956—

"(i) the Comptroller of the Currency, in the case of a national bank or a bank in the District of Columbia examined by the Comptroller of the Currency;

"(ii) the Board of Governors of the Federal Reserve System, in the case of a State member bank of the Federal Reserve System or any corporation chartered under section 25A of the Federal Reserve Act;

"(iii) the Federal Deposit Insurance Corporation, in the case of any other bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act; or

"(iv) the Commission in the case of all other such institutions.".

(2) Section 1112(e) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(e)) is amended—

(A) by striking "this title" and inserting "law"; and

(B) by inserting ", examination reports" after "financial records".

Subtitle D—Disclosure of Customer Costs of Acquiring Financial Products

SEC. 241. IMPROVED AND CONSISTENT DISCLOSURE.

(a) Revised Regulations Required.—Within one year after the date of enactment of this Act, each Federal financial regulatory authority shall prescribe rules, or revisions to its rules, to improve the accuracy, simplicity, and completeness, and to make more consistent, the disclosure of information by persons subject to the jurisdiction of such regulatory authority concerning any commissions, fees, or other costs incurred by customers in the acquisition of financial products.

(b) Consultation.—In prescribing rules and revisions under subsection (a), the Federal financial regulatory authorities shall consult with each other and with appropriate State financial regulatory authorities.

(c) Consideration of Existing Disclosures.—In prescribing rules and revisions under subsection (a), the Federal financial regulatory authorities shall consider the sufficiency and appropriateness of then existing laws and rules applicable to persons subject to their jurisdiction, and may prescribe exemptions from the rules and revisions required by subsection (a) to the extent appropriate in light of the objective of this section to increase the consistency of disclosure practices.

(d) Enforcement.—Any rule prescribed by a Federal financial regulatory authority pursuant to this section shall, for purposes of enforcement, be treated as a rule prescribed by such regulatory authority pursuant to the statute establishing such regulatory authority's jurisdiction over the persons to whom such rule applies.

(e) Definition.—As used in this section, the term "Federal financial regulatory authority" means the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Commodity Futures Trading Commission, and any self-regulatory organization under the supervision of any of the foregoing.

TITLE III—INSURANCE

Subtitle A—State Regulation of Insurance

SEC. 301. STATE REGULATION OF THE BUSINESS OF INSURANCE.

The Act entitled "An Act to express the intent of the Congress with reference to the regulation of the business of insurance" and approved March 9, 1945 (15 U.S.C. 1011 et seq.), commonly referred to as the "McCarran-Ferguson Act" remains the law of the United States.

SEC. 302. MANDATORY INSURANCE LICENSING REQUIREMENTS.

No person shall engage in the business of insurance in a State as principal or agent unless such person is licensed as required by the appropriate insurance regulator of such State in accordance with the relevant State insurance law, subject to section 104.

SEC. 303. FUNCTIONAL REGULATION OF INSURANCE.

The insurance activities of any person (including a national bank exercising its power to act as agent under the 11th undesignated paragraph of section 13 of the Federal Reserve Act) shall be functionally regulated by the States, subject to section 104.

SEC. 304. INSURANCE UNDERWRITING IN NATIONAL BANKS.

(a) In General.—Except as provided in section 305, a national bank and the subsidiaries of a national bank may not provide insurance in a State as principal except that this prohibition shall not apply to authorized products.

(b) Authorized Products.—For the purposes of this section, a product is authorized if—

(1) as of January 1, 1999, the Comptroller of the Currency had determined in writing that national banks may provide such product as principal, or national banks were in fact lawfully providing such product as principal;

(2) no court of relevant jurisdiction had, by final judgment, overturned a determination of the Comptroller of the Currency that national banks may provide such product as principal; and

(3) the product is not title insurance, or an annuity contract the income of which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.

(c) Definition.—For purposes of this section, the term "insurance" means—

(1) any product regulated as insurance as of January 1, 1999, in accordance with the relevant State insurance law, in the State in which the product is provided;

(2) any product first offered after January 1, 1999, which—

(A) a State insurance regulator determines shall be regulated as insurance in the State in which the product is provided because the product insures, guarantees, or indemnifies against liability, loss of life, loss of health, or loss through damage to or destruction of property, including, but not limited to, surety bonds, life insurance, health insurance, title insurance, and property and casualty insurance (such as private passenger or commercial automobile, homeowners, mortgage, commercial multiperil, general liability, professional liability, workers' compensation, fire and allied lines, farm owners multiperil, aircraft, fidelity, surety, medical malpractice, ocean marine, inland marine, and boiler and machinery insurance); and

(B) is not a product or service of a bank that is—

(i) a deposit product;

(ii) a loan, discount, letter of credit, or other extension of credit;

(iii) a trust or other fiduciary service;

(iv) a qualified financial contract (as defined in or determined pursuant to section 11(e)(8)(D)(i) of the Federal Deposit Insurance Act); or

(v) a financial guaranty, except that this subparagraph (B) shall not apply to a product that includes an insurance component such that if the product is offered or proposed to be offered by the bank as principal—

(I) it would be treated as a life insurance contract under section 7702 of the Internal Revenue Code of 1986; or

(II) in the event that the product is not a letter of credit or other similar extension of credit, a qualified financial contract, or a financial guaranty, it would qualify for treatment for losses incurred with respect to such product under section 832(b)(5) of the Internal Revenue Code of 1986, if the bank were subject to tax as an insurance company under section 831 of that Code; or

(3) any annuity contract, the income on which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.

SEC. 305. TITLE INSURANCE ACTIVITIES OF NATIONAL BANKS AND THEIR AFFILIATES.

(a) General Prohibition.—No national bank, and no subsidiary of a national bank, may engage in any activity involving the underwriting or sale of title insurance.

(b) Nondiscrimination Parity Exception.—

(1) In general.—Notwithstanding any other provision of law (including section 104 of this Act), in the case of any State in which banks organized under the laws of such State are authorized to sell title insurance as agency, a national bank and a subsidiary of a national bank may sell title insurance as agent in such State, but only in the same manner, to the same extent, and under the same restrictions as such State banks are authorized to sell title insurance as agent in such State.

(2) Coordination with "wildcard" provision.—A State law which authorizes State banks to engage in any activities in such State in which a national bank may engage shall not be treated as a statute which authorizes State banks to sell title insurance as agent, for purposes of paragraph (1).

(c) Grandfathering With Consistent Regulation.—

(1) In general.—Except as provided in paragraphs (2) and (3) and notwithstanding subsections (a) and (b), a national bank, and a subsidiary of a national bank, may conduct title insurance activities which such national bank or subsidiary was actively and lawfully conducting before the date of the enactment of this Act.

(2) Insurance affiliate.—In the case of a national bank which has an affiliate which provides insurance as principal and is not a subsidiary of the bank, the national bank

and any subsidiary of the national bank may not engage in the underwriting of title insurance pursuant to paragraph (1).

(3) INSURANCE SUBSIDIARY.—In the case of a national bank which has a subsidiary which provides insurance as principal and has no affiliate other than a subsidiary which provides insurance as principal, the national bank may not directly engage in any activity involving the underwriting of title insurance.

(d) "AFFILIATE" AND "SUBSIDIARY" DEFINED.—For purposes of this section, the terms "affiliate" and "subsidiary" have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

(e) RULE OF CONSTRUCTION.—No provision of this Act or any other Federal law shall be construed as superseding or affecting a State law which was in effect before the date of the enactment of this Act and which prohibits title insurance from being offered, provided, or sold in such State, or from being underwritten with respect to real property in such State, by any person whatsoever.

SEC. 306. EXPEDITED AND EQUALIZED DISPUTE RESOLUTION FOR FEDERAL REGULATORS.

(a) FILING IN COURT OF APPEALS.—In the case of a regulatory conflict between a State insurance regulator and a Federal regulator as to whether any product is or is not insurance, as defined in section 304(c) of this Act, or whether a State statute, regulation, order, or interpretation regarding any insurance sales or solicitation activity is properly treated as preempted under Federal law, either regulator may seek expedited judicial review of such determination by the United States Court of Appeals for the circuit in which the State is located or in the United States Court of Appeals for the District of Columbia Circuit by filing a petition for review in such court.

(b) EXPEDITED REVIEW.—The United States Court of Appeals in which a petition for review is filed in accordance with subsection (a) shall complete all action on such petition, including rendering a judgment, before the end of the 60-day period beginning on the date on which such petition is filed, unless all parties to such proceeding agree to any extension of such period.

(c) SUPREME COURT REVIEW.—Any request for certiorari to the Supreme Court of the United States of any judgment of a United States Court of Appeals with respect to a petition for review under this section shall be filed with the Supreme Court of the United States as soon as practicable after such judgment is issued.

(d) STATUTE OF LIMITATION.—No petition may be filed under this section challenging an order, ruling, determination, or other action of a Federal regulator or State insurance regulator after the later of—

(1) the end of the 12-month period beginning on the date on which the first public notice is made of such order, ruling, determination or other action in its final form; or

(2) the end of the 6-month period beginning on the date on which such order, ruling, determination, or other action takes effect.

(e) STANDARD OF REVIEW.—The court shall decide a petition filed under this section based on its review on the merits of all questions presented under State and Federal law, including the nature of the product or activity and the history and purpose of its regulation under State and Federal law, without unequal deference.

SEC. 307. CONSUMER PROTECTION REGULATIONS.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 46 (as added by section 122(b) of this Act) the following new section:

"SEC. 47. CONSUMER PROTECTION REGULATIONS.

"(a) REGULATIONS REQUIRED.—

"(1) IN GENERAL.—The Federal banking agencies shall prescribe and publish in final form, before the end of the 1-year period beginning on the date of the enactment of the Financial Services Act of 1999, consumer protection regulations (which the agencies jointly determine to be appropriate) that—

"(A) apply to retail sales practices, solicitations, advertising, or offers of any insurance product by any insured depository institution or wholesale financial institution or any person who is engaged in such activities at an office of the institution or on behalf of the institution; and

"(B) are consistent with the requirements of this Act and provide such additional protections for consumers to whom such sales, solicitations, advertising, or offers are directed as the agency determines to be appropriate.

"(2) APPLICABILITY TO SUBSIDIARIES.—The regulations prescribed pursuant to paragraph (1) shall extend such protections to any subsidiaries of an insured depository institution, as deemed appropriate by the regulators referred to in paragraph (3), where such extension is determined to be necessary to ensure the consumer protections provided by this section.

"(3) CONSULTATION AND JOINT REGULATIONS.—The Federal banking agencies shall consult with each other and prescribe joint regulations pursuant to paragraph (1), after consultation with the State insurance regulators, as appropriate.

"(b) SALES PRACTICES.—The regulations prescribed pursuant to subsection (a) shall include anticoercion rules applicable to the sale of insurance products which prohibit an insured depository institution from engaging in any practice that would lead a consumer to believe an extension of credit, in violation of section 106(b) of the Bank Holding Company Act Amendments of 1970, is conditional upon—

"(1) the purchase of an insurance product from the institution or any of its affiliates; or

"(2) an agreement by the consumer not to obtain, or a prohibition on the consumer from obtaining, an insurance product from an unaffiliated entity.

"(c) DISCLOSURES AND ADVERTISING.—The regulations prescribed pursuant to subsection (a) shall include the following provisions relating to disclosures and advertising in connection with the initial purchase of an insurance product:

"(1) DISCLOSURES.—

"(A) IN GENERAL.—Requirements that the following disclosures be made orally and in writing before the completion of the initial sale and, in the case of clause (iv), at the time of application for an extension of credit:

"(i) UNINSURED STATUS.—As appropriate, the product is not insured by the Federal Deposit Insurance Corporation, the United States Government, or the insured depository institution.

"(ii) INVESTMENT RISK.—In the case of a variable annuity or other insurance product which involves an investment risk, that there is an investment risk associated with the product, including possible loss of value.

"(iv) COERCION.—The approval of an extension of credit may not be conditioned on—

"(I) the purchase of an insurance product from the institution in which the application for credit is pending or any of its affiliates or subsidiaries; or

"(II) an agreement by the consumer not to obtain, or a prohibition on the consumer from obtaining, an insurance product from an unaffiliated entity.

"(B) MAKING DISCLOSURE READILY UNDERSTANDABLE.—Regulations prescribed under subparagraph (A) shall encourage the use of disclosure that is conspicuous, simple, direct, and readily understandable, such as the following:

"(i) 'NOT FDIC-INSURED'.

"(ii) 'NOT GUARANTEED BY THE BANK'.

"(iii) 'MAY GO DOWN IN VALUE'.

"(iv) 'NOT INSURED BY ANY GOVERNMENT AGENCY'.

"(C) ADJUSTMENTS FOR ALTERNATIVE METHODS OF PURCHASE.—In prescribing the requirements under subparagraphs (A) and (D), necessary adjustments shall be made for purchase in person, by telephone, or by electronic media to provide for the most appropriate and complete form of disclosure and acknowledgments.

"(D) CONSUMER ACKNOWLEDGMENT.—A requirement that an insured depository institution shall require any person selling an insurance product at any office of, or on behalf of, the institution to obtain, at the time a consumer receives the disclosures required under this paragraph or at the time of the initial purchase by the consumer of such product, an acknowledgment by such consumer of the receipt of the disclosure required under this subsection with respect to such product.

"(2) PROHIBITION ON MISREPRESENTATIONS.—A prohibition on any practice, or any advertising, at any office of, or on behalf of, the insured depository institution, or any subsidiary as appropriate, which could mislead any person or otherwise cause a reasonable person to reach an erroneous belief with respect to—

"(A) the uninsured nature of any insurance product sold, or offered for sale, by the institution or any subsidiary of the institution; or

"(B) in the case of a variable annuity or other insurance product that involves an investment risk, the investment risk associated with any such product.

"(d) SEPARATION OF BANKING AND NONBANKING ACTIVITIES.—

"(1) REGULATIONS REQUIRED.—The regulations prescribed pursuant to subsection (a) shall include such provisions as the Federal banking agencies consider appropriate to ensure that the routine acceptance of deposits is kept, to the extent practicable, physically segregated from insurance product activity.

"(2) REQUIREMENTS.—Regulations prescribed pursuant to paragraph (1) shall include the following:

"(A) SEPARATE SETTING.—A clear delineation of the setting in which, and the circumstances under which, transactions involving insurance products should be conducted in a location physically segregated from an area where retail deposits are routinely accepted.

"(B) REFERRALS.—Standards which permit any person accepting deposits from the public in an area where such transactions are routinely conducted in an insured depository institution to refer a customer who seeks to purchase any insurance product to a qualified person who sells such product, only if the person making the referral receives no more than a one-time nominal fee of a fixed dollar amount for each referral that does not depend on whether the referral results in a transaction.

"(C) QUALIFICATION AND LICENSING REQUIREMENTS.—Standards prohibiting any insured depository institution from permitting any person to sell or offer for sale any insurance product in any part of any office of the institution, or on behalf of the institution, unless such person is appropriately qualified and licensed.

"(e) CONSUMER GRIEVANCE PROCESS.—The Federal banking agencies shall jointly establish a consumer complaint mechanism, for receiving and expeditiously addressing consumer complaints alleging a violation of regulations issued under the section, which shall—

"(1) establish a group within each regulatory agency to receive such complaints;

"(2) develop procedures for investigating such complaints;

"(3) develop procedures for informing consumers of rights they may have in connection with such complaints; and

"(4) develop procedures for addressing concerns raised by such complaints, as appropriate, including procedures for the recovery of losses to the extent appropriate.

"(f) EFFECT ON OTHER AUTHORITY.—

"(1) IN GENERAL.—No provision of this section shall be construed as granting, limiting, or otherwise affecting—

"(A) any authority of the Securities and Exchange Commission, any self-regulatory organization, the Municipal Securities Rulemaking Board, or the Secretary of the Treasury under any Federal securities law; or

"(B) except as provided in paragraph (2), any authority of any State insurance commissioner or other State authority under any State law.

"(2) COORDINATION WITH STATE LAW.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), regulations prescribed by a Federal banking agency under this section shall not apply to retail sales, solicitations, advertising, or offers of any insurance product by any insured depository institution or wholesale financial institution or to any person who is engaged in such activities at an office of such institution or on behalf of the institution, in a State where the State has in effect statutes, regulations, orders, or interpretations, that are inconsistent with or contrary to the regulations prescribed by the Federal banking agencies.

"(B) PREEMPTION.—If, with respect to any provision of the regulations prescribed under this section, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Board of Directors of the Federal Deposit Insurance Corporation determine jointly that the protection afforded by such provision for consumers is greater than the protection provided by a comparable provision of the statutes, regulations, orders, or interpretations referred to in subparagraph (A) of any State, such provision of the regulations prescribed under this section shall supersede the comparable provision of such State statute, regulation, order, or interpretation.

"(h) INSURANCE PRODUCT DEFINED.—For purposes of this section, the term 'insurance product' includes an annuity contract the income of which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.".

SEC. 308. CERTAIN STATE AFFILIATION LAWS PREEMPTED FOR INSURANCE COMPANIES AND AFFILIATES.

Except as provided in section 104(a)(2), no State may, by law, regulation, order, interpretation, or otherwise—

(1) prevent or significantly interfere with the ability of any insurer, or any affiliate of an insurer (whether such affiliate is organized as a stock company, mutual holding company, or otherwise), to become a financial holding company or to acquire control of an insured depository institution;

(2) limit the amount of an insurer's assets that may be invested in the voting securities of an insured depository institution (or any company which controls such institution), except that the laws of an insurer's State of domicile may limit the amount of such investment to an amount that is not less than 5 percent of the insurer's admitted assets; or

(3) prevent, significantly interfere with, or have the authority to review, approve, or disapprove a plan of reorganization by which an insurer proposes to reorganize from mutual form to become a stock insurer (whether as a direct or indirect subsidiary of a mutual holding company or otherwise) unless such State is the State of domicile of the insurer.

SEC. 309. INTERAGENCY CONSULTATION.

(a) PURPOSE.—It is the intention of Congress that the Board of Governors of the Federal Reserve System, as the umbrella supervisor for financial holding companies, and the State insurance regulators, as the functional regulators of companies engaged in insurance activities, coordinate efforts to supervise companies that control both a depository institution and a company engaged in insurance activities regulated under State law. In particular, Congress believes that the Board and the State insurance regulators should share, on a confidential basis, information relevant to the supervision of companies that control both a depository institution and a company engaged in insurance activities, including information regarding the financial health of the consolidated organization and information regarding transactions and relationships between insurance companies and affiliated depository institutions. The appropriate Federal banking agencies for depository institutions should also share, on a confidential basis, information with the relevant State insurance regulators regarding transactions and relationships between depository institutions and affiliated companies engaged in insurance activities. The purpose of this section is to encourage this coordination and confidential sharing of information, and to thereby improve both the efficiency and the quality of the supervision of financial holding companies and their affiliated depository institutions and companies engaged in insurance activities.

(b) EXAMINATION RESULTS AND OTHER INFORMATION.—

(1) INFORMATION OF THE BOARD.—Upon the request of the appropriate insurance regulator of any State, the Board may provide any information of the Board regarding the financial condition, risk management policies, and operations of any financial holding company that controls a company that is engaged in insurance activities and is regulated by such State insurance regulator, and regarding any transaction or relationship between such an insurance company and any affiliated depository institution. The Board may provide any other information to the appropriate State insurance regulator that the Board believes is necessary or appropriate to permit the State insurance regulator to administer and enforce applicable State insurance laws.

(2) BANKING AGENCY INFORMATION.—Upon the request of the appropriate insurance regulator of any State, the appropriate Federal banking agency may provide any information of the agency regarding any transaction or relationship between a depository institution supervised by such Federal banking agency and any affiliated company that is engaged in insurance activities regulated by such State insurance regulator. The appropriate Federal banking agency may provide any other information to the appropriate State insurance regulator that the agency believes is necessary or appropriate to permit the State insurance regulator to administer and enforce applicable State insurance laws.

(3) STATE INSURANCE REGULATOR INFORMATION.—Upon the request of the Board or the appropriate Federal banking agency, a State insurance regulator may provide any examination or other reports, records, or other information to which such insurance regulator may have access with respect to a company which—

(A) is engaged in insurance activities and regulated by such insurance regulator; and

(B) is an affiliate of an insured depository institution, wholesale financial institution, or financial holding company.

(c) CONSULTATION.—Before making any determination relating to the initial affiliation of, or the continuing affiliation of, an insured depository institution, wholesale financial institution, or financial holding company with a company engaged in insurance activities, the appropriate Federal banking agency shall consult with the appropriate State insurance regulator of such company and take the views of such insurance regulator into account in making such determination.

(d) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall limit in any respect the authority of the appropriate Federal banking agency with respect to an insured depository institution, wholesale financial institution, or bank holding company or any affiliate thereof under any provision of law.

(e) CONFIDENTIALITY AND PRIVILEGE.—

(1) CONFIDENTIALITY.—The appropriate Federal banking agency shall not provide any information or material that is entitled to confidential treatment under applicable Federal banking agency regulations, or other applicable law, to a State insurance regulator unless such regulator agrees to maintain the information or material in confidence and to take all reasonable steps to oppose any effort to secure disclosure of the information or material by the regulator. The appropriate Federal banking agency shall treat as confidential any information or material obtained from a State insurance regulator that is entitled to confidential treatment under applicable State regulations, or other applicable law, and take all reasonable steps to oppose any effort to secure disclosure of the information or material by the Federal banking agency.

(2) PRIVILEGE.—The provision pursuant to this section of information or material by a Federal banking agency or State insurance regulator shall not constitute a waiver of, or otherwise affect, any privilege to which the information or material is otherwise subject.

(f) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPROPRIATE FEDERAL BANKING AGENCY; INSURED DEPOSITORY INSTITUTION.—The terms "appropriate Federal banking agency" and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

(2) BOARD; FINANCIAL HOLDING COMPANY; AND WHOLESALE FINANCIAL INSTITUTION.—The terms "Board", "financial holding company", and "wholesale financial institution" have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

SEC. 310. DEFINITION OF STATE.

For purposes of this subtitle, the term "State" means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

Subtitle B—National Association of Registered Agents and Brokers

SEC. 321. STATE FLEXIBILITY IN MULTISTATE LICENSING REFORMS.

(a) IN GENERAL.—The provisions of this subtitle shall take effect unless, not later than 3 years after the date of enactment of this Act, at least a majority of the States—

(1) have enacted uniform laws and regulations governing the licensure of individuals and entities authorized to sell and solicit the purchase of insurance within the State; or

(2) have enacted reciprocity laws and regulations governing the licensure of nonresident individuals and entities authorized to sell and solicit insurance within those States.

(b) UNIFORMITY REQUIRED.—States shall be deemed to have established the uniformity necessary to satisfy subsection (a)(1) if the States—

(1) establish uniform criteria regarding the integrity, personal qualifications, education, training, and experience of licensed insurance producers, including the qualification and training of sales personnel in ascertaining the appropriateness of a particular insurance product for a prospective customer;

(2) establish uniform continuing education requirements for licensed insurance producers;

(3) establish uniform ethics course requirements for licensed insurance producers in conjunction with the continuing education requirements under paragraph (2);

(4) establish uniform criteria to ensure that an insurance product, including any annuity contract, sold to a consumer is suitable and appropriate for the consumer based on financial information disclosed by the consumer; and

(5) do not impose any requirement upon any insurance producer to be licensed or otherwise qualified to do business as a nonresident that has the effect of limiting or conditioning that producer's activities because of its residence or place of operations, except that counter-signature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section.

(c) RECIPROCITY REQUIRED.—States shall be deemed to have established the reciprocity required to satisfy subsection (a)(2) if the following conditions are met:

(1) ADMINISTRATIVE LICENSING PROCEDURES.—At least a majority of the States permit a producer that has a resident license for selling or soliciting the purchase of insurance in its home State to receive a license to sell or solicit the purchase of insurance in such majority of States as a nonresident to the same extent that such producer is permitted to sell or solicit the purchase of insurance in its State, if the producer's home State also awards such licenses on such a reciprocal basis, without satisfying any additional requirements other than submitting—

(A) a request for licensure;

(B) the application for licensure that the producer submitted to its home State;

(C) proof that the producer is licensed and in good standing in its home State; and

(D) the payment of any requisite fee to the appropriate authority.

(2) CONTINUING EDUCATION REQUIREMENTS.—A majority of the States accept an insurance producer's satisfaction of its home State's continuing education requirements for licensed insurance producers to satisfy the States' own continuing education requirements if the producer's home State also recognizes the satisfaction of continuing education requirements on such a reciprocal basis.

(3) NO LIMITING NONRESIDENT REQUIREMENTS.—A majority of the States do not impose any requirement upon any insurance producer to be licensed or otherwise qualified to do business as a nonresident that has the effect of limiting or conditioning that producer's activities because of its residence or place of operations, except that countersignature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section.

(4) RECIPROCAL RECIPROCITY.—Each of the States that satisfies paragraphs (1), (2), and (3) grants reciprocity to residents of all of the other States that satisfy such paragraphs.

(d) DETERMINATION.—

(1) NAIC DETERMINATION.—At the end of the 3-year period beginning on the date of the enactment of this Act, the National Association of Insurance Commissioners shall determine, in consultation with the insurance commissioners or chief insurance regulatory officials of the States, whether the uniformity or reciprocity required by subsections (b) and (c) has been achieved.

(2) JUDICIAL REVIEW.—The appropriate United States district court shall have exclusive jurisdiction over any challenge to the National Association of Insurance Commissioners' determination under this section and such court shall apply the standards set forth in section 706 of title 5, United States Code, when reviewing any such challenge.

(e) CONTINUED APPLICATION.—If, at any time, the uniformity or reciprocity required by subsections (b) and (c) no longer exists, the provisions of this subtitle shall take effect 2 years after the date on which such uniformity or reciprocity ceases to exist, unless the uniformity or reciprocity required by those provisions is satisfied before the expiration of that 2-year period.

(f) SAVINGS PROVISION.—No provision of this section shall be construed as requiring that any law, regulation, provision, or action of any State which purports to regulate insurance producers, including any such law, regulation, provision, or action which purports to regulate unfair trade practices or establish consumer protections, including countersignature laws, be altered or amended in order to satisfy the uniformity or reciprocity required by subsections (b) and (c), unless any such law, regulation, provision, or action is inconsistent with a specific requirement of any such subsection and then only to the extent of such inconsistency.

(g) UNIFORM LICENSING.—Nothing in this section shall be construed to require any State to adopt new or additional licensing requirements to achieve the uniformity necessary to satisfy subsection (a)(1).

SEC. 322. NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

(a) ESTABLISHMENT.—There is established the National Association of Registered Agents and Brokers (hereafter in this subtitle referred to as the "Association").

(b) STATUS.—The Association shall—

(1) be a nonprofit corporation;

(2) have succession until dissolved by an Act of Congress;

(3) not be an agent or instrumentality of the United States Government; and

(4) except as otherwise provided in this Act, be subject to, and have all the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29y-1001 et seq.).

SEC. 323. PURPOSE.

The purpose of the Association shall be to provide a mechanism through which uniform licensing, appointment, continuing education, and other insurance producer sales qualification requirements and conditions can be adopted and applied on a multistate basis, while preserving the right of States to license, supervise, and discipline insurance producers and to prescribe and enforce laws and regulations with regard to insurance-related consumer protection and unfair trade practices.

SEC. 324. RELATIONSHIP TO THE FEDERAL GOVERNMENT.

The Association shall be subject to the supervision and oversight of the National Association of Insurance Commissioners (hereafter in this subtitle referred to as the "NAIC").

SEC. 325. MEMBERSHIP.

(a) ELIGIBILITY.—

(1) IN GENERAL.—Any State-licensed insurance producer shall be eligible to become a member in the Association.

(2) INELIGIBILITY FOR SUSPENSION OR REVOCATION OF LICENSE.—Notwithstanding paragraph (1), a State-licensed insurance producer shall not be eligible to become a member if a State insurance regulator has suspended or revoked such producer's license in that State during the 3-year period preceding the date on which such producer applies for membership.

(3) RESUMPTION OF ELIGIBILITY.—Paragraph (2) shall cease to apply to any insurance producer if—

(A) the State insurance regulator renews the license of such producer in the State in which the license was suspended or revoked; or

(B) the suspension or revocation is subsequently overturned.

(b) AUTHORITY TO ESTABLISH MEMBERSHIP CRITERIA.—The Association shall have the authority to establish membership criteria that—

(1) bear a reasonable relationship to the purposes for which the Association was established; and

(2) do not unfairly limit the access of smaller agencies to the Association membership.

(c) ESTABLISHMENT OF CLASSES AND CATEGORIES.—

(1) CLASSES OF MEMBERSHIP.—The Association may establish separate classes of membership, with separate criteria, if the Association reasonably determines that performance of different duties requires different levels of education, training, or experience.

(2) CATEGORIES.—The Association may establish separate categories of membership for individuals and for other persons. The establishment of any such categories of membership shall be based either on the types of licensing categories that exist under State laws or on the aggregate amount of business handled by an insurance producer. No special categories of membership, and no distinct membership criteria, shall be established for members which are insured depository institutions or wholesale financial institutions or for their employees, agents, or affiliates.

(d) Membership Criteria.—

(1) In general.—The Association may establish criteria for membership which shall include standards for integrity, personal qualifications, education, training, and experience.

(2) Minimum standard.—In establishing criteria under paragraph (1), the Association shall consider the highest levels of insurance producer qualifications established under the licensing laws of the States.

(e) Effect of Membership.—Membership in the Association shall entitle the member to licensure in each State for which the member pays the requisite fees, including licensing fees and, where applicable, bonding requirements, set by such State.

(f) Annual Renewal.—Membership in the Association shall be renewed on an annual basis.

(g) Continuing Education.—The Association shall establish, as a condition of membership, continuing education requirements which shall be comparable to or greater than the continuing education requirements under the licensing laws of a majority of the States.

(h) Suspension and Revocation.—The Association may—

(1) inspect and examine the records and offices of the members of the Association to determine compliance with the criteria for membership established by the Association; and

(2) suspend or revoke the membership of an insurance producer if—

(A) the producer fails to meet the applicable membership criteria of the Association; or

(B) the producer has been subject to disciplinary action pursuant to a final adjudicatory proceeding under the jurisdiction of a State insurance regulator, and the Association concludes that retention of membership in the Association would not be in the public interest.

(i) Office of Consumer Complaints.—

(1) In general.—The Association shall establish an office of consumer complaints that shall—

(A) receive and investigate complaints from both consumers and State insurance regulators related to members of the Association; and

(B) recommend to the Association any disciplinary actions that the office considers appropriate, to the extent that any such recommendation is not inconsistent with State law.

(2) Records and referrals.—The office of consumer complaints of the Association shall—

(A) maintain records of all complaints received in accordance with paragraph (1) and make such records available to the NAIC and to each State insurance regulator for the State of residence of the consumer who filed the complaint; and

(B) refer, when appropriate, any such complaint to any appropriate State insurance regulator.

(3) Telephone and other access.—The office of consumer complaints shall maintain a toll-free telephone number for the purpose of this subsection and, as practicable, other alternative means of communication with consumers, such as an Internet home page.

SEC. 326. BOARD OF DIRECTORS.

(a) Establishment.—There is established the board of directors of the Association (hereafter in this subtitle referred to as the "Board") for the purpose of governing and supervising the activities of the Association and the members of the Association.

(b) Powers.—The Board shall have such powers and authority as may be specified in the bylaws of the Association.

(c) Composition.—

(1) Members.—The Board shall be composed of 7 members appointed by the NAIC.

(2) Requirement.—At least 4 of the members of the Board shall have significant experience with the regulation of commercial lines of insurance in at least 1 of the 20 States in which the greatest total dollar amount of commercial-lines insurance is placed in the United States.

(3) Initial board membership.—

(A) In general.—If, by the end of the 2-year period beginning on the date of enactment of this Act, the NAIC has not appointed the initial 7 members of the Board of the Association, the initial Board shall consist of the 7 State insurance regulators of the 7 States with the greatest total dollar amount of commercial-lines insurance in place as of the end of such period.

(B) Alternate composition.—If any of the State insurance regulators described in subparagraph (A) declines to serve on the Board, the State insurance regulator with the next greatest total dollar amount of commercial-lines insurance in place, as determined by the NAIC as of the end of such period, shall serve as a member of the Board.

(C) Inoperability.—If fewer than 7 State insurance regulators accept appointment to the Board, the Association shall be established without NAIC oversight pursuant to section 332.

(d) Terms.—The term of each director shall, after the initial appointment of the members of the Board, be for 3 years, with ⅓ of the directors to be appointed each year.

(e) Board Vacancies.—A vacancy on the Board shall be filled in the same manner as the original appointment of the initial Board for the remainder of the term of the vacating member.

(f) Meetings.—The Board shall meet at the call of the chairperson, or as otherwise provided by the bylaws of the Association.

SEC. 327. OFFICERS.

(a) In General.—

(1) Positions.—The officers of the Association shall consist of a chairperson and a vice chairperson of the Board, a president, secretary, and treasurer of the Association, and such other officers and assistant officers as may be deemed necessary.

(2) Manner of selection.—Each officer of the Board and the Association shall be elected or appointed at such time and in such manner and for such terms not exceeding 3 years as may be prescribed in the bylaws of the Association.

(b) Criteria for Chairperson.—Only individuals who are members of the NAIC shall be eligible to serve as the chairperson of the board of directors.

SEC. 328. BYLAWS, RULES, AND DISCIPLINARY ACTION.

(a) Adoption and Amendment of Bylaws.—

(1) Copy required to be filed with the NAIC.—The board of directors of the Association shall file with the NAIC a copy of the proposed bylaws or any proposed amendment to the bylaws, accompanied by a concise general statement of the basis and purpose of such proposal.

(2) Effective date.—Except as provided in paragraph (3), any proposed bylaw or proposed amendment shall take effect—

(A) 30 days after the date of the filing of a copy with the NAIC;

(B) upon such later date as the Association may designate; or

(C) upon such earlier date as the NAIC may determine.

(3) Disapproval by the NAIC.—Notwithstanding paragraph (2), a proposed bylaw or amendment shall not take effect if, after public notice and opportunity to participate in a public hearing—

(A) the NAIC disapproves such proposal as being contrary to the public interest or contrary to the purposes of this subtitle and provides notice to the Association setting forth the reasons for such disapproval; or

(B) the NAIC finds that such proposal involves a matter of such significant public interest that public comment should be obtained, in which case it may, after notifying the Association in writing of such finding, require that the procedures set forth in subsection (b) be followed with respect to such proposal, in the same manner as if such proposed bylaw change were a proposed rule change within the meaning of such subsection.

(b) Adoption and Amendment of Rules.—

(1) Filing proposed regulations with the NAIC.—

(A) In general.—The board of directors of the Association shall file with the NAIC a copy of any proposed rule or any proposed amendment to a rule of the Association which shall be accompanied by a concise general statement of the basis and purpose of such proposal.

(B) Other rules and amendments ineffective.—No proposed rule or amendment shall take effect unless approved by the NAIC or otherwise permitted in accordance with this paragraph.

(2) Initial consideration by the NAIC.—Not later than 35 days after the date of publication of notice of filing of a proposal, or before the end of such longer period not to exceed 90 days as the NAIC may designate after such date, if the NAIC finds such longer period to be appropriate and sets forth its reasons for so finding, or as to which the Association consents, the NAIC shall—

(A) by order approve such proposed rule or amendment; or

(B) institute proceedings to determine whether such proposed rule or amendment should be modified or disapproved.

(3) NAIC proceedings.—

(A) In general.—Proceedings instituted by the NAIC with respect to a proposed rule or amendment pursuant to paragraph (2) shall—

(i) include notice of the grounds for disapproval under consideration;

(ii) provide opportunity for hearing; and

(iii) be concluded not later than 180 days after the date of the Association's filing of such proposed rule or amendment.

(B) Disposition of proposal.—At the conclusion of any proceeding under subparagraph (A), the NAIC shall, by order, approve or disapprove the proposed rule or amendment.

(C) Extension of time for consideration.—The NAIC may extend the time for concluding any proceeding under subparagraph (A) for—

(i) not more than 60 days if the NAIC finds good cause for such extension and sets forth its reasons for so finding; or

(ii) for such longer period as to which the Association consents.

(4) Standards for review.—

(A) Grounds for approval.—The NAIC shall approve a proposed rule or amendment if the NAIC finds that the rule or amendment is in the public interest and is consistent with the purposes of this Act.

(B) Approval before end of notice period.—The NAIC shall not approve any proposed rule before the end of the 30-day period beginning on the date on which the Association files proposed rules or amendments in accordance with paragraph (1), unless the NAIC finds good cause for so doing and sets forth the reasons for so finding.

(5) ALTERNATE PROCEDURE.—

(A) IN GENERAL.—Notwithstanding any provision of this subsection other than subparagraph (B), a proposed rule or amendment relating to the administration or organization of the Association shall take effect—

(i) upon the date of filing with the NAIC, if such proposed rule or amendment is designated by the Association as relating solely to matters which the NAIC, consistent with the public interest and the purposes of this subsection, determines by rule do not require the procedures set forth in this paragraph; or

(ii) upon such date as the NAIC shall for good cause determine.

(B) ABROGATION BY THE NAIC.—

(i) IN GENERAL.—At any time within 60 days after the date of filing of any proposed rule or amendment under subparagraph (A)(i) or clause (ii) of this subparagraph, the NAIC may repeal such rule or amendment and require that the rule or amendment be refiled and reviewed in accordance with this paragraph, if the NAIC finds that such action is necessary or appropriate in the public interest, for the protection of insurance producers or policyholders, or otherwise in furtherance of the purposes of this subtitle.

(ii) EFFECT OF RECONSIDERATION BY THE NAIC.—Any action of the NAIC pursuant to clause (i) shall—

(I) not affect the validity or force of a rule change during the period such rule or amendment was in effect; and

(II) not be considered to be a final action.

(c) ACTION REQUIRED BY THE NAIC.—The NAIC may, in accordance with such rules as the NAIC determines to be necessary or appropriate to the public interest or to carry out the purposes of this subtitle, require the Association to adopt, amend, or repeal any bylaw, rule or amendment of the Association, whenever adopted.

(d) DISCIPLINARY ACTION BY THE ASSOCIATION.—

(1) SPECIFICATION OF CHARGES.—In any proceeding to determine whether membership shall be denied, suspended, revoked, or not renewed (hereafter in this section referred to as a "disciplinary action"), the Association shall bring specific charges, notify such member of such charges, give the member an opportunity to defend against the charges, and keep a record.

(2) SUPPORTING STATEMENT.—A determination to take disciplinary action shall be supported by a statement setting forth—

(A) any act or practice in which such member has been found to have been engaged;

(B) the specific provision of this subtitle, the rules or regulations under this subtitle, or the rules of the Association which any such act or practice is deemed to violate; and

(C) the sanction imposed and the reason for such sanction.

(e) NAIC REVIEW OF DISCIPLINARY ACTION.—

(1) NOTICE TO THE NAIC.—If the Association orders any disciplinary action, the Association shall promptly notify the NAIC of such action.

(2) REVIEW BY THE NAIC.—Any disciplinary action taken by the Association shall be subject to review by the NAIC—

(A) on the NAIC's own motion; or

(B) upon application by any person aggrieved by such action if such application is filed with the NAIC not more than 30 days after the later of—

(i) the date the notice was filed with the NAIC pursuant to paragraph (1); or

(ii) the date the notice of the disciplinary action was received by such aggrieved person.

(f) EFFECT OF REVIEW.—The filing of an application to the NAIC for review of a disciplinary action, or the institution of review by the NAIC on the NAIC's own motion, shall not operate as a stay of disciplinary action unless the NAIC otherwise orders.

(g) SCOPE OF REVIEW.—

(1) IN GENERAL.—In any proceeding to review such action, after notice and the opportunity for hearing, the NAIC shall—

(A) determine whether the action should be taken;

(B) affirm, modify, or rescind the disciplinary sanction; or

(C) remand to the Association for further proceedings.

(2) DISMISSAL OF REVIEW.—The NAIC may dismiss a proceeding to review disciplinary action if the NAIC finds that—

(A) the specific grounds on which the action is based exist in fact;

(B) the action is in accordance with applicable rules and regulations; and

(C) such rules and regulations are, and were, applied in a manner consistent with the purposes of this subtitle.

SEC. 329. ASSESSMENTS.

(a) INSURANCE PRODUCERS SUBJECT TO ASSESSMENT.—The Association may establish such application and membership fees as the Association finds necessary to cover the costs of its operations, including fees made reimbursable to the NAIC under subsection (b), except that, in setting such fees, the Association may not discriminate against smaller insurance producers.

(b) NAIC ASSESSMENTS.—The NAIC may assess the Association for any costs that the NAIC incurs under this subtitle.

SEC. 330. FUNCTIONS OF THE NAIC.

(a) ADMINISTRATIVE PROCEDURE.—Determinations of the NAIC, for purposes of making rules pursuant to section 328, shall be made after appropriate notice and opportunity for a hearing and for submission of views of interested persons.

(b) EXAMINATIONS AND REPORTS.—

(1) EXAMINATIONS.—The NAIC may make such examinations and inspections of the Association and require the Association to furnish to the NAIC such reports and records or copies thereof as the NAIC may consider necessary or appropriate in the public interest or to effectuate the purposes of this subtitle.

(2) REPORT BY ASSOCIATION.—As soon as practicable after the close of each fiscal year, the Association shall submit to the NAIC a written report regarding the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year. Such report shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year. The NAIC shall transmit such report to the President and the Congress with such comment thereon as the NAIC determines to be appropriate.

SEC. 331. LIABILITY OF THE ASSOCIATION AND THE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE ASSOCIATION.

(a) IN GENERAL.—The Association shall not be deemed to be an insurer or insurance producer within the meaning of any State law, rule, regulation, or order regulating or taxing insurers, insurance producers, or other entities engaged in the business of insurance, including provisions imposing premium taxes, regulating insurer solvency or financial condition, establishing guaranty funds and levying assessments, or requiring claims settlement practices.

(b) LIABILITY OF THE ASSOCIATION, ITS DIRECTORS, OFFICERS, AND EMPLOYEES.—Neither the Association nor any of its directors, officers, or employees shall have any liability to any person for any action taken or omitted in good faith under or in connection with any matter subject to this subtitle.

SEC. 332. ELIMINATION OF NAIC OVERSIGHT.

(a) IN GENERAL.—The Association shall be established without NAIC oversight and the provisions set forth in section 324, subsections (a), (b), (c), and (e) of section 328, and sections 329(b) and 330 of this subtitle shall cease to be effective if, at the end of the 2-year period beginning on the date on which the provisions of this subtitle take effect pursuant to section 321—

(1) at least a majority of the States representing at least 50 percent of the total United States commercial-lines insurance premiums have not satisfied the uniformity or reciprocity requirements of subsections (a), (b), and (c) of section 321; and

(2) the NAIC has not approved the Association's bylaws as required by section 328 or is unable to operate or supervise the Association, or the Association is not conducting its activities as required under this Act.

(b) BOARD APPOINTMENTS.—If the repeals required by subsection (a) are implemented, the following shall apply:

(1) GENERAL APPOINTMENT POWER.—The President, with the advice and consent of the Senate, shall appoint the members of the Association's Board established under section 326 from lists of candidates recommended to the President by the National Association of Insurance Commissioners.

(2) PROCEDURES FOR OBTAINING NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS APPOINTMENT RECOMMENDATIONS.—

(A) INITIAL DETERMINATION AND RECOMMENDATIONS.—After the date on which the provisions of subsection (a) take effect, the NAIC shall, not later than 60 days thereafter, provide a list of recommended candidates to the President. If the NAIC fails to provide a list by that date, or if any list that is provided does not include at least 14 recommended candidates or comply with the requirements of section 326(c), the President shall, with the advice and consent of the Senate, make the requisite appointments without considering the views of the NAIC.

(B) SUBSEQUENT APPOINTMENTS.—After the initial appointments, the NAIC shall provide a list of at least 6 recommended candidates for the Board to the President by January 15 of each subsequent year. If the NAIC fails to provide a list by that date, or if any list that is provided does not include at least 6 recommended candidates or comply with the requirements of section 326(c), the President, with the advice and consent of the Senate, shall make the requisite appointments without considering the views of the NAIC.

(C) PRESIDENTIAL OVERSIGHT.—

(i) REMOVAL.—If the President determines that the Association is not acting in the interests of the public, the President may remove the entire existing Board for the remainder of the term to which the members of the Board were appointed and appoint, with the advice and consent of the Senate, new members to fill the vacancies on the Board for the remainder of such terms.

(ii) SUSPENSION OF RULES OR ACTIONS.—The President, or a person designated by the President for such purpose, may suspend the effectiveness of any rule, or prohibit any action, of the Association which the President or the designee determines is contrary to the public interest.

(c) ANNUAL REPORT.—As soon as practicable after the close of each fiscal year, the Association shall submit to the President and to the Congress a written report relative to the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year. Such report shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year.

SEC. 333. RELATIONSHIP TO STATE LAW.

(a) PREEMPTION OF STATE LAWS.—State laws, regulations, provisions, or other actions purporting to regulate insurance producers shall be preempted as provided in subsection (b).

(b) PROHIBITED ACTIONS.—No State shall—

(1) impede the activities of, take any action against, or apply any provision of law or regulation to, any insurance producer because that insurance producer or any affiliate plans to become, has applied to become, or is a member of the Association;

(2) impose any requirement upon a member of the Association that it pay different fees to be licensed or otherwise qualified to do business in that State, including bonding requirements, based on its residency;

(3) impose any licensing, appointment, integrity, personal or corporate qualifications, education, training, experience, residency, or continuing education requirement upon a member of the Association that is different from the criteria for membership in the Association or renewal of such membership, except that counter-signature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section; or

(4) implement the procedures of such State's system of licensing or renewing the licenses of insurance producers in a manner different from the authority of the Association under section 325.

(c) SAVINGS PROVISION.—Except as provided in subsections (a) and (b), no provision of this section shall be construed as altering or affecting the continuing effectiveness of any law, regulation, provision, or other action of any State which purports to regulate insurance producers, including any such law, regulation, provision, or action which purports to regulate unfair trade practices or establish consumer protections, including countersignature laws.

SEC. 334. COORDINATION WITH OTHER REGULATORS.

(a) COORDINATION WITH STATE INSURANCE REGULATORS.—The Association shall have the authority to—

(1) issue uniform insurance producer applications and renewal applications that may be used to apply for the issuance or removal of State licenses, while preserving the ability of each State to impose such conditions on the issuance or renewal of a license as are consistent with section 333;

(2) establish a central clearinghouse through which members of the Association may apply for the issuance or renewal of licenses in multiple States; and

(3) establish or utilize a national database for the collection of regulatory information concerning the activities of insurance producers.

(b) COORDINATION WITH THE NATIONAL ASSOCIATION OF SECURITIES DEALERS.—The Association shall coordinate with the National Association of Securities Dealers in order to ease any administrative burdens that fall on persons that are members of both associations, consistent with the purposes of this subtitle and the Federal securities laws.

SEC. 335. JUDICIAL REVIEW.

(a) JURISDICTION.—The appropriate United States district court shall have exclusive jurisdiction over litigation involving the Association, including disputes between the Association and its members that arise under this subtitle. Suits brought in State court involving the Association shall be deemed to have arisen under Federal law and therefore be subject to jurisdiction in the appropriate United States district court.

(b) EXHAUSTION OF REMEDIES.—An aggrieved person shall be required to exhaust all available administrative remedies before the Association and the NAIC before it may seek judicial review of an Association decision.

(c) STANDARDS OF REVIEW.—The standards set forth in section 553 of title 5, United States Code, shall be applied whenever a rule or bylaw of the Association is under judicial review, and the standards set forth in section 554 of title 5, United States Code, shall be applied whenever a disciplinary action of the Association is judicially reviewed.

SEC. 336. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) HOME STATE.—The term "home State" means the State in which the insurance producer maintains its principal place of residence and is licensed to act as an insurance producer.

(2) INSURANCE.—The term "insurance" means any product, other than title insurance, defined or regulated as insurance by the appropriate State insurance regulatory authority.

(3) INSURANCE PRODUCER.—The term "insurance producer" means any insurance agent or broker, surplus lines broker, insurance consultant, limited insurance representative, and any other person that solicits, negotiates, effects, procures, delivers, renews, continues or binds policies of insurance or offers advice, counsel, opinions or services related to insurance.

(4) STATE.—The term "State" includes any State, the District of Columbia, American Samoa, Guam, Puerto Rico, and the United States Virgin Islands.

(5) STATE LAW.—The term "State law" includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

Subtitle C—Rental Car Agency Insurance Activities

SEC. 341. STANDARD OF REGULATION FOR MOTOR VEHICLE RENTALS.

(a) PROTECTION AGAINST RETROACTIVE APPLICATION OF REGULATORY AND LEGAL ACTION.—Except as provided in subsection (b), during the 3-year period beginning on the date of the enactment of this Act, it shall be a presumption that no State law imposes any licensing, appointment, or education requirements on any person who solicits the purchase of or sells insurance connected with, and incidental to, the lease or rental of a motor vehicle.

(b) PREEMINENCE OF STATE INSURANCE LAW.—No provision of this section shall be construed as altering the validity, interpretation, construction, or effect of—

(1) any State statute;

(2) the prospective application of any court judgment interpreting or applying any State statute; or

(3) the prospective application of any final State regulation, order, bulletin, or other statutorily authorized interpretation or action,

which, by its specific terms, expressly regulates or exempts from regulation any person who solicits the purchase of or sells insurance connected with, and incidental to, the short-term lease or rental of a motor vehicle.

(c) SCOPE OF APPLICATION.—This section shall apply with respect to—

(1) the lease or rental of a motor vehicle for a total period of 90 consecutive days or less; and

(2) insurance which is provided in connection with, and incidentally to, such lease or rental for a period of consecutive days not exceeding the lease or rental period.

(d) MOTOR VEHICLE DEFINED.—For purposes of this section, the term "motor vehicle" has the meaning given to such term in section 13102 of title 49, United States Code.

Subtitle D—Confidentiality

SEC. 351. CONFIDENTIALITY OF HEALTH AND MEDICAL INFORMATION.

(a) IN GENERAL.—A company which underwrites or sells annuities contracts or contracts insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death (other than credit-related insurance) and any subsidiary or affiliate thereof shall maintain a practice of protecting the confidentiality of individually identifiable customer health and medical and genetic information and may disclose such information only—

(1) with the consent, or at the direction, of the customer;

(2) for insurance underwriting and reinsuring policies, account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium payments, processing insurance claims, administering insurance benefits (including utilization review activities), providing information to the customer's physician or other health care provider, participating in research projects, enabling the purchase, transfer, merger, or sale of any insurance-related business, or as otherwise required or specifically permitted by Federal or State law; or

(3) in connection with—

(A) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit, or other payment card or account number, or by other payment means;

(B) the transfer of receivables, accounts, or interest therein;

(C) the audit of the debit, credit, or other payment information;

(D) compliance with Federal, State, or local law;

(E) compliance with a properly authorized civil, criminal, or regulatory investigation by Federal, State, or local authorities as governed by the requirements of this section; or

(F) fraud protection, risk control, resolving customer disputes or inquiries, communicating with the person to whom the information relates, or reporting to consumer reporting agencies.

(b) STATE ACTIONS FOR VIOLATIONS.—In addition to such other remedies as are provided under State law, if the chief law enforcement officer of a State, State insurance regulator, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this title, the State may bring an action to enjoin such violation in any appropriate United States district court or in any other court of competent jurisdiction.

(c) Effective Date; Sunset.—

(1) Effective date.—Except as provided in paragraph (2), subsection (a) shall take effect on February 1, 2000.

(2) Sunset.—Subsection (a) shall not take effect if, or shall cease to be effective on and after the date on which, legislation is enacted that satisfies the requirements in section 264(c)(1) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 110 Stat. 2033).

(d) Consultation.—While subsection (a) is in effect, State insurance regulatory authorities, through the National Association of Insurance Commissioners, shall consult with the Secretary of Health and Human Services in connection with the administration of such subsection.

TITLE IV—UNITARY SAVINGS AND LOAN HOLDING COMPANIES

SEC. 401. PROHIBITION ON NEW UNITARY SAVINGS AND LOAN HOLDING COMPANIES.

(a) In General.—Section 10(c) of the Home Owners' Loan Act (12 U.S.C. 1467a(c)) is amended by adding at the end the following new paragraph:

"(9) Termination of expanded powers for new unitary holding company.—

"(A) In general.—Subject to subparagraph (B) and notwithstanding paragraph (3), no company may directly or indirectly, including through any merger, consolidation, or other type of business combination, acquire control of a savings association after March 4, 1999, unless the company is engaged, directly or indirectly (including through a subsidiary other than a savings association), only in activities that are permitted—

"(i) under paragraph (1)(C) or (2); or

"(ii) for financial holding companies under section 6(c) of the Bank Holding Company Act of 1956.

"(B) Existing unitary holding companies and the successors to such companies.—Subparagraph (A) shall not apply, and paragraph (3) shall continue to apply, to a company (or any subsidiary of such company) that—

"(i) either—

"(I) acquired 1 or more savings associations described in paragraph (3) pursuant to applications at least 1 of which was filed on or before March 4, 1999; or

"(II) subject to subparagraph (C), became a savings and loan holding company by acquiring control of the company described in subclause (I); and

"(ii) continues to control the savings association referred to in clause (i)(II) or the successor to any such savings association.

"(C) Notice process for nonfinancial activities by a successor unitary holding company.—

"(i) Notice required.—Subparagraph (B) shall not apply to any company described in subparagraph (B)(i)(II) which engages, directly or indirectly, in any activity other than activities described in clauses (i) and (ii) of subparagraph (A), unless—

"(I) in addition to an application to the Director under this section to become a savings and loan holding company, the company submits a notice to the Board of Governors of the Federal Reserve System of such nonfinancial activities in the same manner as a notice of nonbanking activities is filed with the Board under section 4(j) of the Bank Holding Company Act of 1956; and

"(II) before the end of the applicable period under such section 4(j), the Board either approves or does not disapprove of the continuation of such activities by such company, directly or indirectly, after becoming a savings and loan holding company.

"(ii) Procedure.—Section 4(j) of the Bank Holding Company Act of 1956, including the standards for review, shall apply to any notice filed with the Board under this subparagraph in the same manner as it applies to notices filed under such section.".

(b) Technical and Conforming Amendment.—Section 10(c)(3) of the Home Owners' Loan Act (12 U.S.C. 1467a(c)(3)) is amended by striking "Notwithstanding" and inserting "Except as provided in paragraph (9) and notwithstanding".

(c) Conforming Amendment.—Section 10(o)(5) of the Home Owners' Loan Act (12 U.S.C. 1467a(o)(5)) is amended—

(1) in subparagraph (E), by striking ", except subparagraph (B)"; and

(2) by adding at the end the following new subparagraph:

"(F) In the case of a mutual holding company which is a savings and loan holding company described in subsection (c)(3), engaging in the activities permitted for financial holding companies under section 6(c) of the Bank Holding Company Act of 1956.".

SEC. 402. RETENTION OF "FEDERAL" IN NAME OF CONVERTED FEDERAL SAVINGS ASSOCIATION.

Section 2 of the Act entitled "An Act to enable national banking associations to increase their capital stock and to change their names or locations", approved May 1, 1886 (12 U.S.C. 30), is amended by adding at the end the following new subsection:

"(d) Retention of 'Federal' in Name of Converted Federal Savings Association.—

"(1) In general.—Notwithstanding subsection (a) or any other provision of law, any depository institution the charter of which is converted from that of a Federal savings association to a national bank or a State bank after the date of the enactment of the Financial Services Act of 1999 may retain the term 'Federal' in the name of such institution if such depository institution remains an insured depository institution.

"(2) Definitions.—For purposes of this subsection, the terms 'depository institution', 'insured depository institution', 'national bank', and 'State bank' have the same meanings as in section 3 of the Federal Deposit Insurance Act.".

TITLE V—PRIVACY

Subtitle A—Privacy Policy

SEC. 501. DEPOSITORY INSTITUTION PRIVACY POLICIES.

Section 6 of the Bank Holding Company Act of 1956 (as added by section 103 of this title) is amended by adding at the end the following new subsection:

"(h) Depository Institution Privacy Policies.—

"(1) Disclosure required.—In the case of any insured depository institution which becomes affiliated under this section with a financial holding company, the privacy policy of such depository institution shall be clearly and conspicuously disclosed—

"(A) with respect to any person who becomes a customer of the depository institution any time after the depository institution becomes affiliated with such company, to such person at the time at which the business relationship between the customer and the institution is initiated; and

"(B) with respect to any person who already is a customer of the depository institution at the time the depository institution becomes affiliated with such company, to such person within a reasonable time after the affiliation is consummated.

"(2) Information to be included.—The privacy policy of an insured depository institution which is disclosed pursuant to paragraph (1) shall include—

"(A) the policy of the institution with respect to disclosing customer information to third parties, other than agents of the depository institution, for marketing purposes; and

"(B) the disclosures required under section 603(d)(2)(A)(iii) of the Fair Credit Reporting Act with regard to the right of the customer, at any time, to direct that information referred to in such section not be shared with affiliates of the depository institution.

"(3) Applicability.—For purposes of section 10 of the Home Owners' Loan Act, this subsection and subsection (i) shall apply with regard to a savings and loan holding company and any affiliate or insured depository institution subsidiary of such holding company to the same extent and in the same manner this subsection and subsection (i) apply with respect to a financial holding company, affiliate of a financial holding company, or insured depository institution subsidiary of a financial holding company.".

SEC. 502. STUDY OF CURRENT FINANCIAL PRIVACY LAWS.

(a) In General.—The Federal banking agencies shall conduct a study of whether existing laws which regulate the sharing of customer information by insured depository institutions with affiliates of such institutions adequately protect the privacy rights of customers of such institutions.

(b) Report.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Federal banking agencies shall submit a report to the Congress containing the findings and conclusions of the agency with respect to the study required under subsection (a), together with such recommendations for legislative or administrative action as the agencies may determine to be appropriate.

(c) Definitions.—For purposes of this section, the terms "affiliate", "Federal banking agency", and "insured depository institution" have the meanings given to such terms in section 3 of the Federal Deposit Insurance Act.

Subtitle B—Fraudulent Access to Financial Information

SEC. 521. PRIVACY PROTECTION FOR CUSTOMER INFORMATION OF FINANCIAL INSTITUTIONS.

(a) Prohibition on Obtaining Customer Information by False Pretenses.—It shall be a violation of this subtitle for any person to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution relating to another person—

(1) by making a false, fictitious, or fraudulent statement or representation to an officer, employee, or agent of a financial institution;

(2) by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution; or

(3) by providing any document to an officer, employee, or agent of a financial institution, knowing that the document is forged, counterfeit, lost, or stolen, was fraudulently obtained, or contains a false, fictitious, or fraudulent statement or representation.

(b) Prohibition on Solicitation of a Person To Obtain Customer Information From Financial Institution Under False Pretenses.—It shall be a violation of this subtitle to request a person to obtain customer information of a financial institution, knowing that the person will obtain, or attempt to obtain, the information from the institution in any manner described in subsection (a).

(c) Nonapplicability to Law Enforcement Agencies.—No provision of this section shall be construed so as to prevent any action by a law enforcement agency, or any officer, employee, or agent of such agency, to obtain customer information of a financial institution in connection with the performance of the official duties of the agency.

(d) Nonapplicability to Financial Institutions in Certain Cases.—No provision of this section shall be construed so as to prevent any financial institution, or any officer, employee, or agent of a financial institution, from obtaining customer information of such financial institution in the course of—

(1) testing the security procedures or systems of such institution for maintaining the confidentiality of customer information;

(2) investigating allegations of misconduct or negligence on the part of any officer, employee, or agent of the financial institution; or

(3) recovering customer information of the financial institution which was obtained or received by another person in any manner described in subsection (a) or (b).

(e) Nonapplicability to Insurance Institutions for Investigation of Insurance Fraud.—No provision of this section shall be construed so as to prevent any insurance institution, or any officer, employee, or agency of an insurance institution, from obtaining information as part of an insurance investigation into criminal activity, fraud, material misrepresentation, or material nondisclosure that is authorized for such institution under State law, regulation, interpretation, or order.

(f) Nonapplicability to Certain Types of Customer Information of Financial Institutions.—No provision of this section shall be construed so as to prevent any person from obtaining customer information of a financial institution that otherwise is available as a public record filed pursuant to the securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934).

(g) Nonapplicability to Collection of Child Support Judgments.—No provision of this section shall be construed to prevent any State-licensed private investigator, or any officer, employee, or agent of such private investigator, from obtaining customer information of a financial institution, to the extent reasonably necessary to collect child support from a person adjudged to have been delinquent in his or her obligations by a Federal or State court, and to the extent that such action by a State-licensed private investigator is not unlawful under any other Federal or State law or regulation, and has been authorized by an order or judgment of a court of competent jurisdiction.

SEC. 522. ADMINISTRATIVE ENFORCEMENT.

(a) Enforcement by Federal Trade Commission.—Compliance with this subtitle shall be enforced by the Federal Trade Commission in the same manner and with the same power and authority as the Commission has under the title VIII, the Fair Debt Collection Practices Act, to enforce compliance with such title.

(b) Notice of Actions.—The Federal Trade Commission shall—

(1) notify the Securities and Exchange Commission whenever the Federal Trade Commission initiates an investigation with respect to a financial institution subject to regulation by the Securities and Exchange Commission;

(2) notify the Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) whenever the Commission initiates an investigation with respect to a financial institution subject to regulation by such Federal banking agency; and

(3) notify the appropriate State insurance regulator whenever the Commission initiates an investigation with respect to a financial institution subject to regulation by such regulator.

SEC. 523. CRIMINAL PENALTY.

(a) In General.—Whoever knowingly and intentionally violates, or knowingly and intentionally attempts to violate, section 521 shall be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

(b) Enhanced Penalty for Aggravated Cases.—Whoever violates, or attempts to violate, section 521 while violating another law of the United States or as part of a pattern of any illegal activity involving more than $100,000 in a 12-month period shall be fined twice the amount provided in subsection (b)(3) or (c)(3) (as the case may be) of section 3571 of title 18, United States Code, imprisoned for not more than 10 years, or both.

SEC. 524. RELATION TO STATE LAWS.

(a) In General.—This subtitle shall not be construed as superseding, altering, or affecting the statutes, regulations, orders, or interpretations in effect in any State, except to the extent that such statutes, regulations, orders, or interpretations are inconsistent with the provisions of this subtitle, and then only to the extent of the inconsistency.

(b) Greater Protection Under State Law.—For purposes of this section, a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subtitle if the protection such statute, regulation, order, or interpretation affords any person is greater than the protection provided under this subtitle as determined by the Commission, on its own motion or upon the petition of any interested party.

SEC. 525. AGENCY GUIDANCE.

In furtherance of the objectives of this subtitle, each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) and the Securities and Exchange Commission or self-regulatory organizations, as appropriate, shall review regulations and guidelines applicable to financial institutions under their respective jurisdictions and shall prescribe such revisions to such regulations and guidelines as may be necessary to ensure that such financial institutions have policies, procedures, and controls in place to prevent the unauthorized disclosure of customer financial information and to deter and detect activities proscribed under section 521.

SEC. 526. REPORTS.

(a) Report to the Congress.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General, in consultation with the Federal Trade Commission, Federal banking agencies, the Securities and Exchange Commission, appropriate Federal law enforcement agencies, and appropriate State insurance regulators, shall submit to the Congress a report on the following:

(1) The efficacy and adequacy of the remedies provided in this subtitle in addressing attempts to obtain financial information by fraudulent means or by false pretenses.

(2) Any recommendations for additional legislative or regulatory action to address threats to the privacy of financial information created by attempts to obtain information by fraudulent means or false pretenses.

(b) Annual Report by Administering Agencies.—The Federal Trade Commission and the Attorney General shall submit to Congress an annual report on number and disposition of all enforcement actions taken pursuant to this subtitle.

SEC. 527. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) Customer.—The term "customer" means, with respect to a financial institution, any person (or authorized representative of a person) to whom the financial institution provides a product or service, including that of acting as a fiduciary.

(2) Customer information of a financial institution.—The term "customer information of a financial institution" means any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of the financial institution and is identified with the customer.

(3) Document.—The term "document" means any information in any form.

(4) Financial institution.—

(A) In general.—The term "financial institution" means any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution.

(B) Certain financial institutions specifically included.—The term "financial institution" includes any depository institution (as defined in section 19(b)(1)(A) of the Federal Reserve Act), any broker or dealer, any investment adviser or investment company, any insurance company, any loan or finance company, any credit card issuer or operator of a credit card system, and any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis (as defined in section 603(p)).

(C) Securities institutions.—For purposes of subparagraph (B)—

(i) the terms "broker" and "dealer" have the meanings provided in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(ii) the term "investment adviser" has the meaning provided in section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)); and

(iii) the term "investment company" has the meaning provided in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3).

(D) Further definition by regulation.—The Federal Trade Commission, after consultation with Federal banking agencies and the Securities and Exchange Commission, may prescribe regulations clarifying or describing the types of institutions which shall be treated as financial institutions for purposes of this subtitle.

The CHAIRMAN. No amendment to that amendment shall be in order except those printed in House Report 106–214. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

It is now in order to consider Amendment No. 1 printed in House Report 106-214.

AMENDMENT NO. 1 OFFERED BY MR. BURR OF NORTH CAROLINA

Mr. BURR of North Carolina. Madam Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. BURR of North Carolina:

Page 29, line 24, before the period insert “, except this paragraph shall not apply with respect to a company that owns a broadcasting station licensed under title III of the Communications Act of 1934 and the shares of which have been controlled by an insurance company since January 1, 1998”.

The CHAIRMAN. Pursuant to House Resolution 235, the gentleman from North Carolina (Mr. BURR) and the gentleman from Michigan (Mr. DINGELL) each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. BURR).

Mr. BURR of North Carolina. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, let me say that this is a very narrow amendment for a unique situation. As a matter of fact, this amendment only applies to the Jefferson Pilot Insurance Corporation of Greensboro, North Carolina.

Their principal business is life insurance. But in the past 40 years they have been in the broadcast business as well under Raycom Sports, that great ACC delivery system. According to the Federal Reserve, Jefferson Pilot is the only insurance company in the United States in the broadcast business.

This amendment simply gives Jefferson Pilot the option of increasing their broadcast interest in order to maximize the value of their asset divestiture. They would still be required to stay under the 15-percent gross revenue limitation and to divest any non-bank and financial institution assets in the 10-year period if they were purchased by a bank.

The Federal Reserve and the Treasury have no objection to this amendment. I urge my colleagues on both sides of the aisle to support this very common sense amendment.

Madam Chairman, I reserve the balance of my time.

Madam Chairman, I ask unanimous consent to yield the entirety of my time to the gentleman from New York (Mr. LAFALCE) to dispense as he pleases.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LAFALCE. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I oppose this amendment on two basic grounds. Number one, it is special-interest legislation. It should not be on the floor today.

Secondly, how can we give 10 minutes' time for special-interest legislation when we could not give 10 minutes' time for an insurance redlining amendment, when we could not give 10 minutes' time so that we could satisfy the desires of those would want a basic life-line banking, we could not give 10 minutes' time to those who wanted to add to the privacy protections that we have come to consensually in the Pryce-Oxley-Frost-Menendez-LaFalce amendment?

For those reasons, I oppose the bill.

Madam Chairman, I ask unanimous consent to yield the balance of my time for the purpose of control to the gentleman from Texas (Mr. BENTSEN).

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BENTSEN. Madam Chairman, I yield to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I rise in support of the Burr-Myrick amendment.

It is true that this amendment will impact on the one company in the Nation, because this is a unique company. The company happens to be in the insurance business and it currently happens to be in the communications business.

The underlying bill restricts income from nonfinancial activities to 15 percent and limits ownership before divestiture to 10 years. All this company is asking to do is to go up to those limits by acquisition. They are not at those limits now.

There may be other companies that are grandfathered under this provision that are already at those limits. They are not asking to go beyond those limits. They are simply asking to be able to conduct their business within the confines of the limits of divestiture and time that are applicable to other companies.

I certainly think this is reasonable. We should not restrict companies from growing as long as they are not restricting commerce and unduly exposing financial activities to risks that are not foreseen. Obviously, the risks are foreseen by this bill because the 15-percent, 10-year limit continues to apply.

Mr. BURR of North Carolina. Madam Chairman, I yield to the gentlewoman from Charlotte, North Carolina (Mrs. MYRICK) a member of the Committee on Rules.

Mrs. MYRICK. Madam Chairman, I rise in support of the amendment of the gentleman from North Carolina (Mr. BURR).

I would just like to reiterate what the gentleman from North Carolina (Mr. BURR) has already said. This amendment does not harm the delicate compromises of this bill. Jefferson Pilot has been in the insurance business and the communications business for 40 years. The amendment is narrowly crafted, and it maintains the 15-percent gross revenue limitation on nonfinancial activities. They also are subjected to the 10-year divestiture requirement.

Madam Chairman, a vote for this amendment is a vote for ACC basketball.

Mr. BENTSEN. Madam Chairman, I reserve the balance of my time.

Mr. BURR of North Carolina. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, in most cases we would criticize on this House floor for a very specific tailored amendment for a specific company. But, as has been pointed out, this is a unique company because they are the only ones that will get caught in the catch-22 of what we created, which was an atmosphere in the Telecommunications Act of 1996 where we go through a different calculation as to how we value assets in the communications business today.

In fact, it has been official to have a pool of companies in a particular market to achieve the true asset value of a communications business. As this company agrees to divest themselves of the nonfinancial assets, I think that it is only fair to look at that 1996 Act, to look at what we are getting ready to do, and to say we will allow this company who is caught in the middle to, under their divestiture of this broadcast business, to at least achieve the asset value that it is worth.

Unfortunately, that means that we have to create this one amendment that says, during this 10-year period, we will allow them possibly to add a radio station in a market because it raises the value of the sale in that market to where it should be.

I do not think that it is out of line to allow companies, and specifically this one, who are affected by changes that we make to in fact be excluded from the specific language that we are here to do today.

I appreciate the concerns expressed by my dear friends on the other side. I hope that in the end they will support this, because I believe it is the right thing to do.

Mr. BENTSEN. Madam Chairman, I yield myself the remaining time.

Mr. BENTSEN. Madam Chairman, first of all, I do not have any problem with this particular company, and I do not have any problem with the ACC, and I do not have any problem with North Carolina. I think it is a great State. Not as great as the State of Texas, but I think it is a pretty good State. But the problem I have is that this is a specific carve-out that apparently affects one company in the United States.

Now, the bill that is before us sets some pretty strict rules for companies. And we had long debates in the Committee on Banking and Financial Services, and I am assuming the Committee on Commerce as well, on the issues of banking and commerce.

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This bill also sets limits on a number of companies called unitary thrifts. There are about 75 of those who because of the way they are valued, their value is going to change because of this bill. We could not debate that on the floor because apparently we are not capable of doing that, but nonetheless, we made those decisions, and we made strict rules.

I am sorry that this company is affected by it, but they are just going to have to make a choice under the rules that are provided for in this bill of either being a broadcast company and insurance company or an insurance company and a banking company, but they want to have it all three ways, and they would be the only one in the United States that could do that. I do not think that is appropriate. That is not given to anybody else.

For that reason, I have to oppose the amendment. I would hope that our colleagues would oppose the amendment as well.

Madam Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. BURR).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BENTSEN. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 235, further proceedings on the amendment offered by the gentleman from North Carolina (Mr. BURR) will be postponed.

It is now in order to consider amendment No. 2 printed in House Report 106–214.

AMENDMENT NO. 2 OFFERED BY MS. SCHAKOWSKY

Ms. SCHAKOWSKY. Madam Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. SCHAKOWSKY:

Page 72, after line 13, insert the following new section (and amend the table of contents accordingly):

SEC. 110A. STUDY OF FINANCIAL MODERNIZATION'S EFFECT ON THE ACCESSIBILITY OF SMALL BUSINESS AND FARM LOANS.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Federal banking agencies (as defined in Section 3(z) of the Federal Deposit Insurance Act), shall conduct a study of the extent to which credit is being provided to and for small business and farms, as a result of this Act.

(b) REPORT.—Before the end of the 5-year period beginning on the date of the enactment of this Act, the Secretary, in consultation with the Federal banking agencies, shall submit a report to the Congress on the study conducted pursuant to subsection (a) and shall include such recommendations as the Secretary determines to be appropriate for administrative and legislative action.

The CHAIRMAN. Pursuant to House Resolution 235, the gentlewoman from Illinois (Ms. SCHAKOWSKY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Madam Chairman, I yield myself 2 minutes.

First of all, I would like to thank my cosponsors, the gentlewoman from California (Ms. LEE), the gentleman from Illinois (Mr. GUTIERREZ) and the gentleman from North Carolina (Mr. WATT) for their help on this amendment.

This amendment would call for a 5-year study of financial modernization's effect on small business and farm lending. What it does is direct the U.S. Treasury Department with Federal bank regulators to study the effect of this bill, and the consolidation of the financial services industry into large conglomerates that it will undoubtedly encourage, on small business and farm lending and suggest legislative and regulatory changes as necessary to aid small business and farm lending.

I think our first rule in this House ought to be, first we do no harm. I am not suggesting that this bill will do any harm to small businesses or farms, but we want to make sure that that is the case, because small business certainly does deserve our support. There are 23 million small businesses that employ 53 percent of the workforce and account for 47 percent of all sales. Sixty-seven percent of all small businesses get their credit from banks, and many of these are small banks. We know that smaller businesses often have more difficulty in obtaining loans from banks.

What we want to make sure is that the result of H.R. 10 is not that we see fewer loans going to small banks and to farmers. The data shows, as I said, that small businesses and farmers do rely on small banks for their financing and a world without small banks could negatively affect the businesses and our national economy.

Chairman Greenspan of the Federal Reserve acknowledged before the Committee on Banking and Financial Services during hearings on H.R. 10 that "small bank lending is inherent in the way small business is effectively financed. If it turns out that a lot of community banks would sort of fade or be absorbed into large institutions, I would be concerned."

What my amendment does is ensure that regulators and the public will have the necessary information to combat negative effects on small business from this legislation.

Madam Chairman, I yield 1 minute to the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee on Banking and Financial Services.

Mr. LAFALCE. Madam Chairman, I rise in support of the amendment of the gentlewoman from Illinois. It is a very good amendment. We must always be concerned about the effect of any legislation we pass on small business and on farm lending.

But I rise primarily to thank the gentlewoman for being such an outstanding freshman member of the House Committee on Banking and Financial Services. I know of no member who is a greater champion of the consumer and consumer interest, whether it has to do with redlining, whether it has to do with privacy, whether it has to do with housing. She has been a true champion and she is going to be a great leader in the future.

Ms. SCHAKOWSKY. Madam Chairman, I yield 30 seconds to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Madam Chairman, I would like to echo the gentleman from New York's comments about the gentlewoman. She has brought a great contribution to the Committee on Banking and Financial Services. We are all very appreciative.

This particular amendment is common sense, it is reasonable, and the majority has no objection whatsoever.

Ms. SCHAKOWSKY. Madam Chairman, I yield 30 seconds to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Madam Chairman, I echo my colleagues' statements about the gentlewoman's efforts as a new Member of Congress. I especially think this is important to those of us that represent States that have a significant rural constituency.

Minnesota, incidentally, is sort of a small bank State. We have 555 banks. Many of them serve the rural constituents in that State. I would like to report to the House the dire problems that we are facing in the western, north and east portions of Minnesota with regards to the farm economy. It is a very stressful time and a time of great concern.

Clearly, the financial engine of these communities are these small town banks that continue to extend credit and to provide the lifeblood that they need. A study of these as the gentlewoman has envisioned as well as for other small businesses which are having a very difficult time in our economy and that we really want to get behind and support with such bills as the PRIME bill and the community financial services programs that we support will be helpful.

I know the gentlewoman supports those efforts. I support this study. It would be good to have the information available so we can plot what the impact is and the profile of the market.

Ms. SCHAKOWSKY. Madam Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Madam Chairman, I thank the gentlewoman for yielding me this time. As a cosponsor of this amendment, I rise in support of the amendment.

One of the concerns that a number of people have had about all of this consolidation and the ability to merge and cross financial lines is the impact that it will have on lending, particularly for minority communities, for small businesses, for farms. That is why we have been so insistent on maintaining the CRA provisions, and that is why I think it is important for us to support this amendment, to make sure that if there is an adverse impact that results from this bill, we know about it immediately and can take whatever steps are appropriate and necessary to respond to it.

I want to applaud the gentlewoman for coming forward with this amendment and strongly encourage my colleagues to support it.

The CHAIRMAN pro tempore (Mrs. MYRICK). Is there any Member who is opposed to this amendment?

If there is no opposition, the question is on the amendment offered by the gentlewoman from Illinois (Ms. SCHAKOWSKY).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 3 printed in House Report 106–214.

AMENDMENT NO. 3 OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Madam Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Ms. VELÁZQUEZ:

Page 96, line 12, strike "operations of".

The CHAIRMAN pro tempore. Pursuant to House Resolution 235, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York (Ms. VELÁZQUEZ).

Ms. VELÁZQUEZ. Madam Chairman, I yield myself such time as I may consume. I rise in support of this bipartisan amendment and urge its immediate adoption. This amendment would slightly modify section 114 to ensure that the banking policies established by Congress are implemented in a fair and consistent manner with respect to all entities, domestic and foreign, conducting a banking business in the United States. The passage of this amendment will enable all banks doing business in the United States to serve the needs of their customers.

The language in H.R. 10 grants the Federal Reserve Board authority regarding the overseas operations of a foreign bank. However, it is not clear what exactly the scope of this particular language means and the Federal Reserve has agreed to delete the words "operations of" to clarify that the provision expressly applies to the foreign bank itself and not the bank's parent or sister affiliates. This clarification ensures parity with U.S. law.

Foreign banks have a large and longstanding presence in New York and they are an important part of our economy in New York and throughout the country. For example, many foreign banks have broker-dealers subsidiaries that provide capital and liquidity to the U.S. securities markets, serving to enhance the ability of U.S. businesses to raise capital.

This bipartisan amendment has been cleared by the Federal Reserve Board, is supported by the Conference of State Bank Supervisors, and similar language is included in the version of financial modernization passed by the other body.

I urge my colleagues to adopt this amendment.

Mr. LEACH. Madam Chairman, will the gentlewoman yield?

Ms. VELÁZQUEZ. I yield to the gentleman from Iowa.

Mr. LEACH. We have carefully reviewed this amendment with the Federal Reserve Board of the United States. It is my understanding that they have no objection to the amendment, that it is a very thoughtful and reasonable approach to dealing with a particular problem. Therefore, we have great respect for the gentlewoman's effort and support her amendment.

Ms. VELAZQUEZ. Madam Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. Is there any Member who is opposed to this amendment?

If not, the question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 4 printed in House Report 106–214.

AMENDMENT NO. 4 OFFERED BY MR. BARR OF GEORGIA

Mr. BARR of Georgia. Madam Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. BARR of Georgia:

Page 235, after line 23, insert the following new subsections:

(c) PREVENTION OF FUTURE PRIVACY INVASIONS.—

(1) IN GENERAL.—Section 5318(g) of title 31, United States Code, is amended—

(A) by striking paragraph (1) and inserting the following new paragraph:

"(1) IN GENERAL.—Any financial institution, and any director, officer, employee, or agent of any financial institution, may report to the Secretary any transaction relevant to a possible violation of a law or regulation.";

(B) in paragraph (2), by striking "suspicious";

(C) in paragraph (4)(A)—

(i) by striking "requiring" and inserting "receiving"; and

(ii) by striking "suspicious transaction" and inserting "transaction relevant to a possible violation of a law or regulation";

(D) in paragraph (4)(B), by striking "suspicious transaction" and inserting "transaction relevant to a possible violation of a law or regulation"; and

(E) by adding at the end of paragraph (4) the following new subparagraph:

"(D) RECORDKEEPING.—The Secretary shall ensure that no report filed under this paragraph is maintained by the Secretary or any Federal or State law enforcement or supervisory agency to whom access to the report (or information therein) has been granted after the earlier of—

"(i) the end of the 4-year period beginning on the date the report was received; or

"(ii) 60 days after the expiration of the longest statute of limitations relating to any possible violation of a law or regulation identified in such report,

unless the report or information contained in the report is being used in an on-going investigation of a possible violation of a law or regulation identified in such report.".

(2) CLARIFICATION OF PURPOSES OF ANTI-MONEY LAUNDERING PROGRAM.—Section 5318(h) of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(3) LIMITATION.—Notwithstanding paragraphs (1) and (2), the Secretary may not require or encourage an insured depository institution or any affiliate of an insured depository institution to—

"(A) determine the sources of funds used by any customer of the institution or affiliate in any transaction;

"(B) assess the purpose of any transaction or seek from the customer an explanation for the transaction;

"(C) determine what transactions are normal or expected for a customer;

"(D) monitor customer body language or behavior;

"(E) monitor customer transactions and compare them to historical patterns; or

"(F) report to the Secretary transactions that do not conform to a customer's historical transaction patterns.

(3) CLERICAL AMENDMENTS.—

(A) The subsection heading for section 5318(g) is amended to read as follows:

"(g) REPORTING POSSIBLE VIOLATIONS OF LAWS AND REGULATIONS.—".

(B) The paragraph heading for section 5318(g)(4) of title 31, United States Code, is amended to read as follows:

"(4) SINGLE DESIGNEE FOR REPORTING TRANSACTIONS RELEVANT TO A POSSIBLE VIOLATION OF LAW OR REGULATION.—".

(d) INCREASE IN TRIGGER AMOUNT FOR CASH TRANSACTION REPORTS.—

(1) DOMESTIC.—Section 5313(a) of title 31, United States Code, is amended by adding at the end the following new sentence: "In no event may the Secretary require reports under this section for transactions involving less than $25,000.".

(2) IMPORTING AND EXPORTING.—Section 5316(a) is amended by striking "$10,000" each place such term appears and inserting "$25,000".

(e) AGENCY REPORTS ON RECONCILING PENALTY AMOUNTS.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act) shall submit reports to the Congress containing proposed legislation to conform the penalties imposed on depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) for violations of subchapter II of chapter 53 of title 31, United States Code, to the penalties imposed on such institutions under section 8 of the Federal Deposit Insurance Act.

The CHAIRMAN pro tempore. Pursuant to House Resolution 235, the gentleman from Georgia (Mr. BARR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. Madam Chairman, I yield myself 1½ minutes.

Earlier this year, as a matter of fact late last year, the American people were treated to one of the most gross examples of overreaching by the Federal Government, by Federal regulators, that they had ever witnessed, the so-called "know your customer" regulations that were proposed by the FDIC. These proposed regulations would have required every financial institution in the country to develop a profile on every one of their customers all over the country and to determine what the financial transaction habits of each individual customer were so that if there was something that occurred out of the ordinary, outside of that profile, the law enforcement authorities would be notified. Thankfully, the American people, through the work of this Congress, stopped the "know your customer" regulations dead in their tracks.

Well, they are back. Under the guise of the Bank Secrecy Act, which has some very laudable, important provisions in it, the suspicious activity reports require, in essence, "know your customer" regulations mandated on the banks.

The amendment proposed by the gentleman from California, the gentleman from Texas and myself today simply removes the mandatory nature of the suspicious activity reports which in essence are "know your customer" regulations. We do not remove the important tool that law enforcement has in working with financial institutions to disclose to the government suspicious activity. We simply tell the government that the millions upon millions of reports that they have accumulated by requirement over the years and have never used and which are rarely used shall no longer be required.

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Madam Chairman, I reserve the balance of my time.

Mr. LAFALCE. Madam Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia (Mr. BARR).

Mr. HUTCHINSON. Madam Chairman, I rise in opposition as well. Is there any provision to split the time?

The CHAIRMAN. By unanimous consent each gentleman could split the time if so desired.

Mr. LAFALCE. Madam Chairman, I yield 2½ of my 5 minutes to either the gentleman from Iowa (Mr. LEACH) or his designee.

Mr. LEACH. Madam Chairman, I would be happy to yield that time to my distinguished colleague from Arkansas (Mr. HUTCHINSON).

The CHAIRMAN. Without objection, the gentleman from Arkansas (Mr. HUTCHINSON) will control 2½ minutes.

There was no objection.

Mr. LAFALCE. Madam Chairman, I yield myself such time as I may consume.

Let me say that a number of Republicans are going to be recognized by me:

The gentleman from Iowa (Mr. LEACH), the gentleman from Florida (Mr. MCCOLLUM), the gentlewoman from New Jersey (Mrs. ROUKEMA), the gentleman from Alabama (Mr. BACHUS).

I will only have 30 seconds for myself and no more than 30 seconds for anyone else.

I oppose this amendment strongly. It goes way beyond the repeal of Know Your Customer. It basically would repeal provisions of the Bank Secrecy Act that have been in existence for decades. The FBI strongly opposes this, says it cannot enforce the law, Treasury and Justice strongly oppose it. Based upon my conversation with the administration I think they would be constrained to veto a bill that did not repeal these strong law enforcement provisions.

I strongly urge the defeat of this amendment.

Madam Chairman, I reserve the balance of my time.

Mr. HUTCHINSON. Madam Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. MCCOLLUM) who has been such a leader on this issue.

Mr. MCCOLLUM. Madam Chairman, I thank the gentleman for yielding this time to me. I just want to say with all due respect to my colleagues who are promoting this amendment this is far beyond a Know Your Customer amendment. I am opposed to that too, just like everybody, I suspect, here is. That was a horrible idea the Treasury had, and I am very glad to see that it has disappeared.

But what we are doing in this amendment, if it is passed, it actually guts existing money laundering laws. It would set the drug war back by some estimates that I suspect is true, maybe 20 years. What it really would do would be to allow drug kingpins to launder money undetected. The current laws say that one has to have a currency transaction report if they go to the bank and take cash of $10,000 or more and deposit it in order for us to have the notice that we need to have of that transaction so that law enforcement can get ahold of these drug kingpins and can have a chain and prove the evidence.

What the gentleman from Georgia (Mr. BARR) and the gentleman from Texas (Mr. PAUL) are offering here would increase that amount to $25,000. There are lots of what we call smurfing transactions for far less than $25,000, and, in addition, the most visceral thing in here, this amendment would actually eliminate the requirement that banks report suspected illegal activity, eliminate the requirement. It is all volunteer in the parts of the bank. The Treasury Department could no longer in their law enforcement hat or in their regulatory hat require banks to report suspected illegal activity of any sort, not just money laundering, but any sort.

I think that the gentleman from Georgia (Mr. BARR) and the gentleman from Texas (Mr. PAUL) and the gentleman from California (Mr. CAMPBELL) have gone further than they may have intended. This is no time to retreat on the effort on the war against drugs or the financial fraud and the money laundering, and that is what this amendment does.

So in the strongest terms I urge this amendment to be defeated.

Mr. BARR of Georgia. Madam Chairman, I yield 1 minute to the distinguished gentleman from Texas (Mr. PAUL).

Mr. PAUL. Madam Chairman, I thank the gentleman from Georgia (Mr. BARR) for yielding this time to me.

Madam Chairman, if my colleagues are opposed to Know Your Customer regulations they must support this amendment because this does away with Know Your Customer regulations, the profiling of every single customer in this country. This notion that it is going to ruin law enforcement is just not valid. There is estimated $100 million cost for one conviction by the reports that are sent in, and this does not prohibit the banks from sending in reports. If there is a suspicious character, they can still do this.

So it will not hinder law enforcement.

What it does, Madam Chairman: It protects the consumer, it protects the citizen, it protects the right of all Americans. We cannot rationalize and justify the abuse of liberty for the pretense that on occasion we might catch a criminal. But the fact that it could cost $100 million per conviction is sort of what I would call overkill.

What we must do is protect the American citizen. Law enforcement will not be hindered. If my colleagues are opposed to Know Your Customer regulation, they must vote for this amendment.

Mr. LAFALCE. Madam Chairman, I yield 30 seconds to the gentleman from Michigan (Mr. DINGELL), the distinguished past and future chairman of the Committee on Commerce.

Mr. DINGELL. Madam Chairman, I thank my good friend and colleague for yielding me this time.

Madam Chairman, I know the authors of this amendment are Members of great decency and goodness, and I think they are accomplishing something that they really do not want. This is opposed by the Department of Justice, the FBI, the Department of Treasury.

Banks have been involved in money laundering, too, I would remind my colleagues, and when we make the action of the bank voluntary with regard to reporting, we subject ourselves to a real probability that the banks are simply not going to report. The money launderers, the Cali Cartel, the drug merchants and the Mafia will love this amendment.

If my colleagues like that, if they want crime, this is a good amendment to support; if my colleagues want to clean up the situation, I would urge them to oppose the amendment.

Mr. HUTCHINSON. Madam Chairman, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Madam Chairman, I rise in strong opposition to this position, and it is an open invitation to drug dealers, and that is why, as has been stated, every law enforcement and every banking group is opposed to it.

I rise in strong opposition.

This amendment guts our money laundering laws and helps drug dealers. I oppose strongly. What we have learned through hearings is that we need to tighten up, not loosen.

1. Making suspicious activity reports voluntary plays into the hands of the drug dealers. This will only make money laundering easier.

2. Raising the cash transaction reporting level to $25,000 from $10,000 is not justified. How many legitimate cash transactions are there over $10,000?

3. Purging Suspicious Activities Report (SAR) records after 4 years would undermine crime fighting efforts.

Money laundering involves complex financial transactions. Law enforcement sometimes needs several years to put together cases. This will hurt.

The Banking agencies oppose Barr/Campbell.

Law enforcement uniformly opposes Barr/Campbell.

N.J. Governor Whitman opposes Barr/Campbell.

The ABA Fraud Prevention Oversight Council opposes Barr/Campbell.

Mr. HUTCHINSON. Madam Chairman, I yield 30 seconds to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Madam Chairman, I like to quote from the President of the Organization of Police Chiefs of the United States. He says this amendment will have a significant detrimental impact on the ability of law enforcement agencies nationwide to effectively investigate and prosecute cases involving money laundering, fraud, and other financial crimes. If this amendment had been in effect in 1997, it would have stopped 2,536 Federal investigations resulting in convictions for financial institution fraud matters.

And finally, what does the FBI say about this? A vote for this amendment will send a signal to criminal organizations worldwide that the U.S. is a money laundering haven.

Clearly this is a no vote.

Madam Chairman, I include for the RECORD the following letter:

INTERNATIONAL ASSOCIATION
OF CHIEFS OF POLICE,
Alexandria, VA, July 1, 1999.

Hon. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On behalf of the International Association of Chiefs of Police (IACP), I am writing to express our profound concern over the Barr/Paul/Campbell Amendment to H.R. 10, the Financial Services Act. This amendment will have a significant detrimental impact on the ability of law enforcement agencies to effectively investigate and prosecute cases involving money laundering, fraud and other financial crimes. I urge you to oppose this amendment.

The Barr/Paul/Campbell amendment, by eliminating the requirement that financial institutions file Suspicious Activity Reports (SARs), will deprive law enforcement of an invaluable investigative tool which, according to the FBI, was used in 98% of the cases filed by its Fraud Investigation Squad in 1998. These 1998 investigations resulted in the convictions of more than 2600 individuals and the restoration of more than $490 million to the victims of fraud.

In addition, by elevating the threshold limit of the Currency Transaction Report (CTR) from $10,000 to $25,000, the Barr/Paul/Campbell amendment would severely undermine the anti-drug efforts of law enforcement agencies. Since there are few legitimate cash transactions exceeding the $10,000 limit, the CTR often provides law enforcement with valuable information on the money laundering operations of drug dealers. Raising the CTR threshold to $25,000 will only assist criminals in their efforts to hide their illegal profits.

Once again, I urge you to protect the ability of law enforcement to combat fraud, money laundering and financial crimes by opposing the Barr/Paul/Campbell amendment to H.R. 10.

Thank you for your attention in this matter.

Sincerely,
RONALD S. NEUBAUER,
President.

Mr. BARR of Georgia. Madam Chairman, I yield 1 minute to the distinguished gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Madam Chairman, the cost to every bank that has to comply is huge, but the cost of individual liberty is much more important. What business does the Federal Government have ordering a bank to tell them about my bank account?

What we are dealing with today is a function of invasion of individual liberty in the guise of law enforcement. This argument that we will lose so many prosecutions is absurd. The number of $25,000 does not even adjust for inflation from the original $10,000 established in 1970. So when we hear these arguments that we will suddenly be a haven for money laundering, recognize that we are not even adjusting for inflation from the $10,000 requirement established in 1970 to a $25,000 requirement today. It ought to be $40,000 if we adjusted for inflation.

But let us say that just for a moment there may be one prosecution that does not happen, but in return, in return, we do not have the Federal Government ordering banks to profile me, to find out what my activities are when I depart from normal activity, to define what is normal activity, to condemn me if I do not behave in a normal manner. For that price of freedom I think we are sacrificing very, very little, if anything, on law enforcement.

I conclude by saying if we were to repeal the Fourth Amendment, if we were to repeal the Fifth Amendment, we could improve law enforcement, but it would not be worth it.

Mr. LAFALCE. Madam Chairman, I yield 30 seconds to the distinguished gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Madam Chairman, I rise in strong opposition to this amendment. This is really a privacy gone crazy. It would gut the Bank Secrecy Act and the provisions dealing with the suspicious activities reports as well as the cash transaction reports. It is under the guise of privacy, a 30-year law that has been effective in terms of protecting and help us deal with the emerging types of networks of crime that exist in our society. Just raising the cash transaction itself, we should subject this to deliberate hearings and considerations, and I do not think that we should shove it out under the basis of the unpopularity of Know Your Customer, which, in fact, this bill has stopped in its tracks.

Mr. HUTCHINSON. Madam Chairman, I yield 30 seconds to the distinguished chairman from Iowa (Mr. LEACH).

Mr. LEACH. Madam Chairman, first let me just stress section 191 of this bill repeals the Know Your Customer regulation. Secondly, the committee would be happy to deal with further modifications in this area. But thirdly, it has to be understood by everybody here that money laundering is the Achilles heel of drug traffickers, and many are able to separate themselves from their illegal activities, but they cannot from their money, and just like Al Capone was convicted for tax evasion, drug traffickers today are convicted more than anything else of money laundering. To throw this out would be an absolute assault on law enforcement. We must not allow it to happen.

Madam Chairman, I yield to the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Madam Chairman, I rise in opposition to the amendment. It is antilaw enforcement, and I plan to vote no on the amendment.

Mr. BARR of Georgia. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, just a little over a week ago we heard that the sky was going to fall if asset forfeiture laws of this country were brought in line with normal standards of fairness, due process and other constitutional safeguards. Today we hear that the sky will fall if we simply require law enforcement to do its job and not mandate that banks do its job for them.

The fact that there have been tens of millions of suspicious activity reports filed and virtually no prosecutions initiated based on those suspicious activity reports clearly illustrates that what we are hearing today is hyperbole based on the unwillingness of law enforcement to make any changes whatsoever in the way they are accustomed to operating.

If my colleagues are opposed to Know Your Customer, then they must be opposed to these provisions of the suspicious activity report requirement which does not gut the Bank Secrecy Act. This amendment addresses just one small portion of the Bank Secrecy Act. It is simply one of a number of tools that are provided for law enforcement under the Bank Secrecy Act. It is not an essential tool. It takes nothing away from law enforcement that it might otherwise get through legitimate law enforcement means. All, virtually all, money laundering cases of any significance are prosecuted, investigated and convictions obtained thereon not based on mandated secrecy reports, but on other provisions of the Bank Secrecy Act and other provisions of the money laundering statutes.

To say that law enforcement will be gutted by this amendment is a red herring. If colleagues oppose Know Your Customer, then they must support the Barr-Paul-Campbell amendment.

Mr. LAFALCE. Madam Chairman, I yield 30 seconds to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Madam Chairman, what a contradiction for so-called law and order Members of this House to be advocating this amendment. The Paul-Barr-Campbell amendment should be entitled: The Drug Dealers' Improvement Act of 1999 because the amendment will increase the ability of drug dealers to launder drug profits.

There are few legitimate cash transactions in excess of $10,000. It is unusual to have someone walking around with $25,000 of cash in their wallet or their purse. Therefore, it is inappropriate to raise the reporting requirement to $25,000. It indeed guts the Bank Secrecy Act.

I would ask every Member of this House to say no to the dope dealers and those that would support their ability to launder money.

Mr. LAFALCE. Madam Chairman, I yield myself such time as I may consume.

Again I strongly oppose this, but I want to point out to those who have not spoken that we have had individuals from the Republican party and the Democratic party strongly oppose this from the right, from the left, the gentleman from Arkansas (Mr. HUTCHINSON), the gentleman from Florida (Mr. MCCOLLUM), the gentleman from Alabama (Mr. BACHUS), the gentleman from Iowa (Mr. LEACH), the gentlewoman from New Jersey (Mrs. ROUKEMA). On the Democratic side, my colleagues heard from the gentlewoman from California (Ms. WATERS), the gentleman from Minnesota (Mr. VENTO), the gentleman from Michigan (Mr. DINGELL). The administration believes that this would shred their ability to enforce antimoney laundering and bank secrecy provisions.

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I strongly urge everyone to defeat this amendment. I am sorry that it was permitted. We could have used this 10 minutes to discuss something like redlining, something that would have brought about bipartisan support.

Mrs. MALONEY of New York. Madam Chairman, I am certainly sympathetic to the privacy concerns being raised during this debate. And I voted for the amendment during the Banking Committee mark-up of H.R. 10 which eliminated the newly proposed "Know Your Customer" rules.

This amendment, however, will seriously curtail the efforts of law enforcement in curbing fraud and stopping drug traffickers.

The Bank Secrecy Act requires certain forms . . . the Suspicious Activities Report and the Currency Transactions Report to be filed when certain triggers are met. This amendment would make this system voluntary . . . not basing these reports on any of the triggers which may be hit, and probably resulting in banks becoming the favored launderers of fraudulent funds and drug money.

Yet these reports have been crucial to uncovering all sorts of fraud and drug rings. In New York City last year, the FBI's office received a Suspicious Activity Report which indicated that a former vice president of a large bank had embezzled funds. The investigation discovered that the embezzlement reached $20 million.

Another New York City case in July 1997 used these reports to uncover a fraudulent loan scheme worth $20 million in losses to area banks. These cases most likely would not have been discovered without the triggers in the Bank Secrecy Act.

Join with the Justice Department, the Treasury Department and the Customs Service in helping law enforcement fight fraud and the drug trade.

This amendment is anti-law enforcement.

Oppose this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. BARR).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BARR of Georgia. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 235, further proceedings on the amendment offered by the gentleman from Georgia (Mr. BARR) will be postponed.

The CHAIRMAN. The Committee will rise informally.

The Speaker pro tempore (Mr. LEWIS of Kentucky) assumed the chair.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 775) "An Act to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes.".

The message also announced that the Senate has passed a concurrent resolution of the following title in which concurrence of the House is requested:

S. Con. Res. 43. Concurrent resolution providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

The SPEAKER pro tempore. The Committee will resume its sitting.

FINANCIAL SERVICES ACT OF 1999

The Committee resumed its sitting.

The CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 106-214.

AMENDMENT NO. 5 OFFERED BY MR. FOLEY

Mr. FOLEY. Madam Chairman, I offer amendment No. 5.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. FOLEY:

Page 244, after line 18, insert the following new section (and amend the table of contents accordingly):

SEC. 198A. INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS.

Section 5(a)(7) of the International Banking Act of 1978 (12 U.S.C. 3103(a)(7)), is amended to read as follows:

"(7) ADDITIONAL AUTHORITY FOR INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS, UPGRADES OF CERTAIN FOREIGN BANK AGENCIES AND BRANCHES.—Notwithstanding paragraphs (1) and (2), a foreign bank may—

"(A) with the approval of the Board and the Comptroller of the Currency, establish and operate a Federal branch or Federal agency or, with the approval of the Board and the appropriate State bank supervisor, a State branch or State agency in any State outside the foreign bank's home State if—

"(i) the establishment and operation of such branch or agency is permitted by the State in which the branch or agency is to be established, and

"(ii) in the case of a Federal or State branch, the branch receives only such deposits as would be permitted for a corporation organized under section 25A of the Federal Reserve Act (12 U.S.C. 611 et seq.), or

"(B) with the approval of the Board and the relevant licensing authority (the Comptroller in the case of a Federal branch or the appropriate State supervisor in the case of a State branch), upgrade an agency, or a branch of the type referred to in subparagraph (A)(ii), located in a State outside the foreign bank's home State, into a Federal or State branch if—

"(i) the establishment and operation of such branch is permitted by such State; and

"(ii) such agency or branch—

"(I) was in operation in such State on the day before September 29, 1994; or

"(II) has been in operation in such State for a period of time that meets the State's minimum age requirement permitted under section 44(a)(5) of the Federal Deposit Insurance Act.".

The CHAIRMAN. Pursuant to House Resolution 235, the gentleman from Florida (Mr. FOLEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the amendment I am offering today is a States' rights issue. It is noncontroversial, we hope, an amendment that will fix an anomaly in Federal interstate banking laws. It will also help the flow of trade from the U.S. to countries all over the world.

This amendment would allow foreign banks currently operating in the United States to expand their operations as was intended by the Riegle-Neal Banking and Branching Act by allowing agencies to upgrade to branches.

In 1994, when the Riegle-Neal Interstate Banking and Branching bill was passed, Congress sought to allow foreign banks to open additional branches just like domestic banks. This amendment would conform with the intent of the original act.

Unfortunately, not one foreign bank has been able to open additional branches under the Riegle-Neal Federal law provision. While the intention of the act was to allow expansion of foreign banks, the provision in current law has proved to be unworkable.

This amendment would allow foreign bank agencies to upgrade to a branch with the approval of the appropriate chartering agency, the OCC or the State bank supervisor, and the Federal Reserve Board.

In order to accomplish this upgrade, the agency would have to meet the State's minimum age requirement for entry, just like domestic banks. In addition, the agency must meet the requirements for consolidated home country supervision.

This change in Federal law that I am proposing today is a States' rights amendment. If passed, it would remove a Federal limitation that interferes with State law.

The amendment is supported by the Florida Banking Department, the New York Banking Department, the Texas Banking Department and the California Banking Department, as well as the Florida International Bankers Association and Conference of State Bank Supervisors. This amendment has been fully vetted with the Federal Reserve Board, and they have indicated that they have no objection to it.

Madam Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Madam Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Massachusetts (Mr. FRANK) is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I should note that under the rules someone is entitled to 5 minutes in opposition. I would describe myself for these purposes as leaning against but open to persuasion. I would reassure my friend, the gentleman from Florida (Mr. FOLEY). I am not firmly committed on the subject.

I was interested in what the gentleman said and will listen some more, but I also wanted to use this occasion to address the general bill, Madam Chairman. It is a somewhat constricted debate situation.

What I wanted to do was to explain why I would be voting against this bill, although I think on the subjects that it deals with it does a good job. That is, I think this is a bill which suffers from incompleteness.

I think with regard to the regulation of the financial services industry, this is as good a product as we can expect from a broad representative body. I think the Committee on Banking and Financial Services on both sides worked seriously and well under the leadership of the chairman and the ranking member.

The problem is, in my mind, it carries out a pattern that is too much present in America today and that I think threatens great harm even as it makes some specific progress, and that is a pattern in which we do a good job of fostering conditions in which the capitalist system can flourish. It is in our interest that the capitalist system flourish.

Capitalism clearly has established itself as the superior way for a society to generate wealth, and the generation of wealth is very important. It is important in and of itself because it provides resources for individuals to enjoy themselves, and it is important as a way to provide the resources which help us deal with other problems.

On the other hand, we have learned that capitalism, as great an engine as it is in generating wealth, can have some downsides. In particular, the era of capitalism in which we now are, a kind of globally competitive world, is one where increased wealth is unfortunately accompanied by increased inequality in many cases and by an undermining of society's capacity to deal with some of the social problems that the market does not take care of.

This bill should have been an opportunity to deal with both aspects of that. It is a good piece of legislation for setting forth the conditions for the financial services industry, central to capitalism. It is a good situation in which the intermediation function of the financial services industry can go forward.

We understand that, in and of itself, that is going to leave us some problems. In particular, I regret terribly the refusal of the majority to let us deal seriously with the amendment offered by the gentlewoman from California, which would have tried to deal with those geographic areas that are left behind.

I do not think we adequately deal with privacy. In fact, in some ways we may be making it worse. That is, unfortunately, a kind of paradigm we are following too frequently. We go forward and we provide the conditions and improve the conditions for wealth to be generated, and I am for that. I would vote for this bill if we were talking simply about these conditions and no other were relevant, but to do that while at the same time we refuse to address the serious problems of poverty in inner cities, and obviously this is not a bill in and of itself to alleviate poverty, but it does seem reasonable to me to say to the large financial institutions they are getting a pretty good set of conditions here. We are responding to their needs. Can they not make a little extra effort in the course of this to help the people who are being left behind? Can they not help the consumers?

I understand if we leave it entirely to the market they would not want to do that. That is why we ought to be coupling market-enhancing legislation like this with some reasonable conditions that say they are going to make more money out of this, and that is a good thing because that is how our society will prosper. But can they not take a little bit of the extra money that they are making out of this and worry about the poor, worry about geographically underserved areas, worry about consumer protection? Can they not do a little more on privacy? Can they not maybe restrict a little bit the extra money they are going to make so people's legitimate privacy concerns can be addressed?

That is the tragedy of this bill. It is a good bill in what it does, but it is a bad bill in what it does not do.

While in other circumstances I might have felt, well, that is the best we can do, it has unfortunately become too common in our society.

I will say I am affected on this by what is going on in my own State where two of the largest banks are merging and are not, in my judgment, willing to do enough to share the benefits of their merger with people who are not doing so well.

So I congratulate the work that the leaders of the Committee on Banking and Financial Services and others have done on the banking provisions that deal specifically with the financial services, but I will not be part of a conditioned pattern of helping people make more money and not worry about those who might be left behind in that very process.

With that,.I would reassure again my friend, the gentleman from Florida (Mr. FOLEY), that I am open to persuasion

Madam Chairman, I reserve the balance of my time.

Mr. FOLEY. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I believe I have just been given a reprieve from the gentleman from Massachusetts (Mr. FRANK). I did not hear an objection to my amendment. I feel it is a very good amendment.

Mr. LEACH. Madam Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Iowa.

Mr. LEACH. Madam Chairman, let me say, in hopes that the gentleman from Massachusetts (Mr. FRANK) can still be persuaded to this amendment, I would inform the gentleman that the Federal Reserve has no objection to it.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. When the gentleman tells me the Federal Reserve has no objection, is he trying to get me to be for it or against?

Mr. LEACH. Madam Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Iowa.

Mr. LEACH. Madam Chairman, fair enough.

In addition, the New York Banking Department, the Texas Banking Department, the California Banking Department and the Conference of State Bank Supervisors are leaning in this direction. So I believe it is a very thoughtful, very professional amendment, and I certainly want to compliment the gentleman for bringing it forth, and I am just hopeful for getting unanimity.

Mr. FRANK of Massachusetts. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, let me say that I have been persuaded, and I will support this amendment. When the gentleman mentioned the Texas Banking Department, my colleague from Texas urged me on.

I will say, as we improve this bill and its specific impact on the financial services industry, I regret even more our collective unwillingness to do more than we are doing and to do, in fact, what we could easily do to help those who are being left behind. It is an inappropriate continuation of a pattern of helping the wealthy and the powerful, and we all benefit to some extent from that, but ignoring the other end of the society.

Mr. FOLEY. Madam Chairman, I move adoption of the amendment and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FOLEY).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 6 printed in House Report 106-214.

AMENDMENT NO. 6 OFFERED BY MS. SLAUGHTER.

Ms. SLAUGHTER. Madam Chairman, I offer amendment No. 6.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Ms. Slaughter:

Page 244, after line 18, insert the following new section:

SEC. 198A. FAIR TREATMENT OF WOMEN BY FINANCIAL ADVISERS.

(a) FINDINGS.—The Congress finds as follows:

(1) Women's stature in society has risen considerably, as they are now able to vote, own property, and pursue independent careers, and are granted equal protection under the law.

(2) Women are at least as fiscally responsible as men, and more than half of all women have sole responsibility for balancing the family checkbook and paying the bills.

(3) Estate planners, trust officers, investment advisers, and other financial planners and advisers still encourage the unjust and outdated practice of leaving assets in trust for the category of wives and daughters, along with senile parents, minors, and mentally incompetent children.

(4) Estate planners, trust officers, investment advisers, and other financial planners and advisers still use sales themes and tactics detrimental to women by stereotyping women as uncomfortable handling money and needing protection from their own possible errors of judgment and "fortune hunters".

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that estate planners, trust officers, investment advisers, and other financial planners and advisers should—

(1) eliminate examples in their training materials which portray women as incapable and foolish; and

(2) develop fairer and more balanced presentations that eliminate outmoded and stereotypical examples which lead clients to take actions that are financially detrimental to their wives and daughters.

The CHAIRMAN. Pursuant to House Resolution 235, the gentlewoman from New York (Ms. SLAUGHTER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York (Ms. SLAUGHTER).

Ms. SLAUGHTER. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I am offering this noncontroversial amendment to express the sense of Congress that financial advisors should treat women fairly in drafting wills and trusts. Specifically, financial planners should be urged to modify their training materials to eliminate examples that portray women as incapable and foolish and should develop fairer and more balanced presentations to clients that eliminate outmoded and stereotypical examples. These stereotypical examples lead clients to place more financial restrictions on female heirs.

In the past year, I have learned that estate planners and financial advisors still encourage the unjust practice of leaving assets in trust for senile parents, minors, mentally incompetent children and all wives and daughters.

Women were ostensibly included to protect them from the perceived inability to manage money. However, in researching this issue, I found the real reason to include wives and daughters in this list has little to do with protection. The financial advisors are simply selling a product.

By adding women to this list, financial advisors have substantially increased their sales base, which, of course, increases their own income and bottom line.

Financial planners sell a trust on several arguments. First, they try to sell a trust based on protection; in other words, the inexperience of the woman. Or they try to sell a trust based on tax advantages which do not seem to be as important for sons.

A sure sales pitch is suggesting to a husband that in the event of his wife's remarriage a trust would prevent some other man from enjoying his hard-earned assets. These things which have worked so well in the past are alive and healthy today and always to the detriment of women.

As I found out, this is not just a relic from the 1950s. An article in a monthly publication from August, 1998, includes an example of how clients should protect their financially irresponsible daughter and her equally financially irresponsible spouse without disinheriting them.

☐ 1930

The article's author, a financial planner, advises the clients to devise a trust for the daughter to prevent creditors from accessing the principal. The financial planners sell the trust by saying it will serve as a deterrent to keep the daughter's inheritance out of the spendthrift son-in-law's hands. No such restrictions are proposed for any son who might have a spendthrift wife.

A specific example from the financial planner further illustrates my point on the selling tactics currently used.

The financial planners publication said, "Mr. Smith loves his wife, but he does not love the way she handles money. He knows she is a big spender, and he realizes that he never had the time or patience to teach her how to deal with financial matters . . . Mr. Smith wants a wall built around the assets he leaves behind. The wall is designed to protect Mrs. Smith from herself. It is a wall that will keep con men and well-intended amateur financial advisers out, and if Mrs. Smith remarries, her new husband cannot touch the money in the trust, nor will he get any should he outlive her, unless she puts instructions to that effect in her will."

These unfair practices were brought to my attention by a woman from Florida who was herself negatively affected by these practices. Her mother's will directed that her estate be directed into five equal parts for her children, then set up an individual trust for each of her daughters, and directed that her sons be given their money outright.

At the time the will was drawn up, she was 28 years old and her sisters were in their twenties. Her brothers, who were deemed apparently capable of handling their inheritance outright, were 21 and 14.

The trust set out for Kappie Spencer and her sisters for their "protection" provided for them to receive the annual interest on the assets. Her mother's will contained provisions for withdrawing the principal only for the health, support, and proper care of her daughters and their children, and they could only touch the principal for these very limited reasons if they had exhausted every other source of income available to them.

Surely we would all agree that these restrictions are deeply unfair and condescending to all women.

This amendment is an important step forward to ensure a woman's financial well-being. Because women live longer than men, they need to support themselves longer, but they also earn less than men, wait longer to start saving for retirement, put aside less money, and take fewer of the risks that produce greater returns.

Husbands, however well-intentioned, then aggravate the situation by trying to shield their wives from any decisions regarding money by setting up a trust arrangement, giving a banker, a lawyer, or an accountant control of the purse strings. This may be good business for the financial planner, but it is offensive to keep the spouse in the dark about finances.

With more women handling the checkbook and finances in their families, these outdated selling tactics by financial planners have to be exposed for the patronizing practices which they clearly are. While we cannot mandate society's attitudes, we should encourage a rethinking of these financial practices.

I ask my friends on both sides of the aisle to support this amendment, and I thank the gentleman for accepting this amendment.

Mr. LEACH. Madam Chairman, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from Iowa.

Mr. LEACH. Madam Chairman, we are very happy to accept this amendment. I would say it is brought to the Congress in a very thoughtful way by one of the most respected members of this body. I think that reflects on the amendment itself.

Ms. SLAUGHTER. I thank the chairman very much.

Mr. VENTO. Madam Chairman, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from Minnesota.

Mr. VENTO. Madam Chairman, I would say that I certainly rise in support, and in the absence the gentleman from New York (Mr. LAFALCE), we are pleased to receive the gentlewoman's amendment.

Ms. SLAUGHTER. I thank the gentlemen very much.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from New York (Ms. SLAUGHTER).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 106–214.

AMENDMENT NO. 7 OFFERED BY MR. COOK

Mr. COOK. Madam Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. COOK:

Page 311, strike line 4 and all that follows through page 312, line 16 and insert the following new section (and amend the table of contents accordingly):

SEC. 241. STUDY OF LIMITING THROUGH REGULATION FEES ASSOCIATED WITH PROVIDING FINANCIAL PRODUCTS.

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress regarding the consequences of limiting, through regulation, commissions, fees, or other costs incurred by customers in the acquisition of financial products.

The CHAIRMAN. Pursuant to House Resolution 235, the gentleman from Utah (Mr. COOK) and a Member opposed each will control 5 minutes.

Madam Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) will be recognized for 5 minutes.

The Chair recognizes the gentleman from Utah (Mr. COOK).

Mr. COOK. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I want to thank the Committee on Rules for allowing me to offer this amendment, which would replace the existing section 241 with a provision requiring the General Accounting Office to study the consequences of limiting, through regulation, commissions, fees, or other costs incurred by customers in the acquisition of financial products.

Through this study, Congress could determine the potential negative effects of the regulation of commissions and fees before directing regulators to impose such rules.

Currently section 241 of H.R. 10 would mandate that financial regulators impose rules requiring the disclosure of commissions, fees, or other costs incurred by customers in the acquisition of financial products. In my view, this could be tantamount to price controls, and really has no place in financial modernization.

The provision in the bill is currently a solution in search of a problem. The question of the effectiveness of disclosing fees and commissions in protecting customers is really untested. There is little indication that disclosing fees and commissions beyond the extensive disclosure that is currently required would significantly benefit customers.

Such a requirement could even have unanticipated negative consequences. Disclosure of fees and commissions could stifle competition or threaten financial innovation or market liquidity.

Furthermore, the fee disclosure provision is vaguely worded. The term "other costs incurred by customers" could be expansively and inappropriately interpreted to include, for example, markups on securities transactions, which have been specifically excluded from the bill's language. Markups are of a very different nature than fees and commissions, but it could be wrongly swept into any rules resulting from the bill.

The fee disclosure proposal contradicts a policy of regulatory reform. This proposal would impose significant new compliance burdens for those affected. This proposal runs counter to streamlining regulation, which is the purpose of this carefully crafted bipartisan legislation.

The SEC and other financial regulators already have the full authority to require that fees and commissions be disclosed. Indeed, in many cases, such disclosure is already mandated. No regulator has suggested that they need additional authority in this area. Forcing regulators to broaden fee disclosure regulations represents congressional micro-management of the regulatory process.

The financial services industry is arguably the most competitive in our economy, and is expected to become increasingly more competitive with passage of H.R. 10. Before we mandate additional government regulation, we should be sure it will not jeopardize this growing financial market.

I urge all my colleagues to support this amendment.

Madam Chairman, I reserve the balance of my time.

Mr. DINGELL. Madam Chairman, I yield myself 3 minutes.

Madam Chairman, with all respect to the author of this amendment, the amendment would keep consumers in the dark, and financial providers would enjoy it mightily.

Section 241 of H.R. 10 includes a noncontroversial and commonsense provision that passed the House last year in similar legislation. It requires all financial services regulatory agencies to prescribe or revise rules to improve the disclosure of commissions, fees, and other costs incurred by consumers in the purchase of financial products.

This section does not regulate or limit fees. That would be done by the market. Section 241 merely requires disclosure so consumers can comparison shop on the basis of understandable and accurate disclosure. This helps both competition and consumers.

The amendment would delete this disclosure requirement and replace it with a GAO study, a red herring rate regulation that nobody wants or seeks. We do not seek to regulate rates.

This bill is already a bust for consumers. We are functioning under a gag rule. But this amendment simply strips the consumers of banking and other financial services of one more right, and that is a right to know what the charges are being assessed against them by the banks and other financial institutions, and in a sense it significantly changes existing law.

Madam Chairman, I reserve the balance of my time.

Mr. COOK. Madam Chairman, I yield 30 seconds to my colleague, the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Madam Chairman, I thank the gentleman for yielding time to me.

I rise in support of the amendment. This is what the Committee on Banking and Financial Services adopted. As the gentleman mentioned, the regulatory authorities already have the authority to impose this. We are telling them to do this, rather than waiting to see what the complications would be.

We are seeing increasing transparency in the financial services market. I think it would be a mistake for us to congressionally impose this without getting a study on it first. I commend the gentleman for his amendment, and I rise in support of it.

Mr. DINGELL. Madam Chairman, I yield 30 seconds to my good friend, the gentleman from New York (Mr. LAFALCE)

Mr. LAFALCE. Madam Chairman, I realize there was a discrepancy on this issue between the approach taken by the gentleman from Michigan (Mr. DINGELL) and the Committee on Banking and Financial Services, but my personal preference would be to obtain the language that is in the print before us right now.

I believe in disclosure, and I do not favor the amendment offered by the gentleman from Utah (Mr. COOK). I associate myself with the remarks of the gentleman from Michigan (Mr. DINGELL).

Mr. COOK. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I would like to remind the gentleman from Michigan and the gentleman from New York that basically my amendment restores the Committee on Banking and Financial Services language that I think was brokered in a bipartisan agreement between myself and the gentleman from Vermont (Mr. SANDERS).

It was, of course, changed in the Committee on Commerce, and I very much respect their opinions, but felt that this was kind of agreed to back in the Committee on Banking and Financial Services. I just wanted to make that point.

Madam Chairman, I reserve the balance of my time.

Mr. DINGELL. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, what we are talking about here is a banking system and a financial system that is going to be fair and open. The gentleman, I am sure, will recall that this amendment was adopted unanimously, unanimously by the House last year. This is not something that has been snuck up into the proceedings in some curious fashion, it was in the bill last year. It was adopted overwhelmingly in the Committee on Commerce.

It simply says, disclose. Tell the truth. There is nothing wrong with that.

Madam Chairman, I yield back the balance of my time, with an expression of respect and affection for my colleague on the other side.

Mr. COOK. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I thank the gentleman. I very much appreciate that. I just want to quickly say that the fee disclosure proposal does contradict, I think, a policy of regulatory reform, and this proposal would impose, I think, significant new compliance burdens for those affected. I think it does run counter to deregulation, which I think has been a hallmark of this Congress.

I urge my colleagues' support.

Madam Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah (Mr. COOK).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. COOK. Madam Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 235, further proceedings on the amendment offered by the gentleman from Utah (Mr. COOK) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment No. 8 printed in House Report 106-214.

AMENDMENT NO. 8 OFFERED BY MRS. ROUKEMA

Mrs. ROUKEMA. Madam Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mrs. ROUKEMA:

Page 312, after line 16, insert the following new subtitle (and amend the table of contents accordingly):

Subtitle E—Banks and Bank Holding Companies

SEC. 251. CONSULTATION.

(a) IN GENERAL.—The Securities and Exchange Commission shall consult and coordinate comments with the appropriate Federal banking agency before taking any action or rendering any opinion with respect to the manner in which any insured depository institution or depository institution holding company reports loan loss reserves in its financial statement, including the amount of any such loan loss reserve.

(b) DEFINITIONS.—For purposes of subsection (a), the terms "insured depository institution", "depository institution holding company", and "appropriate Federal banking agency" have the same meaning as in section 3 of the Federal Deposit Insurance Act.

The CHAIRMAN. Pursuant to House Resolution 235, the gentlewoman from New Jersey (Mrs. ROUKEMA) and a Member opposed each will control 5 minutes.

Mr. DINGELL. I rise in opposition to the amendment, Madam Chairman.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) will be recognized for 5 minutes in opposition to the amendment.

The Chair recognizes the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Madam Chairman, I yield myself 2 minutes and 40 seconds.

Madam Chairman, this issue is very straightforward and it is very clear. Members do not have to know anything about loan loss reserves or about accounting to understand this amendment.

Quite simply, the amendment requires the regulators, that is, the SEC and the Federal banking agencies, to communicate and coordinate before taking any action.

I must stress, there is misinformation out there. I must stress, it does not establish a different accounting system or anything that is bank-friendly in this rule. It does not lower accounting standards. It keeps the same accounting gap standards.

It does not eliminate, and this is the most important thing, it does not eliminate the SEC's statutory authority under the law to set accounting standards for these publicly-held companies, but it does require regulators, including the SEC, to communicate and coordinate.

This is extremely important because it has meant that over time, and particularly within this last year in the Sun Trust case, which I will not go into the details of, there was quite a bit of disagreement here, but it turned out that the SEC, when it took its action against Sun Trust, had had no consultation with the Fed, who is the functional regulator.

It seems very clear that, unfortunately, because of lack of clarification in the law about the requirements for coordination, the banks are being subjected to a kind of regulatory whipsaw. That is what this amendment is designed to deal with. Bank regulators are required by Federal law to apply gap or stricter standards to the banks.

□ 1945

We are not loosening that in any way. We are applying those same statutory requirements.

I had a hearing on June 16 on this subject, and we have received a multiple number of assurances from the SEC that they will work with the banking agencies. Yet that guidance that we have given them has never been followed. The type of prior consultation coordination with the banking agencies that are absolutely essential here have not been done.

I think we have to make it clear that we are not going to stand for this whipsawing back and forth and we will have a clear definition of responsibility.

Madam Chairman, I reserve the balance of my time.

Mr. DINGELL. Madam Chairman, I yield myself 3 minutes.

Madam Chairman, I begin by expressing great respect and affection to the gentlewoman from New Jersey (Mrs. ROUKEMA). I would like to read the essential part of the language of the amendment. It says "The Securities and Exchange Commission shall consult and coordinate comments with the appropriate Federal banking agency before taking any action or rendering any opinion".

Now, that is pretty broad authority. It makes essentially the SEC, by the requirement for coordinating, subservient with regard to all of the matters under its jurisdiction in dealing with the banking regulators. For example, they could be compelled to address questions of behaviors of bank on accounting and accounting principles.

What the amendment really has in practical effect is the ability for the SEC to be prevented from imposing the same honest financial reporting it requires from other companies. I think we should ask the question why should the banks not play by the same rules that everybody else plays by?

We have got a lot of troubles with accounting and with misapplication of sound accounting principles. I think we ought to take a look at the requirements now, which are generally accepted accounting principles, GAP, as opposed to RAP.

Accounting trickery can afford enormous savings to wrongdoers. It can be sanctified by banking regulators as it has been in the past. It can cost taxpayers billions of dollars again, as it did in the 1980s when banking regulators permitted the use of regulatory accounting, which enabled the banks to then phony up their goodwill and to look solid and solvent where, in fact, they were not.

Bank regulators have said in the hearings before the Committee on Banking and Financial Services, they do not need this authority. The amendment is unnecessary.

The question then is, why would we treat banks differently than others in terms of the reporting which they must make to the regulatory agencies and to the shareholders and stockholders in their periodic reports? Who then but the banks would want to evade the responsibility of telling the truth? How would honest reporting and accounting under the jurisdiction of regulators who treat everybody the same way be bettered by permitting the banks to achieve separate different special and probably more favorable treatment?

Madam Chairman, I reserve the balance of my time.

Mrs. ROUKEMA. Madam Chairman, I yield 15 seconds to the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Madam Chairman, I would just like to say that I think the amendment that the gentlewoman from New Jersey (Mrs. ROUKEMA) has brought is a very thoughtful and reasonable amendment and that it deserves to be added to this bill.

I recognize that what the gentleman from Michigan (Mr. DINGELL) says has a basis in good thought, but I think this is a true improvement.

Mrs. ROUKEMA. Madam Chairman, I yield 1 minute to the gentleman from Florida (Mr. MCCOLLUM), a senior member from the committee.

Mr. MCCOLLUM. Madam Chairman, I want to strongly support this amendment of the gentlewoman from New Jersey (Mrs. ROUKEMA). I think that, with all due respect to the gentleman from Michigan (Mr. DINGELL), banks are different from other corporations for good reason. Banks involve safety and soundness issues. We do not want a bank to fail.

Banks make loans. That is their business. When they make loans, they need loan loss reserves in order to have the padding to assure that they do not fail. That is a business that is best understood by banking regulators.

Yes, the Securities and Exchange Commission should regulate the corporate functions of a bank like it does any other corporation, except that it needs to be aware more than apparently it has been lately of the concerns we all have if we have failures, bankruptcies, defaults that could occur in a down and weak economy.

We have been blessed by a strong one right now. We do not want to see banks put in jeopardy. We do not want to see our deposits in banks put in jeopardy by the potential of their failure if their loans go south and they do not have enough loan loss reserves.

Let us do what the gentlewoman is asking. The gentlewoman from New Jersey (Mrs. ROUKEMA) is simply asking that bank regulators coordinate with the SEC anytime loan loss reserves are involved. That is what should be passed. That is this amendment. Vote yes.

Mr. DINGELL. Madam Chairman, I reserve the balance of my time.

Mrs. ROUKEMA. Madam Chairman, I yield 30 seconds to the gentleman from Minnesota (Mr. VENTO), the ranking member of the Subcommittee on Financial Institutions and Consumer Credit.

Mr. VENTO. Madam Chairman, I rise in support of the amendment. This does not change the Federal accounting standard board or the principles. It does not change the accounting rules or the standards. It simply says that, when one is going to apply them, that one has to have coordination.

The primary regulators here, after all, of banks are the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the State Regulatory Authorities. The fact is the bank should not be pulled in two directions at once.

The fact is most of these are guidelines. They claim that they are cooperating with the regulators. In fact, of course, they keep going and circumventing them around. The fact is that the instance that is brought up here actually reduced the amount of loan loss reserves. It took money out of the bank. We need those loan loss reserves. We need safety and soundness. We need this amendment.

I want to rise in support of Mrs. ROUKEMA's amendment which will require the Securities and Exchange Commission to consult and coordinate with the appropriate Federal banking agency on the issue of loan loss reserves before issuing any comments, taking any action, or rendering any opinion on the level of an institution's loan loss reserves.

This amendment will ensure that the SEC cannot take significant actions that could have a critical or negative impact upon the adequacy of capital that a bank has without communicating with the proper banking regulator. This amendment should help ensure that FDIC insured institutions will not be caught flat footed when the inevitable downward tick of the business cycle hits.

Bank regulators have been strongly stressing that better attention be paid to credit quality in their portfolios. The regulators have been asking banks to have proper reserves. The amendment will have the positive impact of assuring that the SEC cannot act unilaterally to lower important loan loss reserves without consulting with those responsible to assure that the banks are operating in a safe and sound manner.

The amendment does not change accounting standards. It does not alter FASB interpretations. It does not eliminate SEC authority. It is a simple and fair amendment that requires regulatory discourse.

When I asked the SEC witness at our Financial Institutions and Consumer Credit Subcommittee what the SEC's relationship would be with the banking regulators in the instance of a challenge or an issue with regards to an institution's loan loss reserves, the response was there was a hope to continue conferring with the bank regulators. This amendment should do the trick.

I thank the gentlewoman, Chairwoman ROUKEMA, for bringing this amendment for the consideration of the House and ask my colleagues to support it.

The CHAIRMAN. As a member of the reporting committee controlling time in opposition to the amendment, the gentleman from Michigan (Mr. DINGELL) will have the right to close.

Mrs. ROUKEMA. Madam Chairman, I yield 30 seconds to the gentleman from Alabama (Mr. BACHUS), a member of the committee.

Mr. BACHUS. Madam Chairman, we have five agencies that regulate the banks, including the OTS, the FDIC, the Federal Reserve, the Comptroller of the Currency, and the SEC. They all got together said we have overlapping jurisdiction. That is causing concerns. Some warned we need to coordinate our efforts.

The SEC simply does not, has not done that. They have questioned the other organizations, their interpretations on what are the loan loss reserve requirements. They do not have the experience these other regulators have with the banks. Someone has to take the lead.

The bottom line, the SEC cannot come in here like a bull in a China shop and overrule these other banks on their auditing practices and on their reserve practices. This is a great amendment.

Madam Chairman, I would like to thank the gentlewoman from New Jersey for all of her hard work on this legislation and her efforts on this amendment. I would also like to discuss a related accounting matter.

I have been informed by a constituent that the Federal Accounting Standards Board (FASB) may propose a rule eliminating an accounting practice known as "pooling".

Pooling is an accounting method used when two companies merge to become one.

In a pooling, the acquiring and acquired companies simply combine their financial statements.

I believe it is important that this issue be discussed publicly before any final rule is implemented.

In addition, it is my understanding that in the past the Federal Accounting Standards Board has not always sought adequate input from the accounting or banking communities on proposed changes in regulations.

I appreciate the Chairwoman's efforts on the pending amendment. I would appreciate it if she would keep this in mind when the conference committee meets so that we include language either in this bill or future legislation to ensure that this process is an open and fair one.

I thank the gentlewoman for her time and attention to this matter.

Mrs. ROUKEMA. Madam Chairman, I yield such time as he may consume to the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. Madam Chairman, I rise in support of the amendment offered by the gentlewoman from New Jersey.

Madam Chairman, I appreciate the chairwoman of the Subcommittee of the Financial Institutions and Consumer Credit, MARGE ROUKEMA, for following my lead and bringing this issue to the attention of the House of Representatives today. This amendment comes about from my initial letter to the Securities and Exchange Commission (SEC) in November 1998. Last fall, I wrote the Chairman of the Securities and Exchange Commission (SEC) the following letter detailing my concerns with the loan loss reserve issue:

November 9, 1998.

In re inquiry by the SEC into Sun Trust's accounting practices.

Hon. ARTHUR LEVITT, Jr.,
Chairman, Securities and Exchange Commission, Washington, DC.

DEAR CHAIRMAN LEVITT: It has come to my attention that the Securities and Exchange Commission (SEC) has begun an inquiry into the accounting practices of Sun Trust Bank. The $60.7 billion-asset Sun Trust Bank, based in Atlanta, announced the SEC has opened an inquiry examining its policies for loan-loss reserves as part of a review of the pending acquisition of Crestar Financial Corporation.

It is my understanding that a bank's loan loss reserve is arrived at by evaluating prior loan loss expectations and future loan loss expectations. In addition, a loan loss reserve is a subjective matter which is determined every quarter by a bank's management, its board of Directors, and the banks principal regulator as to the adequacy of the level at any given time. Banking experts believe the SEC's actions are the first time the Commission has judged a bank's reserve to be too large. With a fluctuating economy it would be imprudent to expect institutions to operate in a manner in which they maintain only marginal reserves.

As a member of the House of Representatives Banking and Financial Institutions Committee, I am concerned about the SEC's review of SunTrust's accounting practices.

I would like to review the SEC's decision with someone from your staff. I would therefore appreciate someone contacting my Banking Legislative Assistant, Sarah Dumont, at (202) 225–2944, to schedule a meeting to discuss this issue further.

With warm regards, I am,

Very truly yours,

BOB BARR,
Member of Congress.

In addition, my staff met with the SEC, and it was determined a hearing should be held to discuss this very important issue. Therefore, I contacted the Chairman of the Banking Committee at the start of the 106th Congress to request a hearing.

January 20, 1999.

In Re loan loss reserve hearing.

Hon. JAMES A. LEACH,
Chairman, Committee on Banking and Financial Services, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: As the 106th Congress begins, and the Banking and Financial Services Committee begins to formulate its agenda for the upcoming session, I wanted to take this opportunity to outline a proposed hearing for the Banking Committee to consider.

In September 1998, the Securities and Exchange Commission (SEC) found that some banks been aggressively reserving for future loan losses which the Commission argued made it difficult for investors to understand the real profit picture of these banks. In the past, bank regulators often scrutinized banks for under-reserving.

With a fluctuating economy, many experts agree it is inadvisable to expect institutions to operate in a manner in which they maintain only marginal reserves. However, the SEC's recent inquiry into the "excess" reserves at some banks is the first time the Commission has judged a bank's reserve to be too large. The SEC puts forth the novel arguments that banks which over-reserve for future loan-losses make it difficult for investors to understand the true profit picture.

This increased scrutiny of banks' earnings management has sent mixed signals to the banking community. It is my understanding a loan loss reserve is a subjective matter which is determined every quarter by a bank's management, its Board of Directors, and the banks principal regulator as to the adequacy of the level at any given time. Under the scenario not advocated by the SEC, banks are now faced with a highly uncertain and arbitrary regulatory environment.

A hearing to clarify the past and approaching loan-loss reserve levels would serve a beneficial purpose to clarify regulatory efforts of the SEC and its effects on current banking regulatory procedures.

I will look forward to hearing from you with regard to this proposed hearing.

With warm regards, I am,

Very truly yours,

BOB BARR,
Member of Congress.

In addition, on February 11, 1999, I sent a followup letter to Chairman LEACH, expressing the urgency of this issue and the concern this uncertainty would have on the banking community. I emphasized a hearing would bring clarity to an issue that is confusing and dangerous to the health of the banking industry.

FEBRUARY 11, 1999.

In re loan loss reserve hearing.

Hon. JAMES A. LEACH,
Chairman, Committee on Banking and Financial Services, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I wanted to express my appreciation to both you and Chairwoman Roukema for your commitment to pursue the issue of loan loss reserve limits, and the Security and Exchange Commission's regulation of these limits in the Committee this session.

As you know, in September 1998, the Securities and Exchange Commission (SEC) found that some banks had been aggressively reserving for future loan losses, which the Commission argued made it difficult for investors to understand the real profit picture of these banks. In the past, bank regulators were often scrutinized banks for under-reserving.

Banks are highly regulated and closely supervised by regulatory agencies familiar with the individual banks they regulate and the credit quality of their loan portfolios. It is inefficient, unreasonable, and inappropriate for the SEC to exert discretion over a bank's credit philosophy, which could result in banks lowering the level of reserves they put aside to protect against credit losses. With a fluctuating economy, to undertake such actions or implement policies discourages banks from conservatively reserving for loan losses. Such a policy by the SEC could in fact be detrimental to the health of our financial industry.

This action taken by the SEC now places our banks in a highly uncertain and arbitrary regulatory environment. A hearing to clarify the past and approaching loan-loss reserve levels would clarify regulatory efforts of the SEC, and its effects on current banking regulatory procedures.

With warm regards, I am,

Very truly yours,

BOB BARR,
Member of Congress.

On June 16, 1999, Chairwoman ROUKEMA held a hearing per my request. Again, I thank you, the Chairwoman, for promptly responding to my request for a hearing to determine the process and controversies on setting the adequate loan loss reserve amounts.

As I made you aware of my concerns when the SEC's conducted a 2-month review process of a bank in my congressional district, this bank was penalized and required to restate its earnings by $100 million. During the investigation, the SEC began to question the "excessive" reserves at predominately conservative banks. This finding sent a ripple effect across the financial services community. In my opinion, the SEC has over-stepped its authority by attempting to coerce banks into adopting less conservative lending practices.

What the SEC may discourage as "aggressively" reserving, the bank regulators and others may support as "conservatively reserving. There is broad agreement among the industry that an accurate earnings picture is vital for out financial institutions to operate successfully. I am not aware of any complaints filed by bank analysts alleging dishonest or misleading financial reports. Moreover, the bank regulators reviewed banks records and found they complied with all current laws and regulations. When it became clear to me the SEC was acting without the support of the appropriate banking regulators, I wrote to Chairman LEACH, asking hearings be held to look into the SEC's finding that some banks had been improperly reserving for future loan losses.

It seems clear the SEC has engaged in heavy-handed tactics, resulting in at least one bank (SunTrust) restating its earnings from 1994 to 1996; thereby cutting its reserves by $100 million. The SEC's inquiry into the "excess" reserves at some banks is the first time in recent history the Commission has judged a bank's reserve to be too large, and argued that over-reserving for future loan losses makes it difficult for investors to understand the true profit picture.

Madam Chairman, as you and I were told back in March during the mark-up of H.R. 10, the SEC and bank regulators have been working together to publish a joint clarification on banks' loan loss reserves. This clarification was to include the methodology and accounting rules as well as documentation and disclosure requirements to help guide banks. However, that clarification never reached a consensus.

On its own initiative, the SEC pushed for the recent issuance of the Financial Accounting Standards Board (FASB) clarifying rule on Statements No. 5, Accounting for Contingencies, and No. 114, Accounting by Creditors for Impairment of a Loan, published on April 12, 1999. The FASB clarification was meant to help guide the Generally Accepted Accounting Principles (GAAP). Instead, the rule seems to have left banks in a state of confusion. This is distressing.

This present confusion over excessive reserve amounts creates a disincentive for banks to maintain the necessary protection against today's fluctuating economy. Unfortunately, banks are receiving conflicting signals concerning loan loss withholdings by two differing interest groups: the SEC and the bank regulators.

Aren't we supposed to learn from our mistakes? One need only look to the Savings and Loan debacle in the 1980's to understand the urgent need to create a clear and concise, uniform standard regarding loan loss reserves. The safety and soundness of our banking industry is vitally important to our economy and it is obvious the SEC's mandate does not reflect common sense or the well-being of the American people. That should alarm everyone.

The financial security and lifetime savings of millions of Americans depends on the ability of banks to establish and follow safe, sound and reasonable lending practices. Maintaining adequate and realistic loan loss reserves is a key part of this process. Any concerns the SEC has with the market value of financial institutions must be reasonable, based on common sense, and arrived at in conjunction with the banks and bank deregulators. Moreover, these loan loss reserve guidelines must not be allowed to become the tail wagging the regulatory dog; seen as more important than the goal of protecting basic fiscal soundness of our banks. Hopefully, the SEC will end its efforts to force hanks to drop conservative lending policies, at least without clear congressional action.

CONGRESS OF THE UNITED STATES,
Washington, DC, February 11, 1999.

In re loan reserve hearing.

Hon. JAMES A. LEACH,
Chairman, Committee on Banking and Financial Services, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I wanted to express my appreciation to both you and Chairwoman Roukema for your commitment to pursue the issue of loan loss reserve limits, and the Security and Exchange Commission's regulation of those limits in the Committee this session.

As you know, in September 1998, the Securities and Exchange Commission (SEC) found that some banks had been aggressively reserving for future loan losses, which the Commission argued made it difficult for investors to understand the real profit picture of these banks. In the past, bank regulators were often scrutinized banks for under-reserving.

Banks are highly regulated and closely supervised by regulatory agencies familiarly with the individual banks they regulate and the credit quality of their loan portfolios. It is inefficient, unreasonable, and inappropriate for the SEC to exert discretion over a bank's credit philosophy, which could result in banks lowering the level of reserves they put aside to protect against credit losses. With a fluctuating economy, to undertake such actions or implement policies discourages banks from conservatively reserving for loan losses. Such a policy by the SEC could in fact be detrimental to the health of our financial industry.

This action taken by the SEC now places our banks in a highly uncertain and arbitrary regulatory environment. A hearing to clarify the past and approaching loan-loss reserve levels would clarify regulatory efforts by the SEC, and its effects on current banking regulatory procedures.

With warm regards, I am,

Very truly yours,

BOB BARR,
Member of Congress.

CONGRESS OF THE UNITED STATES,
Washington, DC, January 20, 1999.

In re loan loss reserve hearing.

Hon. JAMES A. LEACH,
Chairman, Committee on Banking and Financial Services, House of Representatives, Rayburn House Office Building, Washington DC.

DEAR MR. CHAIRMAN: As the 106th Congress begins, and the Banking and Financial Services Committee begins to formulate its agenda for the upcoming session, I wanted to take this opportunity to outline a proposed hearing for the Banking Committee to consider.

In September 1998, the Securities and Exchange Commission (SEC) found that some banks had been aggressively reserving for future loan losses which the Commission argued made it difficult for investors to understand the real profit picture of these banks. In the past, bank regulators often scrutinized banks for under-reserving.

With a fluctuating economy, many experts agree it is inadvisable to expect institutions to operate in a manner in which they maintain only marginal reserves. However, the SEC's recent inquiry into the "excess" reserves at some banks is the first time the Commission has judged a bank's reserve to be too large. The SEC puts forth the novel argument that banks which over-reserve for future loan-losses make it difficult for investors to understand the true profit picture.

This increased scrutiny of banks' earnings management has sent mixed signals to the banking community. It is my understanding a loan loss reserve is a subjective matter which is determined every quarter by a bank's management, its Board of Directors, and the bank's principal regulator as to the adequacy of the level at any given time. Under the scenario not advocated by the SEC, banks are now faced with a highly uncertain and arbitrary regulatory environment.

A hearing to clarify the past and approaching loan-loss reserve levels would serve a beneficial purpose to clarify regulatory efforts of the SEC and its effects on current banking regulatory procedures

I will look forward to hearing from you with regard to the proposed hearing.

With warm regards, I am,

Very truly yours,

BOB BARR,
Member of Congress.

MARKUP OF H.R. 10, THE FINANCIAL SERVICES ACT OF 1999, WEDNESDAY, MARCH 10, 1999, HOUSE OF REPRESENTATIVES, COMMITTEE ON BANKING AND FINANCIAL SERVICES, WASHINGTON, DC.

The CHAIRMAN. The Clerk will call up the amendment.

Ms. COLE. Amendment offered by Mr. Barr. Page 96 after line——

The CHAIRMAN. Without objection, the amendment will be considered as read and Mr. Barr is recognized.

Mr. BARR. Thank you, Mr. Chairman. Mr. Chairman, this amendment provides for at least a partial redress for a problem that has arisen last fall in which the Securities and Exchange Commission, in not consulting with federal banking agencies, took action against a major bank—in this case, Sun Trust—forcing it to lower its loan loss reserves after it had already set those, by $100 million.

As far as I know, Mr. Chairman, this is the first instance in which the SEC or any federal agency has taken against a bank for being perhaps, too conservative in seeking to protect its customers, its shareholders, against possible problems in the future economy.

If in fact, we are witnessing here some action or policy on the part of the SEC that is going to create uncertainty with regard to banks being able to establish proper and conservative reserves for future loan losses, then I think at least it ought to be something that is done in consultation with the banking agencies, the federal banking agencies.

I have been looking at this and appreciate very much the very strong support and active involvement of Chairwoman Marge Roukema in this regard as well.

And what I have proposed here, Mr. Chairman, is a very simple, straightforward amendment that simply requires that within 60 days after the enactment of this Act the SEC and the federal banking agencies will consult with each other concerning these matters of future loan loss reserves, so that we don't have a patchwork lack of policy in this regard.

Moreover, Mr. Chairman, at subparagraph B, I provide that pursuant to and as a result of these negotiations the SEC and the banking agencies submit a report to the Congress reflecting the results of their consultation, so that we can have, and so that the banking industry knows where they stand.

I think this is very, very prudent and a good management too, Mr. Chairman, and will avoid the disruptions that certainly will occur if the SEC is allowed to unilaterally, without consulting with the banking agencies, force banks after the fact to lower their loan loss reserves.

This is not, as far as I can tell, Mr. Chairman, an instance in which Sun Trust had done anything wrong. As a matter of fact, they were being very, very prudent in setting their future loan loss reserves.

So I would urge other members to adopt this very reasonable approach which hopefully will avoid further disruptions. It will impose no significant cost on anybody but hopefully will avoid significant costs in the future by forcing the SEC to work with the federal banking agencies as opposed to possibly adverse to them.

I understand that the SEC is interested in working something out on this, Mr. Chairman, but I don't think that obviates the need for this amendment at this time. If in fact, something is worked out then that will be just fine.

But I do think that it is important for this committee at this time and for the full House in taking up consideration of H.R. 10 to tell the SEC, if you are going to take this sort of action which is something that is very novel, at least do so in consultation with the federal banking agencies.

So that the banks know where things stand and if they do have to change their policies at least they know in advance as opposed to coming in—the SEC that is—coming in after the fact and forcing them to expend very significant sums of money and causing disruptions to shareholders and to the banking community.

I would urge adoption of the amendment.

The CHAIRMAN. Mrs. Roukema.

Mrs. ROUKEMA. Mr. Chairman, may I be recognized out of my own time?

The CHAIRMAN. Yes, you are.

Mrs. ROUKEMA. Thank you. Thank you, Mr. Chairman. I apologize to you and all the members of the committee, and now especially to Mr. BARR because I have arrived so late here.

Believe it or not because of weather conditions I have been traveling since 7 o'clock yesterday morning to get back here to Washington. And you might not believe that, but that was the fact, and I apologize for being late but it couldn't be helped. God wasn't working with me today.

Now, Mr. BARR and I have been working on this. I think we have had consistent opinions on this problem of loan loss reserves, and I believe he and I have the same amendment that was put forth.

However, I have been working with the SEC and the other regulators on this and I have just learned moments before I entered here that aside from it being imminent where we had a draft of the agreement that the SEC and the regulators are working on the same things that Mr. BARR and I had been trying to get agreement on, I have just been informed not more than two or three minutes ago that agreement has been completely reached by all parties, including the SEC, and that the final agreement is being faxed.

Now, it is my understanding that accomplishes completely what Mr. BARR and I have been trying to do here. So I would say that pending receipt of that final agreement, I don't know whether there is any point to passing this legislation, this amendment or not, or whether we should reserve judgment until Mr. BARR, I, and other staff and the Chairman go over it, because I believe it has accomplished our purpose.

Certainly the questions that I've asked all have been answered at least on the phone and in the first draft. So we are waiting momentarily for that final draft to be here.

Mr. BACHUS. Would the Chairwoman yield?

Mrs. ROUKEMA. Yes. Yes, I yield to my friend.

Mr. BARR. If we could procedurally, Mr. Chairman, I would have no objection to withholding the amendment at this time so long as we will have an opportunity before a final voting on H.R. 10 in this committee, to resurrect it if it becomes necessary. Or if not, we could incorporate the agreement that we hope has been reached and reflects our views in the final product.

The CHAIRMAN. Let me just respond generally——

Mrs. ROUKEMA. If that is possible that would certainly be a sensible way, I would think, of approaching the subject. Because it is something that we do want to see is corrected in this legislation, if need be.

The CHAIRMAN. Well, if the gentlelady would yield, let me say to both her and Mr. BARR that this is a very extraordinary subject matter and it is one that would necessitate Congressional intervention if the various regulators did not come to mutual understanding.

I appreciate the offer of the gentleman, Mr. BARR. I think it is the most appropriate offer, and that is to withdraw the amendment at the moment and then to review what has occurred.

And in that event let me say, the amendment is withdrawn and the Chair would ask unanimous consent to return to the subject matter in the event that Mrs. ROUKEMA and Mr. BARR are dissatisfied in a fundamental way with what is apparently proceeding today in the Executive Branch.

Without objection so ordered. The subject matter is reserved and the amendment is withdrawn. Are there further amendments to Title I?

Mrs. ROUKEMA. Thank you, Mr. Chairman.

Ms. WATERS. Mr. Chairman.

The CHAIRMAN. I said to Mrs. WATERS that I would recognize her next.

Ms. WATERS. Yes, thank you very much, Mr. Chairman. This is really offered by Mr. GUTIERREZ. I and Ms. SCHAKOWSKY have supported and co-sponsored this with him. He had to leave so he asked me to take it up. So the amendment is at the desk.

Mrs. ROUKEMA. Madam Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. KELLY) from the committee.

Mrs. KELLY. Madam Chairman, I rise in support of the amendment.

I thank my good friend from New Jersey for yielding me time.

Madam Chairman, I rise in strong support of this amendment. This loan loss reserve issue is creating a great deal of confusion for banks that are publicly traded on an exchange or market. This situation where they are torn between directions from their primary bank regulator and the SEC need not happen if proper communications are established between the regulators. In this case—the proper loan loss reserves needed by the banks—communication was clearly lacking. This language does not stop the SEC from doing anything, it simply requires them to communicate as they should have been doing all along.

We held a hearing on this loan loss reserve issue in our Financial Institutions Subcommittee on June 16. The message we heard from all parties involved was that better communication is necessary. I hope all of my colleagues on both sides of the aisle will join us in support of this common sense amendment.

Mrs. ROUKEMA. Madam Chairman, I yield such time as he may consume to the gentleman from New York (Mr. LAFALCE), the ranking member.

Mr. LAFALCE. Madam Chairman, I rise in support of the amendment.

Mrs. ROUKEMA. Madam Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. BENTSEN), also a member of the committee.

Mr. BENTSEN. Madam Chairman, I rise in support of the amendment.

Mrs. ROUKEMA. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I want to again stress there is no change in GAP, no change in the accounting standards or the statutory requirements and the statutory authority of the SEC. It simply requires absolute coordination and conferring.

Mr. DINGELL. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, let me read the language of the amendment again so everybody understands what we are talking about. It says, "The Securities and Exchange Commission shall consult and coordinate comments with the appropriate Federal banking agency before taking any action or rendering any opinion."

That makes the SEC subject to the bank regulators in matters in which it has traditionally acted under its powers given it by the Congress of the United States. Never before has it been subject to the jurisdiction of the bank regulators.

Now, the bank regulators said they did not need this authority. As a matter of fact, the joint guidance issued in March of this year by the SEC and by the bank regulators reaffirmed the importance of credible financial statements and meaningful disclosure to investors to a safe and sound financial system.

The joint interagency letter reaffirms the policy set by Congress that the banks should follow GAP when recording and reporting loan locations.

I would simply advise my colleagues, there is no reason to do this. The bank regulators do not seek the authority to have this done. The only good-hearted folks who want to do it is the bankers. The bankers simply do not want to tell the people all the things they should. They want to be able to get things cooked around the way they might like to have them done.

I would also inform my colleagues that there is something else. This is going to impose interminable amounts of delay on banks in getting decisions on matters important to them which are charged to the SEC because of the immense amount of coordination, the immense amount of time, the immense amount of effort, and the immense amount of action that will be required by both the SEC and by the bank regulators.

If my colleagues want to waste time, hurt banking, hurt consumers, and see to it that the people do not receive an honest picture of events going on in the bank, this is the amendment for them. If, however, my colleagues want to continue a system which works generally well and which causes no problem and which the bank regulators seek no change, then vote with me. Vote against the amendment.

Madam Chairman, I include for the RECORD the Joint Release that I referred to as follows:

SECURITIES AND EXCHANGE COMMISSION, FEDERAL DEPOSIT INSURANCE CORPORATION, FEDERAL RESERVE BOARD, OFFICE OF COMPTROLLER OF THE CURRENCY, OFFICE OF THRIFT SUPERVISION,
Washington, DC, March 10, 1999.

JOINT PRESS RELEASE

The Securities and Exchange Commission, Federal Deposit Insurance Corporation, Federal Reserve Board, Office of Comptroller of the Currency, and Office of Thrift Supervision have jointly issued the attached letter to financial institutions on the allowance for loan losses.

Attachment:

JOINT INTERAGENCY LETTER TO FINANCIAL INSTITUTIONS

Last November, the Securities and Exchange Commission, Federal Deposit Insurance Corporation, Federal Reserve Board, Office of Comptroller of the Currency, and Office of Thrift Supervision (the Agencies) issued a Joint Interagency Statement in which they reaffirmed the importance of credible financial statements and meaningful disclosure to investors and to a safe and sound financial system. The Joint Interagency Statement underscored the requirement that depository institutions record and report their allowance for loan and lease losses in accordance with generally accepted accounting principles (GAAP). We stress and continue to emphasize the importance of depository institutions having prudent, conservative, but not excessive, loan loss allowances that fall within an acceptable range of estimated losses. We recognize that today instability in certain global markets, for example is likely to increase loss inherent in affected institutions' portfolios and consequently require higher allowances for credit losses than were appropriate in more stable times.

Despite the issuance of the November Joint Interagency Statement, there is continued uncertainty among financial institutions as to the expectations of the banking and securities regulators on the appropriate amount, disclosure and documentation of the allowance for credit losses. The Agencies now announce additional measures designed to address this continued uncertainty. These measures are consistent with the Agencies' mutual objective of, and focus on, addressing prospectively, where feasible, issues related to improving the documentation, disclosure, and reporting of loan loss allowances of financial institutions.

The Agencies are establishing a Joint Working Group, comprised of policy representatives from each of the Agencies, to gain a better understanding of the procedures and processes, including "sound practices," used generally by banking organizations to determine the allowance for credit losses. An important aspect of the Joint Working Group's activities will be to receive input from representatives of the banking industry and the accounting profession on these matters, and will not involve joint examinations of institutions. The common base of knowledge that results will facilitate the joint and individual efforts of the Agencies to provide improved guidance on appropriate procedures, documentation, and disclosures to the banking industry. This will assist the banking community in complying with GAAP and will improve comparability among financial statements of depository and other lending institutions. The Joint Working Group will also share information and insights concerning issues of mutual concern that may arise.

Using information gathered through the Joint Working Group and from representatives of the accounting profession and the banking industry, the Agencies will work together to issue parallel guidance, on a timely basis, and within a year on the first two items listed below, in the following key areas regarding credit loss allowances:

Appropriate Methodologies and Supporting Documentation.—The Agencies intend to issue guidance that will suggest procedures and processes necessary for a reasoned assessment of losses inherent in a portfolio and discuss ways to ensure that documentation supports the reported allowance.

Enhanced Disclosures.—This guidance will address appropriate disclosures of allowances for credit losses and the credit quality of institutions' portfolios by identifying key areas for enhanced disclosures, including the need for institutions to disclose changes in risk factor and asset quality that affect allowances for credit losses. The enhanced disclosures would contribute to better understanding by investors and the public of the risk profile of banking institutions and improve market discipline.

The Agencies will work together to encourage and support the Financial Accounting Standards Board's process of providing additional guidance regarding accounting for allowances for loan losses. The Agencies emphasize that GAAP requires that management's determination be based on a comprehensive, adequately documented, and consistently applied analysis of the particular institution's exposures, the effects of its lending and collection policies, and its own loss experience under comparable conditions.

In addition, the Agencies will support and encourage the task force of the American Institute of Certified Public Accountants (AICPA) that is developing more specific guidance on the accounting for allowances for credit losses and the techniques of measuring the credit loss inherent in a portfolio at a particular date. In particular, the AICPA task force will focus on providing guidance on how best to distinguish probable-losses inherent in the portfolio as of the balance sheet date—the guidepost agreed to by the Agencies for reporting allowances in accordance with GAAP—from possible or future losses not inherent in the balance sheet as of that date. Additionally, the Agencies will ask the AICPA task force to consider recently developed portfolio credit risk measurement and management techniques that are consistent with GAAP as part of this effort. The AICPA project already has been initiated and will include representatives from the accounting profession and the banking industry, as well as observers from the SEC and the banking agencies.

Senior staff of the Agencies will continue to meet to discuss banking industry accounting and financial disclosure policy issues of interest that affect the transparency of financial reporting and bank safety and soundness. These discussions will address progress in the application of accounting and disclosure standards by banking institutions, including those impacting the allowance for credit losses, with particular focus on recently identified issues and trends. The meetings also will be used to coordinate projects of the Agencies in areas of mutual interest. The first of these meetings was held on January 27.

The Agencies believe that the actions announced above will promote a better and clearer understanding among financial institutions of the appropriate procedures and processes for determining credit losses in accordance with GAAP. The Agencies intend that these steps will enhance the transparency of financial information and improve market discipline, consistent with safety and soundness objectives. In recognition of the specialized regulatory nature of the banking industry and in order to resolve ongoing uncertainties in the industry, with the announcement of these initiatives, the Agencies' focus, in so far as feasible, will be on enhancing allowance practices going forward.

To: Washington, Consuela.
Subject: More on loan loss.
Re: the transcript I just sent you—I know a few of the bank regulators kind of waffled or ducked a little on the answer to "do we need regulation?" but NONE of them said anything close to "yes."

Also, below is an excerpt from the appendix to the OCC's written testimony for the loan loss hearing (also on the H. Banking website):

Question 4. Please discuss whether the SEC has consulted with and coordinated its comments on loan loss reserves with the Federal Reserve and other federal banking regulators. Please discuss whether you believe consultation between the SEC and the regulators prior to the SEC issuing loan loss reserve comments would be workable and whether prior consultation would promote a more consistent approach to GAAP.

Answer 4. Although SEC staff occasionally consult with the OCC's Chief Accountant's staff on accounting issues, the SEC has not generally done so on issues involving comments for a specific registrant, particularly regarding the registrant's loan loss reserve.

The OCC believes that such consultation would promote a more consistent approach to GAAP. However, because of examination timing and other logistical issues, such consultation, if practiced for all filings, might detract from the SEC's ability to ensure that registrants receive timely reviews of their statements. A more efficient approach would be for the SEC to consult with bank regulators on filings where it has significant questions pertaining to a registrant's loan loss reserve.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey (Mrs. ROUKEMA).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. ROUKEMA. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 235, further proceedings on the amendment offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 235, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 1 offered by the gentleman from North Carolina (Mr. BURR), amendment No. 4 offered by the gentleman from Georgia (Mr. BARR), amendment No. 7 offered by the gentleman from Utah (Mr. COOK), and amendment No. 8 offered by the gentlewoman from New Jersey (Mrs. ROUKEMA).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. BURR OF NORTH CAROLINA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 1 offered by the gentleman from North Carolina (Mr. BURR) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 238, noes 189, not voting 7, as follows:

[Roll No. 268]

AYES—238

Abercrombie
Aderholt
Archer
Armey
Bachus
Baird
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Boswell
Boucher
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clyburn
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Davis (FL)
Davis (VA)
Deal
Delahunt
DeLay
DeMint
Diaz-Balart
Dickey
Dixon
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Etheridge
Everett
Ewing
Fletcher
Fowler
Franks (NJ)
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hilliard
Hobson
Horn
Houghton
Hoyer
Hulshof
Hunter
Hyde
Isakson
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Jones (NC)
Kasich
Kelly
Kildee
King (NY)
Kingston
Kleczka
Knollenberg
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek (FL)
Metcalf
Miller (FL)
Minge
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Ose
Oxley
Packard
Paul
Payne
Pease
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Reynolds
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Rush
Salmon
Sanford
Sawyer
Saxton
Schaffer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Skelton
Smith (TX)
Souder
Spence
Spratt
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Toomey
Towns
Traficant
Udall (CO)
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOES—189

Ackerman
Allen
Andrews
Baldacci
Baldwin
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Blagojevich
Blumenauer
Bonior
Bono
Boyd
Brady (PA)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Clement
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Danner
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Frank (MA)
Frelinghuysen
Frost
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Green (WI)
Gutierrez
Hall (OH)
Hefley
Hill (IN)
Hill (MT)
Hinchey
Hinojosa
Hoeffel
Hoekstra
Holden
Holt
Hooley
Hostettler
Hutchinson
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kilpatrick
Kind (WI)
Klink
Kolbe
Kucinich
Kuykendall
LaFalce
Lampson

Lantos
Larson
Leach
Lee
Levin
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Gary
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Petri
Phelps
Pickett
Pomeroy
Porter
Rahall
Rangel
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Scarborough
Schakowsky
Serrano
Sherman
Sisisky
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (WA)
Snyder
Stabenow
Stark
Stearns
Tanner
Tiahrt
Tierney
Turner
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Waters
Waxman
Wexler
Weygand
Woolsey
Wu

NOT VOTING—7

Borski
Brown (CA)
Fossella
Ganske
Green (TX)
Lipinski
Pelosi

□ 2025

Messrs. DAVIS of Illinois, NUSSLE, OBERSTAR, RILEY, DEUTSCH, and TIAHRT changed their vote from "aye" to "no."

Mrs. THURMAN, Ms. EDDIE BERNICE JOHNSON of Texas, and Messrs. ABERCROMBIE, SHADEGG, HILLIARD, DIXON, UDALL of Colorado, and LAZIO changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 235, the Chair announces that it will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 4 OFFERED BY MR. BARR OF GEORGIA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 4 offered by the gentleman from Georgia (Mr. BARR) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 129, noes 299, not voting 6, as follows:

[Roll No. 269]

AYES—129

Aderholt
Archer
Armey
Barcia
Barr
Bartlett
Barton
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Burr
Buyer
Callahan
Camp
Campbell
Chabot
Chenoweth
Clement
Coble
Coburn
Collins
Combest
Cook
Crane
Cubin
Deal
DeMint
Doolittle
Dreier
Duncan
Ehrlich
English
Everett
Fletcher
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Green (WI)
Gutknecht
Hall (TX)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hoekstra
Hostettler
Hulshof
Hunter
Istook
Jenkins
Johnson, Sam
Jones (NC)
Kingston
Largent
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McInnis
McIntyre
McKeon
Metcalf
Miller, Gary
Miller, George
Mink
Moran (KS)
Myrick
Nethercutt
Ney
Norwood
Ose
Packard
Paul
Pease
Peterson (MN)
Pickering
Pickett
Pitts
Pombo
Radanovich
Reynolds
Riley
Rivers
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Sanford
Scarborough
Schaffer
Sensenbrenner
Sessions
Sherwood
Shuster
Skeen
Smith (MI)
Smith (NJ)
Spence
Stearns
Stump
Sununu
Tancredo
Taylor (MS)
Taylor (NC)
Thornberry
Tiahrt
Toomey
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
Wicker
Woolsey
Young (AK)

NOES—299

Abercrombie
Ackerman
Allen
Andrews
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Bonior
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Burton
Calvert
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clay
Clayton
Clyburn
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crowley
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Edwards
Ehlers
Emerson
Engel
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Granger
Greenwood
Gutierrez
Hall (OH)
Hansen
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hutchinson
Hyde
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
Lazio
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McIntosh
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Peterson (PA)
Petri
Phelps
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Serrano
Shadegg
Shaw
Shays
Sherman
Shimkus
Shows
Simpson
Sisisky
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sweeney
Talent
Tanner
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Weygand
Whitfield
Wilson
Wise
Wolf
Wu
Wynn
Young (FL)

NOT VOTING—6

Borski
Brown (CA)
Fossella
Green (TX)
Lipinski
Pelosi

□ 2033

Mr. NADLER changed his vote from "aye" to "no."

Mr. TAYLOR of Mississippi changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 7 OFFERED BY MR. COOK

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 7 offered by the gentleman from Utah (Mr. COOK) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 114, noes 313, not voting 7, as follows:

[Roll No. 270]

AYES—114

Aderholt
Archer
Armey
Bachus
Baker
Barr
Bartlett
Bentsen
Biggert
Blunt
Boehner
Bonilla
Boswell
Burton
Buyer
Callahan
Cannon
Chambliss
Coburn
Collins
Cook
Cramer
Crane
Cubin
Cunningham
Davis (VA)
DeLay
DeMint
Diaz-Balart
Dreier
Duncan
Dunn
Engel
English
Everett
Fletcher
Gibbons
Gilchrest
Goodling
Goss
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hoekstra
Horn
Hostettler
Hutchinson
Isakson
Jenkins
Kingston
Kuykendall
Latham
Leach
Lewis (KY)
Linder
Maloney (NY)
McCollum
McCrery
McGovern
McInnis
McIntosh
McKeon
McNulty
Metcalf
Miller, Gary
Morella
Myrick
Nadler
Nethercutt
Norwood
Nussle
Ose
Packard
Paul
Peterson (MN)
Riley
Rogers
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Scarborough
Sessions
Shadegg
Shuster
Simpson
Slaughter
Smith (MI)
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Taylor (NC)
Terry
Thornberry
Thune
Tiahrt
Toomey
Upton
Walden
Weldon (FL)
Weller
Wicker

NOES—313

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bereuter
Berkley
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Bonior
Bono
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Calvert
Camp
Campbell
Canady
Capps
Capuano
Cardin
Carson
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Edwards
Ehlers
Ehrlich
Emerson
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Graham
Granger
Green (WI)
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Lee
Levin
Lewis (CA)
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Napolitano
Neal
Ney
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Vitter
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Wexler
Weygand
Whitfield
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—7

Borski
Brown (CA)
Chenoweth
Fossella
Green (TX)
Lipinski
Pelosi

☐ 2040

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 8 OFFERED BY MRS. ROUKEMA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 8 offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 407, noes 20, not voting 7, as follows:

[Roll No. 271]

AYES—407

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeLay
DeMint
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz

Ose
Owens
Oxley
Packard
Pascrell
Paul
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NOES—20

DeGette
Deutsch
Dingell
Engel
Hill (MT)
Larson
Luther
Markey
Martinez
McCarthy (MO)
McKinney
Pallone
Pastor
Rangel
Rivers
Rush
Sanchez
Stark
Towns
Wynn

NOT VOTING—7

Borski
Brown (CA)
Diaz-Balart
Fossella
Green (TX)
Lipinski
Pelosi

□ 2048

Mr. LUTHER changed his vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider Amendment No. 9 printed in House Report 106–214.

AMENDMENT NO. 9 OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Madam Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. WATT of North Carolina:

Page 325, line 25, strike the "or" after the semicolon.

Page 326, line 4, strike the period and insert "; or".

Page 326, after line 4, insert the following new subparagraph:

"(C) in the case of an institution or subsidiary at which insurance products are sold or offered for sale, the fact that—

"(i) the approval of an extension of credit to a customer by the institution or subsidiary may not be conditioned on the purchase of an insurance product by such customer from the institution or subsidiary; and

"(ii) the customer is free to purchase the insurance product from another source.".

The CHAIRMAN. Pursuant to House Resolution 235, the gentleman from North Carolina (Mr. WATT) and a Member opposed each will control 5 minutes.

Madam Chairman, I claim the time on the other side.

The CHAIRMAN. Is the gentleman in opposition?

Mr. HILL of Montana. I am momentarily leaning against this amendment, however I am persuadable.

The CHAIRMAN. The gentleman from Montana will be recognized for 5 minutes.

Mr. WATT of North Carolina. Madam Chairman, I yield myself 3 minutes.

Madam Chairman, this amendment is noncontroversial, I believe, and I hope that there is no opposition to it.

In this day in which we are moving toward allowing banks and insurance companies and securities companies to come together into one corporation, the concern that I hear more often than any other concern as I talk to constituents is a concern that when they go to borrow money from a bank, that bank will require them as a condition of getting the loan to use other services that are being brought into this umbrella such as requiring them to purchase insurance from a subsidiary of the bank or an affiliate of the bank, and of course that would be extremely unfair and put the customer at a disadvantage and would put the financial institution at a substantial advantage if they could require as a condition of getting a loan that insurance be bought from one of the affiliated companies.

So in the Committee on Banking and Financial Services I offered this amendment. It passed overwhelmingly in the Committee on Banking and Financial Services, and for some reason when the bill was re-printed, it was not there. So I offered the amendment before the Committee on Rules to get this reinstated.

Let me be clear that this does not prohibit a bank from requiring insurance to be purchased in connection with a loan, because many loans are securitized with life insurance or other kinds of insurance, title insurance. What it says is that that lender cannot require that the customer obtain that insurance from one of its affiliates, and it should be clear that the customer is free to go to an unaffiliated company to obtain insurance if in fact that insurance is required as a condition of the loan.

Let me make one other quick point. This amendment becomes even more important in light of all of the discussions about privacy because if there is to be a sharing of information among affiliates, one of the things that will be able to be shared is the expiration dates on insurance policies, and that in and of itself is likely to put a subsidiary insurance company at an advantage because they may know when an insurance policy is expiring. All the more reason we need to make it absolutely explicitly clear that no customer can be required to purchase insurance from a subsidiary or affiliate of the lending company as a condition for getting the loan.

Madam Chairman, I reserve the balance of my time.

Mr. HILL of Montana. Madam Chairman, I yield myself 3 minutes.

Madam Chairman, I first want to join with the chairman to state that I do support the amendment and compliment the gentleman from North Carolina (Mr. WATT) for bringing it forward. This bill is going to create new financial institutions, allow them to provide new services which will hopefully lower the cost to consumers and create greater competition, and in the end the consumers are going to benefit that.

But there is a serious concern, and that has to do with lending institutions who have the ability to exert undue influence, some would say even potentially coercive influence over their customers.

H.R. 10, this bill, substantially erodes the States' supervision over insurance sales. In fact, it defers to the Comptroller of the Currency with regard to the sale of insurance by national banks. And there is great concern on my part and others about this bill for that reason, and it is my hope that we will go beyond this amendment in conference to deal with this.

But it is extremely important, I think, that the House tonight assert the concept that lenders cannot exert this influence, tying sales of other services in order to influence a loan. Today in every State in the union that conduct is assured through the actions of insurance commissioners and state legislators. Unfortunately this law, H.R. 10 if it passes, will preempt that making that authority void.

I think it is important for Members in the Chamber then tonight to say that no consumer who is applying for a loan or any form of credit should mistakenly believe that their purchase of insurance, or any other service for that matter, from that lender will enhance their ability to get that loan and that credit.

I have a similar provision in this bill with regard to the conduct of the activity of title insurance, however it goes substantially further. It reasserts the State authority over the conduct of title insurance sales activity.

Again, I hope that the conferees will find a better solution than just this amendment, but I think it is essential tonight that the House make clear that we want these protections for consumers in its place.

I would like to just speak briefly to the bill. I hope tonight that we will have an overwhelming support for this bill. I have some concerns about the State regulation of insurance and the structure of these new financial institutions, but it is essential that we modernize our financial institutions.

We have a trade surplus in services and substantially a consequence of our competitiveness in financial services, and if we want to maintain the jobs and the opportunities, the investment in our economy and the growth, then we need to have institutions that are competitive internationally.

Madam Chairman, I would urge all my colleagues to support this bill and to support this amendment.

Madam Chairman, I reserve the balance of my time.

Mr. WATT of North Carolina. Madam Chairman, I yield 1 minute to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Madam Chairman, I rise in support of the amendment, and I thank the gentleman from North Carolina for offering it.

This provision was included within the product produced by the Committee on Banking and Financial Services as were a number of other important consumer protection provisions. The Committee on Rules permitted this amendment to be offered; that is good. They could have permitted the other consumer protection provisions that were included in the banking bill to come before the floor also; most importantly, the one prohibiting redlining by insurance companies that would affiliate with banks. They should not have permitted an amendment on an insurance provision on which there was never a hearing allowing the redomestication of mutual insurance companies in order to rip off the policyholders in order to satisfy the greed of the officers and directors of those mutual insurance companies.

Support the Watt amendment. Strongly oppose the Bliley amendment.

Mr. HILL of Montana. Madam Chairman, I yield 1 minute to the gentleman from Iowa (Mr. LEACH), chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Madam Chairman, I thank the gentleman for yielding this time to me, and I would like to address briefly the Watt amendment. This is an extraordinarily thoughtful amendment brought by one of the most thoughtful Members of our body. Indeed, as chairman of the committee, I would like to say as strongly as I can I know of no more constructively involved member of the Committee on Banking and Financial Services or of this Congress than the gentleman from North Carolina (Mr. WATT), and I would urge support of this amendment. It makes good common sense.

□ 2100

Mr. WATT of North Carolina. Madam Chairman, I yield 1 minute to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Madam Chairman, I would say to the gentleman from Iowa (Mr. LEACH) and the gentleman from North Carolina (Mr. WATT), the sponsor of this amendment, I stood here, having been a freshman member of the Committee on Banking and Financial Services, going through H.R. 10, and wondered what was in it for the consumer.

Under financial modernization, a bank can become an insurance company; an insurance company could become a bank? What would happen to the consumer?

Thank God, thanks to the leadership of our ranking member and the gentleman from North Carolina (Mr. WATT) and other members of the committee, there were consumer protection provisions like this one that said that even if I get a loan from bank A, I do not have to get my insurance from bank A.

So all the little old women walking into banks could say, someone is looking out for me.

I am pleased to stand here in favor, Madam Chairman, of this amendment. I stand here in support of this amendment believing it will help H.R. 10 get closer to the bill that came out of the Committee on Banking and Financial Services.

Mr. HILL of Montana. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I think what is important for all the Members in the Chamber to understand is that, without this amendment, H.R. 10, in essence, creates a void with regard to the regulation of insurance with regard to this activity, the potential course of sale of insurance or other services to loan customers of lending institutions.

So I would urge all of my colleagues to support this amendment.

Madam Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. WATT).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 10 printed in House Report 106–214.

AMENDMENT NO. 10 OFFERED BY MR. BLILEY

Mr. BLILEY. Madam Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. BLILEY:

Page 327, after line 16, insert the following subsection (and redesignate subsequent subsections accordingly):

"(e) DOMESTIC VIOLENCE DISCRIMINATION PROHIBITION.—

"(1) IN GENERAL.—In the case of an applicant for, or an insured under, any insurance product described in paragraph (2), the status of the applicant or insured as a victim of domestic violence, or as a provider of services to victims of domestic violence, shall not be considered as a criterion in any decision with regard to insurance underwriting, pricing, renewal, or scope of coverage of insurance policies, or payment of insurance claims, except as required or expressly permitted under State law.

"(2) SCOPE OF APPLICATION.—The prohibition contained in paragraph (1) shall apply to any insurance product which is sold or offered for sale, as principal, agent, or broker, by any insured depository institution or wholesale financial institution or any person who is engaged in such activities at an office of the institution or on behalf of the institution.

"(3) SENSE OF THE CONGRESS.—It is the sense of the Congress that, by the end of the 30-month period beginning on the date of the enactment of this Act, the States should enact prohibitions against discrimination with respect to insurance products that are at least as strict as the prohibitions contained in paragraph (1).

"(4) DOMESTIC VIOLENCE DEFINED.—For purposes of this subsection, the term 'domestic violence' means the occurrence of 1 or more of the following acts by a current or former family member, household member, intimate partner, or caretaker:

"(A) Attempting to cause or causing or threatening another person physical harm, severe emotional distress, psychological trauma, rape, or sexual assault.

"(B) Engaging in a course of conduct or repeatedly committing acts toward another person, including following the person without proper authority, under circumstances that place the person in reasonable fear of bodily injury or physical harm.

"(C) Subjecting another person to false imprisonment.

"(D) Attempting to cause or cause damage to property so as to intimidate or attempt to control the behavior of another person.

Page 336, after line 13, insert the following new subtitle (and redesignate subsequent subtitles and amend the table of contents accordingly):

Subtitle B—Redomestication of Mutual Insurers

SEC. 311. GENERAL APPLICATION.

This subtitle shall only apply to a mutual insurance company in a State which has not enacted a law which expressly establishes reasonable terms and conditions for a mutual insurance company domiciled in such State to reorganize into a mutual holding company.

SEC. 312. REDOMESTICATION OF MUTUAL INSURERS.

(a) REDOMESTICATION.—A mutual insurer organized under the laws of any State may transfer its domicile to a transferee domicile as a step in a reorganization in which, pursuant to the laws of the transferee domicile and consistent with the standards in subsection (f), the mutual insurer becomes a stock insurer that is a direct or indirect subsidiary of a mutual holding company.

(b) RESULTING DOMICILE.—Upon complying with the applicable law of the transferee domicile governing transfers of domicile and completion of a transfer pursuant to this section, the mutual insurer shall cease to be a domestic insurer in the transferor domicile and, as a continuation of its corporate existence, shall be a domestic insurer of the transferee domicile.

(c) Licenses Preserved.—The certificate of authority, agents' appointments and licenses, rates, approvals and other items that a licensed State allows and that are in existence immediately prior to the date that a redomesticating insurer transfers its domicile pursuant to this subtitle shall continue in full force and effect upon transfer, if the insurer remains duly qualified to transact the business of insurance in such licensed State.

(d) Effectiveness of Outstanding Policies and Contracts.—

(1) In general.—All outstanding insurance policies and annuities contracts of a redomesticating insurer shall remain in full force and effect and need not be endorsed as to the new domicile of the insurer, unless so ordered by the State insurance regulator of a licensed State, and then only in the case of outstanding policies and contracts whose owners reside in such licensed State.

(2) Forms.—

(A) Applicable State law may require a redomesticating insurer to file new policy forms with the State insurance regulator of a licensed State on or before the effective date of the transfer.

(B) Notwithstanding subparagraph (A), a redomesticating insurer may use existing policy forms with appropriate endorsements to reflect the new domicile of the redomesticating insurer until the new policy forms are approved for use by the State insurance regulator of such licensed State.

(e) Notice.—A redomesticating insurer shall give notice of the proposed transfer to the State insurance regulator of each licensed State and shall file promptly any resulting amendments to corporate documents required to be filed by a foreign licensed mutual insurer with the insurance regulator of each such licensed State.

(f) Procedural Requirements.—No mutual insurer may redomesticate to another State and reorganize into a mutual holding company pursuant to this section unless the State insurance regulator of the transferee domicile determines that the plan of reorganization of the insurer includes the following requirements:

(1) Approval by board of directors and policyholders.—The reorganization is approved by at least a majority of the board of directors of the mutual insurer and at least a majority of the policyholders who vote after notice, disclosure of the reorganization and the effects of the transaction on policyholder contractual rights, and reasonable opportunity to vote, in accordance with such notice, disclosure, and voting procedures as are approved by the State insurance regulator of the transferee domicile.

(2) Continued voting control by policyholders; review of public stock offering.—After the consummation of a reorganization, the policyholders of the reorganized insurer shall have the same voting rights with respect to the mutual holding company as they had before the reorganization with respect to the mutual insurer. With respect to an initial public offering of stock, the offering shall be conducted in compliance with applicable securities laws and in a manner approved by the State insurance regulator of the transferee domicile.

(3) Award of stock or grant of options to officers and directors.—For a period of 6 months after completion of an initial public offering, neither a stock holding company nor the converted insurer shall award any stock options or stock grants to persons who are elected officers or directors of the mutual holding company, the stock holding company, or the converted insurer, except with respect to any such awards or options to which a person is entitled as a policyholder and as approved by the State insurance regulator of the transferee domicile.

(4) Contractual rights.—Upon reorganization into a mutual holding company, the contractual rights of the policyholders are preserved.

(5) Fair and equitable treatment of policyholders.—The reorganization is approved as fair and equitable to the policyholders by the insurance regulator of the transferee domicile.

SEC. 313. EFFECT ON STATE LAWS RESTRICTING REDOMESTICATION.

(a) In General.—Unless otherwise permitted by this subtitle, State laws of any transferor domicile that conflict with the purposes and intent of this subtitle are preempted, including but not limited to—

(1) any law that has the purpose or effect of impeding the activities of, taking any action against, or applying any provision of law or regulation to, any insurer or an affiliate of such insurer because that insurer or any affiliate plans to redomesticate, or has redomesticated, pursuant to this subtitle;

(2) any law that has the purpose or effect of impeding the activities of, taking action against, or applying any provision of law or regulation to, any insured or any insurance licensee or other intermediary because such person has procured insurance from or placed insurance with any insurer or affiliate of such insurer that plans to redomesticate, or has redomesticated, pursuant to this subtitle, but only to the extent that such law would treat such insured licensee or other intermediary differently than if the person procured insurance from, or placed insurance with, an insured licensee or other intermediary which had not redomesticated;

(3) any law that has the purpose or effect of terminating, because of the redomestication of a mutual insurer pursuant to this subtitle, any certificate of authority, agent appointment or license, rate approval, or other approval, of any State insurance regulator or other State authority in existence immediately prior to the redomestication in any State other than the transferee domicile.

(b) Differential Treatment Prohibited.—No State law, regulation, interpretation, or functional equivalent thereof, of a State other than a transferee domicile may treat a redomesticating or redomesticated insurer or any affiliate thereof any differently than an insurer operating in that State that is not a redomesticating or redomesticated insurer.

(c) Laws Prohibiting Operations.—If any licensed State fails to issue, delays the issuance of, or seeks to revoke an original or renewal certificate of authority of a redomesticated insurer immediately following redomestication, except on grounds and in a manner consistent with its past practices regarding the issuance of certificates of authority to foreign insurers that are not redomesticating, then the redomesticating insurer shall be exempt from any State law of the licensed State to the extent that such State law or the operation of such State law would make unlawful, or regulate, directly or indirectly, the operation of the redomesticated insurer, except that such licensed State may require the redomesticated insurer to—

(1) comply with the unfair claim settlement practices law of the licensed State;

(2) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on licensed insurers or policyholders under the laws of the licensed State;

(3) register with and designate the State insurance regulator as its agent solely for the purpose of receiving service of legal documents or process;

(4) submit to an examination by the State insurance regulator in any licensed state in which the redomesticated insurer is doing business to determine the insurer's financial condition, if—

(A) the State insurance regulator of the transferee domicile has not begun an examination of the redomesticated insurer and has not scheduled such an examination to begin before the end of the 1-year period beginning on the date of the redomestication; and

(B) any such examination is coordinated to avoid unjustified duplication and repetition;

(5) comply with a lawful order issued in—

(A) a delinquency proceeding commenced by the State insurance regulator of any licensed State if there has been a judicial finding of financial impairment under paragraph (7); or

(B) a voluntary dissolution proceeding;

(6) comply with any State law regarding deceptive, false, or fraudulent acts or practices, except that if the licensed State seeks an injunction regarding the conduct described in this paragraph, such injunction must be obtained from a court of competent jurisdiction as provided in section 314(a);

(7) comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance regulator alleging that the redomesticating insurer is in hazardous financial condition or is financially impaired;

(8) participate in any insurance insolvency guaranty association on the same basis as any other insurer licensed in the licensed State; and

(9) require a person acting, or offering to act, as an insurance licensee for a redomesticated insurer in the licensed State to obtain a license from that State, except that such State may not impose any qualification or requirement that discriminates against a nonresident insurance licensee.

SEC. 314. OTHER PROVISIONS.

(a) Judicial Review.—The appropriate United States district court shall have exclusive jurisdiction over litigation arising under this section involving any redomesticating or redomesticated insurer.

(b) Severability.—If any provision of this section, or the application thereof to any person or circumstances, is held invalid, the remainder of the section, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 315. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) Court of competent jurisdiction.—The term "court of competent jurisdiction" means a court authorized pursuant to section 314(a) to adjudicate litigation arising under this subtitle.

(2) Domicile.—The term "domicile" means the State in which an insurer is incorporated, chartered, or organized.

(3) Insurance licensee.—The term "insurance licensee" means any person holding a license under State law to act as insurance agent, subagent, broker, or consultant.

(4) Institution.—The term "institution" means a corporation, joint stock company, limited liability company, limited liability partnership, association, trust, partnership, or any similar entity.

(5) Licensed state.—The term "licensed State" means any State, the District of Columbia, American Samoa, Guam, Puerto

Rico, or the United States Virgin Islands in which the redomesticating insurer has a certificate of authority in effect immediately prior to the redomestication.

(6) MUTUAL INSURER.—The term "mutual insurer" means a mutual insurer organized under the laws of any State.

(7) PERSON.—The term "person" means an individual, institution, government or governmental agency, State or political subdivision of a State, public corporation, board, association, estate, trustee, or fiduciary, or other similar entity.

(8) POLICYHOLDER.—The term "policyholder" means the owner of a policy issued by a mutual insurer, except that, with respect to voting rights, the term means a member of a mutual insurer or mutual holding company granted the right to vote, as determined under applicable State law.

(9) REDOMESTICATED INSURER.—The term "redomesticated insurer" means a mutual insurer that has redomesticated pursuant to this subtitle.

(10) REDOMESTICATING INSURER.—The term "redomesticating insurer" means a mutual insurer that is redomesticating pursuant to this subtitle.

(11) REDOMESTICATION OR TRANSFER.—The terms "redomestication" and "transfer" mean the transfer of the domicile of a mutual insurer from one State to another State pursuant to this subtitle.

(12) STATE INSURANCE REGULATOR.—The term "State insurance regulator" means the principal insurance regulatory authority of a State, the District of Columbia, American Samoa, Guam, Puerto Rico, or the United States Virgin Islands.

(13) STATE LAW.—The term "State law" means the statutes of any State, the District of Columbia, American Samoa, Guam, Puerto Rico, or the United States Virgin Islands and any regulation, order, or requirement prescribed pursuant to any such statute.

(14) TRANSFEREE DOMICILE.—The term "transferee domicile" means the State to which a mutual insurer is redomesticating pursuant to this subtitle.

(15) TRANSFEROR DOMICILE.—The term "transferor domicile" means the State from which a mutual insurer is redomesticating pursuant to this subtitle.

SEC. 316. EFFECTIVE DATE.

This subtitle shall take effect on the date of the enactment of this Act.

PARLIAMENTARY INQUIRY

Mr. VENTO. Madam Chairman, parliamentary inquiry.

Madam Chairman, is it possible to have this amendment divided by unanimous consent?

The CHAIRMAN. Under the rule, the amendment is not divisible; and the Committee cannot alter that feature of the rule.

Mr. VENTO. Even though these are separate topics, completely separate topics, in the amendment?

The CHAIRMAN. It is not in order under the rule, even by unanimous consent.

Mr. LAFALCE. Even though it is not in order under the rule that we oppose, could we not divide it if there were unanimous consent?

The CHAIRMAN. The Committee of the Whole cannot change the rule.

Mr. LAFALCE. Could we have unanimous consent to rise and then ask unanimous consent to go into the full House and then request a division of this amendment into two parts?

Mr. BLILEY. I object.

The CHAIRMAN. No request has been made.

MOTION OFFERED BY MR. LAFALCE

Mr. LAFALCE. Madam Chairman, I move that the Committee do now rise for the purpose aforestated.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York (Mr. LAFALCE).

The question was taken, and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LAFALCE. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 232, not voting 23, as follows:

[Roll No. 272]

AYES—179

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dixon
Doggett
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Payne
Peterson (MN)
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Schakowsky
Scott
Serrano
Sherman
Shows
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu

NOES—232

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Cook
Cooksey
Costello
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dingell
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Forbes
Ford
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, George
Minge
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Ose
Oxley
Packard
Pastor
Paul
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Portman
Pryce (OH)
Quinn
Rahall
Ramstad
Regula
Reynolds
Riley
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—23

Baldacci
Barton
Borski
Brown (CA)
Clay
Combest
Dicks
Dooley
Doyle
Fossella
Green (TX)
Gutierrez
Holden
Lipinski
Menendez
Miller, Gary
Nussle
Pelosi
Pombo
Porter
Radanovich
Rogan
Sawyer

□ 2124

Mrs. MYRICK, Mr. GUTKNECHT, Mr. GREENWOOD, and Mrs. MORELLA changed their vote from "aye" to "no."

Mr. HOEFFEL, Mr. DAVIS of Illinois, Ms. SANCHEZ, and Ms. McKINNEY changed their vote from "no" to "aye."

So the motion to rise was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Pursuant to House Resolution 235, the gentleman from Virginia (Mr. BLILEY) and a Member opposed each will control 5 minutes.

Mr. LAFALCE. Madam Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from New York (Mr. LAFALCE) will be recognized to control the time in opposition.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

Mr. BLILEY. Madam Chairman, I yield myself 1½ minutes.

Madam Chairman, this amendment is simple and straightforward. It does only two things. First, it prohibits banks from discriminating against victims of domestic violence and insurance sales.

The majority of States already have laws preventing discrimination against victims of domestic violence. However, H.R. 10 would allow Federal banking regulators to preempt a number of State consumer protection laws, and in addition, a few States have not yet acted on this issue.

This amendment would not preempt State laws, but ensures where no protections for domestic violence victims existed or where the banking regulators were trying to preempt such laws, the domestic violence victims will be protected.

Second, the bill would allow mutual insurance companies to redomesticate and reorganize into a mutual holding company or into a stock company. Without the redomestication provision, mutual insurance companies will be placed at a severe disadvantage in raising capital and competing with other financial holding companies.

It only takes effect in States that have not enacted laws governing mutual holding companies, and it requires approval from the insurance regulator that the company has met numerous specific consumer protections.

Madam Chairman, I yield 1½ minutes to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Madam Chairman, I rise in reluctant support of the Bliley amendment. I guess I am pleased, if a little bit puzzled, that this amendment has been coupled, the domestic violence amendment has been coupled with redomestication of mutual insurers. I think the only two things that are the same in these concepts are the word "domestic."

□ 2130

But the reason I support this amendment is because it is extremely important to millions of domestic violence victims around this country, many of them women who have been discriminated against, unbelievably, in insurance company underwriting and in claims processing and in rates.

We have a woman in Colorado, for example, whose husband tried to murder her by burning down their house. She was almost killed, but she survived. When the insurance company got the claim, they only paid 50 percent because they said she was 50 percent responsible for the house burning down because she was a domestic violence victim.

I am disappointed, frankly, that the Committee on Rules did not make in order my amendment with the gentleman from Ohio (Mr. Oxley), a stand alone amendment, which was unanimously supported in the Committee on Commerce, which passed this House last year as part of the House bill, and went on to the Senate. I am saddened that that was not done in its own right. But, frankly, it was not. So, to me, it is important for the millions of domestic violence victims to pass this amendment.

Mr. LAFALCE. Madam Chairman, I yield myself 2 minutes.

Madam Chairman, this amendment is a travesty and should be opposed. It is absolutely outrageous that the Committee on Rules has permitted the combination of prohibitions against discrimination because of domestic violence with redomestication of mutual insurance companies.

My colleagues would get 100 percent of this body to vote for the prohibition with respect to domestic violence, and they know that. No one should vote for the redomestication of mutual insurance company, and that is the only reason the gentleman from Virginia (Mr. BLILEY) has combined them, because no one would vote for his amendment if it were standing by itself.

Why? Because greed is involved. Greed on the part of the officers and directors of the mutual insurance companies.

Why? Because theft is involved. Theft is involved of the ownership right of, not millions, but tens of millions of policy holders, women and men and children, et cetera. One is stealing their rights by this Federal law.

Why? Because this is an anti-States rights amendment. That is why the National Conference of State Legislatures have said, do not pass this amendment. We recognize the provisions of domestic violence. We love those. But we do not want you to infringe on our rights.

The gentleman from Virginia said, well, if the State has got a mutual holding company provision, it does not apply. Well, New York does not. Massachusetts does not. Countless other States do not. The gentleman would override theirs.

The gentleman said, well, the State insurance regulator has to approve. Not of the host States, just of the States they want to go to. They will pick the worst State in the Union, they will go to that State, and, of course, the insurance regulator will permit it. They will do anything to get a domestic, a mutual insurance company to relocate so long as they can satisfy the officers and directors.

There is no good reason for it. There has been no hearing on it. It has absolutely no relationship to financial services modernization. It has absolutely no relationship to affiliation. What is this? It is a pay off to the mutual insurance industry. No more. No less.

Mr. BLILEY. Madam Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Madam Chairman, I rise today in support of the amendment of the gentleman from Virginia (Mr. BLILEY) to put this redomestication provision back in this legislation. This is a technical issue, and I think I want to try to clarify what this amendment seeks to do.

Mutual insurance companies are essentially cooperatives and they have no stockholders, only policy holders. A mutual company may own the stock of the subsidiary, but, having no shareholders, it is confined to lower subsidiaries if they want to diversify.

This structure imposes serious limitations on the ability of a mutual company to make significant acquisitions in order to stay competitive. In addition, a mutual insurer cannot sell stock, thereby limiting its ability to raise capital to diversify.

Taken together, these factors place mutual insurers at a substantial disadvantage in an affiliated environment such as H.R. 10 allows for.

While State laws generally permit insurers to move their base, States are capable of imposing significant practical barriers to redomestication. I do not believe that a mutual insurer's ability to participate fully in an affiliated financial services environment should depend solely on the State where they are based.

It is for these reasons I believe we should support this amendment.

Mr. LAFALCE. Madam Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Madam Chairman, this is the most shameful abuse of the democratic process I have ever seen. My colleagues have an effort not to stop the insurance company from demutualizing, but simply to require them to abide by the State law where they were chartered and their contract with their policy holders.

The gentleman from Virginia is not saying they should be able to demutualize, he is saying they should be able to do it without sharing with the policyholders what they pledged to the policyholders they would do when they sold them the policy. That is so hard to defend that he is literally hiding behind battered women.

Why are these together? Domestic violence and redomestication? I am surprised the gentleman does not have in there housebreaking one's dog for domestic animals because that is all it has got in common.

The gentleman has something so bad it cannot stand on its own. He is asking to give permission to the mutual insurance companies. What the gentlewoman from New York (Mrs. KELLY) said is completely irrelevant. No one is trying to stop them from demutualizing.

They now have to, in certain States, demutualize in accordance with the rules of that State where they were chartered and in accordance with what they promise the policyholders. This is a license for them to avoid States rights, break the rules that they have for policyholders, and the gentleman shamefully does it by hiding behind the victims of domestic violence.

Mr. BLILEY. Madam Chairman, I yield the balance of my time to the gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Madam Chairman, let me say that, first of all, the argument is the Committee on Rules. My colleagues point to the fact that the Committee on Rules did it again. That is what they are really saying. But I do not think that my colleagues should forget about what we are dealing with here. We are talking about two things, domestic violence and redomestication. I think that these issues are very, very important.

Also, I want to talk about the fact that insurance, the last time I heard, was under the jurisdiction of the Committee on Commerce. I mean, unless something changed over the last 24 hours, the Committee on Commerce had jurisdiction over insurance. So, therefore, I think that the Committee on Commerce here really has a lot to say about this issue.

I think that the other thing that I would like to just sort of talk about, mutual insurance companies would be placed at a severe disadvantage in terms of raising capital. I think that capital is very, very important. This amendment corrects that. I think that we need to make certain that that is done. I think that is important that we do that.

Let me say to my colleagues that I think this is a good amendment, and I urge support of it.

Mr. LAFALCE. Madam Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Madam Chairman, I rise in opposition to particularly the last part of this amendment. It really is a real disservice to mutual policyholders, who are owners of the insurance company. To allow an insurance company to take the assets and convert to a stock company puts those policyholders at a real disadvantage.

Now, I had some experience with this. The last case that I ever handled in the practice of law was one of these cases where a mutual company, without the authorization of the insureds, tried to do this very thing. They ended up understating the value of the assets. They were not going to give the insurance policyholders one dime until we got involved, and they ended up paying them millions of dollars.

I think this is a bad idea, and we should vote against this amendment.

Mr. LAFALCE. Madam Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. BARRETT) for closure.

Mr. BARRETT of Wisconsin. Madam Chairman, the States rights, States rights, States rights. Where are they? Where are the States rights?

We have got all these elected officials at the State level, and we do not trust them. Because if they refuse to pass a law that the mutual insurance companies like, we are going to just allow them to pack up and move out of State.

This is the most hypocritical amendment for advocates of States rights that I have seen in this Chamber. How anybody can vote for this amendment and claim they are in favor of States rights defies logic.

It is a rip-off. It is a rip-off to shareholders and for stockholders and mutual insurance policyholders who bought those policies because they would be owners of that company. It rips them off. It is wrong, wrong, wrong.

It is unfortunate that it is being hidden behind battered women. That is disgusting. This amendment should be voted down. We should do it right, provide protection for the battered women, and not allow this dangerous rip-off.

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Virginia (Mr. BLILEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BLILEY. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 235, further proceedings on the amendment offered by the gentleman from Virginia will be postponed.

It is now in order to consider amendment No. 11 printed in House Report 106–214.

AMENDMENT NO. 11 OFFERED BY MR. OXLEY

Mr. OXLEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. OXLEY:

Page 378, beginning on line 16, strike subtitle A of title V and insert the following (and conform the table of contents accordingly):

Subtitle A—Disclosure of Nonpublic Personal Information

SEC. 501. PROTECTION OF NONPUBLIC PERSONAL INFORMATION.

(a) PRIVACY OBLIGATION POLICY.—It is the policy of the Congress that each financial institution has an affirmative and continuing obligation to respect the privacy of its customers and to protect the security and confidentiality of those customers' nonpublic personal information.

(b) FINANCIAL INSTITUTIONS SAFEGUARDS.—In furtherance of the policy in subsection (a), each agency or authority described in section 505(a) shall establish appropriate standards for the financial institutions subject to their jurisdiction relating to administrative, technical, and physical safeguards—

(1) to insure the security and confidentiality of customer records and information;

(2) to protect against any anticipated threats or hazards to the security or integrity of such records; and

(3) to protect against unauthorized access to or use of such records or information which could result in substantial harm or inconvenience to any customer.

SEC. 502. OBLIGATIONS WITH RESPECT TO DISCLOSURES OF PERSONAL INFORMATION.

(a) NOTICE REQUIREMENTS.—Except as otherwise provided in this subtitle, a financial institution may not, directly or through any affiliate, disclose to a nonaffiliated third party any nonpublic personal information, unless such financial institution provides or has provided to the consumer a notice that complies with section 503(b).

(b) OPT OUT.—

(1) IN GENERAL.—A financial institution may not disclose nonpublic personal information to nonaffiliated third parties unless—

(A) such financial institution clearly and conspicuously discloses to the consumer, in writing or in electronic form (or other form permitted by the regulations prescribed under section 504), that such information may be disclosed to such third parties;

(B) the consumer is given the opportunity, before the time that such information is initially disclosed, to direct that such information not be disclosed to such third parties; and

(C) the consumer is given an explanation of how the consumer can exercise that nondisclosure option.

(2) EXCEPTION.—This subsection shall not prevent a financial institution from providing nonpublic personal information to a nonaffiliated third party to perform services or functions on behalf of the financial institution, including marketing of the financial institution's own products or services or financial products or services offered pursuant to joint agreements between two or more financial institutions that comply with the requirements imposed by the regulations prescribed under section 504, if the financial institution fully discloses the providing of such information and enters into a contractual agreement with the third party that requires the third party to maintain the confidentiality of such information.

(c) LIMITS ON REUSE OF INFORMATION.—Except as otherwise provided in this subtitle, a nonaffiliated third party that receives from a financial institution nonpublic personal information under this section shall not, directly or through an affiliate of such receiving third party, disclose such information to any other person that is a nonaffiliated third party of both the financial institution and such receiving third party, unless such disclosure would be lawful if made directly to such other person by the financial institution.

(d) Limitations on the Sharing of Account Number Information for Marketing Purposes.—A financial institution shall not disclose an account number or similar form of access number or access code for a credit card account, deposit account, or transaction account of a consumer to any nonaffiliated third party for use in telemarketing, direct mail marketing, or other marketing through electronic mail to the consumer.

(e) General Exceptions.—Subsections (a) and (b) shall not prohibit the disclosure of nonpublic personal information—

(1) as necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with—

(A) servicing or processing a financial product or service requested or authorized by the consumer;

(B) maintaining or servicing the consumer's account with the financial institution; or

(C) a proposed or actual securitization, secondary market sale (including sales of servicing rights), or similar transaction related to a transaction of the consumer;

(2) with the consent or at the direction of the consumer;

(3) to protect the confidentiality or security of its records pertaining to the consumer, the service or product, or the transaction therein, or to protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability, for required institutional risk control, or for resolving customer disputes or inquiries, or to persons holding a beneficial interest relating to the consumer, or to persons acting in a fiduciary capacity on behalf of the consumer;

(4) to provide information to insurance rate advisory organizations, guaranty funds or agencies, applicable rating agencies of the financial institution, persons assessing the institution's compliance with industry standards, and the institution's attorneys, accountants, and auditors;

(5) to the extent specifically permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1978, to law enforcement agencies (including a Federal functional regulator, a State insurance authority, or the Federal Trade Commission), self-regulatory organizations, or for an investigation on a matter related to public safety;

(6) to a consumer reporting agency in accordance with the Fair Credit Reporting Act, or in accordance with interpretations of such Act by the Board of Governors of the Federal Reserve System or the Federal Trade Commission, including interpretations published as commentary (16 C.F.R. 601-622);

(7) in connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of nonpublic personal information concerns solely consumers of such business or unit; or

(8) to comply with Federal, State, or local laws, rules, and other applicable legal requirements; to comply with a properly authorized civil, criminal, or regulatory investigation or subpoena by Federal, State, or local authorities; or to respond to judicial process or government regulatory authorities having jurisdiction over the financial institution for examination, compliance, or other purposes as authorized by law.

SEC. 503. DISCLOSURE OF INSTITUTION PRIVACY POLICY.

(a) Disclosure Required.—A financial institution shall clearly and conspicuously disclose to each consumer, at the time of establishing the customer relationship with the consumer and not less than annually, in writing or in electronic form (or other form permitted by the regulations prescribed under section 504), its policies and practices with respect to protecting the nonpublic personal information of consumers in accordance with the rules prescribed under section 504.

(b) Information To Be Included.—The disclosure required by subsection (a) shall include—

(1) the policy and practices of the institution with respect to disclosing nonpublic personal information to nonaffiliated third parties, other than agents of the institution, consistent with section 502 of this subtitle, and including—

(A) the categories of persons to whom the information is or may be disclosed, other than the persons to whom the information may be provided pursuant to section 502(e); and

(B) the practices and policies of the institution with respect to disclosing of nonpublic personal information of persons who have ceased to be customers of the financial institution;

(2) the categories of nonpublic personal information that are collected by the financial institution;

(3) the policies that the institution maintains to protect the confidentiality and security of nonpublic personal information in accordance with section 501; and

(4) the disclosures required, if any, under section 603(d)(2)(A)(iii) of the Fair Credit Reporting Act.

SEC. 504. RULEMAKING.

(a) Regulatory Authority.—The Federal banking agencies, the National Credit Union Association, the Secretary of the Treasury, and the Securities and Exchange Commission, shall jointly prescribe, after consultation with the Federal Trade Commission, and representatives of State insurance authorities designated by the National Association of Insurance Commissioners, such regulations as may be necessary to carry out the purposes of this subtitle. Such regulations shall be prescribed in accordance with applicable requirements of the title 5, United States Code, and shall be issued in final form within 6 months after the date of enactment of this Act.

(b) Authority To Grant Exceptions.—The regulations prescribed under subsection (a) may include such additional exceptions to subsections (a) and (b) of section 502 as are deemed consistent with the purposes of this subtitle.

SEC. 505. ENFORCEMENT.

(a) In General.—This subtitle and the rules prescribed thereunder shall be enforced by the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions subject to their jurisdiction under applicable law, as follows:

(1) Under section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, bank holding companies and their nonbank subsidiaries or affiliates (except broker-dealers, affiliates providing insurance, investment companies, and investment advisers), by the Board of Governors of the Federal Reserve System;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), insured State branches of foreign banks, and any subsidiaries of such entities, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings association the deposits of which are insured by the Federal Deposit Insurance Corporation, and any subsidiaries of such a savings association, by the Director of the Office of Thrift Supervision.

(2) Under the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal or state chartered credit union, and any subsidiaries of such an entity.

(3) Under the Farm Credit Act of 1971, by the Farm Credit Administration with respect to the Federal Agricultural Mortgage Corporation, any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(4) Under the Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to any broker-dealer.

(5) Under the Investment Company Act of 1940, by the Securities and Exchange Commission with respect to investment companies.

(6) Under the Investment Advisers Act of 1940, by the Securities and Exchange Commission with respect to investment advisers registered with the Commission under such Act.

(7) Under Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U. S. C. 4501 et seq.), by the Office of Federal Housing Enterprise Oversight with respect to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(8) Under the Federal Home Loan Bank Act, by the Federal Housing Finance Board with respect to Federal home loan banks.

(9) Under State insurance law, in the case of any person engaged in providing insurance, by the State insurance authority of the State in which the person is domiciled, subject to section 104 of this Act.

(10) Under the Federal Trade Commission Act, by the Federal Trade Commission for any other financial institution that is not subject to the jurisdiction of any agency or authority under paragraphs (1) through (9) of this subsection.

(b) Enforcement of Section 501.—

(1) In general.—Except as provided in paragraph (2), the agencies and authorities described in subsection (a) shall implement the standards prescribed under section 501(b) in the same manner, to the extent practicable, as standards prescribed pursuant to subsection (a) of section 39 of the Federal Deposit Insurance Act are implemented pursuant to such section.

(2) Exception.—The agencies and authorities described in paragraphs (4), (5), (6), (9),

and (10) of subsection (a) shall implement the standards prescribed under section 501(b) by rule with respect to the financial institutions subject to their respective jurisdictions under subsection (a).

(c) Definitions.—The terms used in subsection (a)(1) that are not defined in this subtitle or otherwise defined in section 3(s) of the Federal Deposit Insurance Act shall have the meaning given to them in section 1(b) of the International Banking Act of 1978.

SEC. 506. FAIR CREDIT REPORTING ACT AMENDMENT.

(a) Amendment.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) in subsection (d), by striking everything following the end of the second sentence; and

(2) by striking subsection "(e)" and inserting in lieu thereof the following:

"(e) Regulatory Authority.—

"(1) The Federal banking agencies referred to in paragraphs (1) and (2) of subsection (b) shall jointly prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraphs (1) and (2) of subsection (b), or to the holding companies and affiliates of such persons.

"(2) The Administrator of the National Credit Union Administration shall prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraph (3) of subsection (b).".

(b) Conforming Amendment.—Section 621(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s(a)) is amended by striking paragraph (4).

SEC. 507. RELATION TO OTHER PROVISIONS.

This subtitle shall not apply to any information to which subtitle D of title III applies.

SEC. 508. STUDY OF INFORMATION SHARING AMONG FINANCIAL AFFILIATES.

(a) In General.—The Secretary of the Treasury, in conjunction with the Federal functional regulators and the Federal Trade Commission, shall conduct a study of information sharing practices among financial institutions and their affiliates. Such study shall include—

(1) the purposes for the sharing of confidential customer information with affiliates or with nonaffiliated third parties;

(2) the extent and adequacy of security protections for such information;

(3) the potential risks for customer privacy of such sharing of information;

(4) the potential benefits for financial institutions and affiliates of such sharing of information;

(5) the potential benefits for customers of such sharing of information;

(6) the adequacy of existing laws to protect customer privacy;

(7) the adequacy of financial institution privacy policy and privacy rights disclosure under existing law;

(8) the feasibility of different approaches, including opt-out and opt-in, to permit customers to direct that confidential information not be shared with affiliates and nonaffiliated third parties; and

(9) the feasibility of restricting sharing of information for specific uses or of permitting customers to direct the uses for which information may be shared.

(b) Consultation.—The Secretary shall consult with representatives of State insurance authorities designated by the National Association of Insurance Commissioners, and also with financial services industry, consumer organizations and privacy groups, and other representatives of the general public, in formulating and conducting the study required by subsection (a).

(c) Report.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress containing the findings and conclusions of the study required under subsection (a), together with such recommendations for legislative or administrative action as may be appropriate.

SEC. 509. DEFINITIONS.

As used in this subtitle:

(1) Federal banking agency.—The term "Federal banking agency" has the meanings given to such terms in section 3 of the Federal Deposit Insurance Act.

(2) Federal functional regulator.—The term "Federal functional regulator" means—

(A) the Board of Governors of the Federal Reserve System;

(B) the Office of the Comptroller of the Currency;

(C) the Board of Directors of the Federal Deposit Insurance Corporation;

(D) the Director of the Office of Thrift Supervision;

(E) the National Credit Union Administration Board;

(F) the Farm Credit Administration; and

(G) the Securities and Exchange Commission.

(3) Financial institution.—The term "financial institution" means any institution the business of which is engaging in financial activities or activities that are incidental to financial activities, as described in section 6(c) of the Bank Holding Company Act of 1956.

(4) Nonpublic personal information.—

(A) The term "nonpublic personal information" means personally identifiable financial information—

(i) provided by a consumer to a financial institution;

(ii) resulting from any transaction with the consumer or the service performed for the consumer; or

(iii) otherwise obtained by the financial institution.

(B) Such term does not include publicly available information, as such term is defined by the regulations prescribed under section 504.

(C) Notwithstanding subparagraph (B), such term shall include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable information other than publicly available information.

(5) Nonaffiliated third parties.—The term "nonaffiliated third parties" means any entity that is not an affiliate of, or related by common ownership or affiliated by corporate control with, the financial institution, but does not include a joint employee of such institution.

(6) Affiliate.—The term "affiliate" means any company that controls, is controlled by, or is under common control with another company.

(7) Necessary to effect, administer, or enforce.—The term "as necessary to effect, administer or enforce the transaction" means—

(A) the disclosure is required, or is a usual, appropriate or acceptable method, to carry out the transaction or the product or service business of which the transaction is a part, and record or service or maintain the consumer's account in the ordinary course of providing the financial service or financial product, or to administer or service benefits or claims relating to the transaction or the product or service business of which it is a part, and includes—

(i) providing the consumer or the consumer's agent or broker with a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product; and

(ii) the accrual or recognition of incentives or bonuses associated with the transaction that are provided by the financial institution or any other party;

(B) the disclosure is required, or is one of the lawful or appropriate methods, to enforce the rights of the financial institution or of other persons engaged in carrying out the financial transaction, or providing the product or service;

(C) the disclosure is required, or is a usual, appropriate, or acceptable method, for insurance underwriting at the consumer's request or for reinsurance purposes, or for any of the following purposes as they relate to a consumer's insurance: account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium payments, processing insurance claims, administering insurance benefits (including utilization review activities), participating in research projects, or as otherwise required or specifically permitted by Federal or State law; or

(D) the disclosure is required, or is a usual, appropriate or acceptable method, in connection with—

(i) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit or other payment card, check, or account number, or by other payment means;

(ii) the transfer of receivables, accounts or interests therein; or

(iii) the audit of debit, credit or other payment information.

(8) State insurance authority.—The term "State insurance authority" means, in the case of any person engaged in providing insurance, the State insurance authority of the State in which the person is domiciled.

(9) Consumer.—The term "consumer" means an individual who obtains, from a financial institution, financial products or services which are to be used primarily for personal, family, or household purposes, and also means the legal representative of such an individual.

(10) Joint agreement.—The term "joint agreement" means a formal written contract pursuant to which two or more financial institutions jointly offer, endorse, or sponsor a financial product or service, and any payments between the parties are based on business or profit generated.

SEC. 510. EFFECTIVE DATE.

This subtitle shall take effect 6 months after the date on which the rules under section 503 are promulgated, except—

(1) to the extent that a later date is specified in such rules; and

(2) that section 506 shall be effective upon enactment.

The CHAIRMAN. Pursuant to House Resolution 235, the gentleman from Ohio (Mr. Oxley) and a Member opposed each will control 15 minutes.

Mr. MARKEY. Madam Chairman, I rise to request control of the time in opposition to the amendment.

The CHAIRMAN. Is the gentleman opposed to the amendment?

Mr. MARKEY. I am in momentary opposition to the amendment.

The CHAIRMAN. The gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. MARKEY) each will control 15 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Madam Chairman, I yield myself 3 minutes.

Madam Chairman, I want to talk about what the brave new world of financial services marketplace is going to look like and what it is going to look like realistically as opposed to some of the scare stories my colleagues are going to hear from the gentleman from Massachusetts (Mr. MARKEY).

Basically, it means more choice of services and products, varied for the consumer, the joint ventures and, yes, the responsible sharing of consumer information taking place in the market today.

The reality is, the integrated products and services today's consumer expects from his or her financial institutions require information sharing, especially among affiliates. After all, in the eyes of the consumer, what are affiliates other than different departments of the same company that they are dealing with.

One can bet, for example, that if a consumer in Ohio, for example, has a relationship with bank one and is applying for a preapproved mortgage loan, he expects them to know when he calls that he has a savings account, a checking account, a car loan, and a CD with them. The last thing he wants is more government regulation and more forms to fill out when he is dealing with his own company.

The amendment I offer today with the gentlewoman from Ohio (Ms. PRYCE) and the gentlewoman from New Jersey (Mrs. ROUKEMA) takes a more realistic, more free market, more consumer friendly approach to the issue of privacy.

The amendment, I want to make this very clear, requires mandatory disclosure for the first time of financial institutions' privacy policy in clear and conspicuous language. The amendment provides an opt-out provision, enabling consumers who so choose not to have their confidential financial information disclosed to unaffiliated third parties.

It includes a prohibition on the sharing of consumer account numbers to third parties in connection with the marketing of products, thus addressing concerns regarding third-party telemarketing.

The amendment requires the financial institution regulators to set and enforce standards for the security of confidential information. An amendment requires the Secretary of Treasury to do a comprehensive study on privacy issues as it relates to affiliate structure.

I would point out to the Members this issue of information sharing within affiliates has had no hearing whatsoever, the Committee on Banking and Financial Services or in the Committee on Commerce. This would require a study by the Treasury Department to find out exactly where the pressure points are.

Madam Chairman, these are strong, new protections for consumer privacy, unheard of before. It takes a huge step in providing the kind of privacy for consumers and, at the same time, at the same time, allowing the efficiencies of the marketplace to work so effectively.

We trust consumers to make those kinds of choices when they are dealing with their financial services company. If they do not like that privacy policy or they think that they are having their information passed on, they can simply change companies and vote with their feet.

□ 2145

That is what this amendment does. We trust the consumer. We think this is the best approach to privacy. I would ask support of the Oxley amendment.

Madam Chairman, I reserve the balance of my time.

Mr. MARKEY. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, maybe there are Members in this institution and maybe there are Americans who do not share the same concerns I have about my financial privacy. When I go to the ATM machine in this building, I go over and I punch in my four numbers, and then, as the machine spits out the hundred dollars, I pocket that and out spits a receipt. The receipt tells me what my balance is.

Now, I do not know about the other people in this Chamber, but I hide that sheet from the intern or the page who is standing right behind me, because I do not want them to know what my balance is.

Now, maybe I am different from other people in this room. As a matter of fact, I do not even throw away that slip in the bucket that is right there. I walk 10 buckets away, or I pocket it because I do not want anyone to know what my balance is.

Now, the Oxley amendment makes some progress because it gives an opportunity for a consumer to block the sale of that information to an unaffiliated company. That is progress. However, it does not stop within a bank holding company, if our checking records or any of our banking records are now affiliated with a new brokerage or a new insurance or a new telemarketing firm, because in fact the bank holding company can now be affiliated with a telemarketer. Or, looking earlier at the Burr amendment, perhaps television stations. Perhaps it will be CNBC. Perhaps it will be the Drudge Report. They can be affiliated with anything, anything, potentially. Well, we do not get any protection because they can share the information with anyone they affiliate with.

So the Oxley amendment does take a step forward, yes. Yes, indeed. But only when we reach, only when we reach the recommittal motion, which is coming up in about 15 or 20 minutes, will we get a chance to close the big loophole. The big loophole. And all I ask of my colleagues is that while, in fact, the Oxley amendment shuts down sale to robbers, that is burglars, those outside the bank holding company, it does not do anything about electronic embezzlers inside the bank holding company marketing it, not just to its affiliates, but they can market it because they are affiliates to anyone else in the world. That is the loophole. We have no privacy.

So the Oxley amendment is a good step forward but with a big loophole left that the recommittal motion is going to give every Member out here a chance to vote in a substantive way for, as they will for the health care provision that the gentleman from California (Mr. CONDIT) wants and the redlining provision that the gentlewoman from Texas (Ms. JACKSON-LEE) wants.

But the key here is to understand that at least on this Oxley amendment, while it is a good step forward, there is another big vote coming up in about 15 minutes after that, and this is just a preview of coming attractions that we are going to try to give our colleagues during the course of this debate on Oxley.

Madam Chairman, I reserve the balance of my time.

Mr. OXLEY. Madam Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. BAKER), a member of the Committee on Banking and Financial Services and a subcommittee chair.

Mr. BAKER. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, if we listened to the previous speaker's concerns about security and privacy in today's world, with computers on everyone's desk at home, computers across this Nation in business at this moment exchanging billions of pieces of information, we should be extremely concerned about privacy. I would merely point out, if AL GORE had not invented the Internet to begin with, we would not be having this problem tonight.

But let us get to the current state of law. The fact is, if we do not adopt this amendment and approve this bill there is no privacy constraints not only on financial institutions but on free enterprise institutions outside the financial marketplace.

Let us talk about the amendment. What does it do? It says, if someone is outside the bank, we can no longer give them proprietary private information of those customers, which does not belong to them. We cannot sell it to them, we cannot give it to them, we cannot do anything with it because that is prohibited by this law. First time ever. Federal law prohibits the use of proprietary financial institution information to third parties. This is a major step forward.

This kind of reminds me like my first experience in one of those big grocery stores. As I walked down the aisle I saw jeans for 12 bucks. First time in my life. That was a big deal. I walked around the corner, and I saw tires for four-wheelers. My goodness, how did they get here? I went around the next corner, and I ran into one of these nice ladies, and she had these little bitty wieners they only give out one at a time. But they were selling those little wieners in the store, along with the tires, along with the jeans, along with everything else. I thought this is amazing. What convenience. And great prices, too.

If we adopt this bill tonight, without the extreme provisions that the gentleman from Massachusetts (Mr. MARKEY) proposes, we can have the same thing in financial services. We can go to one location and we can buy insurance, we can invest in stocks, we can manage our retirement fund, all with the ease of dealing with one person and one institution.

What about the small town bank? The guy who runs the small town bank, he is the loan officer, he is the chief executive officer. He opens up in the morning; he closes at night. He sells insurance. If we took the Markey position with technology, that guy would have to have some type of surgery to split his head because he could not talk to the customer about two products. It would be prohibited because he would be sharing information improperly.

Please, this is a good product. It is the right approach. It is the right time.

Mr. MARKEY. Madam Chairman, I yield 3 minutes to the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee on Banking and Financial Services.

Mr. LAFALCE. Madam Chairman, I rise in support of this amendment. And, first of all, I want to give special thanks to two members from my staff, Dean Sagar and Tricia Hasten, who worked so hard on this; Kirsten Johnson from the staff of the gentleman from Minnesota (Mr. VENTO); Kristi from the staff of the gentleman from Texas (Mr. FROST); and so many other people, the gentlewoman from Ohio (Ms. PRYCE) and her staff, et cetera; the gentleman from Iowa (Mr. LEACH) and his staff.

This is a significant advancement with respect to privacy. There is no question about it. The gentleman from Massachusetts (Mr. MARKEY) had two options, to offer an amendment as a substitute for this, and I think this would have been preferable if we had to choose between the two; or to offer an amendment that would augment this. In his motion to recommit he will offer an amendment that will augment this; and, therefore, we could have the best of both worlds. So I advise my colleagues of that.

Now, what is good about this? What is excellent about this? Well, first of all, it creates for the very first time an affirmative and continuing obligation, a duty on the part of financial institutions to protect customer information. That does not exist under current law.

I introduced this bill in the last Congress. We were unable to get it. We did not even get it in the Committee on Banking and Financial Services' product. We have it in this amendment. This is terrific.

Further, not only do we create an obligation, we give the financial regulators the ability to articulate standards that the financial institutions must meet in order to fulfill that obligation. This, too, is terrific. I thank my staff. We have opt-out language that was contained in the amendment of the gentleman from Ohio (Mr. GILLMOR).

I introduced a bill to fulfill the challenge that the Comptroller of the Currency gave when he gave his speech talking about seamy financial institution practices. To fulfill the challenge of the lawsuit brought by the Attorney General from Minnesota, the bill would have been not just an opt-out or an opt-in but an actual prohibition. We have that in this amendment.

We have a prohibition on the disclosure of account numbers. We prohibit financial institutions from sharing with unaffiliated parties any credit card savings and transaction account numbers or other means of access to such accounts for purposes of marketing to the consumer, including telemarketing, including direct mail, and including E-mail marketing.

We have a prohibition on third party resale of private information. We prohibit unaffiliated third parties that receive confidential customer information from a financial institution from reselling or sharing this information with any other unaffiliated parties.

Let us not look a gift horse in the mouth. This is a terrific amendment. We would not have gotten here without the gentleman from Washington (Mr. INSLEE), we would not have gotten here without the gentleman from Massachusetts (Mr. MARKEY), and I thank them for that. Let us accept this and then let us go forward.

Mr. OXLEY. Madam Chairman, I yield 3 minutes to the gentlewoman from Ohio (Ms. PRYCE), who has done such a wonderful job in leading us in this effort on privacy.

Ms. PRYCE of Ohio. Madam Chairman, I thank my friend for yielding this time.

Madam Chairman, let me ask my colleagues if they are tired of their phone ringing in the middle of dinner only to be solicited for lawn care service. Are they tired of getting so much junk mail that they have to empty their trash twice as often as they used to? Are they tired of their teenagers being solicited for a new credit card every other week? Are they tired of wondering who in the world is giving out their addresses and phone numbers to these strangers? Well, I am, and I am mad as heck about it.

So today I am taking the floor to issue a public service warning to all of our constituents: "Mr. and Mrs. America, your personal financial information may be disclosed by your bank to any Tom, Dick and Harry without your knowledge and without your consent."

That is right, America, in all the years of banking law in this country there are no laws on the book to protect your privacy. Can you imagine that? That is wrong. It is un-American, it is anti-consumer, and it has to stop. The privacy amendment being offered here tonight is a historic precedent to put an end to that.

Now, many of my friends on the other side of the aisle say it is not perfect or complete enough, but, Madam Chairman, for the first time ever we will be saying that each financial institution has a legal obligation to protect the privacy and confidentiality of its customers. And for the first time ever we will be saying that every financial institution must adhere to strict standards to ensure the security and confidentiality of customer records. And for the first time ever we will require every institution to fully disclose to a customer up front what their privacy policy is. And perhaps most importantly, for the first time ever we will require that financial institutions give their customers a right to just say no to the sharing of what most Americans hold very, very dear: private information about themselves and their families.

Madam Chairman, make no mistake, this is a landmark privacy legislation which was drafted in a bipartisan fashion. And given that current law gives our constituents no protection whatsoever, and given that our colleagues in the other body have no privacy protection in their banking bill whatsoever, and given that last year's version of this very bill had no privacy protections whatsoever, while customers are growing more and more troubled by random telemarketing and junk mail, it is critical we adopt this amendment.

Privacy is a very personal thing. Americans feel very strongly about protecting it. Let us heed the voice of America. I urge adoption of the amendment.

Mr. MARKEY. Madam Chairman, I yield 3 minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Madam Chairman, the previous speaker, the gentlewoman from Ohio (Ms. PRYCE), is entirely correct. Americans are sick and tired of having their personal financial information, their credit cards, their savings account information given away to telemarketers and getting those obnoxious calls during dinner time.

□ 2200

She is right. But they are just as tired of getting those calls from the affiliates of banks as they are from third parties of banks.

That is why it is imperative to augment the Oxley amendment by the motion to recommit to make sure that Americans have the right to stop not only third parties but affiliates from making those calls and violating their privacy.

Now, if I can share with Members something I learned yesterday and I think it is important in this debate. The members of the industry have objected to affiliate coverage of this vital protection, and they have said that if we do this, the financial system would collapse, there is simply no way that the banking system could accommodate this reasonable consumer protection.

Well, guess what? In Minnesota yesterday, a major U.S. bank got caught with its hand in the cookie jar. They were, in fact, giving away consumer private financial information. It was being used to telemarket to consumers. And when they were caught by the Minnesota attorney general, they said, mea culpa, you got us. We give up. But do my colleagues know what they agreed to? They agreed to a Minnesota consent decree, to a judicial order prohibiting sharing with their affiliate and their third parties because they knew that this could be done.

I am here to say, if it is good enough for the good folks in Minnesota, it is good enough for everybody across America and the U.S. Congress ought to be just as progressive and just as effective as the Minnesota attorney general and we ought to make sure that affiliates are covered just as well. That is why we have got to pass this motion to recommit.

Before I sit, we have talked a lot about privacy. I want to commend the work of the gentleman from Iowa (Chairman LEACH) and the gentleman from New York (Mr. LAFALCE) on this program. We have made some advancement. But we will be sorely, sorely feeling bad when our consumers look back to tonight and say to me and the gentleman from Massachusetts (Mr. MARKEY) and the rest of us, why did we not take care of the affiliates at the same time we took care of the third parties?

It is our chance to do it tonight. Pass the motion to recommit and finish the job.

Mr. OXLEY. Madam Chairman, I am pleased to yield 2 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA) who has taken great leadership on this issue and who is the Subcommittee Chair on Financial Institutions and Consumer Credit.

Mrs. ROUKEMA. Madam Chairman, I thank my colleague the gentleman from Ohio (Mr. OXLEY) for yielding me the time.

Madam Chairman, I have got to say that I am really very pleased by this debate thus far. I appreciate everything that the gentleman from New York (Mr. LAFALCE) has said. I think that is very constructive. And certainly I want to commend the gentleman from Ohio (Mr. OXLEY) and the gentlewoman from Ohio (Ms. PRYCE) and I think she and the gentleman from New York (Mr. LAFALCE) have greatly strengthened the whole argument for this by saying this gives us more privacy than under any law that we have ever had.

This is a giant step in the right direction. But I must also say that it is more than just a start. It is not the whole thing, but it is much more than just a start. It is literally a foundation for whatever we might do in the future. But it is a wonderful foundation, a strong foundation.

I want to say that, as the Chairwoman of the Subcommittee on Financial Institutions and Consumer Credit, some weeks ago before this privacy thing erupted, really I had set privacy hearings for July 21 and 22 with the recognition that there are some complexities that are here that we will have to deal with.

The gentleman from Ohio (Mr. OXLEY) pointed out that there is a report that we are going to be looking for as part of this amendment. But I want to point out to my colleagues that there are complexities to privacy and accountability here that have not been completely thought through.

For example, some may be concerned about the exceptions included in this bill. But, in my opinion, these exceptions are included to ensure that everyday transactions like mortgage servicing, securitization of mortgages, printing of checks can continue under our new financial system. But there are also exceptions that allow our law enforcement officials to conduct important investigations relating to public safety.

This is just another way of saying that this is a wonderful foundation, more than a small step, in the right direction. It is a giant step. But we have more to do, and this puts us on the right direction.

Mr. MARKEY. Madam Chairman, could the Chair tell me how much time is remaining.

The CHAIRMAN. The gentleman from Massachusetts (Mr. MARKEY) has 5½ minutes remaining. The gentleman from Ohio (Mr. OXLEY) has 5 minutes remaining.

Mr. MARKEY. Madam Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Madam Chairman, I want to rise to commend the distinguished subcommittee chairman for what he has done but to condemn him for not going as far as he should.

The bill as reported out of the Committee on Banking and Financial Services had no privacy protection at all. The bill that was reported out of the Committee on Commerce had privacy provisions that the gentleman from Massachusetts (Mr. MARKEY) offered that some people thought was too inflexible.

I supported the gentleman from Massachusetts (Mr. MARKEY). I worked with him and his staff to come up with a modified Markey-Barton-Dingell-Inslee-Eshoo et al. amendment that we offered to the Committee on Rules that was not ruled in order.

I remember the old days when we thought that banks should be banks and insurance companies should be insurance companies and brokers should be brokers. That was the good ol' days of the 1980s, not the 1940s or 1950s.

Well, tonight we have before us a mega-financial service reform bill that, according to those that support it, is going to allow companies to operate through hundreds of subsidiaries and affiliates, hundreds.

The question that I ask this body and the country is: If we are concerned about the selling and sharing of information to third parties, should we not be just as concerned about the selling, sharing, transmitting, or accessing that information inside of these affiliates if there are going to be dozens or hundreds of these affiliates?

I think that what the gentleman from Ohio (Mr. OXLEY) and the gentlewoman from Ohio (Ms. PRYCE) have done is a step in the right direction. But it is only a step. Until we solve the riddle of handling information within the affiliates structure, we do not have privacy. We do not have privacy.

So I will vote for the amendment because it is a step in the right direction, but I will vote against final passage until we get this issue settled. It is not going to go away. We need to address it.

The debate this evening on the floor is good. I commend the gentleman from Massachusetts (Mr. MARKEY) and the gentleman from New York (Mr. LAFALCE) and the gentleman from Ohio (Mr. LEACH) and the gentleman from Ohio (Mr. OXLEY) and the gentlewoman from Ohio (Ms. PRYCE) and others for bringing the debate to the country. But the ultimate solution is not Oxley-Pryce. We need to go further.

Mr. OXLEY. Madam Chairman, I am pleased to yield 1 minute to the gentleman from Ohio (Mr. GILLMOR) who has been one of the leaders on the Committee on Commerce on the banking provisions, as well as the privacy provisions.

Mr. GILLMOR. Madam Chairman, I want to commend the chairman for his leadership on the privacy issue. This amendment is an important step in protecting individual privacy. It protects it by regulating the disclosure and the sharing of consumer information by financial institutions.

It contains a number of the elements that were in an amendment that I offered in the Committee on Commerce, and the Committee on Commerce did adopt those provisions but it is not in the version before us.

Consumers feel they have lost control over how their financial information is being collected, how it is being distributed by institutions having nothing to do with the financial relations they have with those providers.

Personal information is much more accessible now, even without the person whose privacy is invaded knowing it is being invaded. The sale and transfer of that information is both widespread and it is growing. And the simple reason is the astonishing growth in technology today and information gathering and the human benefits the tremendous benefits we get from that also carry with them unprecedented threats to personal privacy and personal privacy need protection because it is an important part of individual freedom.

I urge support of the amendment.

Mr. MARKEY. Madam Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. FROST).

Mr. FROST. Madam Chairman, I rise in support of the Oxley amendment.

Mr. MARKEY. Madam Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. VENTO).

Madam Chairman, I rise in support of the comprehensive privacy amendment. I believe that this amendment improves the bill by providing consumers with new important safeguards for their financial privacy.

Public concerns about personal information privacy are growing. Seemingly each week, there are new reports of stolen identities, selling of consumer financial data, "cookies" on Internet sites, hijacked ATM cards and numbers. Both the Banking Committee and the Commerce Committee, for the first time, addressed consumer privacy in H.R. 10. During the Banking Committee debate on this issue, I stated that the issue of privacy is even bigger than the financial services modernization bill. While it is appropriate to insure that adequate privacy safeguards are in place to protect consumer privacy in the new financial marketplace, this legislation is not the vehicle to address an all embracing comprehensive privacy legislation. This bill will not stop identity theft. It will not stop the stealing of Social Security numbers nor the filing of false tax returns. H.R. 10 will not stop the selling of driver's license information or the selling of its lists or attaching cookies to visitors to web sites. Nor will this bill stop the diversion of an individual's mail nor the stealing of credit card and ATM numbers. Those issues are left for another day and future action.

H.R. 10 should contain a privacy protection component as it relates to financial institutions. That component should not just be a rhetorical statement, it must be a workable safeguard for consumers. The financial privacy protection amendment pending before the Committee is better than the Banking and Commerce Committee alternatives. It is a good, workable product that will serve our constituents well. The Financial Privacy Protection amendment reinforces the opt-out for third party information sharing—a key consumer concern. More importantly, the amendment puts in place strong affirmative provisions of law that provide absolute protections and benefits for consumers.

Those provisions include:

Affirmative privacy responsibility and policy.—Banks, insurance companies, credit unions, security firms, mutual funds, thrifts and other financial institutions will be required by law to be respect for consumer's financial privacy and to have a privacy policy that meets federal standards to protect the security and confidentiality of the customers personal information.

Prohibition on sharing account numbers.—Consumer account numbers cannot be shared for the purposes of third party marketing. This protection applies to all consumers and requires no action on their part.

Workable "Opt-Out" on third party information sharing.—Consumers can "opt-out" of sharing of information with third parties in a workable fashion that protects consumers' privacy while allowing the processing of services they request.

Effective regulatory authority.—Regulatory and enforcement authority is provided to the specific regulators of each type of financial institutions. These regulators can best do the job instead of the alternative single regulator who is understaffed and supports privacy "self-regulation" for the industry it is currently charged to regulate.

Prohibits repackaging of consumer information.—Consumer information remains protected. It cannot be resold or shared by third parties or profiled or repackaged to avoid privacy protections.

Consumer disclosure.—Consumers must be notified of the financial institutions' privacy policy at the time that they open an account and at least annually thereafter.

These common sense, workable provisions will be added to the substantial protections already included in H.R. 10 that prohibit obtaining customer information through false pretenses and disclosing a consumer's health and medical information.

In addition, the legislation clearly defines what is "publicly available information". This definition is designed to insure that non-public information is not disseminated through a public information loophole. Under the amendment, which I helped to draft, publicly available information is intended to include information such as:

Public records from country or municipal sources, such as tax assessors' offices, recorders of deeds, tax collectors, planning departments and court systems;

Public records from state sources, such as planning agencies, secretaries of state, revenue agencies, departments of motor vehicles, state courts, departments of education, departments of forestry, environmental reporting agencies and employment security agencies;

Public records from federal sources, such as federal courts, the IRS, FEMA, the USGS, FCC, FAA, U.S. Post Office and Census Bureau; and

Public information from Journals, newspapers and other publications.

I do not take a back seat to any Member when it comes to consumer rights and consumer privacy. I have worked to protect consumer privacy through laws like Truth in Lending, Fair Credit Reporting Act and the Electronic Fund Transfer Act. I also introduced one of the first proposals to protect a consumer's privacy on the Internet, the Consumer Internet Privacy Protection Act.

During the Banking Committee mark-up, I introduced an amendment that would have provided an annual opt-out on affiliate sharing. I withdrew that amendment because I realized that it was unworkable. Other advocates of the opt-out are to date not dissuaded by the problems. Consumer privacy is not insured and consumer services are reduced. Unified statements cannot be issued and something as simple as calling to get an account balance will become a bureaucratic nightmare. The only thing that an affiliate opt-out amendment accomplishes is to require financial institutions to restructure themselves to conform to the cookie cutter mold developed by Congress.

A law that requires consumer action is appropriate but third party and affiliate "opt-out" is hardly the last word in consumer rights. The fact is that a number of consumers have such a right today under FCRA or institution policies. Even with that authority, only a small fraction of individuals, less than 1 percent, exercise that option. Consumer choice is nice but what does it really accomplish—what is the bottom line.

Another deficiency of the alternative proposal is the regulator. That approach gives enforcement authority to the Federal Trade Commission as opposed to the appropriate regulator for each financial institution. This is the same regulator who testified last year before the House Commerce Subcommittee on Telecommunications on Internet privacy. At that time, FTC Chairman Pitofsky testified that: "The Commission believes that self-regulation is preferred to a detailed legislative mandate . . ." We should not turn over such an important enforcement authority to such a reluctant regulator.

Madam Chairman, I urge my Colleagues to support the pending amendment. If we are to pass financial modernization, strong consumer privacy protection must be a cornerstone of that proposal. The pending amendment helps us to achieve that goal.

Mr. MARKEY. Madam Chairman, I yield myself the balance of the time.

Madam Chairman, the Oxley amendment is a good step forward. We will concede that. But it has huge loopholes in the law that it does not close.

As soon as we finish this debate on the Oxley amendment, we are going to have an opportunity to vote on a recommital motion. Within that recommital motion, each Member out here on the floor will have a straight shot to vote on the provisions that the Committee on Rules did not give the Members a chance to vote on.

They will have a chance to vote on the Condit amendment. The gentleman from California (Mr. CONDIT) and the gentleman from California (Mr. WAXMAN) have a proposal that will close all the medical loopholes. It will ensure that your medical information cannot be given away. It will guarantee that the exceptions that are inside of this bill that swallow the rule do not allow for families across this country to have their medical information sold and bought as though it was just an ordinary commodity.

Every Member on the floor in the recommital motion will also be put on substantive record on the issue of financial privacy within the holding company. That is, if they have all of their checks inside of a bank right now and they do not want them to give it over to a telemarketing affiliate, they do not want them to give it over to the brokerage affiliate, they do not want them to hand it over to the insurance affiliate, they cannot say no. They have no right to say no under the Republican bill.

In the recommital motion, each Member is going to be given an opportunity to say to every American, I think you should have the right to say no. I do not want any of my children's privacy compromised. I do not want my family's privacy compromised. I do not want the medical secret of my family out on the street just because it happens to be a bank holding company that owns the insurance policy, the checks, or the brokerage account and they have a marketing affiliate that sells my privacy like it is a commodity to hundreds of companies that are dying to find out everything that is going on within my State.

So we are going to give everyone an opportunity in that recommital motion, and we are going to throw in the Lee redlining as well as the third little provision. That is only going to be a 5-minute debate altogether. But when my colleagues vote on it, they are going on record on those issues. Because if it is successful, it goes into the bill immediately, and we are voting final passage. And if my colleagues vote no, this bill is leaving here with every one on record against medical privacy and against the financial privacy provision that ensures that the bank holding company and its telemarketing subsidiary, its affiliate, cannot just take all their secrets and sell them to the rest of the world and make millions of dollars.

Yes, they call it a synergy, by the way, a synergy. But we are trying to take the sin out of the synergy. We are trying to make sure that they get the benefits of all these products, they can say yes if they want them, but they can say no as well. That is what this is all about. It does not stop any bank from trying to get them to buy these products. What it says is they have a right to say, no, I do not want this. I want the checking account, that is it. Please do not sell the rest of the material to anyone else.

So the Oxley amendment is something that should be supported. I think we will all support it unanimously on this side. But the big vote is coming up in about 10 more minutes.

Mr. OXLEY. Madam Chairman, I am pleased to yield 1 minute to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Madam Chairman, I thank the gentleman for yielding me the time.

Madam Chairman, I am pleased to support this amendment. It has a strong bipartisan protection for consumers. I know there is some honest disagreement between my colleagues on this very important issue of privacy. But what I would like to do is urge my colleagues to look at what is in this amendment, not what is missing.

My constituents of my district have told me time and time again that they do not want their names and permanent information sold to companies they have never heard of. If we pass this Oxley amendment, consumers will be able to tell their banks; no, I do not want my name sold; no, I do not want you to share information with third parties.

Madam Chairman, this amendment takes us much further than I ever dreamt that we would go in strengthening current laws creating new and effective protections for consumers on privacy. Most of all, it has meaningful enforcement language. I urge its passage.

□ 2215

Mr. OXLEY. Madam Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules.

Mr. DREIER. Madam Chairman, I rise in strong support of this amendment. I would like to begin by not only congratulating the gentleman from Ohio (Mr. OXLEY) but, of course, my colleague on the second row here who worked long and hard as a member of the Committee on Rules and, yes, I want to even congratulate, we have once again made this a bipartisan effort, when I heard the word "terrific" used three times by my friend the gentleman from New York (Mr. LAFALCE), and I know that we will see very broad bipartisan support for what is I think a very important measure.

We are all appalled at the thought of telemarketers getting access to information. We all want to do everything that we can to stop that. In fact, the base text of this bill has the strongest consumer privacy protection we have ever had. But guess what? This amendment, that we are all going to be, I hope, overwhelmingly supporting based on the statements that I have been hearing, will be even tougher. The fact of the matter is this is a very balanced compromise. Why? Because privacy is a first priority. That is what it is that the American people want. But there are some other demands that they have. They also demand low cost and integrated financial products and services, they demand on-line banking and brokerage services, and they demand protection against financial fraud. Quite frankly to meet these demands, all of these demands, affiliates have to be able to share some information. That is why I am convinced that this now bipartisan effort which has seen many Members involved is in fact the balance that is needed for us to deal with the issue of privacy as well as meeting consumer demands.

I encourage my colleagues to support it.

Mr. OXLEY. Madam Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Ohio is recognized for 1 minute.

Mr. OXLEY. Madam Chairman, let me reiterate to the Members. Under the Oxley amendment, for the first time we are requiring financial services organizations to actually have a privacy policy. It has to be printed, it has to be explained to the customer, the customer has an opportunity to understand exactly what that privacy policy is. It never happened before until this amendment becomes law.

Secondly, now that the consumer who is working with this affiliate company understands that policy, he may or may not decide to continue to do business with that company. If he is so concerned that the company he is dealing with is going to be selling that information or leaking that information to other parts of the affiliate, he is going to vote with his feet, he is going to act like an educated consumer, to quote a famous line from Sy Syms. He is going to be an educated consumer, and he is going to go someplace else where his privacy is going to be protected. That is the marketplace working very effectively, I would say to my friend from Massachusetts, not some statute that ties up these financial institutions, costs them millions and millions of dollars which is going to be passed on to the consumer ultimately and is going to be less and less efficient.

This is the product that was worked on in a bipartisan way. I ask the Members to support the amendment.

Ms. JACKSON-LEE of Texas. Madam Chairman, I rise in support of the Oxley/Pryce/Roukema amendment because it requires financial institutions to respect the privacy of its customers. This is a basic consumer protection and I urge my colleagues to support this amendment.

The provisions of this amendment include basic consumer privacy protections. It requires an "affirmative and continuing obligation" to protect customer's personal information.

This amendment requires regulatory standards to insure security and confidentiality of customer records to protect against unauthorized access and use. With recent advances in technology, there is the possibility that a computer hacker can break into a bank's computer system and access personal account information.

This amendment requires that consumers be given the opportunity to opt-out of the disclosure of their private information with unaffiliated third parties. It also prohibits unaffiliated third parties that receive confidential customer information from sharing that information with any other unaffiliated parties.

Another important provision in this amendment requires that all financial institutions disclose their policies and practices for collecting customer information. All customers should have notice of these policies in advance.

Customers should also have advance knowledge of policies that protect their confidential information and the policies that prevent that information from being shared with unaffiliated parties. Advance knowledge of these policies not only protect the consumer, but it also protects the financial institution.

This amendment prohibits financial institutions from sharing credit card, savings and transaction account numbers for purposes of marketing to the consumer. This account information is especially sensitive and should be kept as confidential as possible.

These are common sense provisions that protect Americans who are sincerely concerned about privacy. These days, many companies have access to information about our spending and saving habits because of lax privacy laws that only make consumers vulnerable. However, I am looking forward to ensuring greater consumer protection as it relates to privacy issues—including medical records privacy—as this legislation moves to conference.

I am concerned that this amendment will allow financial institutions to share consumer information through their affiliates without restriction. However, this amendment is an important first step to ensuring a marginal level of privacy for consumers.I support the provisions in this amendment and I urge my colleagues to vote for its passage.

Mrs. MALONEY of New York. Madam Chairman, last year H.R. 10 passed this Chamber by one vote. In that version of Financial Modernization, there were no privacy provisions. This year things have changed. There are privacy provisions in the base text and there is this amendment which, if adopted, will make this one of the strongest privacy bills to involve the financial services industry.

I would like to thank all of the members who have worked on crafting this amendment, including Representatives FROST, LAFALCE, PRYCE, and OXLEY. A few days ago I submitted to this informal privacy working group a suggested amendment. My proposal would make certain that if an affiliate in a holding company were sold to another entity, only the information about their own customers could be transferred. No information about customers in the original holding company are allowed to be shared with the sold entity's new affiliates unless they were already a customer. This is an important privacy protection and I was pleased that the authors agreed to add it into this amendment.

Perhaps the most important part of this amendment are the strong disclosure provisions. This bill requires financial institutions to annually disclose to their customers their policies practices for collecting and protecting the customer's private information. Financial Modernization means more choices for consumers, and part of that choice should include the privacy policies of the firm which is trying to attract their business. If a customer is unsatisfied with a privacy policy of a firm, they can choose another. But this form of competition only works with strong disclosure requirements.

This amendment will also prohibit financial institutions from reselling a consumer's private information to a third party and will prohibit them also from sharing a customer's account numbers in order to market to that customer. This should prevent many of those unwanted telemarketing calls resulting from a relationship with a bank or other financial firm.

There are still some problems with the base text, including the problems with the privacy of medical information. But I am pleased with the colloquy between Mr. GANSKE and Mr. LAFALCE and I am confident that these issues will be worked out in conference.

These are the best privacy provisions to ever appear in a draft of H.R. 10 and I am supportive of this effort. To be sure, during this debate many good issues have been raised about these privacy issues. Chairman LEACH has announced hearings on privacy for the end of July and I am sure the Banking Committee will continue to examine the issue and consider appropriate legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. OXLEY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. OXLEY. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 235, further proceedings on the amendment offered by the gentleman from Ohio (Mr. OXLEY) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 235, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 10 offered by the gentleman from Virginia (Mr. BLILEY); amendment No. 11 offered by the gentleman from Ohio (Mr. OXLEY).

The Chair will reduce to 5 minutes the time for the second electronic vote in this series.

AMENDMENT NO. 10 OFFERED BY MR. BLILEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. BLILEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 226, noes 203, not voting 5, as follows:

[Roll No. 273]

AYES—226

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Boucher
Brady (TX)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Castle
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dingell
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Kasich
Kelly
Kildee
King (NY)
Kingston
Knollenberg
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
McCollum
McCrery
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Ose
Oxley
Packard
Pallone
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Strickland
Stump
Sununu
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Towns
Traficant
Upton

Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—203

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Capuano
Cardin
Carson
Chenoweth
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (IL)
DeFazio
Delahunt
DeLauro
Dicks
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Gutierrez
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E.B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kilpatrick
Kind (WI)
Kleczka
Klink
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Larson
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pascrell
Pastor
Paul
Payne
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weldon (FL)
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOT VOTING—5

Brown (CA)
Fossella
Green (TX)
Lipinski
Pelosi

□ 2240

Messrs. MOAKLEY, MCHUGH and JONES of North Carolina changed their vote from "aye" to "no."

Messrs. DAVIS of Florida, VITTER, BROWN of Ohio and DEUTSCH changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 235, the Chair announces that she will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the additional amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 11 OFFERED BY MR. OXLEY

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 11 offered by the gentleman from Ohio (Mr. OXLEY) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 427, noes 1, not voting 6, as follows:

[Roll No. 274]

AYES—427

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—1

Paul

NOT VOTING—6

Brown (CA)
Fossella
Green (TX)
Lipinski
Pelosi
Walsh

☐ 2249

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, is amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mrs. EMERSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes, pursuant to House Resolution 235, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Speaker, I offer a motion to recommit with instructions.

The SPEAKER. Is the gentleman from Massachusetts opposed to the bill?

Mr. MARKEY. Yes, I am opposed to the bill in its current form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARKEY of Massachusetts moves to recommit the bill H.R. 10 to the Committee on Banking and Financial Services with instructions to report the same to the House forthwith with the following amendments:

Page 9, after line 19, insert the following new subparagraph (and redesignate the subsequent subparagraph accordingly):

"(D) In the case of any bank holding company which underwrites or sells, or any affiliate of which underwrites or sells, annuities contracts or contracts insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death—

"(i) the company or affiliate has not been adjudicated in any Federal court, and has not entered into a consent decree filed in a Federal court or into a settlement agreement, premised upon a violation of the Fair Housing Act for the activities described in this subparagraph;

"(ii) if such company or affiliate has entered into any such consent decree or settlement agreement, the company or the affiliate is not in violation of the decree or settlement agreement as determined by a court of competent jurisdiction or the agency with which the decree or agreement was entered into; or

"(iii) the company has been exempted from the requirements of clauses (i) and (ii) by the Board under paragraph (4).

Page 9, line 24, strike "and (C)" and insert "(C), and (D)".

Page 10, line 15, strike "(1)(D)" and insert "(1)(E)".

Page 11, after line 4, insert the following new paragraph:

"(4) VIOLATIONS OF THE FAIR HOUSING ACT.—The Board may, on a case-by-case basis, exempt a bank holding company from meeting the requirements of clauses (i) and (ii) of paragraph (1)(D).

Page 25, line 2, strike "or (C)" and insert "(C), or (D)".

Page 26, line 18, strike "(B) or (C)" and insert "(B), (C), or (D)".

Page 84, line 18, strike "(1)(D)" and insert "(1)(E)".

Page 184, line 17, strike "(1)(D)" and insert "(1)(E)".

Page 370, beginning on line 20, strike subtitle D of title III through page 373, line 17 (and conform the table of contents accordingly).

Strike title V and insert the following (and conform the table of contents accordingly):

TITLE V—PRIVACY OF CONSUMER INFORMATION

Subtitle A—Disclosure of Nonpublic Personal Information

SEC. 501. PROTECTION OF NONPUBLIC PERSONAL INFORMATION.

(a) PRIVACY OBLIGATION POLICY.—It is the policy of the Congress that each financial institution has an affirmative and continuing obligation to respect the privacy of its customers and to protect the security and confidentiality of those customers' nonpublic personal information.

(b) FINANCIAL INSTITUTIONS SAFEGUARDS.—In furtherance of the policy in subsection (a), each Federal functional regulator shall establish appropriate standards for the financial institutions subject to their jurisdiction, and the Commission shall establish such standards for any financial institutions not subject to such jurisdiction, relating to administrative, technical, and physical safeguards—

(1) to insure the security and confidentiality of customer records and information;

(2) to protect against any anticipated threats or hazards to the security or integrity of such records; and

(3) to protect against unauthorized access to or use of such records or information which could result in substantial harm or inconvenience to any customer.

SEC. 502. OBLIGATIONS WITH RESPECT TO PERSONAL INFORMATION.

(a) GENERAL REQUIREMENTS.—Except as otherwise provided in this subtitle, a financial institution may not, directly or through any affiliate, disclose or make an unrelated use of any nonpublic personal information collected by the financial institution in connection with any transaction with a consumer in any financial product or any financial service, unless—

(1) such financial institution provides or has provided to the consumer a notice that complies with section 503 and the rules thereunder; and

(2) such financial institution maintains procedures to protect the confidentiality and security of nonpublic personal information.

(b) OPT-OUT REQUIRED FOR INFORMATION TRANSFERS.—

(1) OPPORTUNITY TO OBJECT REQUIRED.—The Commission shall by rule prohibit a financial institution from making available any nonpublic personal information to any affiliate of the institution, or to any other person that is not an affiliate of the institution, unless the consumer to whom the information pertains—

(A) is given the opportunity in accordance with such rule to object to the transfer of such information; and

(B) does not object, or withdraws the objection.

(2) FLEXIBILITY OF FORM.—A financial institution may, in complying with paragraph (1), present the opportunity to object in a manner that permits the consumer to object—

(A)(i) with respect to both affiliates and nonaffiliated persons;

(ii) separately with respect to affiliates generally and nonaffiliated persons generally; or

(iii) separately with respect to specified affiliates and nonaffiliated persons; and

(B) separately with respect to specified financial and nonfinancial products and services that may be offered to the consumer.

(c) ACCESS TO AND CORRECTION OF INFORMATION VENDED TO THIRD PARTIES.—

(1) RULE REQUIRED.—The Commission shall by rule require a financial institution that, for any consideration, makes available nonpublic personal information collected by the financial institution in connection with any transaction with a consumer in any financial product or any financial service to any person or entity other than an employee or agent of such institution, an affiliate of such institution, or an employee or agent of such affiliate, to afford that consumer—

(A) the opportunity to examine, upon request, the nonpublic personal information that was so made available; and

(B) the opportunity to dispute the accuracy of any of such information, and to present evidence thereon.

(2) EXCEPTION FOR PROPRIETARY INFORMATION.—The rule required by paragraph (1) shall not require a financial institution to afford a customer who requests access to the nonpublic personal information that was made available the opportunity to examine or dispute any data obtained by any analysis or evaluation performed using such information, or to examine or dispute the methodology of such analysis or evaluation.

(d) LIMITATIONS ON THE SHARING OF ACCOUNT NUMBER INFORMATION FOR MARKETING PURPOSES.—A financial institution shall not disclose an account number or similar form of access number or access code for a credit card account, deposit account, or transaction account of a consumer to any nonaffiliated third party for use in telemarketing, direct mail marketing, or other marketing through electronic mail to the consumer.

(e) GENERAL EXCEPTIONS.—Subsections (a) and (b) shall not prohibit the disclosing of nonpublic personal information, the making of an unrelated use of such information, or the making available of such information to affiliates or other persons by the financial institution—

(1) as necessary to effect, administer, or enforce the transaction or a related transaction;

(2) with the consent or at the direction of the consumer;

(3) as necessary to protect the confidentiality or security of its records pertaining to the consumer, the financial service or financial product, or the transaction therein;

(4) as necessary to take precautions against liability or to protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability;

(5) as necessary to respond to judicial process;

(6) to the extent permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1974, to provide information to law enforcement agencies (including a functional regulator, a State insurance authority, or the Commission) or for an investigation on a matter related to public safety;

(7) to a consumer reporting agency in accordance with title VI of the Consumer Credit Protection Act;

(8) in executing a sale or exchange whereby the financial institution transfers to another financial institution or other person the business unit or operation, or substantially all the assets of the business unit or operation, with which the customer's transactions were effected; or

(9) in connection with a proposed or actual securitization, secondary market sale or similar commercial transaction;

(10) for reinsurance purposes.

SEC. 503. NOTICE CONCERNING DISCLOSING INFORMATION.

(a) RULE REQUIRED.—The Commission shall, after consultation with the Federal functional regulators and one or more representatives of State insurance regulators, prescribe rules in accordance with this section to prohibit unfair and deceptive acts and practices in connection with the disclosing of nonpublic personal information or with making unrelated uses of such information. Such rules shall require any financial institution, through the use of a form that complies with the rules prescribed under subsection (b), to clearly and conspicuously disclose to the consumer—

(1) the categories of nonpublic personal information that are collected by the financial institution;

(2) the practices and policies of the financial institution with respect to disclosing nonpublic personal information, or making unrelated uses of such information, including—

(A) the categories of persons to whom the information is or may be disclosed or who may be permitted to make unrelated uses of such information, other than the persons to whom the information must be provided to effect, administer, or enforce the transaction; and

(B) the practices and policies of the institution with respect to disclosing or making unrelated uses of nonpublic personal information of persons who have ceased to be customers of the financial institution; and

(3) the policies that the institution maintains to protect the confidentiality and security of nonpublic personal information.

(b) DESIGN OF NOTICE REQUIREMENTS.—In prescribing the form of a notice for purposes of subsection (a), the Commission shall ensure that consumers are readily able to compare differences in the measures that the financial institution takes, and the policies that the institution has established, to protect the consumer's privacy as compared to the measures taken and the policies established by other financial institutions. Such form shall specifically identify the rights the institution affords consumers to grant or deny consent to (1) the disclosing of nonpublic personal information for any purpose other than as required in order to effect, administer, or enforce the consumer's transaction, or (2) the making of an unrelated use of such information.

(c) ADDITIONAL CONTENTS OF RULES; EXEMPTIVE RULES.—The Commission shall, by rule after consultation with the functional regulators, and may by order—

(1) specify the disclosures and uses of information which, for purposes of this subtitle and the rules prescribed thereunder, may be treated as necessary to effect, administer, or enforce a consumer's transaction with respect to a variety of financial services and financial products;

(2) specify timing requirements with respect to notices to new and existing customers, which shall not require notices more frequently than annually unless there has been a change in the information required to be disclosed pursuant to subsection (a); and

(3) provide, consistent with the purposes of this subtitle, exemptions or temporary waivers to, or delayed effective dates for, any requirement of this subtitle or the rules prescribed thereunder.

(d) EXEMPTIVE RULES TO PERMIT EFFICIENT DATA STORAGE AND RETRIEVAL.—The exemptive rules prescribed by the Commission pursuant to subsection (c)(3) shall include such rules as may be necessary to permit financial institutions and their affiliates to establish and maintain efficient systems to collect and access nonpublic personal information in shared or networked data storage and retrieval facilities that are implemented in a manner consistent with the requirements of sections 501 and 502.

(e) RULEMAKING DEADLINE.—The Commission shall initially prescribe the rules required by this section within one year after the date of enactment of this Act. Such rules, and any revisions of such rules, shall be prescribed in accordance with section 553 of title 5, United States Code.

SEC. 504. ENFORCEMENT.

(a) IN GENERAL.—Except as provided in subsection (d), this subtitle and the rules prescribed thereunder shall be enforced by the Federal Trade Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(b) ACTIONS BY THE COMMISSION.—The Federal Trade Commission shall prevent any person from violating this subtitle and the rules prescribed thereunder in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this subtitle, except that notwithstanding section 5(a)(2) of such Act (15 U.S.C. 45(a)(2)) the Commission shall, for purposes of this title, have jurisdiction with respect to banks, savings and loan institutions, and Federal credit unions. Any person who violates this subtitle or the rules prescribed thereunder shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this subtitle.

(c) TREATMENT OF RULES.—A rule issued by the Commission under this title shall be treated as a rule issued under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(d) REGULATIONS PRESCRIBED UNDER SECTION501.—The regulations prescribed under section 501 by the Federal functional regulators shall be enforced by the Federal functional regulators with respect to financial institutions subject to their jurisdiction under applicable law, as follows:

(1) Under section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, bank holding companies and their nonbank subsidiaries or affiliates (except broker-dealers, affiliates providing insurance, investment companies, and investment advisers), by the Board of Governors of the Federal Reserve System;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), insured State branches of foreign banks, and any subsidiaries of such entities, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings association the deposits of which are insured by the Federal Deposit Insurance Corporation, and any subsidiaries of such a savings association, by the Director of the Office of Thrift Supervision.

(2) Under the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal or state chartered credit union, and any subsidiaries of such an entity.

(3) Under the Farm Credit Act of 1971, by the Farm Credit Administration with respect to the Federal Agricultural Mortgage Corporation, any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(4) Under the Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to any broker-dealer.

(5) Under the Investment Company Act of 1940, by the Securities and Exchange Commission with respect to investment companies.

(6) Under the Investment Advisers Act of 1940, by the Securities and Exchange Commission with respect to investment advisers registered with the Commission under such Act.

(7) Under Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U. S. C. 4501 et seq.), by the Office of Federal Housing Enterprise Oversight with respect to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(8) Under the Federal Home Loan Bank Act, by the Federal Housing Finance Board with respect to Federal home loan banks.

SEC. 505. FAIR CREDIT REPORTING ACT AMENDMENT.

(a) AMENDMENT.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) in subsection (d), by striking everything following the end of the second sentence; and

(2) by striking subsection "(e)" and inserting in lieu thereof the following:

"(e) REGULATORY AUTHORITY.—

"(1) The Federal banking agencies referred to in paragraphs (1) and (2) of subsection (b) shall jointly prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraphs (1) and (2) of subsection (b).

"(2) The Administrator of the National Credit Union Administration shall prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraph (3) of subsection (b).".

(b) Conforming Amendments.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is further amended—

(1) by striking paragraph (4) of subsection (a); and

(2) in subsection (b)—

(A) by inserting "and bank holding companies, and subsidiaries of bank holding companies other than depository institutions," after "Federal Reserve Act," in paragraph (1)(B); and

(B) by inserting ", and savings and loan holding companies and subsidiaries of savings and loan holding companies" after "Insurance Corporation" in paragraph (2).

SEC. 506. DEFINITIONS.

As used in this subtitle:

(1) Commission.—The term "Commission" means the Federal Trade Commission.

(2) Federal functional regulator.—The term "Federal functional regulator" means—

(A) the Board of Governors of the Federal Reserve System;

(B) the Office of the Comptroller of the Currency;

(C) the Board of Directors of the Federal Deposit Insurance Corporation;

(D) the Director of the Office of Thrift Supervision;

(E) the National Credit Union Administration Board;

(F) the Farm Credit Administration; and

(G) the Securities and Exchange Commission.

(3) Financial institution.—The term "financial institution" means any institution the business of which is engaging in financial activities or activities that are incidental to financial activities, as determined under section 6(c) of the Bank Holding Company Act of 1956. Such term, when used in connection with a transaction for a consumer, means only the financial institution with which the consumer expects to conduct such transaction and does not include any affiliate, subsidiary, or contractually-related party of that financial institution, even if such affiliate, subsidiary, or party is also a financial institution and participates in the effecting, administering, or enforcing such transaction.

(4) Nonpublic personal information.—

(A) The term "nonpublic personal information" means personally identifiable financial information—

(i) provided by a consumer to a financial institution;

(ii) resulting from any transaction with the consumer or the service performed for the consumer; or

(iii) otherwise obtained by the financial institution.

(B) Such term does not include publicly available information, as such term is defined by the regulations prescribed under section 504.

(C) Notwithstanding subparagraph (B), such term shall include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable information other than publicly available information.

(5) Directory information.—The term "publicly available directory information" means subscriber list information required to be made available for publication pursuant to section 222(e) of the Communications Act of 1934 (47 U.S.C. 222(3)).

(6) Unrelated use.—The term "unrelated use", when used with respect to information collected by the financial institution in connection with any transaction with a consumer in any financial product or any financial service, means any use other than a use that is necessary to effect, administer, or enforce such transaction.

(7) Affiliate.—The term "affiliate" means any company that controls, is controlled by, or is under common control with another company.

(8) Necessary to effect, administer, or enforce.—The disclosing or use of nonpublic personal information shall be treated—

(A) as necessary to effect or administer a transaction with a consumer if the disclosing or use is required, or is one of the usual and accepted methods, to carry out the transaction and record and maintain the customer's account in the ordinary course of providing the financial service or financial product, and includes—

(i) providing the consumer with a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product; and

(ii) the accrual or recognition of incentives or bonuses associated with the transaction that are provided by the financial institution or any other party;

(B) as necessary to enforce a transaction with a consumer if the disclosing or use is required, or is one of the lawful methods, to enforce the rights of the financial institution or of other persons engaged in carrying out the financial transaction, or providing the financial product or financial service; and

(C) as necessary to effect, administer, or enforce a transaction with a consumer if the disclosure is made in connection with—

(i) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit or other payment card or account number, or by other payment means;

(ii) the transfer of receivables, accounts or interests therein; or

(iii) the audit of debit, credit or other payment information.

The Commission shall, consistent with the purposes of this subtitle, prescribe by rule actions that shall, in a variety of financial services, and with respect to a variety of financial products, be treated as necessary to effect, administer, or enforce a financial transaction.

(9) Financial services; financial products; transaction; related transaction.—The Commission shall, consistent with the purposes of this subtitle, prescribe by rule definitions of the terms "financial services", "financial products", "transaction", "related transaction", and "unrelated third party" for purposes of this subtitle.

SEC. 507. EFFECTIVE DATE.

This subtitle shall take effect one year after the date on which the Commission prescribes in final form the rules required by section 503(a), except to the extent that a later date is specified in such rules.

Subtitle B—Fraudulent Access to Financial Information

SEC. 521. PRIVACY PROTECTION FOR CUSTOMER INFORMATION OF FINANCIAL INSTITUTIONS.

(a) Prohibition on Obtaining Customer Information by False Pretenses.—It shall be a violation of this subtitle for any person to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution relating to another person—

(1) by making a false, fictitious, or fraudulent statement or representation to an officer, employee, or agent of a financial institution;

(2) by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution; or

(3) by providing any document to an officer, employee, or agent of a financial institution, knowing that the document is forged, counterfeit, lost, or stolen, was fraudulently obtained, or contains a false, fictitious, or fraudulent statement or representation.

(b) Prohibition on Solicitation of a Person To Obtain Customer Information From Financial Institution Under False Pretenses.—It shall be a violation of this subtitle to request a person to obtain customer information of a financial institution, knowing that the person will obtain, or attempt to obtain, the information from the institution in any manner described in subsection (a).

(c) Nonapplicability to Law Enforcement Agencies.—No provision of this section shall be construed so as to prevent any action by a law enforcement agency, or any officer, employee, or agent of such agency, to obtain customer information of a financial institution in connection with the performance of the official duties of the agency.

(d) Nonapplicability to Financial Institutions in Certain Cases.—No provision of this section shall be construed so as to prevent any financial institution, or any officer, employee, or agent of a financial institution, from obtaining customer information of such financial institution in the course of—

(1) testing the security procedures or systems of such institution for maintaining the confidentiality of customer information;

(2) investigating allegations of misconduct or negligence on the part of any officer, employee, or agent of the financial institution; or

(3) recovering customer information of the financial institution which was obtained or received by another person in any manner described in subsection (a) or (b).

(e) Nonapplicability to Insurance Institutions for Investigation of Insurance Fraud.—No provision of this section shall be construed so as to prevent any insurance institution, or any officer, employee, or agency of an insurance institution, from obtaining information as part of an insurance investigation into criminal activity, fraud, material misrepresentation, or material nondisclosure that is authorized for such institution under State law, regulation, interpretation, or order.

(f) Nonapplicability to Certain Types of Customer Information of Financial Institutions.—No provision of this section shall be construed so as to prevent any person from obtaining customer information of a financial institution that otherwise is available as a public record filed pursuant to the securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934).

SEC. 522. ADMINISTRATIVE ENFORCEMENT.

(a) Enforcement by Federal Trade Commission.—Compliance with this subtitle shall be enforced by the Federal Trade Commission in the same manner and with the same power and authority as the Commission has under the title VIII, the Fair Debt Collection Practices Act, to enforce compliance with such title.

(b) Notice of Actions.—The Federal Trade Commission shall—

(1) notify the Securities and Exchange Commission whenever the Federal Trade Commission initiates an investigation with respect to a financial institution subject to regulation by the Securities and Exchange Commission;

(2) notify the Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) whenever the Commission initiates an investigation with respect to a financial institution subject to regulation by such Federal banking agency; and

(3) notify the appropriate State insurance regulator whenever the Commission initiates an investigation with respect to a financial institution subject to regulation by such regulator.

SEC. 523. CRIMINAL PENALTY.

(a) In General.—Whoever knowingly and intentionally violates, or knowingly and intentionally attempts to violate, section 521 shall be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

(b) Enhanced Penalty for Aggravated Cases.—Whoever violates, or attempts to violate, section 521 while violating another law of the United States or as part of a pattern of any illegal activity involving more than $100,000 in a 12-month period shall be fined twice the amount provided in subsection (b)(3) or (c)(3) (as the case may be) of section 3571 of title 18, United States Code, imprisoned for not more than 10 years, or both.

SEC. 524. RELATION TO STATE LAWS.

(a) In General.—This subtitle shall not be construed as superseding, altering, or affecting the statutes, regulations, orders, or interpretations in effect in any State, except to the extent that such statutes, regulations, orders, or interpretations are inconsistent with the provisions of this subtitle, and then only to the extent of the inconsistency.

(b) Greater Protection Under State Law.—For purposes of this section, a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subtitle if the protection such statute, regulation, order, or interpretation affords any person is greater than the protection provided under this subtitle as determined by the Commission, on its own motion or upon the petition of any interested party.

SEC. 525. AGENCY GUIDANCE.

In furtherance of the objectives of this subtitle, each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) and the Securities and Exchange Commission or self-regulatory organizations, as appropriate, shall review regulations and guidelines applicable to financial institutions under their respective jurisdictions and shall prescribe such revisions to such regulations and guidelines as may be necessary to ensure that such financial institutions have policies, procedures, and controls in place to prevent the unauthorized disclosure of customer financial information and to deter and detect activities proscribed under section 521.

SEC. 526. REPORTS.

(a) Report to the Congress.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General, in consultation with the Federal Trade Commission, Federal banking agencies, the Securities and Exchange Commission, appropriate Federal law enforcement agencies, and appropriate State insurance regulators, shall submit to the Congress a report on the following:

(1) The efficacy and adequacy of the remedies provided in this subtitle in addressing attempts to obtain financial information by fraudulent means or by false pretenses.

(2) Any recommendations for additional legislative or regulatory action to address threats to the privacy of financial information created by attempts to obtain information by fraudulent means or false pretenses.

(b) Annual Report by Administering Agencies.—The Federal Trade Commission and the Attorney General shall submit to Congress an annual report on number and disposition of all enforcement actions taken pursuant to this subtitle.

SEC. 527. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) Customer.—The term "customer" means, with respect to a financial institution, any person (or authorized representative of a person) to whom the financial institution provides a product or service, including that of acting as a fiduciary.

(2) Customer information of a financial institution.—The term "customer information of a financial institution" means any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of the financial institution and is identified with the customer.

(3) Document.—The term "document" means any information in any form.

(4) Financial institution.—

(A) In general.—The term "financial institution" means any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution.

(B) Certain financial institutions specifically included.—The term "financial institution" includes any depository institution (as defined in section 19(b)(1)(A) of the Federal Reserve Act), any broker or dealer, any investment adviser or investment company, any insurance company, any loan or finance company, any credit card issuer or operator of a credit card system, and any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis (as defined in section 603(p)).

(C) Securities institutions.—For purposes of subparagraph (B)—

(i) the terms "broker" and "dealer" have the meanings provided in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(ii) the term "investment adviser" has the meaning provided in section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)); and

(iii) the term "investment company" has the meaning provided in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a-3).

(D) Further definition by regulation.—The Federal Trade Commission, after consultation with Federal banking agencies and the Securities and Exchange Commission, may prescribe regulations clarifying or describing the types of institutions which shall be treated as financial institutions for purposes of this subtitle.

Mr. MARKEY (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The gentleman from Massachusetts (Mr. Markey) is recognized for 5 minutes.

Mr. MARKEY. Mr. Speaker, the recommittal motion that we are going to vote upon in 10 minutes will contain three elements. It will contain the amendment of the gentlewoman from California (Ms. Lee) on insurance redlining, which she won in the Committee on Banking and Financial Services, but the Committee on Rules would not put in order. It will include the amendment of the gentleman from California (Mr. Condit) and the gentleman from California (Mr. Waxman), which ensures that full medical privacy protections are guaranteed. They are not in this bill; and third, that the financial privacy amendment, which I won in the Committee on Commerce, but not put in order out here, is also voted upon.

Remember, in the Oxley amendment, telemarketing is prohibited by unaffiliated companies of a bank holding company but telemarketing of the financial data is not stopped inside the bank holding company.

We are going to prohibit that tonight in the recommittal motion.

Mr. Speaker, I yield to the gentleman from New York (Mr. LaFalce).

Mr. LaFALCE. Mr. Speaker, when I appeared before the Committee on Rules yesterday, I said there were a number of corrections or amendments that should be offered. First of all, I said please restore a provision that the Committee on Banking and Financial Services adopted or at least allow us to offer it as an amendment. That dealt with a prohibition against redlining against an insurance company when the insurance company wants to affiliate with a bank. That is in the Markey motion to recommit.

I also said I was very troubled by the Ganske amendment because although it is extremely well intentioned, the exceptions to it one could drive a Mack truck through it right now, and it might be construed as preempting the ability to articulate through regulation more broad sweeping privacy protections.

Also, at that time, the Markey amendment would have been a substitute for the excellent privacy provisions that have been worked out in a bipartisan fashion. I can support the bill but the bill would be improved tremendously by the motion to recommit.

Mr. MARKEY. Mr. Speaker, I yield to the gentlewoman from California (Ms. Lee).

Ms. LEE. Mr. Speaker, I thank my colleague, the gentleman from Massachusetts (Mr. Markey) for yielding and for his consistent hard work on behalf of our consumers.

Mr. Speaker, I wanted to support a reasonable financial services modernization bill and I worked very hard with my colleagues to include important consumer protections and privacy measures as this bill moved to the floor. Unfortunately, however, the Republicans refused to accept these amendments, and made matters worse by wiping out an adopted anti-redling provision to require the insurance industry to comply with the Fair Housing Act and not discriminate against the poor, minorities and people who live in neighborhoods redlined by the insurance industry.

We have not allowed banks to discriminate. Why should we allow the insurance industry to discriminate?

We did not adopt this amendment to stall this bill as one of my Republican colleagues accused me of earlier. We adopted this amendment to provide equal opportunity for all Americans. The Committee on Rules, by whatever unDemocratic means they used in a blatant, arrogant misuse of their power, deleted this important, agreed-upon amendment. This overt violation of the legislative process is outrageous and really should be illegal. It is an example of governmental lawlessness.

Let us restore some integrity to this process and vote for this motion to recommit

Mr. MARKEY. Mr. Speaker, I yield to the gentleman from California (Mr. CONDIT).

Mr. CONDIT. Mr. Speaker, I rise in support of the recommittal motion and am opposed to H.R. 10. Let me simply just say the reason that I oppose H.R. 10 and support the motion to recommit is section 351.

This section of the bill should have been deleted. The privacy part related to medical records is inadequate. It does not have consumer consent. The definition of the consent under this section on page 371 is too vague. The health research part of the bill creates loopholes for drug companies and marketing firms. Patients rights, they simply do not exist; no access to a person's own health records. A person cannot even get their own records and have control over them. There is no redress if a person's privacy is violated; no restrictions on third party entities from disclosing personal information to marketing firms or other parties.

We ought to do this right on behalf of the American people.

It is important that we do this bill H.R. 10, but it is not more important than us protecting people's privacy. That should be our main thrust in this bill is to make sure that the people of this country can count on us to protect their privacy.

Mr. MARKEY. Mr. Speaker, this is a pure substance vote. These are the votes the bankers did not want to be taken. The reason they did not want them to be taken is because they are so hard. Yes, we are going to offer full medical privacy protection to all of people's records.

□ 2300

This is a straight up-or-down substantive vote. Yes, we are going to give full financial protection. It does not make any difference whether it is some third party or the bank themselves, we have a right to say no. If we want all of these services from this new financial structure, we can take advantage of them, but we might be part of the 10 percent or 20 percent or 30 percent, in the same way that we have an unlisted phone number, we just might not want anyone telemarketing to us, even from our bank, going through all of our checks. Just say no.

Thirdly, the point of the gentlewoman from California (Ms. LEE) on the insurance industry, why should it be any different on redlining? Why should not her community and all the poorer communities of the country have those kinds of protections?

When Members vote for recommital, it goes straight into the bill, it is part of it, and then we vote final passage. If Members vote no, they are voting not to put it in the bill right now. Recommital does not go back to the committee, it just goes right to that desk and into the bill immediately.

This is a straight substance vote. Please, vote for the recommital motion, and Members have made this a good financial services modernization bill for the banks and for the American people.

Mr. LEACH. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER. The gentleman from Iowa (Mr. LEACH) is recognized for 5 minutes.

Mr. LEACH. First, Mr. Speaker, let me express my appreciation for the thoughtfulness of the concerns of the proponents of this motion.

At the risk of presumption, I would stress that the majority and the minority are not as far apart as the rhetoric might lead a listener to this debate to expect.

There are two principal aspects to the amendment. One relates to the Lee amendment on redlining, which some of us on this side differ with, and others, like myself, find quite reasonable.

The other relates to privacy. Here I would simply note that the bill before us represents the greatest expansion of privacy rights in modern day finance. Indeed, it represents, in the words of the gentlewoman from Oregon (Ms. HOOLEY), a movement far further than she would have ever have dreamed.

In the words of the gentleman from Massachusetts (Mr. MARKEY), it is a good step forward. Actually, it is not one but a number of steps forward. Let me mention six.

One, there is a mandatory disclosure by financial institutions of privacy policies.

Two, there are consumer opt-out choices to prevent the sale of confidential information to unaffiliated third parties.

Three, there is a medical opt-in choice to prevent the transfer of a consumer's medical information without the consumer's consent.

Four, there is a prohibition on disclosure of consumer account numbers to third party telemarketers.

Five, there are new privacy enforcement mechanisms for financial institution regulators.

Six, there is a prohibition on pretext calling. This is a policy where individuals can call up an institution and claim they are someone else and get their information, and now that is outlawed.

To object to this bill on final passage will be to vote against these privacy protections. Indeed, the biggest privacy vote of all our careers in the United States Congress will be on final passage of this bill. Let me repeat, the biggest privacy vote of all our careers in Congress will be on final passage of this bill.

Now, what is the amendment before us? Basically, the amendment before us subtracts one feature of the bill and adds another. What it subtracts is the provision of the gentleman from Iowa (Mr. GANSKE) which imposes important new protections for health and medical privacy. I have never known a more misunderstood provision, so let me stress what the Ganske provision does.

It imposes a broad prohibition on the disclosure by an insurance company or its affiliates of individually identifiable health, medical, and genetic information, unless the customer expressly consents to such disclosure.

If Members strip this provision of H.R. 10 from the bill, they are leaving customers of financial companies without any medical privacy protections, thereby leading to precisely the kinds of privacy umbrages that the opponents of the language claim they want to prevent.

In this regard, I would stress again that there is no intent in this bill to preempt executive branch actions or jeopardize any confidences associated with doctor-patient relationships, nor the privacy protections currently afforded any medical records.

Indeed, the intent is to strengthen these protections. To the degree that more precision in this area is required, this gentleman is prepared to work in conference to ensure that that occurs.

What is it that this amendment adds? It adds a restriction on the ability of financial institutions to share consumer information with affiliates that are all part of the same financial organization.

Unfortunately, there is some question whether this proposed restriction on affiliate information-sharing might needlessly and dramatically increase costs for consumers and financial institutions, reduce consumer convenience, impair fraud detection and prevention, and deny consumers new cost-effective products.

It is the intention of the various committees of jurisdiction, including the Committee on Banking and Financial Services, to hold hearings on this issue in the near future. This Member has an open mind. The concerns I raise are questions without definitive answers.

Accordingly, at this time, I would urge caution, and only ask that Members recognize the historical nature of the extraordinary expansion of privacy protection contained in this bill.

In conclusion, I urge an enthusiastic yes vote on final passage, again, final passage on the greatest privacy expansion in the history of American finance, and a preliminary no vote on the Markey motion to recommit until the consequences of his approach receive careful scrutiny in the hearings process.

I thank all, friend and foe, for their courtesies.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MARKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—yeas 198, nays 232, not voting 5, as follows:

[Roll No. 275]

YEAS—198

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rogan
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu
Wynn

NAYS—232

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boucher
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Brown (CA)
Fossella
Green (TX)
Lipinski
Pelosi

□ 2323

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEACH. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 343, noes 86, not voting 6, as follows:

[Roll No. 276]

AYES—343

Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Cook
Cooksey
Cox
Cramer
Crane
Crowley
Cubin
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Everett
Ewing
Fletcher
Foley
Forbes
Ford
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode

Goodlatte
Goodling
Gordon
Goss
Graham
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Strickland
Stump
Sununu
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thune
Tiahrt
Toomey
Towns
Traficant
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—86

Abercrombie
Baldwin
Barrett (WI)
Barton
Bonilla
Brady (PA)
Brady (TX)
Brown (OH)
Campbell
Capps
Capuano
Chenoweth
Clay
Coburn
Combest
Condit
Conyers
Costello
Coyne
Cummings
DeFazio
DeGette
Delahunt
DeLauro
Dingell
Edwards
Eshoo
Evans
Farr
Fattah
Filner
Frank (MA)
Gejdenson
Granger
Hefley
Hilliard
Hinchey
Hoekstra
Inslee
Jackson (IL)
Kaptur
Kleczka
Kucinich
LaHood
Lampson
Lantos
Lee
Lewis (GA)
Lofgren
Luther
Markey
Martinez
McCarthy (MO)
McDermott
McKinney
Meehan
Mica
Miller, George
Mink
Moran (KS)
Nadler
Obey
Olver
Ortiz
Paul
Payne
Peterson (MN)
Phelps
Rivers
Rodriguez
Roybal-Allard
Sanders
Schakowsky
Serrano
Stark
Stenholm
Stupak
Tancredo
Taylor (MS)
Thornberry
Thurman
Tierney
Turner
Waters
Waxman
Woolsey

NOT VOTING—6

Archer
Brown (CA)
Fossella
Green (TX)
Lipinski
Pelosi

□ 2332

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 10.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PROVIDING FOR CONDITIONAL ADJOURNMENT OF THE SENATE AND HOUSE

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent to call up from the Speaker's table the Senate concurrent resolution (S. Con. Res. 43) providing for conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives, and ask unanimous consent for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 43

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, July 1, 1999, Friday, July 2, 1999, or Saturday, July 3, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, July 12, 1999, or until such time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, July 1, 1999, or Friday, July 2, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 12:30 p.m. on Monday, July 12, 1999, for morning-hour debate, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 236 is laid on the table.

There was no objection.

AUTHORIZING SPEAKER, MAJORITY LEADER AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND TO MAKE APPOINTMENTS NOT WITHSTANDING ADJOURNMENT

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Monday, July 12, 1999, the Speaker, majority leader, and minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JULY 14, 1999

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, July 14, 1999.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1300

Mr. FROST. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1300.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

APPOINTMENT OF HON. THOMAS M. DAVIS TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL JULY 12, 1999

The SPEAKER laid before the House the following communication:

WASHINGTON, DC,
July 1, 1999.

I hereby appoint the Honorable THOMAS M. DAVIS to act as Speaker pro tempore to sign enrolled bills and joint resolutions through July 12, 1999.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER. Without objection, the appointment is accepted.

There was no objection.

RECOGNIZING LATE UNC-CHAPEL HILL CHANCELLOR MICHAEL HOOKER

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise today to honor the memory of Michael Hooker, the Chancellor of the University of North Carolina. This Nation has lost a great educator, and I have lost a good friend.

Chancellor Hooker passed away Tuesday in the midst of his own service to the public after a courageous battle with cancer. He was just 53 years of age. Our prayers go out to his family.

In his 4 years at UNC, Chancellor Hooker established a reputation as a driven leader with a firm vision for North Carolina's future. He was committed to making UNC the best public university in the Nation. Hooker earned the respect of students, faculty and the citizens of North Carolina with his confidence and enthusiasm. Chancellor Hooker forged a strong bond with many students by meeting them on their own turf. He was a regular at UNC's dining halls and recreation centers and even was spotted crowd surfing in the student section during a UNC basketball game against their rival Duke University.

Mr. Speaker, as the former superintendent of my State and as the father of a UNC graduate, I know firsthand what an outstanding man Michael Hooker was. I worked with him on many projects. His vision and leadership will have a lasting impact on both the University and the citizens of North Carolina for years to come. Rest in peace, Michael Hooker.

He is survived by his wife, Carmen; his daughter, Alexandra; his mother Christine Hooker; and two stepdaughters, Jennifer and Cyndi Buell. Our prayers go out to his family.

Michael Hooker grew up in the coal country of Southwestern Virginia, where he quickly leaned the value of education. Michael once said that his parents decided to have only one child to better commit their attention to his education. His parents' commitment paid off, as Michael earned his bachelor's degree in philosophy from UNC in 1969. After his graduation, he went on to great success, rising from a teaching post at Harvard University to the Presidency of Vermont's Bennington College at the young age of 36. Hooker then spent six years leading the University of Maryland-Baltimore County and another three years as the president of the University of Massachusetts system before returning to North Carolina to lead his alma matter into the 21st century.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. OSE). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WE ARE WEARING THEM OUT: WHY WE NEED TO INCREASE ARMY TROOP STRENGTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, this year, at the urging of the Joint Chiefs of Staff and other senior military leaders, Congress has taken some critically important steps to improve military pay and benefits. Both the House and the Senate have now approved versions of the Fiscal Year 2000 Defense Authorization Bill that provide higher than requested pay raises for service personnel and reforms the pay table to better reward personnel who have performed particularly well and that repeal reductions in military retirement benefits enacted in 1986.

Although there remain minor differences between the two chambers on some details, service members can be assured that these much needed and much deserved improvements in pay and benefits are on the way.

I hope that the fine young men and women who serve in our Nation's military will see this as evidence that we appreciate what they are doing, that we are aware of how hard they are working, and that we understand, to some degree at least, the tremendous personal sacrifices we ask them to make for our country.

□ 2340

Having addressed pay and benefits, it is now time for the leaders in the military services and for the Congress to consider other critical steps to ease the burdens of military service. First and foremost in my mind is the need to stop imposing dreadfully excessive day-to-day demands on large parts of the force. The Congress is approving better pay and benefits in the hope that these measures will help stem the hemorrhage of high quality people from the force and ease recruitment of some new high quality people. Pay table reform in particular is designed to encourage the best of the best, the people whose work has led to rapid promotion, to stay in the service for a full career. But service members are not leaving the force simply or mainly because they are not being paid enough. Nobody makes the armed forces a career because of the financial rewards. Rather, too many good people are leaving because we are wearing them out.

Let me emphasize that point again, Mr. Speaker, we are wearing them out. While it is not true of all parts of the force, for too many service members and too many key military specialties, their lives have become a never-ending and often unpredictable cycle of stand-ups and stand-downs: of preparation for exercises, exercises and recovery from exercises; of preparation for deployment abroad, deployment in often tense missions overseas, and of recovery from deployment; of temporary duty assignments to fill out units engaged in exercises or in missions abroad, or of working doubly hard at home to take up the slack caused by the loss of people on temporary duty assignments, and on and on. Unless we take steps to reduce the number of days many service members spend away from home, unless we ease the intensity and constancy of periods of overwork, unless we improve the predictability of periods away from home, unless we do all of these things, the extra pay and benefits we are providing will have but little effect in preserving a high quality, well-trained, ready military force.

All of the military services suffer from the problem of overwork to one degree or another. And all of the services are taking steps to try to ease the workload. Today, however, I want to talk in particular about the state of the Army, where I believe the underlying problems are most deep-rooted and where measures to ameliorate the problem will have to be most far reaching.

To put it bluntly, the Army today is too small. It is not big enough to carry out all of the responsibilities assigned to it without wearing out too many of its best people. We need a bigger Army. How much bigger? I will not at this time venture to say. I do not know whether we need 5,000 more people in the Army or 20,000 or 40,000. But I know we need more. For the record, in testimony before the House Committee on Armed Services in January 1996, Lieutenant General Ted Stroup, who was then the Army personnel chief, said the Army should be at 520,000 active duty troops, which is 40,000 more than is currently authorized.

I believe as well that we cannot afford to follow through on measures to reduce further the size of the Army National Guard and Reserve components. They, like the active Army, have been reduced enough. Instead of shrinking them further, we need to work on measures to improve the way in which reserve components can help, even more than they have, to ease the strains on the active part of the force.

To his credit, the new Chief of Staff of the Army, General Eric Shinseki, has begun already to raise the issue of personnel levels. In his confirmation hearing before the Senate Armed Services Committee 3 weeks ago, General Shinseki opened the door to a discussion of troop levels, saying, "It would be a bit premature for me to tell you that raising the end strength right now is the right call. But I think it is a legitimate concern." He clarified that comment a bit more last week in his first press conference as Chief of Staff when he said that he suspects the Army will decide it needs more troops after it completes its current review of Army requirements, called "Total Army Analysis—2007," over the next few months.

While I look forward to the results of "TAA–07," for me the question is not whether the Army should pursue an increase of some significant magnitude in its personnel strength—the question is how much and how fast. And I think the sooner the Army leadership begins to make the case for a necessary increase, the better Congress will be prepared to address it, and, more importantly, the sooner the troops will feel that some relief is coming. To explain my reasoning, I want to walk through, step by step, how shortfalls in Army personnel levels have developed in the post-Cold War period and how they have affected the people in the service.

To begin with, like the other services, the Army has drawn down force levels substantially since the end of the Cold War. At the end of fiscal year 1987, the Army had 780,000 active duty troops. At the end of fiscal year 1999, the Army's authorized end-strength will be down to 480,000 troops, which is 38% less. In fact, the Army is actually falling considerably short of its authorized troop level—as of April 30 of this year, there were 469,314 active duty troops in the service.

The Army's cut in end-strength is roughly commensurate with cuts in the size of the force structure, that is, in the number of units in the force. Over the last 12 years, the Army has come down from 18 active divisions to 10, which is a reduction of 44%. The number of brigades has come down somewhat less, because almost all Army divisions are now wholly filled with active duty units rather than some being filled with round-out units from the National Guard, as in the past.

As it has turned out, however, simply shrinking Cold War troop levels in proportion to cuts in the Cold War force structure has not been appropriate in coping with post-Cold War demands on the force. The root cause of the problem is that the Army has deliberately maintained—in the post Cold-War environment as it did during the Cold War—a somewhat larger force structure than it has people to fill. If you take a table or organization for the entire active duty Army today, and count up all the jobs in the organization—including combat jobs, headquarters staff, training, medical, and other support positions—you will come up with a requirement for about 540,000 full time uniformed personnel. As I said, the Army actually has an authorized end-strength of 480,000, which is 60,000 troops, or about 11 percent, below the level need to fully man the organizational structure.

During the Cold War, and to some degree even today, it made sense to fall somewhat short of filling all the Army's positions. As the Defense Department has said in its annual "Manpower Requirements Report,"

> During peacetime, it is neither necessary nor desirable to fill all positions in all units. Some units may not be staffed at all, due to a lack of funding or because we can fill them in an expeditious manner following mobilization. Some units may be staffed with a combination of active and reserve people. As a unit is tasked to perform more in peacetime, the proportion of full-time people, whether active, reserve, or civilian, may be expected to increase.

This explains the underlying premise of the manning policies of the Army, and, to differing degrees, of the other services. In peacetime, units deployed on missions and units designated to deploy early in a conflict, are maintained at full or close-to-full manning levels, while units designated to deploy later and many support activities are maintained at lower levels. In the event of a conflict, critical needs can be filled by reassigning people within the force or by tapping other sources of personnel—including recent retirees who still have an obligation or members of the individual ready reserve, IRR, which is mainly composed of people who have not reenlisted after completing their contractual tours of duty, but who also have a period of obligation remaining.

This system makes sense if you are preparing for an all-out war with the Soviet Union and its allies, as in the Cold War, or for two major theater wars, as planners initially assumed in the post-Cold War era. If the prospect of a major conflict arises, then you do whatever it takes to get the force fully prepared—you take people out of the training system and put them into combat units; you mobilize reserve units and assign some personnel to active units to fill them out; you call back recent retirees and members of the individual ready reserve as needed to fill critical positions. The fully manned Army organization is really a wartime organization, which is not necessary to maintain in peacetime.

In the post-Cold War period, however, we have found that peacetime is not what it used to be. It is not a period in which the Army—or the other services—can focus simply on preparing for the most demanding conflicts in the future. The world is a dangerous place—now. Iraq and North Korea have simmered, threatening to flare into regional crises. India and Pakistan have tested nuclear weapons and are currently engaged in a territorial dispute. Peace in Bosnia and Kosovo confound a neat, easy solution. Terrorism still rears its ugly head. Since the end of the Cold War, our military has responded to an average of one crises or contingency a month, a pace of operations 300% greater than during the Cold War.

Some may argue that we should simply decrease our pace of operations. They would be wrong. The United States must remain engaged in the world. Our global engagement prevents the growth of malevolent powers that could threaten our security. Our engagement provides stability in a world more globally dependent than at any time in history. The world's stability affects our stability. It is simply in America's interests to shape the peace.

The post-Cold War era is a period in which forces have been required to prepare for major theater wars and also to participate in recurring peacekeeping operations, to maintain a constant, active forward presence, and to engage in an extraordinarily broad range of exercises and other activities, with long-time allies and former foes, as part of a policy of international engagement. Senior Army officers have said that this so-called "peacetime" has actually been as demanding for the force as a major theater war would be. There is, of course, one big difference—unlike a war, the current demands never go away. There is the strong possibility that if we continue with the high operational tempo, and I foresee no letup, we will truly end up with a hollow Army.

A policy of not fully manning later deploying units and of not fully manning many critical support functions would make sense if peacetime were actually peaceful, such as during the 1920s and 1930s. But such a policy does not make sense when a wartime level of demand is constantly being imposed on precisely the forces that are deliberately being undermanned on the assumption that they can be built up in the event of a crisis. The effects of this policy have been very deteremental for large parts of the Army. Last year and this, subcommittees of the House Armed Services Committee held a number of hearings to explore the impact of the demanding post-Cold War pace of operations on personnel readiness in different services—including hearings in Norfolk, in Naples Italy, and in San Diego. Last year, at the request of the Committee, the General Accounting Office also surveyed personnel readiness in later-deploying active Army divisions.

While I won't go into great detail on what we learned from these investigations, I will highlight a few points that illustrate what I see to be the general situation. First of all, the Army, as I said earlier, has followed a policy of most fully manning early deploying divisions, while later-deploying units and many support units are less fully manned. The problem is that later-deploying units, by definition, are the units expected to be available for contingency operations, such as those in Somalia, Haiti, Bosnia, the Persian Gulf, and now Kosovo. In particular, later-deploying Army units include brigades deployed in Europe, where forces are expected not only to deploy to Bosnia and elsewhere, but also to be actively involved in engagement exercises with allies and others in the region.

When a Europe-based brigade sends part of its force into Bosnia, the units being deployed there have to be fully manned to carry out the mission. But this will further deplete a brigade that to begin with is manned at only 90% of total authorized strength. The problems become particularly acute because troop shortages are never evenly distributed. So if there is an Army-wide shortage at certain grades or in certain specialties, later-deploying units will be even shorter in those positions. Spending part of the force on a mission can virtually strip the remainder of the unit of key personnel. And because there is an Army-wide policy of not fully manning certain support positions, including positions as important to mission support as intelligence and communications, shortages in some areas leave some units with virtually no capability on hand.

The General Accounting Office survey I referred to gave some dramatic examples of the effect:

At the 3rd Brigade of the 1st Armored Division, only 16 of 116 M1A1 tanks had full crews and were qualified, and in one of the

Brigade's two armor battalions, 14 of 58 tanks had no crewmembers assigned because the personnel were deployed to Bosnia. In addition, at the Division's engineer brigade in Germany, 11 of 24 bridge teams had no personnel assigned.

[C]aptains and majors are in short supply Army-wide due to drawdown initiatives undertaken in recent years. The five later-deploying divisions had only 91 percent and 78 percent of the captains and majors authorized, respectively, but 138 percent of the lieutenants authorized. The result is that unit commanders must fill leadership positions in many units with less experienced officers than Army doctrine requires. For example, in the 1st Brigade of the 1st Infantry division, 65 percent of the key staff positions designated to be filled by captains were actually filled by lieutenants or captains that were not graduates of the Advanced Course.

There is also a significant shortage of the NCOs in the later-deploying divisions. Again, within the 1st Brigade, 226, or 17 percent of the 1,450, total NCO authorizations, were not filled at the time of our visit.

[T]o deploy an 800-soldier task force [to Bosnia] last year, the Commander of the 3rd Brigade Combat Team had to reassign 63 soldiers within the brigade to serve in infantry squads of the deploying unit, strip non-deploying infantry and armor units of maintenance personnel, and reassign NCOs and support personnel to the task force from throughout the brigade. These actions were detrimental to the readiness of the non-deploying units. For example, gunnery exercises for two armor battalions had to be canceled and 43 of 116 tank crews became unqualified on the weapon system.

Mr. Speaker, I know that other Members of the House have gone on their own fact-finding trips to Europe, and almost everyone comes back with the same story—that Army personnel would talk their ears off about shortfalls in personnel and the killing effect this has on the day-to-day operational tempo. These concerns come not mainly from forces actually deployed on missions, but from forces left behind to take up the slack. I am here to tell you that these are not just a few isolated cases—they reflect a very wide-spread situation in later-deploying Army units, because there just are not enough people to go around given the operational requirements.

To test that proposition, I asked the Army Legislative Liaison office to provide me with a rundown of the current personnel situation in each of the 10 active divisions. They did a good job of it—in particular I want to thank Lt. Col. Joe Guzowski and Lt. Col. Craig Deare for putting together very useful, well organized data very quickly. I am afraid I may have contributed a bit to the overwork problem I'm discussing here today, but, as usual, they came through.

The information they collected shows especially severe personnel shortfalls in units deployed in Europe, more isolated and less serious problems in some other later-deploying divisions, and generally good personnel levels in early-deploying divisions. Here are a few excerpts:

1st Infantry Division (Germany)

The Division is 94% assigned strength and 88% available strength and 86% deployable strength. Available senior grade is 88%. They have a shortage of 436 NCOs, 73% of their required Majors and 84% of required Captains, which continue to cause junior leaders to fill vacant positions.

The Division remains critical in maintenance supervisors, to include Aviation maintenance warrant examiners . . . which remain at 0% fill.

The Division's MI Military Intelligence battalion is below for the eleventh consecutive month and without extensive augmentation is not capable of performing sustained combat operations.

1st Armored Division (Germany) [Which will take on the KFOR mission in Kosovo]

[Due to] shortages of soldiers in critical division competencies resulting from deployment on contingency operations, the division cannot deploy to meet assigned . . . missions without augmentation and training time.

Personnel trained in critical division competencies are deployed on contingency operations. These training issues make the division unable to function effectively for division level operations without extensive assistance.

The continued downward trend in NCO strength (85%, short 724 NCOs) hinders the division's ability to provide adequate supervision and training.

4th Infantry Division (Fort Hood, Texas and Fort Carson, Colorado)

The division remains at borderline . . . Senior grade shortages continue to be primary concern. The [overall] personnel strength percentages continue to mask critical shortages.

Captains and Majors are short . . .

NCOs are short . . . [by] 450.

10th Infantry Division [Which is preparing to deploy to Bosnia]

The division's aggregate strength and infantry squad manning are at the highest levels in over 18 months and continue to improve. . . . NCO shortages were the primary reason for . . . failure.

The shortage of field artillery NCOs . . . is placing junior soldiers into critical positions that require a greater experience base to effectively lead gun crews. Of the 44 howitzers authorized, all are combat capable, but only 22 are fully manned and qualified.

[We] project [that] some subordinate units preparing to deploy will improve and units remaining on Fort Drum will decrease their overall C [readiness] ratings.

Mr. Speaker, the shortages in personnel in later deploying units and in many support positions is, in my view, seriously damaging the overall readiness of the Army. General Shinseki essentially acknowledged that in his confirmation hearing. The Army, he said, is currently able to meet its primary strategic mandate, which is to be prepared to prevail in two nearly simultaneous major theater wars. But the requirement to prevail in the second theater, he warned, could be accomplished only with "high risk."

In the vernacular of the military in the 1990s, Mr. Speaker, this is a carefully crafted way of saying that the situation is not acceptable. To say that the mission is "high risk" is to say at the very least that the Army would suffer unacceptably high casualties in the event of a conflict. Just as importantly, in my view, it is to say that the units involved are not able to attain the standards which the service has established. For the professional men and women who serve in the force, this is a terribly frustrating situation. It is reflected in complaints that units sent for exercises to the Army's combat training centers in California, Louisiana, and Germany are not as capable as they used to be because shortages have limited the extent and quality of preparatory training at their home bases. It is reflected in the difficulty the service has had in retaining its most highly skilled and accomplished personnel. It is reflected, as well, in evidence of increasing strains on military families caused by frequent and unplanned deployments and excessive workloads when people are at home.

Mr. Speaker, the Army has tried valiantly to adjust to the demands of the post-Cold War environment by managing shortfalls in personnel as best it could. The leadership of the Army has tried to ensure that first-to-fight units have what they need, and, for the rest, they have demonstrated remarkable creativity and flexibility in allocating personnel to fill urgent requirements created by contingency operations and other demands. They have done a good job. The U.S. Army remains the best in the world, and perhaps, the best Army ever in this country or elsewhere. When called upon to perform difficult and demanding missions, the Army has responded magnificently.

But this has come at a price. The continued high pace of operations, the continued turbulence in the force, the continued need to assign hundreds and even thousands of people to temporary duty, the need for others to work harder to make up for shortfalls—all of this is eroding the readiness of the force. The Army needs to work with Congress beginning today to fix the problem. We need to add enough personnel to the force to meet the demands of the post-Cold War world without wearing out so many of the wonderful men and women on whom our security depends. We are wearing them out, Mr. Speaker. It is up to Congress to correct the problem.

RETIREMENT SECURITY

The SPEAKER pro tempore (Mr. OSE). Under a previous order of the House, the gentleman from Ohio (Mr. PORTMAN) is recognized for 5 minutes.

Mr. PORTMAN. Mr. Speaker, I rise tonight to talk about retirement security. This Congress and the administration have I think appropriately made preserving Social Security a top priority for this year. But as this chart demonstrates, it is not enough to simply preserve Social Security. Our public Social Security system is only one part of our overall retirement security programs in this country. Specifically, I believe strongly that we need to take steps this year to significantly increase the availability of secure retirement savings by strengthening the private side, particularly the employer-provided pension side of our retirement system. This is a crucial issue for all Americans but particularly for baby boomers who are nearing retirement. The problem we face is significant.

Only about half of American workers have any kind of pension at all. This would include a 401(k), a traditional defined benefit plan, a profit-sharing plan and so on. About 80 percent of workers who are employed in smaller businesses that cannot afford because of the complexities of the current rules to offer plans do not have a plan, so about 20 percent have a pension plan. Studies show us that baby boomers right now are only saving about 40 percent of what they will need for their retirement needs. Finally, the personal savings rate in our country is at historic lows. In fact, the Commerce Department tells us that last month, the savings rate in the United States was minus 1.2 percent. Historically low. This is all the funds that are being saved in this country for retirement and other needs.

So how can people help themselves? How can people save more for their retirement? We have got a plan to do that. I have introduced a piece of legislation with the gentleman from Maryland (Mr. CARDIN) which increases that third leg of retirement security, which is again the private employer-based pension system, 401(k)s, 457s, 403(b) plans, defined benefit plans, profit-sharing plans and so on. The legislation is comprehensive and it is designed to correct all the deficiencies we see in our current system but, simply put, it lets workers save more for their own retirement. It makes it less costly and burdensome for employers, particularly small employers, to establish new pension plans or to improve their own plans they have already got.

Finally, we modernize the pension laws to make them more in tune with the current mobile workforce of the 21st century. How do we do this? We increase contribution limits. For instance, 401(k) contribution limits are increased from $10,000 per year to $15,000 per year, allowing workers to save more for their own retirement. We have catch-up contributions, allowing any worker age 50 or over to put an additional $5,000 aside for retirement. This will be particularly good for women who have been out of the workforce raising kids and then come back into the workforce and want to build up a nest egg for their retirement. We drastically increase portability, allowing people to roll over their pension savings from job to job, whether they are in the private sector, the government sector or the nonprofit sector. These are long overdue changes that are absolutely necessary again to respond to the much more mobile workforce of the next century. We also lower the vesting requirement for matching employer contributions from 5 years where it is now to 3 years to give more Americans the ability to get involved in pension plans.

Finally, we cut red tape. The increasing complexities of the laws governing pensions, both in the private sector and the nonprofit and public sector have discouraged the growth of pension plans. For small businesses in particular, the costs, the burdens and the liabilities associated with pensions are the main reason that companies are not offering these plans. This legislation takes steps to cut the unnecessary red tape that I think has put a real stranglehold on our pension system.

Who are these changes going to benefit the most? They benefit everybody. That is what is great about them. If we look at this chart, it will show us that at least 70 percent of current pension recipients, those who are retired and receiving pensions, make incomes of $50,000 or less. So this is something that is really going to help the people who need the help the most. The next chart will show us that among those people who are involved in pensions who are getting pension benefits right now, 77 percent are middle and lower income workers. Again, by taking actions today to expand our pension savings, we are going to help the people who need the most help in saving for their retirement.

This is a chance for this Congress to help all Americans do what people want to do, which is to provide for a retirement that is secure, to have increasing independence in retirement, to have more dignity in retirement. Imagine the impact we could have in this country if the 60 million Americans who currently do not have retirement savings through a pension of their own would be able to get that kind of retirement security. Again, Social Security reform is very important. I support preserving the Social Security system. But this is an opportunity this Congress ought to take today and ought to pass this year to enable all Americans to have dignity and independence and security in retirement.

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TRIBUTE TO CHANCELLOR MICHAEL HOOKER OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

The SPEAKER pro tempore (Mr. OSE). Under a previous order of the House, the gentleman from North Carolina (Mr. PRICE) is recognized for 5 minutes.

Mr. PRICE of North Carolina. Mr. Speaker, this week the University of North Carolina at Chapel Hill lost a bold leader when its eighth chancellor, Michael Hooker, died from complications of cancer. Memorial services will be held at 11 o'clock tomorrow morning on the UNC Chapel Hill campus.

During a short 4-year tenure Chancellor Hooker brought a great vision to the university, constantly pushing Carolina with the declared goal of making it the greatest public university in the Nation. His legacy will live in the university community and beyond, wherever the impact of his enthusiasm and his leadership were felt.

Mr. Speaker, Michael Hooker had an abiding love for Carolina. When he came to Chapel Hill to serve as Chancellor in 1995, he was returning to his school to which he had first come as a young man from the mountains of southwest Virginia and which he always felt had opened up the wider world to him. He graduated from Carolina in 1969, the first member of his family to graduate from college. He had a degree in philosophy. After earning graduate degrees in philosophy, he taught at Harvard, he held posts at Johns Hopkins University and then served as president of Bennington College in Vermont, the University of Maryland Baltimore County and the five campus University of Massachusetts system.

But Michael Hooker always wanted to return to Carolina. He brought to the job of Chancellor a spirit of innovation, seeking to build on the traditions of America's oldest public university. He believed that education is our greatest engine of opportunity, and he reached out to the entire State to share his belief. His administration's theme was: "For the people," and he crisscrossed North Carolina visiting every county to promote his vision and to renew the university's connection to the State.

When students came to Chapel Hill, they knew they would be taught in a way that prepared them for the challenges of the 21st century. Hooker said, and I am quoting:

> In the 21st century the only thing that will secure competitive advantage for our regional, State and national economies is the extent to which we have developed, nutured, fostered, cultivated, and deployed brain power.

Students will remember his active involvement in making their education reflect those values. He emphasized the need for increased access to computers and technology, made this a priority for UNC students, and he recruited and supported teachers who were willing to cross disciplinary boundaries and to innovate in their teaching methods.

North Carolinians who knew Michael Hooker will remember his energy for innovation and for effective teaching, his belief in the promise of a great public university and his passion for leading Carolina into the next century.

My wife and I are sad for the loss suffered by Michael's wife, Carmen, their family and our entire community. I deeply regret that Michael will not be with us to see his bold vision unfold. However, I am comforted in the knowledge that so many people are prepared to carry that vision forward, embracing the traditions that shaped Carolina and its late chancellor and shepherding the spirit of inventiveness and boldness that Michael Hooker embodied.

ENOUGH IS ENOUGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. TANCREDO) is recognized for 5 minutes.

Mr. TANCREDO. Mr. Speaker, we often hear people stand up in front of this microphone and start out by saying, "It is about," when they are going to talk about what it is about. Well, in fact in this body it is about taxes. No matter what else we say, no matter what else we do here, it is about taxes. It is the life blood that drives every other thing we do in this body, and the extent to which we can defend our country and incarcerate criminals and carry out all the other essential functions of government depends upon our ability to extract money from the population and pay for those services.

But when is enough enough? Is it enough, Mr. Speaker, to take 40 percent of the income of the average family in America today for taxes? Is it enough to take 20 percent of the gross domestic product of this country every year now in taxes? Is that enough, Mr. Speaker? I suggest it is not only enough, I suggest it is far too much. That is why today I have introduced the bill that we refer to here as the 10 top terrible tax act. This is a bill to actually eliminate, not just reduce certain taxes, but actually eliminate certain taxes so that they cannot grow back again. We want to pull them up by their roots.

Mr. Speaker, this is the only way that we can actually begin to reduce the size and scope of government. We talk about that here on this floor, and we talk about it in legislative bodies all over this country, reducing the size and scope of government. How many times have we heard that phrase? And yet nothing seems to actually accomplish the task of reducing the size and scope of government. There seems to be a commitment to that philosophy, but it does not work.

Mr. Speaker, one reason it does not work is because we do not put a constraint on the life blood of these legislative bodies, and that life blood, I repeat, are the tax dollars that we extract in the population. Well, this does begin to put that constraint on that life blood flow, and it does begin to reduce the size and scope of government and its intervention into our lives which has grown far too great.

Mr. Speaker, at 40 percent of the income of a family, I repeat 40 percent, and 20 percent of our gross domestic product it is too much. Something has to give, and if we just simply reduce the rate of taxation, it is far too easy to come back within a year or 2 years and simply increase it again. That is easy to do. But it is very difficult to actually come back and replace a tax that has been eliminated.

Mr. Speaker, that is why we have identified 10 taxes that are legitimate targets for us to attack as being able to be eliminated, gone, erased from the books, not there any more:

The estate tax, estate and gift tax, more commonly and appropriately referred to as the death tax; it is currently as high as 55 percent, and we want to phase that out over a 10 year period and completely repeal it by December 1, 2099. The E-rate universal tax; that is a euphemism, E-rate is a euphemism, for a tax. It is a tax that has been put on phone bills that did not even come through this body as an actual tax bill. It is a special friend, a special sort of tax of the Vice President. It is oftentimes referred to as the Gore tax, and appropriately so.

Next is the excise tax on telephones and other communication services. My friends, this is the 3 percent tax that was put on telephones when they were a luxury item in 1898 in order to fund the Spanish-American war. Let me tell my colleagues it is over, the war is over, and we do not need this tax any more.

The marriage penalty tax discrepancy in the Tax Code that results in a higher tax burden for married couples; let us get rid of it.

The capital gains tax, currently up to 20 percent of gain would be phased out over a 10 year period. Let us get rid of it.

The excise tax on vaccines, on vaccines. Do you hear me? Seventy-five cents per dose imposed on certain vaccines sold in the United States; this should be repealed by January 1, 2000. Why are we taxing vaccines, let me ask.

Excise tax on sport fishing equipment.

The 1993 income tax increase on Social Security benefits.

The double tax on interest and dividends.

The 1993 increase in motor fuels tax.

Mr. Speaker, all these should be gone, and they can be. We can live without it, believe it or not. We can live without this.

I want to enter into the RECORD, if I could, Mr. Speaker, the comments here from the Americans for Tax Reform and other organizations that have supported the bill, and I ask my colleagues to do so. It is enough.

AMERICANS FOR TAX REFORM,
Washington, DC, July 1, 1999.

Hon. TOM TANCREDO,
Washington, DC.

DEAR REPRESENTATIVE TANCREDO: On behalf of its 90,000 members and its 3,000 state and local taxpayer groups across the nation, Americans for Tax Reform strongly supports your "Top Ten Terrible Tax Act of 1999."

As you already know, American families already pay on average almost forty percent of their income on taxes, be it federal, state, or local. That is more than food, shelter, and clothing combined.

The Top Ten Terrible Tax Act of 1999 would eliminate excessive taxes and provide every American with tangible tax relief. By uprooting the death and gift taxes, the telephone universal service charge, the 3% telephone excise tax, the marriage penalty tax, the capital gains tax, the excise tax on vaccines, the excise tax on sport fishing equipment, the 1993 income tax increase on social security benefits, the double taxation on interest and dividends, and the 1993 motor fuel tax increase, taxpayers will be able to improve their quality of life and save more for education and retirement.

I thank you for your leadership in taking a step in the right direction to providing fundamental tax reform.

Sincerely,

GROVER G. NORQUIST.

CONGRESS SHOULD REFORM DEATH TAXES

At a Denver Business Journal Family Business conference earlier this year, Coors Brewing President Peter Coors made an interesting point about estate taxes.

These so-called death taxes make it much harder for corporations to pass ownership down from one generation to the next. They speed the demise of local businesses and the rise of cookie-cutter consolidations because the consolidators are able to use stock and cash to buy out family businesses and address the inheritance tax issue.

Congress is likely to take up the inheritance tax issue in the next session. Maybe they should hear from Peter Coors and people like him.

DECLARATION OF INDEPENDENCE FOR THE RECORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 1 minute.

Mr. SCHAFFER. Mr. Speaker, the House will adjourn in approximately 1 minute. In Washington, D.C., the Nation's Capital, 12 o'clock is midnight, is the time for us to finish. It would be, I think the House would be in remiss, if we were not to reflect upon the occasion for our recess over the next week. A remarkable story, 223 years in the making, the founding of our Nation, our Declaration of Independence, the 4th of July, recalls the memory and the scene of those brave individuals in Philadelphia who declared our independence.

I do not know, Mr. Speaker, that the Declaration of Independence has ever been entered into our RECORD, but I would ask now that the Declaration be added to the CONGRESSIONAL RECORD:

THE DECLARATION OF INDEPENDENCE—A TRANSCRIPTION—IN CONGRESS, JULY 4, 1776

THE UNANIMOUS DECLARATION OF THE THIRTEEN UNITED STATES OF AMERICA

When in the Course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.—

That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,—That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.—Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world.

He has refused his Assent to Laws, the most wholesome and necessary for the public good.

He has forbidden in Governors to pass Laws of immediate and pressing importance, unless suspended in their operation till his Assent should be obtained; and when so suspended, he has utterly neglected to attend to them.

He has refused to pass other Laws for the accommodation of large districts of people, unless those people would relinquish the right of Representation in the Legislature, a right inestimable to them and formidable to tyrants only.

He has called together legislative bodies at place unusual, uncomfortable, and distant from the depository of the public Records, for the sole purpose of fatiguing them into compliance with his measures.

He has dissolved Representative Houses repeatedly, for opposing with manly firmness his invasions on the rights of the people.

He has refused for a long time, after such dissolutions, to cause others to be elected; whereby the Legislative powers, incapable of Annihilation, have returned to the People at large for their exercise; the State remaining in the mean time exposed to all the dangers of invasion from without, and convulsions within.

He has endeavored to prevent the population of these States; for that purpose obstructing the Laws for Naturalization of Foreigners; refusing to pass others to encourage their migrations hither, and raising the conditions of new Appropriations of Lands.

He has obstructed the Administration of Justice, by refusing his Assent to Laws for establishing Judiciary powers.

He has made Judges dependent on his Will alone, for the tenure of their offices, and the amount and payment of their salaries.

He has erected a multitude of New Offices, and sent hither swarms of Officers to harrass our people, and eat out their substance.

He has kept among us, in times of peace, Standing Armies without the Consent of our legislatures.

He has affected the render the Military independent of and superior to the Civil power.

He has combined with others to subject us to a jurisdiction foreign to our constitution, and unacknowledged by our laws; giving his Assent to their Acts of pretended Legislation:

For Quartering large bodies of armed troops among us:

For protecting them, by a mock Trial, from punishment for any Murders which they should commit on the Inhabitants of these States:

For cutting off our Trade with all parts of the world:

For imposing Taxes on us without our Consent:

For depriving us in many cases, of the benefits of Trial by Jury:

For transporting us beyond Seas to be tried for pretended offences

For abolishing the free System of English Laws in a neighbouring Province, establishing therein an Arbitrary government, and enlarging its Boundaries so as to render it at once an example and fit instrument for introducing the same absolute rule into these Colonies:

For taking away our Charters, abolishing our most valuable Laws, and altering fundamentally the Forms of our Governments:

For suspending our own Legislatures, and declaring themselves invested with power to legislate for us in all cases whatsoever.

He has abdicated Government here, by declaring us out of his Protection and waging War against us.

He has plundered our seas, ravaged our Coasts, burnt our towns, and destroyed the lives of our people.

He is at this time transporting large Armies of foreign Mercenaries to compleat the works of death, desolation and tyranny, already begun with circumstances of Cruelty & perfidy scarcely paralleled in the most barbarous ages, and totally unworthy the Head of a civilized nation.

He has constrained our fellow Citizens taken Captive on the high Seas to bear Arms against their Country, to become the executioners of their friends and Brethren, or to fall themselves by their Hands.

He has excited domestic insurrections amongst us, and has endeavoured to bring on the inhabitants of our frontiers, the merciless Indian Savages, whose known rule of warfare, is an undistinguished destruction of all ages, sexes and conditions.

In every stage of these Oppressions We have Petitioned for Redress in the most humble terms: Our repeated Petitions have been answered only by repeated injury. A Prince whose character is thus marked by every act which may define a Tyrant, is unfit to be the ruler of a free people.

Nor have We been wanting in attentions to our British brethren. We have warned them from time to time of attempts by their legislature to extend an unwarrantable jurisdiction over us. We have reminded them of the circumstances of our emigration and settlement here. We have appealed to their native justice and magnanimity, and we have conjured them by the ties of our common kindred to disavow these usurpations, which, would inevitably interrupt our connections and correspondence. They too have been deaf to the voice of justice and of consanguinity. We must, therefore, acquiesce in the necessity, which denounces our Separation, and hold them, as we hold the rest of mankind, Enemies in War, in Peace Friends.

We, therefore, the Representatives of the united States of America, in General Congress, Assembled, appealing to the Supreme Judge of the world for the rectitude of our intentions, do, in the Name, and by Authority of the good People of these Colonies, solemnly publish and declare, That these United Colonies are, and of Right ought to be Free and Independent States; that they are Absolved from all Allegiance to the British Crown, and that all political connection between them and the State of Great Britain, is and ought to be totally dissolved; and that as Free and Independent States, they have full Power to levy War, conclude Peace, contract Alliances, establish Commerce, and to do all other Acts and Things which Independent States may of right do. And for the support of this Declaration, with a firm reliance on the protection of divine Providence, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor.

The 56-signatures on the Declaration appear in the positions indicated:

[COLUMN 1]

Georgia: Button Gwinnett, Lyman Hall, George Walton.

[COLUMN 2]

North Carolina: William Hooper, Joseph Hewes, John Penn.

South Carolina: Edward Rutledge, Thomas Heyward, Jr., Thomas Lynch, Jr., Arthur Middleton.

[COLUMN 3]

Massachusetts: John Hancock.

Maryland: Samuel Chase, William Paca, Thomas Stone, Charles Carroll of Carrollton.

Virginia: George Wythe, Richard Henry Lee, Thomas Jefferson, Benjamin Harrison, Thomas Nelson, Jr., Francis Lightfoot Lee, Carter Braxton.

[COLUMN 4]

Pennsylvania: Robert Morris, Benjamin rush, Benjamin Franklin, John Morton, George Clymer, James Smith, George Taylor, James Wilson, George Ross.

Delaware: Caesar Rodney, George Read, Thomas McKean.

[COLUMN 5]

New York: William Floyd, Philip Livingston, Francis Lewis, Lewis Morris.

New Jersey: Richard Stockton, John Witherspoon, Francis Hopkinson, John Hart, Abraham Clark.

[COLUMN 6]

New Hampshire: Josiah Bartlett, William Whipple.

Massachusetts: Samuel Adams, John Adams, Robert Treat Paine, Elbridge Gerry.

Rhode Island: Stephen Hopkins, William Ellery.

Connecticut: Roger Sherman, Samuel Huntington, William Williams, Oliver Wolcott.

New Hampshire: Matthew Thornton.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOSSELLA (at the request of Mr. ARMEY) for today and tomorrow on account of traveling abroad with a USO tour in support of American troops serving overseas.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McNULTY) to revise and extend their remarks and include extraneous material:)

Mr. SKELTON, for 5 minutes, today.

Mr. PRICE of North Carolina, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. SCHAFFER) to revise and extend their remarks and include extraneous material:)

Mrs. JOHNSON of Connecticut, for 5 minutes, today.

Mr. PORTMAN, for 5 minutes, today.

Mr. GREEN of Wisconsin, for 5 minutes, today.

Mr. PETERSON of Pennsylvania, for 5 minutes, today.

Mr. TANCREDO, for 5 minutes, today.

Mr. SCHAFFER, for 5 minutes, today.

ADJOURNMENT

Mr. SCHAFFER. Mr. Speaker, pursuant to Senate Concurrent Resolution 43, and as the designee of the majority leader, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 43, 106th Congress, the House stands adjourned until 12:30 p.m. on Monday, July 12, 1999, for morning-hour debates.

Thereupon (at 12 o'clock midnight), pursuant to Senate Concurrent Resolution 43, the House adjourned until Monday, July 12, 1999, at 12:30 p.m. for morning-hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2817. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Recordkeeping—received June 4, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2818. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Economic and Public Interest Requirements for Contract Market Designation—received June 4, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2819. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Representations and Disclosures Required by Certain IBs, CPOs and CTAs—received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2820. A letter from the Under Secretary, Rural Development, Department of Agriculture, transmitting the Department's final rule—Community Programs Guaranteed Loans (RIN: 0575-AC17) received May 20, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2821. A letter from the Manager, Federal Crop Insurance Corporation, Department of Agriculture, transmitting the Department's final rule—Group Risk Plan of Insurance (RIN: 0563-AB06) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2822. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Program to Assess Organic Certifying Agencies [Docket Number LS-99-04] (RIN: 0581-AB58) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2823. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize the transfer of certain resources to the Enhanced Structural Adjustment Facility/Heavily Indebted Poor Countries Trust Fund; to the Committee on Banking and Financial Services.

2824. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—National Flood Insurance Program (NFIP); Determining the Write-Your-Own Expense Allowance (RIN: 3067-AC92) received June 4, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2825. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Share Insurance and Appendix—received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2826. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—Special Education—Training and Information for Parents of Children with Disabilities—received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

2827. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—William D. Ford Federal Direct Loan Program (RIN: 1840-AC57) received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

2828. A letter from the Acting Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Alternative Fuel Transportation Program; Biodiesel Fuel Use Credit [Docket No. EE-RM-99-BIOD] (RIN: 1904-AB-00) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2829. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List Additions and Deletions—received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2830. A letter from the General Counsel, Federal Retirement Thrift Investment Board, transmitting the Board's final rule—Expansion and Continuation of Thrift Savings Plan Eligibility; Death Benefits; Methods of Withdrawing Funds from the Thrift Savings Plan; and Miscellaneous Regulations—received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2831. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Determination of Endangered Status for the Plant Eriogonum apricum (inclusive of vars. apricum and prostratum) (Ione Buckwheat) and Threatened Status for the Plant Arctostaphylos myrtifolia (Ione Manzanita) (RIN: 1018-AE25) received May 21, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2832. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—Migratory Bird Hunting; Withdrawal of Regulations Designed to Reduce the Mid-Continent Light Goose Population (RIN: 1018-AF05) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2833. A letter from the General Counsel, Department of Commerce, transmitting a draft of proposed legislation which would reauthorize and amend the National Marine Sanctuaries Act; to the Committee on Resources.

2834. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Bycatch Rate Standards for the Second Half of 1999 [Docket No. 961107312-7021-02; I.D. 052499E] received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2835. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Deep-water Species Fishery by Vessels using Trawl Gear in the Gulf of Alaska [Docket No. 990304062-9062-01; I.D. 0423699A] received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2836. A letter from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 [Docket No. 990304062-9062-01; I.D. 060899C] received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2837. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Whiting Closure for the Mothership Sector [Docket No. 981231333-9127-03; I.D. 052799E] received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2838. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod in the Western Regulatory Area in the Gulf of Alaska [Docket No. 990304062-9062-01; I.D. 060499C] received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2839. A letter from the Acting Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to amend the Foreign Agents Registration Act of 1938; to the Committee on the Judiciary.

2840. A letter from the Acting Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation regarding the detention of criminal aliens; to the Committee on the Judiciary.

2841. A letter from the Rules Administrator, Federal Bureau of Prisons, Department of Justice, transmitting the Department's final rule—Correspondence: Return Address [BOP-1073-F] (RIN: 1120-AA69) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2842. A letter from the Rules Administrator, Federal Bureau of Prisons, Department of Justice, transmitting the Department's final rule—Federal Prison Industries (FPI) Inmate Work Programs: Eligibility [BOP-1062-F] (RAN: 1120-AA57) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2843. A letter from the Chief Financial Officer, Department of State, transmitting the Department's final rule—Visas: Documentation of Nonimmigrants—Passport and Visa Waivers; Deletion of Obsolete Visa Procedures and other Minor Corrections [Public Notice 3048] received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2844. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of VOR Federal Airways; Kahului, HI [Airspace Docket No. 97-AWP-35] (RIN: 2120-AA66) received June 4, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2845. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-9 and C-9 (Military) Series Airplanes [Docket No. 98-NM-110-AD; Amendment 39-11177; AD 99-08-05 R1] (RIN: 2120-AA64) received June 4, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2846. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; International Aero Engines AG V2500-A1 and V2500-A5 Series Turbofan Engines [Docket No. 99-NE-37-AD; Amendment 39-11194; AD 99-13-01] (RIN: 2120-AA64) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2847. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Beech Models 45 (YT-34), A45 (T-34A, B-45), and D45 (T-34B) Airplanes [Docket No. 99-CE-22-AD; Amendment 39-11193; AD 99-12-02] (RIN: 2120-AA64) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2848. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-200C Series Airplanes [Docket No. 98-NM-273-AD; Amendment 39-11192; AD 99-12-08] (RIN: 2120-AA64) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2849. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Model 1900D Airplanes [Docket No. 98-CE-127-AD; Amendment 39-11191; AD 99-12-07] (RIN: 2120-AA64) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2850. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc. Models PA-31, PA-31-300, PA-31-325, PA-31-350, and PA-31P-350 Airplanes [Docket No. 97-CE-32-AD; Amendment 39-11189; AD 99-12-05] (RIN: 2120-AA64) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2851. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Alternate Compliance Program; Incorporations by Reference [USCG-1999-5004] (RIN: 2115-AF74) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2852. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; AlliedSignal Inc. VN 411B Very High Frequency (VHF) Navigation Receivers [Docket No. 95-CE-91-AD; Amendment 39-11190; AD 99-12-06] (RIN: 2120-AA64) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2853. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Flight Crewmember Flight Time Limitations and Rest Requirements—received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2854. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation relating to the management of non-excess property in the Department of Defense; jointly to the Committees on Armed Services and Government Reform.

2855. A letter from the Secretary of Commerce, Secretary of Health and Human Services, transmitting a draft of proposed legislation entitled "Voluntary Seafood Inspection Performance Based Organization Act of 1999"; jointly to the Committees on Agriculture, Commerce, Resources, and Government Reform.

2856. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a draft of proposed legislation entitled "Intercountry Adoption Act"; jointly to the Committees on International Relations, the Judiciary, Education and the Workforce, and Ways and Means.

2857. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation which would implement proposals in the President's FY 2000 Budget to offset discretionary spending; jointly to the Committees on Agriculture, Commerce, Resources, Transportation and Infrastructure, Education and the Workforce, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COBLE: Committee on Judiciary. H.R. 1761. A bill to amend provisions of title 17, United States Code; with an amendment (Rept. 106-216). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Florida: Committee on Appropriations. Report on the Revised Suballocation of Budget Allocations for Fiscal Year 2000 (Rept. 106-217). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1431. A bill to reauthorize and amend the Coastal Barrier Resources Act; with an amendment (Rept. 106-218). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANADY: Committee on the Judiciary. H.R. 1691. A bill to protect religious liberty; with an amendment (Rept. 106-219). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 1180. A bill to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes; (Rept. 106-220 Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SENSENBRENNER (for himself, Mr. GORDON, and Mrs. MORELLA):

H.R. 2413. A bill to amend the National Institute of Standards and Technology Act to enhance the ability of the National Institute of Standards and Technology to improve computer security, and for other purposes; to the Committee on Science.

By Mr. TANCREDO (for himself, Mr. SCHAFFER, Mr. BURTON of Indiana, and Mr. BARR of Georgia):

H.R. 2414. A bill to amend the Internal Revenue Code of 1986 to eliminate certain particularly unfair tax provisions, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey (for himself and Ms. MCKINNEY):

H.R. 2415. A bill to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes; to the Committee on International Relations.

By Mr. WELLER (for himself and Ms. DUNN):

H.R. 2416. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the construction of public schools; to the Committee on Ways and Means.

By Mr. BARCIA (for himself and Mr. WU):

H.R. 2417. A bill to establish an educational technology extension service at colleges and universities; to the Committee on Science, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BILIRAKIS (for himself, Mr. GREEN of Texas, and Mr. PALLONE):

H.R. 2418. A bill to amend the Public Health Service Act to revise and extend programs relating to organ procurement and transplantation; to the Committee on Commerce.

By Mr. BILIRAKIS (for himself, Mr. DEUTSCH, Mr. LATOURETTE, Mr. TAUZIN, Ms. BROWN of Florida, Mr. GREENWOOD, Mr. TOWNS, Mr. MCCOLLUM, Mr. CANADY of Florida, Mr. GILCHREST, Mr. KOLBE, Mr. BASS, Mrs. FOWLER, Mr. WALDEN of Oregon, and Mr. STEARNS):

H.R. 2419. A bill to amend title XVIII of the Social Security Act to reflect original Congressional intent by requiring that the new risk adjustment methodology for Medicare+Choice payment rates be implemented in a budget neutral manner, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TAUZIN (for himself, Mr. DINGELL, Mr. OXLEY, Mr. BONIOR, Mr. LEWIS of Georgia, Mr. DEAL of Georgia, Mr. GRAHAM, Mr. BOUCHER, Mr. RUSH, Mr. SHIMKUS, Mr. NORWOOD, Mr. SESSIONS, Mr. FOSSELLA, Mr. DICKS, Mr. BARCIA, Mr. HILL of Montana, Mr. BLUNT, Mr. HAYES, Mr. WYNN, Mr. BARTON of Texas, Mr. ETHERIDGE, Mr. TERRY, Mr. GREENWOOD, Mr. GANSKE, Mr. BURR of North Carolina, Mr. GILLMOR, Mr. BRYANT, Mr. SHADEGG, Mr. BONILLA, Mr. REYNOLDS, Mr. SWEENEY, and Mrs. MYRICK):

H.R. 2420. A bill to deregulate the Internet and high speed data services, and for other purposes; to the Committee on Commerce.

By Mr. BLAGOJEVICH (for himself, Mr. WAXMAN, and Ms. NORTON):

H.R. 2421. A bill to amend chapter 44 of title 18, United States Code, to regulate the sale and manufacture of certain armor piercing ammunition and armor piercing incendiary ammunition, and to regulate laser sights under the National Firearms Act; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BURTON of Indiana (for himself and Mr. GILMAN):

H.R. 2422. A bill to provide for the determination that Cuba is a major drug-transit country for purposes of section 490(h) of the Foreign Assistance Act of 1961; to the Committee on International Relations.

By Mr. CAMP (for himself and Mr. NEAL of Massachusetts):

H.R. 2423. A bill to amend the Internal Revenue Code of 1986 to repeal the motor fuel excise taxes on intercity buses; to the Committee on Ways and Means.

By Mr. JACKSON of Illinois (for himself, Mr. CAMPBELL, Mr. FRANK of Massachusetts, Mrs. MALONEY of New York, Mr. TRAFICANT, Mr. FROST, Ms. LEE, Ms. SCHAKOWSKY, Ms. PELOSI, Mr. LANTOS, Mr. DEFAZIO, Mrs. CLAYTON, Mrs. MINK of Hawaii, Mr. CLAY, Mr. CUMMINGS, Mr. GEJDENSON, Mr. BROWN of California, Mr. OWENS, Mr. HILLIARD, Mr. BRADY of Pennsylvania, Ms. KILPATRICK, Mr. RODRIGUEZ, Mr. PASTOR, Mrs. CHRISTENSEN, and Ms. MCKINNEY):

H.R. 2424. A bill to require the Board of Governors of the Federal Reserve System to post on its premises notices to employees regarding the applicable provisions of title VII of the Civil Rights Act of 1964; to the Committee on Banking and Financial Services, and in addition to the Committees on Education and the Workforce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FARR of California (for himself, Mr. GREENWOOD, Ms. WOOLSEY, Mr. GILCHREST, Mr. BLUMENAUER, Mrs. CAPPS, Mrs. JOHNSON of Connecticut, Mrs. MORELLA, Mr. KENNEDY of Rhode Island, Ms. PELOSI, Mr. GEORGE MILLER of California, Mr. ABERCROMBIE, Mr. OLVER, Mrs. TAUSCHER, Mr. DEFAZIO, Mr. PALLONE, Mr. DELAHUNT, Mr. THOMPSON of California, Mr. ROMERO-BARCELO, Mrs. MINK of Hawaii, Ms. ESHOO, Mr. FALEOMAVAEGA, Mr. GUTIERREZ, Mr. UNDERWOOD, Mr. LANTOS, Mr. ORTIZ, Mr. PICKETT, Mr. BILBRAY, Mr. MEEHAN, Mr. MARKEY, Mr. BAIRD, Ms. HOOLEY of Oregon, Mr. HOUGHTON, Mrs. KELLY, Ms. LOFGREN, Ms. WATERS, Mr. KASICH, Mr. HOYER, Mr. MORAN of Virginia, and Ms. SCHAKOWSKY):

H.R. 2425. A bill to establish the Commission on Ocean Policy, and for other purposes; to the Committee on Resources.

By Mr. COSTELLO:

H.R. 2426. A bill to require truth-in-budgeting with respect to the on-budget trust funds; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COX:

H.R. 2427. A bill to amend the Clean Air Act to remove a provision limiting States to proportionately less assistance than their respective populations and tax payments to the Federal government; to the Committee on Commerce.

By Mr. COYNE (for himself and Mr. HOLDEN):

H.R. 2428. A bill to suspend temporarily the duty on 11–Aminoundecanoic acid; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. MATSUI, Mr. HAYWORTH, and Mr. WATKINS):

H.R. 2429. A bill to amend the Internal Revenue Code of 1986 to establish a 5-year recovery period for petroleum storage facilities; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Ms. DUNN, and Mr. MCDERMOTT):

H.R. 2430. A bill to amend the Internal Revenue Code of 1986 to provide tax treatment for foreign investment through a United States regulated investment company comparable to the tax treatment for direct foreign investment and investment through a foreign mutual fund; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mrs. JOHNSON of Connecticut, Mr. RAMSTAD, Mr. WELLER, Mr. PORTMAN, and Mr. SAM JOHNSON of Texas):

H.R. 2431. A bill to amend the Internal Revenue Code of 1986 to permit the consolidation of life insurance companies with other companies; to the Committee on Ways and Means.

By Mr. FILNER (for himself, Ms. MCKINNEY, and Mr. MATSUI):

H.R. 2432. A bill to prohibit insurers from canceling or refusing to renew fire insurance policies covering houses of worship and related support structures, and for other purposes; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GOODE (for himself, Mr. SISISKY, Mr. CONDIT, Mr. CRAMER, Mr. MORAN of Virginia, and Mr. SHOWS):

H.R. 2433. A bill to amend the Internal Revenue Code of 1986 to allow individuals to designate any portion of a refund for use by the Secretary of Health and Human Services in providing catastrophic health coverage to individuals who do not otherwise have health coverage; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GOODLING (for himself, Mr. BALLENGER, Mr. BOEHNER, Mr. HOEKSTRA, Mr. SAM JOHNSON of Texas, Mr. TALENT, Mr. GREENWOOD, Mr. GRAHAM, Mr. SOUDER, Mr. MCINTOSH, Mr. NORWOOD, Mr. SCHAFFER, Mr. DEAL of Georgia, Mr. HILLEARY, Mr. SALMON, Mr. TANCREDO, Mr. FLETCHER, Mr. DEMINT, and Mr. ISAKSON):

H.R. 2434. A bill to require labor organizations to secure prior, voluntary, written authorization as a condition of using any portion of dues or fees for activities not necessary to performing duties relating to the representation of employees in dealing with the employer on labor-management issues, and for other purposes; to the Committee on Education and the Workforce.

By Mr. GOODLING:

H.R. 2435. A bill to expand the boundaries of the Gettysburg National Military Park to include the Wills House, and for other purposes; to the Committee on Resources.

By Mr. GRAHAM (for himself, Mr. SMITH of New Jersey, and Mr. CANADY of Florida):

H.R. 2436. A bill to amend title 18, United States Code, and the Uniform Code of Military Justice to protect unborn children from assault and murder, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. JONES of North Carolina:

H.R. 2437. A bill to provide an exception from the enforcement of an accessibility construction requirement of the Fair Housing Act for certain buildings constructed in compliance with a local building code; to the Committee on the Judiciary.

By Mr. KLINK:

H.R. 2438. A bill to require specific Congressional authorization for the Secretary of the Interior to authorize construction of any visitor's center or museum in the proximity of or within the boundaries of Gettysburg National Military Park; to the Committee on Resources.

By Mr. KUCINICH:

H.R. 2439. A bill to ensure the efficient allocation of telephone numbers; to the Committee on Commerce.

By Mr. LAZIO:

H.R. 2440. A bill to provide for commemoration of the victory of freedom in the Cold War; to the Committee on Armed Services.

By Mr. LAZIO (for himself, Mr. REYNOLDS, Mr. TOWNS, Mr. COOK, Mr. FORBES, Mr. BILBRAY, Mr. LARGENT, Mrs. KELLY, Mr. BAKER, Mr. SWEENEY, Mr. ENGEL, Mr. CROWLEY, Mr. SESSIONS, Mr. BARTON of Texas, Mr. SCHAFFER, Mr. DEAL of Georgia, Mr. RILEY, Mr. GILLMOR, Mrs. MALONEY of New York, Mr. BRYANT, Mr. DELAY, Mr. SHAYS, Mr. MEEKS of New York, Mr. PALLONE, Mr. BURR of North Carolina, Mr. ARMEY, Mr. TAUZIN, and Mr. HALL of Texas):

H.R. 2441. A bill to amend the Securities Exchange Act of 1934 to reduce fees on securities transactions; to the Committee on Commerce.

By Mr. LAZIO (for himself, Mr. ENGEL, Mrs. MORELLA, Ms. PELOSI, Mr. BAKER, Mr. BERMAN, Mr. BOEHLERT, Mr. BRADY of Pennsylvania, Mr. CAMPBELL, Mr. CROWLEY, Ms. DELAURO, Mr. FORBES, Mr. FOSSELLA, Mr. FRANKS of New Jersey, Mr. GEJDENSON, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. HINCHEY, Mrs. KELLY, Ms. KILPATRICK, Mr. KING, Mr. LAFALCE, Mr. LAMPSON, Mr. LIPINSKI, Mr. LOBIONDO, Ms. LOFGREN, Mrs. MCCARTHY of New York, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. MCNULTY, Mr. MALONEY of Connecticut, Mrs. MALONEY of New York, Mr. MARTINEZ, Mr. MASCARA, Ms. MCKINNEY, Mr. GEORGE MILLER of California, Mr. NADLER, Mr. OLVER, Mr. OWENS, Mr. PASCRELL, Mr. PALLONE, Mr. ROTHMAN, Mr. TOWNS, Mr. TRAFICANT, Mr. UNDERWOOD, Mr. WU, Mr. FARR of California, Mr. BROWN of California, Mr. WEXLER, Ms. BERKLEY, Mr. NEAL of Massachusetts, Mr. MATSUI, Mr. BLAGOJEVICH, Mr. GILMAN, Mr. WAXMAN, Mr. DOYLE, Mrs. LOWEY, Mr. SMITH of New Jersey, Mr. WEINER, Mr. STUPAK, Mrs. MINK of Hawaii, Mr. DEUTSCH, and Mr. ACKERMAN):

H.R. 2442. A bill to provide for the preparation of a Government report detailing injustices suffered by Italian Americans during World War II, and a formal acknowledgement of such injustices by the President; to the Committee on the Judiciary.

By Mrs. LOWEY (for herself, Mrs. MCCARTHY of New York, Ms. DELAURO, Ms. JACKSON-LEE of Texas, Ms. SCHAKOWSKY, Mrs. MALONEY of New York, Mrs. NAPOLITANO, Ms. CARSON, Ms. NORTON, Ms. WOOLSEY, Ms. LOFGREN, Ms. MILLENDER-MCDONALD, Ms. LEE, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. MINK of Hawaii, and Mr. WEINER):

H.R. 2443. A bill to amend chapter 44 of title 18, United States Code, relating to the regulation of firearms dealers, and for other purposes; to the Committee on the Judiciary.

By Mrs. MALONEY of New York (for herself, Ms. PELOSI, Mr. UNDERWOOD, Mr. FILNER, Mr. OLVER, Mr. GREEN of Texas, Mr. RUSH, Mrs. CLAYTON, Mr. SHOWS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MEEKS of New York, Mr. BROWN of California, Ms. ROYBAL-ALLARD, Ms. SCHAKOWSKY, Mr. BENTSEN, and Ms. JACKSON-LEE of Texas):

H.R. 2444. A bill to provide for an interim census of Americans abroad, the data from which shall be used in deciding whether to count such individuals in future decennial censuses; to the Committee on Government Reform.

By Mrs. MALONEY of New York (for herself, Mr. GILMAN, Mr. ENGEL, Mr. TOWNS, Mrs. MCCARTHY of New York, Mr. MCNULTY, Mr. NADLER, Mr. SERRANO, Mr. MENENDEZ, Mr. ACKERMAN, and Mr. HINCHEY):

H.R. 2445. A bill to amend the Employee Retirement Income Security Act of 1974, Public Health Service Act, and the Internal Revenue Code of 1986 to clarify the application of the mental health parity provisions to annual and lifetime visit or benefit limits, as well as dollar limits; to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MATSUI (for himself, Mr. DOGGETT, Mr. BLUMENAUER, Mr. GEPHARDT, Mr. BONIOR, Mr. RANGEL, Mr. COYNE, Mr. LEVIN, Mr. CARDIN, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Mrs. THURMAN, Mr. BECERRA, Mr. ALLEN, Ms. BALDWIN, Mr. BARRETT of Wisconsin, Mr. BERMAN, Ms. BROWN of Florida, Mr. BROWN of California, Mr. BROWN of Ohio, Mrs. CAPPS, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CUMMINGS, Ms. DEGETTE, Ms. DELAURO, Mr. DIXON, Mr. DOOLEY of California, Mr. DOYLE, Mr. FARR of California, Mr. FATTAH, Mr. FROST, Mr. HINCHEY, Mr. HOEFFEL, Mr. HOLT, Mr. LARSON, Mr. MALONEY of Connecticut, Mr. MEEHAN, Mr. MENENDEZ, Ms. MILLENDER-MCDONALD, Mr. GEORGE MILLER of California, Mrs. NAPOLITANO, Ms. NORTON, Ms. PELOSI, Mr. SERRANO, Ms. SCHAKOWSKY, Mr. THOMPSON of Mississippi, Mr. TIERNEY, Mrs. JONES of Ohio, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. WAXMAN, Mr. WEYGAND, and Ms. WOOLSEY):

H.R. 2446. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax to holders of Better America BONDS; to the Committee on Ways and Means.

By Mr. MCDERMOTT (for himself, Ms. DUNN, Mr. INSLEE, Mrs. THURMAN, Mr. STARK, Mr. DICKS, and Mr. SMITH of Washington):

H.R. 2447. A bill to amend title XVIII of the Social Security Act to include in the calculation of Medicare+Choice payment rates under the Medicare program the costs attributable to medical services furnished to Medicare-eligible beneficiaries by medical facilities of the Department of Veterans Affairs and the Department of Defense; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MINK of Hawaii:

H.R. 2448. A bill to amend the Immigration and Nationality Act to assure that immigrants do not have to wait longer for an immigrant visa as a result of a reclassification from family second preference to family first preference because of the naturalization of a parent or spouse; to the Committee on the Judiciary.

By Mr. NORWOOD (for himself, Ms. DEGETTE, Ms. SCHAKOWSKY, Mr. ENGLISH, Ms. RIVERS, Mr. POMBO, Mr. MCINTOSH, Mr. SHOWS, Mr. REGULA, Mr. BARR of Georgia, Mr. CHAMBLISS, Mr. LINDER, Mr. KINGSTON, Mr. COLLINS, Mr. ISAKSON, Mr. DEAL of Georgia, and Mr. GRAHAM):

H.R. 2449. A bill to amend the Federal Water Pollution Control Act relating to Federal facilities pollution control; to the Committee on Transportation and Infrastructure.

By Mr. OBERSTAR (for himself, Mr. WISE, Mr. TRAFICANT, Mr. DEFAZIO, Ms. NORTON, and Ms. MILLENDER-MCDONALD):

H.R. 2450. A bill to reform the safety practices of the railroad industry, to prevent railroad fatalities, injuries, and hazardous materials releases, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. RAMSTAD:

H.R. 2451. A bill to amend the Internal Revenue Code of 1986 to classify certain franchise operation property as 15-year depreciable property; to the Committee on Ways and Means.

By Mr. ROYCE (for himself, Mr. KASICH, Mr. TIAHRT, Mr. SANFORD, Mr. PAUL, Mr. SUNUNU, Mr. ROHRABACHER, Mr. HOSTETTLER, Mr. RADANOVICH, Mr. COBURN, Mr. DOOLITTLE, Mr. EHRLICH, Mr. LARGENT, Mr. PITTS, and Mr. SALMON):

H.R. 2452. A bill to dismantle the Department of Commerce; to the Committee on Commerce, and in addition to the Committees on Transportation and Infrastructure, Banking and Financial Services, International Relations, Armed Services, Ways and Means, Government Reform, the Judiciary, Science, and Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SAXTON (for himself and Mr. ARMEY):

H.R. 2453. A bill to require certain conditions to be met before the International Monetary Fund may sell gold; to the Committee on Banking and Financial Services.

By Mr. SAXTON (for himself, Mr. YOUNG of Alaska, Mr. DINGELL, Mr. CHAMBLISS, Mr. PETERSON of Minnesota, Mr. PICKERING, Mr. HUNTER, Mr. CUNNINGHAM, and Mr. TANNER):

H.R. 2454. A bill to assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend, by directing the Secretary of the Interior to implement rules to reduce the overabundant population of mid-continent light geese; to the Committee on Resources.

By Mr. SHAYS (for himself, Mr. HILLIARD, Mr. LATOURETTE, and Mr. MCHUGH):

H.R. 2455. A bill to establish Federal penalties for prohibited uses and disclosures of individually identifiable health information, to establish a right in an individual to inspect and copy their own health information, and for other purposes; to the Committee on Commerce, and in addition to the Committees on Ways and Means, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SIMPSON (for himself, Mr. Walden of Oregon, Mr. Hastings of Washington, Mrs. Chenoweth, Mr. Skeen, and Mr. Pombo):

H.R. 2456. A bill to preserve the authority of the States over waters within their boundaries, to delegate the authority of the Congress to the States to regulate water, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. SLAUGHTER (for herself, Mrs. Lowey, Mr. Abercrombie, Mr. Ackerman, Mr. Boucher, Mr. Delahunt, Ms. DeLauro, Mr. Frost, Mr. Green of Texas, Mr. Hinchey, Ms. Millender-McDonald, Mr. Moran of Virginia, Ms. Norton, Mr. Regula, Mr. Romero-Barcelo, Mr. Sanders, Mr. Sandlin, and Mr. Serrano):

H.R. 2457. A bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services; to the Committee on Commerce, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STARK (for himself and Mr. Markey):

H.R. 2458. A bill to amend the Internal Revenue Code of 1986 to provide a refundable caregivers tax credit; to the Committee on Ways and Means.

By Mrs. TAUSCHER (for herself, Mr. Bonior, Mr. Edwards, Mr. Frost, Mr. Hoyer, Mr. Kennedy of Rhode Island, Mr. Larson, Mr. Maloney of Connecticut, Mr. Ortiz, Mr. Pickett, Mr. Sisisky, Mr. Skelton, Mr. Spratt, Mr. King, Mr. Thompson of California, Mr. Stenholm, Mr. John, Mr. Boswell, Mr. Etheridge, Ms. DeLauro, Mrs. Thurman, Mr. Cramer, Mr. Davis of Florida, Ms. Pryce of Ohio, Mr. Markey, Mr. Moakley, Mr. Neal of Massachusetts, Mr. Allen, Mr. Moore, Mr. Taylor of Mississippi, Mr. Hinchey, Mr. Holden, Mr. Kleczka, Mr. Lantos, Mr. Wynn, Mr. Clyburn, Mr. Lewis of Georgia, Mr. Rangel, Mr. Tanner, Mr. Clement, Mr. Gordon, Mr. Wu, Mr. Clay, Mr. Hinojosa, Mr. Ford, Mr. Evans, Mr. Payne, Ms. Jackson-Lee of Texas, Mr. Roemer, Mr. Obey, Mr. Capuano, Mr. Hilliard, Mr. Vento, Mr. Rodriguez, Mr. Lucas of Kentucky, Mr. Matsui, Mr. Dixon, Mr. Turner, Mr. Sandlin, Mr. Kind, Mr. Rothman, Mr. Oberstar, Mr. Hastings of Florida, Mr. Engel, Mr. Meeks of New York, Mr. Levin, Mr. Hill of Indiana, Mr. Baldacci, Mr. Hoeffel, Mr. Udall of New Mexico, Mr. Udall of Colorado, Mr. Weygand, Mr. Klink, Mr. Stupak, Mr. Fattah, Mr. Brady of Pennsylvania, Mr. Menendez, Mr. Gutierrez, Mr. Dicks, Ms. Velázquez, Mr. McNulty, Mr. Berry, Mr. Bishop, Mr. Inslee, Mr. Scott, Ms. Hooley of Oregon, Mr. Watt of North Carolina, Mrs. Clayton, Mr. Moran of Virginia, Mr. Dooley of California, Mr. Smith of Washington, Mr. Condit, Mr. Phelps, Mrs. Lowey, Mr. Cardin, Mr. Boyd, Mr. Wexler, Mr. Weiner, Mr. Lampson, Mr. Andrews, Mr. Barrett of Wisconsin, Mr. Gephardt, and Mr. Bentsen):

H.R. 2459. A bill to authorize the President to award a gold medal on behalf of the Congress to General Wesley Clark and to provide for the production of bronze duplicates of such medal for sale to the public; to the Committee on Banking and Financial Services.

By Mr. TAYLOR of Mississippi (for himself, Mr. Shows, Mr. Thompson of Mississippi, Mr. Wamp, Mr. Pickering, and Mr. Wicker):

H.R. 2460. A bill to designate the United States Post Office located at 125 Border Avenue West in Wiggins, Mississippi, as the "Jay Hanna 'Dizzy' Dean Post Office"; to the Committee on Government Reform.

By Mr. TRAFICANT:

H.R. 2461. A bill to amend the Federal Election Campaign Act of 1971 to permit a corporation or labor organization to expend or donate funds for staging public debates between presidential candidates only if the organization staging the debate invites each candidate who is eligible for matching payments from the Presidential Election Campaign Fund and qualified for the ballot in a number of States such that the candidate is eligible to receive the minimum number of electoral votes necessary for election; to the Committee on House Administration.

By Mr. UNDERWOOD (for himself, Mr. Young of Alaska, and Mr. George Miller of California):

H.R. 2462. A bill to amend the Organic Act of Guam, and for other purposes; to the Committee on Resources.

By Mr. WATKINS (for himself and Mr. Hinchey):

H.R. 2463. A bill to amend section 2007 of the Social Security Act to provide grant funding for additional Empowerment Zones, Enterprise Communities, and Strategic Planning Communities, and for other purposes; to the Committee on Ways and Means.

By Mr. WATKINS (for himself, Mr. Matsui, Mr. Crane, Mr. Herger, and Mr. Traficant):

H.R. 2464. A bill to amend the Internal Revenue Code of 1986 to provide that certain amounts received by electric energy, gas, or steam utilities shall be excluded from gross income as contributions to capital; to the Committee on Ways and Means.

By Mr. MICA (for himself, Mr. Traficant, Mr. Gilman, Mr. McCollum, Mr. Portman, Mr. Sessions, Mr. Souder, Mr. Barr of Georgia, Mr. Pitts, Mr. Stearns, Mr. Kingston, and Mr. Ose):

H.J. Res. 61. A joint resolution calling upon the Government of Mexico to undertake greater and more effective counterdrug measures, and for other purposes; to the Committee on International Relations.

By Mr. BONILLA (for himself, Mr. Aderholt, Mr. Armey, Mr. Baker, Mr. Barr of Georgia, Mr. Barton of Texas, Mr. Blunt, Mr. Boehner, Mr. Brady of Texas, Mr. Bryant, Mr. Burton of Indiana, Mr. Buyer, Mr. Callahan, Mr. Calvert, Mr. Campbell, Mr. Canady of Florida, Mr. Cannon, Mr. Chambliss, Mrs. Chenoweth, Mr. Coburn, Mr. Collins, Mr. Combest, Mr. Cox, Mrs. Cubin, Mr. Cunningham, Mr. Deal of Georgia, Mr. Dickey, Mr. Doolittle, Mr. Ehlers, Mrs. Emerson, Mr. Forbes, Mr. Graham, Ms. Granger, Mr. Hastings of Washington, Mr. Hefley, Mr. Hostettler, Mr. Hutchinson, Mr. Istook, Mr. Sam Johnson of Texas, Mr. Kingston, Mr. Knollenberg, Mr. Latham, Mr. Linder, Mr. Lucas of Oklahoma, Mr. McIntosh, Mr. Metcalf, Mr. Gary Miller of California, Mrs. Myrick, Mr. Nethercutt, Mrs. Northup, Mr. Norwood, Mr. Packard, Mr. Paul, Mr. Pickering, Mr. Pombo, Ms. Pryce of Ohio, Mr. Radanovich, Mr. Rohrabacher, Mr. Rogan, Mr. Scarborough, Mr. Schaffer, Mr. Sessions, Mr. Shadegg, Mr. Skeen, Mr. Smith of Texas, Mr. Smith of Michigan, Mr. Sununu, Mr. Tancredo, Mr. Tauzin, Mr. Taylor of North Carolina, Mr. Thornberry, Mr. Tiahrt, Mr. Upton, Mr. Wamp, Mr. Watts of Oklahoma, and Mr. Wicker):

H. Con. Res. 148. Concurrent resolution expressing the sense of the Congress that the Internal Revenue Code of 1986 must be replaced with a new, low, single-rate system that is simple and fair, allowing the Internal Revenue Service, as we know it, to be abolished; to the Committee on Ways and Means.

By Ms. STABENOW:

H. Con. Res. 149. Concurrent resolution expressing the sense of Congress that access to affordable prescription drugs is critical to the quality of life of older Americans and that coverage for prescription drugs should be included in the Medicare Program as soon as possible, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STEARNS:

H. Con. Res. 150. Concurrent resolution to require the posting of the Ten Commandments in the House and Senate chambers; to the Committee on House Administration.

By Mr. BLILEY (for himself and Mr. Oberstar):

H. Res. 238. A resolution permitting payments to be made by employing authorities of the House of Representatives to reimburse Members, officers, and employees for qualified adoption expenses; to the Committee on House Administration.

By Mr. GARY MILLER of California (for himself, Mr. Pitts, Mr. Hutchinson, Mr. Schaffer, Mr. Pickering, Mr. DeLay, Mr. Aderholt, Mr. Goode, Mr. Watts of Oklahoma, Mr. DeMint, and Mr. English):

H. Res. 239. A resolution expressing the sense of the House of Representatives with regard to obscenity and sexual objectification in the United States; to the Committee on the Judiciary.

By Mr. RANGEL:

H. Res. 240. A resolution providing for consideration of the bill (H.R. 1660) to amend the Internal Revenue Code of 1986 to expand the incentives for the construction and renovation of public schools and to provide tax incentives for corporations to participate in cooperative agreements with public schools in distressed areas; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. Bartlett of Maryland, Mr. Barr of Georgia, Mr. Ryan of Wisconsin, Mr.

SHADEGG, Mr. GILMAN, Mr. HORN, Mr. OXLEY, Mr. NORWOOD, Mrs. ROUKEMA, Mrs. KELLY, Mr. KLINK, Mr. SMITH of Texas, Mr. KING, Mr. ISTOOK, and Mr. WELDON of Pennsylvania.

H.R. 21: Mr. MCINTYRE.

H.R. 25: Mr. SAXTON.

H.R. 73: Mr. PETERSON of Minnesota and Mr. BARTLETT of Maryland.

H.R. 110: Mr. WEXLER.

H.R. 125: Mr. WYNN.

H.R. 175: Mr. SHERWOOD, Mr. BONIOR, Mr. BLUNT, Mr. LATOURETTE, Mr. GOODE, and Ms. BROWN of Florida.

H.R. 202: Mr. CAMPBELL and Mr. MCINTOSH.

H.R. 254: Mr. LEWIS of California.

H.R. 265: Mr. FOLEY.

H.R. 306: Mr. MOLLOHAN.

H.R. 329: Mr. PASTOR and Mr. WAXMAN.

H.R. 347: Mr. PICKETT and Mr. SIMPSON.

H.R. 355: Mr. OXLEY.

H.R. 371: Mr. SAWYER, Mr. MCNULTY, Ms. STABENOW, Mr. PITTS, Mr. CAPUANO, Mr. FORBES, and Mrs. JONES of Ohio.

H.R. 383: Mr. TAYLOR of North Carolina and Mr. SHAYS.

H.R. 393: Mr. BONIOR and Mr. DAVIS of Illinois.

H.R. 405: Mr. BAKER and Mr. KINGSTON.

H.R. 406: Mr. RYAN of Wisconsin.

H.R. 453: Mrs. LOWEY, Mr. ACKERMAN, Mr. FARR of California, Mr. BOEHNER, Mr. CASTLE, and Mr. WU.

H.R. 475: Mr. FILNER.

H.R. 530: Mr. KOLBE.

H.R. 557: Mrs. KELLY and Mr. VISCLOSKY.

H.R. 568: Mr. BROWN of California.

H.R. 580: Mr. PORTMAN.

H.R. 583: Mr. WU and Mr. GONZALEZ.

H.R. 605: Mr. MCINTOSH.

H.R. 612: Mr. COSTELLO and Mr. CONYERS.

H.R. 615: Mr. WELLER and Mr. BALLENGER.

H.R. 616: Mr. WELLER.

H.R. 637: Mr. TOWNS.

H.R. 692: Mr. SANFORD.

H.R. 701: Mr. SAWYER, Mr. ACKERMAN, Mr. SKELTON, Mr. MOLLOHAN, Ms. STABENOW, and Mr. GREEN of Texas.

H.R. 710: Mr. RYAN of Wisconsin, Mr. DELAY, Mr. THOMPSON of California, and Mr. RAHALL.

H.R. 716: Mr. TALENT.

H.R. 721: Ms. BALDWIN, Mr. BARRETT of Wisconsin, and Ms. MCCARTHY of Missouri.

H.R. 728: Mr. NORWOOD, Mr. BEREUTER, and Mrs. EMERSON.

H.R. 731: Mr. VENTO.

H.R. 735: Mr. TAUZIN.

H.R. 736: Mr. BARTLETT of Maryland.

H.R. 750: Mr. GILMAN.

H.R. 765: Mr. DEAL of Georgia.

H.R. 773: Mr. STRICKLAND.

H.R. 783: Mr. PASTOR.

H.R. 784: Mr. TANCREDO.

H.R. 789: Mrs. THURMAN, Mr. HOLDEN, and Mr. GREEN of Texas.

H.R. 804: Mr. ROGAN.

H.R. 809: Mr. MARTINEZ.

H.R. 827: Mrs. THURMAN, Mr. SANDLIN, and Mr. GONZALEZ.

H.R. 828: Mr. DAVIS of Illinois.

H.R. 844: Mr. LOBIONDO, Mr. PALLONE, Mr. CHABOT, Mr. MANZULLO, Mr. SANDLIN, Mrs. EMERSON, Mr. WALSH, Mr. GREEN of Wisconsin, Mr. NUSSLE, Mr. HOLT, Mr. WAMP, Mr. REYNOLDS, Mr. PACKARD, Mr. EHRLICH, Mr. LAZIO, Mr. DAVIS of Virginia, and Mr. BENTSEN.

H.R. 846: Mr. BONIOR and Mr. BERRY.

H.R. 864: Mr. WATTS of Oklahoma, Mr. LARGENT, Mr. LATOURETTE, Mr. HASTINGS of Washington, Mr. HALL of Ohio, Mr. SHERWOOD, Mrs. CUBIN, Mr. WYNN, and Mr. TAUZIN.

H.R. 865: Mr. CANADY of Florida, Mr. BILBRAY, and Mr. BUYER.

H.R. 896: Mr. DUNCAN.

H.R. 903: Mr. HILL of Indiana and Mr. GEJDENSON.

H.R. 904: Mr. WU.

H.R. 922: Mr. SHOWS and Mr. EWING.

H.R. 933: Mr. SHERMAN.

H.R. 953: Ms. SANCHEZ.

H.R. 961: Mr. KUCINICH, Mr. MASCARA, and Ms. KAPTUR.

H.R. 976: Mr. BAIRD and Mr. GREEN of Texas.

H.R. 987: Mr. SPENCE and Mr. THORNBERRY.

H.R. 1001: Mr. RANGEL.

H.R. 1032: Mr. BLILEY.

H.R. 1044: Mr. PETERSON of Pennsylvania.

H.R. 1054: Mr. FORBES.

H.R. 1070: Mr. WELLER.

H.R. 1082: Mrs. BIGGERT.

H.R. 1083: Mr. SAM JOHNSON of Texas, Mr. SIMPSON, Mr. KUYKENDALL, and Mr. TAUZIN.

H.R. 1093: Mr. MOAKLEY, Mr. UDALL of Colorado, Mr. THOMPSON of Mississippi, Ms. DANNER, Mr. MEEKS OF NEW YORK, Mr. NADLER, Mr. MOORE, Mr. KANJORSKI, and Ms. VELÁZQUEZ.

H.R. 1102: Mr. LATOURETTE, Mr. KANJORSKI, Mr. PICKETT, Mr. DICKS, and Ms. BERKLEY.

H.R. 1108: Mr. DAVIS of Illinois.

H.R. 1112: Mr. DAVIS of Illinois.

H.R. 1115: Mr. SAWYER, Mr. THOMPSON of Mississippi, Mr. SHAW, Mrs. MEEK of Florida, and Mr. SAXTON.

H.R. 1122: Mr. SHAW, Mr. PACKARD, Mr. DOYLE, Mr. HYDE, Mr. CAMPBELL, Mr. OBERSTAR, Mr. PAUL, Mr. BASS, Mr. MOAKLEY, Mr. DEAL of Georgia, Mr. NUSSLE, Ms. LOFGREN, Mr. ISAKSON, Mr. DEMINT, and Mr. PETERSON of Minnesota.

H.R. 1123: Ms. LEE.

H.R. 1142: Mr. CUNNINGHAM, Mr. TANCREDO, Mr. BALLENGER, Mr. LUCAS of Oklahoma, Mr. GARY MILLER of California, Mr. HUNTER, Mr. HAYES, Mr. MCINNIS, Mr. SOUDER, Mr. PACKARD, and Mr. SWEENEY.

H.R. 1168: Mr. SHOWS.

H.R. 1172: Mr. HALL of Ohio, Mr. BOUCHER, Mr. DOYLE, Mr. DOOLEY of California, Mr. ROGERS, Mr. CAPUANO, Mr. MCNULTY, Mr. ROGAN, Mr. CUMMINGS, Mr. MOLLOHAN, Mr. ACKERMAN, Mr. FLETCHER, Mr. MATSUI, Mr. RAMSTAD, Mr. GREENWOOD, and Ms. BALDWIN.

H.R. 1180: Mr. KING, Mr. PHELPS, and Mr. GIBBONS.

H.R. 1187: Mr. WEXLER and Mr. BLUNT.

H.R. 1194: Mr. GEJDENSON and Mr. WATKINS.

H.R. 1221: Mr. DEUTSCH and Mrs. MCCARTHY of New York.

H.R. 1248: Mr. REYES and Mr. DEUTSCH.

H.R. 1261: Mr. GRAHAM and Mr. ISAKSON.

H.R. 1291: Mr. ROGERS and Mr. HYDE.

H.R. 1300: Mr. HOUGHTON, Mr. SAXTON, Mr. LAZIO, and Mr. UPTON.

H.R. 1301: Mr. LAZIO, Mr. JENKINS, Mr. MURTHA, Mr. BEREUTER, Mr. LEACH, Mr. PHELPS, and Mr. COSTELLO.

H.R. 1303: Mr. THORNBERRY and Mr. BOUCHER.

H.R. 1304: Mr. KIND, Ms. KAPTUR, and Mr. WICKER.

H.R. 1310: Mrs. NORTHUP, Mr. CLAY, Mr. ROMERO-BARCELO, Mr. FARR of California, Mrs. JOHNSON of Connecticut, Ms. DUNN, Mr. HOUGHTON, Mr. LEACH, Mr. SOUDER, Mrs. EMERSON, Mr. SMITH of Michigan, Mr. FOLEY, Mr. CALLAHAN, and Mr. VENTO.

H.R. 1311: Mr. GALLEGLY, Mr. EVANS, Mr. OLVER, Mr. LIPINSKI, Mr. EWING, Mr. BACHUS, Mr. LAHOOD, Mrs. JOHNSON of Connecticut, Mr. HYDE, Mr. LEACH, Mr. MANZULLO, Mr. COSTELLO, Mr. DAVIS of Illinois, Mr. HOUGHTON, Mr. WALSH, Mrs. MORELLA, Mr. PICKETT, Mr. BLAGOJEVICH, Mrs. BIGGERT, Mr. BOYD, Mr. MCHUGH, Mr. COYNE, Mr. WELLER, Mr. BENTSEN, Mr. FRANK of Massachusetts, and Mr. VENTO.

H.R. 1322: Mr. WYNN.

H.R. 1333: Mr. HOUGHTON, Mr. MARTINEZ, Mr. THOMPSON of Mississippi, Mrs. MEEK of Florida, and Mr. CAPUANO.

H.R. 1336: Mr. CAMPBELL.

H.R. 1337: Mr. HUNTER and Mr. RYAN of Wisconsin.

H.R. 1344: Mr. KINGSTON.

H.R. 1354: Mr. HILL of Montana, Mr. BURTON of Indiana, Mr. NUSSLE, and Mr. RYAN of Wisconsin.

H.R. 1355: Mr. PALLONE.

H.R. 1356: Mr. GUTIERREZ and Mr. GREENWOOD.

H.R. 1358: Mr. WATKINS and Mr. GILMAN.

H.R. 1360: Mr. HOBSON.

H.R. 1388: Mr. DELAHUNT and Mr. OLVER.

H.R. 1392: Mr. SANDLIN and Mr. FROST.

H.R. 1443: Mr. WATT of North Carolina.

H.R. 1477: Mr. CRAMER and Mr. ROTHMAN.

H.R. 1495: Mr. OLVER.

H.R. 1505: Mr. MCINTOSH and Mr. EHRLICH.

H.R. 1507: Mr. STARK.

H.R. 1511: Mr. BACHUS.

H.R. 1544: Mr. SANDLIN.

H.R. 1547: Mr. SHOWS, Mr. CUNNINGHAM, Mr. BARCIA, Mr. SMITH of Washington, and Mr. RAHALL.

H.R. 1579: Mr. OXLEY, Mr. MANZULLO, Mr. SAWYER, Mr. CRAMER, Mr. CUNNINGHAM, Mr. SISISKY, Mr. DICKS, Mr. DIAZ-BALART, Mrs. EMERSON, Mr. SCHAFER, and Mr. PICKETT.

H.R. 1592: Mrs. CHENOWETH.

H.R. 1594: Mr. ORTIZ, Mr. REYES, Mr. HINOJOSA, Mr. RODRIGUEZ, Ms. SANCHEZ, Mr. SERRANO, Mr. MALONEY of Connecticut, Mr. MASCARA, Mr. RAHALL, Mr. KILDEE, and Mr. VENTO.

H.R. 1598: Mr. MCCRERY and Mr. SHAYS.

H.R. 1599: Mr. MCINTOSH.

H.R. 1601: Mr. EVANS, Ms. NORTON, Mr. DEAL of Georgia, Mr. ADERHOLT, Mr. LUTHER, and Mr. MARKEY.

H.R. 1621: Mr. BOUCHER.

H.R. 1624: Ms. ROYBAL-ALLARD, Ms. VELÁZQUEZ, Mr. FROST, Mr. PASTOR, Mr. KUCINICH, Mr. MARTINEZ, and Mr. WEYGAND.

H.R. 1630: Mr. DINGELL.

H.R. 1644: Mr. PICKETT.

H.R. 1645: Mr. DAVIS of Illinois.

H.R. 1646: Mr. SANDLIN.

H.R. 1682: Mr. CROWLEY, Mr. HOLT, Ms. HOOLEY of Oregon, Mr. FROST, and Mr. MORAN of Virginia.

H.R. 1685: Mr. MEEHAN, Mr. SKEEN, Mr. DICKS, Mr. RODRIGUEZ, Mr. THORNBERRY, Mr. CAPUANO, Mr. TALENT, Mr. OLVER, and Mr. MCGOVERN.

H.R. 1693: Mr. PALLONE and Mr. BENTSEN.

H.R. 1736: Mr. VENTO.

H.R. 1750: Ms. HOOLEY of Oregon.

H.R. 1760: Mr. MORAN of Kansas and Mr. BALDACCI.

H.R. 1776: Mr. HAYWORTH, Mr. HOLDEN, Mr. HOUGHTON, Mr. WAMP, Mr. HERGER, Mr. REYNOLDS, Mr. PASTOR, Mr. HAYES, Mr. DAVIS of Illinois, Mr. RYAN of Wisconsin, Mr. PETRI, Mrs. JOHNSON of Connecticut, and Mr. KUYKENDALL.

H.R. 1777: Mr. BALDACCI and Ms. BERKLEY.

H.R. 1788: Mr. BOYD, Mr. FOLEY, Mrs. THURMAN, and Mr. MCINTOSH.

H.R. 1810: Mr. EWING, Mr. EVANS, and Mr. PHELPS.

H.R. 1811: Mr. FRANK of Massachusetts.

H.R. 1812: Mr. TANCREDO.

H.R. 1816: Mr. MATSUI, Mrs. MINK of Hawaii, Mr. FROST, Mr. GREEN of Texas, Mr. SERRANO, and Mr. ROMERO-BARCELO.

H.R. 1821: Mr. CLYBURN, Ms. MCKINNEY, Ms. JACKSON-LEE of Texas, Mr. FARR of California, Ms. NORTON, Mr. BISHOP, Mr. WYNN, Ms. BALDWIN, Mr. TRAFICANT, Ms. WOOLSEY, Ms. MILLENDER-MCDONALD, Mrs. CHRISTENSEN, and Ms. SCHAKOWSKY.

H.R. 1827: Mr. SAM JOHNSON of Texas, Mr. KNOLLENBERG, Mr. GILMAN, Mr. RYAN of Wisconsin, and Mr. METCALF.

H.R. 1839: Mr. FILNER.

H.R. 1840: Mr. WICKER.

H.R. 1849: Mr. BERMAN.

H.R. 1862: Mrs. MCCARTHY of New York.

H.R. 1863: Mr. WALDEN of Oregon.

H.R. 1868: Mr. KIND and Mr. TANNER.

H.R. 1884: Mr. CLAY.

H.R. 1885: Ms. KILPATRICK, Mr. KUCINICH, Mr. ALLEN, Mr. HINCHEY, and Mr. DEFAZIO.

H.R. 1899: Mr. INSLEE, Mr. OWENS, Mr. KING, Ms. HOOLEY of Oregon, Mr. UDALL of New Mexico, Mr. SANDLIN, and Mr. SERRANO.

H.R. 1916: Mr. STENHOLM, Mr. BENTSEN, Mr. GREEN of Texas, Mr. EDWARDS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HINOJOSA, Mr. GONZALEZ, Mr. ORTIZ, Mr. COLLINS, Mr. YOUNG of Alaska, Mr. GEORGE MILLER of California, Mr. UDALL of New Mexico, Mr. JOHN, and Mr. BOYD.

H.R. 1932: Mr. SWEENEY.

H.R. 1935: Mr. WYNN, Mr. GUTIERREZ, Ms. LOFGREN, and Ms. BALDWIN.

H.R. 1939. Mr. BONIOR, Mr. LANTOS, Mr. LATHAM, Mr. MCGOVERN, Mr. DAVIS of Illinois, and Mrs. THURMAN.

H.R. 1966: Mrs. THURMAN.

H.R. 1975: Mr. SANDLIN.

H.R. 1976: Mr. BOEHLERT, Mr. GILMAN, and Mr. HORN.

H.R. 1977: Mr. MORAN of Kansas.

H.R. 1983: Ms. KAPTUR.

H.R. 1992: Mr. CRAMER, Mr. BURR of North Carolina, Mr. KILDEE, and Mr. WICKER.

H.R. 1994: Mr. RYAN of Wisconsin.

H.R. 1995: Mr. PETERSON of Pennsylvania, Mr. BALLENGER, Mr. ROYCE, Mrs. MYRICK, Mr. SOUDER, Mr. PETRI, Mr. UPTON, Mr. EHLERS, Mr. HALL of Texas, Mr. GREENWOOD, Mrs. ROUKEMA, Mr. RADANOVICH, and Mr. HERGER.

H.R. 1996: Mrs. MEEK of Florida, Mr. MEEHAN, Mr. DAVIS of Illinois, Mr. BONIOR, Mr. GUTIERREZ, and Mr. ENGLISH.

H.R. 1998: Mr. LUTHER.

H.R. 1999: Mr. SABO.

H.R. 2000: Mr. PASTOR, Mr. JEFFERSON, Mr. FOLEY, Mr. INSLEE, Mr. WU, Mr. ISAKSON, and Ms. WOOLSEY.

H.R. 2004: Mr. TANCREDO.

H.R. 2018: Mr. RAMSTAD.

H.R. 2028: Mr. MANZULLO.

H.R. 2030: Mr. CAMP.

H.R. 2031: Mr. BALDACCI, Mr. LUCAS of Oklahoma, Mr. BOYD, Mr. GRAHAM, Mr. HOEKSTRA, Mr. LIPINSKI, and Mr. BONIOR.

H.R. 2039: Mr. KUCINICH.

H.R. 2056: Mr. TOWNS.

H.R. 2088: Mr. FLETCHER.

H.R. 2102: Mr. FOLEY, Mr. MOAKLEY, Ms. DUNN, and Mrs. EMERSON.

H.R. 2116: Mr. MCINTOSH.

H.R. 2125: Mr. BLAGOJEVICH, Mr. WYNN, Ms. ROS-LEHTINEN, Mr. DIAZ-BALART, Mrs. MALONEY of New York, Mr. WEXLER, and Mr. MATSUI.

H.R. 2136: Mrs. THURMAN.

H.R. 2137: Ms. DUNN.

H.R. 2138: Ms. DUNN.

H.R. 2139: Mr. MCCRERY.

H.R. 2166: Mr. MARTINEZ, Mr. PRICE of North Carolina, and Ms. SCHAKOWSKY.

H.R. 2193: Mr. THOMPSON of Mississippi, Mr. KUCINICH, and Mr. RUSH.

H.R. 2202: Mrs. TAUSCHER, Mr. INSLEE, Mr. SNYDER, Ms. SANCHEZ, and Ms. PELOSI.

H.R. 2221: Mr. COBURN.

H.R. 2227: Mr. KLECZKA.

H.R. 2241: Mr. CLAY, Ms. DANNER, and Mr. MCCOLLUM.

H.R. 2245: Mr. TERRY, Mr. RYAN of Wisconsin, Mr. TANCREDO, Mrs. BIGGERT, Mr. DEMINT, Mr. FLETCHER, Mr. GREEN of Wisconsin, Mr. HAYES, Mr. ISAKSON, Mr. KUYKENDALL, Mr. GARY MILLER of California, Mr. SIMPSON, Mr. SWEENY, Mr. VITTER, Mr. TOOMEY, Mr. WALDEN of Oregon, Mr. REYNOLDS, Mr. SHERWOOD, and Mr. OSE.

H.R. 2246: Mr. MOORE, Mr. BAKER, and Mr. BALDACCI.

H.R. 2247: Mr. ENGLISH.

H.R. 2252: Mr. THORNBERRY.

H.R. 2260: Mr. OXLEY, Mr. WOLF, Mr. MCINNIS, Mr. LIPINSKI, Mr. PEASE, Mr. RYUN of Kansas, Mr. JENKINS, Mr. HILL of Montana, Mr. COSTELLO, Mr. SUNUNU, Mr. CAMP, Mr. MASCARA, Mr. WICKER, Mr. WATKINS, Mr. FORBES, Mr. HALL of Ohio, Mr. PETRI, Mr. MCINTOSH, Mr. TAYLOR of North Carolina, and Mr. CHAMBLISS.

H.R. 2282: Mr. GREEN of Wisconsin, Mr. PAUL, Mr. ROEMER, Mr. PICKETT, and Mrs. KELLY.

H.R. 2283: Mr. PETERSON of Minnesota.

H.R. 2287: Ms. SCHAKOWSKY and Ms. WOOLSEY.

H.R. 2300: Mr. LUCAS of Oklahoma, Mrs. WILSON, Mr. THORNBERRY, and Mr. WICKER.

H.R. 2303: Mr. COYNE and Mr. HYDE.

H.R. 2305: Mr. MEEKS of New York.

H.R. 2306: Mrs. THURMAN.

H.R. 2308: Mr. MANZULLO, Mr. WATKINS, Mr. ENGLISH, Ms. DUNN, Mr. HULSHOF, and Mr. HERGER.

H.R. 2337: Ms. LOFGREN.

H.R. 2344: Mr. PRICE of North Carolina.

H.R. 2345: Ms. WOOLSEY.

H.R. 2372: Mr. SCARBOROUGH and Mr. PETRI.

H.R. 2377: Mr. BRADY of Pennsylvania and Mr. FATTAH.

H.R. 2381: Mr. NORWOOD.

H.R. 2389: Mr. GOODLATTE, Mr. STUPAK, Mr. RADANOVICH, Mr. SHOWS, Mrs. CHENOWETH, Mr. OBERSTAR, Mr. NETHERCUTT, Mr. TAYLOR of North Carolina, and Mr. WALDEN of Oregon.

H.J. Res. 55: Mr. DUNCAN, Mr. HUNTER, Mr. HOEKSTRA, Mr. HILL of Montana, Mr. SCHAFFER, and Mr. BARTON of Texas.

H. Con. Res. 57: Mr. PICKETT.

H. Con. Res. 60: Mr. WYNN, Mr. BURTON of Indiana, Mr. PORTER, Mr. ROYCE, and Mr. HALL of Ohio.

H. Con. Res. 62: Mr. MINGE and Mr. KLECZKA.

H. Con. Res. 64: Mr. SESSIONS.

H. Con. Res. 100: Mr. FRANK of Massachusetts, Mr. MARTINEZ, Mr. FILNER, Mr. ROGAN, Mr. VISCLOSKY, and Mr. WAXMAN.

H. Con. Res. 116: Mr. PASTOR.

H. Con. Res. 121: Mr. SMITH of New Jersey and Mr. WOLF.

H. Con. Res. 124: Mr. GREEN of Texas, Mr. CAPUANO, and Mr. RANGEL.

H. Con. Res. 128: Mr. LATOURETTE and Mr. BENTSEN.

H. Con. Res. 129: Mr. SHOWS, Mr. MANZULLO, Mr. DAVIS of Illinois, Ms. NORTON, and Mr. ARCHER.

H. Con. Res. 134: Ms. LOFGREN.

H. Con. Res. 140: Mr. GEJDENSON, Mr. TOWNS, Ms. MILLENDER-MCDONALD, Mr. SANFORD, Mr. ENGEL, and Mr. PAYNE.

H. Con. Res. 141: Mr. LAMPSON, Mr. HINOJOSA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BECERRA, Mr. OWENS, Ms. SCHAKOWSKY, Mrs. MEEK of Florida, Mr. BARRETT of Wisconsin, Mr. GEJDENSON, Mr. PASCRELL, Ms. DELAURO, Mr. BRADY of Pennsylvania, Mrs. CHRISTENSEN, Mr. BROWN of California, Mr. DEUTSCH, Mr. HUTCHINSON, Ms. BERKLEY, and Mr. WAXMAN.

H. Con. Res. 145: Mrs. THURMAN, Mr. ENGLISH, and Mr. WAXMAN.

H. Con. Res. 147: Mr. CUMMINGS.

H. Res. 89: Ms. NORTON, Mr. ADERHOLT, and Mr. WU.

H. Res. 107: Mr. DIXON, Mr. STARK, and Mr. MEEHAN.

H. Res. 164: Mr. BERRY, Mr. MINGE, and Mr. SANDLIN.

H. Res. 203: Mr. WELDON of Pennsylvania, Mr. METCALF, Mr. WYNN, Mr. FRANK of Massachusetts, Mr. ROMERO-BARCELO, Mrs. CAPPS, Mr. TIAHRT, Mr. BARCIA, Mr. LAHOOD, Mr. FRANKS of New Jersey, Mr. HALL of Ohio, Mr. GILMAN, Mr. MCNULTY, Mr. CASTLE, Mr. LOBIONDO, Mr. HOLDEN, Mr. GALLEGLY, Mr. SCHAFFER, and Mr. GREEN of Texas.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1300: Mr. FROST.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petitions were filed:

Petition 3, June 23, 1999, by Mr. DINGELL on House Resolution 197, was signed by the following Member: Robert C. Scott.

SENATE—*Thursday, July 1, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. We have a guest Chaplain today, Rev. Kenneth Lyons, Greater New Bethel Baptist Church, Jasper, TX. He is a guest of Senator HUTCHISON.

We are glad to have you with us.

PRAYER

The guest Chaplain, Rev. Kenneth Lyons, offered the following prayer:

Our Father, Your name be exalted above every name. Welcome in the name of Your Son, Jesus. We thank You for Your infinite love. You have looked beyond our faults as a government and a people and allowed us to enjoy the blessing of freedom, spiritually and physically.

Dear God, guide the minds of these Your ministers in the government of our country. Keep them ever mindful that they are instruments in Your service and for Your people, so that their lives may be peaceful in the world.

Lord, keep these Senators of this body and their families under Your wing. Grant them courage and boldness in this period of the history of our Nation. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator HUTCHISON is designated to lead the Senate in the Pledge of Allegiance.

The Honorable KAY BAILEY HUTCHISON, a Senator from the State of Texas, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. ABRAHAM. Mr. President, on behalf of the majority leader this morning, I make the following announcement to the Senate:

This morning the Senate will debate cloture on the motion to proceed to S. 557 for 1 hour, to be followed by a cloture vote at 10:30 a.m. If cloture is invoked, the leader will file a cloture motion on the pending amendment to S. 557, the Social Security lockbox legislation, and that cloture vote will occur at 10:30 a.m. on Friday, July 16. Following that action, Senator SPECTER will be recognized as if in morning business for up to 30 minutes.

The Senate will then resume consideration of the Treasury-Postal appropriations bill, with the hope of completing the bill during today's session of the Senate. Under a previous unanimous consent agreement, all amendments must be offered by 11:30 a.m. today. It may also be the intention of the leader to debate and vote on the Y2K conference report and to begin consideration of any other appropriations bills cleared for action. Therefore, Senators can expect votes throughout the day.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Texas is recognized.

REVEREND KENNETH LYONS

Mrs. HUTCHISON. Mr. President, I wish to make a comment about Reverend Lyons, who just opened our Senate session with a prayer, because he is a very special person to me and to the State of Texas and really to all Americans.

A little over a year ago, a heinous crime was committed in the small town of Jasper, TX, when James Byrd, Jr., was brutally murdered simply because of his race, dragged to death by three men in a pickup truck. The senseless killing riveted the Nation and many feared the outbreak of civil disorder. But Rev. Kenneth Lyons helped still the troubled waters. He is pastor of Greater New Bethel Baptist Church where James Byrd's family worshipped every Sunday.

Pastor Lyons spoke fearlessly to people of all races. He said, "This must have been a divine wake-up call to the consciences of men. You can't fight fire with fire." He urged not vengeance but harmony and peace.

Reverend Lyons' wise leadership personified Abraham Lincoln's call to the "better angels of our nature." He helped unite the people of Jasper, TX, in their commitment to equality and justice, to rise above hatred and despair.

Millions of Americans watched that small town of Jasper, TX, as it came together because of Reverend Lyons' plea for redemption and healing. Because of his faith and eloquence, we are better people.

RESPONSE IN JASPER, TEXAS

There are other heroes in Jasper, TX, and it was one of the great moments of my life to be able to go to Pastor Lyons' church and attend the burial ceremony for James Byrd, Jr., and to meet the kind of people who make this country what it is. I met James Byrd, Sr., and Mrs. Byrd, Renee Mullins, James Byrd, Jr.'s daughter, and his son. I met people who had just endured something that none of us ever want to have any of our family or friends ever endure. James Byrd, Sr., was saying: There is no hate here; there is love in this family.

That was the beginning of the healing process not only in Jasper, TX, but a model for America—when something we cannot possibly understand happens, someone steps forward and says we can't let this tear all of us down. James Byrd, Sr., started that process.

I want to talk about Billy Rowles, the Jasper County sheriff, who did not let one minute pass when he got that call on that fateful Sunday morning and he heard the beginning of what was going to be a nightmare for his town. Billy Rowles started making calls, and he said: This is not going to stand. We are going to have justice in Jasper County. We are going to have justice from what I am hearing over the phone on Sunday morning. And because of Billy Rowles' leadership, justice is on its way.

The mayor of Jasper is R.C. Horn. He was right there on the phone talking to Pastor Lyons, making calls to all of the clergy in Jasper, TX, that Sunday morning, setting the tone for what would be the message: That this community is not a bad community and I want every one of you in your pulpits on Sunday morning to say this is a community of love. Mayor Horn was one of those people who started the healing process.

Guy James Gray, the district attorney of Jasper County, was not going to let anything slip by. He was going to make sure the people who perpetrated this heinous crime would come to justice. Of the three people who have been accused, thanks to the good work of Guy James Gray, one has been convicted.

And there is Walter Diggles, the executive director of the Deep East Texas Council of Governments, always there behind the scenes, trying to help in this first week when all of the attention was focused on Jasper, TX. Jasper, TX, had never had the attention of the world focused on it.

But because of Walter Diggles, Billy Rowles, and Guy James Gray and Mayor Horn and the James Byrd, Jr. family, these people were able to withstand all the television cameras and all the people who came from outside to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

give them advice they did not really need because they knew what was the right thing to do. They knew that to keep their community together they were going to have to talk about love, not hate. They did not need anybody coming in from outside to tell them that because they were speaking from the heart. They didn't have focus groups and they didn't have advisers and psychiatrists. They did not need organizers and spinmeisters because they were doing it from the heart. And they have created a model that every community will follow if it wants to keep a community together after a terrible tragedy.

I want to add one more to this list because I have never seen anything like what happened in the trial of the first of those accused of this murder. There you saw the father of the accused, named Ronald King, sitting in the courtroom every day, absolutely devastated by what his son was accused of doing. This father, who adopted this boy to give him a chance in life, sat in that courtroom in support of his son, but devastated at what he was hearing in the courtroom. Mr. King came out of that courthouse every day, and he said: I don't blame the Byrd family for any bad feelings that they would have, and I apologize to the Byrd family. I support my son and I love my son and I always will, Mr. King said, but he said I understand how James Byrd, Sr. and his family feel and my heart goes out to them.

James Byrd, Sr. reached back to Ronald King and he said: I understand your pain. This is not your fault, and we will be strong together.

Ronald King is a hero, too, because what Pastor Lyons and the city of Jasper and all of those I have mentioned have done for our country is to show us that the spiritual community can make a difference by preaching love when there is a lot of opportunity for hate, and how that divine love can keep a community together, can make us remember our strengths in this country, and not dwell on the weaknesses.

I applaud Jasper, TX, and these leaders and Pastor Lyons, whom we have heard today; James Byrd, Sr. and his family; and Ronald King, for showing us that this is a great country and we are going to take a terrible tragedy and we are going to make this country stronger, as I believe it is today, because of a very small group of people who didn't need national advisers to tell them what was right. In fact, they have shown us what is right about our country.

Thank you, Mr. President.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

GUIDANCE FOR THE DESIGNATION OF EMERGENCIES AS A PART OF THE BUDGET PROCESS—Motion to Proceed

CLOTURE MOTION

The PRESIDING OFFICER. There will now be 1 hour for debate prior to cloture vote on the motion to proceed. The time will be equally divided between the two leaders.

The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need to make an initial statement. Then we will have speakers on our side and work with the Democratic side to work out the remainder of the time.

Today is the 73rd day since we began the process of trying to move forward with a Social Security lockbox. I think, from every indication, we finally will begin to make some progress this morning. I hope this will be a rapid process from this point forward, that things will not be delayed much longer, and we can quickly come to some type of agreement for orderly consideration of this proposal.

It is vitally important we not delay any longer. Since we introduced this amendment on April 20, the following has taken place: $22.2 billion more of the Social Security surplus or almost 20 percent of this year's surplus has been put in danger of being raided. The House voted 416 to 12 to pass their own version of a lockbox, a version that we could not consider in this body. The President himself has endorsed the idea of a lockbox and stated that Social Security taxes should be saved for Social Security. Yesterday, the Democratic leader indicated the Democrats would not block this motion to proceed. So I see this as a positive.

What I have to say is very simple. It is clear that Americans, regardless of where they might live, believe their Social Security dollars ought to be used for Social Security. I cannot imagine there is a Member of the Senate who does not hear that message when talking to seniors in their States or, for that matter, when talking to anyone who is paying payroll taxes. The American people are frustrated when they hear that money they send here for Social Security is being spent on other programs. To some extent, this was justified during the period in which we were running budget deficits. But today we are not. Today we are running surpluses. The latest news is good news. It seems to me it even further justifies creating a lockbox to make sure none of these Social Security dollars are any longer spent on anything except Social Security. The only way to do it, in my view, is to pass legislation such as S. 557, such as the proposal that will be before us today.

So I ask my colleagues to not only give us the chance to move forward on this legislation but to work together to craft a proposal as soon as we possibly can so we can be sure these Social Security dollars do not get spent on other programs. It is a very attractive thing, to talk of new programs, of expanding existing programs, and so on, because today we are in a period of economic prosperity and we are running surpluses. But we should take this opportunity, in my view, to at least fence off the Social Security surplus so it cannot be used for other programs. I am hopeful today we can take an important step toward that end so I can go back to Michigan and tell the people in my State their Social Security payroll tax dollars are going to be protected. That is what I want to do. I suspect that is what a lot of other Members of the Chamber want to do.

I am hopeful that after today, once we get through the recess period, we will move expeditiously to finish the job. Social Security dollars ought to be spent on Social Security. We should move as quickly as possible to make that the case. So I am very optimistic, if we are successful with the cloture vote today, we can move in that direction.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan.

Mr. ABRAHAM. Mr. President, I yield such time as he may need to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. ASHCROFT. Mr. President, I thank the Senator from Michigan for his outstanding leadership on this issue.

Today the Senate will vote for the fifth time to stop filibusters on legislation to protect Social Security trust funds. It is time for us to stop, to end the delay. It is time for us to align ourselves with the American people who overwhelmingly want us to protect the money they put into the Social Security trust fund and to reserve it for Social Security payments. We should pass this bill so protecting Social Security will be the law of the land. It is time to build a tough law, a firewall if you will, between politicians' desires to spend and the Social Security trust fund.

There is no addiction more pervasive in this city than the spending of money. It is a tough habit to break, but we are in a position to do so. We are in a position to say we can manage our affairs without this money; let us make a commitment forever to break this habit of spending the Social Security trust funds.

President Clinton's proposed budget in January would have spent $158 billion in Social Security surplus over the next 5 years out of the trust fund, but, thank goodness, this last week President Clinton announced that he does not want to do that. That concept is no longer his plan. Instead of spending that $158 billion over 5 years in other projects, he said he wants to reserve it for Social Security—every penny for Social Security. "Social Security taxes should be saved for Social Security, period."

What a tremendous concept. It is one which we have been working on and we have been working to pass. The President has announced his support for it. It is a general concept which the House of Representatives has supported. In its recent vote a couple weeks ago, the House voted 416–12.

We look for bipartisan things to do in this city, things that unite us instead of divide us, things that mobilize the American people, things that find common objectives and common ground. Here is an item the American people overwhelmingly endorse. Here is an item on which the House of Representatives really reflects the American people, 416–12. That is an overwhelming vote. And the President of the United States endorses the lockbox.

What is interesting is that the President's endorsement is of the lockbox. He just did not say we should not spend Social Security as a general concept or a general idea or a principle by which we operate Government. When we talk about a lockbox, we are talking about institutionalizing the prohibition, not just saying this is something we hope to do in future years. By saying we want to build a lockbox, we have to build a structure for protecting Social Security, and that is something the President has said he wants—a structure, a lockbox, something that keeps us from making these expenditures.

For the past 6 months, this Congress has been devoted to protecting all the Social Security surplus. In January, congressional Republicans began working to ensure that Congress would protect every penny of the surplus. In March, Senator DOMENICI and I introduced S. 502, called the Protect Social Security Benefits Act, which would have instituted a point of order preventing Congress from spending any Social Security dollars for non-Social Security purposes.

What does a point of order mean? A point of order means that if there is a point of order and someone tries to do it, the Chair, the Presiding Officer, can say it is out of order. Most Americans have been part of some kind of meeting somewhere when someone brought something up that was out of order. The gavel goes down, and the person presiding over the meeting says: We are not going to discuss that; that is not a part of what we do. There is a point of order against it. It is out of order, and you move on to something else.

That is the way we propose to treat proposals that will spend the Social Security surplus. We will simply say: We don't do that; it is against our rules; it is out of order, we will move on to something else. That was S. 502.

Then in April, together with Senator DOMENICI, the Senate passed a budget resolution that did not spend any of the Social Security surpluses for the next decade. Included in the resolution was language endorsing the idea of locking away the Social Security surpluses, sort of a rules of the Senate lockbox but not a statutory lockbox. A statutory lockbox, of course, would bind the House, the Senate, and the President. This language passed the Senate with unanimous approval.

Also in April, Senators ABRAHAM, DOMENICI, and I offered the Social Security lockbox amendment which would have added executive responsibilities to the congressional requirement to protect the Social Security surpluses. By "executive responsibilities," we were really saying the President had to submit a budget that did not invade the Social Security surplus as part of the President's plan.

The Senate has voted on the Abraham-Domenici-Ashcroft plan three times so far, and I believe we will agree to the motion to proceed today. But until today, the Senate has filibustered, has said we will not go there. Frankly, the President of the United States wants to go there, the American people want to go there. The President had the courage to reverse his position, first saying, "I want to spend some of that money," then saying, "No, we should reserve every cent for Social Security, period."

On May 26, the House of Representatives, reflecting, I believe, the people of America—and that is really what we are supposed to do in many respects; that is why we are sent here—overwhelmingly passed H.R. 1259, Congressman HERGER's measure to protect the surpluses. The vote in that case, as I have already mentioned, was 416–12. That means for every 100 votes in favor of the measure, there were only 3 votes against the measure. Mr. President, 100 to 3 is a pretty strong margin. That is a bipartisan consensus. This reflects the will of the people.

On June 10, Democrats in the Senate blocked the Herger measure. They voted against moving even to consider it.

It is time we stop this kind of parliamentary maneuver. We all know what the will of the American people is. We know what the clear statement of the President of the United States is. We know what we have done on five previous occasions, refusing to discuss it. Today we should vote to move forward on this issue.

The lockbox will accomplish an important goal: Protect Social Security taxes. It will reserve those taxes for Social Security, and Social Security alone, so that when someday those who need Social Security want to call on this Government for the payment of their benefit, the Government will be stronger, having less debt, having more discipline, having a greater capacity to meet its obligations and to honor the commitments made under Social Security.

Those who say they want to protect Social Security should join us in our efforts to save every dime—no, let me correct that—every penny, every cent of this money for Social Security's future beneficiaries. This lockbox is a way to make this happen.

Congress has been moving to create a Social Security lockbox this entire year. President Clinton has now stated he agrees with us, and I welcome the support of the President and Senate Democrats in finishing the Nation's business in supporting the toughest possible lockbox measure, one that protects not 20 percent, not 40 percent, not 60 percent, not 80 percent, not 99 percent, but 100 percent of the Social Security surpluses, protects them so they are available to meet the responsibilities of the Social Security system.

Mr. President, I yield the floor and reserve the remainder of the time of those in support of the motion.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I yield 5 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. DORGAN. Mr. President, I do not oppose the motion to proceed. I expect the Senate will perhaps vote unanimously to proceed on this issue, but I do want to give some historic perspective to this issue of a lockbox.

I proposed a lockbox amendment in 1983. I offered an amendment the day when the Ways and Means Committee passed the Social Security reform package in 1983. I said: If we do not put this extra Social Security money away, it will be used as part of the operating budget and it will not be saved. My amendment lost in the Ways and Means Committee in 1983. So this is not a new idea.

One of the interesting things about this debate is, it was not too many years ago that we debated a constitutional amendment to balance the budget in the Senate. I voted against that, and the constitutional amendment lost by one vote. I went through some very interesting times politically back home and across the country because I cast a vote that defeated the constitutional amendment to balance the budget.

One of the points I continued to make in the Senate as we debated that—and I was accused of talking about gimmicks and using gimmicks at that point—was the constitutional amendment to balance the budget was written in a way that said all revenue that comes into the Federal Government shall be considered revenue for the purposes of the budget. There was no distinction between Social Security moneys and other moneys; it is all operating budget revenue. To the extent we require a balanced budget, it means we can use the Social Security money as ordinary revenue and then we can claim we balanced the budget. I said that is writing in the Constitution the invitation to continue doing what we have been doing, which is looting Social Security.

What I heard in response was no. There were three stages of denial:

First, we deny we are looting Social Security. That was the first stage of denial.

The second was: Well, even though we deny it, if, in fact, we are doing it, we promise to quit.

And the third stage of denial was: We insist we are not doing it, but if we are doing it, we promise to quit. And if we can't quit it, we will at least taper off.

Those were the three stages of denial in the Senate.

Because those of us who said, we will not write into the Constitution an amendment that permits forever the use of Social Security trust funds as part of the operating budget, we were told: Well, would it be all right if we said we will keep using the Social Security trust funds for the next 12 years? I said: No, that would not be all right. So that was the debate back a few years ago.

Now we come to a debate today, and the folks who then called our position on Social Security revenues a gimmick are now proposing a lockbox. I say, I think we should have a lockbox. But I do not think you ought to do a lockbox in isolation. I think you should have a lockbox with respect to the Social Security revenues so they cannot be used for ordinary operating revenue. That money is taken from workers' paychecks. It is called Social Security dedicated taxes. It goes into a dedicated fund and ought not be available under any circumstances for any other purposes. That is the point we made on the constitutional amendment to balance the budget.

I have some charts here, that I will not use, that describe what was told to us during that debate: Gee, you're standing up talking about gimmicks. Of course you have to use the Social Security money as part of the regular budget in order to balance the budget. You can't balance the budget without using Social Security money.

History, of course, shows that was nonsense. But here we are, and the question is the lockbox. We ought to have a lockbox. We ought to do several things at the same time, however. Because I worry. I see this week Reuters has a press story: "How Republicans Propose $1 trillion in tax cuts." If you do a lockbox on Social Security revenues only and then say, all right, now we have locked away Social Security revenues only, and we propose $1 trillion in tax cuts, the question in two areas is: What have you done to extend the life of Social Security? And what have you done in this fiscal policy to extend the life of Medicare?

Unfortunately, the answer in both cases could be, you have done nothing to save for Medicare; and while you might have given $1 trillion in tax cuts, you may have done nothing to extend, even by 1 year, the Social Security program.

So let us do a couple of things. Let us do—together—a lockbox. I support that. I was ridiculed for it back in the constitutional amendment debate, but I have always supported it. I supported it going back to 1983 when I offered the amendment to do it in the House Ways and Means Committee. But let us not just do the lockbox. Let's do the lockbox the right way. Secondly, let us make sure that some of the additional revenue that is available extends the life of Medicare and extends the life of Social Security. I ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. This would provide a guarantee that the revenue stream for Social Security is available only for Social Security; that is, the tax money that is available for it goes only into the Social Security trust fund and can be used only for that purpose.

But it would do two other things as well. It would say, let us use some additional resources not just for a $1 trillion tax cut but also to extend the life of Social Security and the life of Medicare. Doing both of these things, I think, will give the American people the reassurance that both of these programs, which have been so important in the lives of so many Americans in this country, will be available for many years to come.

I do not think, as I said when I started, there will be a debate here on whether we should proceed. Let's proceed. I expect the motion to proceed will carry, perhaps unanimously. We will have a debate on the lockbox issue.

But my point is, let us not debate that in isolation. Let us debate it with the eye on this ball: That we need to extend the life of Social Security and extend the life of Medicare, even as we do what we should have done long ago; and that is, make certain that no Social Security revenues are used for any purpose other than the solvency of the Social Security system itself. That is what workers expect. That is the basis on which money is taken from their paychecks and put into a dedicated tax fund. That is what senior citizens expect from this program, which was a solemn promise made to them many decades ago.

I thank the Senator from New Jersey for the time. I look forward to the debate following the motion to proceed.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from New Jersey.

Mr. LAUTENBERG. I yield myself such time as is necessary to make some remarks.

Mr. President, I say thank you to the distinguished Senator from North Dakota because he kind of hit the nail on the head. Let's get on with this debate. That is the question. And whether or not we disguise it in terms of votes to the public at large—and cloture votes and things of that nature may seem rather arcane to the public—the main thing is to get on with the discussion.

I am supporting the cloture vote on the motion to proceed to S. 557, which is the legislation to reform the budget rules governing emergency spending. I am going to support cloture on the motion to move ahead with this—we call it a motion to proceed—to get on with the debate, not only because I support the underlying legislation, which amends the rules governing emergency spending but, more importantly, because like most, if not all, Democrats, I strongly support the establishment of a Social Security and Medicare lockbox. It is time for a real debate to occur on a lockbox. And I look forward to that debate.

Democrats have long argued that protecting Social Security and Medicare should be Congress' top priority. We believe that strongly. We simply must prepare our country for the impending retirement of the baby boomers. We ought to do it now, particularly since we are going through this incredible prosperity, a prosperity never before seen in this country.

To help achieve that goal, Senator CONRAD and I proposed our own version of a Social Security and Medicare lockbox. It is a lockbox that reserves the surpluses for both Social Security and Medicare—reserves them; you cannot touch them—without creating the threat of what is now proposed, which could be a Government-wide default. Our lockbox has much stricter enforcement than the weak one that was approved by the House of Representatives.

Early this week, President Clinton also proposed to establish a Social Security and Medicare lockbox. His proposal not only would prevent Congress from spending Social Security surpluses in any year, but it would extend the solvency of the trust fund to the year 2053.

Although all of the details of the President's plan have not been worked out yet, I strongly support his general approach. I am hopeful it can win with bipartisan support. We would like to see it that way.

The distinguished Senator from Michigan, Senator ABRAHAM, and Senator DOMENICI have proposed a different version of a lockbox which has been offered as an amendment to the previous bill S. 557. Unfortunately, their lockbox is seriously openable. In fact, as Treasury Secretary Rubin has written, instead of protecting Social Security benefits, their lockbox actually would threaten benefits. That is because it could trigger a Government-wide default based on factors beyond Congress' control.

Such a default would make it impossible to pay Social Security benefits. They can call it what they will—lockbox, cash drawer, whatever—but it will still impair the possibility, at some point, to pay the Social Security benefits. The issue before the Senate today isn't whether we are for or against the Abraham-Domenici lockbox. It is not whether we are for or against the Democratic lockbox. The issue is whether we should proceed to a debate about lockbox legislation at all. I believe we should. It should be an open debate. Senators should have the right to offer amendments, but we should go ahead and get that debate underway.

In the past, the majority has tried to stifle that debate and to push through their own version of a lockbox without giving the Democrats and the American people an opportunity to present and to consider amendments. We Democrats have rightly resisted that. We cannot be gagged, and we will not be locked out of the legislative process, especially on an issue as important as protecting Social Security.

Having said that, nobody should doubt the commitment of Senate Democrats to support a Social Security and Medicare lockbox. I take a moment here to identify what a lockbox is to represent: a place you can't invade for any other reason except to make sure that Social Security is there for the longest period of time available for those who are paying into this system, the money to pay those benefits is going to be there.

Another major concern of the American public, the elderly public particularly, is Medicare. Will it run out of funds before the 50-year-old is there to have his or her health care protected? That is what we are debating. We ought not to be talking about process. We ought to be talking about what are the promises that we are trying to fulfill.

One is that Social Security will be there when you get there and you want it and you need it. Two is that Medicare is there to help protect the health of an aging population.

I expect there is going to be a very strong vote on this side of the aisle in support of moving to proceed to that debate. Unfortunately, what we have heard is that the majority will then file cloture on the bill itself. Another explanation. Cloture means to shut down the debate, not permit the Democrats to add amendments, not to permit the American public to hear the full discussion. That is the issue—continuing to block our ability to offer any open, new ideas to their original proposal.

Well, if that is true, it is outrageous. It is the kind of political game that has been played on this floor on this issue from day 1. Apparently the majority isn't as anxious to get a Social Security lockbox as they pretend to be. They just want to force the Democrats to cast votes against cloture, against continuing the debate, against permitting the debate.

Well, Democrats have to oppose cloture, if we are being blocked from offering amendments. That doesn't mean we are being obstructive. It doesn't mean we are filibustering the bill. We just have to protect our rights and the citizens' rights as we see them.

What the Republicans want to do is force us to cast these cloture votes and then claim that we are filibustering the lockbox. It is wrong, and they are aware of it. They want to shut us out of the debate. We represent a significant part of the American public. Whether they voted for us or they didn't, we represent them.

This isn't just playing politics. It is unfair, and it is especially unbecoming of a party that is in the majority and purportedly running Government. They should be spending their time getting legislation passed, not just forcing Democrats to walk the line, to cast votes that they can later misrepresent for political gain.

President Clinton has reached out his hand with a proposal that obviously lays the groundwork for a bipartisan deal. He is known to include Republicans in discussions about things. I serve on the Budget Committee. I am the senior Democrat. This is the third President with whom I have served. I have never seen a President more anxious to discuss his ideas on legislation with the other side than President Clinton.

He said he is willing to compromise on tax cuts. He said he wants to work with the Congress. What is the response from the majority? Partisan politics. You have to ask why. Do they really think it makes any difference whether there are five cloture votes instead of four? It is a mischaracterization. Who is trying to kid whom? This goes beyond petty. It really is unfair and pathetic.

I hope we are going to stop these political games. Then let us sit down on a bipartisan basis and do the work of the people. Let us develop a real lockbox that makes sense to both of us, a consensus view, and one that really protects Social Security and Medicare.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I ask the Senator from Michigan for 5 minutes.

Mr. ABRAHAM. Mr. President, I yield such time as the Senator from Pennsylvania would like.

The PRESIDING OFFICER. Without objection, the Senator from Pennsylvania is recognized for 5 minutes.

Mr. SANTORUM. Mr. President, I have to comment on the statement of the Senator from New Jersey.

One of the more vexing problems we have in political debate in America is who is telling the truth. What I am going to tell you is 180 degrees from what the Senator from New Jersey just said. What he repeatedly said is true is, in fact, not true.

What the Senator from New Jersey said is that the Democrats would not be able to offer amendments on the Social Security lockbox as a result of the cloture votes that were taken on April 22, April 30, and June 15. That is not true.

Let me state that again, emphatically, to the Senator from New Jersey and to the American public: What the Senator from New Jersey just said, which is that Democrats were blocked from offering amendments on the issue of a Social Security lockbox, is not true. So the entire speech we just heard was, in fact, a statement which had no basis in fact. That is true.

The Senator from New Jersey could have opposed cloture and offered all the amendments he wanted on the Social Security lockbox. We could have had hours, days of debate on a Social Security lockbox. We wanted to have those kinds of debates. They refused.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. SANTORUM. I am happy to yield for a question.

Mr. LAUTENBERG. Isn't it so that the tree—I don't want to use arcane language; I always try to get away from that so the public understands what we are talking about. Weren't we blocked from amendments by virtue of the fact that the amendment tree was filled by the Republicans?

Mr. SANTORUM. The April 22 vote was a vote on cloture on the first-degree amendment. The tree was not filled. It was a first-degree amendment vote on cloture, No. 1. We wanted a vote on that particular amendment, yes.

After that amendment would have passed or failed, you were then available to offer all the amendments you wanted on Social Security. You could have offered your own Social Security lockbox. You could have taken the Abraham bill and changed the wording in it, and we could have had a vote on that, but you did not want to do that. You did not want to have that debate. You refused us even getting into a vote. All we wanted to do with these cloture motions was to say: Give us a clean vote on this particular proposal. After that, you are free to amend it. You are free to offer your own; you can do whatever you want. You can offer a Medicare lockbox. You can do whatever you want. Just give us a vote on our proposal and then you are welcome to do whatever else you want. You said emphatically, unanimously, three times: No.

Mr. LAUTENBERG. I ask the Senator, if he will indulge another question, was the tree filled with second-degree amendments?

Mr. SANTORUM. That was not the statement of the Senator from New Jersey. He made the statement that he could not offer amendments. The answer is, he could have offered amendments.

What we wanted was a vote on the Abraham-Domenici bill. After that vote, he was free to amend that proposal. He was free to offer his own proposal. There could have been a full and open debate on Social Security lockbox, after he gave us a vote on our amendment.

I don't think that is an unreasonable thing to ask.

Mr. LAUTENBERG. Well, I thank the Senator from Pennsylvania for the courtesy. But the fact of the matter is that there was an obstruction to us offering amendments until the Republicans were certain that they had their amendment considered in its raw form. Frankly, to me, that was blocking Democrats from having it.

Mr. SANTORUM. All I say to the Senator from New Jersey is that all we asked for is to give us a clean up-or-down vote on our amendment. After that amendment, you could have amended that thing, you could have offered your own, done anything you wanted. All we wanted to make sure of was that we had a clean vote on our amendment to start this debate, and after that, you could have done anything you wanted.

By the way, if you look at the statement you just read into the RECORD, you said exactly the opposite of what I just said. You said you could not have offered amendments when, in fact, you could have. You still had the right to, and you chose not to because you didn't want to enter into this debate.

We see a wonderful willingness on the part of the Democrats now, after the President joined our side in saying we want a lockbox, to open up and debate this and offer amendments, when you had the very same opportunity four times to do the same thing.

I welcome that. I welcome that we are going to have an opportunity to focus in on what I think is one of the most important things—not just for Social Security but important things for the long-term fiscal future of this country, this government; that is, putting in place a provision that says if you are going to spend more money on new government programs, or even if they are going to spend money on tax cuts, you are not going to spend it on Social Security unless you stand up before this Senate and before the American public and say: We are going to take Social Security dollars. We believe it is more important to do tax cuts. We believe it is more important to do funding for education or funding for defense than it is to provide money for Social Security.

That is the vote we are looking for. That is the vote of accountability that we want every Member of the Senate to have to cast. That is the fiscal discipline, when people have to make that choice, and it is clear to everybody what the choice is. We have lots of points of order and procedural things, but then everybody sort of walks out of the room and spins it their way. In this case, with the lockbox vote, where it says you have to vote on a motion that says we will spend Social Security money for X or Y or Z, you have to tell the American people that you believe that is a higher priority than Social Security.

We have no such vote today. But if we pass a lockbox, then the American public will know what your choices are. There may be a situation where we need to spend Social Security money. Frankly, I can't think of one, but there may be one—an emergency, a true emergency, where our national security is at risk. There may be a situation where we want to spend Social Security dollars, but it has to be voted on. That is the most important thing. That is what the other side never wanted to have happen.

I thank the President for breaking the logjam over there. The House Democrats did a pretty good job; they passed a Social Security lockbox bill. But it was the folks on the other side who stood as the dam to this current that was flowing through the Congress. I thank the President for getting the beavers to work, getting them out of the way and making sure we can have a full, fair, and open debate—as we could have three or four times previous to this. We could have had a full, fair, open debate in the Senate about a very important issue, yes, for Social Security but just as important to the fiscal discipline of the U.S. Government in the future.

I thank the Senator from Michigan and the Senator from New Mexico, Mr. ABRAHAM and Mr. DOMENICI, for their excellent work on this issue.

Mr. DOMENICI. Mr. President, how much time do the Republicans have left?

The PRESIDING OFFICER. Nine minutes 18 seconds are remaining on the Republican side; 12 minutes 12 seconds are remaining on the Democrat side.

Mr. DOMENICI. Will the Senator yield me 4 minutes?

Mr. ABRAHAM. I yield the Senator as much time as he needs.

Mr. DOMENICI. Mr. President, please tell me when I have used 4 minutes.

I say to the President of the United States: Thank you very much, Mr. President. You have agreed with us on one of the most important issues confronting the senior citizens of this Nation. In your budget and your recommendations in the past, during this fiscal year, you suggested that only 62 percent of the Social Security trust fund be saved and put in a trust fund and stay there for senior citizens for their Social Security. We suggested in our budget resolution that anything short of 100 percent was not right. After weeks of debate in this body, without an opportunity to get a vote on an amendment that would have said that and would have locked it tightly in place, the President of the United States announced that there are more resources available because the surpluses are bigger and decided that he agreed with the Republicans that 100 percent of the Social Security trust fund should be set aside for Social Security purposes.

Now the time has come for the Senate to do that. This is not an issue of Medicare. This is an issue of the Social Security trust fund being available for no purpose other than Social Security. In the meantime, it is used to reduce the national debt. That is the program, that is the plan, that is the safest and fairest thing for seniors across this land.

Pretty soon, we are going to find out whether that is really the issue or whether there is another issue, and that other issue is, even if you have done that and set it aside and locked it away, should there be a tax cut? It would appear that for some reason, the President of the United States and maybe a majority of the Democrats in the Senate don't want to let the American people have a refund of the taxes they have overpaid. And now we learn from both auditing or accounting entities, the President's and ours, that that surplus is even bigger than we thought. That is aside from the Social Security trust fund—in addition to it, without touching it.

The issue, then, is what kind of gimmick are we going to use to eat up that surplus so there is no money available to give back to the American people? That is the issue. The issue will be couched as if we should put $350 billion of this non-Social Security surplus in a Medicare trust fund. But the President's own proposals belie the necessity for that and just give it a birth—you open it up and you can see it for what it is, an effort to deny the American people a tax cut because, lo and behold, the President said we can reform Medicare. We can actually put in place prescription drugs. And what is the price tag? Let's just agree that the President has a good number—how about that, I say to Senator ABRAHAM—$46 billion, not $396 billion; $46 billion is what he says we need during the next decade to provide prescription drugs, which he deems to be good for the senior citizens of America. He is crossing this land and saying: I am for prescription drugs.

We are for prescription drugs. In fact, we are so pleased that the President has acknowledged exactly that situation that we are almost prepared to say—as soon as we run some numbers—that we can do better than you have done in terms of prescription drugs for senior citizens who need prescription drug assistance.

But let's remember, he says we need $46 billion. We are going to hear some arguments about the lockbox, saying let's have another lockbox for Medicare and let's take a bunch of the money that the taxpayers ought to get and put it over there in a trust fund under the rubric that it will help get rid of the deficit, that it will bring down the deficit of the United States, the overall debt—even though the three major accounting entities that have testified said it will be the same thing whether you put it in there or not. It has no impact because at some point you have to pay off those IOUs, and that means a tax increase.

Now, this is rather complicated, but the truth of the matter is—listen up, seniors—we are going to provide a prescription drug benefit as good as the President's or better. Let's focus on that. That is what we are going to do. Indeed, we are going to put every nickel—I remind everybody it takes $120 billion more for the trust fund to get all it is entitled to, according to CBO. We are going to put more than $1.8 trillion in. We are going to put $1.9 trillion in that trust fund.

In summary, we are making some headway. It is slow and tedious.

I assume that today all Members on the other side of the aisle are going to vote for cloture on the motion to proceed. I believe that is the case. It will be 100 to nothing, as if they have agreed to a lockbox. Actually, that is a wasted vote, if there are going to be 100. They are just deciding they all want to go home and say: We are for the lockbox also.

Mr. President, I ask unanimous consent that we vitiate the yeas and nays on the lockbox motion to proceed——

Mr. LAUTENBERG. We object.

Mr. DOMENICI. May I finish? I wasn't finished.

Mr. LAUTENBERG. I am sorry. Please continue.

Mr. DOMENICI. May I finish my consent request? I would like to make sure it makes some sense.

I ask unanimous consent that we dispense with that vote and that we proceed to substitute for that a motion as if cloture was before us on the actual lockbox amendment.

Mr. LAUTENBERG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMENICI. I yield the floor.

If the Senator has a little time later, I would be glad to use another minute.

Thank you.

The PRESIDING OFFICER. Who yields time?

The Republicans control 2 minutes 54 seconds. The Democrats have 12 minutes 12 seconds.

The question from the Chair is, Who yields time?

If neither side yields time, the time will be charged equally to both sides.

Mr. ABRAHAM. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be counted to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I yield myself such time as I may use.

Mr. President, we are going through an exercise about what is being characterized by the Democrats and what is being characterized by the Republicans as an imperfect lockbox situation—a lockbox recommendation.

I want to try to get this debate on this subject itself instead of the process. The fact of the matter is that if we try to define what constitutes a lockbox—we heard the Senator from North Dakota earlier talking about his effort to identify a lockbox going back to 1982 or 1983, in that period. Lockbox terminology was used way before it was discussed on this floor. It is a common expression in terms of banking and financial programs.

What we are talking about, very simply, is whether or not we put enough money away to say to the American public, when it is your time to retire—talking to those who now are, let's say, in their twenties, maybe in their teens—Social Security will be there for you when it is your time to use that benefit.

That is the discussion that goes on.

The other program—Medicare, which is directly linked to the Social Security program—health care for the elderly, for seniors, is the biggest worry among our population. People identify it as their concern about being locked out of health care—not knowing what conditions might arise that will absorb all of their savings, all of their resources. With the good science that has been developed over the years, we have had far better health than we thought we might have, looking back some years.

I know that when I was in the Army during World War II, I never dreamed that at this stage of my life I would be hard at work trying to do the things that I do, and feeling pretty good about it. I am glad to know there is a program out there for those who aren't physically able to deal with life's daily pressures, and when they run into medical problems, health care is going to be there. That is the way it ought to be.

With all of that, and all of the criticism of President Clinton, the fact is that he is the leader in the country who saw us stop the hemorrhaging of incredibly increasing debt that was falling upon not just the present generation but future generations.

I used to hear the cries: We are saddling our children and our grandchildren with debt. Now we want to pay it off. They say: Well, paying off debt, what does it mean? It means an awful lot. The fact of the matter is that it provides the kind of things that families try to provide; and that is security for the future—reserves—so that when you have something you either need or want, you have some means to do it.

That is what we are talking about here. We want to preserve, and we want to increase, the solvency of Medicare to make sure it is there for a longer period of time. We want to extend Medicare to 2025 and have Social Security retirement benefits available until 2053, with a pledge from the White House and from this President to try to reform the process to extend it even further. That is what we are discussing.

Despite the cries and the pleas—"to tell the truth," is what I heard. I don't usually use that kind of terminology, because not telling the truth suggests some kind of a character flaw. The truth in many times is as observed by the person speaking. But the real judgment comes from the others who hear it. The truth of the matter is that we are trying our darndest—each side of the aisle—in this particular construction of how they see us, we being able to provide the kind of security that our people want. We on this side of the aisle think it ought to be done by not only preserving all of the Social Security surpluses but by paying down the debt and increasing reserves available to put into that Social Security trust fund to extend it slightly even further. That is what we want to do.

All of the gimmicks that are used, all of the ploys that the majority has used characteristically to try to stop the Democrats from offering amendments, from making this debate available to the public—that is the way it goes. We have never seen the kind of a period where so many cloture votes are ordered at the same time that a bill is sent up to the desk to be considered. Almost immediately, in so many cases, it is followed by a cloture vote before there is any debate. The cries of a filibuster are hollow cries, because no filibuster has had a chance to get underway. There hasn't been any chance to talk at all. Shut it down. Use the cloture vote technique.

The public shouldn't perhaps be deceived by what they hear about how anxious the Republicans are to get on with the work of the people when they refuse to allow reasonable debate on the subject. There are ways to do it: Fill up the amendment tree, that stops it; invoke cloture, that stops it; or put in quorum calls, or have majority votes on things that stop the process.

The question is simply, Do we want to extend Social Security solvency? I think that answer has to be yes. Do we want to extend the Medicare solvency? I think that answer has to be yes.

Let the American people decide. When do they decide? They decide in November 2000 whether or not they prefer one method or the other. We ought to be plain spoken about what it is we are trying to do and not shut off the debate and not say that the Democrats could have offered amendments. They couldn't have, not at that time. They could have in due time—after everything was signed, sealed, and delivered. It is a backhanded way of operating.

I hope we will move on to the debate of the lockbox legislation. Let the public hear it. Take the time necessary to have a full airing. Let either side amend it and get on with serving the people's needs.

How much time remains on both sides?

The PRESIDING OFFICER. The Senator has control of 3 minutes 20 seconds; the Republicans have 2 minutes 54 seconds.

Mr. LAUTENBERG. I yield the floor.

Mr. ABRAHAM. Mr. President, I yield myself 1 minute 30 seconds.

We are here today to try to put in motion a process that will save the Social Security trust fund surpluses for Social Security. The Republicans have been trying to simply get a vote on our proposal for over 70 days.

The entire parliamentary effort that has been described has been aimed at simply getting us a chance to have a vote on what was our original amendment to a different bill. The notion that getting cloture on that amendment would somehow stifle opportunities for others to bring amendments is not the way this system works. I think everybody should understand that. Our goal is to get a vote on the amendment we wanted. That is perfectly consistent with what people on all sides always try to do. It was a simple effort.

Let's not get caught up in the parliamentary discussions. The bottom line is we are still trying to create a lockbox for the American people who send payroll taxes to Washington so they can be assured those dollars go to Social Security. That is what we are fighting for. This debate is no more complicated than that.

We have heard claims people want a weaker lockbox, a harder lockbox. Let's go forward with it. Let's pass this motion. Let's vote for cloture today. Give Members a chance to have a vote on our plan. If others want to offer their plans, there will be opportunities for that.

I don't think there should be any absence of clarity as to what we have been trying to achieve for 73 days, and that is simply to get a vote on a lockbox, which was brought as an amendment by the Republicans. We will still get that vote; we will keep fighting until we do.

I yield the floor.

Mr. LAUTENBERG. I yield back the remaining time.

Mr. ABRAHAM. How much time do we have?

The PRESIDING OFFICER. The Republicans have 1 minute 16 seconds.

Mr. ABRAHAM. I yield that time to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, this is not an issue of what kind of economic game plan we have had for the last 5 or 6 years. We all understand that hardworking Americans are making this economy hum. Investors who have become more enlightened and entrepreneurs who are taking more risks have caused a great American recovery, sustained in a manner we have never expected.

The issue is, when we collect more taxes, and we exceed expectations—in fact, not just by a few hundred million, but actually approaching $1 trillion—should we wait for the Government to spend it or should we give some of it back to the American taxpayer?

Actually, the Social Security trust fund can be saved. Medicare with prescription drugs can be reformed and fixed so we have prescription drugs, and there is still a large amount of money left over. What should we do with it? Invent some way to set it aside? If we do that, it will be spent. Let's give some of it back to the American people. That is why the lockbox is important. It says what is left over does not belong to Social Security; it belongs to the American people. Use it prudently, Congress, and give back some of it.

It appears there is a war with that side of the aisle against giving anything back to the American people from these kinds of surpluses. I believe we will win that war. We relish it. We are ready to go. That will be the issue the next couple of months.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 89, S. 557, a bill to provide guidance for the designation of emergencies as a part of the budget process:

Trent Lott, Spencer Abraham, Jim Inhofe, Kay Bailey Hutchison, Pete Domenici, Paul Coverdell, Wayne Allard, Jesse Helms, Larry E. Craig, Mike Crapo, Chuck Hagel, Mike DeWine, Michael H. Enzi, Judd Gregg, Tim Hutchinson, and Craig Thomas.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call is waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 557, a bill to provide guidance for the designation of emergencies as part of the budget process, shall be brought to a close? The yeas and nays are required under the rules. The clerk will call the roll.

The legislative assistant called the roll.

The PRESIDING OFFICER (Mr. GREGG). Are there any other Senators in the Chamber desiring to vote?

The result was announced— yeas 99, nays 1, as follows:

[Rollcall Vote No. 193 Leg.]

YEAS—99

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

The PRESIDING OFFICER. On this vote, the yeas are 99, the nays are 1. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

GUIDANCE FOR THE DESIGNATION OF EMERGENCIES AS A PART OF THE BUDGET PROCESS—RESUMED

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 557) to provide guidance for the designation of emergencies as a part of the budget process.

Pending:

Lott (for Abraham) amendment No. 254, to preserve and protect the surpluses of the social security trust funds by reaffirming the exclusion of receipts and disbursement from the budget, by setting a limit on the debt held by the public, and by amending the Congressional Budget Act of 1974 to provide a process to reduce the limit on the debt held by the public.

Abraham amendment No. 255 (to Amendment No. 254), in the nature of a substitute.

Lott motion to recommit the bill to the Committee on Governmental Affairs, with instructions and report back forthwith.

Lott amendment No. 296 (to the instructions of the Lott motion to recommit), to provide for Social Security surplus preservation and debt reduction.

Lott amendment No. 297 (to amendment No. 296), in the nature of a substitute.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk to the pending amendment.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending amendment No. 297 to Calendar No. 89, S. 557, a bill to provide guidance for the designation of emergencies as a part of the budget process:

Trent Lott, Pete Domenici, Rod Grams, Michael Crapo, Bill Frist, Michael Enzi, Ben Nighthorse Campbell, Judd Gregg, Strom Thurmond, Chuck Hagel, Thad Cochran, Rick Santorum, Paul Coverdell, James Inhofe, Bob Smith, Wayne Allard.

CALL OF THE ROLL

Mr. LOTT. For the information of all Senators, under the previous order, this cloture vote will occur on Friday, July 16, at 10:30 a.m. I ask unanimous consent that the mandatory quorum under rule XXII be waived. And I ask consent the bill be placed back on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Let me emphasize to all Senators to double-check and recheck their calendars—there will be a vote on Friday morning, the 16th, at 10:30—so that everybody will know they will be expected to be present and voting at that time.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania has 30 minutes.

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the Chair.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Will the Senator from Pennsylvania yield for a few seconds for a unanimous consent request?

Mr. SPECTER. I agree to yield for 15 seconds, which the Senator asked for, for a unanimous consent request.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

AMENDMENT NO. 1193

Mr. REED. I ask unanimous consent to send an amendment to the desk to the Treasury-Postal appropriations bill and that the amendment be laid aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

NOMINATION OF LAWRENCE SUMMERS AND PRIVATE RIGHT OF ACTION

Mr. SPECTER. Mr. President, I had asked for a reservation of some 30 minutes to speak on the pending nomination of Mr. Larry Summers for the position of Secretary of the Treasury.

In considering the nomination of Mr. Summers for the position of Secretary of the Treasury, I have reviewed the many facets of the work of that particular office and have focused with particularity, at this time, on the administration's policy on nonenforcement of the antidumping laws. I had met with Mr. Summers on Friday, June 18th, and told him at that time that I was giving consideration to a protest vote against his nomination because of the administration's failure to enforce the antidumping laws after having discussed with him his own views.

Since that time I have decided to direct my efforts, instead, to try to put together a coalition of Members of Congress, both in the House and the Senate, to find a remedy where a private right of action could be used to enforce the antidumping laws.

This is a subject that has been of great concern to me during my entire tenure in the Senate, having introduced a variety of bills—which I shall discuss in due course—going back as early as 1982.

In the course of a number of legislative proposals, I have had cosponsorship from a wide variety of my Senate colleagues, including then-Senator GORE, Senators THURMOND, BYRD, HELMS, COCHRAN, HATCH, INOUYE, MURKOWSKI, KENNEDY, LEVIN, SANTORUM, MIKULSKI, and SESSIONS.

The problem of dumping is an extraordinarily acute problem in America today. It has come into very sharp focus with what has been happening in the steel industry, which has been decimated over the past two decades.

Steel, two decades ago—in 1979—had employees numbering approximately 500,000. Today, we have about a third of that number. In the course of the past several months, some 10,000 steelworkers have lost their jobs because of dumping from many foreign importers. But in reviewing the issue of dumping, I have found that it is extraordinarily widespread.

Here is a partial list of the products which are dumped in the United States, in addition to steel: wheat, hogs, lamb, cotton, sugar, orange juice, raspberries, flowers, salmon, mushrooms, paper clips, pencils, garlic, brake rotors, telephone systems, brass, pasta, picture tubes, rubber, industrial belts. And the series goes on and on.

I ask unanimous consent that at the conclusion of my remarks, the antidumping duty orders in effect as of March 1, 1999, be printed in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SPECTER. This list contains, I am advised, some 280 products which are dumped in the United States where our dumping laws, simply stated, are not enforced.

There is a groundswell in America today protesting the failure to enforce the antidumping laws. Dumping is a situation where, for example, steel coming from Russia will be sold cheaper in the United States than it is being sold in Russia. That is flatly against the laws of the United States. It is flatly against international trade laws. The United States has laws against that kind of dumping. But they are, simply stated, ignored.

The groundswell of opposition to dumping is reflected in the very strong vote in the House of Representatives on the so-called steel quota bill; 289 Members of the House voting in favor of it, 141 in opposition, more than enough votes to override a veto.

When the issue came to the Senate last week, there was considerable speculation as to whether there would be 67 votes to override a veto and whether there would be an excess of 60 votes for cloture. Then, as a result of some very intense, last-minute lobbying by the administration, a great many Senators changed their votes, reversed their announced intentions, and we had 42 votes in favor of the steel quota bill. Even so, it was a large vote in the Senate—considering all the circumstances—because of the very strong public policy against quotas, remembering the problems in the Smoot-Hawley era. I think the effort at the quota bill was really to attract the attention of the administration, to show how serious the problem was.

In my capacity as chairman of the steel caucus, I have convened a number of meetings of our caucus. I have met with Treasury Secretary Rubin and Commerce Secretary Daley and Trade Representative Barshefsky. We have made the case of the need for enforcement of our trade laws. While not exactly a deaf ear, there was certainly little by way of any positive response.

I had an opportunity to talk personally with the President during a long plane ride from Andrews to Tel Aviv last December. The plane ride was more than 10 hours, an opportunity to talk about a great many subjects. I discussed with the President the very serious problems with the steel industry. He was sympathetic but nothing really has come from the administration to deal effectively with the problem of dumping.

The fact of life is, where it comes to considerations of foreign policy or defense policy, American industry is traditionally sacrificed and the antidumping laws are not enforced.

This is an issue which has concerned me, as a Pennsylvania Senator, since 1981 when I took my oath of office. In 1984, there was a favorable ruling by the International Trade Commission supporting the steel industry. It was then up to the President, President Ronald Reagan, to determine whether or not that International Trade Commission ruling would stand. My then colleague, Senator John Heinz—the late Senator Heinz, who we all miss so very much—and I made the rounds of key administration officials. Then-Secretary of Commerce Malcolm Baldrige was in favor of upholding the International Trade Commission order. Then-Trade Representative Bill Brock was in favor of upholding the International Trade Commission order. Then-Senator Heinz and I met with Secretary of State George Shultz, separately with Secretary of Defense Caspar Weinberger, and were told in no uncertain terms by the Secretary of State that our foreign policy was such that the ITC decision had to be reversed by the President. That was Secretary Shultz' recommendation. Secretary of Defense Weinberger said about the same thing, that defense policy required the ITC ruling be overturned, which the President had the right to do. So, in fact, in September of 1984, President Reagan did overturn the International Trade Commission ruling. That was just symptomatic and characteristic of what had happened with respect to dumping and the harm of lost jobs to the industry.

Since the early 1980s, the steel industry has poured $50 billion of capital into modernization efforts and has pared the payrolls, as I noted earlier, from about 500,000 to about a third of that. There is no way that the American steel industry can compete with dumped steel; where Russians or Brazilians or others are prepared to steal—dumping is a form of stealing, spelled different from steel—the product. There is no way the American steel industry can compete with dumping.

On June 18 of this year, the Washington Post contained a notation that Secretary of Commerce Daley had declared the steel crisis was over. Outraged by that conclusion, 12 chief executive officers of American steel companies wrote to Secretary William Daley, in part as follows:

> The steel crisis is still very much with us. Cold rolled imports are up dramatically, 24 percent above the level for the first 4 months of last year. Imports of cut-to-length plate are up dramatically, 25 percent year-to-year in for this period. The prices remain extremely depressed. Operating rates have plunged from 93 percent to 80 percent on an annualized basis.

A 10 percent change in operating rates equals about $5 billion in revenue, so that decrease would be in the $7 to $8 billion range in decreased revenue.

Within the next week, after the letter of June 18 to Secretary Daley from the steel executives, the statistics released by the Department of Commerce showed a tremendous additional surge. From April to May, imports went up by almost 700,000 metric tons, more than 30 percent. Imports of cold-rolled steel products from Russia were 7,296 metric tons in April 1999, and almost 41,000 metric tons the following month of May, an increase of more than 450 percent.

So we have seen the problem aggravated. The steel companies have brought seven antidumping cases with the Department of Commerce. Six of those have been subjected to suspension agreements by the Department of Commerce. When a complaint is brought, the Department of Commerce has the authority to end the complaint with a suspension agreement.

I had an opportunity to talk at some length just yesterday to Secretary of Commerce Daley to try to get an update on enforcement of the antidumping laws, and more particularly, the enforcement of the antidumping laws with regard to steel. Secretary Daley, at least to my way of thinking, was not at all on target with what the Department of Commerce is doing.

I confronted him with the specifics on the suspension agreement that the Department of Commerce entered into with Russia on February 22 of this year. That agreement permits unfair traders to avoid liability for millions of dollars in penalties due on steel dumped since November of 1998. The terms of the suspension agreement result in imports rising to a level of 750,000 metric tons per year and further displace very substantial domestic production. With respect to the proposed Brazilian antidumping suspension agreement, the fixed exchange rate locks in unrealistic low prices without allowing for future changes in the exchange rate. On another proposed Brazilian countervailing suspension agreement, it is 37 percent above the prelevel crisis.

So here we have efforts made under section 201, where the President has the right to rescind the remedy. That is consistently done. Here we have these countervailing duty cases brought, where the Department of Commerce has the authority to enter into a suspension agreement to the detriment of the American steel industry. That is consistently done.

The remedy which I suggest on pending legislation is to provide for a private right of action so the injured parties—whether they are the steelworkers who have been demonstrating and protesting in Washington, D.C. in major rallies or whether it would be the steel companies who have written to administration officials—the injured parties would have an opportunity to go into Federal court to get justice.

You have the trade laws of the United States which prohibit dumping; you have the international trade laws, which prohibit dumping. The laws prohibiting dumping are entirely consistent with GATT, our international trade agreements. But those antidumping laws are, simply stated, not enforced.

In my discussions with Secretary Daley yesterday, he raised the question about the very substantial trade, the lower prices to consumers, and noted that in an era where there is overcapacity around the world and there is a world depression, the United States is an obvious target for this dumping, to the benefit of our consumers. But that is not an adequate answer. That is not an adequate answer when thousands of steelworkers are laid off, or when the farmers are having a disastrous economic time, when the Congress has to appropriate billions of dollars in farm relief because of the dumping of wheat, the dumping of hogs, and dumping of lamb.

I recall as a teenager working in the wheat fields in Kansas before moving to Pennsylvania. I grew up in a small community, Russell, KS, in the heart of America's breadbasket, the heart of America's wheat basket. The wheat that has been dumped on the American markets has had a tremendously devastating effect on the American farm community, as so much of the other dumping of the commodities I have noted.

There is a remedy that would provide a private right of action to go to court, where the courts would be concerned with what the law is against dumping and would be concerned with what the evidence is—strong evidence to prove that dumping exists. Then the court, under the legislation I have introduced, would enter what is called an "equitable order," to assess a duty or a tariff that is consistent with GATT, based upon the difference between what the goods ought to sell for and the price at which they are dumped.

There is, obviously, concern by the administration about the use of the court system when the administration wants to have the power to make decisions as the administration chooses. But when the administration acts in the interest of foreign policy, or in the interest of defense policy, to the prejudice of so many workers in America who are not getting justice, that simply is not right.

The equity action would not submit the case to a jury. Rather, it is decided on traditional principles of the law of equity by a judge alone. It is possible to have a temporary restraining order issued on the basis of affidavits submitted. It is not a complicated matter to prove dumping. A judge then has the authority, under the Federal Rules of Civil Procedure, to issue what is called an ex parte order just on the application of one party—without even the other party being present—where the affidavits are sufficient. The duty then arises for the court to have a hearing within 5 days on a preliminary injunction. Then these equity matters can be tried in a matter of a few days, or a couple of weeks at the outside.

When some administration officials have complained that court cases take a very long time, it simply is not true. Where a court of equity issues an order, that order stays in effect even when an appeal is taken, unless there is an issuance of a supersedeas. To get a supersedeas, there has to be a bond posted in twice the amount of the damages. The fact is that once these enforcement actions would be taken, the dumpers would find it more expensive to violate the law than to comply with the law. This would be a remedy that would have a very profound effect.

This is not an idea I have proposed for the first time in the legislation filed this year. During the 97th Congress, I introduced Senate bill 2167. In the 98th Congress, I introduced similar legislation under the number of Senate bill 418. In the 99th Congress, it was S. 236. In the 100th Congress, it was S. 361. In the 102d Congress, it was S. 2508. In the 103d Congress, it was S. 332. On March 3 of this year, I introduced the pending legislation as Senate bill 528.

Votes have been held, with one vote as close as 51-47, losing on an effort to attach that as an amendment. One of the bills was reported unanimously out of the Judiciary Committee and, as noted before, a considerable group of colleagues have sponsored one or more of these bills: then-Senator GORE, Senators THURMOND, BYRD, COCHRAN, HELMS, INOUYE, MURKOWSKI, HATCH, KENNEDY, LEVIN, SANTORUM, MIKULSKI, and SESSIONS have all been supportive of this legislation.

I must say that the hearings in the Finance Committee have not produced a consideration of this legislation in a markup. So it is my intention to find a vehicle on which to offer this legislation, some other bill that comes to the floor. In discussions with many colleagues, there is very considerable interest in many quarters because when the matter is discussed, so many of my fellow Senators say, well, that is a wheat issue that prejudices the farmers of my State; or that is a hog issue or a lamb issue that prejudices the farmers of my State; or with the enormous list of products involved, so many jobs are being taken.

So the essence of the issue is: What will happen on enforcement of antidumping laws in America? The bitter fact of life is that administrations that are both Republican and Democrat have not been interested or diligent in enforcing our antidumping laws. Instead, they have preferred to bend to the interests of the foreign policy considerations, or defense policy. When Russia dumps in the United States—and Russia's economy is in a precarious shape—the administration enters into a suspension agreement badly prejudicing the American steel industry, causing the loss of thousands of jobs on the administration's conclusion that it is more important to have a solid economy in Russia and not to have instability with Boris Yeltsin than it is to lose thousands of jobs of the steelworkers. When wheat, or lambs, or hogs, or orange juice, is dumped, there again, the avalanche of those cases is beyond the capacity of the administration to handle.

There is a solid precedent in our legal procedures for private rights of action. We have the antitrust laws that are enforced by private parties, who are authorized under Federal statutes to get not only damages, but treble damages, three times the damages. You have the securities laws of the United States that are enforced by private rights of action.

The Securities and Exchange Commission simply can't handle all of the enforcement of our securities laws, just as the Department of Justice and the Federal Trade Commission cannot handle all of the antitrust laws. This has been a subject of deep concern to me, since my days as a law student when I wrote an extensive article in the Yale Law Journal, appearing in 1955, on private rights of action. It was directed at the criminal process, but the analogies are the same. If we enact legislation that enables the steelworkers, or the steel companies, or the farmers, or the wheat companies, or the electronics industry, or the telephone industry, or the long list of industries that have been victimized by dumping to go into court, the judge will not look at what is our foreign policy or what is our defense policy, but will see the U.S. law that prohibits dumping, and will analyze the GATT provisions which authorize the enforcement of antidumping laws.

The legislation calls for these actions to be brought in the U.S. International Court of Trade in New York City.

So this is not a matter of the steelworkers going to a friendly judge in Pittsburgh, or the wheat farmers going to a friendly judge in Wichita, but it will be handled by the International Court of Trade which sits in New York City and has the expertise and the detachment to look at the law—to look at the facts—and to do justice. But justice is not being done in America today where you have the failure of the administration to enforce these laws.

During the almost two decades that I have served in the Senate, it has been the same whether the administration was of one party or the other, and that it is easy to slough off the loss of jobs and the loss of American industry. But that, simply stated, is not fair.

It may be that if we mobilized a group of Senators to vote against the nomination of Mr. Summers, or if I voted against the nomination of Mr. Summers, it would attract more attention than a 22-minute floor statement. But after having considered the matter for the intervening almost 2 weeks since I met with Mr. Summers, I thought that it would be not fair to him. He has an excellent record, a good academic record, and a strong record in the Department of the Treasury. But when I discussed with him the enforcement of the antidumping laws, I did not find the concerns that I thought the Secretary of the Treasury-Designate ought to have. But we have agreed to talk further.

Yesterday, when I talked to Secretary of Commerce Daley, again I did not find the kind of sensitivity or concerns that I thought the Secretary of Commerce ought to have.

When I reviewed the suspension agreements that Secretary Daley's Department entered into, I thought that they were prejudicial to the interests of the American steel industry. But in America, we have had so many illustrations where the legislative bodies don't act, or where the executive branches don't act but where the courts do. It is nothing like life tenure for a Federal judge and the dispassionate application of the rule of law but, rather, the facts to the case. But were that to be done, it is not a matter of protectionism. It is a matter of enforcing the basic rule of free trade.

Anytime someone takes up the cudgel to complain about what is happening for failure to enforce antidumping laws, the financial publications are always saying that is a cry for protectionism. But the fact is that it is not protectionism. It is enforcing the basic tenet of free trade, which means no dumping. If you have dumping you do not have free trade.

We are going to continue to work with the coalition of Senators. We will not use this occasion to protest the administration's failure to enforce the antidumping laws by a protest vote against Mr. Summers but to try to bring a coalition together, and perhaps even to persuade the new Secretary of

Treasury, the existing Secretary of Commerce, and perhaps even the President, that justice and fairness and equity requires enforcement through the judicial process, which is the only way to get appropriate relief.

I thank the Chair.

EXHIBIT NO. 1

ANTIDUMPING DUTY ORDERS IN EFFECT ON MARCH 1, 1999

[Duty orders revoked by Sunset Review remain in effect until Jan. 1, 2000]

Case No. and country		Product	D I
A-357-007	Argentina	Carbon steel wire rod	1
A-357-405	Argentina	Barbed wire and barbless wire strand	1
A-357-802	Argentina	L-WR welded carbon steel pipe and tube	0
A-357-804	Argentina	Silicon metal	0
A-357-809	Argentina	Line and pressure pipe	0
A-357-810	Argentina	Oil country tubular goods	0
A-831-801	Armenia	Solid urea	0
A-602-803	Australia	Corrosion-resistant carbon steel flat products	0
A-832-801	Azerbaijan	Solid urea	0
A-538-802	Bangladesh	Cotton shop towels	0
A-822-801	Belarus	Solid urea	0
A-423-077	Belgium	Sugar	0
A-423-602	Belgium	Industrial phosphoric acid	1
A-423-805	Belgium	Cut-to-length carbon steel plate	0
A-351-503	Brazil	Iron construction castings	0
A-351-505	Brazil	Malleable cast iron pipe fittings	0
A-351-602	Brazil	Carbon steel butt-weld pipe fittings	0
A-351-603	Brazil	Brass sheet and strip	0
A-351-605	Brazil	Frozen concentrated orange juice	0
A-351-804	Brazil	Industrial nitrocellulose	1
A-351-806	Brazil	Silicon metal	0
A-351-809	Brazil	Circular welded non-alloy steel pipe	1
A-351-811	Brazil	Hot rolled lead/bismuth carbon steel products	0
A-351-817	Brazil	Cut-to-length carbon steel plate	0
A-351-819	Brazil	Stainless steel wire rod	0
A-351-820	Brazil	Ferrosilicon	0
A-351-824	Brazil	Silicomanganese	1
A-351-825	Brazil	Stainless steel bar	0
A-351-826	Brazil	Line and pressure pipe	0
A-122-047	Canada	Elemental sulphur	0
A-122-085	Canada	Suger and syrup	0
A-122-401	Canada	Red raspberries	0
A-122-503	Canada	Iron construction castings	0
A-122-506	Canada	Oil country tubular goods	0
A-122-601	Canada	Brass sheet and strip	0
A-122-605	Canada	Color picture tubes	1
A-122-804	Canada	New steel rails	1
A-122-814	Canada	Pure and alloy magnesium	1
A-122-822	Canada	Corrosion-resistant carbon steel flat products	0
A-122-823	Canada	Cut-to-length carbon steel plate	0
A-337-602	Chile	Fresh cut flowers	0
A-337-803	Chile	Fresh Atlantic salmon	0
A-337-804	Chile	Preserved mushrooms	0
A-570-001	China PRC	Potassium permanganate	0
A-570-002	China PRC	Chloropicrin	0
A-570-003	China PRC	Cotton shop towels	0
A-570-007	China PRC	Barium chloride	1
A-570-101	China PRC	Greig polyester cotton print cloth	0
A-570-501	China PRC	Natural bristle paint brushes and brush heads	0
A-570-502	China PRC	Iron construction castings	0
A-570-504	China PRC	Petroleum wax candles	0
A-570-506	China PRC	Porcelain-on-steel cooking ware	1
A-570-601	China PRC	Tapered roller bearings	0
A-570-802	China PRC	Industrial nitrocellulose	1
A-570-803	China PRC	Heavy forged hand tools, w/wo handles	0
A-570-804	China PRC	Sparklers	0
A-570-805	China PRC	Sulfur chemicals (sodium thiosulfate)	0
A-570-806	China PRC	Silicon metal	0
A-570-808	China PRC	Chrome-plated lug nuts	1
A-570-811	China PRC	Tungsten ore concentrates	0
A-570-814	China PRC	Carbon steel butt-weld pipe fittings	0
A-570-815	China PRC	Sulfanilic acid	1
A-570-819	China PRC	Ferrosilicon	0
A-570-820	China PRC	Compact ductile iron waterworks fittings	0
A-570-822	China PRC	Helical spring lock washers	1
A-570-825	China PRC	Serbacic acid	0
A-570-826	China PRC	Paper clips	1
A-570-827	China PRC	Pencils, cased	1
A-570-828	China PRC	Silicomanganese	1
A-570-830	China PRC	Coumarin	0
A-570-831	China PRC	Garlic, fresh	0
A-570-832	China PRC	Pure magnesium	0
A-570-835	China PRC	Furfuryl alcohol	0
A-570-836	China PRC	Glycine	0
A-570-840	China PRC	Manganese metal	1
A-570-842	China PRC	Polyvinyl alcohol	0
A-570-844	China PRC	Melamine institutional dinnerware	0
A-570-846	China PRC	Brake rotors	0
A-570-847	China PRC	Persulfates	0
A-570-848	China PRC	Freshwater crawfish tailmeat	1
A-583-008	China Taiwan	Small diam. welded carbon steel pipe and tube	0
A-583-080	China Taiwan	Carbon steel plate	1
A-583-505	China Taiwan	Oil country tubular goods	0
A-583-507	China Taiwan	Malleable cast iron pipe fittings	0
A-583-508	China Taiwan	Porcelain-on-steel cooking ware	1
A-583-603	China Taiwan	Top-of-the-stove stnls steel cooking ware	0
A-583-605	China Taiwan	Carbon steel butt-weld pipe fittings	0
A-583-803	China Taiwan	Light-walled rect. welded carbon steel pipe and tube	0
A-583-806	China Taiwan	Telephone systems and subassemblies thereof	0
A-583-810	China Taiwan	Chrome-plated lug nuts	1
A-583-814	China Taiwan	Circular welded non-alloy steel pipe	1
A-583-815	China Taiwan	Welded ASTM A-312 stainless steel pipe	1
A-583-816	China Taiwan	Stainless steel butt-weld pipe fittings	0
A-583-820	China Taiwan	Helical spring lock washers	1
A-583-821	China Taiwan	Stainless steel flanges	0
A-583-824	China Taiwan	Polyvinyl alcohol	0

ANTIDUMPING DUTY ORDERS IN EFFECT ON MARCH 1, 1999—Continued

[Duty orders revoked by Sunset Review remain in effect until Jan. 1, 2000]

Case No. and country		Product	D I
A-583-825	China Taiwan	Melamine institutional dinnerware	0
A-583-826	China Taiwan	Collated roofing nails	1
A-583-827	China Taiwan	Static random access memory	0
A-583-828	China Taiwan	Stainless steel wire rod	0
A-301-602	Colombia	Fresh cut flowers	0
A-331-602	Ecuador	Fresh cut flowers	0
A-447-801	Estonia	Solid urea	0
A-405-802	Finland	Cut-to-length carbon steel plate	0
A-427-001	France	Sorbitol	0
A-427-009	France	Industrial nitrocellulose	0
A-427-078	France	Sugar	0
A-427-098	France	Anhydrous sodium metasilicate	0
A-427-602	France	Brass sheet and strip	0
A-427-801	France	Antifriction bearings	0
A-427-804	France	Hol rolled lead/bismuth carbon steel products	0
A-427-808	France	Corrosion-resistant carbon steel flat products	0
A-427-811	France	Stainless steel wire rod	0
A-427-812	France	Calcium aluminate cement and cement clinker	0
A-100-001	General Issues	Antifriction bearings	0
A-100-003	General Issues	Carbon steel flat products (filed 30-Jun-92)	0
A-833-801	Georgia	Solid urea	0
A-428-811	Germany United	Hot rolled lead/bismuth carbon steel products	0
A-428-814	Germany United	Cold-rolled carbon steel flat products	0
A-428-815	Germany United	Corrosion-resistant carbon steel flat products	0
A-428-816	Germany United	Cut-to-length carbon steel plate	0
A-428-820	Germany United	Seamless line and pressure pipe	0
A-428-821	Germany United	Large newspaper printing pressure and components	0
A-428-082	Germany West	Sugar	0
A-428-602	Germany West	Brass sheet and strip	0
A-428-801	Germany West	Antifriction bearings	0
A-428-802	Germany West	Industrial belts	0
A-428-803	Germany West	Industrial nitrocellulose	1
A-428-807	Germany West	Sulfur chemicals	0
A-428-801	Greece	Electrolytic manganese dioxide	0
A-437-601	Hungary	Tapered roller bearing	0
A-533-502	India	Welded carbon steel pipes and tubes	0
A-533-806	India	Sulfanilic acid	0
A-533-809	India	Stainless steel flanges	0
A-533-810	India	Stainless steel bar	0
A-533-813	India	Preserved mushrooms	0
A-560-801	Indonesia	Melamine institutional dinnerware preserved mushrooms	0
A-560-802	Indonesia		
A-507-502	Iran	In shell pistachios	1
A-508-602	Israel	Oil country tubular goods	0
A-508-604	Israel	Industrial phosphoric acid	1
A-475-059	Italy	Pressure sensitive plastic tape	0
A-475-401	Italy	Brass fire protection products	0
A-475-601	Italy	Brass sheet and strip	0
A-475-703	Italy	Granular polytetrafluoroethylene resin	1
A-475-801	Italy	Antifriction bearings	0
A-475-802	Italy	Industrial belts	0
A-475-811	Italy	Grain-oriented electrical steel	0
A-475-814	Italy	Seamless line and pressure pipe	0
A-475-816	Italy	Oil country tubular goods	0
A-475-818	Italy	Pasta, certain	0
A-475-820	Italy	Stainless steel wire rod	0
A-588-028	Japan	Roller chain other than bicycle	0
A-588-041	Japan	Methionine, synthetic	0
A-588-045	Japan	Steel wire rope	0
A-588-054	Japan	Tapered roller bearing, under 4"	1
A-588-056	Japan	Melamine in crystal form	1
A-588-068	Japan	P.C. steel wire strand	1
A-588-401	Japan	Calcium hypochlorite	0
A-588-405	Japan	Cellular mobile telephones and subassemblies	1
A-588-602	Japan	Carbon steel butt-weld pipe fittings	0
A-588-604	Japan	Tapered roller bearings, over 4"	0
A-588-605	Japan	Malleable cast iron pipe fittings	0
A-588-609	Japan	Color picture tubes	1
A-588-702	Japan	Stainless steel butt-weld pipe fittings	0
A-588-703	Japan	Internal combustion and forklift trucks	0
A-588-704	Japan	Brass sheet and strip	0
A-588-706	Japan	Nitrile rubber	0
A-588-707	Japan	Granular polytetrafluoroethylene resin	1
A-588-802	Japan	3.5" microdisks and media therefor	0
A-588-804	Japan	Antifriction bearings	0
A-588-806	Japan	Electrolytic manganese dioxide	0
A-588-807	Japan	Industrial belts	0
A-588-809	Japan	Telephone systems and subassemblies thereof	0
A-588-810	Japan	Mechanical transfer presses	0
A-588-811	Japan	Drafting machines and parts thereof	0
A-588-812	Japan	Industrial nitrocellulose	1
A-588-813	Japan	Multiangle laser light scattering instr	0
A-588-815	Japan	Gray Portland cement and cement clinker	0
A-588-816	Japan	Benzyl P-Hydroxybenzoate (Benzyl paraben)	0
A-588-823	Japan	Prof electric cutting/sanding/grinding tools	0
A-588-826	Japan	Corrosion-resistant carbon steel flat products	0
A-588-829	Japan	Defrost timers	0
A-588-831	Japan	Grain-oriented electrical steel	0
A-588-833	Japan	Stainless steel bar	0
A-588-835	Japan	Oil country tubular goods	0
A-588-836	Japan	Polyvinyl alcohol	0
A-588-837	Japan	Large newspaper printing presses and components	0
A-588-838	Japan	Clad steel plate	0
A-588-840	Japan	Gas Turbo compressors	0
A-588-843	Japan	Stainless steel wire rod	0
A-834-801	Kazakhstan	Solid Urea	0
A-834-804	Kazakhstan	Ferrosilicon	0
A-779-602	Kenya	Fresh cut flowers	0
A-580-507	Korea South	Malleable cast iron pipe fittings	0
A-580-601	Korea South	Top-of-the-stove stnls steel cooking ware	0
A-580-603	Korea South	Brass sheet and strip	0
A-580-605	Korea South	Color Picture tubes	1
A-580-803	Korea South	Telephone systems and subassemblies thereof	0
A-580-805	Korea South	Industrial nitrocellulose	1
A-580-807	Korea South	Polyethlene terephthalate (pet) film	0

ANTIDUMPING DUTY ORDERS IN EFFECT ON MARCH 1, 1999—Continued

[Duty orders revoked by Sunset Review remain in effect until Jan. 1, 2000]

Case No. and country		Product	D I
A-580-809	Korea South	Circular welded non-alloy steel pipe	1
A-580-810	Korea South	Welded ASTM A-312 stainless steel pipe	1
A-580-811	Korea South	Carbon steel wire rope	0
A-580-812	Korea South	Drams of 1 MEGABIT and above	0
A-580-813	Korea South	Stainless steel butt-weld pipe fittings	0
A-580-815	Korea South	Cold-rolled carbon steel flat products	0
A-580-816	Korea South	Corrosion-resistant carbon steel flat products	0
A-580-825	Korea South	Old country tubular goods	0
A-580-829	Korea South	Stainless steel wire rod	0
A-835-801	Kyrgyzstan	Solid urea	0
A-449-801	Latvia	Solid urea	0
A-451-801	Lithuania	solid urea	0
A-557-805	Malaysia	Extruded rubber thread	0
A-201-504	Mexico	Porcelain-on-steel cooking ware	1
A-201-601	Mexico	Fresh cut flowers	0
A-201-802	Mexico	Gray Portland cement and cement clinker	1
A-201-805	Mexico	Circular welded non-alloy steel pipe	1
A-201-806	Mexico	Carbon steel wire rope	0
A-201-809	Mexico	Cut-to-length carbon steel plate	0
A-201-817	Mexico	Oil country tubular goods	0
A-841-801	Moldova	Solid urea	0
A-421-701	Netherlands	Brass sheet and strip	0
A-421-804	Netherlands	Cold-rolled carbon steel flat products	0
A-421-805	Netherlands	Aramid fiber of PPD-T	0
A-614-502	New Zealand	Low fuming brazing copper wire and rod	0
A-614-801	New Zealand	Fresh kiwifruit	0
A-403-801	Norway	Fresh and chilled Atlantic salmon	0
A-455-802	Poland	Cut-to-length carbon steel plate	0
A-485-601	Romania	Urea	0
A-485-602	Romania	Tapered roller bearings	0
A-485-801	Romania	Antifriction bearings	0
A-485-803	Romania	Cut-to-length carbon steel plate	0
A-821-801	Russia	Solid urea	0
A-821-804	Russia	Ferrosilicon	0
A-821-805	Russia	Pure magnesium	0
A-821-807	Russia	Ferrovanadium and nitrided vanadium	0
A-559-502	Singapore	Small diameter standard and rectangular pipe and tube	1
A-559-601	Singapore	Color picture tubes	1
A-559-801	Singapore	Antifriction bearings	0
A-559-802	Singapore	Industrial belts	0
A-791-502	South Africa	Low fuming brazing copper wire and rod	0
A-791-802	South Africa	Furfuryl alcohol	0
A-469-007	Spain	Potassium permanganate	0
A-469-803	Spain	Cut-to-length carbon steel plate	0
A-469-805	Spain	Stainless steel bar	0
A-469-807	Spain	Stainless steel wire rod	0
A-401-040	Sweden	Stainless steel plate	0
A-401-601	Sweden	Brass sheet and strip	0
A-401-603	Sweden	Stainless steel hollow products	1
A-401-801	Sweden	Antifriction bearings	0
A-401-805	Sweden	Cut-to-length carbon steel plate	0
A-401-806	Sweden	stainless steel wire rod	0
A-842-801	Tajikistan	Solid urea	0
A-549-502	Thailand	Welded carbon steel pipes and tubes	0
A-549-601	Thailand	Malleable cast iron pipe fittings	0
A-549-807	Thailand	Carbon steel butt-weld pipe fittings	0
A-549-812	Thailand	Furfuryl alcohol	0
A-549-813	Thailand	Canned pineapple fruit	0
A-489-501	Turkey	Welded carbon steel pipe and tube	0
A-489-602	Turkey	Aspirin	1
A-489-805	Turkey	Pasta, certain	0
A-489-807	Turkey	Rebar steel	0
A-843-801	Turkmenistan	Solid urea	0
A-823-801	Ukraine	Solid urea	0
A-823-802	Ukraine	Uranium	1
A-823-804	Ukraine	Ferrosilicon	0
A-823-806	Ukraine	Pure magnesium	0
A-412-801	United Kingdom	Antifriction bearings	0
A-412-803	United Kingdom	Industrial nitrocellulose	1
A-412-805	United Kingdom	Sulfur chemicals	0
A-412-810	United Kingdom	Hot rolled lead/bismuth carbon steel products	0
A-412-814	United Kingdom	Cut-to-length carbon steel plate	0
A-461-008	USSR	Titanium sponge	1
A-461-601	USSR	Solid urea	0
A-844-801	Uzbekistan	Solid urea	0
A-307-805	Venezuela	Circular welded non-alloy steel pipe	1
A-307-807	Venezuela	Ferrosilicon	0
A-479-801	Yugoslavia	Industrial nitrocellulose	1

EXTENSION OF TIME FOR FILING AMENDMENTS

Mr. SPECTER. Mr. President, I have been asked to request on behalf of the leader that the deadline for failing first-degree amendments on the Treasury-Postal appropriations bill be extended until noon.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Connecticut.

PRIVILEGE OF THE FLOOR

Mr. DODD. Mr. President, I ask unanimous consent for Ellen Gadbois, a Fellow in Senator KENNEDY's office, be allowed floor privileges for 1 day.

The PRESIDING OFFICER. Without objection, it is so ordered.

* * *

NOMINATION OF LARRY SUMMERS

Mr. DODD. Mr. President, I want to say to my colleague from Pennsylvania, who just addressed the issue of Treasury and the issue of steel, that I supported the proposal last week of Senator ROCKEFELLER and felt as though that was a strong message that we needed to be sending. We didn't prevail in that particular issue. It is an important issue for the Senator from Pennsylvania. Pennsylvania's economy depends on many sectors. But steel is a very important one. And the trade issue is extremely important.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Connecticut for those comments. I dare say that if we polled all of our colleagues, the other 98, there would not be a Senator who would not have problems in his own State on dumping. Some may object saying that they do not want to have anything to impede the flow of commerce, but there are some limits.

When it comes to the law, I know my colleague from Connecticut is as concerned about the rule of law as I am. If we want to eliminate the antidumping provisions, I will keep quiet. But when the law prohibits dumping and there is so much of it to the prejudice of so many people—talk about victims' rights—this is an injustice that is being perpetrated day in and day out. If it goes to court, justice will be done.

Mr. DODD. I thank my colleague. Everyone faces these dumping issues. We are a very open society. That is one of our strengths. But there are limits. The only thing I would say—again, I don't want to tie us up because we have other matters to attend to—is that I happen to be a strong supporter of Larry Summers as a candidate for the Secretary of the Treasury position.

He is a very fine individual who I think will do a tremendous job. First of all, he will be listening to people such as our distinguished colleague from Pennsylvania, and I hope the colleague of the Senator from Pennsylvania, the Senator from Connecticut, on these matters. I am sure he will do that. I know that he will do that.

But, obviously more importantly, we need not just good listening but also a willingness to make the fight as only can be done at the executive branch level. We in Congress can pass amendments and bills to try to do it. But in the area of trade —I know that my colleague from Pennsylvania will agree— the executive branch is really where the influence is most felt through the Office of the President, the Secretary of Treasury, the Secretary of Commerce, and the Secretary of State, where they raise these issues at that level. That is where we have the most success, I think, at least historically, in dealing with the kind of issues that he has addressed this morning.

I am confident that Larry Summers is going to be a very strong advocate on behalf of our country and its needs and its sectors that the Senator from Pennsylvania has talked about.

I just didn't want the moment to pass without expressing my support for this very fine individual, whom I have come to know and respect immensely over the last number of years. He has worked with Rubin in Treasury.

Mr. SPECTER. Mr. President, just one further comment. Some of our most worthwhile floor discussions is when there is an exchange of ideas. So often comments go from protection of speech out into a vacuum. Like the old saying about college lectures in classes, it goes from the notes of the professor to the notes of the student without passing through the head of either. But when you have a discussion, it may be a little more informative. The executive branch is where it ought to start. But if there is not relief from the executive branch, then I look to the judicial branch.

The one conclusive item that I will note, because I don't want to take more than another 45 seconds, is in the enforcement of the civil rights laws. We could never have gotten desegregation in America if it was left up to the Congress or to the State legislatures or to the Presidents and the Governors nibbling at the edges a little bit. But when the case went to court, justice was done.

Mr. DODD. The Senator from Pennsylvania is absolutely correct. We need to have that judicial branch if we are going to really make the laws work ultimately. I appreciate that point. It is one well taken.

I agree with his point as well that if you are going to have antidumping laws on the books, enforcing them is the only way to live up to our obligations.

I appreciate his comments.

(The remarks of Mr. DODD pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000—RESUMED—Continued

The PRESIDING OFFICER. The clerk will report the pending bill.

The assistant legislative clerk read as follows:

A bill (S. 1282) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes.

Pending:

Dorgan (for Moynihan) amendment No. 1189, to ensure the expeditious construction of a new United States Mission to the United Nations.

Dorgan (for Moynihan) amendment No. 1190, to ensure that the General Services Administration has adequate funds available for programmatic needs.

Dorgan (for Moynihan) amendment No. 1191, to ensure that health and safety concerns at the Federal Courthouse at 40 Centre Street in New York, New York are alleviated.

Campbell/Dorgan amendment No. 1192, to provide for an increase in certain Federal buildings funds.

The PRESIDING OFFICER. Who yields time? The Senator from Colorado.

Mr. CAMPBELL. Mr. President, pursuant to the consent agreement of last night, I send the following amendments to the desk for consideration and ask they be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NO. 1194 THROUGH NO. 1204

Mr. CAMPBELL. Mr. President, I would like at least to give the names of the amendments: Senator WARNER, amendment on professional liability insurance for Federal employees; for Senator KYL, $50 million for Customs Service; another one for Senator KYL, sense of the Senate for funding for the Customs Service; one for Senator JEFFORDS on child care centers in Federal facilities; one for Senator ENZI, the high-intensity drug trafficking areas; Senator GRASSLEY, funding for the Customs Service; Senator DEWINE, abortion services in Federal health plans; Senators LOTT and DASCHLE, conveyance of the land to Columbia Hospital for Women; Senator COLLINS, Veterans of Foreign Wars Stamp; Senator DEWINE, funding for the Customs Service; and Senator HUTCHISON of Texas, $50 million for the Customs Service.

With that, I yield to my colleague.

The PRESIDING OFFICER. The amendments will be numbered and set aside.

AMENDMENT NO. 1191, WITHDRAWN

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. On behalf of Senator MOYNIHAN, I ask unanimous consent to be allowed to withdraw amendment 1191.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is withdrawn.

AMENDMENTS NO. 1189 THROUGH NO. 1214

Mr. DORGAN. Mr. President, I send a group of amendments to the desk pursuant to the unanimous consent agreement to have them offered by 12 o'clock. I will read their names: an amendment by Senator REID; amendment by Senator BAUCUS, amendments by Senators SCHUMER, MOYNIHAN, HARKIN; another from Senators SCHUMER, LANDRIEU, WELLSTONE, TORRICELLI, and LAUTENBERG.

I ask they be set aside.

The PRESIDING OFFICER. The amendments are set aside.

The Senator from Colorado.

Mr. CAMPBELL. I now yield to my colleague, Senator COLLINS.

The PRESIDING OFFICER. The Senator from Maine is recognized.

AMENDMENT NO. 1202

(Purpose: To request the United States Postal Service to issue a commemorative postage stamp honoring the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States)

Ms. COLLINS. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself, Mr. CAMPBELL, Mr. DORGAN and Mr. GREGG, proposes an amendment numbered 1202.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 98, insert between lines 4 and 5 the following:

SEC. 636. (a) Congress finds that—

(1) the Veterans of Foreign Wars of the United States (in this section referred to as the "VFW"), which was formed by veterans of the Spanish-American War and the Philippine Insurrection to help secure rights and benefits for their service, will be celebrating its 100th anniversary in 1999;

(2) members of the VFW have fought, bled, and died in every war, conflict, police action, and military intervention in which the United States has engaged during this century;

(3) over its history, the VFW has ably represented the interests of veterans in Congress and State Legislatures across the Nation and established a network of trained service officers who, at no charge, have helped millions of veterans and their dependents to secure the education, disability compensation, pension, and health care benefits they are rightfully entitled to receive as a result of the military service performed by those veterans;

(4) the VFW has also been deeply involved in national education projects, awarding nearly $2,700,000 in scholarships annually, as well as countless community projects initiated by its 10,000 posts; and

(5) the United States Postal Service has issued commemorative postage stamps honoring the VFW's 50th and 75th anniversaries, respectively.

(b) Therefore, it is the sense of the Senate that the United States Postal Service is encouraged to issue a commemorative postage stamp in honor of the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States.

Ms. COLLINS. On behalf of Senators CAMPBELL, DORGAN, GREGG, and myself, I am pleased to offer a sense-of-the-Senate amendment urging the U.S. Postal Service to issue a commemorative postage stamp honoring the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States.

The VFW will be celebrating its centennial in September of this year. This sense-of-the-Senate resolution is similar to legislation I introduced earlier this year which had been cosponsored by 59 of our colleagues.

I ask unanimous consent that list of cosponsors be printed in the RECORD.

There being no objection, the 71st was ordered to be printed in the RECORD, as follows:

S. CON. RES. #12—COSPONSORS (59)

Senator Inouye, Daniel K.—02/22/99.
Senator Roth, William V., Jr.—02/22/99.
Senator Jeffords, James M.—02/22/99.
Senator Torricelli, Robert G.—02/22/99.
Senator DeWine, Michael—02/22/99.
Senator Voinovich, George V.—02/22/99.
Senator Helms, Jesse—02/22/99.
Senator Cleland, Max—02/22/99.
Senator Daschle, Thomas A.—02/22/99.
Senator Abraham, Spencer—02/22/99.
Senator Allard, Wayne—02/22/99.
Senator Brownback, Sam—02/22/99.
Senator Chafee, John H.—02/22/99.
Senator Dodd, Christopher J.—02/22/99.
Senator Enzi, Michael B.—02/22/99.
Senator Fitzgerald, Peter G.—02/22/99.
Senator Gramm, Phil—02/22/99.
Senator Landrieu, Mary L.—02/22/99.
Senator Thurmond, Strom—02/22/99.
Senator Specter, Arlen—02/22/99.
Senator Durbin, Richard J.—02/22/99.
Senator Hagel, Chuck—02/22/99.
Senator Inhofe, James M.—02/22/99.
Senator Biden, Joseph R., Jr.—02/22/99.
Senator Lott, Trent—02/22/99.
Senator Sessions, Jeff—02/22/99.
Senator Snowe, Olympia J.—02/22/99.
Senator Hatch, Orrin G.—02/22/99.
Senator Lincoln, Blanche—02/22/99.
Senator Lugar, Richard G.—04/14/99.
Senator Nickles, Don—02/22/99.
Senator Frist, Bill—02/22/99.
Senator Rockefeller, John D., IV—02/22/99.
Senator Kerry, John F.—02/22/99.
Senator Coverdell, Paul—02/22/99.
Senator Shelby, Richard C.—02/22/99.
Senator Robb, Charles S.—02/22/99.
Senator Conrad, Kent—02/22/99.
Senator Grassley, Charles E.—02/22/99.
Senator Akaka, Daniel K.—02/22/99.
Senator Baucus, Max—02/22/99.
Senator Bryan, Richard H.—02/22/99.
Senator Craig, Larry E.—02/22/99.
Senator Domenici, Pete V.—02/22/99.
Senator Feingold, Russell, D.—02/22/99.
Senator Gorton, Slade—02/22/99.
Senator Gregg, Judd—02/22/99.
Senator Stevens, Ted—02/22/99.
Senator Wellstone, Paul D.—02/22/99.
Senator Ashcroft, John—02/22/99.
Senator Warner, John W.—02/22/99.
Senator Reid, Harry M.—02/22/99.
Senator Boxer, Barbara—02/22/99.
Senator Grams, Rod—02/22/99.
Senator Kennedy, Edward M.—02/22/99.
Senator Lautenberg, Frank R.—02/22/99.
Senator Wyden, Ron—02/22/99.
Senator Crapo, Michael D.—02/22/99.
Senator Murray, Patty—04/14/99.

Ms. COLLINS. Mr. President, as a member of the VFW Ladies Auxiliary post in Caribou, ME, and as the daughter of a World War II veteran who was wounded twice in combat, I am honored to lead the charge for this worthwhile legislation.

The Veterans of Foreign Wars traces its roots back to 1899, when veterans of the Spanish-American War and the Philippine Insurrection returned home and banded together to establish a handful of local organizations intended to help secure medical care and pensions for their military service. These original foreign service organizations gradually grew in number and influence and in 1914 came to be known collectively as the Veterans of Foreign Wars of the United States.

Mr. President, it was several years later, on June 24, 1921, when the VFW's chapter in my home State of Maine was chartered. Today, there are 84 VFW posts in Maine to which over 16,000 veterans belong.

Those small groups of veterans who organized in 1899 have today grown to over 2 million strong. During that time, VFW members have fought in every war, conflict, and military intervention in which the United States has been engaged during this century.

As we near the start of a new millennium, the VFW's members continue to live by the organization's creed of "Honor the dead by helping the living." They do so by representing the interests of veterans across the nation through an established network of trained service officers who, at no charge, help millions of veterans and their dependents secure the educational benefits, disability compensation, pension, and health care services to which they are rightfully entitled as a result of their distinguished service to our country.

This service also extends beyond veterans. The VFW's Community Service Program, through members in its 10,000 posts, serves communities, states, and the nation. During the past program year, for example, the VFW, working side by side with its Ladies Auxiliary, contributed nearly 13 million hours of volunteer service and donated nearly $55 million to a variety of community projects. In addition, the VFW helps young men and women attend college by providing more than $2.6 million in scholarships annually.

Mr. President, this Sunday, on the Fourth of July, we will celebrate the 223rd anniversary of the founding of the United States of America. I can think of no more appropriate time to honor the brave men and women who, while far from home, sacrificed so much that the dreams of our founding fathers might become, and remain, a reality. By urging the U.S. Postal Service to issue a commemorative stamp honoring the VFW's 100th anniversary, as was done for its 50th and 75th anniversaries, the Senate can take a small step toward remembering their service and showing our deep appreciation for their unwavering commitment to our country, both in peacetime and in times of conflict.

I thank the distinguished Senator from Colorado and the distinguished Senator from North Dakota for working with me on this amendment. It is my understanding the amendment has been cleared and that it is acceptable to the committee.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. As a life member of the VFW myself, and a sponsor of this amendment, I think it is an important statement to make, as my friend said, as we move to the Fourth of July weekend. I am happy to accept this amendment.

I yield to Senator DORGAN.

Mr. DORGAN. I think it is a good amendment. I have asked consent to be added as a cosponsor. I am happy to support the efforts of the Senator from Maine, and we have no objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1202) was agreed to.

Ms. COLLINS. I thank my colleagues for their support and cooperation.

Mr. CAMPBELL. Mr. President, seeing no other Senators on the floor, I announce we would like to have them come down and offer their amendments. We will be happily expecting them.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I will ask that a letter from Barry McCaffrey, Director of the Office of National Drug Control Policy, be printed in the RECORD. General McCaffrey has written to me and, I am sure, the chairman of the subcommittee because he is concerned about the funding level for the National Youth Antidrug Media Campaign.

As we indicated yesterday, that campaign will be funded in the subcommittee mark at $145.5 million. That is about $49 million below the administration's request.

General McCaffrey has a number of observations about that and makes the point in his letter that he hopes, in this process between the Senate and the House, somehow those funds might be restored to full funding at the President's request.

I ask unanimous consent that his letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG CONTROL POLICY,
Washington, DC, June 30, 1999.

Hon. BYRON L. DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: The purpose of this letter is to bring to your attention a precarious funding recommendation for the FY 2000 appropriation for the National Youth Anti-Drug Media Campaign. This drug-prevention initiative is the centerpiece of the national effort to educate America's sixty-eight million children and adolescents about the risks associated with illegal drugs. Thanks to the Congress' full support of the campaign over the past two years, we have succeeded in harnessing the full power of modern media—from television to the Internet to sports marketing—to provide accurate and effective anti-drug information to children, adolescents, parents, and other adult influences.

We are pleased with the results obtained since the campaign was launched eighteen months ago.

The campaign's messages are being heard. 95 percent of our youth target audience is receiving an average of 6.8 messages a week. Among African American youth, we are doing even better—reaching 95 percent of the young people 7.8 times per week, 94 percent of Hispanic youth are receiving messages in Spanish 4.8 times per week.

Our children are becoming more aware of the risks and dangers of drugs. Teens are indicating in response to surveys that campaign ads are providing them new information, increasing their awareness of the dangers associated with drugs, and making them less likely to try or use drugs. Parents state that the ads are providing new information and making them aware of the effects of drugs on their children.

The private sector is matching the federal government's investment. Over the past year, corporate America has provided $217 million in pro-bono advertising and in-kind contributions. In the past twelve months, the campaign has generated 47,000 public service announcements and resulted in thirty-two network television shows including anti-drug messages.

The Senate Appropriations Committee has recommended that the media campaign be funded at 25 percent below our request in FY 2000—$145.5 million, $49.5 million below the administration's request. This funding level would not allow the campaign to reach adolescents and parents with the message frequency required to fundamentally change attitudes towards illegal drugs and, eventually, reduce drug use by vulnerable adolescents and teens. The Committee's additional recommendation that $49 million of proposed FY 2000 funds not be available to the Campaign until the final day of the fiscal year would result in a de facto 48 percent cut in campaign funds.

Now is not the time to make cuts in the Media Campaign. We are at a critical juncture in time. Drug use by our teens skyrocketed between 1992 and 1996 as risk perception declined. In the past two years, the Monitoring the Future survey and the National Household Survey of Drug Abuse suggest that our children are becoming more aware of the risks posed by illegal drugs and that adolescent drug use rates are declining. This campaign can be a catalyst for lower drug use rates by our children.

We need your leadership to ensure that the full Senate restores funding to the requested amount of $195 million in FY 2000 for the National Youth Anti-Drug Media Campaign. This is a sound investment in the well being of our sixty-eight million young people.

Mr. DORGAN. Mr. President, also, to add to the comments made by Senator CAMPBELL, I believe we had something in the neighborhood of 20 amendments that were filed. The unanimous consent agreement required that amendments be filed by noon today. This subcommittee on appropriations has now, I believe, close to 20 amendments, perhaps 21 amendments, that have been filed. It is, I know, the intention and the interest of the leadership—the majority leader and Senator DASCHLE as well—to move ahead and finish this bill and finish some other business today.

My hope is that Members who have offered amendments—in fact, all the amendments have been filed on behalf of other Senators by Senator CAMPBELL and myself. I hope very much that those who asked us to file an amendment on their behalf will come now to the floor and offer those amendments so we can proceed to get through this piece of legislation.

Of the 20 amendments, some likely will be worked out, some will perhaps need votes. Senator CAMPBELL is absolutely correct, this is the right time for people on whose behalf we have offered these amendments to come to the floor and begin debating them.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

AMENDMENT NO. 1201

(Purpose: To authorize the conveyance to the Columbia Hospital for Women of a certain parcel of land in the District of Columbia)

Mr. CAMPBELL. Mr. President, I call up the Lott-Daschle amendment No. 1201, the conveyance of land to the Columbia Hospital for Women, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL] for Mr. LOTT, for himself and Mr. DASCHLE, proposes an amendment numbered 1201.

Mr. CAMPBELL. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . CONVEYANCE OF LAND TO THE COLUMBIA HOSPITAL FOR WOMEN.

(a) ADMINISTRATOR OF GENERAL SERVICES..—Subject to subsection (f) and such terms and conditions as the Administrator of General Services (in this section referred to as the "Administrator") shall require in accordance with this section, the Administrator shall convey to the Columbia Hospital for Women (formerly Columbia Hospital for Women and Lying-In Asylum; in this section referred to as "Columbia Hospital"), located in Washington, District of Columbia, for $14,000,000 plus accrued interest to be paid in accordance with the terms set forth in subsection (d), all right, title, and interest of the United States in and to those pieces or parcels of land in the District of Columbia, described in subsection (b), together with all improvements thereon and appurtenances thereto. The purpose of this conveyance is to enable the expansion by Columbia Hospital of its Ambulatory Care Center, Betty Ford Breast Center, and the Columbia Hospital Center for Teen Health and Reproductive Toxicology Center.

(b) PROPERTY DESCRIPTION.—

(1) IN GENERAL.—The land referred to in subsection (a) was conveyed to the United States of America by deed dated May 2, 1888, from David Fergusson, widower, recorded in liber 1314, folio 102, of the land records of the District of Columbia, and is that portion of square numbered 25 in the city of Washington in the District of Columbia which was not previously conveyed to such hospital by the Act of June 28, 1952 (66 Stat. 287; chapter 486).

(2) PARTICULAR DESCRIPTION.—The property is more particularly described as square 25, lot 803, or as follows: all that piece or parcel of land situated and lying in the city of Washington in the District of Columbia and known as part of square numbered 25, as laid down and distinguished on the plat or plan of said city as follows: beginning for the same at the northeast corner of the square being the corner formed by the intersection of the west line of Twenty-fourth Street Northwest, with the south line of north M Street

Northwest and running thence south with the line of said Twenty-fourth Street Northwest for the distance of two hundred and thirty-one feet ten inches, thence running west and parallel with said M Street Northwest for the distance of two hundred and thirty feet six inches and running thence north and parallel with the line of said Twenty-fourth Street Northwest for the distance of two hundred and thirty-one feet ten inches to the line of said M Street Northwest and running thence east with the line of said M Street Northwest to the place of beginning two hundred and thirty feet and six inches together with all the improvements, ways, easements, rights, privileges, and appurtenances to the same belonging or in anywise appertaining.

(c) Date of Conveyance.—

(1) Date.—The date of the conveyance of property required under subsection (a) shall be the date upon which the Administrator receives from Columbia Hospital written notice of its exercise of the purchase option granted by this section, which notice shall be accompanied by the first of 30 equal installment payments of $869,000 toward the total purchase price of $14,000,000, plus accrued interest.

(2) Deadline for conveyance of property.—Written notification and payment of the first installment payment from Columbia Hospital under paragraph (1) shall be ineffective, and the purchase option granted Columbia Hospital under this section shall lapse, if that written notification and installment payment are not received by the Administrator before the date which is 1 year after the date of enactment of this section.

(3) Quitclaim deed.—Any conveyance of property to Columbia Hospital under this section shall be by quitclaim deed.

(d) Conveyance Terms.—

(1) In general.—The conveyance of property required under subsection (a) shall be consistent with the terms and conditions set forth in this section and such other terms and conditions as the Administrator deems to be in the interest of the United States, including—

(A) the provision for the prepayment of the full purchase price if mutually acceptable to the parties;

(B) restrictions on the use of the described land for use of the purposes set out in subsection (a);

(C) the conditions under which the described land or interests therein may be sold, assigned, or otherwise conveyed in order to facilitate financing to fulfill its intended use; and

(D) the consequences in the event of default by Columbia Hospital for failing to pay all installments payments toward the total purchase price when due, including revision of the described property to the United States.

(2) Payment of purchase price.—Columbia Hospital shall pay the total purchase price of $14,000,000, plus accrued interest over the term at a rate of 4.5 percent annually, in equal installments of $869,000, for 29 years following the date of conveyance of the property and receipt of the initial installment of $869,000 by the Administrator under subsection (c)(1). Unless the full purchase price, plus accrued interest, is prepaid, the total amount paid for the property after 30 years will be $26,070,000.

(e) Treatment of Amounts Received.—Amounts received by the United States as payments under this section shall be paid into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), and may be expended by the Administrator for real property management and related activities not otherwise provided for, without further authorization.

(f) Reversionary Interest.—

(1) In general.—The property conveyed under subsection (a) shall revert to the United States, together with any improvements thereon—

(A) 1 year from the date on which Columbia Hospital defaults in paying to the United States an annual installment payment of $869,000, when due; or

(B) immediately upon any attempt by Columbia Hospital to assign, sell, or convey the described property before the United States has received full purchase price, plus accrued interest.

The Columbia Hospital shall execute and provide to the Administrator such written instruments and assurances as the Administrator may reasonably request to protect the interests of the United States under this subsection.

(2) Release of reversionary interest.—The Administrator may release, upon request, any restriction imposed on the use of described property for the purposes of paragraph (1), and release any reversionary interest of the United States in the property conveyed under this subsection only upon receipt by the United States of full payment of the purchase price specified under subsection (d)(2).

(3) Property returned to the general services administration.—Any property that reverts to the United States under this subsection shall be under the jurisdiction, custody and control of the General Services Administration shall be available for use or disposition by the Administrator in accordance with applicable Federal law.

Mr. CAMPBELL. This amendment has been cleared on both sides of the aisle, and we are ready to adopt it. I ask unanimous consent the amendment be agreed to.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1201) was agreed to.

Mr. CAMPBELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 1215, 1216, AND 1217

Mr. DORGAN. Mr. President, I have three amendments, two of which were to be offered by Senator GRAHAM and one to be offered by Senator COCHRAN. The amendments were left in the Cloakrooms on a timely basis but were not part of the submissions that Senator CAMPBELL and I offered before the 12 noon deadline. Senator CAMPBELL and I ask consent that these three amendments be considered timely filed and offered.

I send the amendments to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be numbered and laid aside.

Mr. DORGAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. REED. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1193

(Purpose: To enable the State of Rhode Island to meet the criteria for recommendation as an Area of Application to the Boston-Worcester-Lawrence: Massachusetts, New Hampshire, Maine, and Connecticut Federal locality pay area)

Mr. REED. Mr. President, I ask that my amendment to the bill be called up at this time. It has already been laid down.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Rhode Island [Mr. REED], for himself and Mr. CHAFEE, proposes an amendment numbered 1193.

Mr. REED. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 98, insert between lines 4 and 5 the following:
>
> SEC. 636. Section 5304 of title 5, United States Code, is amended by adding at the end the following:
>
> "(j) For purposes of this section, the 5 counties of the State of Rhode Island (including Providence, Bristol, Newport, Kent, and Washington counties) shall be considered as 1 county, adjacent to the Boston-Worcester-Lawrence; Massachusetts, New Hampshire, Maine, and Connecticut locality pay area and the Hartford, Connecticut locality pay area.".

Mr. REED. Mr. President, this amendment I am offering, on behalf of myself and Senator CHAFEE, deals with a problem that is particular to Rhode Island. The problem involves what is known as locality pay. That is the differential pay that Federal employees are given because of higher costs in the area in which they live and work. Essentially it is a comparison between the labor cost in the private sector and the Federal sector. If there are higher private labor costs, there is a differential added to the paycheck of the Federal employee in the particular area.

The problem with Rhode Island is, because of the complicated rules of allocation, my entire State is excluded from locality pay. So Federal workers who work in Rhode Island do not receive locality pay, even though their fellow workers, in some cases just a few miles away, in Massachusetts or Connecticut, receive this differential locality pay.

Now, the reason the rules disadvantage Rhode Island is, essentially, to qualify for locality pay, you have to have at least 2,000 workers in a county and that county has to be contiguous to another locality area. This is a map of New England and parts of New York. Because of the high cost of labor in Boston and in these major areas, such as New York City and Hartford, CT, because of the concentration of workers, these areas in blue represent locality pay areas. However, Rhode Island has been, in a sense, discriminated against because, for one thing, the managers of this program have stopped the locality line about 4½ miles from the border, in some cases. In a county in which we have 3,500 workers—we have enough workers in Newport County, but we are not contiguous to a locality pay area. In northern Rhode Island, we don't have 2,000 people in a certain county, but we are contiguous to another area. So the combination of these rules of numbers of Federal employees and being contiguous to a high locality pay area works to the detriment of Rhode Island.

Let me suggest something else that also I think is unique in the situation of Rhode Island. We, I think unlike every other State in the U.S., do not have county governments. We don't operate anything on a county basis. Rhode Island is the smallest State in the Union, roughly 70 miles long and 35 miles wide. The concept of county is something that really is not apropos. When you look at some of the larger States in the country where counties are of sufficient size, where they easily accommodate several thousand workers, then it makes a difference but not in Rhode Island.

The proposal that Senator CHAFEE and I have developed is quite simple; that is, to consider the entire State of Rhode Island as a county. Frankly, in the context of the United States, it is about the size of many counties. If we had that change in the law, we would have a situation where our workers in Rhode Island—we have approximately 6,000 Federal employees —would, in fact, be in an area contiguous to locality pay zones and would qualify for the extra pay. What does this mean in the paychecks of our workers? Essentially, what they are seeing is 3.45 percent less in their 1999 paychecks than people doing the same jobs in New London, CT, and in Boston, MA. In fact, Boston is about 40 miles from Providence. So we have this awkward situation. In fact, we have people who live in Rhode Island and work in Boston for the Federal Government and get paid higher than their neighbors who live in Rhode Island and work in Providence, RI. So this situation is both unfair and, I think, unfortunate.

Our amendment would correct that situation and it would do so in a way which, I think, would not do great damage to the overall structure of locality pay throughout the United States. After all, we are talking really about a unique situation—the smallest State in the country, which has no effective counties in it as a measure of any governmental type of activity. So I suggest very strongly that we approach this with a legislative solution.

I must thank both the subcommittee chairman, Senator CAMPBELL of Colorado, and also the chairman of the authorizing committee, Senator THOMPSON. We have been talking with both individuals and they have been most helpful, as have their staffs. They have suggested that we can probably, with their assistance, make more progress by simply today discussing and describing the issue and then relying upon our mutual efforts to try to derive some type of administrative solution to this issue.

Let me say one other thing that makes this a very compelling problem to us. This is not simply going out and saying I want to have my workers treated the same way their brethren and sisters are treated just 30 miles away; there is something else here. We find it, in certain cases, difficult to recruit Federal workers to come into the Rhode Island area because if they have a choice between going to Boston or to parts of Connecticut, or parts of Long Island, NY, in the same region, they will choose these other regions because they will automatically get a 3, 4, 5 percent pay increase, simply by choosing to work in Boston rather than working in Providence.

We have, in the past, tried to recruit individuals to come into our FBI and our Secret Service office, and many, many qualified people have said: I would love to work there. The challenges are there, the career potential is there, but the problem is, how can I turn to my family and say I am going to take a 3, 4, 5 percent pay cut?

This really affects our ability to recruit those individuals that we need—as anyplace needs—to effectively run our Federal agencies. So both Senator CHAFEE and I are concerned about and committed to this issue. First, we recognize that this is something that, with the cooperation and the help of the Appropriations Committee and Senator CAMPBELL, and the authorizing committee with Senator THOMPSON, and their ranking members, we hope we can make progress on the administrative front.

At this time, unless the Senator from Colorado has comments, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER (Mr. BUNNING). The Senator has that right.

The amendment is withdrawn.

Mr. REED. Mr. President, I yield the floor.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for up to 8 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Dan Alpert, a fellow in my office, be permitted floor privileges during the pendency of this bill and during the morning business time.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 1315 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BINGAMAN. Mr. President, I appreciate the time provided by the managers.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, while we are waiting for Senators to come to the floor with amendments, I would like to speak to two sections of the Treasury and general government appropriations bill that are, I believe, of great importance.

The first is called the GREAT Program—the Gang Resistance Education and Training, or GREAT Program. This is a program that is administered by the Bureau of Alcohol, Tobacco and Firearms, in partnership with State and local law enforcement.

Unfortunately, gang activity has increased in our country in recent years, as the Chair well knows.

ATF has developed a program to give our children the tools they need to be able to resist the temptation to belong to a gang.

The GREAT program is only seven years old, but has already grown from a pilot program in Arizona to classrooms all over the United States—and in Puerto Rico, Canada, and overseas military bases. ATF estimates that about 1.7 million students have received GREAT training.

GREAT was designed to provide gang prevention and anti-violence instruction to children in a classroom setting. ATF trains local law enforcement officers to teach these classes, and provides grants to their offices to help pay for their time.

Needless to say, working policemen in classrooms do a lot to dispel the sometimes erroneous myths that children have about working policemen.

This program is having a positive effect on student activities and behaviors, and is deterring them from involvement in gangs. A side benefit is that the graduates seem to be doing a better job of communicating with their parents and teachers, and getting better grades.

Last year the Subcommittee on Treasury and General Government held a hearing on the GREAT Program. The highlight of the morning was listening to the students from Colorado, Wisconsin, Arizona and a number of other States as they told about what they learned when they took the classes. It was very encouraging to hear how some of these kids actually turned their lives around because of this training.

For the second year in a row, the administration is requesting only $10 million for grants for the GREAT program. Last year, Congress felt that wasn't enough to fund the many requests for help from State and local law enforcement and provided $13 million for GREAT grants. $10 million still isn't enough.

We are asking again in this bill to provide $13 million. I urge my colleagues to support the effort of the committee to again provide $13 million for grants to State and local law enforcement for this worthwhile and effective program.

The other section of the bill I would like to mention for the knowledge of my colleagues is what is called the National Center for Missing and Exploited Children.

This center was created in 1984, and is dedicated to finding every missing child and helping to prevent the abduction and sexual exploitation of all children.

Sadly, we are not 100 percent successful. Every year thousands of children are put at risk. In fact, every day in the United States 2,300 children are reported missing to different law enforcement agencies.

The National Center for Missing and Exploited Children works closely with three entities under the jurisdiction of this bill—the Customs Service, the Postal Inspection Service, and the Secret Service. I think it is important for my colleagues to be aware of the contributions of these different agencies.

In 1987, the Customs Service was the first Federal law enforcement agency to agree to be the contact point for tips and leads from the toll-free Child Pornography Tipline. Under direction provided by the committee, support for the Tipline will continue in the fiscal year 2000. This funding will be used for promotional brochures, public service announcements, and a campaign to educate teenage girls about the risks they may encounter and the ways to stay safer from crime.

In March of last year, the Customs Service and the National Center for Missing and Exploited Children launched the new CyberTipline to allow parents to report incidents of suspicious or illegal internet activity. For the benefit of my computer literate friends, that internet address is "www.missingkids.com/cybertip."

The U.S. Postal Inspection Service and the National Center for Missing and Exploited Children have a long-standing relationship in combating child pornography and sexual exploitation of children. For over ten years, information developed from the Child Pornography Tipline has been provided to the Postal Inspection Service for investigative purposes. In addition, the Center has provided technical assistance when needed for specific investigations. The Postal Inspection Service has provided continuing assistance to the Center through training, development of publications, and outreach programs.

In late 1996, a cooperative agreement with the Secret Service Forensic Services Division resulted in the creation of the Exploited Child Unit. This unit focuses on combating child molestation, pornography, and prostitution. They raise public awareness about the problem of pedophilia and focus educational efforts on child safety on the internet.

This bill today gives ample opportunity to provide funding for both of these programs. This particular program will provide $2 million for forensic support of investigations and $1.996 million for the exploited child unit. This money will be well spent.

I know my colleagues will be willing to support this.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I ask of you, or the distinguished chairman of the Treasury and General Government Appropriations Subcommittee, what the process is to call up one of the amendments that has been laid down, specifically No. 1195? Do I need to ask unanimous consent to set aside the pending business? What is appropriate?

The PRESIDING OFFICER. The Senator has the right to call up his amendment.

AMENDMENT NO. 1195

(Purpose: To increase by $50,000,000 funding for United States Customs Service for salaries and expenses to hire 500 new inspectors to stop the flow of illegal drugs into the United States and facilitate legitimate cross-border trade and commerce)

Mr. KYL. Mr. President, I call up amendment No. 1195, dealing with the appropriation of additional funding for 617 Customs inspectors.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Arizona [Mr. KYL], for himself, Mrs. HUTCHISON, Mrs. FEINSTEIN, Mr. ABRAHAM, Mr. GRAHAM, and Mr. GRAMM, proposes an amendment numbered 1195.

The amendment is as follows:

On page 13, line 24, strike "$1,670,747,000" and insert "$1,720,747,000".

On page 15, line 6, before the period, insert the following: ": *Provided further*, That $50,000,000 shall be available until expended to hire, train, provide equipment for, and deploy 500 new Customs inspectors."

On page 49, line 13, strike "$38,175,000" and insert "$36,500,000".

On page 50, line 1, strike "$23,681,000" and insert "$22,586,000".

On page 53, line 3, strike "$624,896,000" and insert "$590,100,000".

On page 58, line 8, strike "$120,198,000" and insert "$109,344,000".

On page 62, line 26, strike "$27,422,000" and insert "$25,805,000".

Mr. KYL. Mr. President, this is one of the amendments which was offered during the subcommittee markup but which we did not pursue because we had not identified offsets for the additional $50 million being requested, and we wanted an opportunity to try to work it out before the bill came before the Senate.

We have not really worked out all of the details of this. Therefore, I am informed by the chairman of the subcommittee he may not be able to support this amendment at this time.

It is my intention to at least begin the process on behalf of myself and Senator HUTCHISON, who hopefully will be present shortly, so we can begin the discussion as to how to find a way to fund some additional Customs inspectors, particularly to be deployed on the southwest border.

Before I describe the problem and the reason for this, I commend the chairman and the ranking member of the subcommittee for a really heroic effort to save existing Customs inspectors.

What had happened is, the way the administration's budget had been prepared, it was going to fund existing agents out of a fee structure that never had any chance of being passed by the Congress or implemented into law. Had not the chairman and ranking member acted quickly to find other sources of funding, we would have lost 617 existing Customs inspectors, but they were able to find that money elsewhere.

As a result, those positions have been saved at least for now. Where that leaves us is exactly even, with no increase in Customs officers, despite the huge increases in the number of people and the amount of commercial traffic crossing our border, particularly in the Southwest.

What that means is we are just literally dead in the water despite the efforts of the subcommittee chairman, Senator CAMPBELL.

That is why we wanted to find an additional $50 million to hire 500 agents—only 500 agents—for next year to help with this problem.

Let me describe a little bit the problem on the Southwest border. As you know, we passed NAFTA. NAFTA has enabled us to dramatically increase commercial traffic between Mexico and the border, our four border States of the United States. But even without NAFTA, we would still have an increase in commercial traffic as well as the daily traffic between the communities south of the border and the American cities on our side.

I was somewhat amused that my colleague from Michigan, Senator ABRAHAM, was very concerned about the situation on the Canadian border near Detroit. He was lamenting the fact we could end up with a situation where there was a 2-minute delay for every car going through the border checkpoint—a 2-minute delay. Just think what that would mean with the large number of people who wanted to cross into the United States from Canada each day.

The reason I had to chuckle a little bit is, if we are successful, if we do get some additional agents, and the chairman of the subcommittee is successful in protecting what we have, our goal, stated by the Finance Committee, is to get to the point where we will only have a 20-minute delay per car at the Arizona border or at the Mexican-United States border.

A 20-minute delay every time you want to cross the border becomes onerous, particularly to people who live in the border communities and who every day cross the border for business or for family or pleasure reasons. There are literally hundreds and thousands of people who do that every day. This does not speak of the commercial traffic, which I will talk about in just a moment.

The point is, we are trying to get to a point where it only takes you 20 minutes to come into the United States or to go into Mexico. But we are talking specifically about coming into the United States. That is a very onerous situation when you are trying to promote commerce as well as more tourists coming to the United States, as well as families. So this is not something that is a luxury but something I think everyone would recognize is very important.

I will talk about some of the numbers because I think it is very instructive.

The traffic congestion at any of our border crossing points into Mexico—you just have to be there to see it. The number of commercial trucks, for example, that cross the border annually in my State of Arizona increased from 287,000 in 1994 to 347,000 in 1998. We do not have the personnel to keep up with that congestion.

For example, in San Luis, AZ, which depends very heavily on cross-border trade, you can easily wait 3 hours to cross. That is not unheard of at all, to sit there for 3 hours waiting to cross into the United States. This is during times when it is very critical, particularly for produce. Much of the commercial traffic that comes from Mexico to the United States is produce. It does not do any good for that produce to be sitting out there for 3 hours in the very warm sun south of Yuma, AZ, waiting to come in through the border crossing.

I ask my colleagues, if they had to wait 3 hours every time they wanted to get someplace on Capitol Hill, how long they would stand for it. Obviously, not very long.

We just don't have enough Customs inspectors, however, to staff that San Luis port even to stay open during some key hours. I point out, the commercial point is closed on Saturdays. So we are only talking about general business hours.

In effect, what ends up happening is, you get cancellations or reroutes hundreds of miles away to other ports when you have these kinds of long delays. The number of inspectors at this particular port of San Luis has increased. Do you want to know by how much it has increased? One inspector over the last 5 years. That is all. It went from 51 to 52. Obviously, we are not keeping up with the traffic.

The same is true of the port of Nogales, which is the largest port in Arizona. There the fresh produce industry is very big, both import and export. It is over $1.5 billion a year. It is now the fifth busiest port on our Southwest border. But the Nogales port does not have enough inspectors. The number of inspectors there actually decreased last year by seven.

According to the Fresh Produce Association of America, there have been occasions, even during the low-produce season, where 6-mile truck backups have occurred down in Mexico. Just think about that for a moment—6 miles of trucks waiting to clear Customs. It is not at all uncommon for the truckers to come to the border and literally have to wait overnight before they can find a slot the next day to cross into the United States. And we are trying to encourage trade?

We understand that trade benefits people on both sides of the border. Obviously, we are not doing our part when the produce from Mexico cannot come into the United States because we do not have enough inspectors.

The lack of personnel on our borders is also a very serious problem with respect to the interdiction of illegal drugs and other contraband. As we all know, the Customs inspectors are really our first line of defense there. I have been on the border where you have these huge, long lines of traffic. Everybody is anxious to get through, and you just have a few ports with a few inspectors there struggling mightily to determine whether or not there may be some illegal drugs or contraband. We have given them some good high-tech equipment they can use, but it still requires manpower. Every week, they are able to stop some kind of traffic in which smuggling is going on, but they do not begin to catch even a fairly significant percentage of it.

Just to give you an idea what they have been able to accomplish, between 1994 and 1998 heroin seizures have gone up by 2,078 percent, marijuana seizures up 80 percent. It is clear that more Customs inspectors are needed to keep up with these increasing percentages of attempts to smuggle drugs and other contraband into our country.

As I mentioned a moment ago, the Finance Committee marked up its version of the Customs reauthorization bill not too long ago. In it, they approved legislation that Senators DOMENICI, GRAMM, HUTCHISON, and McCAIN, and I and other border Senators introduced, to increase the Customs personnel in order to reduce the wait times there to better fight the war on drugs and to enhance commerce to 20 minutes per vehicle.

When we can't even provide the funding to get the wait times down to 20 minutes per vehicle, we are derelict in our duty; we are failing in our responsibility; and the responsibility is on the Congress of the United States.

That is why Senator HUTCHISON and I have introduced this amendment to add $50 million for 500 inspectors. We may take one item out to make it $49 million so that the offsets we have provided would be more easily supportable by our colleagues, but this is an increase of merely 500 agents with this $50 million. That is what it costs to get the equipment and the training and get this number of Customs inspectors actually on line at one of our ports of entry.

The amendment, as I said, will actually permit the deployment of these agents during the next year to one of these points of entry where they are needed for the Southwest border.

Just to focus a little bit more on the specific need with respect to commerce there, should my colleagues be interested, the number of trucks crossing the U.S. border annually has increased from 7.5 million in 1994 to over 10 million in 1998. That is a 40-percent increase. More than 372 million people crossed either the United States-Mexico or United States-Canadian border in the last fiscal year.

But even with this huge increase in the crossings, of both individuals and commercial traffic, the number of Customs inspectors and the canine enforcement officers—that is an important part of this, too—has only increased by 540 people between 1994 and 1998. That is simply not enough to keep up with the commercial traffic, let alone the missing of opportunities to seize illegal drugs.

Of the 3,400-plus pounds of illegal heroin seized last year, Customs seized

2,700 pounds. Of the 1.76 million pounds of marijuana seized, Customs seized just under 1 million pounds. And of the roughly 265,000 pounds of cocaine seized last year, Customs seized 148,000 pounds.

Clearly, this is where the first line of defense is in our war on drugs. I know my colleagues and I love to stand here and talk about how we need to get tougher in the war on drugs. This is our chance. The first line of defense in the war on drugs in the United States is at the point of entry where people attempt to bring this illegal contraband into our country and, because we are unwilling to fund the number of customs inspectors required, we don't have enough people on the border to check every vehicle and, therefore, to find and to stop these kinds of illegal drugs coming into our country.

I know the chairman of the subcommittee has talked a lot about the need to meet this need. I don't think there are any of us who don't appreciate what we have to try to do. It is very difficult in a tough budget environment to find the money to do it.

What I have tried to point out is that we have to set priorities. If you look at all of the other parts of the budget, I can't find hardly any area in this particular budget that, in my view, has a higher priority than protecting our kids from drugs, than protecting our border from people who are literally invading our country with illegal substances to do detriment to our citizens. What is more important in this budget than that?

I, literally, challenge my colleagues who will oppose our amendment, defending appropriations that are in this mark for their particular area of interest, because we have had to provide $50 million in offsets in order to fund this $50 million for increased Customs agents, I challenge my colleagues to come to the floor and be willing to explain why what they are trying to protect in this budget is of a higher priority than stopping drugs at our border. I will be very curious to see how many of our colleagues are willing to come and vote against our amendment because it is taking funding out of something that is important to them, to explain to us why that is more important than this.

I am sorry to present that challenge as directly as I am. I think if we are going to be serious about this problem, rather than just talk about it, we have to address this in a very serious way that makes tough choices, that prioritizes. We can't just say, well, it is hard to do, and, therefore, we will try to do it next year. That is why we are so insistent on trying to accomplish this now.

There is much more I could say about this particular problem at this time. Senator KAY BAILEY HUTCHISON is going to speak to this amendment as well. Perhaps the chairman of the subcommittee would like to address the issue now; I am not certain. Perhaps I could make that opportunity available, should the subcommittee chairman wish to avail himself of it.

If not, I am happy to speak to the issue more.

Let me stop at this point and see if Members might have any other conversation on this amendment.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I thank my friend from Arizona for bringing this to the attention of the Senate. I certainly understand and sympathize with him. My State borders his, and I spend a good deal of time in Arizona. I am fully aware of the problem we have with our borders. They are like a sieve, very frankly.

I wish we could have found the additional $50 million he asked for, but, as he has already mentioned, we did have some budget constraints. We simply could not find it.

Let me tell my colleagues from where the Senator from Arizona would take the money to offset the $50 million additional money he would like to put in this account. He would take $1,675,000 from the Federal Election Commission. He would take $1,095,000 from the Federal Labor Relations Authority. He would take $34,786,000 from the GSA. These are repairs and alterations that are badly needed for Federal buildings across the country. He would take $10,854,000 from the GSA policy and operations account, and $1,617,000 from the Merit Systems Protection Board.

I will talk for a few minutes about what we have done. First of all, in this bill the committee has provided $1.67 billion in funding for fiscal year 2000 for the Customs Service. This level is $263 million more than was requested by the administration and provides for maintaining current levels of funding and other related costs as well as nonrelated labor issues associated with the increase of inflation, with the exception of the fiscal year 1999 pay raise component.

The committee has provided new funding for the Customs integrity awareness effort, totaling $4.3 million. In addition, the committee provided an additional $2.5 million for the establishment of an assistant commissioner for training, which will provide in-service training and professional development of Customs personnel. There have been news reports about the breaches of integrity within the Customs Service. These programs are in response to those issues. This funding will assist the Customs Service in improving their hiring methodologies, ensuring that applicants are of the highest quality. In addition, the funding will improve the recruitment and redesign of the hiring process as well as support existing personnel.

The committee has continued level funding for the Customs Service child pornography efforts. The committee has been very pleased by the Customs Service's efforts, given the limited resources dedicated to that program. The committee has also provided $19 million in funding for items associated with technology and staffing along the Southwest border, to which the Senator alluded.

Last year, as part of the fiscal year 1999 emergency drug supplemental funding, this committee provided an additional $80 million for nonintrusive inspection equipment on top of the $40.6 million for a variety of technologies for the Southwest border. This funding provided for the purchase of a mobile truck X-ray system, railcar inspection systems, gamma ray inspection systems, and higher energy, heavy pallet X-ray systems. Of the $276 million of funds provided in that emergency supplemental, the Customs Service has not yet obligated all those funds. In fact, as of today, there is $143 million that has not been spent in the account.

In addition, there is sufficient funding to cover the costs of the annualization of Operation Hardline and GATEWAY, as well as equipment annualization for fiscal year 1999. This will allow Treasury to annualize the cost of these border-related positions.

In addition, there is $1.29 million included to cover the cost for the mandatory workload increases during peak processing hours for the new crossings, including staffing and the dedicated commuter lane in El Paso, TX.

The committee has also included new funding for the Customs Integrity Awareness Program at $4.3 million, so the total cost of the effort is now $18 million. That is $6 million in the base and $4.3 million for this year for polygraphs and $8 million for agent inspector relocations.

I wish we could have done more. Very simply, as everybody in this body knows, we were up against budget constraints. We simply did not have the money to fund all the things that we would like to.

I yield the floor.

Senator REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I know the Senator from Texas is here to debate the Kyl-Hutchison amendment. I think that is appropriate. I want to respond briefly to Senator KYL's statement.

We are working under some very difficult budget constraints. There is a budget that is affecting the work we do on the floor that I didn't support. It was a budget that was given to us and passed by the majority. There are all kinds of problems we have with domestic discretionary spending, including more Customs agents. I would love to have more Customs agents. We need them very badly in Las Vegas, the most rapidly growing area in the whole country.

Remember, we, on this side of the aisle, did not vote for that budget. The budget we are working under is the budget that was given to us by the majority. With all of our domestic discretionary programs, we have a lot of problems, not the least of which is Customs agents.

I hope the American public is aware of the fact that veterans' benefits, as a result of the budget we have, are being stripped significantly. I hope there will be an effort made to have more money placed in the allocations to allow more appropriate and fair spending for domestic discretionary programs in all of our appropriations bills.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I hope we will be able to allocate the $50 million in the Kyl-Hutchison amendment for the hiring of new Customs agents.

We have a terrible situation. I understand the position of Senator CAMPBELL and Senator REID in having to allocate this money. I think they have done a yeoman's job working within the budget constraints.

The fact of the matter is, in any budget, any family has to set priorities. This administration has refused to set a priority of protecting our borders from illegal immigration and illegal drugs coming in. The fact is, they asked for no new Border Patrol agents this year, even though Congress has allocated 1,000 new Border Patrol agents every year for 5 years starting 2 years ago.

They didn't even hire the allocation in this year's budget. We authorized and paid for 1,000 Border Patrol agents in this year's budget, and this administration has only been able to hire 200 to 400 agents. Since we lose so many, we are worse off than we were when we started this fiscal year.

Now we come to Customs agents who are, once again, on the front line, particularly for illegal drugs because they are the ones responsible for searching trucks and cars that come in through the border. Once again, we have a request from the President for zero new Customs agents. The Customs Office itself asked for 617 new Customs agents. Look at what these Customs agents are doing. More than $10 billion in drugs flow across the U.S.-Mexico border each year. Last year, the Customs Service seized 995,000 pounds of marijuana, 148,000 pounds of cocaine, and 3,500 pounds of heroin.

We are talking about not fully funding new agents, to not give these people on the front line the help they need in stopping the flow of illegal drugs into our country. In Loredo, TX, the biggest commercial port of entry on our southern border, there were over 1 million truck crossings last year. There are routine waits of 4 to 6 hours. At El Paso's Bridge of the Americas, the hours of operation are from 6 a.m. to 5 p.m., but because the Customs Service can't afford to pay overtime, they have to close at 4 so that they will be able to actually finish the people in the pipeline by 5. Trucks entering an import lot after 4 have to wait until 6 the next morning just to have their documentation cleared. This is hurting not only our ability to curb illegal traffic, but it is also hurting trade and free trade and ratcheting up the cost of goods coming in from the border. So it is very important that we look at Customs agents as the front line for getting illegal drugs stopped at our country's borders.

DEA Administrator, Tom Constantine, was before the Commerce, State, Justice Subcommittee this past March, and he said:

> The vast majority of drugs available in the United States originate overseas. The international drug trade is controlled by a small number of high echelon drug lords, who reside in Colombia and Mexico. Most Americans are unaware of the vast damage that has been caused to their communities by international drug trafficking syndicates, most recently by organized crime groups headquartered in Mexico. At the current time, these traffickers pose the greatest threat to communities around the United States. Their impact is no longer limited to cities and towns along the Southwest border; traffickers from Mexico are now routinely operating in the Midwest, the Southeast, the Northwest, and, increasingly, in the northeastern portion of the United States.

We need to have as a priority stopping illegal drugs coming through our borders. And if the administration continues to ask for zero new border patrol agents and zero new Customs agents, we are not going to be able to win the war on drugs. We cannot do it.

Senator KYL and I didn't choose to go in and take from other parts of the budget; that was our only option. When the President comes in with a budget that asks for no new Customs agents, we could do nothing but try to find offsets in order to maintain the integrity of the budget. So we went for administrative costs that were increases in spending over last year. It wasn't our choice to do this, but the difference between having increases in the GSA budget or increases in Customs agents who are going to be on the front line stopping illegal drugs from coming into our country, and to ease the flow of trade into our country, it seems to me, is pretty clear.

So I hope that we can make this a priority. I look forward to working with Senator CAMPBELL and Senator REID in the conference committee to try to mitigate the impact of any cuts that would be made in other budgets. I understand their position and having to defend this bill. They had hard choices to make. But we can't choose to walk away from law enforcement on our borders. This is a Federal responsibility. We can't fill in with local law enforcement officers. They don't have the capability to stem the flow of illegal drugs into our country.

So I hope our colleagues will support the Kyl-Hutchison amendment. We will do everything we can to mitigate the cuts that we are making in other areas, but it has to be our priority to get control of our sovereign borders, to keep illegal drugs from going into Cleveland, OH, or from going into Tacoma, WA, or Wilmington, DE, because that is where these drugs end up; they don't stay on the border. They infiltrate our country, and we must stop it. This is one of the ways we are going to try to do that.

I yield the floor.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. CAMPBELL. Mr. President, I have to tell you, I have no quarrel with my colleagues from Texas and Arizona in my efforts and interests in reducing the use of drugs in America, since I helped write this bill and I have been on the forefront of trying to reduce drugs and putting money where it is most needed. But I remind my friend from Texas that, in fact, in this bill we put in $263 million over the administration's request. In addition, as I have already said, of the $276 million of funds provided in the emergency supplement, which was signed into law on May 31 of this year, Customs has still not spent $143 million of that money. I know some of it is for equipment, but certainly some of that could be transferred within the Department to areas that need it. We have done the best we can.

Mrs. HUTCHISON. If the Senator will yield, I was thinking as we were talking about this, and as the Senator was making his point, perhaps we could look for offsets within Customs' budget, as well as some of these other areas. We would like to pass the amendment, but we also would like to maybe look for other ways that Senator KYL and I could set priorities within the Customs Department budget and maybe work something out that would not hurt another agency as much but we reprioritize within the budget.

Mr. CAMPBELL. We will be happy to work with the Senator from Texas and Senator KYL. If we can find the offsets within Customs' budget, we would be delighted to work with the Senator.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I just wanted to address a comment to the chairman of the subcommittee, Senator CAMPBELL. I made the point when I first began to speak that without his efforts, we would not have been able to save existing Customs inspectors. I misspoke and understated the nature of the problem and, therefore, the significance of what Senator CAMPBELL was able to accomplish. I think in the way I stated it, I said there were 617 additional inspectors that were at risk. Actually, I think the number is closer to 5,000.

Had Senator CAMPBELL and the other leadership of the subcommittee not gotten to the problem to find an additional $312 million, as he pointed out, all 5,000 of those existing inspectors would have been at risk because they were being funded by a source which was not ever going to materialize and, in fact, which has not materialized. So in announcing the chairman's successes, I actually understated the nature of what he was able to accomplish. Senator HUTCHISON and I, therefore, take nothing away from the chairman of the committee, who has had to scramble very hard to try to help find a solution to this problem of Customs agents at our borders.

We have expressed, I think, in the strongest terms that we can, our appreciation for that. The chairman doesn't have to remind us of the hard work that he has put into that. We simply are of the view that we have to find a way to do more than tread water to stay even because, as both of us have pointed out, the traffic at the border is not staying even. The drug smugglers' efforts to bring more contraband into the country is not staying even. We have to try to keep up. The modest increase we are talking about is an effort to try to keep up with the nature of the problem that we have.

Point No. 1, the chairman is absolutely correct. They fought very hard to get additional money just to save the status quo.

But I think the second point we are making is also valid; that is, preserving the status quo isn't good enough. We need to try to find a source to at least find another $50 million for these additional Customs inspectors to at least try to keep pace with what is going on at our borders.

I ask the chairman, if there is no further discussion, we could simply defer a vote on this until afterwards. It is my understanding there will be a vote on the Lautenberg amendment in roughly 90 minutes or so. Perhaps we can simply conclude this conversation now and schedule any vote immediately after that.

Mr. CAMPBELL. Mr. President, I move to table the Kyl amendment and ask for the yeas and nays. I further ask that the vote on the Kyl amendment take place immediately after the vote on the Lautenberg amendment, No. 1214, which we expect to take place later this afternoon.

However, I will be happy to work with my colleague, and if we can find a solution or a way to offset the money in the Customs' budget, at that time I will ask to vitiate this motion to table.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CAMPBELL. Mr. President, I have a unanimous consent request. I ask unanimous consent that the time prior to the motion to table amendment No. 1214, the Lautenberg amendment, be limited to 90 minutes to be equally divided in the usual form, and that no other amendments be in order to the amendment prior to the motion to table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CAMPBELL. I thank the President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Mr. President, I thank the manager of the bill for allowing me to do this.

I ask unanimous consent to speak for about 6 minutes to introduce a bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the Chair.

(The remarks of Mr. AKAKA pertaining to the introduction of S. 1317 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CAMPBELL. Mr. President, we have an agreement worked out on two amendments dealing with child care centers and Federal activities.

AMENDMENT NO. 1197

(Purpose: To ensure the safety and availability of child care centers in Federal facilities)

Mr. CAMPBELL. I ask the Jeffords amendment No. 1197 be called up.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for Mr. JEFFORDS and Ms. LANDRIEU, proposes an amendment numbered 1197.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. ROBB. Mr. President, I'm pleased to join Senators JEFFORDS and LANDRIEU as a cosponsor of this amendment that helps address an issue affecting many lower pay-grade federal employees with young children: affordable child care. Often there are facilities available to fill this need, but the costs puts this option beyond the reach of these families. This amendment addresses this concern by allowing the use of appropriated funds to help these families. Though I am concerned that the House may be uncomfortable with the overall scope of this amendment, I look forward to working with Senators JEFFORDS and LANDRIEU to make sure this measure or a reasonable compromise is acceptable to both the House and the Senate.

Ms. LANDRIEU. Mr. President, I rise to reiterate the importance of an amendment that we agreed to earlier today by unanimous consent. This amendment offered by Senator JEFFORDS and myself will increase the availability, safety, and quality of Federal child care.

I firmly believe that the Federal Government should serve as a model for other employers to implement child care services in this country. These services must be affordable, safe, and be provided in an atmosphere that supports healthy development and growth of children. We have already made much progress within the Department of Defense with the enactment of legislation that ensures quality, safe and affordable child care to defense employees. The DoD program is now considered one of the finest in the world. It is now time to take this exemplary model and expand it to all Federal agencies.

The executive branch of Government has responsibility for over 1,000 child care centers—788 through the military, 109 through the General Services Administration, and 127 through other Federal departments. Over 215,000 children are being provided child care through these various Federal programs.

Unfortunately, almost 1/3 of Federal employees with young children may not have access to any Federal child care services. We need to ensure all children of Federal employees, not just those under the Department of Defense, have access to high quality and affordable child care.

Every parent should know that when they drop their children off at a Federal day care facility that their child is safe—because we have enacted uniform safety standards for these child care facilities.

We also must make efforts to ensure that child care is made available to every Federal employee regardless of their income. Now, more than ever, Federal employees are struggling to balance work and family obligations. They are also struggling to pay for the cost of child care. Currently, the cost of quality child care services ranges from $3,000 to more than $10,000, depending on where a person lives. In my State, this care ranges from $3,000 to $6,000. Unfortunately, many families in Louisiana cannot afford this cost. In fact, there are over 500,000 children throughout Louisiana whose families earn under $27,000.

One of the first steps that the Federal Government can and should take is to provide a model for other employers to follow, so more individuals will have greater access to affordable and quality child care. Moreover, if the Federal Government is to remain a credible provider of child care services, Congress must enact this important amendment. I look forward to working my colleagues in the House and Senate to ensure adoption of this legislation in the conference report.

Mr. JEFFORDS. Mr. President, this amendment will go a long way toward ensuring the safety and healthy development of children of federal employees who are cared for in federally sponsored or operated child care centers. The Senate passed this amendment last year on the Treasury-Postal appropriations bill by unanimous consent. Unfortunately, it was dropped during the last few hours of the conference. So I am back again this year.

In 1987, Congress passed the Trible amendment which permitted executive, legislative, and judicial branch agencies to utilize a portion of federally owned or leased space for the provision of child care services for federal employees. The General Services Administration (GSA) was given the authority to provide guidance, assistance, and oversight to federal agencies for the development of child care centers. In the decade since the Trible amendment was passed, hundreds of federal facilities throughout the nation have established onsite child care centers which are a tremendous help to our employees.

As you know, Federal property is exempt from state and local laws, regulations, and oversight. What this means for child care centers on that property are not subject to even the most minimal health and safety standards. Even the most basic state and local health and safety requirements do not apply to child care centers Federal facilities.

I find this very troubling, and I think we sell our federal employees a bill of goods when federally owned leased child care cannot guarantee that their children are in safe facilities. The Federal Government should set the example when it comes to providing safe child care. It should not be turn an apathetic shoulder from meeting such standards simply because state and local regulations do not apply to them.

As Congress and the administration turn their spotlight on our nation's child care system, we must first get our own house in order. We must safeguard and protect the children receiving services in child care centers housed in federal facilities. Our employees should not be denied some assurance that the centers in which they place their children are accountable for meeting basic health and safety standards.

This amendment will require all child care services located in federal facilities to meet, at the very least, the same level of health and safety standards required of other child care centers in the same geographical area. That sounds like common sense, but as we all know too well, common sense is not always reflected in the law.

It should also be made clear that state and local standards should be a floor for basic health and safety, and not a ceiling. The role of the Federal Government—and, I believe, of the United States Congress in particular—is to constantly strive to do better and to lead by example. Federal facilities should always try to provide the highest quality of care. The GSA has required national accreditation in GSA-owned and leased facilities for years, and the majority of child care centers in GSA facilities are either in compliance with those accreditation standards or are strenuously working to get there. This is high quality of care towards which we should strive for in all of our Federal child care facilities.

Federal child care should mean something more than simply location on a Federal facility. The Federal Government has an obligation to provide safe care for its employees, and it has a responsibility for making sure that those standards are monitored and enforced. Some Federal employees receive this guarantee. Many do not. We can and must do better.

I urge my colleagues to support this amendment.

Mr. CAMPBELL. I ask the amendment be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1197) was agreed to.

AMENDMENT NO. 1211 WITHDRAWN

Mr. CAMPBELL. I call up amendment No. 1211 by Ms. LANDRIEU, and I ask that it be withdrawn.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 1211) was withdrawn.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. CAMPBELL. Mr. President, as in executive session, I ask unanimous consent immediately following the vote in relation to the Kyl-Hutchison amendment on the Treasury-Postal appropriations bill, the Senate immediately proceed to a vote on the confirmation of the nomination of Lawrence Summers to be Secretary of the Treasury, Executive Calendar No. 95.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. I now ask unanimous consent it be in order to ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1214

(Purpose: To provide for the inclusion of alcohol abuse by minors in the national anti-drug media campaign for youth)

Mr. LAUTENBERG. Mr. President, I call up amendment No. 1214, which has been sent to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself, and Mrs. HUTCHISON, Mr. BYRD, Mr. HOLLINGS, Mr. HARKIN, and Mr. JOHNSON, proposes an amendment numbered 1214.

Mr. LAUTENBERG. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. INCLUSION OF ALCOHOL ABUSE BY MINORS IN NATIONAL ANTI-DRUG MEDIA CAMPAIGN.

(a) IN GENERAL.—The Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277) is amended—

(1) in section 101(h) of division A (the Treasury Department Appropriations Act, 1999), in title III under the heading "FEDERAL DRUG CONTROL PROGRAMS—SPECIAL FORFEITURE FUND (INCLUDING TRANSFER OF FUNDS)", by inserting "(including the use of alcohol by individuals who have not attained 21 years of age)" after "drug use among young Americans";

(b) OFFICE OF NATIONAL DRUG CONTROL POLICY REAUTHORIZATION ACT OF 1998.—Section 704(b) of the Office of National Drug Control Policy Reauthorization Act of 1998 (title VII of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277)) is amended—

(1) in paragraph (14), by striking "and" after the semicolon;

(2) in paragraph (15), by striking the period and inserting "; and", and by adding at the end the following:

"(16) shall conduct a national media campaign in accordance with the Drug-Free Media Campaign Act of 1998 (including with respect to the use of alcohol by individuals who have not attained 21 years of age).".

(c) DRUG-FREE MEDIA CAMPAIGN ACT OF 1998.—The Drug-Free Media Campaign Act of 1998 (subtitle A of title I of division D of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277)) is amended—

(1) in section 102(a), by inserting before the period the following: ", and use of alcohol by individuals in the United States who have not attained 21 years of age"; and

(2) in section 103(a)(1)(H), by inserting after "antidrug messages" the following: "and messages discouraging underage alcohol consumption,".

Mr. LAUTENBERG. This amendment is being offered on behalf of myself, Senator BYRD, Senator HUTCHISON, Senator HOLLINGS, Senator JOHNSON, and Senator HARKIN. This amendment would require the drug czar's office to include messages in his current media campaign to discourage children from engaging in underage alcohol consumption.

Running ads on national TV espousing the evil of drug use without even mentioning alcohol sends the wrong message to America's children. It is the equivalent of telling kids, "Say 'no' to drugs, but this Bud's for you."

The fact is, consuming alcohol is illegal in all 50 States if you are under the age of 21. Among America's youth, underage alcohol consumption is just as big of a problem as drug use.

The facts are revealing. For those who are not aware of the danger, alcohol kills six times more children ages 12-20 than all other illegal drugs combined. It was a surprise to me, and I suspect it is a surprise to millions of other Americans.

Underage alcohol consumption and its devastating effects on children paint a daunting picture. According to the Department of Health and Human Services, the average age at which children start drinking is 13. Even worse, the research shows that children who drink at the age of 13 have a 47-percent chance of becoming alcohol-dependent; if they wait until they are 21 to begin drinking, they have only a 10-percent chance of becoming dependent.

In all, there are nearly 4 million young people in this country who suffer from alcohol dependence. They account for one-fifth of all alcohol-dependent Americans.

The bottom line is that we dare not turn a blind eye when an opportunity comes along to address this problem. The drug czar's media campaign is that opportunity.

Drug czar Gen. Barry McCaffrey has said:

> [T]he most dangerous drug in America today is still alcohol.

Gen. McCaffrey has also said:

> [Alcohol is] the biggest drug abuse problem for adolescents, and it's linked to the use of other, illegal drugs.

Statistics support what General McCaffrey has been saying. According to the Center on Addiction and Substance Abuse at Columbia University, young people who drink alcohol are 7.5 times more likely to use any illegal drug and 50 times more likely to use cocaine than young people who never drink alcohol. In other words, alcohol is a gateway drug. Too often it leads to the use of marijuana, cocaine, and heroin by children. Since that is true, including ads addressing underage alcohol consumption in the media campaign would benefit the campaign and increase its overall effectiveness.

In advocating for this amendment, our voices are not alone. Surgeon General David Satcher recently wrote a letter to General McCaffrey:

> I want to recommend that you include advertisements addressing underage drinking in the paid portion of ONDCP's media campaign.

Surgeon General Satcher also stated:

> It is time to more effectively address the drug that children and teens tell us is their greatest concern and the drug we know is most likely to result in their injury or death.

In addition to support from the Surgeon General, we have bipartisan support in the House. This same amendment was already added to the House version of the Treasury-Postal appropriations bill by Congresswoman ROYBAL-ALLARD from California and Congressman WOLF from Virginia.

Editorials have also been written across this country supporting our position. Editorials have appeared in the Washington Post, the New York Times, Christian Science Monitor, and the Los Angeles Times, among other newspapers.

This effort on behalf of our children is further supported by more than 80 organizations, including Mothers Against Drunk Driving, the American Medical Association, the American Academy of Pediatrics, the American Public Health Association, the Center for Science in the Public Interest, and the Crime Prevention Council.

The Senate has not been silent on the issue of underage drinking in the past, and we should not stand mute now. We have made clear on at least three occasions that it is the law of the land to prohibit the use of alcohol by those under the age of 21.

I am proud to have been the author of the 1984 law that made 21 the drinking age in all 50 States. As a matter of fact, I had an argument with a couple of my children who were less than 21 at the time. We had a long discussion. They said it might cut into their fun, their proms.

But I looked at the statistics and saw how many lives we could save. In the almost 16 years that law has been on the books, we have saved 15,000 kids from dying on the highways.

Later, in 1995, Senator BYRD led the charge on "zero tolerance" for underage alcohol consumption by writing the law that says if you are under 21, a .02 blood-alcohol level is legally drunk.

Our amendment is not prescriptive. It would not tell the drug czar which types of alcohol ads or precisely how many alcohol ads would be run. But it would require the drug czar to include the underage alcohol consumption message in its media campaign. And it would give General McCaffrey the authority to do so, authority he has claimed he currently lacks.

We want to send a strong message to America's youth that neither underage alcohol consumption nor drug use is acceptable. We do not want to say there is a preference of one over the other. We do not want to do that by being silent on alcohol.

Mr. President, the only successful path to winning the war on drugs is the one paved by preventing underage drinking. If we cannot muster the political will to tell our children that underage drinking is wrong, we will never win the war on drugs.

We must not accept underage drinking as a so-called rite of passage because it is a passage directly to illegal drugs such as marijuana, cocaine, and heroin; and it is a passage to a life of alcohol dependency.

What we have heard from colleagues who are not supporting us is that drugs are illegal. But so is drinking under the age of 21.

Tobacco is a legal product, but we have worked hard to try to stop young people from starting to smoke because we know eventually it often leads to respiratory failure, lung cancer, and other diseases, as well as premature death.

So I hope our colleagues will support this amendment. It is time to make young people aware of the facts. Underage drinking is not acceptable. It leads to addiction, and nothing is more painful to a parent than to see an addicted child.

We ought not to be deterred by any arguments that suggest that adding alcohol to the media campaign might detract from the message about drugs. What is the difference? Addiction is addiction is addiction. We do not want to lose our kids. We do not want them to lose control, and we do not want them to lose their lives.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CAMPBELL. Mr. President, before I speak to the Lautenberg amendment, I ask unanimous consent to correct the RECORD. On several occasions in earlier debate I referred to the Kyl amendment No. 1195 as the Kyl amendment. I ask unanimous consent to correct that title to the Kyl-Hutchison amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I appreciate the comments of my friend from New Jersey. I came from an alcoholic family. Believe me, I know firsthand the devastating effects of what it does in a family. I have had over a dozen relatives, uncles, cousins and so on, including a sister, who have died from some form of alcohol-related abuse. I know the devastating effects on a whole community; on society as a whole. I know the cost and I do not think anybody detests it more than I do.

As my colleague, Senator DORGAN, knows, coming from a State in which there are many Indian reservations, fetal alcohol syndrome, which is an effect on children from mothers drinking too much, is literally hundreds of times worse on those reservations. On one reservation in America, 1 out of 4 children is born with some degree of fetal alcohol syndrome as opposed to the national average of 1 out of 500.

I am concerned, but the question for this body is not whether we want to reduce the use of alcohol by youngsters. Of course all of us want to do that. The question here is whether the ONDCP is the right vehicle or not. My view is it is the wrong vehicle.

I have been the chairman of this committee since the inception of this media campaign, when Senator KOHL was the ranking minority, and this project is something the committee originally had a great deal of difficulty in doing, because we wanted to make sure we got the best use of taxpayers' money when we set this up. I believe this amendment would simply dilute that mission. The committee did not provide as much as we would want this year. In fact, we are putting in $50 million less this year than we did for the ONDCP last year. I believe the inclusion of an anti-alcohol campaign would simply decrease the funds available for the antidrug campaign more than we want to. The House, in my opinion, made a mistake when they pursued this action.

I also tell you we are, in my view, increasing the jurisdiction of the Office of National Drug Control Policy without legislative authority to do so. This is the wrong vehicle, as I mentioned, and I am seriously concerned that the precedent it would set would cause us a great deal of controversy, maybe open a Pandora's box of other amendments to broaden the ONDCP into areas it should not be.

This amendment expands ONDCP's jurisdiction into alcohol prevention. As I mentioned, they do not have a statutory mandate to do that. There are other agencies, such as the Center of Substance Abuse Prevention, that are better equipped to handle this kind of campaign. When we originally put the money into this campaign a few years ago, we wanted to make sure we could measure the effects. So there was a GAO study authorized, a 5-year study to review the media campaign and give the results to our committee about the ongoing effects, to see if we, in fact, were reducing the use of alcohol consumption by youngsters as a result of the campaign.

That study is only halfway through. It still has several years to go. I think if we dilute this message, if we start expanding the role, we are simply going to completely throw out the validity of that study the GAO is doing.

So, although I do appreciate the efforts of the Senator from New Jersey, and I look forward to working with him on other ways we can reduce alcohol use by youngsters, I, at this time, oppose the amendment. I will move to table after my colleague speaks.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I yield myself such time as I require to respond to my friend from Colorado.

He talks, as he said, with experience, having seen alcohol addiction and the devastation it inflicts. But I want to respond specifically to the question the Senator from Colorado raises about dilution of message. We think that when a campaign is directed toward young people and it says "Say no to drugs," the omission of alcohol sends the wrong message. That's like saying, "Drugs are bad for you, but alcohol is not so bad."

So when we look at the statistics, and we see alcohol kills six times as many young people ages 12 to 20 than all of the illegal drugs combined, that tells us that the media campaign cannot deliver a thorough message unless it includes alcohol. Without including alcohol, the media campaign is a mere wink at underage drinking.

The drug czar is going to have $1 billion, we hope, over the next 5 years to deliver a message. Mr. President, $1 billion is a lot of money. So if the media campaign says "Say no to drugs," and it also says "Say no to alcohol," I see nothing wrong with that. And if there are ads portraying the horrific things that illegal drugs can do to kids, there should be ads portraying the same horrific things that alcohol can do to kids.

With the budget surpluses we have, we will keep on looking for additional funding for this campaign. One of the things that touches everybody in this Chamber, regardless of party, is interest in children, interest in protecting them from violence, interest in protecting them from disease, and interest in protecting them from addiction. So I think it is quite appropriate we combine the message on addiction to include all of the products that would be addictive, including alcohol.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. I yield to the Senator from West Virginia 15 minutes.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the very distinguished Senator from New Jersey, Mr. LAUTENBERG. I compliment him on the battle he has been waging, and successfully, might I add. I am sorry he has elected not to return to this body. I wish he would change his mind on that score.

Let me just say at this point, I am pleased to join Senator LAUTENBERG in offering this amendment to the fiscal year 2000 Treasury and general government appropriations bill. The amendment would require that the Office of National Drug Control Policy's Antidrug Youth Media Campaign include ads regarding illegal underage drinking. It is absurd to me that our federally funded media campaign fails to include the No. 1 drug choice amongst children; namely, alcohol. I do not know how that could escape anyone's attention. I cannot understand why that is not included.

Large numbers of young people are drinking. According to the 1997 Monitoring the Future Study conducted by the University of Michigan, approximately 34 percent of high school seniors, 22 percent of tenth graders, and 8 percent of eighth graders, report being drunk at least once in a given month.

Yes, Mr. President, drunk. I know that is a shocking statistic. It is also one that we should not tolerate. Alcohol is a gateway drug. Young people who consume alcohol are more likely to use other drugs.

Statistics compiled by the National Center on Addiction and Substance Abuse at Columbia University show that 37.5 percent of young people who have consumed alcohol have used some illicit drug versus only 5 percent of young people who have never consumed alcohol.

Early alcohol use results in alcohol problems in life. A report by the National Institute on Alcohol Abuse and Alcoholism indicates that when young people begin drinking before the age of 15, they are four times more likely to develop alcohol dependence than when drinking begins at age 21.

I noted in I believe it was either Roll Call or the Hill earlier this week there was a story about interns who are visiting the "watering holes"—visiting the watering holes. We all know what that means. These are not watering holes. These are places where these young interns are going to drink some form of alcohol, and many of them will end up getting drunk.

Most tragically, alcohol kills. It is deadly. Deadly! It takes the lives of more children than all other drugs put together. Yet, for some reason, this particularly lethal drug is left out of the media campaign. This administration has been leading a great campaign, a great crusade against tobacco, against smoking, and that is all right. That is well and good. But why doesn't the administration put its stamp on a crusade, on a great campaign against alcohol for youngsters? Why doesn't the administration lead in that crusade?

Let me repeat a story I have told many times. Russell Conwell, one of the great chautauqua speakers, told the story "Acres of Diamonds" 5,000 times. I have not told this story 5,000 times, but I have told it a number of times.

In 1951, when I was a member of the West Virginia Senate, I asked the warden of the State penitentiary in Moundsville to let me be a witness to the scheduled execution of a young man by the name of James Hewlett.

Under the laws of West Virginia at that time, a certain number of witnesses were required to be at an execution. The warden acceded to my request.

Why did I want to witness an execution? I often have the opportunity to speak to young people. I often speak to these pages who are sitting right now on both sides of the aisle looking at me. I speak with them out in the halls. I try to tell them wholesome stories from Tolstoy or from other great authors. I try to give them good stories. I try to teach them good lessons so they will leave here having heard someone—and I am sure there are other Senators who do the same thing—talk with them about values.

It was for that reason that I wanted to see this execution. I often speak to young people in 4-H groups, Boy Scout groups, Girl Scout groups, and other groups, and I wanted to be able to tell them something that would help them in later life.

I went down and talked with the man who was to be executed. He had hired a cab driver to take him from Huntington, WV, over to Logan. On the way, he pulled a revolver and shot the cab driver in the back, robbed him, dumped him by the side of the road, and left him there to die.

Later, Jim Hewlett was apprehended in a theater in Montgomery. He was brought to trial, convicted, and sentenced to die in the electric chair.

He was asked if he would like a chaplain in his cell. He scoffed at the idea of having a chaplain in his cell. He did not want any part of it. But when the Governor declined to commute his sentence, then the young man became serious about a chaplain. He wanted a chaplain in his cell.

On this occasion, the warden permitted me to go down to the cell of the young man, and I talked with him. I told him I had the opportunity to talk with young people on many occasions, and I asked if he had something that he could tell me that would help these young people, some advice that I could pass on to them that might assist them in avoiding trouble in later life.

Jim Hewlett said yes. He said: "Tell them to go to Sunday school and church." He said: "If I had gone to Sunday school and church, I wouldn't be here tonight."

Our conversation was very short. The hour of 9 was rapidly approaching, and he was to step into the electric chair at 9 o'clock. As I started to go, after thanking him, he said, "Wait a minute. Tell them one more thing. Tell them not to drink the stuff that I drank." Those are his exact words. I have spoken them hundreds of times: "Tell them not to drink the stuff that I drank."

I said: "What do you mean by that?"

The chaplain spoke up and said: "Senator"—I was a State senator at that time—"Senator, you see that little crack on the wall up there? If he were to have a couple of drinks, he would try to go through that crack in the wall. That is what it does to him. He was drinking when he shot the cab driver."

I went back to the warden's office.

The rest of the story, of course, is obvious. The young man was executed, and I have been passing these words of Jim Hewlett from Fayette County, WV, on to young people during these almost 50 years since: "Tell them not to drink the stuff that I drank."

Why do we have to tippy-toe around it? Why does the administration have to tippy-toe around it? Why do the people in the administration who have responsibilities along this line have to tippy-toe around it? Alcohol kills! Not only does it sometimes kill the person who imbibes but it also kills others—wives, children, old people who are trying to go to the grocery store or to a child-care center. These are people who are innocent. They are not doing the drinking. But the person who drank and then got behind the wheel, that person has killed others.

Every year at commencement time, when high schools are holding their commencements all over the country, we read stories in the newspapers. They are the same year after year: a group of youngsters, having just graduated, have a big party, and they get drunk and they crash their automobile that is going at a speed of 100 miles per hour into a tree. The automobile wraps itself around the tree and there are the mangled, bleeding, dead bodies in the twisted wreckage. And in the car is also found some alcohol.

It is time this country awakens. It is time the churches of this country awaken and tell our young people: Don't do it.

When I give a Christmas message, I do not say: Don't drink and drive. I simply say: Don't drink. I am not expecting everybody to feel as I do or to do as I do, but at least we ought to do what we can to educate the young people of this country as to the evils, the dangers, and the sorrows that will come from the use of alcohol—alcohol.

There are some young people right now listening to me on the television somewhere who have heard me pass along the advice of the condemned man, Jim Hewlett: "Tell them not to drink the stuff that I drank." I hope those young people will listen. I hope they will take it to heart and not drink alcohol.

This amendment is a commonsense amendment—a commonsense amendment—to address the staggering statistics regarding youth alcohol use. We need to send a strong message to the nation's youth that drinking has serious consequences, and all too often they are deadly consequences.

I thank Mr. LAUTENBERG for his statesmanship, for his courage, and for his common sense. I appreciate very much his allowing me to cosponsor this amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, on our time, I thank the Senator from West Virginia. He shows an interest in this subject that calls up our knowledge of experience with alcohol that none of us should ever have—the loss of a family member.

When you see the devastation of alcohol, you do not understand why it is a different class addiction than that which is drugs. It is easier to get into. It is less stigmatic. People do not say: Oh, look, he's an alcoholic.

A friend of mine has a granddaughter, 14 years old—14 years old—who started sniffing glue, drank alcohol. Now it is drugs. She is in an institution. It is the most heartbreaking thing one can imagine.

Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator has 15 minutes 34 seconds.

Mr. LAUTENBERG. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I will use time allocated by Senator CAMPBELL.

Mr. President, it is a rare occasion when I rise to oppose an amendment on alcohol offered by my colleague from New Jersey. I just heard the moving comments by the Senator from West Virginia. On almost every other occasion on the Senate floor, I have supported their initiatives. The .08 national standard on drunk driving. I have supported it. You name it, I have supported it.

My mother was killed by a drunk driver. I have been in an accident caused by a drunk driver in which the car I was driving was totaled.

Senator BYRD described graduation parties. My cousin's son Jesse was at a graduation party one night—the night before he was to graduate from high school—a wonderful young boy, great golfer, slight of build, a handsome young man—and at midnight got in the wrong car, a car driven by a young man who had had too much to drink. They drove across a railroad track and were hit by a train, and that young boy lost his life.

I know about the scourges of alcohol. I know about drunk driving. I know about the disease of alcoholism. I also know about the issue of illegal drugs in this country and want to tell a story about that, if I might.

I visited Oak Hill Detention Center recently, within the last matter of weeks. Oak Hill Detention Center is not too far from this building. It is a half-hour drive. It houses some of the toughest young criminals who have committed crimes on the streets of the District of Columbia. These are kids, in many cases tough, hardened criminals but still kids.

I met a young man who at age 12 was dealing drugs and was addicted to hard drugs on the streets of the District of Columbia. He was shot a number of times, picked up, and convicted of armed robbery. At age 12, he was selling and addicted to hard drugs.

Across the table from him sat another young man who, at age 12, was also dealing drugs and convicted of armed robbery. Across the table was a young girl who, at age 13, was on hard drugs and selling drugs and had a baby—all in the first year of her teenage life.

The security fellow in one of the areas of the Oak Hill Detention Center said to me—and I could tell he liked these kids; he cared about these kids; he knew them, knew them well—said: You know, these are tough kids. These are kids who have done wrong, in most cases have had a tough life, but they are still kids. He said: What I regret most about this job is going to their funerals. There are too many funerals. After they serve their time at the Oak Hill Detention Center and they are back on the streets—too often relapsing back on hard drugs—I go to their funerals.

The common element to the discussions I had at that Oak Hill Youth Detention Center was hard drugs—addicted to drugs at a very young age and then followed a life of crime, and in most cases violent crime as well.

This country has a problem with drugs. One approach to addressing this problem was recommended by the administration and some in Congress to say: We know that television has an influence on people's lives. Television advertising, hundreds of billions of dollars of television advertising has an influence on what people buy, what they wear, how they look, and what they sing. If it has that kind of influence, can we use television in a way that can influence people with respect to drugs and how they view drugs?

So the proposal was to put together a $1 billion program over 5 years to do intensive drug education television advertising. I support that.

This year, this subcommittee cut the funding for that by $50 million. In other words, there will be $50 million less than was requested for it and $50 million less than was spent last year on this program.

This program ought to be allowed to work so we can determine with what effectiveness we can change people's vision and view about drugs, especially young people. We are in the third year. We need to allow this to work.

Cutting this program by $50 million was the last thing we wanted to do, but the budget allocations would not allow us to fully fund it.

Now we are told by our colleagues, we want to add other things to it. I will support in an instant a proposal brought to the floor of the Senate that says let us do something of exactly the same scale on alcohol. I will support that in an instant. A $1 billion program over 5 years to educate young people about alcohol, we ought to do that. But I don't think, having cut this program by $50 million this year—understanding that when you talk to young people anyplace in this country who have been involved in violent crime, you will find out that the origin of that and the genesis of much of that behavior comes from addiction to drugs—now is the time to both cut this program by $50 million, which is what has happened in this subcommittee, and then also add other responsibilities to that program.

I indicated that my family was visited by the horror of the phone call late at night saying that my mother had been killed. Others in my family have been victims of drunk driving accidents. I understand all that. But the subject here is about drugs.

I have spoken on the floor about six times of a person I am going to speak about just briefly again, Leo Gonzales Wright. A young attorney with, I am sure, great hope and stars in her eyes moves to Washington, DC, to practice environmental law. In her early twenties, her name was Bettina Pruckmayr. Bettina Pruckmayr ended her life in this town with the kind of horror that is not visited upon many. She stopped at an ATM machine, was abducted by a man named Leo Gonzales Wright, and stabbed over 30 times by this violent felon.

Who was Leo Gonzales Wright? A man addicted to drugs, a man high on drugs, a man who had been convicted of murder before, let out of prison on patrol, tested positive for drugs but not put back in prison.

What do drugs mean? What do drugs do? It means that people on our streets, who are addicted to drugs and are willing to commit violent acts, murder innocent people like young Bettina Pruckmayr.

The origin of this is the problem of drugs. It is a very significant problem. The attempt was to decide whether we could alter behavior, educate young children with $1 billion in a 5-year program of advertising dealing with drugs. I happen to think that makes sense. We have tried a lot of different things. It makes sense to try this.

Does it make sense to do a lot more on alcohol? Absolutely. I am willing to support that and do that. I don't think, however, it ought to be used to dilute this effort. This effort is an effort that is in its third year. We have already had to dilute it by reducing funding $50 million.

I say to my colleague, with whom I voted on every occasion on this issue, let us find another way to fund this program and I will be with you. I understand the scourge of alcohol and alcohol addiction, the carnage it causes on American roads, and the devastation it causes to American families. I also think those who spoke about that with such gripping emotion today probably could tell us stories that they understand the carnage caused by drug addiction in this country to hard drugs and the number of families whose hearts ache tonight because their loved one was killed by someone high on drugs, addicted to drugs for a number of years in a circumstance where perhaps, had we done things differently, had we done things better, had we had more influence on those lives, we might have avoided having that person addicted to drugs and, therefore, committed to a life of crime.

That is what this effort is about. It is what General McCaffrey and the Office of Drug Control Policy, it is what we are trying to do in a 5-year period. I think we ought to continue to do that.

One final point: One of my regrets, standing as I am today, is a woman named Karolyn Nunnallee, whom I consider a good friend. She is the national president of the Mothers Against Drunk Driving. She and her organization very strongly support the Lautenberg amendment. I almost never have disagreed with Mothers Against Drug Driving. I think they have done more in this country than most any other organization I know to influence and alter behavior dealing with the issue of drunk driving. I regret very much not supporting them on this issue.

For reasons I have already stated, I think we ought to stay the course on this question of drug addiction and education dealing with drug addiction among America's youth. At the same time, I want to join in and support in any way possible the efforts of Senator LAUTENBERG and Senator BYRD and others to add money to transportation bills on drunk driving issues, to add money to health bills on drunk driving. I will support a billion-dollar program in 5 years. Sign me up. But don't dilute this program. Let us let this program work to see, at the end of 5 years, whether we have altered the behavior and substantially changed the determination by some young people in this country to understand more about drugs.

Mr. President, I yield the floor.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. How much time remains?

The PRESIDING OFFICER. The Senator from Colorado has 30 minutes, 25 seconds; the Senator from New Jersey has 15 minutes 20 seconds.

Mr. CAMPBELL. I yield 10 minutes to the Senator from Kentucky and 10 minutes to Senator MCCONNELL.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I rise in opposition to the Lautenburg amendment.

We all want to do what we can to fight underage drinking. At first glance this amendment might look like a good idea. Putting the office of national drug control policy and the drug czar on the case sounds like we are really taking action in the fight against underage drinking.

I believe that this amendment would actually hurt both the fight against underage drinking as well as our Nation's struggle with illegal drugs.

First of all, we're not even sure if the drug czar, General McCaffrey, really wants this amendment. We are hearing rumblings that the administration is against it, but no one seems to know for sure. Until we know, it doesn't make sense to pass the amendment.

If General McCaffrey, the man the President has asked to lead the charge in our anti-drug efforts, isn't sure about it, I think we need to be very careful.

In addition, we know that the bipartisan coalition for a drug-free America—headed up by Bill Bennett and Mario Cuomo—the group that coordinates efforts with the drug czar and produces most of the Government's antidrug ads, does not support this amendment.

Bill Bennett and Mario Cuomo don't agree on much, and when they do we should take notice and listen.

Second, passing the amendment and adding underage drinking to the problems the drug czar has to tackle will just distract him from his principal focus—as Senator DORGAN said—the war on illegal drugs.

As Senator DORGAN, the ranking member on the subcommittee, pointed out last night, the drug czar's resources are already stretched to the limit.

Adding underage drinking to the drug czar's portfolio would only stretch his resources even further, and force him to take on another tough fight. I don't think that's what we want.

In fact, we know the Federal Government is already spending hundreds of millions of dollars through the various agencies to fight underage drinking, and the evidence shows we are making progress.

Over the past 10 years, the Substance Abuse and Mental Health Administration reports that excessive drinking by underage kids has dropped significantly.

The Centers for Disease Control agrees. They report that underage drinking has dropped by more than 50 percent over the past two decades. A study by the National Institute on Drug Abuse on drinking among high school students reports similar progress.

Unfortunately, the evidence from the war on drugs is not as good. Over the past 5 years, the Department of Health and Human Services reports that illegal drug use has increased for high school kids.

We are turning the tide against underage drinking. What now is the compelling reason to involve the drug czar's office? He already has his hands full with the war on illegal drugs.

As I said earlier, it's an idea that sounds good at first, but I don't think anyone has laid out a compelling justification for it.

Mr. President, I applaud Senator LAUTENBERG for his fight against underage drinking. It is a fight, as is the war on illegal drugs, that we have to win. But I think he has taken the wrong approach on this amendment. It sounds like a solution in search of a problem. Let's keep fighting underage drinking with the tools we now have in place. They are working. I urge my colleagues to vote against the Lautenberg amendment.

I yield back my time.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, others have said it probably better than I can, but what is really at stake is whether we are going to dramatically diminish, if not gut, the war on drugs.

The junior Senator from Kentucky has outlined the progress made on the teenage drinking front in the last 20 years, and it is, indeed, significant. No one argues with any of the observations that have been made by Senator BYRD and Senator LAUTENBERG, and others, about the devastating nature of the problem of teenage drinking, although it is encouraging that progress is being made.

The industry itself advertises against underage drinking extensively. The alcohol industry has spent $100 million over the last 8 years, and the beer industry has spent $250 million over the last 10 years, for a total of $350 million, in their own financed effort to get at the problem of teenage drinking, which is a horrendous problem. But as Senator BUNNING has pointed out, it is a problem upon which we have made significant progress.

What is before us today with the Lautenberg amendment is whether we are going to gut the war on drugs. Regretfully, since President Clinton came to office, teenage drug use in this country has gone up 46 percent. We are going backwards in the war on drugs. While it may be an unintended consequence of what Senator LAUTENBERG is seeking to achieve today, the practical effect of this amendment is to gut the advertising campaign designed to go after teenage drug use, as Senator DORGAN has pointed out.

Let's have no misunderstandings; nobody is in favor of teenage drinking. Nobody thinks that we should not do more about this problem. However, the issue before us is: Are we going to gut the advertising effort in the war on drugs?

The National Youth Antidrug Media campaign is underway. This amendment, according to drug czar Barry McCaffrey, would undermine that. The Partnership for a Drug Free America, which is the nonprofit group that works with General McCaffrey to run this antidrug campaign, opposes this amendment.

General McCaffrey said just 3 weeks ago that proposals such as this amendment "could dilute the focus of the successful media campaign advertising effort to change attitudes of youth and parents toward illegal drug use." He also said, "An anti-underage drinking message to youth is largely a separate and distinct message from the antidrug message, requiring a significantly different strategic approach based on scientific and behavioral knowledge."

So what we are doing is mixing up apples and oranges. A campaign, designed, properly researched, and underway, to deal with youth drug abuse would be diverted in an entirely different direction by the Lautenberg amendment.

Others have referred to the letters from Mario Cuomo, Bill Bennett, and Jim Burke, the cochairs of the Partnership for a Drug-Free America. They oppose the Lautenberg amendment. Obviously, it is not because they are in favor of teenage drinking, but they don't want to gut the effort to have an effective antidrug campaign among America's young people.

Chairman Burke, of the Partnership for a Drug-free America, said: "We don't believe . . . an effective campaign targeting underage drinking can be carved out of the current appropriation for the National Youth Antidrug Media Campaign.

He went on:

> I can tell you that forcing the campaign to address underage drinking (something it was not originally designed to do) will seriously jeopardize the success of this effort.

He is referring to their effort to deal with teenage drug use, which, remember, is going up while teenage drinking is going down.

Cochairman Mario Cuomo, former Governor of New York, said this amendment "threatens the success of one media campaign by creating another that simply cannot and will not work given the current limitations."

Governor Cuomo also said that "this type of program will require hundreds of millions more dollars—if not billions—to be effective."

Governor Cuomo's cochairman, Bill Bennett, said:

> Advocates are wrong to suggest that this enormous problem of teenage drinking can be addressed effectively within the current appropriation for the antidrug campaign. We read this amendment as the beginning of the end of the antidrug campaign.

Mr. President, we don't need to end the antidrug campaign. Drug use is going up; drug use among high school seniors has gone up 46 percent since 1992. It needs to be addressed. That is what this appropriation is for. Certainly, a program to address underage drinking, which all three of the men I have just quoted would tell us, would have to be of a tremendous size. That is an activity Congress would need to analyze carefully before embarking on.

I know that there are probably many Senators who are thinking that if they oppose the Lautenberg amendment, it is going to be very difficult to explain in a campaign contest. Let me say this. What would be even more difficult to explain, it seems to me, is a vote that would gut the effort to combat drug use in this country—teenage drug use in particular—which is on the increase. That is what this appropriation is designed to try to impact.

So if we are going to address teenage drinking, let's not do it at the expense of the war on drugs. The war on drugs has not been very effectively fought in the last few years. I am not here to cast any particular aspersions against anybody for that, but it is a cold, hard reality that teenage drug use has gone up 46 percent since 1992 in this country. It was previously tracking down. We need to get back on track and address this youth drug use. That is what the original appropriation was designed to do.

I hope we will resist the temptation to gut the war on drugs so that we can pursue it effectively. As evidence, we have the testimony of Jim Burke, Mario Cuomo, and Bill Bennett.

I ask that the record include copies of a letter from Bill Bennett of the Partnership for a Drug-Free America, opposing the Lautenberg amendment; a letter from Mario Cuomo of the Partnership for a Drug-Free America, opposing the Lautenberg amendment; and a statement of Richard D. Bonnette, President and CEO of the Partnership for a Drug-Free America, opposing the amendment, along with a press release from the Office of National Drug Control Policy.

I ask unanimous consent that those be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PARTNERSHIP FOR A
DRUG-FREE AMERICA,
Washington, DC, June 24, 1999.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: An amendment has been introduced in the House of Representatives that threatens the success of the National Youth Anti-Drug Media Campaign, currently being coordinated by the Office of National Drug-Control Policy and the Partnership for a Drug-Free America. This amendment, now part of the Treasury & General Government Appropriations Bill, mandates the inclusion of alcohol-related messages in the National Youth Anti-Drug Media Campaign. As former Director of ONCDP in the Bush administration and as co-chairman of the Partnership, I write to urge you to oppose any similar provision that may be offered in your Appropriations Committee markup of the Treasury and General Government Appropriations Bill.

Representative Royal-Allard and Representative Wolf, who introduced this amendment in the House are correct in their convictions about underage drinking. But advocates are wrong to suggest that this enormous problem can be addressed effectively within the current appropriation for the anti-drug campaign. Advocates of the amendment say it is simply designed to give Gen. McCaffrey statutory jurisdiction to address alcohol within the context of this campaign. We read this amendment as the beginning of the end of the anti-drug campaign.

If you wish to combat underage drinking, I urge you to support the development of a mass media campaign specifically targeting this issue through a separate appropriation. The marketing experts who comprise the Partnership believe it will take hundreds of millions of dollars to conduct a campaign designed to dissuade teenagers from drinking. The Partnership offers its assistance in this pursuit. But many things need to fall into place first—research, market-testing, and hundreds of millions in funding to do this correctly.

Should a version of the Roybal-Allard/Wolf amendment surface in the Senate, please help us keep the National Youth Anti-Drug Media Campaign on track and focused. Please oppose any effort to require this campaign to do more than it was originally designed to do. As you may know, the Partnership receives no part of the federal money dedicated to the anti-drug campaign. The Partnership donates all its advertising to this federally-backed effort for free.

Sincerely,

WILLIAM J. BENNETT.

PARTNERSHIP FOR A
DRUG-FREE AMERICA,
New York, NY, June 23, 1999.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: An amendment has been introduced in the House of Representatives that threatens the success of the National Youth Anti-Drug Media Campaign, currently being coordinated by the Office of National Drug-Control Policy and the Partnership for a Drug-Free America. This amendment, now part of the Treasury & General Government Appropriations Bill, mandates the inclusion of alcohol-related messages in the National Youth Anti-Drug Media Campaign.

If Congress wishes to support developing a national advertising campaign targeting underage drinking, we stand ready to support you be offering the assistance of our entire organization. We do not believe, however, an effective campaign targeting underage drinking can be carved out of the current appropriation for the National Youth Anti-Drug Media Campaign.

As the former chairman and CEO of Johnson & Johnson and someone who has spent his entire career in marketing, I can tell you that forcing the campaign to address underage drinking (something that it was not originally designed to do) will seriously jeopardize the success of this effort. To undertake such an effort, extensive consumer-based research would be needed to determine effective advertising strategies. No such research exists. Additionally, to really change attitudes about alcohol, this type of effort would have to compete head-to-head with the billions spent to market alcohol products and, therefore, require significantly more funding.

Shaving money out of the National Youth Anti-Drug Media Campaign will not accomplish this. We do not question the rightness of addressing underage drinking. Our concerns focus on what we can and cannot accomplish with the current appropriation. We question the wisdom of seriously risking—and perhaps killing—the effectiveness of one media campaign to create another that simply cannot and will not work, given current limitations. Should a similar amendment be proposed in the Senate, I respectfully ask you to keep the anti-drug campaign focused on what it was designed to target: illegal, illicit drugs.

Sincerely,

JAMES E. BURKE.

PARTNERSHIP FOR A
DRUG-FREE AMERICA,
New York, NY, June 23, 1999.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: As you may know, the Partnership for a Drug-Free America—a non-profit coalition of professionals from the communications industry—has for the past 12 years demonstrated a remarkable expertise in the production of anti-drug advertising and the execution of a national anti-drug media campaign. The Partnership is currently donating all of its advertising to the National Youth Anti-Drug Media Campaign, being coordinated by the Office of National Drug Control Policy. The Partnership also provides ongoing strategic advice to the campaign, and receives no federal funds as part of this program.

The House Appropriations Committee will soon mark up its Treasury & General Government Appropriations Bill. An amendment has been added to this bill authorizing the inclusion of alcohol-related messages in the anti-drug campaign. As the Partnership has demonstrated, advertising can be used to address teenage drug use. Backed by the proper research, advertising could also be used to address underage drinking. But please understand this: We cannot target both effectively within the current appropriation.

The alcohol industry spends billions each year on marketing and promotion. As it stands, $185 million is authorized to fund the anti-drug campaign. Of this less than $150 million is actually being spent on the purchase of media exposure for the campaign. If the Congress is interested in developing an effective campaign to address underage drinking, the Partnership stands ready to work with any and all concerned organizations and government agencies to see it through. But please understand that this type of program will require hundreds of millions more dollars—if not billions—to be effective.

Unless the House plans to increase funding significantly for the anti-drug campaign, the Partnership has urged members to vote to strip the Roybal-Allard/Wolf Amendment from the anti-drug media campaign appropriation. The amendment threatens the success of one media campaign by creating another that simply cannot and will not work, given current limitations. A fact sheet on the Partnership and our position on this amendment are attached for your convenience. If any similar provision is offered in your Appropriations Committee markup of the Treasury and General Government Appropriations Bill, I encourage you keep the anti-drug campaign focused by opposing any such measure, unless significantly more funds are appropriated.

Sincerely yours,

MARIO M. CUOMO.

PARTNERSHIP FOR A DRUG-FREE AMERICA CO-CHAIRMAN

Mr. James E. Burke, Chairman Emeritus, Johnson & Johnson, Chairman, Partnership for a Drug-Free America, 405 Lexington Avenue, 16th Floor, New York, NY 10174, 212/973-3514, 212/697-1031 (Fax).

Governor Mario M. Cuomo, Former Governor, New York, Partner, Wilkie, Farr & Gallagher, 787 Seventh Avenue, New York, NY 10019-6099, 212/728-8260, 212/728-8111 (Fax).

Dr. William J. Bennett, Former Director, Office of National Drug Control Policy (Bush administration), Former Secretary of Education, US Department of Education (Reagan administration), Co-Director, Empower America, 1776 I Street, N.W., Suite 890, Washington, DC 20036, 202/452-8200, 202/833-0556 (fax).

STATEMENT OF RICHARD D. BONNETTE, PRESIDENT & CEO, PARTNERSHIP FOR A DRUG-FREE AMERICA ON THE ROYBAL-ALLARD/WOLF AMENDMENT

NEW YORK, June 7th—We whole-heartedly support the concept of developing a national advertising campaign targeting underage drinking. Alcohol abuse is a huge problem in America, and plays an undeniable role in substance abuse among children and teenagers. As the Partnership has demonstrated, advertising can be used to address teenage drug use. Backed by the proper research, advertising could also be used to address underage drinking. But it is simply not possible to target both effectively within the current appropriation for the National Youth Anti-Drug Media Campaign.

I base this perspective on more than 30 years in the advertising business, and 10 years of experience with the Partnership for a Drug-Free America. The Partnership is a coalition of communications professionals from advertising, marketing, public relations and related disciplines. This judgment does not question the relevance of targeting underage drinking. It questions the wisdom of seriously risking—and perhaps killing—the effectiveness of one media campaign to create another that simply cannot and will not work, given current limitations.

Our overriding concern about the Roybal-Allard/Wolf amendment is that it will reduce the overall media exposure for the anti-drug campaign. The alcohol industry spends at least $1 billion each year on marketing and promotion; the National Youth Anti-Drug Media Campaign is funded at $195 million. Of this, less than $150 million is backing the advertising campaign. Clearly, an alcohol-abuse advertising campaign would require significantly more money to compete with the marketing muscle of the alcohol industry. From a sheer marketing perspective, the chances of such a campaign having an impact within the context of the current appropriation are very, very slim.

The Partnership stands ready to support the development of a national advertising campaign on underage drinking. We have more than a decade's worth of experience in running a consumer-focused media campaign designed to change attitudes on drugs. We will help any and all groups interested in this type of campaign in every way we can. This type of campaign, however, must be done correctly.

The first step of any solid marketing effort is thorough research. We have 11 years of experience in the marketplace and 12 years of research on consumer attitudes about illegal drugs. While one could assume this model could work for alcohol abuse, extensive consumer-focused research would be needed to guide the development and execution of such a program. Currently, this type of research does not exist. The development and literature review backing the National Youth Anti-Drug Media Campaign took more than 18 months. To insert an amendment requiring alcohol abuse be addressed, without the same thorough approach taken in the development of the anti-drug media campaign, ignores the fundamental need for research.

Children and teenagers have different attitudes about different drugs—marijuana, cocaine, inhalants, methamphetamine, heroin and other illegal drugs. Kids of different ages, races and genders view these drugs differently. Attitudes about certain drugs also vary by region in the country. We have no similar consumer insights into what kids think about alcohol—beer, liquor, malt liquor, etc.—and how these attitudes may differ by alcohol brand, by age of kids, race, etc.

Marketing to reduce alcohol abuse would be more difficult than marketing against illegal drugs. Alcohol, unlike illicit drugs, is legal. While not impossible to accomplish, changing attitudes about alcohol would be very challenging, given its widespread cultural acceptance and use (responsible and otherwise) of alcohol products. Alcohol use is widely glamorized in movies, television and music. Alcohol use is deeply ingrained in our culture—ritualized and commonplace.

We respect the opinions and passion of our colleagues working to reduce alcohol abuse. We do not have any ties with the beer and/or alcohol trade organizations opposing this amendment; we do not accept funding from the alcohol and/or tobacco industries. We are concerned about this amendment solely because it could significantly diminish the impact of the anti-drug campaign.

The National Youth Anti-Drug Media Campaign is being coordinated by the Office of National Drug Control Policy in cooperation with the Partnership for a Drug-Free America (PDFA). PDFA provides advertising to the campaign pro bono and receives no federal funding for its role in this effort. The amendment seeks inclusion of anti-alcohol ads in this campaign, which is using federal funds to purchase media exposure for anti-drug advertising.

FACT SHEET

The Partnership for a Drug-Free America is a non-profit coalition of professionals from the communications industry, whose mission is to reduce demand for illegal drugs in America. Through its national anti-drug advertising campaign and other forms of media communication, the Partnership works to decrease demand for drugs by changing societal attitudes which support, tolerate, or condone drug use.

The Partnership is comprised of a small staff and hundreds of volunteers from the communications industry, who create and disseminate the Partnership's work. Advertising agencies create Partnership messages pro bono; research firms donate information services; talent unions permit their members to work for free; production professionals bring Partnership messages to life; a network of advertising professionals distribute the group's work to national and local media; public relations firms lend services to various Partnership projects; and media companies donate valuable broadcast time and print space to deliver Partnership messages to millions of Americans.

To date, more than 500 anti-drug ads have been created by our volunteers. From March 1987 through the end of 1998, the total value of broadcast time and print space donated to Partnership messages topped $3 billion, making this the largest public service media campaign in history. The Partnership receives major funding from The Robert Wood Johnson Foundation and support from more than 200 corporations and companies. PDFA accepts no funding from manufacturers of alcohol and/or tobacco products. The organization began in 1986 with seed money provided by the American Association of Advertising Agencies.

Research demonstrates that the Partnership's national advertising campaign has played a contributing role in reducing overall drug use in America. Independent studies and expert interpretation of drug trends support its effectiveness. The New York Times has described the Partnership as "one of the most effective drug education groups in the U.S."

Drastic changes in the media industry over the past decade have led to an overall decline in media exposure of public service advertising. This is one factor contributing to the Partnership's decision to participate in the National Youth Anti-Drug Media Campaign, coordinated by the Office of National Drug Control Policy in cooperation with PDFA. Through the leadership of Gen. Barry McCaffrey, director of the White House Office of National Drug Control Policy, and the commitment of numerous, outstanding members of Congress, a total of $380 million has been appropriated by Congress for this effort to date ($195 million in FY '98, $185 million in FY '99). The bulk of this money is being used to pay for the one thing that has eluded our campaign in recent years—consistent, optimal, national media exposure. PDFA receives no funding for its role in this campaign. The organization donates all advertising to the effort pro bono and serves as a primary strategic consultant (unpaid.)

In addition to its work on a national level, the Partnership has helped create 54 state- and city-based versions of its national advertising campaign through its State/City Alliance Program. Working with state/city governments and locally-based drug prevention organizations, the Partnership provides at no cost—the guidance, on-site technical assistance and creative materials necessary to shape a multimedia campaign tailored to the needs and activities within the state or city. Several additional alliances are targeted for launch, which will expand the program's reach to 98 percent of the U.S.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG CONTROL POLICY,

Washington, DC.

ASSESSMENT OF THE POTENTIAL INCLUSION OF ANTI-UNDERAGE-DRINKING ADVERTISING IN THE ONDCP CAMPAIGN

An anti-underage drinking message to youth is largely a separate and distinct message from the anti-drug message, requiring a significantly different strategic approach based on scientific and behavioral knowledge. If we were to be asked to communicate an additional anti-underage-drinking message platform with the current media budget, we would fall below effective reach and frequency levels for all message platforms, thus risking the success of the entire campaign.

An anti-underage drinking message to youth would also require separate production, and this would incur a considerable investment ($3-$4 million).

An anti-underage drinking message to adults might more easily be incorporated in a strategic message focusing on encouraging good parenting, and the important role of youth influencers, in shapping positive behavior among youth. Ideally, of course, a separate effort targeting adults would be more effective.

While incremental advertising funds would absolutely be required to successfully mount an anti-underage drinking campaign, it would not be necessary to double the overall ONDCP advertising budget if the adult efforts are combined. Since the youth campaign represents about half of the campaign, the ideal incremental budget would be approximately $100 million. This would include some funds for such needed expenditures as additional production, new behavior change expertise, and limited copy testing, tracking and evaluation. We would seek every possible efficiency between the anti-drug and anti-underage-drinking campaigns from a creative and media perspective (e.g., limiting the target to older teens).

If incremental funds are unavailable at this time, please be aware that the current campaign already includes a substantial percentage of anti-underage-drinking messages (e.g., MADD, DOT, OSAP, etc.). This proportion could be augmented, though this would obviously diminish other PSA efforts. The "match" airtime devoted to this advertising is every bit as good as that secured for the paid anti-drug units.

ISSUE PAPER

Inclusion of alcohol in the National Youth Anti-Drug Media Campaign

Using appropriated funds to include an alcohol or tobacco component in the paid portion of the ONDCP National Youth Anti-drug Media Campaign, within existing budgets, would significantly dilute the campaign's emphasis on illicit drugs, the primary intent of Congress and the Clinton Administration in establishing this program.

The Media Campaign already addresses alcohol in several key areas.

When ONDCP purchases time on network or local television and/or radio stations, a condition of the media buy is a dollar-for-dollar contribution to ONDCP from the media outlet in the form of public service. Most comes in the form of donated public service slots in similar time periods, which ONDCP shares with other organizations that have drug-related messages (PSAs). The Media campaign is already using underage-drinking and drunk driving public service announcements in its pro bono component. From July 1998 through January 1999 (the period for which data is available), about 15% of the television public service time given to the Media Campaign has been shared with four organizations involved with underage drinking and drunk driving (They are: National Council on Alcoholism and Drug Dependence, Mothers Against Drunk Driving (MADD), Recording Artists, Athletes and Actors Against Drunk Driving, and the Dept. of Transportation). These 20 PSAs were electronically coded and reports are generated to identify and track when and where each massage is played. Computerized tracking reports indicate these massages have played over 7,000 times on local and network television, which is conservatively valued at $8,000,000 in media time. ONDCP does not count any time donated in the middle of the night (1 a.m. to 5 a.m.) All of these PSAs were aired during appropriate time slots.

In addition, the Partnership for a Drug Free America has 53 State and local alliances 15 of which support programs that include alcohol messages as public service announcements. These messages include underaged drinking, binge drinking, prenatal alcohol use, parental modeling, and other subjects that appear on television, radio, on billboards, on posters, and in print PDFA estimates that the total value of media time donated for these messages is approximately $7,000,000.

ONDCP's media match also comes in the form of television programming. At least four national network television programs have focused on youth-alcohol related issues. For example, on May 16, the entire episode of WB's Smart Guy will concentrate on underage drinking. ONDCP's behavioral change experts have worked closely with the writers and producers of this program to ensure key message strategies were incorporated.

Much of the campaign's communications strategy to reach parents regarding youth drug are appropriate to reaching parents regarding underage drinking (knowing where your children are, who their friends are, establishing rules and values, etc.).

Substantial and costly changes in the communications strategy would be required. The existing campaign strategy was developed over an eight-month period in an expert driven process. The strategy emphasizes specific message platforms, techniques, and activities to address illicit drugs. Adding alcohol to the strategy would mean a substantial departure from current strategy, and would require additional time and research for development. For example, ads would need to be developed to address laws on underage drinking, issues of access to alcohol (point of sale), etc. This would dilute and delay the overall impact of the anti-drug ads by reducing their reach and frequency. Professional advertising and research staff have already alerted ONDCP that we may have too many strategic messages for the level of funds available. The addition of alcohol ads would further complicate efforts and delay the campaign from reaching its planned potential and strength.

Development of alcohol messages would place new, unanticipated requirements on our existing partners, require substantial time for production (behavioral briefs, focus groups and testing) and create additional expense. The Campaign was developed based on the Congressional expectation that all the messages used would be produced on a pro bono basis, primarily through the Partnership for a Drug Free America, whose agencies provide their creative work free of charge. PDFA does not produce national messages on alcohol use/abuse; thus, we would required to pay for development costs through an advertising agency (and no funding allocation exists for this). The costs and contractual effort required to undertake this would be substantial. Further it would undermine a principle upon which the campaign was based—the pro bono development of advertising messages.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG CONTROL POLICY,
Washington, DC, June 7, 1999.

MCCAFFREY SAYS INCLUSION OF UNRESEARCHED AND UNDER FUNDED ALCOHOL ADS IN YOUTH ANTI-DRUG MEDIA CAMPAIGN WOULD BE ILL-ADVISED

WASHINGTON, DC.—White House National Policy Director Barry McCaffrey today said that proposals to include alcohol prevention in the paid portion of the ongoing National Youth Anti-Drug Media Campaign "could dilute the focus of the successful media campaign advertising effort to change attitudes of youth and parents toward illegal drug abuse."

McCaffrey stated, "We share a concern about the terribly serious problem of underage alcohol use. We do not disagree with the desirability of a media campaign targeted against underage drinking. However, it would be a serious mistake to simply add alcohol messages to the ONDCP paid media campaign without significantly increasing the funding level. Behavioral scientists and youth and advertising experts advise us that our campaign will only be effective if we purchase a sufficient level of media exposure for each of our messages. The addition of paid alcohol ads—without new funds, staff and research—would only hamper the effectiveness of our campaign.

A commercial advertiser would not add a new product line to an advertising plan without increasing the advertising budget. We cannot simply add new alcohol messages without seriously endangering the effectiveness of the anti-drug youth campaign. There are several challenges that would make an anti-alcohol campaign an expensive proposition. Although at the initiation of the National Youth Anti-Drug Media Campaign there was a stockpile of illicit drug ads, there are very few ads currently available on underage drinking. We would need to develop and produce expensive new ads. Additionally, since alcohol is legal for adults, an effective anti-alcohol campaign would need an entirely different strategy than our existing media campaign, which has as its focus illegal substances.

When ONDCP purchases time on national or local media, we negotiate to achieve a dollar-for-dollar matching contribution. Most of this contribution comes in the form of donated public service announcement slots in similar time periods. ONDCP then passes these PSA opportunities to organizations that have anti-drug messages. From July 1998 through January 1999, roughly 15% of television public service time given to the ONDCP Media Campaign was shared with four organizations confronting underage drinking and drunk driving (National Council on Alcoholism and Drug Dependence, Mothers Against Drunk Driving, Recording Artists, Athletes and Actors Against Drunk Driving, and the Department of Transportation). These messages have played over 7000 times on local and network television, which is conservatively valued at $8 million. In this concrete way, we have already generated the largest youth anti-alcohol media campaign in history. ONDCP has also used the match part of the campaign to urge networks to include anti-alcohol messages in entertainment programming. For example, the entire episode of WB's Smart Guy that aired on May 16 concentrated on underage drinking."

We are now entering the second year of an increasingly successful youth anti-drug media campaign. Alcohol and tobacco use are clearly a major threat to the health and safety of our children. However, now is not the time to lose focus on the start of a massive, well designed and successful effort to reverse the disastrous increase in illegal drug use by Amedican adolescents."

Mr. McCONNELL. Mr. President, let us get on about the business of fighting teenage drug abuse. I urge my colleagues to support the motion to table.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, my colleague from Ohio is going to speak. I will give him 4 minutes to make his remarks.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. I thank my friend.

Mr. President, I rise in strong support of the Lautenberg amendment.

This is a commonsense amendment.

What are the essential facts? The essential facts are that underage drinking is a huge problem in this country. If you are worried about your child dying, this is a good place to start.

Statistics are absolutely unbelievable. The life expectancy of those between the age of 16 and 24 or 25 is not good. One of the main reasons it is not good is underage drinking. Most of the fatalities are connected with underage drinking.

Let me also state some other essential facts.

Advertising works. We all know it works. We know it works on campaigns. Where does the majority of the money that we raise for our campaigns go? It goes to advertising. Advertising is how we communicate with people. We know it works.

If we are serious about dealing with this problem, then we need to spend the money and we need to do the advertising.

One of the statistics that has been cited on this floor is very telling. It goes back to my question. If you are serious about this problem, if you are serious about protecting your kids, what do you do?

Here is one statistic. One study indicates that underage abuse of alcohol certainly has serious consequences. According to the Pacific Institute for Research and Evaluation, underage drinking killed an estimated 6,350 young people between the age of 12 to 20. That was for the year 1994. All other illicit drugs killed 980 youth.

If these statistics are true—based on my experience as county prosecutor and someone who has been involved in this issue for many years, I think it is true—alcohol kills six times as many children than all other illicit drugs combined.

This is a very modest proposal because it does not compel the drug czar to spend money. What it simply says is that the drug czar spend some of the money that they have that has been set aside for advertising. They can, in fact, spend it on this horrendous problem.

All you have to do to see this problem is to go to the hospital and talk to an emergency room physician. Ask an emergency room physician how often alcohol is related to what they see. They will tell you that on any Friday night, or any Saturday night, it dominates the emergencies: that the vast majority of the emergencies they see, particularly the serious ones, are alcohol related.

This is a leading killer of our young people. To say that we are not going to use this money that is available for advertising, which we know is effective, for this horrendous problem, frankly, makes absolutely no sense.

I appeal to my colleagues. While reasonable minds can differ—and I think my colleagues on the other side of this issue have made some very interesting and some good arguments—I believe that the statistics clearly indicate that alcohol is the drug of choice among young people.

For those who are underage, alcohol is the drug of choice. It is the most serious drug in this country, and it is also a gateway drug, which simply means it is the drug that most young people start with; and then they "advance" to other drugs.

To be able to mount a successful and a good advertising campaign—to take the words from the amendment, the message of "discouraging underage alcohol consumption," that is what this amendment would allow.

I urge my colleagues to allow this permissive use of the money. I believe it will save lives. I believe it is the right thing to do.

Mr. LAUTENBERG. Mr. President, what time remains?

The PRESIDING OFFICER. The Senator from New Jersey has 11 minutes 1 second. The Senator from Colorado has 15 minutes 39 seconds.

Mr. CAMPBELL. Mr. President, I think we have no further speakers on the issue on our side. We are prepared to yield back the time, unless someone shows up in the next minute or two.

Mr. LAUTENBERG. Mr. President, I think that we can move to conclude this debate. I will take just a couple of minutes. Unless there are further Members who want to speak, I will then yield back the time.

This is one of those debates that I really do not enjoy because the friends who are opposing this are not people who are against what we want to do. They are not against eliminating underage drinking—not at all. What we are arguing about is somewhat about process.

Frankly, though, we are on the same side of the issue. But I see them as having an argument that I can't buy, and I don't think the American people will buy. We are saying let's preserve as much of the $1 billion that we have to fight drugs through the media campaign, plus all of the other money spent on fighting drugs, even though we are not doing it quite successfully.

But we ought to be looking more critically at how we deal with the drug problem. We are building more jails. We are penalizing those in institutions and jails, or in other facilities of incarceration, who are not drug addicts. We are spending billions of dollars. And we don't put alcoholics in jail. We don't punish them. We don't stigmatize them the same way we do drug users.

But I point out that alcohol kills six times more children ages 12 to 20 than all other illegal drugs combined.

What does that say? Does that say that the children who die from alcohol are worth less to us as a society than those who die from illegal drugs? I don't think that is the message that we want to convey.

There is a $1 billion anti-drug media campaign. That $1 billion, in light of this surplus, could grow. But because the drug czar does not even have the authority, he cannot issue messages about underage drinking. There is something wrong with that. Why can't an ad that shows a picture of a degenerated adult brain from drug use say that also happens from alcohol?

In many cases, we see violence from alcohol that does not always kill. But it enrages people and causes fights. Alcohol is the product largely responsible for spousal abuse and internal family fights. Alcohol does it every time.

We have 4 million alcoholics between the ages of 13 and 20—4 million. That is a lot of young people. Yet, we are not waging the same war against alcohol as we are against drugs.

By the way, in the message that we heard from the distinguished senior Senator from Kentucky, he mentioned outstanding citizens, Jim Burke and Mario Cuomo, as people who are on the other side. But that doesn't mean that they are right in this fight. I disagree with them and have great respect for both of them. I know them personally.

The fact of the matter is, when we don't mention that alcohol is a scourge, as are illegal drugs, then it is assumed to be by young people something not so bad. We know it is terrible: Six times more fatal to young people than all of the illegal drugs combined.

What keeps the message from getting out there? I don't know that there is anybody lobbying for illegal drugs. But I know that there are people lobbying to keep this anti-alcohol message away from children. When I see the Budweiser lizards talking on television, it is a pretty attractive picture. But it is not a lot different from Joe Camel attracting kids to smoking. Young people laugh. They like those commercials. I know it goes right from the television into young people's minds.

Those commercials make people think, "Beer is cool." But it is not cool when it is a 13-, 14-, or 15-year-old kid. As they say, a child who starts drinking at age 13 has a 47-percent chance of becoming an alcoholic. Those who wait until age 21 have only a 10-percent chance.

Why don't we respond to this epidemic? We can talk about programs that can make a difference, but we are not. But we are spending $1 billion on an anti-drug campaign. Yes, there has been a cutback, but I see that being restored. If those funds grow, the drug czar can't add alcohol to the campaign, because he doesn't have the authority. This amendment gives him the authority. It doesn't tell him how to do it. It says tell young people out there, you hurt your brain, you hurt your family, you hurt your society, and you hurt yourself if you use alcohol.

The law is age 21. I wrote that law against terrific opposition in 1984. It was a Republican President. President Reagan was President, and Elizabeth Dole was the then-Secretary of Transportation. We worked together to get it done because they saw alcohol as a scourge.

I hope we are not put off by the argument that you can't do two things at the same time: "No to drugs" on one side of the screen; "no to alcohol" on the other side of the screen. I don't think that hurts anybody, and it could help somebody. That is the issue.

I hate to disagree with some of my friends who have taken the other side. I know they feel the problem deeply. I think they have chosen to dismiss an opportunity that I think is the only one that exists for us. We will not have an anti-alcohol program. Can you see trying to get that through this place with all of the friends of the alcohol industry? There is not a chance.

This is the time to do it. We ought to step up and vote the right way. Give the drug czar an opportunity to say no to alcohol, as well as to drugs.

I ask unanimous consent that a series of editorials be printed in the RECORD, including one from the New York Times, as well as a list of over 80 responsible organizations—many of them religious, a lot of them social—who are on our side of the issue, as well as the Surgeon General's letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 2, 1999]

THE ANTI-DRUG CAMPAIGN'S MISSING LINK

Gen. Barry McCaffrey, President Clinton's director of national drug policy, has declared flatly that under-age drinking is the single biggest drug problem among adolescents, and is intimately linked to the use of illegal drugs. But as things stand now, the $195 million national media campaign that General McCaffrey is running this year to dissuade youngsters from using illicit drugs will not spend a penny in Federal funds to warn teenagers about the dangers of drinking.

The White House's Office of National Drug Control Policy offers two reasons for not including alcohol in the anti-drug campaign. the first is that it would dilute the basic message, which is that kids should avoid illegal drugs. That is strange reasoning, given the solid evidence showing that teen-age drinking is often a gateway to illicit drug use. Indeed, the first goal of the White House's national drug strategy is to "educate and enable America's youth to reject illegal drugs as well as alcohol and tobacco." It also notes that adults who started drinking as children are nearly eight times more likely to use cocaine than adults who did not do so.

The second reason is that Mr. McCaffrey believes that the statute granting his office authority to combat controlled substances leaves him no room to target alcohol. That rigid interpretation is open to question. In any case, the statutory problem can be quickly remedied by legislations. Representatives Lucille Roybal-Allard, Democrat of California, and Frank Wolf, Republic of Virginia, have introduced a measure that would explicitly give General McCaffrey the authority to include under-age drinking among the campaign's targets.

Ms. Allard and Mr. Wolf have lined up powerful support from groups like the American Medical Association. The National Beer Wholesalers' Association opposes the measure, as does the Partnership for a Drug-Free America, a nonprofit coalition of advertising firms that has been working on the campaign. The Partnership argues that an anti-alcohol message would dilute the anti-drug message, but some of the Partnership's members earn lucrative fees for promoting alcohol products.

The measure, an amendment to an appropriations bill, deserves support. If warning about the dangers of excessive drinking is not statutorily part of General McCaffrey's job, it ought to be.

[From The Washington Post, June 18, 1999]

BEER LOBBY AT WORK

If beer lobbyists have their way in Congress, an expensive taxpayer-funded campaign against youth drug use—$1 billion over five years for a prime-time advertising blitz—will go through Congress without a penny to combat the No. 1 drug choice among young people. In the eyes of the National Beer Wholesalers Association—the group responsible for killing legislation last year to toughen drunk-driving standards—alcohol doesn't count when it comes to warning kids about illegal drug use.

Karalyn Nunnallee, national president of Mothers Against Drunk Driving, points out that alcohol kills six times more young people in this country than all illicit drugs combined "and is the primary gateway drug for other illicit drug use." Yet the campaign conducted by Gen. Barry McCaffrey, President Clinton's director of national drug policy, in cooperation with the Partnership for a Drug-Free America, has excluded any references to alcohol. The partnership, a nonprofit, non-federally funded, non-industry-supported coalition of advertising firms, favors a separate campaign against drinking by kids. It argues that anti-alcohol messages would inevitably dilute the focus on "culturally" very different drugs.

Still, an anti-drug campaign that can't mention alcohol—or binge drinking, a serious problem across America—is flawed. Reps. Lucille Roybal-Allard of California and Frank Wolf of Virginia are sponsoring an amendment before the House Appropriations Committee that would free Gen. McCaffrey of this restriction. Their point is not to detract from anti-drug messages but to add to their effectiveness by reflecting reality. Taxpayer dollars ought not be spent by the hundreds of millions to talk about drugs but to remain mute on the danger of illegal alcohol use by kids.

[From the Chicago Tribune, June 4, 1999]

SAY 'NO' TO UNDERAGE DRINKING, TOO

States uniformly ban the sale of alcoholic beverages to minors because they are not considered mature enough to drink responsibly and safely.

That bit of wisdom seems to have been lost on Congress, which by sleight of hand banned the federal government from mentioning alcohol in a $195 million anti-drug media blitz aimed at kids.

A two-word phrase deep in the legislation establishing the White House's Office of National Drug Control Policy—the so-called "drug czar"—limits its activities to "controlled substances." Liquor is not one, and so the federal government can't spend a nickel to warn kids about alcohol's potential dangers.

A bill introduced this month by U.S. Rep. Lucille Roybal-Allard (D–Calif.) would correct that and allow the drug czar to include alcohol warnings in anti-drug messages to children. It's a sensible amendment, reflecting national concerns about underage drinking, and it ought to be approved.

Leading the crusade against the Roybal-Allard bill is the National Beer Wholesalers' Association, whose tiresome refrain is that liquor is a legal product and the federal government has no business criticizing it in any forum.

Nonsense. Alcohol sales to minors are not legal, and the dangers of alcohol abuse by adolescents are universally recognized. "It's the biggest drug abuse problem for adolescents, and it's linked to the use of other, illegal drugs," said drug czar Barry McCaffrey at a Feb. 8 news conference.

Among other research, a 1998 University of Michigan study reported that 74 percent of high school seniors had already tried alcohol—about twice as many as had smoked marijuana—and nearly a third admitted getting drunk during the previous month.

Still, a spokesman for the drug czar's office argues that adding ". . . and alcohol" to the federal ad campaign for kids would muddle its anti-drug message.

That's an inane distinction. Alcohol, in the hands of children or teens, is a dangerous drug they should be warned about. It's sufficiently dangerous in fact, that if more money is needed to broaden the federal media blitz, Congress should provide it.

Honesty has to be the trademark of a campaign against substance abuse, particularly one aimed at kids. Playing phony games with the definition of "dangerous substance" undermines the credibility of the effort and also its effectiveness.

[From the Los Angeles Times, June 16, 1999]

BOOZE AND ITS BACKERS

Federal drug czar Barry R. McCaffrey has launched a $1-billion media campaign to dissuade youngsters from substance abuse. Not a penny, however, will address the substance that today's teenagers are abusing the most: alcohol.

With youth consumption on the rise since the early 1990s, even McCaffrey acknowledges that alcohol leads to more teenage deaths than other drugs combined. Nevertheless, he insists that including alcohol in the campaign would only dilute its basic message, that kids should avoid illegal drugs.

That's hard to swallow, given federal studies showing that 67% of children who start drinking alcohol before age 15 end up using illicit drugs. And that adults who started drinking as children are nearly eight times more likely to use cocaine than those who did not.

That's why the House Appropriations Committee should pass an amendment by Rep. Lucille Roybal-Allard (D–Los Angeles), requiring McCaffrey to include underage drinking in his campaign's targets.

Ideally, the government would not be spending any money at all to reach the American people on TV and radio: Broadcasters promised in 1996 to offer more free public-service spots, just before Congress gave them, without cost, a portion of the supposedly public airwaves that would have fetched $70 billion on the open market. Given that McCaffrey's money has already been allocated, however, Congress' focus should be on how he can spend it wisely.

The people scrambling to defeat Roybal-Allard's amendment are unable to offer any sound reason why alcohol should be excluded from McCaffrey's campaign. But they do have a clear stake in opposing the amendment. Leading the charge against it is Rep. Anne M. Northrup (R–Ky.). She received nearly twice as much campaign money from the alcoholic beverage industry in 1997 and 1998 as any of her colleagues on the House Appropriations Committee. At her side is a coalition of advertising firms, called the Partnership for a Drug-Free America, that have benefited handsomely from the $1 billion the alcohol industry spent last year on promotions.

On Thursday, the executives of those firms will meet at the annual American Advertising Conference in Washington. In a valid illustration of the capital's incestuous world, the opening speaker will be Gen. Barry McCaffrey.

[From the Christian Science Monitor, June 4, 1999]

The Monitor's View—Don't Soft-Pedal Alcohol

The United States government will spend $195 million this year to persuade young Americans to avoid addictive drugs. Is there any good reason why some of that money should not be used to point out the dangers of the substance most abused by the young—alcohol?

A couple of members of Congress thought not. That's why they put forward legislation to give the country's chief antidrug official, Barry McCaffrey, the authority to use some of the advertising money available to the White House Office of National Drug Control Policy to steer kids away from beer, wine, and liquor.

But these matters are not so clear-cut as they seem—or as they ought to be. No sooner has Reps. Lucille Roybal-Allard (D) of California and Frank Wolf (R) of Virginia offered their amendment than a political-defense mechanism lurched into action. Alcoholic beverages have a powerful lobby on Capitol Hill, and their producers and distributors contribute faithfully to campaign war chests.

Opposition to the amendment is coalescing in Congress around the argument that including alcohol would dilute or distort the antidrug message. How so, since alcohol destroys more young lives than any other drug, and people who use "hard" drugs typically have tried alcohol first? Binge drinking, threatening order and individual lives, has become an increasing problem on college campuses.

No, what's kicking in is "Big Alcohol's" political clout and America's ambivalence about its most popular over-the-counter addictive drug, which is relentlessly pitched to the young via TV beer ads. Sadly, McCaffrey's office is ambivalent, hardly leaping to support the amendment Leaving alcohol out of the antidrug campaign creates a gap in common sense and effectiveness. Representatives Roybal-Allard and Wolf get high marks for working to fill it.

[From the Record, June 7, 1999]

Overlooked Type of Abuse—Far More Youngsters Drink Than Use Drugs

Common sense doesn't always win in Congress. How else can you explain some of the reactions to an amendment directing the Federal Government to spend some of its anti-drug advertising dollars to discourage underage drinking? Unless, of course, campaign contributions are a factor.

Many people believe that underage drinking is a far more serious problem than drug use by youngsters. And there's evidence to support their view. For example, nearly three-quarters of the high school seniors surveyed by the University of Michigan last year said they had consumed alcohol in the previous year, compared with the 38 percent who reported smoking marijuana. A third admitted to being drunk in the previous month.

Gen. Barry McCaffrey, director of federal drug policy, has called underage drinking the "biggest drug abuse problem for adolescents." He has said it is "linked to the use of other, illegal drugs."

Yet while the federal government this year plans to spend $195 million on a national media campaign to fight the use of illicit drugs, no money has been set aside for an advertising campaign to combat underage drinking.

Earlier this month, Lucille Roybal-Allard, a California Democrat, introduced legislation to make underage drinking a target of the federal anti-drug media campaign. Her measure is supported by the American Medical Association, the American Public Health Association, the American Society of Addictive Medicine, and Mothers against Drunk Driving.

But several members of Congress and the beer wholesalers oppose it. Even the White House's Office of National Drug Control Policy has questioned it.

Why? The beer industry says it already spends hundreds of thousands of dollars to combat the problem. It says the drug czar should focus only on illicit drugs. Rep. Anne Northrup, R–KY, agrees and has promised to fight the measure when it comes up for a vote. Ms. Northup says her opposition has nothing to do with the nearly $40,000 in contributions she has gotten from liquor and beer interests in the past two years.

The Partnership for a Drug-Free America, the coalition that coordinates the anti-drug media campaign, says it supports the concept of targeting underage drinking. But it says federal efforts would be dwarfed by the $3 billion a year the beer industry spends promoting its products. The Partnership says $195 million is not enough to do two effective campaigns, and that one good campaign is preferable to two weak ones.

Maybe, but it's hard to see how targeting underage drinking would dilute the message against drugs. If the two are connected—as Mr. McCaffrey says—discouraging youths from drinking might also prevent some from using drugs.

[From The Boston Globe, June 22, 1999]

Beer Pressure

The same lobby that killed a proposal last year to standardize blood alcohol levels for drunken driving is now trying to keep underage drinking out of a youth education campaign sponsored by the nation's drug czar, General Barry McCaffrey.

The National Beer Wholesalers Association opposes the inclusion of underage drinking in the $195 million media campaign, claiming that alcohol is a legal substance and should not be lumped with marijuana, cocaine, and other illegal drugs. But drinking under age 21 is illegal in every state, and alcohol abuse is far more common than any other drug among young people.

General McCaffrey himself has said alcohol is "the biggest drug abuse problem for adolescents." But his office has been strangely circumspect about adding underage drinking to the campaign, saying the drug czar's charter limits his mandate to fighting controlled substances. This is why Congress should favor an amendment sponsored by Representatives Frank Wolf of Virginia, a Republican, and Lucille Roybal-Allard of California, a Democrat, that authorizes McCaffrey to include underage drinking in the education campaign.

The alcohol lobby is terrified of being regulated like that other legal killer, cigarettes, with warning labels on beer cans and limits on marketing to teenagers. It points to its voluntary public service ads that urge responsible drinking. But the alcohol industry spends nearly $3 billion a year on marketing and promotion. Against that backdrop, "responsibility" needs all the help it can get.

The facts about underage drinking are sobering. The National Highway Traffic Safety Administration reports 16,100 alcohol-related fatalities in 1997—one person killed every 32 minutes. Intoxication rates were highest for the youngest drivers. Although the universal drinking age of 21 has helped reduce fatalities, motor vehicle crashes remain the number one cause of death for teenagers.

June—prom season—is the month when most of these tragic deaths occur. It would be a good month for Congress to do something about it.

Statement of Organizations Supporting Inclusion of Anti-Underage Drinking Messages in the Youth Anti-Drug Media Campaign

An effective antidrug prevention program directed at America's young people must include a significant effort to discourage underage drinking. Alcohol is the leading drug problem among young people in America, and a "gateway" to the use of other drugs.

We therefore call on Members of Congress and the White House Office of National Drug Control Policy (ONDCP) to work together to insure that a series of underage drinking prevention messages is included as a substantial part of the federally paid portion of the "Anti-Drug Youth Media Campaign."

NATIONAL ORGANIZATIONS

Adventist Health Network
American Academy of Addiction Psychiatry
American Academy of Pediatrics
American College of Nurse-Midwives
American College of Preventive Medicine
American Dance Therapy Association
American Health and Temperance Association
American Medical Association
American Medical Student Association
American Medical Women's Association
American Public Health Association
American School Health Association
American Society of Addiction Medicine
Center for Science in the Public Interest
Child Welfare League of America
Church of Jesus Christ of Latter Day Saints
Consumer Coalition for Health and Safety
Consumer Federation of America
Face Truth and Clarity on Alcohol
Join Together
Latino Coalition on Alcohol and Tobacco
The Marin Institute
Mothers Against Drunk Driving
National Alliance of Pupil Service Organizations
National Association of Addiction Treatment Providers

National Association of Evangelicals
National Association for Public Health Policy
National Association of State Alcohol and Drug Abuse Counselors
National Association on Alcohol, Drugs, and Disability
National Crime Prevention Council
National Council on Alcoholism and Drug Dependence
National Drug Prevention League
National Families in Action
The National Road Safety Foundation
National Woman's Christian Temperance Union
Partnership for Recovery:
The Betty Ford Center
Caron Foundation
Hazelden Foundation
Valley Hope Association
Security on Campus
Service Employees International Union (AFL–CIO)
Seventh-day Adventist Church of North America
Southern Baptist Ethics and Religious Liberty Commission
United Methodist Church, Board of Church & Society
Youth Power (formerly: Just Say No, International)

STATE AND LOCAL ORGANIZATIONS

AGC/United Learning (Evanston, ILL)
Alabama Council on Substance Abuse
Alcohol Research Information Service (MI)
Alcohol Services, Inc. (Syracuse, NY)
Break Free Outpatient, Inc. (Hollywood, FL)
'Cause Children Count Coalition (Washington, DC)
Charlotte-Mecklenburg [NC] Drug and Alcohol Fighting Back Project
Christian Citizens of Arkansas
Communities that Care—Somerset County (PA)
Dauphin County Regional Alcohol/Drug Awareness Resources (PA)
Florida Association of Alcohol and Drug Abuse Counselors
Georgia Alcohol Policy Partnership (GAPP)
Hillsborough County Community Anti-Drug Coalition (Tampa, FL)
Indiana Coalition to Reduce Underage Drinking
Institute for Health Advocacy (San Diego, CA)
Illinois Churches in Action
Lake County (FLA) Citizens Committee for Alcohol Health Warnings
Lancaster County Drug and Alcohol Commission (PA)
Lebanon County Drug & Alcohol Prevention Program (PA)
Los Angeles County Commission on Alcoholism
Maryland Underage Drinking Prevention Coalition
National Capitol Area Coalition to Prevent Underage Drinking (DC)
Network of Alabama Prevention Professionals
New Haven Fighting Back
Newark Fighting Back Partnership, Inc.
New Visitors/Mercy Hall Chemical Dependency Program (Johnstown, PA)
PAR, Inc. (Pinellas Park, Florida)
Pennsylvanians Against Underage Drinking
Pennsylvania Council on Alcohol Problems
Pennsylvania Prevention Director's Association
Perry (County) Human Services (PA)
Phase: Piggy Back, Inc. (New York)
PRIDE—Omaha
Somerset County Department of Human Services (PA)
St. Vincent College Prevention Projects (Latrobe, PA)
TODAY, Inc. (Vensalem, PA)
Vallejo Fighting Back Partnership (CA)
The Village (Miami, FL)
Youth As Resources (Somerset County, PA)

Department of Health and Human Services, Assistant Secretary for Health and Surgeon General,
Washington, DC, June 11, 1999.

Hon. Barry F. McCaffrey,
Director Office of National Drug Control Policy, Executive Office of the President, Washington, DC.

Dear General McCaffrey: I congratulate you for your excellent work in developing the national anti-drug media campaign and demonstrating such strong leadership in support of our nation's youth. I am confident that the effectiveness of this program as a means of educating and motivating children and their families will be enhanced by a greater commitment to the problem of underage drinking. Thus, I want to recommend that you include advertisements addressing underage drinking in the paid portion of ONDCP's media campaign.

Alcohol is the drug most frequently used by American teenagers. It is consumed more frequently than all other illicit drugs combined and is the drug most likely to be associated with injury or death. Alcohol is a drug that can affect judgement, coordination and long-term health. It is involved in teen automobile crashes, homicides, and suicides; the three leading causes of teen deaths. No comprehensive drug control strategy for youth can be complete without the full inclusion of underage alcohol use and abuse.

The National Household Survey on Drug Abuse reports that there are 11 million drinkers between the ages of 12 and 20. Over fifty percent of high school seniors report having been drunk in the past year. Among 12–17 year olds, less than half perceive great harm in consuming five or more drinks once or twice a week. In light of the prevalence of underage drinking, it is little surprise that alcohol consumption by youth so often results in risky behaviors which lead to unplanned pregnancies, sexually transmitted diseases, involvement with law enforcement, and worst of all, death and the death of others. These are the immediate impacts on society and do not include the even more costly, long term impact of alcohol abuse or dependence on individual health and the state of families.

A recent study from the National Institute of Alcohol Abuse and Alcoholism sheds even greater light on the implications of these figures. Youth who begin drinking before the age of 15 are four times as likely to become alcoholic as those who wait until age 21 or later to begin drinking. This research also indicates that every year of delayed drinking onset will result in a significant reduction in risk for alcohol abuse or alcoholism. Underage drinking is a shadow that threatens the health, safety and adolescence of our nation's youth.

We should utilize a public health media campaign to send youth and their families messages which will educate them about the health and social consequences of underage drinking. Through the ONDCP strategy, we can utilize this effective medium for altering youth attitudes about underage drinking and for supporting community-based prevention activities that will help young people adopt lifestyles that eschew the use of alcohol and other drugs. The evidence of need is overwhelming.

I stand ready to work with you to develop a powerful media campaign that will effectively deglamourize underage drinking. I have established a Surgeon General's Staff Working Group to bring together the resources of the Department to create an effective campaign to curtail the incidence of underage and binge drinking. This campaign will be successful only if it can receive the national dissemination available through a paid media campaign. It is time to more effectively address the drug that children and teens tell us is their greatest concern and the drug we know is most likely to result in their injury or death.

Sincerely yours,
David Satcher, M.D., Ph.D.
Assistant Secretary for Health and Surgeon General.

Mr. KERREY. Mr. President, I want to explain my opposition to the Lautenberg amendment giving ONDCP's National Youth Anti-Drug Media Campaign jurisdiction to include underage alcohol consumption for the purposes of the media campaign. Like all my colleagues, I have seen the results of underage drinking, and I deplore them. Young lives should not be wasted, and I challenge the White House and my colleagues to continue to take action to curb this problem.

However, I do not believe this amendment is the correct way to solve the underage drinking crisis. The Youth Anti-Drug Media Campaign is not the right vehicle for anti-alcohol messages. The Office of National Drug Control Policy fights the war on drugs, not alcohol. I agree with Drug Czar Barry McCaffrey that there is an important distinction between illegal drugs and alcohol, which is a legal substance. Additionally, simply adding anti-alcohol messages to the ONDCP's Youth Anti-Drug Media Campaign without appropriating more funds for this purpose will dilute the anti-drug efforts. Resources which are badly needed to fight drugs will be rerouted to fight underage drinking. I cannot support a bill which chooses to fight alcohol at the expense of illegal drugs.

I have supported in the past, and will continue to support, programs that discourage underage drinking. In fact, I want to applaud the efforts of alcohol distributers, who have initiated many of these important programs.

Let us find a different way to take action against underage alcohol consumption that does not compromise our actions against the use of illegal drugs.

Mr. LAUTENBERG. Mr. President, I yield the remaining 2 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The distinguished Senator from Iowa.

Mr. HARKIN. Mr. President, I am pleased to cosponsor this amendment offered by the distinguished Senator from New Jersey. I compliment him on his foresight for bringing this amendment up.

We will have a 5-year media campaign, with $1 billion targeted at youth so they don't get into drugs and start taking drugs. The drug czar himself, General McCaffrey, said that alcohol is the gateway drug. Mr. President, 42 percent of Iowa teens seeking substance abuse treatment in 1998 were being treated for alcohol addiction; three out of five teens have had an alcoholic drink in the last month.

We have a 5-year, $1 billion ad campaign to tell teens don't take cocaine, don't take meth, don't smoke marijuana, and we are not going to say anything about beer and alcohol? These are the first drugs these kids take.

That is what the Senator from New Jersey is saying. Let's require in this package of ads over 5 years that they also target drinking by kids.

I understand that the amendment is supported by Mothers Against Drunk Driving, the National Association of State Alcohol and Drug Abuse Counselors, and the National Association of Alcohol, Drugs, and Disability.

It is time we took teen drinking seriously. I heard that the National Beer Wholesalers Association is opposed to the amendment. If I am wrong, someone please correct me. It is this association that has always said they are against teen drinking. If they are against teen drinking, why would they be opposed to this amendment to put ads out showing teens what happens if they drink?

Eight young people every day die in alcohol-related car crashes. It is time to stop this epidemic.

Mr. CAMPBELL. How much time remains?

The PRESIDING OFFICER. Fifteen minutes 33 seconds.

Mr. CAMPBELL. I yield to the Senator from Kentucky.

Mr. McCONNELL. Let me reiterate that the practical effect of the Lautenberg amendment is to gut the effort to reduce teenage drug use.

I wouldn't argue with a single thing that any of our colleagues has said about the importance of combating teenage drinking. Everybody thinks it is important to combat teenage drinking. Fortunately, over the past 20 years teenager drinking has gone down. However, according to a highly respected University of Michigan study, teenage drug use has gone up 46 percent since 1992.

We should let this effort to combat teenage drug use, which is dramatically on the increase, go forward. On another day in another contest, let's pursue an effort to deal with teenage drinking.

This amendment, regretfully, would gut a very important campaign to combat teenage drug use. That is not me speaking. That is Mario Cuomo and Bill Bennett, chairman of the Partnership for a Drug-Free America, who oppose this amendment, which is not to say that either one of those men is in favor of teenage drinking.

Let's keep this antidrug effort intact and let what we hope will be an effective advertising campaign go forward.

I thank Senator CAMPBELL for yielding time to me.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me make just a couple of concluding comments, again reiterating I am really quite uncomfortable in the position of opposing Senator LAUTENBERG. But I do not think this is a forced choice of the type he suggests we make; I do not think this is a choice that we ought to be required to make. One might at some point put together a program, which I would fully support, to say let us do $1 billion advertising in 5 years, targeted to Americans, especially America's kids, dealing with alcohol abuse. I would support that. Then one would say, perhaps, coming to the floor of the Senate: This program you have dealing with alcohol abuse, why doesn't it include drugs? Or, Why doesn't it include addiction to smoking cigarettes? I would support that as well.

But we ought to do them as programs we can measure and evaluate. The program we are talking about now is a program dealing with drugs. It is 3 years into the program. People say: Why doesn't it include alcohol? Let's do a program on alcohol. I will support that.

The story I told earlier, about going to the Oak Hill Detention Center and seeing these young children, kids on drugs who were convicted of violent crimes, do you know the other thing about their stories? In every case, they were 12 or 13 years old and they were addicted to drugs, selling drugs, shooting people, committing armed robbery, being involved in violent crimes; and the other common denominator in every single case was they had parents addicted to drugs. They came from homes, often with only a single parent, in which that parent was addicted to drugs, died at a young age, and was an abusive parent because of being addicted to drugs. There is a common denominator.

This program is a program designed to say to America's youth, through drug education by television commercials: Don't do drugs. We know television advertising works. We all use it. Hundreds of billions of dollars a year are spent on television ads to convince people to listen to certain kinds of music, wear certain kinds of jeans, to buy certain kinds of food. We know it works. I think it will work with respect to this issue of drugs as well.

We are 3 years into the program. I will support gladly, and with great excitement, a program on alcohol. I have supported every initiative dealing with alcohol abuse and drunk driving in this Senate. I will support it as well dealing with the addiction to cigarettes. The targeting of alcohol and cigarettes, both legal products, to this country's youth, is unforgivable.

But this is a separate issue. We have a campaign underway. It is 3 years in progress. It is designed very deliberately to change the understanding and the culture dealing with drugs. I think it has a chance of working. So let us do that. We had to cut it $50 million this year alone just on this issue. Let us allow this to work. At another time I will be happy to join my colleague from New Jersey and others in designing an identical program dealing with alcohol abuse.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Senator DORGAN and I find ourselves in a strange debate indeed, because I think we as much as anyone in this body want to reduce teenage drinking. All of us have had personal tragedies in our families. As I say, as a former deputy sheriff and as a volunteer prison counselor, I know all the horror stories. We know a lot of them today. I don't deny any of them. I am sure they have created terrible problems in families and in society, too. But I think we are missing the point I tried to make a while ago. It is not whether we want to reduce teenage drinking. We all do. It is whether this is the right vehicle; and it is not.

I mentioned a while ago that ONDCP does not have statutory authority. If we are going to add statutory authority and just bypass the legislative part of this body, why don't we do away with the legislative part of this body and just do all legislation in appropriations bills?

I would join my friend from New Jersey if he wanted to introduce a bill to add alcohol to the ONDCP's agenda. That would be fine with me, to add more money to it, too. I would be a cosponsor. I will be more than willing to fight the battle with him to make sure we reduce teenage drinking in any kind of ad campaign that would be effective. I hope we will do that, too. But I believe this is the wrong vehicle for it. We ought to do it through the authorizing committees.

Mr. DORGAN. Mr. President, if the Senator from Colorado will yield, let me make one final observation. He mentions the issue of alcohol. He comes from a particular perspective, being a Native American.

I want to tell him just about two people, and I will do it in 30 seconds. I toured a hospital one day. He talks about fetal alcohol syndrome. A young Native American woman had just given birth to a baby. The woman was an alcoholic. The baby was born with a .21 blood-alcohol content, a young baby born dead drunk. This woman, having had a third baby, wanted nothing to do with that child, didn't want to see that child. That child will probably have fetal alcohol syndrome.

But I was down at a hospital not far from this building and I saw babies born from crack-addicted mothers, and I saw babies born drug addicted, addicted to hard drugs. The doctors told me what those babies are like as they try to shed this addiction, being born of mothers who had taken drugs during this pregnancy.

We have problems in all of these areas. I do not deny that. But this program deals with drugs. I think it has a chance of working. I hope we can allow that to happen with this vote.

Mr. CAMPBELL. I thank the Senator for those eloquent comments.

Mr. President, I ask unanimous consent that after the first vote, there be 2 minutes equally divided in the usual form between the remaining votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I see no further speakers. I yield the remaining time, and I move to table the Lautenberg amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1214. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCAIN (when his name was called). Present.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The result was announced—yeas 58, nays 40, as follows:

[Rollcall Vote No. 194 Leg.]

YEAS—58

Abraham
Allard
Ashcroft
Baucus
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
Domenici
Dorgan
Enzi
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Hutchinson
Inhofe
Jeffords
Kerrey
Kyl
Lincoln
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Robb
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NAYS—40

Akaka
Bayh
Biden
Bingaman
Boxer
Bryan
Byrd
Cleland
DeWine
Dodd
Durbin
Edwards
Feingold
Feinstein
Harkin
Helms
Hollings
Hutchison
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moynihan
Murray
Reed
Reid
Rockefeller
Roth
Sarbanes
Schumer
Specter
Stevens
Wellstone
Wyden

ANSWERED "PRESENT"—1

McCain

NOT VOTING—1

Inouye

The motion was agreed to.

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, there are 2 minutes of debate before a motion to table the amendment of the Senator from Arizona, Mr. KYL. Who yields time?

The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I ask unanimous consent to vitiate my motion to table the Kyl-Hutchison amendment No. 1195. During the break we were able to finalize some language for the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the time prior to the motion to table amendment No. 1200 by Senator DEWINE be limited to 45 minutes, to be equally divided in the usual form, and no other amendments be in order to the amendment prior to the motion to table the vote.

The PRESIDING OFFICER. Without objection, the request is agreed to.

The question is on the amendment by the Senator from Colorado, Mr. KYL.

Mr. CAMPBELL. We have reached agreement, but we don't have the modification printed.

The PRESIDING OFFICER. Does the Senator ask that the amendment be laid aside?

Mr. CAMPBELL. Yes, I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF LAWRENCE H. SUMMERS, OF MARYLAND, TO BE SECRETARY OF THE TREASURY

The PRESIDING OFFICER. Under the previous order, the Senate will now vote on the nomination of Lawrence H. Summers to be Secretary of the Treasury. There will be 2 minutes evenly divided on that nomination. Who yields time?

Mr. MOYNIHAN. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I thank the Chair.

This is a fine moment for the Senate. We are here to confirm Mr. Lawrence Summers as Secretary of the Treasury of the United States. He has had a fine career in Government. He was on the staff of the Council of Economic Advisers under President Reagan. He was Under Secretary for International Affairs of the U.S. Treasury under Secretary Lloyd Bentsen, our former colleague. Since 1995, he has been Deputy Secretary of the U.S. Treasury. If my revered colleague and chairman were present at this moment, he would want to point out that his nomination was reported out from the Finance Committee unanimously.

The PRESIDING OFFICER. Who yields time? Who holds the time on the majority side?

If not, by unanimous consent, all time is yielded back. The question is, Will the Senate advise and consent to the nomination of Lawrence H. Summers, of Maryland, to be Secretary of the Treasury? On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 195 Ex.]

YEAS—97

Abraham
Akaka
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—2

Allard
Smith (NH)

NOT VOTING—1

Inouye

The nomination was confirmed.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the Chair. I yield the floor.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS, 2000—Continued

Mr. LOTT. Mr. President, is there going to be a modification to the Kyl amendment before we go to the Y2K liability?

Mr. CAMPBELL. Mr. President, we have an agreement on that, if Senator KYL is ready.

AMENDMENT NO. 1195, AS MODIFIED

Mr. KYL. I have a modification of amendment No. 1195. I note for the record that this modification is cosponsored by Senators FEINSTEIN, MCCAIN, ABRAHAM, GRAHAM, GRAMM, DOMENICI, and GRASSLEY, along with Senator HUTCHISON and myself.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona (Mr. KYL), for himself, and Senators HUTCHISON, FEINSTEIN, MCCAIN, ABRAHAM, GRAHAM, GRAMM, DOMENICI, and GRASSLEY, proposes an amendment numbered 1195, as modified.

The amendment (No. 1195), as modified, is as follows:

SEC. 119. *Provided further*, That the Customs Service Commissioner shall utilize $50 million to hire 500 new Customs inspectors, agents, appropriate equipment and intelligence support within the funds available under the Customs Service headings in the bill, in addition to funds provided to the Customs Service under the FY99 Emergency Drug Supplemental.

At the appropriate place, at the end of Title I, insert the following on page 38, after line 5 insert the following:

Mr. GRASSLEY. Mr. President, I want to thank the chairman and committee for their willingness to work with Senators KYL, HUTCHISON, me, and others to include in the Treasury appropriations bill to hire 500 more inspectors and agents, along with appropriate intelligence support and equipment. It is my understanding, in addition, that if there is a difference between the House and Senate bills in this regard that the Committee will do what it can in conference to ensure that the funding for these increases will be found outside of the Customs budget.

Mr. CAMPBELL. I thank my colleague from Iowa. The committee has faced a lot of tough decisions in this bill and I appreciate my colleagues' flexibility. The Senator is correct. I will do what I can in conference to support the additional funding for Customs increased by this amendment, and to try to identify appropriate sources of funding outside the U.S. Customs Service budget.

The PRESIDING OFFICER. Is there further debate or discussion on the amendment?

Mr. CAMPBELL. Mr. President, the majority supports the amendment.

Mr. DORGAN. Mr. President, we have reviewed the amendment and the modification, and we have no objection to it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1195), as modified, was agreed to.

Mrs. HUTCHISON. Mr. President, I just wanted to say that this is a very important amendment. We will have 500 more Customs agents for our drug control. I think that it is very important that we were able to make this a priority.

I appreciate Senator DORGAN and Senator CAMPBELL working with us.

The PRESIDING OFFICER. The majority leader.

CONDITIONAL ADJOURNMENT OR RECESS OF CONGRESS

Mr. LOTT. Mr. President, I send a concurrent resolution to the desk calling for the conditional adjournment of Congress. I ask that the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 43) providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered. The concurrent resolution is agreed to.

The concurrent resolution (S. Con. Res. 43) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, July 1, 1999, Friday, July 2, 1999, or Saturday, July 3, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, July 12, 1999, or until such time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, July 1, 1999, or Friday, July 2, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 12:30 p.m. on Monday, July 12, 1999, for morning-hour debate, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Majority Leader of the Senate and the Majority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that after the DeWine amendment, which comes after Y2K is dispensed with, I be able to bring my amendment to the floor.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Y2K ACT—CONFERENCE REPORT

Mr. MCCAIN. Mr. President, I ask unanimous consent to lay aside the pending business and turn to the conference report to accompany H.R. 775.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 775), to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of June 29, 1999.)

The PRESIDING OFFICER. Under the previous order, debate on the conference report is limited in the following manner:

The Senator from Arizona, Mr. MCCAIN, 20 minutes;

The Senator from Connecticut, Mr. DODD, 15 minutes;

The Senator from Oregon, Mr. WYDEN, 15 minutes;

The Senator from Vermont, Mr. LEAHY, 10 minutes;

The Senator from South Carolina, Mr. HOLLINGS, 50 minutes.

Immediately following that debate, the Senate will proceed to a vote on the adoption of the conference report with no other intervening action or debate.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, I don't intend to use all of my time. I intend to yield 5 minutes to the Senator from Washington. I have talked to other Members who have time under this agreement. For the benefit of my colleagues, I think we will not use all of the time as outlined in the unanimous-consent agreement.

I am pleased to urge the final passage of the conference report on H.R. 775. This has been a long and arduous process. While there have been times when the bill appeared to be moving slowly, or even dying, I was always confident we would do the right thing and pass this final bill.

We are now ready to enact this critical legislation. For the benefit of my colleagues, the House has just passed the conference report by a vote of 404-24. This is a victory for the Nation and for the continued prosperity of our economy as we enter the new millennium.

This is a critical piece of legislation. It allows all of our businesses and industries, large and small, hitech and non-hitech, to concentrate their efforts for the next 6 months on preventing Y2K problems from happening, and planning remediation measures. Rather than spending time, resources and money planning litigation defenses, we can be focusing on the means for fixing the problems.

This legislation strikes a very fair and practical balance in protecting the economy and protecting the rights of consumers. And very importantly, I want to note, it addresses needs and problems of small businesses, as well as large.

I would like to dispel any misconceptions or misinformation that there was any underhandedness in the final negotiation and drafting of revisions to this bill. Despite attempts to address Administration concerns last week with revisions and compromises that were made Friday, over the weekend, and on Monday, final negotiations and proposals by the White House were made on Tuesday morning, as we pressed against the deadline for completion of the conference report. Final revisions and drafting were made with every effort and good faith intention to respond to the generalized requests of the White House. Challenges to the integrity, professionalism and honor of the conferees and staff are unwarranted. This is a fair bill that reflects a bipartisan compromise.

Perhaps the recent vote just a few minutes ago in the House might indicate that is an overwhelming view in the other body. I am sure the vote in the Senate will also indicate overwhelming support for this legislation.

During the conference, the Senate and the House proponents of the legislation agreed to at least 10 substantive changes to the bill. These significant compromises were in addition to 10 or more major concessions made in the Senate from the time it was passed by the committee until its passage on the floor. These revisions and compromises have resulted in a more narrowly tailored piece of legislation but one that will still accomplish everything we set out to accomplish when the bill was introduced in January.

We know the provisions of the bill:

The 30-day notice and 60-day remediation period allows prompt resolution of problems without time-consuming and expensive litigation

It provides that defendants are responsible for the share of harm they cause, with some exceptions to ensure that consumers are made whole.

It requires plaintiffs to mitigate damages.

It penalizes defendants who intentionally defraud or injure plaintiffs; or who are bad actors.

It provides liability protection for those not directly involved in a Y2K failure.

It assures that someone will not lose his house if a mortgage payment cannot be made or processed because of a Y2K failure.

It sunsets in three years.

It does not deny the right of anyone to redress legitimate grievances.

This legislation will encourage an atmosphere of cooperation in solving problems, rather than rushing to the courthouse. Emphasizing the need to talk out and resolve differences rather than litigating them will be helpful not only in the Y2K situation, but I hope will move us away from the litigious nature of our country today.

I am especially pleased at the level of bipartisan and bicameral cooperation in bringing this legislation to fruition. This legislation demonstrated the true ability of both parties and both bodies of Congress to work together for the good of the country. The efforts on both sides of the aisle and both sides of the Capitol to achieve consensus have been tireless. This conference has truly been a civics class example of how Congress can rise above special interest demands to do the right thing in the public interest

Mr. President, there are many who have contributed to this effort, particularly during the conference with the House. I want to especially mention the steadfast support and efforts of both Senator DODD and WYDEN. They worked late into the night this week to negotiate with the White House and assure the President's support.

I thank my two colleagues, Senator DODD and Senator WYDEN. This bill passed the Commerce Committee 11–9 on a strict partisan vote. Thanks to the efforts of those two individuals, who have been tireless, we were able to not only work with the other side of the Capitol, but the White House. Senator WYDEN and Senator DODD have better relations with the White House than I do. That is no secret to anyone around here. The fact that they were able to work more closely with the White House than I ever could have was a significant and, frankly, critical part of this agreement that we made. I again extend my deep appreciation to them.

It did not win them the "Miss Congeniality" award in their own caucus—something I am familiar with on this side of the aisle.

My appreciation, as well as a certain amount of sympathy, goes out to them. In all seriousness, without their efforts we would not be here.

I also think they would join me in expressing appreciation to Congressman GOODLATTE and Congressman DAVIS on the other side. Congressman GOODLATTE and Congressman DAVIS started with a piece of legislation far more "restrictive"—if that is the right word—in the opinion of some, a lot better.

The fact is, they were willing to agree to the movement in the compromises that were made. They clearly could have held their ground and we couldn't have moved forward.

By the way, Congressmen GOODLATTE, DAVIS, and SENSENBRENNER were the originators of this legislation.

I also thank Senator GORTON, Senator FEINSTEIN, Senator HATCH, and Senator BENNETT.

It reminds me of the old line of Jack Kennedy after the Bay of Pigs: Victory has 1,000 fathers and defeat has 1 poor lonely orphan.

Along with that philosophy, I thank the staff members on both sides of the aisle and both sides of the Capitol: Carol Grunberg of Senator WYDEN's staff; Shawn Maher of Senator DODD's staff; Jeanne Bumpus of Senator GORTON's staff; Larry Block with Senator HATCH; Steven Wall on Senator LOTT's staff; Laurie Rubenstein with Senator LIEBERMAN; Tania Calhoun of the Y2K Committee; Diana Schacht of the House Judiciary Committee; Phil Kiko, of Congressman SENSENBRENNER's staff; Amy Herrink, of Congressman DAVIS staff; and Ben Kline of Congressman GOODLATTE's staff.

Finally, I thank the coalition that got behind this legislation. Their help was as broad as any coalition of businesses—large, small, and medium sized—I have seen in my experience here in the Senate.

I thank the National Association of Manufacturers, the Chambers of Commerce, and hi-tech groups, including ITAA, ITI, and BSA.

I ask unanimous consent a list of the year 2000 coalition members be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

YEAR 2000 COALITION MEMBERS LIST

Aerospace Industries Association.
Airconditioning & Refrigeration Institute.
Alaska High-Tech Business Council.
Alliance of American Insurers.
American Bankers Association.
American Bearing Manufacturers Association.
American Boiler Manufacturers Association.
American Council of Life Insurance.
American Electronics Association.
American Entrepreneurs for Economic Growth.
American Gas Association.
American Institute of Certified Public Accountants.
American Insurance Association.
American Iron & Steel Institute.
American Paper Machinery Association.
American Society of Employers.
American Textile Machinery Association.
American Tort Reform Association.
America's Community Bankers.
Arizona Association of Industries.
Arizona Software Association.
Associated Employers.
Associated Industries of Missouri.
Associated Oregon Industries, Inc.
Association of Manufacturing Technology.
Association of Management Consulting Firms.
BIFMA International.
Business and Industry Trade Association.
Business Council of Alabama.
Business Software Alliance.
Chemical Manufacturers Association.

Chemical Specialties Manufacturers Association.

Colorado Association of Commerce and Industry.

Colorado Software Association.

Compressed Gas Association.

Computing Technology Industry Association.

Connecticut Business & Industry Association, Inc.

Connecticut Technology Association.

Construction Industry Manufacturers Association.

Conveyor Equipment Manufacturers Association.

Copper & Brass Fabricators Council.

Copper Development Association, Inc.

Council of Industrial Boiler Owners.

Edison Electric Institute.

Employers Group.

Farm Equipment Manufacturers Association.

Flexible Packaging Association.

Food Distributors International.

Grocery Manufacturers of America.

Gypsum Association.

Health Industry Manufacturers Association.

Independent Community Bankers Association.

Indiana Information Technology Association.

Indiana Manufacturers Association, Inc.

Industrial Management Council.

Information Technology Association of America.

Information Technology Industry Council.

International Mass Retail Association.

International Sleep Products Association.

Interstate Natural Gas Association of America.

Investment Company Institute.

Iowa Association of Business & Industry.

Manufacturers Association of Mid-Eastern PA.

Manufacturer's Association of Northwest Pennsylvania.

Manufacturing Alliance of Connecticut, Inc.

Metal Treating Institute.

Mississippi Manufacturers Association.

Motor & Equipment Manufacturers Association.

National Association of Computer Consultant Business.

National Association of Convenience Stores.

National Association of Hosiery Manufacturers.

National Association of Independent Insurers.

National Association of Manufacturers.

National Association of Mutual Insurance Companies.

National Association of Wholesaler-Distributors.

National Electrical Manufacturers Association.

National Federation of Independent Business.

National Food Processors Association.

National Housewares Manufacturers Association.

National Marine Manufacturers Association.

National Retail Federation.

National Venture Capital Association.

North Carolina Electronic and Information Technology Association.

Technology New Jersey.

NPES, The Association of Suppliers of Printing, Publishing, and Converting Technologies.

Optical Industry Association.

Printing Industry of Illinois-Indiana Association.

Power Transmission Distributors Association.

Process Equipment Manufacturers Association.

Recreation Vehicle Industry Association.

Reinsurance Association of America.

Securities Industry Association.

Semiconductor Equipment and Materials International.

Semiconductor Industry Association.

Small Motors and Motion Association.

Software Association of Oregon.

Software & Information Industry Association.

South Carolina Chamber of Commerce.

Steel Manufacturers Association.

Telecommunications Industry Association.

The Chlorine Institute, Inc.

The Financial Services Roundtable.

The ServiceMaster Company.

Toy Manufacturers of America, Inc.

United States Chamber of Commerce.

Upstate New York Roundtable on Manufacturing.

Utah Information Technology Association.

Valve Manufacturers Association.

Washington Software Association.

West Virginia Manufactures Association.

Wisconsin Manufacturers & Commerce.

Mr. McCAIN. We could not have succeeded without them.

I do not intend to make further remarks except to reserve about 5 minutes of my time for the Senator from Washington. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Oregon.

Mr. WYDEN. Mr. President, it is a great honor to be on the floor today to express my special appreciation at being able to work with Senator McCAIN, Senator DODD, and so many of our colleagues on both sides of the aisle on this important legislation.

This bill is designed with one point and that is to make sure that America's prosperity does not screech to a halt when the calendar pages flip over to start a new millennium. I am of the view that with this bill, millions of consumers and businesses are more likely to be on line at the turn of the century than waiting in line for a courtroom date.

I am especially pleased at the bipartisan efforts to make sure the individual consumer was protected in this legislation. This legislation allows consumers to get punitive damages against the bad actors. It makes sure consumers cannot be ripped off with fraudulent misrepresentations. It greatly expands the opportunity for consumers to bring cases in State rather than Federal court. And the conference report ensures that the individual consumer doesn't get the shaft because they are going to be in a position to be made whole when you take the entire package of remedies that would be available to them.

I am going to focus for just a moment on the 20 major changes that were made in this legislation after it left the Senate Commerce Committee; seven of them Chairman McCAIN and I agreed on and one of them was a bottom-line proposition for me. The Senator from South Carolina, who is so eloquent with respect to the rights of plaintiffs in our country, was concerned, legitimately, about the long-term ramifications of this legislation. At my insistence, after the Senate Commerce Committee completed its work, Chairman McCAIN added a 3-year sunset provision to this legislation. So this is going to be a bill to deal with a finite, discrete problem, not something that is going to linger for decades and decades.

We also eliminated the vague Federal defenses that were involved early on. We dropped the preemptive standards for punitive damages. We made sure that bad actors were not going to get a free ride. We restored joint liability for defendants who knowingly committed fraud. There were extra damages for plaintiffs facing insolvent defendants and we restored limited liability for directors and officers. That is what we began with after it left the Senate Commerce Committee and why I was pleased to join with Chairman McCAIN.

Then Senator DODD, who is the Democrats' leader on these technology issues and who has given me, as a junior Member of this body, so much counsel, came along and made an additional set of important changes so as to particularly protect small businesses. We also went further with respect to officers and directors, and we made sure that plaintiffs were not going to face tougher evidentiary standards because of the good work done by the Senator from Connecticut.

Then we went to the conference committee and there were 10 major changes made to address concerns of the White House. In the area of proportionate liability, we doubled the orphan share for the solvent defendants, we tripled the orphan share for defendants when the plaintiffs were bad actors, and we assured that individual consumers facing insolvent defendants were made whole.

We made a number of changes in the class action area. We boosted the monetary threshold. In committee, when we began it was at $1 million. Now it is at $10 million. We boosted the class size from 50 to 100 plaintiffs. We also added provisions to make sure cases could be dealt with under remand provisions to assist the consumer.

Finally, there were changes in securities law to exempt private securities claims under this act, strong provisions with respect to contract enforcement. And to address a number of the important issues that our colleague from North Carolina has raised with respect to economic loss, we stipulated the economic loss rules would apply in a number of instances so as to give the consumer yet another tier of protection.

Our Nation needs a game plan for Y2K. This legislation is not going to solve all of the Y2K problems that crop up early in the next century. But what we will do by passing this legislation is ensure that we do not compound the problems we know are going to occur. We are doing it in a way that is going to ensure consumers are made whole, that bad actors face the stiffest of penalties, and at the same time we do not encourage mindless litigation that does nothing other than drain the vitality out of our economic prosperity.

I have believed for a long time that failure to pass legislation in this area would be similar to lobbing a monkey wrench into the Nation's technology engine which is driving our prosperity. This legislation gives us the opportunity to keep that prosperity going. I am very honored to have had the opportunity to be part of this effort.

I pay special thanks, in wrapping up my remarks, to my colleague, Senator DODD, the Democratic leader on these technology issues. A little bit after midnight on Monday—I guess that would be early Tuesday morning—this relatively young Senator was getting a little pooped and beginning to wonder how much longer I could keep going. The distinguished Senator from Connecticut said: This is not an option. We are going to stay at it until this legislation gets done. I say to my pal from Oregon, I am going to be talking to the President of the United States tonight.

I looked at my watch and I thought: Well, it is quarter to 1. This is going to be interesting, to learn a little bit more about this call. But in fact, as a result of the efforts of Senator DODD, the work that was done by Chairman MCCAIN and his staff and a variety of colleagues on both sides of the aisle in those early morning hours, on Tuesday we consummated the 20 major changes that were made in this legislation to ensure we had a bipartisan bill. So I have to tell you, this legislation, which was on the ropes early Tuesday morning with a lot of us thinking that it was going down for the count, now is a bill that our body can be proud of. It is a genuine compromise. I am not going to continue further because I know there are a number of colleagues who wish to speak as well. But I do want to pay tribute to a number of our staff who put in these extraordinary hours.

I see Marti Allbright and Mark Buse over there, with Chairman MCCAIN; Senator DODD's staff as well. Carol Grunberg, who is here with me, is sort of the Senate's Bionic Woman. She just kept going when it was so important to keep the parties together.

I am proud to be part of this effort. I look forward to what I hope will be a resounding vote in the Senate before too long. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Vermont.

Mr. LEAHY. Mr. President, how much time is reserved under the unanimous consent agreement for the Senator from Vermont?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. LEAHY. Mr. President, this conference report on the Y2K liability protection bill is being roundly praised, but not universally. Not universally. And it should not be. This bill is worse than the bill the Senate passed only a few weeks ago. The conference report provides expanded legal protections, especially at the expense of consumers, and I believe it raises serious constitutional questions. I do not support it because it is an unjustified wish list for special interests that are or might become involved in Y2K litigation.

The conference report greatly expands the scope of the Senate-passed bill by amending this act to apply to a potential Y2K failure. In fact, section 4 of the bill was amended during the conference to apply to the act's legal restrictions for a potential Y2K failure that could occur or has allegedly caused harm or injury before January 1, 2003. Let me ask, what is a potential Y2K failure? Nobody knows. I tell you this, over the next 4 years almost every lawsuit involving any technology issue could trigger the bill's special legal protections under this sweeping definition.

Once again, the majority is manipulating a key phrase to suit the wants of a special interest. The business lobby has inserted its own expanded definition of a Y2K action to broaden the scope of this bill. A House conferee observed when this expanded definition was first proposed last Thursday that it was an expansive definition that had been expressly rejected during House Judiciary Committee proceedings. It certainly was not accepted here. Lo and behold, like the "Lady of the Lake" rising, we find this comes out of the ether during the conference.

Not really even during the conference. In fact, that may be one reason the conference was never called to meet for a second time to go over the proposed conference report or to even vote on these matters, because it was easier to have matters not considered by the House or the Senate or the conference or voted on, but those that came from somewhere—not from us. But there they are.

In fact, after the first truncated meeting was adjourned and a possible follow up meeting was postponed Tuesday morning, the conference was never called back into public session to debate the proposal or even permit amendments to be offered and voted on. I predicted at the first and only preliminary meeting of the conference that I would not be allowed an opportunity to improve the bill by adding balance and protecting consumers, or at least even get a vote on it. I am sorry to report that I was correct. In fact, the conference report was filed without any follow up meeting or votes by the conference committee.

That is an interesting way of doing things. If we have a lobby that does not want something, like the juvenile justice bill that passed—they do not want it because they lost on the gun issues—why, it comes to a screeching halt: We are studying it, we are reviewing it, we want to deliberate this, we need to have time for votes, we have to have a conference and go thoroughly into it.

We have another lobby that says we want this Y2K bill: We do not like the bill that passed the Senate, and the House did not do enough for us. Will you throw a bunch of stuff in, don't vote on it, don't talk about it, don't have any procedure, just toss it in, because this is what we want, and, oh, by the way, we want it right now, we need it in a hurry.

This vagueness of a potential Y2K failure will also add to more future litigation instead of curbing it. From a bill that is supposed to deter frivolous litigation, this new, vague definition will produce more lawsuits and may give special legal protection to many more companies than the Senate-passed bill.

These special legal protections include: 90-day waiting period to file a lawsuit, heightened pleading requirements, duty to anticipate and avoid Y2K damages, overriding implied warranties under State law, proportionate liability, and many others. All these special legal protections still apply to small business owners and consumers in this so-called compromise. In fact, the bill, as presently drafted, would preempt consumer protection laws of each of the 50 States.

I have to ask: Why does this bill create new protections for large corporations while taking away existing protections for ordinary citizens? Maybe they do not have as much influence at the conference.

Many consumers may not be aware of potential Y2K problems in the products they buy for personal, family, or household purposes. They just go to the store and buy it and expect it to work. They are going to find a real surprise if there is something in there that does not work. One thing that will not work is the usual remedies they expect out of the consumer protection laws.

This bill as presently drafted would preempt the consumer protection laws of each of the 50 states and restrict the legal rights of consumers who are harmed by Y2K computer failures.

Why is this bill creating new protections for large corporations while taking away existing protections for the ordinary citizen? We all know that individual consumers do not have the same knowledge or bargaining power in the marketplace as businesses with more resources.

Many consumers may not be aware of potential Y2K problems in the products that they buy for personal, family or household purposes. Consumers just go to the local store or neighborhood mall to buy a home computer or the latest software package. They expect their new purchase to work. What if it does not, due to a Y2K problem?

Then the average consumer should be able to use his or her home state's consumer protection laws to get a refund, replacement part or other justice. But not under this bill.

The conference report also greatly expands the jurisdiction of the federal courts to consider Y2K cases under its class action provisions—now throwing Y2K cases into Federal court if a plaintiff seeks an award of punitive damages. Again, this expansion of the Senate-passed bill is unjustified.

It could be legal malpractice for an attorney not to seek punitive damages at the beginning of a case, when the complaint is filed and before discovery of all the facts has commenced. This provision makes no sense and may cause great harm.

Chief Justice Rehnquist and the Judicial Conference soundly rejected this approach months ago. The Judicial Conference found that shifting Y2K cases from state courts "holds the potential for overwhelming the federal courts, resulting in substantial costs and delays." I wonder who pays for that. I bet it is us.

In addition, the Judicial Conference concluded "the proposed Y2K amendments are inconsistent with the objective of preserving the federal courts as tribunals of limited jurisdiction."

These views are shared by the state court judges, as reflected in the position of the Conference of Chief Justices. They note that these Y2K bills "pose a direct challenge to the principles of federalism underlying our system of government." They describe these bills as "radically" altering the complementary role of the state and federal courts. The Chief Justices of our state courts remind us: "The founding fathers created our federal system for a reason that Congress should be extremely reticent to overturn."

I thought the Administration had also rejected this approach.

Mr. President, I suspect that the sweeping federal procedural and substantive changes to state law in this conference report will not pass constitutional muster when challenged. The conference report does not create a federal cause of action for Y2K lawsuits. Instead, the bill forces federal rules and liability protections on state-based claims and procedures. This will result in the dismissal of claims that might otherwise succeed under state law and clearly usurps the ability of state legislatures to make and enforce the laws for their citizens.

The conference report is an arrogant dismissal of the basic constitutional principle of federalism. Given the Supreme Court's recent rulings on the power of the States in relation to the Congress under our Constitution, I predict the Supreme Court will strike down this new law as unconstitutional.

We in Congress should not be tramping on the rights of the States to set the legal procedures for their courts and define the legal rights for their citizens.

On May 1, 1999, Assistant Attorney General Eleanor Acheson outlined the Department of Justice's views on this legislation. The Department of Justice concluded that: "Because the McCain-Wyden-Dodd proposal modifies tort and contract law so as to reduce the liability of potential Y2K defendants, it reduces the incentive for potential defendants to avert Y2K failures. In a similar fashion, we do not believe that modifying the rules of liability that apply to meritorious tort and contract actions will deter frivolous Y2K claims, which by definition will be filed regardless of the rules of liability. Instead, the modification in the McCain-Wyden-Dodd bill seem more likely to curtail legitimate Y2K lawsuits."

I agreed with the Department of Justice on May 1, 1999, when this letter was written, and I agree with this letter today. Mr. President, I ask unanimous consent that the full text of the Department of Justice's views as of May 1, 1999, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEAHY. This conference report is telling the business community: Don't worry, be happy when it comes to Y2K remediation; don't worry about fixing the problem, don't worry about trying to protect the consumers, because the Senate and the House are going to protect you; all you have to worry about is yourself, not those who buy your products.

If they take that attitude using this bill as a shield, it only makes Y2K computer problems worse next year instead of fixing them this year. The best defense against any Y2K lawsuit is to be Y2K compliant in 1999, not waiting for a problem to happen and in the year 2000 say: Oh, wait a minute, they took care of us in the Congress; too bad, we're home free.

That is why I hosted a Y2K conference in Vermont to help small businesses prepare for 2000. That is why I taped a Y2K public service announcement in my home state. That is why I cosponsored Senator BOND and Senator KERRY's new law, the "Small Business Year 2000 Readiness Act," to create SBA loans for small businesses to eliminate their Y2K computer problems now. That is why I introduced, with Senator DODD as the lead cosponsor, the "Small Business Y2K Compliance Act," S. 962, to offer new tax incentives for purchasing Y2K compliant hardware and software.

These real measures will avoid future Y2K lawsuits by encouraging Y2K compliance now.

Last year, I joined with Senator HATCH to pass into law a consensus bill known as "The Year 2000 Information and Readiness Disclosure Act." We worked on a bipartisan basis with Senator BENNETT, Senator DODD, the Administration, industry representatives and others to reach agreement on a bill to facilitate information sharing to encourage Y2K compliance.

The new law, enacted less than nine months ago, is working to encourage companies to work together and share Y2K solutions and test results. It promotes company-to-company information sharing while not limiting rights of consumers. That is the model we should use to enact balanced and narrow legislation to deter frivolous Y2K litigation while encouraging responsible Y2K compliance.

Unlike last year's Y2K information sharing law, this conference report is not narrow or balanced. Instead it is an justified wish list for special interests that are or might become involved in Y2K litigation.

The coming of the millennium should not be an excuse for cutting off the rights of those who will be harmed. It should not be an excuse for turning our States' civil justice system upside down. It should not be an excuse for immunizing those who recklessly disregard the coming problem to the detriment of American consumers.

EXHIBIT 1

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF POLICY DEVELOPMENT,
Washington, DC, May 1, 1999.

Hon. ALBERT GORE, Jr.,
President, U.S. Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to clarify the Justice Department's views on the McCain-Wyden bill, S. 96, as amended by Senator DODD's April 28 proposal. We appreciate the efforts of Senator DODD to improve S. 96. Nevertheless, Senator DODD's amendments do not cure many of the defects that prompted the Department to oppose S. 96, and the Department continues to oppose the bill, even with Senator DODD's amendments. The Department, however, understands that Senators KERRY and ROBB are working on an amendment in the nature of a substitute that addresses our primary concerns and which we can support.

The Administration has, all along, advocated Y2K legislation as long is it serves three important goals: (i) giving companies every incentive to become Y2K compliant; (ii) encouraging resolution of Y2K problems without resort to litigation; and (iii) deterring frivolous Y2K lawsuits without deterring legitimate Y2K claims. We are convinced, however, that the McCain-Wyden-Dodd bill does not achieve these goals. In fact, that bill may significantly undermine two of them. Because the McCain-Wyden-Dodd proposal modifies tort and contract law so as to reduce the liability of potential Y2K defendants, it reduces the incentive for potential defendants to avert Y2K failures. In a similar fashion, we do not believe that modifying the rules of liability that apply to meritorious tort and contract actions will deter frivolous Y2K claims, which by definition will be filed regardless of the rules of liability. Instead, the modifications in this McCain-Wyden-Dodd bill seem more likely to curtail legitimate Y2K lawsuits.

I will now outline briefly some of the Department's major concerns with the McCain-Wyden-Dodd version of S. 96.

COVERAGE ISSUES

The McCain-Wyden-Dodd proposal would apply to Y2K lawsuits brought by consumers and to private securities actions. McCain-Wyden-Dodd contains a number of provisions that make it more difficult for plaintiffs to assert and recover on their Y2K claims—they must provide more extensive notice to all defendants, satisfy higher pleading requirements, and may even then be denied their economic losses and punitive damages. Although these restrictions may be appropriate as applied to businesses with greater financial and other resources, imposing these heavier burdens is likely to erect insuperable obstacles for plaintiffs who are consumers.

The McCain-Wyden-Dodd proposal also applies to private securities actions, even though such actions are already governed by the comprehensive provisions of the Private Securities Litigation Reform Act of 1995 and the Securities Litigation Uniform Standards Act of 1998. Considerable time and effort was spent in designing those two laws as a means of barring meritless claims but allowing the filing of legitimate claims. In the absence of any evidence that this legislation was ineffective at achieving these purposes, there would appear to be no need to upset the careful balance it achieved by applying the sweeping reforms of McCain-Wyden-Dodd to litigation already covered by that prior legislation.

CLASS ACTION PROVISIONS

The McCain-Wyden-Dodd proposal creates federal jurisdiction over any Y2K class action where more than one million dollars is at issue. With this low threshold, this proposal allows most Y2K class actions brought in state court, even those based solely on state law, to be moved to federal court, where they would be analyzed under federal standards. Class action claims that could have been brought under state law would have to be dismissed unless they also satisfy those federal standards. Not only would this result in the dismissal of claims that might have succeeded under state law, but it would also usurp the ability of state legislatures to define the relief available to their citizens.

PROVISIONS MODIFYING STATE TORT LAW AFFECTING Y2K CLAIMS

The McCain-Wyden-Dodd proposal substantially rewrites state tort law as applied to Y2K claims. Section 13, for example, freezes in time many aspects of the state law governing resolution of Y2K tort claims as it existed on January 1, 1999, thereby preventing the States from enacting any reforms to their tort law, even reforms that apply generally to all tort claims. Other sections of McCain-Wyden-Dodd significantly curtail the damages Y2K plaintiffs may recover for their injuries. Most dramatically, section 12 bars recovery of economic losses in all tort suits not involving personal injury or property damage, including fraud and misrepresentation suits where the only damages are economic losses. This is not simply a codification of existing state law rules; section 12 establishes a new—and much broader—restriction for the recovery of these damages. Finally, section 5 of McCain-Wyden-Dodd usurps state law regarding recovery of damages with a rule of proportionate liability for all Y2K defendants, no matter how much they might have contributed to the plaintiff's injuries.

Because of the concerns I have outlined, the Department remains opposed to S. 96, even as modified by Senator DODD's proposed amendments.

The Office of Management and Budget has advised us that from the perspective of the Administration's program, there is no objection to the submission of this letter.

Sincerely,

ELEANOR D. ACHESON,
Assistant Attorney General,
U.S. Department of Justice.

The PRESIDING OFFICER. Who yields time?

The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I yield sufficient time as may be necessary under the time I am allotted under the agreement.

Mr. President, a notable author once stated that "decades surrounding a new millennium are periods of severe disruptions and cultural transformations." In the context of American politics, it appears that this prophecy is coming to fruition even before the 21st century officially arrives.

From the manner in which this legislation has been considered, and unfortunately, from its ultimate passage, it appears that this country is embarking upon a serious transformation of America's constitutionalism.

For 200 years, we have honored a system of federalism that recognized the appropriate balance between States and the Federal Government concerning the administration of civil law. Civil disputes unrelated to constitutional claims were considered to be reserved to the states and local citizens. But this cherished notion of states' rights no longer seems to be the case. Now, upon the idea of promoting industrialism, and more specifically, the so-called growth of technology, it appears that federalism, as well as the constitutional rights of American citizens, are becoming not only dishonored, but for sale to the highest bidder.

There are some who will support this legislation today upon the grounds that this is a bill limited in scope. Nothing could be further from the truth. This legislation includes some of the broadest limitations ever imposed on consumers' civil remedies, including severe restrictions on the recovery of economic losses and the ability to pursue class action suits.

The majority's claims about the recovery of economic losses greatly exceed the degree to which economic losses will be recoverable under the bill. In reality, the legislation will forbid the recovery of economic losses in almost every situation.

The conference majority contends that the class action provision has been made more pro-plaintiff because of the change made to the monetary requirement—from $1 million to $10 million—and the change made to the class size requirement, which is now 100 members. However, the conference majority failed to highlight the decision by the conference committee to add a provision that allows any class action suit to be removed to federal court in the event the suit includes a claim for punitive damages. The addition of this provision has expanded the federalization of class actions suits well beyond the provision in the original bill.

The conference report states that my provision on consumer credit protection has been revised to reflect the true intent of the provision, which was to prevent consumers from losing their mortgages because of Y2K failures. However, the purpose of the provision was not to singularly protect mortgages, but to protect consumers against adverse actions in relation to all debt-related transactions, including automobile loans and credit card obligations.

I know that many of my colleagues on this side of the aisle will vote for final passage because of the President's decision to sign this bill. I am most disappointed in the President's decision. When the President announced and carried out his veto of the products liability bill three years ago, I applauded. He states then that there was no justification for broad restrictions on punitive damages, joint and several liability, and broad preemption of State law. He reiterated those concerns in several statements on this bill. Yet, he announces his intention to sign the bill. In fact, his staff says he'll sign the legislation, even though it doesn't reflect the actual agreement between the White House and conference members.

I assure my colleagues that if we remain on this course, the constitutional and moral soul of this Nation will soon perish. This ideology of short term gain, and success at all costs, will surely work to our detriment. Consideration of this bill reminds me of a quote by Horace Rumpole, when he said:

> We went to all that trouble with King John to get trial by our peers, and now a lot of lawyers with the minds of business consultants want to abolish juries.

Mr. President, when I hear the expression by my distinguished chairman about a victory for the Nation and such nonsense from the distinguished Senator from Oregon about the consumers not getting the shaft—that is exactly what they are getting. That is exactly what is happening.

We tried our best to protect the consumers. You name the consumer organization in America—Public Citizen, Consumers Union—they are all still opposed to this conference report.

I stand here with a letter which the American Bar Association recently wrote:

The American Bar Association opposes enactment of H.R. 775 in either the form that passed the Senate on June 15, 1999 or the form that passed the House of Representatives on May 12, 1999. . .The American Bar Association believes that the rights of the States should not be trampled in the rush to enact legislation to address concerns about Y2K. Traditionally, legal principles governing both tort and contract action have been the province of the States, not the Federal Government. The legal issues likely to be presented by the Year 2000 problem are not unique.

I ask unanimous consent the letter from the American Bar Association be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN BAR ASSOCIATION,
GOVERNMENTAL AFFAIRS OFFICE,
Washington, DC, June 22, 1999.

Hon. TRENT LOTT,
U.S. Senate,
Majority Leader of the Senate,
Washington, DC.

DEAR MR. MAJORITY LEADER: We understand that the Administration and key members of Congress are continuing to try to resolve differences with respect to H.R. 775, Y2K liability legislation. Last Friday, the ABA's Board of Governors met in Boston and adopted policy regarding the pending legislation. I am writing to you to express the American Bar Association's views on this legislation.

The American Bar Association opposes enactment of H.R. 775 in either the form that passed the Senate on June 15, 1999, or the form that passed the House of Representatives on May 12, 1999. The ABA is supportive of efforts to impose a reasonable waiting period before a lawsuit could be brought and encouraging potential litigants to utilize alternative dispute resolution methods during this period. The ABA is also supportive of encouraging the disclosure of known Y2K defects and of encouraging businesses, with appropriate antitrust relief, to cooperate in the development and implementation of remediation of Y2K defects. However, the ABA strongly opposes provisions in the versions of the legislation that passed both in the House and in the Senate that would: (1) provide for federal standards regarding the award of punitive damages; (2) limit the extent of defendants' liability to their proportional share of damages; (3) limit the liability of officers and directors in Y2K proceedings; (4) allow for removal of almost all Y2K class actions to federal court; and (5) preempt the state laws to place a federal cap on punitive damages. The ABA also opposes the fee-shifting provisions of section 508 of H.R. 775, as passed by the House.

The ABA believes that the rights of the states should not be trampled in the rush to enact legislation to address concerns about Y2K. Traditionally, legal principles governing both tort and contract actions have been the province of the states, not the federal government. The legal issues likely to be presented by the Year 2000 problem are not unique. Except for some regulatory action undertaken by federal and state agencies, there is little in the nature of special Y2K law. Disputes arising from Year 2000 computer failures likely will involve garden-variety claims of misrepresentation, fraud, breach of contract, insurance coverage and the like. There is no reason to believe that the legal standards and procedures applicable to non-Y2K-related tort, contract and class action claims are not appropriate for resolution of lawsuits involving the Year 2000 issue.

The ABA believes that it is doubtful that H.R. 775, as passed by either House, would encourage more or better Year 2000 remediation, or more or better disclosure about Year 2000 readiness. In fact, we believe that the opposite result is the more likely. Many businesses are inspired to undertake their Year 2000 remediation projects with a higher degree of diligence precisely because of potential legal liability. Legislation changing the standards of liability breeds uncertainty, and prudent business people frequently opt not to spend money in the face of uncertain returns. Where the relevant law of the jurisdictions in which businesses now operate is fairly certain, any new federal law will only muddy the waters. In light of the almost certain constitutional challenges and the necessity of litigation to interpret a new law in the various states, the efficacy of any new legislation will also be minimal at best.

From the perspective of directors and officers insurance issues, a Y2K safe harbor could put the directors and officers in a Catch-22 situation. Year 2000 compliance is expensive. Compliance obligations must be weighed, like any other business decision, against the costs and the liabilities of noncompliance. If the penalties associated with Year 2000 are removed, it is plausible the directors' and officers' decision-making pendulum would swing the other way—toward maximizing corporate short term profits.

Moreover, proposed legislation has the potential to penalize organizations that have been the most diligent in their Year 2000 preparations. Many companies have spent millions of dollars in this endeavor. More significantly, many started early, and have virtually completed their projects, performing innumerable tests and drills. Some are helping their customers and other members of the business community by sharing the knowledge they have learned. These efforts should be encouraged. However, by raising the bar for bringing and sustaining legal action, Congress may be penalizing those companies who through their own foresight spent their resources to adequately deal with Year 2000 issues. Those who choose not to spend sufficient resources could have a competitive advantage. In short, whatever benefits the proposed legislation may have are likely to be too little, too late and to reward the wrong people.

The fee-shifting provisions of Section 508 of H.R. 775, as passed the House, would preempt federal, state and local statutes and court rules to apply a modified "losers pay" or fee-shifting court rule with respect to any Year 2000 claim for money or property. They would require that if either side rejected a settlement offer prior to trial and did less well at trial than the offer, that party would be responsible for the attorney's fees and costs of the other party from the date on which the last offer was made by the adverse party.

Section 508 would force parties either to accept a settlement offer or run the risk of incurring the fees of the other side. This would encourage "low-ball" settlement offers by the defendant rather than a realistic appraisal of the value of the case. Only the wealthy claimant would be able to run the risk of incurring such fees; in particular, the middle-class claimant who has some assets to lose would be in the greatest jeopardy. In a clear case of liability, the advantage might be partially alleviated by a counter offer or demand. But in all cases, the risk of litigation would be greater for someone who believes their claim or defense is just.

The American Bar Association does not endorse court rules or statutes that provide for fee-shifting based upon rejection of settlement offers. Such proposals would deter those who lack the financial wherewithal to absorb not only their own legal fees but also those of their adversaries from filing meritorious claims or defending meritorious positions. They favor the litigant with financial muscle, provide a disincentive to all claimants with limited financial means and encourage settlement by gamesmanship rather than encouraging realistic appraisals. Ultimately they erode our country's concept of equal justice under the law.

Although the ABA does not support court rules or statutes that provide for fee-shifting based on rejection of settlement offers, it adopted policy in February 1996 suggesting that if such a statute or rule is being contemplated, certain safeguards outlined in an "offer of judgment procedure" be incorporated in such a statute or rule. We would be happy to provide you with a copy of this offer of judgment procedure should you wish to review it and to answer any questions you may have about the ABA policy on this matter.

Please let me know if I can provide you with additional information or otherwise be of assistance to you on this matter.

Sincerely,

ROBERT D. EVANS.

Mr. HOLLINGS. No Governor, no Attorney General, no State legal group supports this legislation. On the contrary, there is a letter here from the Conference of Chief Justices of the several States in opposition to this measure.

I ask unanimous consent to have that printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONFERENCE OF CHIEF JUSTICES, OFFICE OF GOVERNMENT RELATIONS, NATIONAL CENTER FOR STATE COURTS,
Arlington, VA, May 25, 1999.

Hon. TOM DASCHLE,
Minority Leader, U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR DASCHLE: I am writing on behalf of the Conference of Chief Justices (CCJ), to express our concern with S. 96 and H.R. 775 in their present form. We understand that S. 96 and H.R. 775 are attempts to address the serious problem of potential litigation surrounding the Y2K issue. However, in part, the bills pose a direct challenge to the principles of federalism underlying our system of government. We are particularly concerned that each bill would in effect replace established state class action procedures in favor of removal to the Federal courts on most cases. The members of CCJ seriously question the wisdom of such an action.

In this regard, CCJ agrees with the position of the U.S. Judicial Conference as submitted by Judge Walter Stapleton to the House Judiciary Committee on April 13, 1999. His testimony points out that:

"State legislatures and other rule-making bodies provide rules for aggregation of state-law claims into class-wide litigation in order to achieve certain litigation economies of scale. By providing for class treatment, state policymakers express the view that the state's own resources can be best deployed not through repetitive and potentially duplicative individual litigation, but through some form of class treatment. H.R. 775 could deprive the state courts of the power to hear much of this class litigation and might well create incentives for plaintiffs who prefer a state forum to bring a series of individual claims. Such individual litigation might place a greater burden on the state courts and thwart the states' policies of more efficient disposition.

Federal jurisdiction over class litigation is an area where change should be approached with caution and careful consideration of the underlying relationship between state and federal courts."

We would emphasize that State courts presently handle 95 percent of the nation's judicial business. State and Federal courts have developed a complementary role in regard to our jurisprudence and these bills would radically alter this relationship. It is not enough to argue these bills affect only a segment of commerce, or that resolution of the problem on a state by state basis is inconvenient. It is a bad precedent that could have future ramifications. The founding fathers created our federal system for a reason that Congress should be extremely reticent to overturn.

If you have any questions, please feel free to contact me directly, or contact Tom Henderson or Ed O'Connell who staff our Government Relations Office. They can be reached at (703) 841–0200.

Respectfully,

DAVID A. BROCK,
Chief Justice,
President, Conference of Chief Justices.

Mr. HOLLINGS. Certainly everybody wants money. I want money. You want money. Republicans want money. Democrats want money. The White House is going crazy after money. Heavens above, everybody knows everybody wants money.

If you think this is just a spurious comment, let's go back. Here it is: "GOP Vies for Backing of High-Tech Leaders. Party Aims to Exploit Y2K Vote. . ."

That is from the Washington Post, dated June 13. I ask unanimous consent to have that printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOP VIES FOR BACKING OF HIGH-TECH LEADERS—PARTY AIMS TO EXPLOIT Y2K VOTE, CEO SUMMIT

(By Thomas B. Edsall)

Republicans will make an all-out bid to wrest the cash and prestige of Silicon Valley from the Democratic Party this week by capitalizing on a crucial Senate vote and a three-day National Summit on High Technology, events that will have high-tech executives lining the halls of Congress in unprecedented numbers.

The Senate vote on a measure to protect the high-tech industry from Y2K computer damage suits and the gathering of the industry's corporate elite at the summit sponsored by the Republican-controlled Joint Economic Committee are designed to demonstrate the commitment of the GOP to the unfettered market forces so beloved by the chip makers, venture capitalists and software CEOs of "the new economy," and to reveal pointedly to high-tech leaders the influence in the Democratic Party of one of their most feared adversaries, the trial lawyers.

The trial bar has filed numerous securities suits against the industry and its members are expected to unleash lawsuits over the expected breakdown of computers that have not been adjusted to deal with the date change on Jan. 1, 2000, popularly known as the Y2K computer glitch.

"This is one of the few segments of the business community that hasn't reflexively gone Republican," said Rob Atkinson, director of the Technology and New Economy Project of the Democratic Progressive Policy Institute. "Now, the Republicans have started to wake up and say, 'We want the high-tech community to be ours.'"

The high-tech industry is a significant source of political money. The Center for Responsive Politics estimated that the computer industry and its executives gave just under $9 million to congressional candidates in 1997–98, and early in the presidential nomination fights, Vice President Gore has raised an estimated $75,000 from the industry, slightly more than the $67,000 raised by Texas Gov. George W. Bush.

As, or perhaps more, important than the money, however, is the partisan competition to be on the side of a driving force in the national economy.

Rep. Thomas M. Davis III (Va.), chairman of the National Republican Congressional Committee and a leader of the GOP's high-tech drive, contends that high-tech executives realize that such "vestiges of the old Democratic coalition" as organized labor and the trial lawyers "will not allow them [Democrats] to support high tech."

In fact, the legislative record of both parties and of the Clinton administration on high-tech issues is mixed, with each taking stands for and against positions supported by the Information Technology Industry Council (ITIC), a group praised by both sides of the aisle.

In Congress, the GOP has a substantial advantage in its ITIC ratings. In the House, computations based on the ITIC's vote analysis showed Republicans receiving an average ranking of 69.7 percent, compared with the Democrats' 49.1 percent. The ratings were closer in the Senate: 83.9 percent for Republicans, 71.1 percent for Democrats.

The ratings were based on 1997-98 votes on securities litigation reform, Internet taxes, temporary work visas for skilled foreigners, "fast-track" trade proposals, computer export controls and encryption legislation.

Only votes on economic and regulatory issues were considered. Votes on social issues such as abortion, school prayer and pornography were excluded, since those have little bearing on the industry's bottom line. The libertarian tradition in the hightech community makes the religious right and the anti-abortion movement significant liabilities for the Republican Party.

Also, the development of sophisticated encryption and faster computers has put the industry in direct conflict with those seeking to restrict trade with potentially hostile nations, and with law enforcement officials seeking wiretap access to electronically transmitted information.

And the demand for technology-sophisticated workers runs head-on into anti-immigration forces in both parties.

In terms of partisan competition, Democrats are increasingly worried that the GOP's full-scale assault is likely to weaken the Democratic advantages among libertarian high-tech entrepreneurs.

Some Democrats have been stunned by the impressive collection of technology company executives who have joined a 72-member high-tech fund-raising committee for Bush. These computer industry leaders include America Online's James L. Barksdale, Cisco Systems' John Chambers, Intel's Gordon Moore, LSI Logic's Wilfred J. Corrigan, Applied Materials' James C. Morgan and Advance Mirco Devices' W.J. Sanders III.

Democratic conflicts pitting plaintiffs' lawyers against the technology sector will be thrust into the open when the Senate votes this week on legislation limiting corporate liability in Y2K damage suits, a measure backed strongly by the high-tech industry but opposed by trial lawyers.

That vote is expected to take place Tuesday, in the middle of the Joint Economic Committee's three-day summit. The sessions, put together by Republican Sens. Connie Mack (Fla.) and Robert F. Bennett (Utah), will provide a public forum to an extraordinary array of high-tech luminaries.

On Monday, those scheduled to testify include IBM's Louis V. Gerstner Jr., Intel's Craig R. Barrett and Federal Reserve Chairman Alan Greenspan. Day two will feature Microsoft's Bill Gates, Adobe Systems' John E. Warnock and Novell's Eric Schmidt. Wednesday will be the turn of Sun Microsystems' Scott McNealy, America Online chief technology officer Marc Andreessen and eBay's Meg Whitman.

Democrats are worried about the timing of the hearings and the Y2K vote, said Lisa Quigly, chief of staff of Rep. Calvin M. Dooley (Calif.), co-chairman of the New Democrat Coalition, which has strong ties to the technology sector.

"We are miles ahead of them [Republicans]; they don't have the relationships at all," Quigly said, but "because some [Democrats] are not supporting Y2K [liability legislation], it looks as if Democrats are not for high tech."

Democrats have made what they hope will be a preemptive strike that will take the edge off the Republican challenge.

Last week, House Minority Leader Richard A. Gephardt (D-Mo.), who has not had strong ties with the high-tech community, appointed a high-tech advisory committee headed by two Californians whose districts are centers of high-tech entrepreneurial activity: Reps. Zoe Lofgren and Anna G. Eshoo.

The Gephardt announcement coincided with a New Democrat Network-sponsored "technology outreach" day, which featured sessions with Microsoft senior vice president Craig Mundie, venture capitalist John Doerr, Dell Computer's Michael Dell and Hewlett Packard's Lewis E. Platt.

In what may prove to be a faint hope, Simon Rosenberg, executive director of the New Democrat Network, said that high-tech leaders are going to see the GOP drive this week as "a very overt and clumsy attempt to catch up on high tech. But this challenge of which party is going to be the one that most adapts to the new realities and the new challenge is going to be with us for a long time."

Mr. HOLLINGS. Here is the same: "Congress Chasing Campaign Donors Early and Often" about Y2K. That is from the New York Times, dated June 14. I ask unanimous consent to have that article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 14, 1999]

CONGRESS CHASING CAMPAIGN DONORS EARLY AND OFTEN

(By Alison Mitchell)

WASHINGTON, June 13—As campaign finance legislation languishes, Congress has gone on an allout funding-raising binge driven by the battle for control of the House, competition for money with the Presidential campaigns and an early push by incumbents to scare off challengers.

In a sign of just how intense the money chase has become, all four Senate and House campaign committees have, for the first time, created their own special programs to court and cater to donors willing to give them $100,000 in each of the two years of the 2000 campaign cycle.

Unabashed by the debate over President Clinton's use of the White House to court deep-pocketed donors in 1996, the committees are offering generous contributors an array of incentives, like access to party leaders, special issue briefings and meetings in lush locales.

In the case of the Democratic Congressional Campaign Committee, which is led this year by Representative Patrick J. Kennedy of Rhode Island, that even includes a weekend at the Kennedy family compound in Hyannisport, Mass., as close as it gets to a Democratic shrine.

"If we're going to raise more money," said Edward M. Kennedy of Massachusetts, "we're going to have to do it in bigger chunks."

The creation of the groups is a sign of how the 2000 battle for Congress is causing an escalation in the pursuit of so-called soft money, the kind of unrestricted contributions from wealthy individuals, corporations and labor unions that the parties have used to get around the post-Watergate contribution limits.

By law, an individual can give only $20,000 a year to the party committees to use for the direct purpose of electing a Federal candidate. So the bulk of these $100,000 donations would be considered of soft money, which can be used for activities like party building or advertisements advocating issues.

Once such money was largely the purview of the national political parties, not their Congressional arms. But last year the Congressional committees became more aggressive in pursuit of the money, and these programs show that they are now going even further. Previously the big-donor programs on Capitol Hill were tailored for the $15,000 and $25,000 contributor. (The Republicans had a $100,000 "Majority '98" program for the House and Senate elections last year, but divided the proceeds among several party committees.)

For those trying to stanch the flow of money into politics, these are bad omens.

"You've ended up with an absolutely 'anything goes' attitude," said Fred Wertheimer, an advocate of legislation, now stalled, that would ban soft-money contributions. He called the $100,000 groups a "qualitative expansion of soft money."

Representative Thomas M. Davis 3d of Virginia, the chairman of the National Republican Congressional Committee, says the Democrats are hypocrites for raising such donations because they have rallied around the bill to ban them while Republican leaders have firmly opposed it. "The difference is they profess to oppose soft money," Mr. Davis said.

The Democrats say the will not disarm until the law changes.

"All of us are hoping for campaign finance reform, but we are also preparing for the worst" said Senator Robert G. Torricelli of New Jersey, who as chairman of the Democratic Senatorial Campaign Committee is in charge of fund-raising and recruiting candidates.

The fund-raising flurry is driven in large part by an unusual political season in which not just the White House but the House could change hands. A few even argue that control of the Senate could be in play.

"It's impossible to predict which party will control which institution," Mr. Torricelli said.

The House and Senate committees are also pushing to raise money before they have to go into head-on competition with the Presidential race. And they want to show the kind of high-dollar strength that gives an air of victory and draws more donors. The committees are just as zealous in pursuit of the traditional donations for Federal campaigns as they are in seeking soft money.

"The stakes are high, whatever the outcome," said Gary J. Andres, a lobbyist who is working closely with the National Republican Congressional Committee to advise endangered Republicans and help them raise money. "So I think you're going to see an expanded effort on both sides of the aisle."

The fund-raising is particularly aggressive in the House, where a shift of just six seats in the next election could return the Democrats to the majority. Congressional leaders say the narrowness of the Republican majority is not only attracting more money for each party, it is causing some donors and interests to give to both.

It's a funny dynamic," Mr. Davis said. "You have some people scared to death the Democrats will take the House and they will give you more. And there are groups that will hedge their bets. If they didn't think the Democrats had a chance they would probably just give to us."

House Democrats are bluntly telling lobbyists and corporate interests with offices along K Street here that they had best take out some insurance should the Democrats take back the House.

Representative Kennedy said that Democrats in this cycle would be "expecting much more from those who haven't traditionally been supporters of us but have been giving large contributions to our opponents and can't be expected to not at least meet us halfway." He said, "They need to balance out the sheets a little bit."

Through the first quarter of 1999, the House Democrats' campaign committee took in a record $6.8 million. By the end of this month, Democratic officials say they might reach about $14 million—what it took House Democrats the entire year to raise in 1997, the last comparable nonelection year. In three separate events last week, President Clinton, Vice President Al Gore and Hillary Rodham Clinton all appeared at fund-raisers for House Democrats.

The House Republicans' campaign committee will be posting its first contribution figures at the end of this month. But the Republicans say they beat the Democrats in the first quarter in traditional donations by 2 to 1, raising over $7 million, and also topped the Democrats in soft money. On June 23, Republicans expect to raise more than $7 million at a gala for both the House and Senate.

The Republicans traditionally bring in far more money than the Democrats.

The fund-raising drive is equally intense for individual candidates. Particularly in the House, any incumbent who could face a competitive race in 2000 is working overtime to raise as much money as possible by June 30, the next filing deadline for the Federal Election Commission. Almost every night there is at least one fund-raiser somewhere in the vicinity of Capitol Hill.

The election commission reports are used by political strategists and donors to judge the potential strength of candidates. And in many cases the size of these bank accounts can draw in more donors—or scare them away from a competitor, helping determine whether a strong challenger should jump into a race.

House Republicans are pushing incumbents who already face significant challengers or who drew less than 55 percent of the vote in 1998. The goal is to try to have $200,000 in each of their campaign accounts by the end of the month.

Mr. Davis of Virginia says he knows the importance of the June 30 filing deadline. When he was trying to decide whether to challenge the incumbent Democrat, Leslie Byrne, in 1994, he looked at her campaign bank account. "She had only 25 grand in the bank and I said, 'Maybe I can do this,'" he said. "If she had had $250,000 in the bank, I guarantee I wouldn't have run."

House Democrats are trying to make sure that all their freshmen in seats that may not be safe have about $150,000 in their accounts by the end of the month. "It's a real focused and intense effort," said David Plouffe, the executive director of the Democratic Congressional Campaign Committee.

In some cases the House Democrats say they have challengers lined up and are helping them, too.

Patrick Casey, who lost by a whisker to Representative Donald L. Sherwood of Pennsylvania in one of the closest House races of 1998, traveled to Washington last Wednesday for a fund-raiser where Representative Richard A. Gephardt or Missouri, the minority leader, helped him raise $50,000.

Congressional leaders have also joined the sweepstakes. Speaker J. Dennis Hastert, for example, is now spending Mondays, Fridays and weekends raising money for House members, hopscotching the country.

He plans to take a four-day tour of California later this month to try to raise $2 million at 16 events, most of it for House candidates. His aides say he has raised $5 million this year for candidates and the party.

Mr. Gephardt, who would supplant Mr. Hastert as Speaker if the Democrats were to win back the House majority, is also on the circuit. Last week he helped raise money for Mr. Casey and for Representative Carolyn McCarthy of Long Island, attended a Rhode Island event with Mr. Gore and flew home to Missouri to appear with Mrs. Clinton. He aides say that by June 30, he will have raised $4 million.

Representative Tom Delay of Texas, the majority whip, has mobilized his entire whip organization of House members to help the Republicans' 10 most vulnerable incumbents. In a program he calls Romp, for Retain Our Majority Program, he has asked these members to raise $3,000 each for each of the 10 incumbents.

And all the House Republican leaders have helped raise money for a new group called the Republican Majority Issues Committee, which is trying to raise $25 million to get out the conservative vote in critical Congressional districts.

The Democrats have called for an investigation of the group because it is not registered with the Federal Election Commission as a campaign organization or disclosing its donors.

Karl Gallant, an ally of Mr. DeLay, who is forming the group, said it was not required to register because it would not be endorsing candidates. "We are not giving money to candidates," Mr. Gallant said. "We are going to be an independent committee that will educate voters on where candidates stand on conservative issues.

Mr. HOLLINGS. You think it is not timely on money? Here at 2 o'clock this afternoon an article was printed regarding Governor Bush. I guess have to be more respectful. He is liable to be President. It reads, Governor Bush—"At a breakfast this morning Bush gets big support from Silicon Valley." He got all the executives out there. He just pledges all these things, I am telling you right now, way better than the distinguished chairman. And the distinguished chairman is pretty good.

I ask unanimous consent to have this printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSH GETS BIG SUPPORT FROM SILICON VALLEY

(By Alan Elsner, Political Correspondent)

PALO ALTO, CA (Reuters)—Republican presidential front-runner George W. Bush's money-raising juggernaut roared through Silicon Valley Thursday, drawing support from a stellar list of high-tech industry titans.

Bush, the governor of Texas, has smashed all previous records by raising more than $36.3 million in the first half of the year. He began the second half with a fund-raising breakfast that had been expected to bring in an additional $300,000 but seemed likely to far exceed that estimate.

"This is not my first trip to this incredible land called Silicon Valley. This is my first trip as president of the United States," an elated Bush said, before quickly correcting himself to say, "As soon-to-be president of the United States."

Among the executives there to greet him were Cisco Systems chief executive John Chambers, Microsoft executive vice president Robert Herbold, Oracle Corp. (Nasdaq: *ORCL—news*) president and CEO Ray Alen, Intel Corp. (Nasdaq: *INTC—news*) chairman Gordon Moore, eBay president and CEO Meg Whitman, Hewlett Packard president Lew Platt and Charles Schwab, chairman and CEO of the stockbroker company that bears his name.

It was a highly impressive turnout from a region that Vice President Al Gore, who may be Bush's Democratic presidential opponent in next year's election, has been courting for years. But Bush had already raised more money from Silicon Valley than Gore in the first three months of this year.

Executives said they were attracted by Bush's program of supporting innovation, breaking down trade barriers and removing government regulation.

"The governor has strong support from the high-tech industry that is driven by ingenuity, innovation and the free enterprise system. It's great to have a candidate focused on those fundamentals," said Herbold.

Lane added: "This industry needs support from government to continue growing and the Republicans and Bush have been more supportive of business aspects of building this industry."

Bush, who leads the field for the Republican presidential nomination by a wide margin and has a 10 to 20 percentage point advantage over Gore in recent polls, said the attendance of so many prominent executives at his fund-raiser sent an important message that would be noted all across the country.

In his speech, Bush pledged to "take the side of innovation over litigation every single time" and put forward a number of general ideas of what he might do as president.

He said he would reduce the threat of massive litigation arising from the Year 2000 computer bug known as Y2K. He gave grudging praise to President Clinton, who this week struck a compromise with Congress to limit liability awards.

Bush has promised to fight for meaningful tort reform to limit lawsuits against business, a favorite Republican theme. He also proposed making the Internet a duty and tariff-free zone worldwide and promised to combat theft of U.S. intellectual property.

Bush said he would loosen regulations limiting the export of civilian computer technology while still protecting militarily sensitive technology.

He also proposed a permanent tax credit for research and development. Currently, the credit, worth about $2.5 billion, needs to be renewed annually by Congress.

Bush's unprecedented fund-raising prowess has led some commentators to predict the race for the Republican presidential nomination is virtually over before it has begun. Only publisher Steve Forbes, who can draw on a vast personal fortune, will be able to come close to matching Bush's financial resources.

Of the other Republicans, Arizona Sen. John McCain has a war chest of $6.1 million and the rest of the field is under $3.5 million. Bush also outpaced Gore in fund raising by two-to-one.

Mr. HOLLINGS. So the record is made with respect to money. Ordinarily, we have the rule—I want to be within the Senate rules of the dignity of the body. But we have to get to the reality. No one is asking for this except those in the money chase. And, yes, it is bipartisan. There isn't any question about that.

But this is a shabby performance. It is a sad day in the history of the Senate. Now what really occurred when we went into that conference is that the House receded to the Senate except for a minor amendment. We voted on it. Then they started negotiating on the fix, so as to ensure everybody was on board. They knew they were going to get a bill. The Senator from Connecticut then made the call to the President after midnight. I thought the only person who could get the President after midnight was Monica.

The White House sent five veto letters. Yet, the President plans to sign the bill, notwithstanding.

How emblematic of this administration. We fought like tigers to get this economy going with the 1993 budget. We cut spending. We raised taxes. We did away with 300,000 Federal employees. We got the economy going even though we could not get a single vote on the other side.

Then later, of course, the President joined the other side, went down and threw all of his friends in Congress overboard saying we taxed them too much. Then we had GATT. Then we had the NAFTA with Mexico, and he threw his labor friends overboard. Of course, that has been an abomination.

You cannot get to reality. They said it was going to increase trade. We went from a $5 billion-plus to a $20 billion-minus deficit. That was going to pay the Mexican worker better. He is taking home 20 percent less pay. It was going to solve the immigration problem. It is worse. It was going to solve the drug problem. They have a narcodemocracy down there.

But the President threw that crowd overboard. Now he throws overboard the consumers, middle America, after five veto messages on a much worse bill.

The Senator from Vermont is right on target. There isn't any question, when they put out this sheet here—even from my side—in the policy committee meeting there at lunch: How the conference report improves on the Senate-passed bill proportionate liability, even though they rejected Senator KERRY's proposal to place the burden on the defendant. They put the burden on the plaintiff. Individual consumers supposedly are carved out of proportionate liability, that is if they are not part of a class.

If by chance they are part of a class, their suit is automatically removable to federal court, in the event the claim seeks punitive damages. The President said he would never federalize class actions. They claim the bill preserves the authority of states to void contracts. But I can list a number of contracts that would be illegal under State law but would be enforceable under the conference-reported bill. So contracts which were entered into on a fraudulent or unconstitutional basis would still be enforced.

I will never forget the distinguished Senator from North Carolina; he tried to instruct the Senator from Oregon on economic damages.

I will give you the case. The client comes in. I am an old-time lawyer, and I represent clients. You have to tell them the truth. The poor client comes in and says: Hollings, I've got a $10,000 computer I bought last year, and now it's after January the first, and it has crashed. It is not Y2K compliant. They told me it was going to last for 10 years. I want you to bring my case.

I said: Wait a minute. They have to understand you have 90 days to wait around even though there is no duty to fix. The Senator from California, Mrs. BOXER, offered an amendment to require a free fix—that was in response to the Senator from Oregon's lament about fix the problem, fix the problem, just fix the problem. Well, that is exactly what were attempting to do. We said: Let's get rid of the lawyers. We will fix the problem. Yet, they would not accept that in the conference report.

So I say to the prospective client: In that 90 days nothing is going to happen. Then I have to investigate in great detail because on proportionate liability I do not want to find that the parquet from Hewlett-Packard was made in India and thus discover that I should have gone to New Delhi instead of Hartford to bring this case. I have to then file the pleadings. I have to thereupon get in with the interrogatories, attend all the discoveries because that is the billable-hour crowd.

You do not have money for billable hours obviously. This is middle America. That is how they get their day in court. So I will attend the interrogatories. I will conduct the trial, and I will handle the appeal.

By that time, you will owe me over $10,000. Now do you really want me to bring this case, considering you can't get any economic loss? I know you said you had to let two of your employees go because you could not pay them during all this time that it has been down. I know you have a loss of business. I know you have lost your reputation and everything else of that kind. But there is no economic loss.

The distinguished Senator from North Carolina is the best in the business. He will elaborate on that particular point. But that, more or less, gets rid of the lawyers. There never has been anything really for Y2K cases for attorneys. But to come in here now and say it does that, it is just shocking that we have just done away with middle America. The civil justice system has been permanently damaged. The very system that supports our Democratic society and consumers. That is why I stand here, for the consumers of America, for middle America, for those who cannot employ a trial attorney.

I go right to that White House and why they changed, because the best story that came out was in the New York Times. I think it is dated just yesterday, June 30. It has this statement in here, that the Vice President, as he begins his campaign for the Presidency, was eager to rid himself of the "taint" of financial support from trial lawyers.

No. 1, try to get some money out of that trial lawyer crowd, hard money. It is limited to $1,000. Soft money, let's go to Silicon Valley. There is Bush. He is there this morning, the Governor. This is the soft money bill. That crowd, he has $36 million. He has more than GORE, the Vice President, the President, and Bill Bradley all put together. One fellow has it. He can get that money. They know where to get soft money.

I can't get much hard money out of that trial lawyer crowd. I want more from them, I want them to know. I have publicly stated that on the floor. But they don't have soft money.

But the "taint" is the one I take exception to, because I am proud to be associated with trial lawyers. They are in there, down in the pits, on the front lines protecting middle America. All I hear in this Congress is about middle America—taxes, taxes, taxes. How about rights, rights, rights? They don't have the money for billable hours.

A crowd such as we have up here in this Washington group, all the lobbyists, I am glad they put that list—is that the billable hour list the distinguished chairman just handed in for the record?

So with the billable hour list, sure, they are lazy. They don't try cases. They continue cases. They go to the golf course. The clock runs and they send the bills. But you have to produce if you are a trial lawyer or you don't get anything. You take on all the expenses.

This is a system that has worked for over 200 years at the State level. All the State authorities now are opposed to this Federal adulteration, but they are talking about how they are looking out for consumers and a victory for America and those kind of things.

I am particularly shocked at my Republican chairman who has led the fight on campaign finance reform. I worked with him. I have a bill in for a constitutional amendment to try to legalize, if you please, the 1974 act before it was made unconstitutional by the Supreme Court of the United States. In one line: The Congress of the United States is hereby empowered to regulate or control spending in Federal elections. Once we do that, we go back to the 1974 act, do away with the soft money, everything on top of the table, and we are limited on the amount of money—we, candidate—we are limited on buying the office. But the money to buy the office is bad enough when the money goes so far as to buy the principle. That is a shocking thing to me. If there is such a thing as campaign finance reform, then in the name of campaign finance reform, kill this conference report, because this is an abortion. There isn't any question in my mind. It is way worse than we have ever had in any particular measure.

I want to say one word about the software industry, because I have worked in the Congress over the years with that particular industry, but they are learning a bad lesson now. They are learning they can buy anything, because they can change around State law, just them.

I have been up here, 32, now going on 33, years. We have never done this for any special group. Here they agree something could be fixed in 90 days. That is the provision in the bill.

We are giving them still—you have July, August, September, October, November, December, almost 6 months to still get it fixed, rather than 90 days. But they come in and demand this, when they now really are trying to demand everything.

Everybody ought to know that the Internet was started by the antigovernment crowd, free market, free market. After we developed the Internet in 1968, with Dopper, thereupon, there came, later on, in the middle of the 1980s, none other than the best of the best, President Reagan. He gave a voluntary restraint agreement to the semiconductor industry because they were going broke. Intel had given up one of their particular display chips, if you remember. They were going out of business. They hung on, and we instituted Semi-Tech. When I went into the Intel plant in Dublin, Ireland, the manager there, Mr. Frank McCabe, said: Senator, we would have never had all of this if you hadn't put the $500 million in Semi-Tech. That is government.

They are all talking about pork, pork, pork. I want to emphasize the pork about which my distinguished colleague always talks. We gave them that particular pork, and now they have come to town and they want estate tax cuts. They want the capital gains tax cut. They want to do away with taxing the Internet. If you buy something on Main Street, America, you have to pay the sales tax. But if you buy it on the Internet, there is no tax. It is a free ride. Don't tax the Internet. And by the way, don't hold me liable. Let's legalize negligence. Let's legalize fraud, with this particular bill, and then just repeal the tort system.

This is a sad day for the Senate to come here with this particular conference report and talk in terms of a victory for America. It is a real bad setback by the White House, the leadership—not on the House side, I can tell you that. We have struggled over this thing. I tried to hold it up as much as I could, but the die has been cast.

I will retain at this particular point the remainder of my time.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Connecticut.

Mr. DODD. Mr. President, I don't think I know where the Senator from South Carolina stands on this issue, having listened to his eloquence. I disagree with him about this bill, but he is a wonderful Member of the Senate and a good friend. I always enjoy being a witness to his eloquence here on the floor of the Senate, even when I may be the object of some of that eloquence, along with my capital city of Hartford, CT.

Let me begin by saying I support this conference report. I commend the chairman of the committee, Senator MCCAIN, for his fine work. There was a tremendous amount of pressure on him last week. There were some who wanted to get this done about a week ago, with the hope there would be a veto. I guess they may have seen some political mileage if the bill had been vetoed.

That would have been a victory in the minds of some. He willingly allowed us to have the weekend and the following few days to try to work out differences.

None of us knew whether we would succeed. Frankly, we weren't very optimistic we could work out the differences, given a lot of the rhetoric associated with this bill. The fact that we were able to spend some time at it and see if we couldn't find common ground, I appreciate very much. I know most of the Members of this body and others do, as well.

I also want to commend my colleague from Oregon, Senator WYDEN, who did a very fine job. We worked very closely on this to try to find some language and some provisions which would build broader support for this legislation. Also, I want to recognize the efforts of a number of our colleagues whose support was also instrumental in the successful completion of this conference report: Senator GORTON, Senator HATCH, Senator FEINSTEIN, my colleague, Senator LIEBERMAN, and Senator BENNETT, with whom I serve on the special committee on the Y2K issue, which was established by the majority leader and the minority leader, Senators LOTT and DASCHLE, about a year and a half ago, to look at the issue of the Y2K problem.

We have had some 22 hearings in that committee, examining all aspects of our society—government, the private sector, nonprofits, hospitals, telecommunications, transportation, utilities, financial markets—to determine to what extent this computer bug may affect people in this country and elsewhere. I think I can say with some degree of certainty that we think, at this juncture, things should not be too bad. A lot of work has been done at all levels in our society, from local communities to the States and the national government, to try to fix this problem so it doesn't cause the kind of disruptions that many thought could occur. But I can't stand here today and tell you we can say with absolute certainty there won't be disruptions and problems. There will be some. We just hope they aren't going to be as significant as some have predicted.

One of the areas we were asked to look at is the potential for widespread litigation, the rush to the courthouse. It is no great secret in this country that we have become tremendously litigious; we like suing each other. It has become a problem that has grown over the years. Anybody who has been around certainly knows the statistics and the numbers that tell of the rush to solve every problem by a lawsuit. Certainly, I will be the first to recognize, as a member of the legal profession, that without an active and vibrant legal profession, a lot of consumer rights would be lost in this country. You need that. It can't all be done by the Justice Department, the Securities and Exchange Commission, or other agencies at the federal, State and local level. You need a vibrant private bar. That is essential.

But it also has to be one that is tempered. You have to recognize certain fact situations as they occur and determine whether or not there may be a better way of trying to resolve some of these difficulties.

That is what this bill is really all about. I will start out by saying it is a 36-month bill. This bill sunsets; every provision of this bill dies after 36 months. We are not writing something in concrete or marble here that is going to last in perpetuity. For 36 short months, this bill will exist.

During that period of time, of course, we will learn whether or not we are going to have as widespread a problem with this Y2K computer issue as some have anticipated. If we don't, then this bill really isn't that important. I hope that will be the case. Nothing would make me, as one of the coauthors of this bill, happier than to find next January, February, and March, that all of the fears that have been raised by the Y2K issue turn out to be nothing more than that—fears—and that there would be no reason to litigate or to take 90 days to try to resolve the problems. If that is the case, then the bill will last for 36 months, but it won't have any significance.

If, however, there are problems that go beyond what I think will be the case, we could end up with people racing to the courthouse to litigate the issues rather than trying to solve the problem. If businesses are spending money on legal fees rather than trying to spend money on technicians and others to solve the problem so that the users of their equipment will be made whole, then we could end up having the Y2K problem be a lot more serious than I think it is apt to be.

This agreement, this conference report—even if you had no idea what was in it, I think you would be safe to conclude that it is probably a good one, for one basic reason: no one is fully satisfied. Everyone had to make concessions in this proposal.

It is not perfect, by any stretch of the imagination. But that should not obscure the fact that it is an outstanding achievement, in my view, arrived at in a manner that is bipartisan, bicameral, and in cooperation with the executive branch.

It is narrowly crafted to address the repercussions of an event that will only happen once in history: the changing of the calendar, 183 days from today, to the new millennium. We don't know, as I said, with precision what the repercussions will be. We hope and trust that, for our citizens, they will be minimal. But we know there will be repercussions, affecting virtually every facet of our lives, from energy to health care, from food to telecommunications.

We will encounter problems associated with the Y2K glitch. And in America, where there are problems, lawsuits are never far behind. The Y2K committee, as I mentioned earlier, which I cochair with Senator BENNETT, heard hard evidence that some members of the trial bar have been gearing up for quite some time to usher in the new millennium not with a celebration, but with a subpoena. By some estimates, they will file claims totalling $1 trillion or more.

While some of these suits will have merit, many, I am fearful, will not. They will become vehicles for profit by select members of the trial bar, not to rectify wrongs done to consumers or to businesses.

Ultimately, an avalanche of frivolous lawsuits seeking to reap a bonanza from this Y2K problem could have a crippling effect on our economy, especially on the technology-based businesses that are creating the lion's share of new jobs in our Nation today.

This bill would slow the knee-jerk rush to the courthouse. It says to those who would seek litigation as a first resort: Look before you leap. It focuses businesses and consumers on fixing the problems, not fighting over them, and getting on-line, rather than getting in line at the courthouse. It encourages them to resolve differences in a conference room, not a courtroom.

This conference report is narrowly crafted to address frivolous Y2K-related litigation, and only frivolous Y2K-related litigation. Its carefully circumscribed scope was acknowledged —albeit reluctantly—the night before last by Mr. Mark Mandell, president of the Association of Trial Lawyers of America. He had this to say about the conference report:

> It is positive that this unique response to a unique situation will be law for only three years and that the legal rights of anyone who suffers a physical injury are preserved.

I commend him for the responsibility of that statement. He is the head of the trial lawyers in this country. I quickly add that he is not endorsing this bill; he disagrees with it, but he has framed it right. It is a unique answer to a unique problem that, for 36 months, we want on the books to avoid the potential problems that can affect our society.

These are two important points that deserve to be restated:

First, as I said, this is only a 3-year bill. It works no permanent changes in our legal system. Second, it completely and totally exempts consumers who allege they have suffered physical injury as a result of a Y2K failure.

In addition, the conference report contains several other responsible and modest provisions that weed out frivolous lawsuits, do no injury to tort law and, most important, allows America's businesses to continue to create jobs.

This bill establishes a 90-day period before a suit can be filed to at least create an opportunity for the parties to remedy the defects and avoid expensive, time-consuming litigation.

We are not going to guarantee the problem will get fixed in that 90 days, but it will sort of call a timeout for 90 days, 3 months, to try to solve the problem. That is not a radical idea. It is not a radical idea at all to try to get people to work out their differences. That may be a radical idea if your motivation is to get to the courthouse as fast as you can. To that crowd, it is a radical idea. But to the businesses and consumers who would like to be made whole and have the problem fixed, having a cooling-off period for 90 days as we try to solve this problem is not asking too much in a 3-year bill.

The bill also requires plaintiffs to plead with particularity about the nature of the harm allegedly done to them, and the monetary amount of damages they are seeking as a result of that harm. That is another "radical" idea—that you have to allege with some specificity what caused the problem. I know that is a bad idea if you would like to sort of use boilerplate language and race to the courthouse. If you are a defendant, you ought to know what you are charged with, what the plaintiff thinks you have done wrong. That ought not to be a great radical deviation from the norm. For 36 months, we are going to require that. That ought to be permanent law, in my view, but in this bill it lasts only 36 months.

The bill also prevents plaintiffs from recovering damages that they could have reasonably and foreseeably avoided. Another radical idea. To discourage plaintiffs from suing the so-called "deep-pocket" defendants, the bill establishes a rule of proportionate liability.

As a general matter, it holds the defendant responsible only for the harm it causes, and not for the harm caused by other defendants. Again, what a radical idea that is. If you are fractionally responsible, they would like you to have to pay the whole tab. Again, I appreciate their desire to do so. So you shop all around, and, if you can find anybody with deep pockets who may have handled the box for 5 minutes, then you can get them in a court, and, boom, you can hit them for the total amount.

That is what has caused as many problems as anything else—the lack of proportionality and balance.

At the same time, we don't allow that provision of proportionality to apply across the board without exception. We make several reasonable exceptions in the interest of fairness.

Plaintiffs who sue as individuals, rather than as members of a larger class, may recover jointly and severally from any defendant, even if they are marginally involved, thus helping to ensure that individual consumers will fully recover damages.

The bill contains other provisions to ensure that irresponsible, reckless, or intentionally wrongful defendants are in no way shielded and are fully responsible for their actions. Defendants that commit intentional torts will be held jointly and severally liable, even if only fractionally, including for economic losses.

In addition, defendants who knowingly make false statements about the Y2K readiness of their goods or services may not seek mitigation of damages when plaintiffs rely in good faith on such statements. That is yet another consumer protection contained within this conference report.

There are still other improvements that have been made here, largely at the behest of the Administration—improvements, which, in my view, strengthen the legislation. For instance, the class action provisions. Members of a class of under 100 people, and with claims under $10 million, can stay in State court.

We made change after change to accommodate the concerns that were raised—many of them reasonable concerns, I might add—to make this a stronger and a better bill.

We are trying to avoid frivolous lawsuits for 36 months. We are trying to solve the problem. I again want to thank the committee chairman and other colleagues who have played such an important role.

Lastly, I thank this President of the United States. When I saw the President—not at 1:30 in the morning, but he was in my State last Monday—I mentioned this bill to him in a conversation that may have lasted 1 minute. I said: We will have the Y2K issue up in the next day or so. The President said: I would like to sign a bill. I think it is important to have one. But there have to be changes in this legislation before I can sign it. If you can get those changes and work with our staff, I will take a look at it.

That is not an unreasonable statement for an American President to make on an issue like this that confronts our country in 183 days. We went to work that night and worked on these changes. It was late in the evening.

When I, along with my colleague from Oregon, submitted the final proposal to the President of the United States, he said, to his credit: If you can make one more change in this particular area, then I think I could support this bill.

That is how this happened.

He is being ridiculed today because he tried to get a bill done to do something about a problem that affects, or will affect, or could affect, millions of people in this country. He ought not be ridiculed. He ought to be commended for it. Yes, he could have caved in and gone along. I know a lot of his staff and others didn't want him to sign this bill. But this President went to work, and he listened to the proposal. He made some suggestions, and he said: If you can accommodate or meet me part way here on some of these ideas, then I would be willing to sign this bill into law.

As a result of those efforts, he could have said to me on Monday afternoon: I am sorry, there isn't anything you can do with this bill; I am just flat out against it. That would have been the end of it, frankly. I wouldn't have stayed up half the night trying to work out differences. But he said try. We did. And we reached that level of support, or a level of achievement which he thought he could support, and that brought us to the point of getting this legislation done.

Again, there is nothing perfect about it. I am fully aware that there may be some problems with it down the road. I think this is a good effort to try to minimize those difficulties, to avoid lawsuits and solve the problems, and make this country stronger when it comes to the interest of the 21st century.

Let me again thank my colleagues who persisted in their efforts to reach this point. I also want to recognize the staff who were so instrumental in bringing us to this point, particularly: Marti Albright and Mark Buse of the Commerce Committee; Manus Cooney and Larry Block of the Judiciary Committee; Jeanne Bumpus with Senator GORTON; Robert Cresanti, Tania Calhoun, and Wilke Green of the Year 2000 Committee; Carol Grunberg with Senator WYDEN; David Hantman with Senator FEINSTEIN; Laurie Rubenstein with Senator LIEBERMAN; and Steven Wall with Senator LOTT.

I thank my colleague for yielding, and I urge adoption of the conference report.

Mr. HOLLINGS. Mr. President, I yield such time as necessary to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Thank you, Mr. President.

Let me say, first, that there are two very important reasons that this has been an extraordinarily difficult issue for me. The first of those reasons is that I have extraordinary respect for the Senator from Arizona, the Senator from Connecticut, and the Senator from Oregon. They are friends of mine. They are good Americans. They are good people. They care about this country. They care about it deeply. I don't question their motives for one moment. I believe they are doing what they think is right.

The second reason is that I began this process myself desperately wanting to support some kind of Y2K bill.

The problem with the way the debate has been conducted is that the focus of my colleagues from Oregon, from Arizona, and from Connecticut has been on things we all agree on. We all agree—speaking for myself—that we should create incentives for computer companies to solve these problems, that we should create incentives for people who buy computers to work with those folks to solve problems, and to mitigate whatever damage or loss they may sustain.

We all believe there ought to be a cooling-off period. At least I believe there should be a cooling-off period. I do not think we want folks rushing to the courthouse the first time a problem rears its ugly head. I think we should have reasonable, thoughtful alternative dispute resolution.

I think all of those things are good things. They are laudable. They accomplish important goals. They are things I support and believe in. On those subjects, and on the subject of preventing frivolous litigation, I am totally in agreement with my colleagues who support this bill.

The problem is, we are not focusing on the single, most fundamental problem in this bill, which is that in 99 percent of the cases small businesses and consumers who suffer losses as a result of an irresponsible act by a computer company in respect to Y2K can recover nothing but the cost of their computer. They can't recover their lost wages. They can't recover their actual lost profit. They can't recover their overhead. If they are run out of business, they are just stuck.

Unfortunately, what we have here is what I am afraid happens too often in Washington. The little guy loses, and the big guy wins.

There is no question that the computer industry has a powerful voice in this body. The people who are going to be damaged and hurt by this bill don't even know it yet. They largely are completely unaware of it. The small business men and women of this country and consumers in small towns all over North Carolina and across the United States don't even know that they are going to suffer losses, that they are going to be put out of business. They do not know that. My question to my colleague is, Who speaks for them?

We have heard the voices loudly, clearly, powerfully, and articulately for powerful, big business. There are many things I will support industry on that I believe are in the best interests of America. The problem is, the people who are going to be injured by this bill, the people who are going to be put out of business, the people who by all accounts—my colleagues from Oregon and Connecticut have just conceded—will have real and legitimate losses, who speaks for them? I am afraid the answer is that no one speaks for them. They don't give big money to campaigns. They don't even know what is going to happen to them yet. They are out there and are innocent victims. Who is the voice for the little guy in this debate?

These losses we have talked about—I am eliminating frivolous lawsuits, I am eliminating causes that ought to be resolved, things that ought to be resolved by discussion between the seller and the buyer, all of those things that we are all in agreement on—I am talking about that little business guy or woman in Murfreesboro, NC, who bought a computer believing that it was Y2K compliant, having been told that it is Y2K compliant, and the computer is not Y2K compliant. They lose their business. They have lost thousands and thousands of dollars, and they are literally out of business.

That loss—no matter what we do in this Senate, no matter what we do in this Congress, and, with respect, no matter what the President signs in the Oval Office—that loss will not go away. It will be there, and it will not disappear.

There is a fundamental concept we all have to recognize when we come to the well later today to vote. Those who vote for this bill have made a conscious decision. As long as we are willing to recognize that decision, I will respect the vote. That decision is this: We have made a conscious decision that losses —which are real and legitimate, out-of-pocket losses suffered by small business men and women all over this country—that losses are going to be shifted. We are going to move them from the responsible party to the innocent party. In this case, the innocent party is a small business; is a consumer; is somebody who cannot pay their employees anymore; is somebody who has no cash-flow because their manufacturing operation has been shut down because of a Y2K problem.

The bottom line is this: We are making a judgment on the floor of the Senate that those real and legitimate losses which everyone concedes are going to occur—that is the "nut" of this. Everything else we agree on. I agree with my colleagues about eliminating frivolous lawsuits, about alternative dispute resolution, about cooling off periods, about trying to do everything in our power to solve these problems. The nut of this problem is, what happens to the little guy who suffers a real loss?

When this conference report passes on the floor of the Senate later tonight, we have made the judgment that we will shift that loss. We are going to shift it on to the people who have no voice, who don't even know they are victims. They are not sitting in our offices. They are not sitting there because they don't know they have been hurt yet. We are going to shift the loss to them. We are going to make sure it stays right with them. We are going to make sure that multimillion-dollar and multibillion-dollar businesses bear as little of that loss as possible. That is exactly what this bill does. It is that simple.

For all of the rhetoric on the floor, it is not about lawyers. It is about the people who make computers. It is about the people who make computer chips. It is about the people who buy computers. Those are the parties to this transaction.

The bill that came back from conference is worse than the bill that went to conference. It is worse for a very simple and fundamental reason: It creates multiple additional roadblocks to innocent people who get hurt by the Y2K problem. A job that was already extraordinarily difficult, for them to recover for what happened to them, has become almost impossible at this point.

I say with complete respect to my colleagues who have argued vehemently on the floor that this is a 3-year bill, that it will sunset in 3 years, and for that reason it is not bad, that the argument is a smokescreen. Every Y2K problem that will come into existence will happen during that 3-year period—99 percent. By its very nature this problem will show its ugly head in the year 2000 or the year 2001. Essentially, we are going to cover every single Y2K problem that can come into existence.

One bit of language that has been referred to in the bill that proponents claim helps improve this report over the Senate-passed version has to do with the issue of recovery of economic losses such as lost profits, lost overhead, lost income. A phrase reads: "A party to a Y2K action making a tort claim other than a claim of intentional tort"—up until then it is fine—"arising independent of a contract."

I have spent the last 20 years of my life as a practicing lawyer. This is what that phrase means. If a computer person walks into a small business anywhere in this country and makes a fraudulent misrepresentation, intentionally misrepresents the Y2K compliance of their product, lies, commits criminal fraud, and induces somebody to sign a contract on that basis, and in fact, if the contract itself contains fraudulent misrepresentations, what that person can recover is the cost of their computer.

They are victims of criminal fraud. I want the American people to hear this. They are the victims of criminal fraud. What they can get back is the cost of their computer.

This bill started with a good purpose. It is supported by Members of the Senate whom I have extraordinary respect for. I absolutely have no question about their motives. They are doing what they believe is right. They have made beautiful cases for it on the floor of the Senate. My concern has been and continues to be that there is a voice that is not being heard on the floor of the Senate. It is the voice of the victims; it is the voice of the consumers; it is the voice of the people who don't know yet that they are going to be put out of business. It is the voice of people who don't know yet that they have been lied to or misrepresented to, been induced to sign a contract under the specific language of this bill.

As a result of this bill, they can recover absolutely nothing but the cost of their computer.

It is wrong. It violates every concept of justice that exists in the United States and has existed for the last 200 years.

We can do the things that my colleagues want to do: Get rid of frivolous lawsuits, induce people to solve these problems, get people to work together, not go into court. We can do all those things, and we can accomplish those things. But we can do it without gutting the right of the little guy who has a real and legitimate claim and has suffered a tremendous loss, been put out of business, without taking away that very fundamental right.

Those people are going to be sitting in our offices. So I have one last question to my colleagues: When those men and women are sitting in your offices in February, March, and April of the year 2000, saying: I have been put out of business, who do I go see? Who do I go see about this? I am out of business. Computer people made fraudulent misrepresentations in my contract. They were reckless in the way they made their product. I never knew it. I am out of business.

They are sitting on our couch in our offices, and they look in our eyes and say: Who do I go see about this problem? Maybe some of my colleagues have an answer to that question. Unfortunately, I do not.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I have only been in this body for 13 years. I have never heard quite such a mischaracterization of legislation as the Senator from North Carolina just displayed.

I yield 5 minutes to the Senator from Washington.

Mr. GORTON. Mr. President, the success of legislation in a matter of considerable controversy in our society is always built upon the foundation of compromise. This relatively short debate on the final passage of H.R. 775 is a perfect example of that compromise. The Senator from Oregon, who was so responsible for the final form of this bill, listed all of the changes that he required in order to approve of this legislation. The Senator from Connecticut spoke eloquently of the way in which he worked with the administration to change a "no" into a "yes," and make this legislation a reality. My very good friend, the chairman of the Commerce Committee, the Senator from Arizona, spoke of the fact that both the original House bill and the original Senate bill were much more sweeping and much more decisive in dealing with this Y2K problem. He deserves an extraordinary degree of our thanks and our admiration for working constantly and tirelessly toward a successful conclusion, even though that conclusion is not something he regards as wholly satisfactory.

I fall on his side of that debate. I think we should have done much more. I am, in fact, a radical reformer in this whole litigation field, whether it is this narrow issue or the broader issue of product liability or medical malpractice or the questionable utility of punitive damages in civil litigation. I would go much further than this bill does. But what we have done is to bring people together to solve a problem in a way that we can deem a success, all the way through to the signature of the President of the United States.

During the last 20 years, our society and our economy may have changed more dramatically than in any other similar period of history. We have become a computerized information society, due to the very technological developments that resulted in a Y2K challenge. But the Senator from North Carolina claims to speak for the voiceless. They are not voiceless. They played a major role in this debate. The coalition that has wanted far stronger legislation than this does, of course, consist of software and hardware companies. But it also consists of the great bulk of the representatives of the customers of those companies. The National Federation of Independent Business is the largest single organization of small business in this country. It favors this legislation. It favors legislation stronger than this. So whoever the Senator from North Carolina was speaking for, it was not the small businesspeople who do not look forward to a blizzard of litigation on this subject.

Of course, in retrospect, this new technology might have thought about the Y2K problem earlier than it did. But at this point, our goal should be a solution to the problem, not a blizzard of second-guessing litigation, especially litigation that will almost certainly slow down the future development of the very technology that has been so responsible for the growth in the American economy and has caused such significant changes for the good in the lives of people all around the world.

This bill is by no means perfect. In the view of this Senator it lacks that perfection because it is not all-encompassing enough. It is, however, at least a modest step in the right direction, one supported not only by the technology companies that are responsible for the computer revolution but by their customers and consumers as well.

So with my colleagues on both sides of the aisle, I can wholeheartedly recommend the passage of this legislation to the Senate and look forward with satisfaction to the President's approval of this bill.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, once again I do not yield from the statement made that this has been one shabby charade. I intended to, and did, take the President to task, and I do so. You don't send five veto messages and then come with a sorry bill, a worse compromise. It is obvious. You can look at it on the face of it. It did not take care of the consumers. Senator LEAHY tried to. It was what we adopted in the Congress last year, in the securities bill, in the other measure; we always take care of the consumers. But here the one group penalized, sidelined, damaged, if you please, are the consumers of America.

I ask unanimous consent to have printed in the RECORD the letter from Public Citizen, opposing the bill, opposing this report.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PUBLIC CITIZEN,
Washington, DC, June 24, 1999.

PLEASE OPPOSE THE SENATE Y2K IMMUNITY BILL

DEAR REPRESENTATIVE: On behalf of Public Citizen's 150,000 members, we thank you for your vote against passage of H.R. 775, the Y2K immunity bill. We urge you to continue to stand up for consumers and small businesses by voting against the Senate-passed version of this unfair legislation if it is brought to the House floor. Although this measure is somewhat "less extreme" than the version of the bill that you opposed when the full House voted on this measure last month, the Senate bill is also sweeping in scope, and its effect on individual and small business consumers will be virtually the same as the House bill: it will make it next to impossible for those with legitimate Y2K claims to seek full and fair compensation in state courts.

Both the Senate and House Y2K bills bestow special legal protections upon companies responsible for manufacturing and selling technology products and computer systems that will not work in the Year 2000—even to those companies that knowingly sold Y2K defective products within the last few years, and even to those that are still selling defective products and systems today. This kind of blanket protection from accountability is unfair and unwise. Not only will these bills preempt important consumer protections under state law, they are likely to undermine Y2K readiness by sending a message that Congress will not allow companies to be held accountable for their acts and omissions. They will lead to more Y2K failures and injuries, not fewer.

The Senate bill has not all, but many, of the same kind of extreme provisions that made the House bill unacceptable. For example, the Senate proposal contains:

A mandate that, to receive punitive damages at all against any defendant—even a huge corporation—a plaintiff must prove applicable state law standards for punitive damages by clear and convincing evidence—a higher burden of proof than is required under many state laws; this provision would make it harder to hold the most irresponsible defendants fully accountable.

In addition, the bill also imposes a cap on punitive damages of $250,000 or three times actual damages, whichever is less, in cases involving defendants with 50 or fewer employees; this cap applies no matter how egregious the defendant's behavior unless the plaintiff can prove by clear and convincing evidence that the small business defendant specifically intended to harm the plaintiff—an extremely difficult standard for a plaintiff in a civil case to meet.

The elimination of joint liability of defendants in most instances—even for defendants that are substantially responsible for causing a Y2K failure—with no requirement that defendants take any steps to avoid Y2K failures in the first place to receive this liability limitation; this change in law would leave many injured individuals and small business consumers without full compensation.

A provision to allow defendants to remove most state law Y2K class actions into federal court—a proposal opposed by the Judicial Conference of the United States, chaired by U.S. Supreme Court Chief Justice Rehnquist.

Additional burdens on class action plaintiffs such as heightened notice and pleading requirements and requirements that courts find that the majority of class members' injuries to be "material" at the outset of any litigation; these requirements will make it harder for consumers to bring their cases as a class, even if that represents the most efficient way to adjudicate their cases.

So-called "bystander liability" provisions, limiting the liability of parties other than the product manufacturer or seller by making it more difficult to prove claims of fraud, negligent misrepresentation, interference with contract and other claims where the defendant knew or should have known about the Y2K failure at issue.

A mandatory waiting period of 90 days before plaintiff can bring a suit—with no requirement that defendants actually fix any Y2K problems during that time, even though some plaintiffs could suffer substantial losses during that period, such as a small business that is forced to close.

In addition, the Senate added more special protections for defendants and one-sided provisions that make the Senate bill even worse in some respects than the bill that passed the House. These include:

A complete one-way preemption of state law, preserving every state law that gives more liability protections to defendants while ensuring that the bill only wipes out all current state law rights that benefit consumer and small business plaintiff.

A complete affirmative defense against governmental enforcement actions for defendants that failed to comply with most federally enforceable measurement or reporting requirements because of a Y2K failure that was "beyond the reasonable control of the defendant;" this applies to rules of the Environmental Protection Agency, the Food and Drug Administration, the Occupational Safety and Health Administration and other agencies, unless the violation poses an imminent threat to the environment, health, or safety.

The suspension of federal penalties for any violation of any federal regulation caused by a Y2K failure (except a rule related to the banking or monetary system) for businesses with 50 or fewer employees as long as that business did not violate the same rule within the last three years and made some "good faith effort" to avoid the Y2K problem.

The only pro-consumer amendment added to the bill in the Senate offers temporary protection against adverse actions by financial institutions or credit agencies for individuals or small businesses unable to meet a financial obligation, such as making a mortgage payment or paying a credit card bill, because of a Y2K failure. This is an important provision to ensure that a person's credit is not ruined or a family evicted because of an inability to make a payment through no fault of their own. But this one pro-consumer amendment in no way makes up for the overwhelming unfairness of the underlying Senate bill to most consumers and small businesses who will experience Y2K failures in products and services they have purchased, or who suffer Y2K damages from chemical spills or other Y2K-caused accidents.

Please oppose the Senate version of H.R. 775.

Sincerely,

JOAN CLAYBROOK,
President, Public Citizen.
FRANK CLEMENTE,
Director, Public Citizen's Congress Watch.

Mr. HOLLINGS. Mr. President, this is the letter we received from the distinguished executive assistant, Mr. John Podesta. I ask unanimous consent this be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, June 30, 1999.

Re H.R. 775—the Year 2000 Readiness and Responsibility Act.

Hon. THOMAS A. DASCHLE,
Democratic Leader, U.S. Senate,
Washington, DC.

DEAR MR. LEADER: The nation faces the possibility that widespread frivolous litigation will distract high technology companies and firms throughout the economy from the important work of preventing—and if necessary—repairing damage caused by the inability of systems to process dates in the new millennium. Special, time-limited legislation to deter unwarranted Y2K lawsuits is important to our economy.

Over the last few months, the Administration sought to ensure that, while we deterred frivolous claims, we also preserved important protections for litigants who suffer bona fide harm. We believed that the Senate-passed bill failed this test. The Conference Committee agreed to make a list of changes that were important to provide necessary protections.

The agreed-upon changes were translated into legislative language extremely narrowly, threatening the effectiveness of the negotiated protections. Nonetheless, we have concluded that, with these changes, the legislation is significantly improved. Specifically, as modified, the Conference Report: ensures that individual consumers can be made whole for harm suffered, even if a partially responsible party is judgment-proof; excludes actions brought by investors from most provisions of the bill and preserves the ability of the SEC to bring actions to protect investors and the integrity of the national securities markets; ensures that public health, safety and the environment are fully protected, even if some firms are temporarily unable to fully comply with all regulatory requirements due to Y2K failures; encourages companies to act responsibly and remediate because those defendants who act recklessly are liable for a greater share of a plaintiff's uncollectible damages; and ensures that unconscionable contracts cannot be enforced against unwary consumers or small businesses.

As a result, I will recommend to the President that he sign the bill when it comes to his desk.

In the normal course of business, the Administration would oppose many of the extraordinary steps taken in this legislation to alter liability and procedural rules. The Y2K problem is unique and unprecedented. The Administration's support for this legislation in no way reflects support for its provisions in any other context.

Sincerely,

JOHN PODESTA.

Mr. HOLLINGS. We go to what we knew. They made the agreement, it was all signed up, and after the agreement was sent over to the White House, it was not what they agreed to even then. I read:

> The agreed-upon changes were translated into legislative language extremely narrowly, threatening the effectiveness of the negotiating protections. Nonetheless, we have concluded that, with these changes . . . [we are going to sign the bill].

They were going to sign a bill. They were going to get a bill for the Vice President. We have to get this Silicon money. And they ought to be taken to task for this kind of performance here. We know what this is about. Like I say, no State, no Governor, no Attorney General, no legislature supports this effort. Let say that my distinguished friend from Connecticut is very effective. He says: What a radical idea when we have a unique problem.

No, not at all. I am reading from the American Bar Association, all the lawyers:

> Traditionally, legal principles governing both tort and contract actions have been the province of the States.

Not the Federal Government. We all know that.

> The legal issues likely to be presented by the year 2000 problem are not unique.

We know that. He said it is not unique, it is not a radical idea, it is not a radical idea to say what is wrong, specify in your complaint what is wrong. When the computer breaks down, I don't know what is wrong. Who does? It is like in the Food and Drug Administration, when there is bad food we have good product liability; we have a Food and Drug Administration. These products they have within their own purview, the proprietary information on the manufacturer, so if there is a product that breaks down, they know where it is. We cannot find it ordinarily. But here, they really sidelined middle America, consumers and the poor small businessman.

They said that is a radical idea. It is a radical idea. It goes against the entire thrust of the safety principles we experience here in America. We have a safe society. You can depend on the food. You can depend on the products. The European Union is now following strict liability and joint and several liability that we have here in America. A radical idea to run to the courthouse? We are not running to the courthouse.

It is a litigious society, but we will show tort claims are down and business suing business is up; domestic cases, rights cases for this right, that wrong; environment and otherwise, are up. But tort liability cases are down.

This here really legalizes torts, it legalizes negligence, it legalizes fraud, all in the name of something that happens 6 months from now when, by their own measure they say we ought to have 90 days to fix it. Unreasonable? The Senator from California, she came and said: Let's get rid of all the lawyers, just use those 90 days to require the manufacturer to fix it; that's all we need. We need to get back in business. We do not need a rush to the courthouse.

Rush to the courthouse? That implies you are going to get a rush judgment. Try to get 12 jurors to agree on anything today. You cannot get 12 Senators.

They surely have gotten something very easily. Surely, it was not unreasonable to at least say you have to fix the problem, in return for expansive restrictions on plaintiffs' rights.

Instead, they say you have to find out what is wrong and specify it before they do anything. Come on. They say that is in behalf of the consumers of America? And that is a good measure and it is a victory for America? No, Mr. President; this is a sad day when the moneys in campaigns are not just taken to get elected, are not taken just to buy the office, but when they buy the principles in order to cater to a crowd to pass this kind of legislation.

How much time remains?

The PRESIDING OFFICER. The Senator has 10 minutes 37 seconds.

Mr. HATCH. Mr. President, I want to take a few moment to speak on behalf of the conference report. As you know, the negotiations over the details of the Y2K Act entered their final phase last Friday, during the weekend, and through Monday and Tuesday of this week. With the tremendous help and diligence, particularly of Senators McCAIN, DODD, and WYDEN, we were able to craft a compromise bill which addresses every one of the major concerns of the White House.

Let me say that the final bill reflects the spirit of compromise. But I must admit that I believe the original Judiciary and Commerce Committee bills—along with the House bill—would have been far more effective in dealing with the problem of the expected frivolous and massive Y2K litigation—than the current compromise measure. But because of the overwhelming importance and need for this bill, both sides acted in good faith and reached an equitable agreement. Let me explain the depth and breadth of the changes that were made.

First of all, the House, recognizing the urgent need to pass this legislation, acceded to the far more lenient Senate bill. In practice, this meant that twelve major provisions of the House bill were dropped, ranging from elimination of both caps on director and officer liability to caps on attorneys fees. In the conference negotiations, seven further important concessions were made. Finally, in negotiations with the White House led by Senator DODD, we agreed to six further significant modifications to the bill. Mr. President, I have a list of these changes. I also have a letter from John Podesta to Senator DODD, dated June 29, that enumerates the changes requested by the White House and—except for minor technicialities—agreed to by the conference. I ask unanimous consent that these two documents be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE Y2K ACT

1. CONCESSIONS MADE ON Y2K ACT SINCE HOUSE & SENATE ACTION

House receded to the Senate, which means:

No caps on Directors and Officers liability;

Applies current state standards for establishing punitive damages, instead of new preemptive federal standard;

Cap on punitive damages no longer applies when defendant specifically intended to injure the defendant;

Removed caps on punitive damages for larger businesses;

Restore principle of joint liability for defendants who knowingly commit fraud. (House bill provided for several, but not joint, liability);

Definition of Y2K failure narrowed and targeted directly on year-2000 date-related data;

Dropped provisions dealing with attorneys fees;

Added sunset provision limiting application of Act;

Three major exceptions to proportional liability rule added. These exceptions and, indeed, the proportionate liability section itself, were taken from recent securities law sponsored by Senator Dodd;

Dropped the reasonable efforts defense or Federal rules for admissibility of reasonable efforts;

Dropped Federal rule for heightened state of mind requirement;

Confirms substitution of Federal question for minimal diversity standard

2. FURTHER CONCESSIONS

Revised definition of Y2K action—strike "harm or injury resulted directly or indirectly" and replace with the WH formulation of "harm or injury [that] arises from or is related to" an actual or potential Y2K failure. Add same formulation to claims or defenses.

Securities claims exclusion—Rejected WH formulation that private securities claims should be exempted from the bill. New provision would allow provisions of the securities law to stand only it if conflicts with provisions of the Y2K Act. We also agreed to exempt from the Y2K Act's application of securities law the duty to mitigate section.

Revised language on duty to mitigate—Added an exception for intentional fraud (unless there was an unjustifiable reliance on defendant's misrepresentations). Also exempted securities claims from this section.

Revised language on Economic Loss Rule—Adopted the approach of the Kerry Amendment, which allow for economic damages where the defendant committed an intentional tart (except where the defendant committed misrepresentation or fraud "regarding the attributes or capabilities of the project or service that forms the basis for the underlying claims."

Warrany and contract preservation—Addition to existing language, makes clear that contract terms can be voided by state-law doctrines of unconscionability existing as of January 1, 1999, in controlling judicial precedent of applicable sate law.

Proportion liability—new section which includes: Added three provisions: (1) made clear that the provision does not apply to contract provisions; (2) remove the 50% cap placed on those whose shares are not collectable; (3) made clear that all state law (common law as well as statutory) with grater protection applies.

Revised language on class actions—Two changes: (1) to discourage the filing of all state class actions in federal court, we increase the jurisdictional amount from $1 million to $2 million. We also add a requirement that there must be 50 or more plaintiffs to remove state class actions to federal court; and (2) to prevent elimination of state class actions, which have been removed to federal court and the judge remanded the class action as not proper in federal court (does not meet the criteria of FRCP 23), such remands will be without prejudice allowing the class action to be refiled in state court (and, if appropriate, amended and returned to federal court).

Punitivies—Punitive damage cap for small business—50 or less employees—which is the lesser of $250,000 or 3 times compensatory damages. The cap does not apply if a defendant acted with specific intent to injure the plaintiff.

CONCESSIONS PROPOSED BY SENATOR DODD

Proportionate Liability: Double orphan share for all solvent defendants; Triple orphan share for defendants proven by plaintiffs to be had actors; Exempt individual consumers in individual, but not class, actions.

Class Actions: Increase monetary threshold to $5 million; Increase class size exemption to 100 plaintiffs; Securities.

Exempt all private security claims from Y2K Act, except from bystander provision of that Act (Sec. 13(a) and (b)).

Contract Enforcement: State law governing contracts of adhesion and unconscionability remains enforceable.

Economic Loss: Doctrine will not apply to claims of fraud related to contract formation; Regulatory Relief (Gregg and Inhofe amendments).

Inhofe: Exemption applies so long as defendant could not have known of the underlying violation because of a Y2K failure of a reporting system. Similar approach with respect to Gregg. (Specifics to be worked out with Administration and others.)

The White House,
Washington, DC, June 29, 1999.
Hon. Christopher J. Dodd,
U.S. Senate, Washington, DC.

Dear Senator Dodd: After our discussions regarding H.R. 775, the Year 2000 Readiness and Responsibility Act, to limit liability resulting from Y2K failures, I am prepared to recommend to the President that he sign legislation that includes the following changes:

Proportionate Liability—double orphan share for all solvent defendants, triple orphan share for defendants proven by plaintiffs to be bad actors, and exempt individual consumers in individual, but not class, actions.

Class Actions—Increase monetary threshold to $10 million, and increase class size exemptions to 100 plaintiffs.

Securities—exempt all private security claims from Y2K Act.

Contract Enforcement—State law governing contracts of adhesion and unconscionability and contracts that contravene public policy remain enforceable.

Economic Loss—Doctrine will not apply to claims of fraud related to contract formation.

Regulatory Relief (Gregg and Inhofe amendments)—Changes made to ensure that the provision would not endanger the environment, public health or safety.

Should the language of the legislation reflect our understanding of the resolution of these issues, I would advise that the President sign this bill. I am hopeful that if these changes are made, legislation can be enacted on a bipartisan basis.

Sincerely,

John Podesta.

Mr. HATCH. There can be no question that the final bill is more than a fair compromise. It balances the need to protect consumers against the need to safeguard business—particularly our high tech industries—from the ravages of unrestrained predatory litigation. Indeed, some experts maintain that litigation over the Y2K bug could cost the world economy over one trillion dollars.

I must emphasize the importance of this. One reason that our economy has been prospering is the beneficial effect of its increasing computerization. The Chairman of the Federal Reserve Board, Alan Greenspan, has asserted several times that the economy's increased productivity is in part due to computerization and the information revolution. And one of America's biggest exports is high technology goods and services. Without this bill, we would be strangling the proverbial goose that lays the golden egg. America must remain the pacesetter in high technology and the leader of the information revolution. Our security and national defense demands it.

Because of the importance of this issue, I have stated that I want a bill and not a partisan issue. I believed that compromise was the only way to achieve a product that was both fair and that would pass Congress. The bill we produced is a good product. But, it could have been a better product if the administration had been more forthcoming. Despite frequent requests by myself, Chairman McCAIN, and other Senators, for the administration to become actively involved, the administration did not seriously enter into negotiations until last week. They now—after hours and hours of talks—reluctantly support the bill. Well, better late than never, I guess.

I want to reiterate my thanks to Chairman McCAIN and Senators DODD and WYDEN. I also want to thank the other conferees, Senators BENNETT, THURMOND, GORTON, STEVENS, BURNS, LEAHY, HOLLINGS, and KERRY, for all their hard work and efforts in making this bill fair, as well as, effective. Senator BENNETT in particular was an early advocate for prompt and meaningful action on Y2K. I would also be remiss not to note my appreciation for the hard work and dedication of the cosponsor of my Senate Judiciary Y2K bill, Senator FEINSTEIN.

I also want to thank the House conferees for their hard work and for their wisdom and prudence. Finally, I want to thank the Senator and House staff for their dedication. I know the long hours they labored.

I urge all Senators to support this compromise conference report.

Mr. BOND. Mr. President, I rise to applaud my colleagues in the Senate and our friends in the House of Representatives for acting promptly to negotiate a conference report on the Y2K Act. As chairman of the Committee on Small businesses, I have paid particular interest to the small business community's concerns about the Y2K problems. While the ultimate consequences that will result from the Y2K problem are as yet unknown, small family-owned businesses are understandably concerned about their futures after the new year. They are concerned that their companies may be in danger either from the problem itself or from suits brought by trial lawyers concerned only with the fees they can obtain from settlements.

These businesses have reason to worry that they will be bankrupted by never-ending litigation. Small, woman-owned and family-owned businesses are the most vulnerable from costly litigation, either as plaintiffs or defendants, because they do not have the time to devote to it and do not have excess revenue to afford it. In addition, small businesses do not want to sue companies with which they have long-standing relationships and whose survival is tied to their own. Yet, these vulnerable businesses see the looming specter of endless litigation on the horizon.

Experts have estimated that total litigation costs related to the Y2K problem will be astronomical. For example, the Gartner Group, an international consulting firm has estimated that more than $1 trillion will be spent on Y2K litigation. Therefore, this legislation, by encouraging resolution of Y2K disputes outside the courtroom and decreasing the number of frivolous lawsuits that small businesses may have to face, will help to ensure that litigation arising from this problem will not devastate the millions of small businesses that are the engine of our nation's economy.

The small businesses that are troubled about the prospects of Y2K litigation are located on Main Streets all across America, not just Silicon Valley. They are this country's mom and pop groceries, its dry cleaners and its hardware stores. The National Federation of Independent Businesses, the nation's largest small business association, strongly supports this legislation. The NFIB surveyed its members and found that an overwhelming 93 percent support capping damage awards for Y2K suits. The small business community is speaking with a unified voice in support of legislation to limit the impact of Y2K suits for the good of this nation and by voting for the conference report today we are not ignoring this voice.

The conference report also contains an important amendment that was adopted in the Senate sponsored by Senator GREGG and co-sponsored by me. While the underlying bill will ensure that small businesses do not face financial ruin from costly litigation, the amendment will make certain that our own government does not bankrupt small businesses over the Y2K problem. This amendment will waive Federal civil money penalties for blameless small businesses that have in good faith attempted to correct their Y2K problems, but find themselves inadvertently in violation of a Federal regulation or rule, despite such efforts.

Most experts that have studied the Y2K problem agree that regardless of how diligent a business is at fixing its Y2K problems, unknown difficulties are still likely to arise that may place the operations of such businesses at risk. The last thing this government should do is levy civil money penalties on small businesses that find themselves inadvertently confronted with Y2K problems. Many of these businesses will already have had their operations disrupted and may be in danger of going out of business entirely. The Gregg-Bond amendment in the conference report ensures that the Federal government does not push them over the edge. I urge all my colleagues to support the conference report for the sake of our country's small woman- and family-owned businesses and to ensure that the economic health of our nation is not imperiled by the Y2K problem in the coming year and beyond.

Mr. KERREY. Mr. President, as I have stated before, the debate surrounding Y2K Liability is a very important one. The estimated cost associated with Y2K issues vary greatly, ranging from $600 billion to $1.6 trillion worldwide. The amount of litigation that will result from Y2K-related failures is uncertain, but at least one study has guestimated the costs for Y2K related litigation and damages to be at $300 billion.

With that in mind, Congress has been debating legislation which encourages companies to prevent Y2K failures and to remedy problems quickly if they occur, and to deter frivolous lawsuits. Although I support the goals of the bill that passed the Senate last month, I voted against that bill because I did not feel it provided enough protection for consumers.

I am pleased to see that changes were made in the Conference Report that address my concerns and provide protection for consumers. Because of these important changes, I intend to support the Y2K Liability Conference Report. Many of my colleagues have pointed out positive changes to this bill. I would like to highlight just two provisions that will put consumers in a better position with respect to Y2K litigation.

The first provision concerns proportionate liability. Exceptions to the general rule of proportionate liability were made to ensure ordinary consumers are protected and "bad actor" defendants are not rewarded. These bad actor defendants, those who act recklessly, will bear a higher proportion of liability for otherwise uncollectible damage claims. This both protects consumer plaintiffs and provides companies with an incentive to identify and remedy Y2K problems.

The second provision deals with the duty to mitigate. Under the bill, plaintiffs have a duty to mitigate damages, which means that they have a duty to fix computer problems that could have been reasonably avoided. The Conference Report adds an important exception to this rule. Consumers who rely on fraudulent misrepresentations made by defendants about Y2K readiness will be exempted from this duty to mitigate. In other words, if a computer company tells a consumer in bad faith that his computer is "Y2K compliant" and that turns out to be false, the consumer will be in a better position to recover damages from that bad faith defendant.

The Y2K issue is a very unique, once in a millennium, problem. Because it is so unique, I agree that legislation is needed. I believe this legislation now strikes a proper balance between consumers and the high tech industry—computer companies have an incentive to identify and remedy potential Y2K problems, and consumers have important protections when faced with bad actor defendants. Therefore, I will cast a vote in support of the Y2K Liability Conference Report.

Mrs. FEINSTEIN. Mr. President, I am pleased that the long road to enacting this critical legislation is finally coming to an end.

The conference report now before the Senate is the product of more than seven months of tough, complex negotiations between the high-tech industry, the White House, trial lawyers, consumer groups, computer consultants, countless Members of the House and Senate and other interested parties.

The final, bipartisan bill—now supported by the President—will create a once in a millennium, three-year law. Without it, I believe we could see the destruction or dismemberment of America's cutting edge lead in technology.

Mr. President, several well-known consultants and firms, including the Gartner Group, have estimated that Y2K litigation could quickly reach as high as one trillion dollars. This potential litigation flood could prevent companies from solving Y2K defects, and as a result could put the high-tech engine that has propelled our economy to new heights at risk.

This bill is especially important to California, where over 20 percent of the nation's high-tech jobs are located.

And the problem extends beyond high tech companies into the lives of employees, stockholders and customers of a wide range of American business.

We solved part of the Y2K problem last year when Congress overwhelmingly passed legislation to protect companies who make statements about Y2K problems in order to help others predict and solve these problems before they occur.

But we must now take an extra step, in order to encourage companies to work to prevent and fix Y2K problems with minimum delay.

Without this bill, companies may be forced to devote far too many resources to preparing for lawsuits rather than mitigating damages and solving Y2K problems.

And many consultants have come to us and said that they have refused to become involved in helping companies solve Y2K problems, for fear that they will open themselves up to being sued later on. They would rather just not get involved.

As a result, the very people capable of fixing Y2K defects are unavailable to perform those fixes.

I believe we face a real problem, and we have tried to craft a real solution.

And crafting that solution has not been easy. On almost a daily basis, Senate staffers, industry representatives, opponents of the bill and others have met for hours at a time to hammer out differences, clarify language, and make significant, substantive changes to the early versions of these bills.

In fact, even before the Conference Committee met over the last week, the original sponsors of Y2K litigation reform, including myself and Senators HATCH, MCCAIN and WYDEN, made dozens—if not hundreds—of changes to these bills. We addressed every concern we could, we significantly limited the scope of the bills, and we clarified many sections to ensure that plaintiffs and defendants alike will find an even, uniform playing field once the bill passes.

And it is important to remember that nothing in this bill is permanent—rather, it is a three-year bill limited to certain specific cases. The bill applies only to Y2K failures, and only to those failures that occur before January 1, 2003.

This bill contains a number of key provisions meant to deter frivolous suits and encourage remediation, arbitration, and problem-solving.

Most of these provisions have been modified or limited during the negotiations that have taken place over the last seven months. Several changes were made as late as this week, during negotiations with the White House.

The bill provides a 90-day "cooling off period" during which time no suit may be filed, so that businesses can concentrate on solving Y2K problems rather than on fending off lawsuits.

Only one 90-day period may be invoked per lawsuit, and the 90-day period does not delay any injunctive relief—a plaintiff may immediately file for a temporary restraining order or any other type of injunctive relief.

The purpose of this section is to give both parties an opportunity to focus on identifying and then correcting any Y2K problems quickly and efficiently.

The bill also provides for proportionate liability in many cases, so that defendants are punished according to their fault, and not according to their "deep pockets."

Under our current system of joint and several liability, a defendant found to be only twenty, ten or even one percent at fault can nonetheless be forced to pay 100 percent of the damages.

This system often encourages plaintiffs to go after "deep pocket" defendants first, in order to force a quick settlement.

I believe that this system is fundamentally unfair, and I am pleased to say that this bill eliminates joint and several liability in many Y2K cases.

Under the new system, defendants will be responsible only for that portion of damages that can be attributed to them.

However, the bill does have several specific exceptions to the elimination of joint and several liability.

First, any plaintiff worth less than $200,000 and suffering harm of more than 10 percent of that net worth may recover against all defendants jointly and severally. This exception in the bill protects those plaintiffs with a low net worth, but will not unduly injure defendants because the damages recovered will not be great.

Second, any defendant who acts with an intent to injure or defraud a plaintiff loses the protections under this bill and is again subject to joint and several liability. We do not want to protect those acting with an intent to harm.

Finally, the original Senate bill provided a compromise for those cases in which certain defendants are "judgement-proof." In cases where a plaintiff cannot recover from certain defendants, the other defendants in the case would each liable for an additional portion of the damages. However, in no case could a defendant be forced to pay more than 150 percent of its level of fault. The Conference Committee increased that cap to 200 percent, making it even easier for plaintiffs to recover the fullest possible extent of their damages.

The Conference Committee also inserted provisions in the bill, at the request of the White House, that will allow any individual consumer to recover jointly and severally against defendants for any share of damages that are uncollectible from other, judgment-proof defendants.

And for Y2K class action suits, the bill requires that a majority of plaintiffs have suffered some minimal injury, in order to avoid cases in which thousands of unknowing plaintiffs are lumped together in an attempt to force a quick settlement.

The bill moves many Y2K class actions into federal court for purposes of uniformity, but at the request of the White House the Conference Committee increased the threshold to get to federal court from the one million dollar level found in the Senate bill to ten million now. Furthermore, the number of required plaintiffs required to move a class action to federal court has been doubled from fifty to one hundred.

And the punitive damages section, which has been severely curtailed since early versions of the bill, now caps punitive damages for small businesses only—to $250,000 or three times compensatory damages, whichever is lesser.

Another change made to the bill in Conference exempts most intentional torts from the limits on recovery for economic loss.

Finally, the conference report provides that state laws on unconscionability will not apply to cases in which individual terms within a contract should not be enforced—a move further protecting the plaintiff's right to recover.

Each of the changes made before and during the Conference Committee negotiations has narrowed the focus and effect of the bill, while still maintaining the bill's clear intent to allow companies to prevent, solve and remediate Y2K problems without undue delay stemming from frivolous lawsuits and meritless claims.

The "one trillion dollar litigation headache" is rapidly approaching, and this Congress can provide some preventative medicine and some anticipatory pain relief in the form of the reasoned, fair, and thoughtful compromise before us.

The bill sets forth clear rules to be followed in all Y2K cases, and the bill levels the playing field for all parties who will be involved in Y2K suits—plaintiffs and defendants.

Companies and individuals alike will know the rules, and will know what they have to do. And most importantly, the stability that will come from this bill will allow companies to prevent Y2K problems when possible, fix Y2K defects when necessary, and proceed to remediation of damages in an orderly and fair manner.

This bill has been through a tortuous legislative drafting process, with criticisms, suggestions and changes made from every side and by every sector of our society.

So let us pass this conference report today, let us send it to the President, and let us show this nation that the Y2K crisis will not cripple our courts, will not disrupt our economy, and will not put a halt to the technology engine driving our progress towards the twenty-first century.

Mr. LOTT. Mr. President, as the Senate prepares to vote on the Conference Report on H.R. 775, the Y2K Act, I want to praise the bipartisan efforts of so many Senate and House Members who have worked diligently to construct an effective, fair bill that will address the important issue of liability as it relates to the possible Year 2000—or Y2K—computer problems. This has been a group effort, teaming members on both sides of the aisle with the private sector. The coalition of high technology businesses, large businesses, small businesses, and others provided the initiative and momentum that pushed this bill across the finish line.

This bill is constructive, positive legislation. It allows companies in the information technology industry to focus their limited resources on solving Y2K related problems in computer software by preventing frivolous litigation. Litigation which would divert those limited resources away from solving Y2K programming deficiencies.

Mr. President, so many Senators and their staffs have worked to insure the success of this legislation, even when faced with difficult hurdles and odds. The efforts of Senator McCAIN, Senator WYDEN, Senator GORTON, Senator BENNETT, Senator DODD, Senator HATCH, Sentor FEINSTEIN and others, along with the efforts of the House sponsors and conferees, have brought us to this point.

Mr. President, I am pleased that the House has passed this important bill today by a vote of 404–24. With only 183 days left until the globe turns the page on the calendar to a new century and a new millennium, I urge my colleagues to vote for this important bill. I am confident that this Conference Report will pass the Senate by a wide margin, just as in the House, and I urge the President to sign this bill into law when he receives it.

Mr. HOLLINGS. Mr. President, we have some demands on this side of the aisle and some obligations.

I yield back the remainder of our time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I congratulate the Senator from South Carolina for his spirited and impassioned defense of his position. It is a great privilege to do combat with him, both in the committee and on the floor. I appreciate his eloquence as always. Since this time I believe we have the votes, I yield back the remainder of my time.

Mr. HOLLINGS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Alaska (Mr. MURKOWSKI) is necessarily absent.

The result was announced—yeas 81, nays 18, as follows:

[Rollcall Vote No. 196 Leg]

YEAS—81

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Bingaman
Bond
Boxer
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murray
Nickles
Reed
Robb
Roberts
Roth
Santorum
Schumer
Sessions
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner
Wyden

NAYS—18

Akaka
Biden
Breaux
Durbin
Edwards
Feingold
Hollings
Johnson
Landrieu
Leahy
Levin
Reid
Rockefeller
Sarbanes
Shelby
Specter
Torricelli
Wellstone

NOT VOTING—1

Murkowski

The conference report was agreed to.

Mr. LOTT. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF BUSINESS

Mr. LOTT. Mr. President, I think it is important now we give Members some indication of what the schedule looks like. Senator DASCHLE and I have been talking about how we can move forward.

I believe we have two amendments that have to be dealt with, with the possibility of votes, at least two votes at 7:30, in order to finish the Treasury-Postal Service appropriations bill. I think there will probably just be one amendment vote and final passage, although there is another amendment that has to be disposed of in that time.

At that point, our plan is to go to the District of Columbia appropriations bill. Work is being done on that now. Senator DASCHLE and I are ready to announce right now that if we can get that done tonight at a reasonable hour, we will not have any votes on Friday. If we have difficulty, if we can't get it done tonight, then we will be in with votes tomorrow. We probably are going to have to be in tomorrow anyway. Senator DASCHLE and I had already planned on being here. We want company. We are still working on nominations tonight, and we might have some we will try to get cleared tomorrow.

Basically, I am saying that if we could get this D.C. appropriations bill completed, then we would not have recorded votes tomorrow. It behooves us all. We are in a good mode now. We are making progress. I urge those who are involved in the D.C. appropriations bill to work aggressively so we can complete this at a reasonable hour tonight. Otherwise, we will see you in the morning at 9:30.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. LOTT. I am delighted to yield.

Mr. BYRD. I hope you will have a session tomorrow without votes. There are many of us who like to make some speeches from time to time. We don't get the opportunity to do that. I would like to give a speech concerning Independence Day, for example, and there are others.

Mr. LOTT. Mr. President, as I indicated, I thought we might have to have a session tomorrow anyway because of some wrapup business we may need to do. If we have Senators who would like to speak as to the Fourth of July, that is all the more reason. The key question for all other Senators is, will there be votes tomorrow morning or not. That will depend on finishing up the District of Columbia appropriations bill.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. LOTT. I yield the floor, Mr. President. I believe we have a D.C. unanimous consent request that is ready now.

UNANIMOUS CONSENT REQUEST—S. 1283

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that we take up and consider the District of Columbia appropriations bill with the following parameters: 40 minutes equally divided on the Coverdell needle exchange amendment, with a second-degree amendment by Senator DURBIN; 30 minutes for Senator DURBIN's tuition assistance program amendment, and 10 minutes for the opposition; 15 minutes for Senator DURBIN's sense-of-the-Senate amendment; the Hutchison managers' amendment, and a final vote.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object, I have not seen the needle exchange amendment or Senator DURBIN's second degree, if he has one. I cannot agree to this at this time, until I see the amendment, because it affects a lot of people and it could mean the spread of disease. I need to see the amendment.

The PRESIDING OFFICER. Objection is heard.

Mrs. HUTCHISON. We will work with the Senator from California and let her see the amendment. I will ask Mr. COVERDELL to make the amendment available.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000—Continued

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota, Senator WELLSTONE, is to be recognized.

Mr. WELLSTONE. Mr. President, I think I follow Senator DEWINE.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

AMENDMENT NO. 1200

(Purpose: To prohibit the use of funds to pay for an abortion or to pay for the administrative expenses in connection with certain health plans that provide coverage for abortions)

Mr. DEWINE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. DEWINE], Mr. ABRAHAM, Mr. BROWNBACK, Mr. SANTORUM, Mr. HELMS, Mr. ASHCROFT, Mr. MCCAIN, Mr. NICKLES, and Mr. HAGEL, proposes an amendment numbered 1200.

The amendment is as follows:

At the end of title VI, add the following:

SEC. . No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. . The provision of section shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

Mr. DEWINE. Mr. President, I rise to offer this amendment on behalf of myself and Senators ABRAHAM, BROWNBACK, SANTORUM, HELMS, ASHCROFT, MCCAIN, NICKLES, and HAGEL.

This amendment would maintain in force the current law restricting Federal funding for abortions only to cases of rape, incest, or life of the mother. Specifically, my amendment would maintain the status quo that limits Federal employee health plans to cover abortions only in the case of rape, incest, and threat to life of the mother.

This is the same amendment that was accepted during the debate for fiscal year 1999 Treasury-Postal appropriations, the same amendment agreed to by this body during the debate for fiscal years 1996 and 1997. In fact, this is the same language that has been consistently supported by a bipartisan group of Senators and Representatives from 1983 to 1999, with the exception of only 2 years.

I mention all of this to make it very clear to the Members of the Senate that this amendment stakes out no new ground. This amendment maintains the status quo. This amendment has been voted on time and time again by this body, and time and time again this body has accepted it.

The principle is a very simple one—one that goes beyond the conventional pro-choice/pro-life debates that we hear on this Senate floor. I think my colleagues know I am pro-life and, therefore, I wish to promote the values protecting innocent human life. However, I point out that the vast majority of Americans on both sides of the abortion issue strongly agree that they should not pay for someone else's abortion. That really is what this debate is about.

Fairly stated, this amendment is not about the morality of abortion or the right of a woman to choose abortion. Rather, this is a very narrowly focused amendment that answers a key question: Should taxpayers pay for these abortions?

This Senate, this Congress, has consistently answered no. Congress has consistently agreed that we should not ask taxpayers to promote a policy, in essence, of paying for abortion on demand by a Federal employee. My amendment would maintain the status quo that limits Federal employee health plans to cover abortions only in the case of rape, incest, and threat to the life of the mother.

The vast majority of Americans oppose subsidizing abortions. Employers, as a general principle, determine the health benefits employees receive. Taxpayers are the employers of Federal employees, and a large majority of taxpayers simply do not want their tax dollars to go to pay for abortions. Taxpayers provide a majority share of the funds to purchase health insurance for the Federal civilian workforce. This provision addresses the same core issue and simply says that the Federal Government, as the employer, is not in the business of funding abortions. Abortion is certainly a contentious issue, and we should not ask the taxpayers to pay for it.

In conclusion, this issue has been debated time and time again on the Senate floor. Current law limits abortion availability in Federal employee health care plans to cases of rape, incest, and to save the life of the mother. That has been the position of the Senate, that has been the position of the House, and that was approved last year and the year before as well. We should not involuntarily take the money of Americans—many of whom find abortion abhorrent—to pay for abortions. We should not go against the will of the people of this country. We should uphold current law, and that is very simply what this amendment does.

I reserve the remainder of my time.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I would like to understand the parliamentary situation. As I understand it, the Senator from Ohio has 22 and a half minutes and I have the same amount of time. Is that correct?

The PRESIDING OFFICER. That is correct.

Mrs. BOXER. I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I rise today in opposition to the amendment offered by the Senator from Ohio, Mr. DEWINE, and I want to tell you why. I hope colleagues will listen to this, because this is an amendment that impacts 1.2 million women in America today. It is a law that is aimed directly at them. It will harm them; it will take away their rights.

We do a lot of things around here, and some of them don't really affect real people. This affects real people who happen to be women, 1.2 million of them, who are hard-working women, who pay for their own health insurance—part of it. Yet, under the Senator's amendment, he says to those 1.2 million women: You are going to be treated differently from every other working woman in America today just because you happen to work for the Federal Government and just because the Senate has the power to impact you.

I think this is a sad day for us again, a very sad day. Every other woman in America who has a health insurance plan can avail herself of all the legal procedures that are known to exist today. They have no problem. Abortion is a legal procedure. Let me repeat that. Abortion is legal in America. That is what this is all about. This isn't a debate about these 1.2 million women, not at all.

It is about the underlying question.

The Senator from Ohio is a leader in the effort to take away a woman's right to choose. He is open about it. He is honest about it. He is forthright about it. He thinks abortion should not be legal under any circumstance. And his cosponsors today, if you look at their record, are all in favor of a constitutional amendment banning the right to choose.

What we are seeing is another way to get to the same end. If you can't repeal Roe, if you can't take away a woman's right to choose, take away her right to be able to pay for the procedure which is legal.

Federal employees work hard. They work in every aspect of our lives. Some of them are scientists at the NIH. Some of them work delivering the mail. They work hard.

It seems to me unconscionable that we would say, because we have the power to do it, we would say because of raw legal power, Federal employees, women, you are second-class citizens, and you do not have the same rights as someone who works for American Telephone, or any of the companies, small or large, in this country.

Why is it that the Senator from Ohio doesn't have that in his amendment? Because he can't get it passed. But he has figured out a way because, yes, the Federal Government, as part of our benefits package, pays part of the health insurance premium.

So that is the vote. It is true that this has passed a couple of times. We didn't have a debate on it really the last time. I found it very interesting when we started this because my friends came to me and said: Do we really need to have a vote? Do we really need to talk about this?

I want to say something about this. We have a lot of time to talk about Y2K. We have endless days to talk about Y2K, and then we add another hour and a half to talk about Y2K. When it comes to business, we have a lot of time. But when it comes to taking away the rights of women, oh, Senator BOXER. Do you really need to talk about it? Can't we just forget about it? We don't need a vote. We want to go home. I want to go home. But we are about to do again what we have done before, which is to say to these women, you can't be treated like other women.

Everyone who gets up on that side to talk about this—I guarantee it—really wants to outlaw abortion, period.

That is what this is about—make it tougher, make it harder, any hook that they can find to stop a woman from exercising her legal right given to her by the Supreme Court decision, and, by the way, ratified over and over and over again by that Court—even the current Court. Yes, it is legal for a woman to have control over her own body. Yes, it is legal, they said. It is within her privacy rights. It gives her dignity. It gives her options. It gives her the ability to take care of her own health.

This is an insult to women who work for the Federal Government.

The Senator from Ohio has no compunction about it—standing up here and looking at the women who work here; his own staff, by the way, who will be treated as second-class citizens, different from all the other women in this country.

I now yield 10 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I thank my colleague from California, Senator BOXER, who has risen to speak against this amendment, for her courage, and for her reminding all of us of how important this issue is to so many women across this country.

I speak today in strong opposition to the DeWine amendment, which once again, attempts to restrict access to safe, legal, affordable reproductive health care services for women. This amendment simply seeks to obstruct a women's right to choose.

I know the proponents of this amendment claim they are only prohibiting the use of federal funds to pay for abortion. The truth is this amendment is about the U.S. Senate determining what health benefits federal employees will receive.

Health insurance for federal employees is an earned benefit. It is part of an overall compensation package. It is no different than a salary. Through this amendment, Senator DEWINE and his colleagues attempting to give federal taxpayers a say in how federal employees spend their salaries. This is unfair. A federal employee's salary belongs to the federal employee and a federal employee' health benefits belong to the federal employee.

Yet, we are here today debating an amendment that is based on the premise that the taxpayer controls federal employee's benefits. Again, health insurance is an earned benefit offered in lieu of income. The value of this benefit is part of the overall compensation for work performed. Why are we attempting to dictate the value or scope of a benefit owned by the federal employee? The answer is because the majority believes it can and therefore that it should. That's unfortunate.

I have a solution for federal employees who object to receiving benefits that allow a women the right to a full range of reproductive health care services: refuse to purchase health insurance from a plan that offers these benefits. It's that simple. Since the Federal

Employees Health Benefit Plan is, in part, funded by a premium paid by the employee that employee should have the right to refuse to support activities to which he or she objects. Those employees should simply not select these plans.

I think all federal employees should be outraged by this kind of amendment that we are debating. Dedicated, hard working federal employees are basically being asked to limit their constitutional right to choose when they enter federal employment. This amendment treats federal employees like second class citizens and gives them no ability to decide what kind of health insurance is appropriate to meet all of their health care needs, including reproductive health.

This amendment is not about the federal funding of abortions. This amendment is an assault on women's health. It is a creative way to deny access to abortion services for federal employees and their families. Federal employees should not be captive to the narrow views of a minority of the public. Allowing federal employees to purchase and receive insurance policies that allow them to have an abortion is not direct federal funding of abortion. It is a round-about way to limit some American's abilities to exercise the rights granted them by the Constitution. I, and the majority of Americans, support that right and the Roe versus Wade decision. This Senate should not undermine the fundamental right of women to decide whether to bear a child.

Most of my colleagues know voters would be outraged if they sought to overturn Roe versus Wade. But instead of simply coming forward and admitting they oppose the idea that a woman has a constitutional right to decide what is in her best interest and the best interests of her family, they hide behind arguments about federal funding. Most of my colleagues know that a majority of the population supports the basic of privacy inherent in the Roe versus Wade decision. Abortion, up to viability, is a personal and private matter. Rather than seeking to overturn Roe versus Wade, they have decided to restrict access with a multitude of creative, but similarly offensive, ways.

By mandating that insurance companies participating in the Federal Employees Health Benefit Plan deny access to abortion services as part of their defined benefit package, the U.S. Senate is attempting to take a private and difficult decision and add to a woman's hardship by turning it also into a financial burden.

Many federal employees simply do not have the discretionary income to pay for an abortion. The cost of this procedure can be high. By removing this health care benefit from all federal insurance plans, we have placed a significant financial burden on employees and their families. For federal employees, the protections guaranteed under Roe versus Wade are seriously jeopardized. Financial barriers can be just as effective for many people as simply overturning Roe versus Wade.

I hope this amendment is defeated and that we can recognize the valuable contributions of all federal employees by not forcing them to surrender their rights and protections as a condition of being a civil servant. I also hope that we can stop these constant assaults on women's health care and that of their families.

Mr. President, I retain the remainder of our time.

Mr. DEWINE. Mr. President, let me just briefly respond to some of the comments that have been made. This matter has been debated many times on the Senate floor. I seriously doubt there will be any new points that I or anyone else will raise.

Sometimes the obvious must be stated: This amendment does not stop abortions. This amendment does not say to any woman what she can or cannot do. This simply says taxpayers are not going to pay for it. It is that simple. It is that basic.

We have to understand, on the average health plan in the Federal Government, 73 percent of the cost is paid for by the Government, which means 73 percent of the cost is paid for by the taxpayers.

We get back to the issue, should the American people, on an involuntary basis, through their taxes, have money taken out of their pay to be used to pay for abortions when many people believe very adamantly that this is wrong? I think the answer is absolutely not, we should not have this money involuntarily taken from taxpayers to pay for abortions, which violates the conscience of many taxpayers.

This is one Senator who doesn't quote polls too often on the Senate floor, but I think it has some relevance about what the American people expect us to do as far as how their taxes are spent. A Fox poll in 1998 asked: Do you think health care plans should pay for any of the cost of an abortion? That answer? Sixty percent said no. The question specifically had to do with the Federal Government paying for these Federal health care plans. Sixty percent said no; 28 percent said yes.

I think it is very clear, with the Federal Government paying almost three-fourths of the cost of these plans and taxpayers paying three-fourths of the cost, we understand what is at stake and what the issue is. It has nothing to do with whether or not a person has a legal right to an abortion. That is a debate for a different day.

Mr. SANTORUM. Will the Senator yield for a question?

Mr. DEWINE. I yield.

Mr. SANTORUM. The Senator from Washington was saying we are restricting someone's right by not paying for an abortion, which posits the interesting question that right now comes with a guarantee that the Government will pay for that right. We have freedom of speech guaranteed in the Constitution. Does the Government pay for someone who wants to speak? Do the taxpayers pay to put them on television if they want to speak?

Mr. DEWINE. The answer is no.

Mr. SANTORUM. If a group of people want to assemble, does the Government pay for a room or the assembly costs? Is that part of the right of speech—that the Government must pay for the cost of assembling?

Mr. DEWINE. The answer is no.

Mr. SANTORUM. If someone believes in freedom of religion, does that mean the Government should pay the church to make sure people have the freedom to worship, and make sure the freedom of religion is guaranteed?

Mr. DEWINE. The answer is no.

Mr. SANTORUM. That is the obvious question.

A right is a right, but it does not include the right of the Government to pay for the exercise of that right.

In fact, there could be complications—there is a separation of church and state—if the Government were to get involved in enforcing those rights in this kind of way.

I think we set a very dangerous precedent when we elevate a right to the point where the Government now has to pay for the access of that right or for the enforcement of that right. I think that is a dangerous standard that the Senator from Washington has posited and one I hope the Senate will reject tonight.

I thank the Senator.

Mr. DEWINE. I thank my colleague for his comments.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, I yield 1 minute to the Senator from New York.

Mr. SCHUMER. I thank the Senator from California.

I rise in agreement with the Senator from California against the amendment of the Senator from Ohio. I make this argument—and I am sorry the Senator from Pennsylvania is not here—if I were to offer an amendment that said you couldn't use your Federal dollars to buy a handgun from your salary, there would be outrage on that side. They would say: We haven't made handguns illegal.

You may think they should be. I don't, it so happens, but for the sake of argument you think handguns should be illegal. But fight it on the issue of handguns, don't fight it by taking away Federal employees' rights.

There would be outrage from the very same people who are now saying this.

Mr. SANTORUM. Will the Senator from New York yield?

Mr. SCHUMER. I am delighted, on the time of the Senator.

Mrs. BOXER. We have retained the remainder of our time.

Mr. DEWINE. I yield to the Senator.

Mr. SANTORUM. Is there any prohibition in the DeWine amendment from someone using their own money to purchase insurance to cover abortion?

Mr. SCHUMER. To prohibit an individual to use their own wages to purchase insurance for abortions——

Mr. SANTORUM. Whether one uses their own wages or is part of a Federal health plan, paid for, in fact by those wages——

Mr. SCHUMER. Will the Senator let me finish?

Mr. SANTORUM. Over 70 percent is paid for by taxpayer dollars.

Mr. SCHUMER. What I say again, it is a specious difference to argue that when you go out with your own dollars is any different from with a health plan.

Mr. SANTORUM. Than with taxpayer dollars. That is a specious difference? I don't think so.

Mr. SCHUMER. What the Senator from Ohio is seeking to do——

Mr. SANTORUM. The answer is obvious.

I retain my time.

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. SANTORUM. There is no prohibition in the DeWine amendment for someone taking their own wages and purchasing insurance to cover abortion. That is the analogy the Senator made, and it is invalid. I wanted to make that clear.

Mrs. BOXER. I yield to the Senator.

Mr. SCHUMER. I thank the Senator from California for yielding to me to allow me to answer the question of the Senator from Pennsylvania, which is what I was attempting to do. He asked me a question, and he didn't let me answer.

The answer is simple: What you are doing on this amendment is imposing your will on how a Federal employee can spend their money, despite the fact they have a right to choose. It is no different, I argue, from me imposing my will on the right of a Federal employee to spend their money—Federal dollars—on the right to, say, buy a handgun. What is good for the goose is good for the gander.

I wouldn't support that amendment for both the reasons I mention. I think you argue right head on—not try to deal with Federal dollars. Second, I am not for abolishing all handguns. However, I say to my colleagues, the analogy is exact. I think it shows the fallacy of the argument behind the amendment of the Senator from Ohio.

Mr. KENNEDY. Mr. President, I strongly oppose the DeWine amendment.

It has been 26 years since the Supreme Court decided the case of Roe versus Wade in 1973. That landmark decision recognized a woman's fundamental constitutional right to choose to terminate her pregnancy. It removed the barriers that for generations had prevented large numbers of American women from obtaining safe and legal medical care to terminate their pregnancies.

In recent years, however, the barriers blocking access to abortion have begun to be rebuilt. This amendment to ban abortion coverage under the Federal Employees Health Benefits Plan is part of that unacceptable effort.

Several million women currently serve the federal government in every state of the nation. Many work for modest pay and depend upon federal health benefits for all aspects of their medical care, including reproductive health services. The amendment offered today would deny those women access to a legal, medical procedure—a constitutional right—and subject them to discrimination, simply because they have chosen to work in public service.

The anti-choice Republican majority in Congress has failed to undo Roe and make abortion illegal. But, they are doing insidious work to make abortion more difficult and more dangerous for the women of this country.

The most important majority in America—the majority of the American people—believe in a woman's right to choose. They understand what the anti-choice leadership in the Republican Party is trying to do, and they oppose it very strongly. We must do everything we can to uphold this basic right of American women against this relentless attack.

A ban on abortion coverage under the federal health plan would undermine a woman's ability to make a decision on one of the most personal, private, and difficult medical issues that will ever occur in her life. I urge my colleagues to vote against this ban, and preserve the constitutional right to choose for all women who are federal employees.

Ms. MIKULSKI. Mr. President, I rise in strong opposition to the amendment offered by Senator DEWINE.

The bill reported by the Senate Appropriations Committee would enable federal employees, whose health insurance is provided under the Federal Employees Health Benefits Plan, to receive coverage for abortion services.

The DeWine amendment would prohibit coverage for abortion, except in cases of life endangerment, rape or incest. It would continue a ban which has prevented federal employees from receiving a health care service which is widely available for private sector employees.

I oppose this Amendment for two reasons. First of all, it is an assault on the earned benefits of federal employees. Secondly, it is part of a continuing assault on women's reproductive rights and would endanger women's health.

We have seen vote after vote designed to roll back the clock on women's reproductive rights. Every year, on this Appropriations measure and on many others, the assault on a woman's constitutional right to decide for herself whether or not to have a child continues. This amendment continues that assault.

Well, I support the right to choose. And I support federal employees. And that is why I strenuously oppose this amendment.

Let me speak first about our federal employees. Some 280,000 federal employees live in the State of Maryland. I am proud to represent them. They are the people who make sure that the Social Security checks go out on time. They make sure that our nation's veterans receive their disability checks. At NIH, they are doing vital research on finding cures and better treatments for diseases like cancer, Parkinson's and Alzheimers. There is no American whose life is not touched in some way by the hard work of a federal employee. They deserve our thanks and our support.

Instead, federal employees have suffered one assault after another in recent years. They have faced tremendous employment insecurity, as government has downsized, and eliminated over 200,000 federal jobs. Their COLAs and their retirement benefits have been threatened. They have faced the indignity and economic hardship of three government shutdowns. Federal employees have been vilified as what is wrong with government, when they should be thanked and valued for the tremendous service they provide to our country and to all Americans.

I view this amendment as yet another assault on these faithful public servants. It goes directly after the earned benefits of federal employees. Health insurance is part of the compensation package to which all federal employees are entitled. The costs of insurance coverage are shared by the federal government and the employee.

I know that proponents of continuing the ban on abortion coverage for federal employees say that they are only trying to prevent taxpayer funding of abortion. But that is not what this debate is about.

If we were to extend the logic of the argument of those who favor the ban, we would prohibit federal employees from obtaining abortions using their own paychecks. After all, those funds also come from the taxpayers.

But no one is seriously suggesting that federal employees ought not to have the right to do whatever they want with their own paychecks. And we should not be placing unfair restrictions on the type of health insurance federal employees can purchase under the Federal Employee Health Benefit Plan.

About 1.2 million women of reproductive age depend on the FEHBP for their medical care. We know that access to reproductive health services is essential to women's health. We know that restrictions that make it more difficult for women to obtain early abortions increase the likelihood that women will put their health at risk by being forced to continue a high-risk pregnancy.

If we continue the ban on abortion services, and provide exemptions only in cases of life endangerment, rape or incest, the 1.2 million women of reproductive health age who depend on the FEHBP will not have access to abortion even when their health is seriously threatened. We will be replacing the informed judgement of medical care givers with that of politicians.

Decisions on abortion should be made by the woman in close consultation with her physician. These decisions should be made on the basis of medical judgement, not on the basis of political judgements. Only a woman and her physician can weigh her unique circumstances and make the decision that is right for that particular woman's life and health.

It is wrong for the Congress to try to issue a blanket prohibition on insuring a legal medical procedure with no allowance for the particular set of circumstances that an individual woman may face. I deeply believe that women's health will suffer if we do so.

I believe it is time to quit attacking federal employees and their benefits. I believe we need to quit treating federal employees as second class citizens. I believe federal employees should be able to receive the same quality and range of health care services as their private sector counterparts.

Because I believe in the right to choose and because I support federal employees, I urge my colleagues to join me in defeating the DeWine Amendment.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. How much time remains on both sides?

The PRESIDING OFFICER. There are 12 minutes 57 seconds under the control of the Senator from Ohio and 8 minutes 2 seconds under the control of the Senator from California.

Mr. DEWINE. I yield the Senator from Oklahoma 5 minutes.

Mr. NICKLES. On legislative procedure, I have advised my colleagues on both sides to go through the Chair. I think it is somewhat demeaning to the Senate to not have exchanges through the Chair. There is a reason for the rule.

I will make a couple of comments concerning this issue. I compliment my friend and colleague from Ohio for raising the issue. This is not about how someone spends their own money, I say to my colleague from New York. Anybody can spend their own money. A Federal employee can spend their own money and pay for an abortion.

It says "no funds appropriated under this act." In other words, no taxpayer money shall be used to pay for abortion. That has been the law of the land. We have passed that many times. This administration wants to overturn it. They have not been successful.

I heard one of my colleagues, I believe my colleague from Washington, say it is only a minority, a radical minority. I am not sure if the word "radical" was used, but a small minority that wants to impose its will.

That is not the case. There was a poll taken some time ago that asked, "Should the Government subsidize health care plans to pay for abortion?" and 72 percent said no.

I have heard people say: You are trying to outlaw abortion.

That is not the case.

The purpose of the amendment is, we do not want to subsidize abortion and we don't want it to be a fringe benefit.

I heard a colleague saying this is a "benefit." It shouldn't be a benefit. Abortion should not be a fringe benefit that is provided for and subsidized, three-fourths of which is paid for by the Federal Government.

Remember what we are talking about. Abortion happens to take the life of an unborn child.

I heard a colleague say we need a full range of reproductive services, we need reproductive health. What about health of the unborn child? Are we going to have the taxpayers pay to destroy the life of an unborn child? The majority in Congress and overwhelming majority of the American people have said no.

That is what our colleague's amendment does. It does not take away a woman's right to choose. It does not outlaw abortion. It just says we should not subsidize it. We should not be using taxpayers' money to provide a fringe benefit in the Federal employees' health care plans to help subsidize the destruction of innocent, unborn children.

So I compliment my colleague for the amendment. I urge my colleagues to support this amendment when we vote.

I yield the floor.

Ms. LANDRIEU. Will the Senator from Oklahoma yield for a question?

Mr. NICKLES. I will be happy to yield on the time of the Senator from California.

Mrs. BOXER. I yield 30 seconds.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Based on the argument he just made, would the Senator from Oklahoma then be in favor of repealing all tax benefits—tax subsidies or tax benefits to corporations in America that offer general health care plans to their employees?

Mrs. BOXER. Those that include abortions.

Mr. NICKLES. The answer to your question is no.

Ms. LANDRIEU. I would argue then that this argument makes no sense because this Senate and this Congress gives hundreds of millions, billions of dollars in subsidies to corporations all over this world that provide health care benefits. I will also argue that the Senator from California is correct; this is picking on a small group of employees.

Mrs. BOXER. I yield an additional minute to my friend.

Ms. LANDRIEU. In my mind, this amendment is not really about abortion one way or the other. It really is about the rights of employees, our employees who we are supposed to protect and treat fairly, men and women alike. It is not about direct subsidy. This is their wages that they earn, that they use to pay for their health care benefits. Since we give subsidies to all corporations everywhere, why can't we help our own employees for something that is legal? I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from California has 6 minutes 32 seconds. The Senator from Ohio has 10 minutes 23 seconds.

Mrs. BOXER. I yield 2 minutes to my friend from Minnesota. Before I do, I want to make a point. If you heard the Senator from Oklahoma, you heard it right. He says abortion is not a health fringe benefit. He says it is taking the life of an unborn child. In other words, in his opinion it is murder.

Unfortunately for my friend——

Mr. NICKLES. Will the Senator yield?

Mrs. BOXER. I will yield on your time. I am happy to yield on your time. I will yield on your time.

Mr. DEWINE. I yield the Senator 30 seconds.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 30 seconds.

Mr. NICKLES. Through the Chair, I want to caution my colleague. I have been close to making a rule XIX order. It is against the rules of the Senate to impugn the motives or the intentions of Senators, and the Senator from California has been very close to doing that, both to the Senator from Ohio and now to the Senator from Oklahoma. I wanted to make her aware of that.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mrs. BOXER. Let me strongly disagree with my friend from Oklahoma. I am merely quoting him. I would be happy to ask the Chair to have read back his exact quote. He said abortion is not a fringe benefit. It is taking the life of an unborn child. Therein lies this debate. That is what he believes. He has said it in his own words.

I say to him that a woman's right to choose is legal. It is a legal health benefit for her to have that option. And to take it away from 1.2 million women who happen to be Federal employees and then to stand up here and say no, you wouldn't take it away from women who work for corporations, even though they get billions of dollars in subsidies, is an inconsistent position, in my view.

I yield 2 minutes to my friend from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me, first of all, thank my colleagues for speaking on this. I actually will be very brief. I just want to make one point.

The Senator from Ohio is a good friend. We have worked together on many issues. I just see it a little differently.

I really do believe we are talking about a health benefit that the Federal employees have negotiated. This is a part of their package. It is the same thing as the salary they make.

What the Senate is trying to say to employees, or workers, is we are going to take away that benefit. We are going to take away your health benefit. From the point of view of a lot of working people and from the point of view of just thinking about it, from the point of view of employers and employees, I do not think that is what we should be doing. I do not think that is what we should be doing. I think it is a mistake in terms of what kind of respect we have for labor. I think it is a mistake in terms of the kind of respect we should have for employees. I do not think on the floor of the Senate we should try to take action to take away a benefit, a very important benefit—access to abortion services—from Federal employees. I think that is a profound mistake. I hope my colleagues will vote against this.

The PRESIDING OFFICER. Who yields time?

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, not to take time, but I ask unanimous consent that Rachel Gragg and Ben Highton, who are two fellows, be granted the privilege of the floor. I reserve the remainder of our time.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mrs. BOXER. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from California has 3 minutes 46 seconds. The Senator from Ohio has 9 minutes 58 seconds.

Mrs. BOXER. May I ask if the Senator would like to use his time?

Mr. DEWINE. I see no speakers on our side. I am not prepared to yield back, but we are getting down to the closing at this point.

Mrs. BOXER. I yield a minute and a half to Senator ROBB.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Virginia.

Mr. ROBB. Mr. President, I have not been present for all of the debate this time, but this issue has been before us many times in the past. I stand to oppose the amendment and to speak on behalf of the 1.2 million Federal employees who would be directly affected by the amendment. If this amendment were to pass, it would take away their health benefit rights which have been negotiated. The bottom line is, and I say this as one who represents a disproportionate number of Federal employees, this would make Federal employees, women who are eligible for this health benefit, second-class citizens. It would deny to them a benefit that is available to every other woman under every other private health plan that chooses to offer such coverage. I think it would be wrong.

I reserve the remainder of the time, and I thank the Senator from California and the Senator from Washington for their extraordinary leadership, again, on this very important issue.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Will the Senator from Ohio yield me 3 minutes?

Mr. DEWINE. I yield the Senator from Utah 3 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for 3 minutes.

Mr. BENNETT. Mr. President, I shall try to stay out of the more contentious part of this debate. But there is a point I think I have to make which has to do with the whole health care issue. That is, the health care system in this country is based on employer choice, not individual choice. I have spoken out against that. I did it during the debate on the Clintons' health care program. I have not made much headway, but this debate gives me the opportunity to point out, once again, that the benefits in a health care plan are always determined by the employer and not by the employee.

During the debate over the Clinton health care plan, people would say we should give everybody the same plan that you Senators have. I responded by saying I wish I had the same plan I had before I came to the Senate because I worked for an employer who gave me a better deal than the health care plan adopted by the Federal Government. I happened to be the CEO of that company. I, therefore, had something to say about what that deal would be.

I know of health care plans that deny pregnancy benefits. I would not want to work in such a place, having fathered six children. I took great advantage of the pregnancy benefits. But an employer could say and does often say: We can't afford pregnancy benefits. If you are going to have a baby, you are going to have to pay for it yourself.

Fortunately, during the period of time when I had no health care coverage because my employer could not afford it, we did not have any children. We had our six children under plans that provided pregnancy benefits. But it is not unusual for benefits to vary from company to company, from employer to employer, and for the employer to make the decision.

The decision will be made on the basis of the conscience of individual Senators. But let us understand that as the employers of Federal employees, we are not engaged in any unusual activity to make a decision as to which procedures will be covered and which will not, and there are a whole host of procedures in the Government health care plan that are not covered for which other plans pay.

That is the way the system works. I would like to change the system and give the individual the right to control those dollars absolutely, but I know of no program under our current tax laws where that is done, except in the case of the self-employed. Unfortunately, within this Chamber, we have made the decision not to allow the self-employed to deduct the entire cost of that decision.

I add those particular facts to this debate, trying to stay out of the more emotional side of it. I yield the floor.

Mrs. BOXER. Mr. President, how much time do we have left on our side?

The PRESIDING OFFICER. The Senator from California has 2 minutes 21 seconds.

Mrs. BOXER. I yield myself such time as I might consume.

Mr. President, abortion is legal in this country, and I know there are many on the other side particularly who do not like that. But it is legal. It is a health procedure that impacts on the rights of women, and the Supreme Court has said over and over it is legal.

This amendment by the Senator from Ohio, supported by the Senator from Pennsylvania and others, picks on women. It picks on a procedure only a woman would need. And it says to that woman: You cannot use your own health insurance to access the health care system for a procedure that you decide you want to have because it is legal in this country.

This amendment does not say you cannot use your health care insurance for a vasectomy. It does not target men and say you cannot use your own health insurance for a vasectomy. Some may not like that procedure. It does not say you cannot use your health insurance for Viagra. No, it picks on women, 1.2 million women.

My friend from Louisiana pointed out that corporations all over America offer their employees this benefit. We subsidize them every day with tax breaks and sometimes even direct payments, and yet we do not touch them.

We are picking on 1.2 million women who work for the Federal Government. It is wrong. These are good women. These are hard-working women. They deserve equal rights. They deserve dignity.

I hope some are listening to this debate and will come over and vote no, or if I move to table, will vote aye to table this amendment.

I reserve whatever few seconds I may have left.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. I yield myself such time as I may consume. How much time is available?

The PRESIDING OFFICER. The Senator from Ohio has 6 minutes 40 seconds and the Senator from California has 2 seconds.

Mr. DEWINE. Two seconds?

Mr. President, this matter has been debated out, and I believe everyone knows what the issue is. It is really not a question, though, of taking anything away from Federal employees. As I pointed out earlier, my amendment simply maintains the status quo. It keeps the current law. It keeps the law that has been in effect virtually for the last decade, with the exception of a 2-year period of time. It does not take anything away.

It simply says taxpayers' dollars will not be used to subsidize the payment for abortions. The vast majority of the American people do not believe their tax dollars should be used to pay for someone else's abortion. Poll after poll has disclosed that. That is all this amendment does.

My amendment would maintain the status quo that limits Federal employee health plans to cover abortions only in the case of rape, incest and threats to the life of a mother. That is what the amendment does. It is very simple. We have voted on it time and time again.

I simply ask my colleagues to follow the will of the American people. The American people are the employer in this case. As my colleague from Utah pointed out so very eloquently a moment ago, that is the way every other health plan is determined. The taxpayers of this country have the right to determine this plan, and they have the right to say their tax dollars will not be used to fund abortions.

Mrs. BOXER. Mr. President, I move to table the DeWine amendment.

The PRESIDING OFFICER. The motion to table is not in order while time remains.

Mr. DEWINE. If the Senator wants to yield back her 2 seconds, I am willing to yield back the several minutes I have left.

Mrs. BOXER. Absolutely.

Mr. DEWINE. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I move to table the DeWine amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1200. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 51, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—47

Akaka
Baucus
Bayh
Bingaman
Boxer
Bryan
Byrd
Campbell
Chafee
Cleland
Collins
Daschle
Dodd
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stevens
Torricelli
Wellstone
Wyden

NAYS—51

Abraham
Allard
Ashcroft
Bennett
Biden
Bond
Breaux
Brownback
Bunning
Burns
Cochran
Conrad
Coverdell
Craig
Crapo
DeWine
Domenici
Dorgan
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McConnell
Nickles
Reid
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

McCain
Murkowski

The motion was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 1200) was agreed to.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

UNANIMOUS CONSENT AGREEMENT—S. 1283

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that Senator COVERDELL's needle exchange amendment have 30 minutes of debate, 20 minutes under the control of Senator COVERDELL and 10 minutes under the control of Senator DURBIN, at the end of which time Senator COVERDELL will withdraw the amendment; Senator DURBIN's tuition assistance program amendment have 30 minutes of debate, with 20 minutes under the control of Senator DURBIN and 10 minutes under the control of Senator HUTCHISON, at the end of which time the amendment will be withdrawn; Senator DURBIN's sense-of-the-Senate amendment on D.C. quality of life, with 15 minutes under control of Senator DURBIN and 5 minutes under the control of Senator HUTCHISON, at the end of which time there will be a voice vote; Senator DASCHLE's Rock Creek Park amendment, with 20 minutes under the control of Senator DASCHLE, at the end of which time there will be a voice vote; two amendments by Senator DORGAN, with 5 minutes on each, controlled by Senator DORGAN, at the end of which time they will be accepted by managers; managers' amendments, and then a voice vote on final passage.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000—continued

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, there are a number of amendments that Senator CAMPBELL and I have discussed, which we are prepared to accept. He has a number of them he will mention.

Let me mention the amendments by number that we are prepared to accept: No. 1209, by Senator HARKIN, and he will be modifying that in a moment; amendment No. 1213, by Senator TORRICELLI; amendment No. 1212, by Senator WELLSTONE; amendment No. 1198, by Senator ENZI.

My understanding is that the remaining amendments that are pending will be withdrawn. My understanding, also, is that there is no request at this point for a recorded vote on final passage.

I am happy to yield to the chairman, Senator CAMPBELL.

Mr. CAMPBELL. Mr. President, the amendments Senator DORGAN mentioned have been cleared with the majority, and we are prepared to accept them.

Mr. DORGAN. Mr. President, I amend that to say that the Torricelli amendment, No. 1213, will be accepted as modified, and it is the same case with the Harkin amendment, No. 1209, as modified. That has been cleared on both sides of the aisle.

My understanding, at the moment, is that Senator SCHUMER from New York is not able to clear the Torricelli sense-of-the-Senate amendment No. 1213.

So we have cleared all of the remaining amendments that Senator CAMPBELL and I have just described: No. 1209, a Harkin amendment, as modified; No. 1212 by Senator WELLSTONE; and No. 1198 by Senator ENZI.

AMENDMENTS NOS. 1198, 1209, AND 1212, EN BLOC

Mr. DORGAN. Mr. President, I send three amendments to the desk, en bloc.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes amendments numbered 1198, 1209, and 1212, en bloc.

The amendments are as follows:

AMENDMENT NO. 1198

(Purpose: To include Campbell and Uinta Counties to the Rocky Mountain High Intensity Drug Trafficking Areas for the State of Wyoming)

On page 48, line 2, strike the period following "HIDTA", insert a colon (:), and after the colon insert the following: "*Provided further*, That Campbell County and Uinta County are hereby designated as part of the Rocky Mountain High Intensity Drug Trafficking Area for the State of Wyoming."

AMENDMENT NO. 1209

(Purpose: To provide additional funding to reduce methamphetamine usage in High Intensity Drug Trafficking Areas)

On page 47, strike lines 9 through 11 and insert in lieu thereof the following: "Area Program, $205,277,000 for drug control activities consistent with the approve strategy for each of the designed High Intensity Drug Trafficking Areas, of which $7,000,000 shall be used for methamphetamine programs above the sums allocated in fiscal year 1999, $5,000,000 shall be used for High Intensity Drug Trafficking Areas that are designated after July 1, 1999 and $5,000,000 to be used at the discretion of the Office of National Drug Control Policy with no less than half of the $7,000,000 going to areas solely dedicated to fighting methamphetamine usage, of which".

Amend page 53, line 3 by reducing the dollar figure by $17,000,000.

Amend page 51, line 15 by reducing the first dollar figure by $17,000,000.

Amend page 55, line 2 by reducing the figure by $17,000,000.

Mr. HARKIN. Mr. President, I am offering this amendment on behalf of myself, Senator DASCHLE, Senator GRAHAM, Senator BINGAMAN, Senator MURRAY, and Senator JOHNSON. Our amendment is simple and I believe makes common sense. It would give a needed shot in the arm to our war against drugs by modestly increasing funding for the High Intensity Drug Trafficking Areas—so-called HIDTAs—under the Office of National Drug Control Policy.

The bill before us freezes funding for this important and successful program. It provides no increases for the existing 31 HIDTAs across the Nation and it provides no funding for new HIDTAs. Our amendment would increase HIDTA funding by $17 million. It would provide $7 million to combat the rising scourge of methamphetamine abuse. It would provide $5 million to increase existing HIDTAs. And it would allot $5 million to allow the establishment and funding of new HIDTAs.

I fully recognize the challenges faced by the distinguished chair and ranking member of this Subcommittee. They were dealt a bad check and they have done a commendable job within the allocation they were given. However, we believe that we have found a reasonable offset—one that will not undermine the effective functioning of the government.

We would take $17 million—less then 2.5 percent from the General Services Administration account dedicated to the repair and alterations of federal government buildings. There is $624 million in this account and over $300 million of its goes for unspecified projects. I have no doubt that much of these funds are needed, but clearly $17 million could be absorbed or a short deferral of a project could be made in order to make room for a modest increase in our war on drugs.

The need for this increase in the HIDTA program could not be clearer, particularly as it relates to combating methamphetamine abuse.

There is a plague sweeping across our Nation, ruining an untold number of lives, and claiming countless numbers of our children.

On our streets as well as well as our classrooms, drugs have become more abundant. But there is a new drug, one that is far more addictive and readily available than heroin, cocaine, or any other illegal narcotic. Methamphetamine is fast becoming the leading addictive drug in this nation. From quiet suburbs, to city streets, to the corn rows of Iowa, meth is destroying thousands of lives every year. A majority of those lives, unfortunately, are our children.

Methamphetamine is commonly referred to as Iowa's drug of choice. This drug is reaching epidemic proportions as its sweeps from the west coast, ravages through the Midwest, and is now beginning to reach the east. The trail of destruction of human life as a result of methamphetamine addiction stretches across America from coast to coast.

To illustrate the violence meth elicits in people, methamphetamine is cited as a contributing factor in 80 percent of domestic violence cases in Iowa and a leading factor in a majority of violent crimes.

The $17 million we provide would be used for increased enforcement and prosecution of drug dealers, additional undercover agents, and to help pay for the tremendous cost of confiscation and clean up of clandestine meth labs.

I believe that we have a window of opportunity as a nation to take a stand right now to defeat the meth scourge plaguing our nation. Our amendment will not solve all of these problems, but it will give law enforcement the support that they vitally need in their efforts to defeat this dangerous drug.

While we debate this modest proposal, another family is being devastated, another community is fighting an uphill battle, and another child is getting hooked by this deadly drug. The time is now to make a stand to protect our communities and schools by passing this important amendment. I ask my colleagues to support this amendment.

AMENDMENT NO. 1212

(Purpose: To require the Secretary of Health and Human Services to provide bonus grants to high performance States based on certain criteria and collect data to evaluate the outcome of welfare reform, and for other purposes)

At the appropriate place, insert the following:

SEC. ___. EVALUATION OF OUTCOME OF WELFARE REFORM AND FORMULA FOR BONUSES TO HIGH PERFORMANCE STATES.

(a) ADDITIONAL MEASURES OF STATE PERFORMANCE.—Section 403(a)(4)(C) of the Social Security Act (42 U.S.C. 603(a)(4)(C)) is amended—

(1) by striking "Not later" and inserting the following:

"(i) IN GENERAL.—Not later";

(2) by inserting "The formula shall provide for the awarding of grants under this paragraph based on criteria contained in clause (ii) and in accordance with clauses (iii), (iv), and (v)." after the period; and

(3) by adding at the end the following:

"(ii) FORMULA CRITERIA.—The grants awarded under this paragraph shall be based on—

"(I) employment-related measures, including work force entries, job retention, and increases in household income of current recipients of assistance under the State program funded under this title;

"(II) the percentage of former recipients of such assistance (who have ceased to receive such assistance for not more than 6 months) who receive subsidized child care;

"(III) the improvement since 1995 in the proportion of children in working poor families eligible for food stamps that receive food stamps to the total number of children in the State, and

"(IV) the percentage of members of families which are former recipients of assistance under the State program funded under this title (which have ceased to receive such assistance for not more than 6 months) who currently receive medical assistance under the State plan approved under title XIX or the child health assistance under title XXI.

For purposes of subclause (III), the term 'working poor families' means families which receive earnings equal to at least the comparable amount which would be received by an individual working a half-time position for minimum wage.

"(iii) EMPLOYMENT RELATED MEASURES.—Not less than $100,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(I) and the criteria described in clause (ii)(II) with respect employed former recipients.

"(iv) FOOD STAMP MEASURES.—Not less than $50,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(III).

"(v) MEDICAID AND SCHIP CRITERIA.—Not less than $50,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(IV).".

(b) DATA COLLECTION AND REPORTING.—Section 411(a) of the Social Security Act (42 U.S.C. 611(a)) is amended by adding at the end the following:

"(8) REPORT ON OUTCOME OF WELFARE REFORM FOR STATES NOT PARTICIPATING IN BONUS GRANTS UNDER SECTION 403(a)(4).—

"(A) IN GENERAL.—In the case of a State which does not participate in the procedure for awarding grants under section 403(a)(4) pursuant to regulations prescribed by the Secretary, the report required by paragraph (1) for a fiscal quarter shall include data regarding the characteristics and well-being of former recipients of assistance under the State program funded under this title for an appropriate period of time after such recipient has ceased receiving such assistance.

"(B) CONTENTS.—The data required under subparagraph (A) shall consist of information regarding former recipients, including—

"(i) employment status;

"(ii) job retention;

"(iii) poverty status;

"(iv) receipt of food stamps, medical assistance under the State plan approved under title XIX or child health assistance under title XXI, or subsidized child care;

"(v) accessibility of child care and child care cost; and

"(vi) measures of hardship, including lack of medical insurance and difficulty purchasing food.

"(C) SAMPLING.—A State may comply with this paragraph by using a scientifically acceptable sampling method approved by the Secretary.

"(D) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to ensure that—

"(i) data reported under this paragraph is in such a form as to promote comparison of data among States; and

"(ii) a State reports, for each measure, changes in data over time and comparisons in data between such former recipients and comparable groups of current recipients.".

(c) REPORT OF CURRENTLY COLLECTED DATA.—Not later than July 1, 2000, the Secretary of Health and Human Services shall transmit to Congress a report regarding earnings and employment characteristics of former recipients of assistance under the State program funded under this part, based on information currently being received from States. Such report shall consist of a longitudinal record for a sample of States, which represents at least 80 percent of the population of each State, including a separate record for each of fiscal years 1997 through 2000 for—

(1) earnings of a sample of former recipients using unemployment insurance data;

(2) earnings of a sample of food stamp recipients using unemployment insurance data, and

(3) earnings of a sample of current recipients of assistance using unemployment insurance data.

(d) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) applies to each of fiscal years 2000 through 2003.

(2) The amendment made by subsection (b) applies to reports in fiscal years beginning in fiscal year 2000.

Mr. DORGAN. Mr. President, I ask unanimous consent that these amendments be agreed to.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 1198, 1209, and 1212) were agreed to.

Mr. DORGAN. Mr. President, I yield the floor.

Mr. CAMPBELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENTS NOS. 1205, 1196, 1194, 1199, 1204, 1217, AND 1206

Mr. CAMPBELL. Mr. President, I ask unanimous consent to modify amendment No. 1205 and ask for its immediate adoption.

I ask unanimous consent to withdraw amendment No. 1196 by Senator KYL.

I ask unanimous consent to withdraw amendment No. 1194 by Senator WARNER, amendment No. 1199 by Senator GRASSLEY, amendment No. 1204 by Senator HUTCHISON, amendment No. 1217 by Senator COCHRAN, and amendment No. 1206 by Senator BAUCUS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 1205, as modified, is as follows:

On page 11, strike line 17, and insert the following: "$39,320,000 may be used for the Youth Crime Gun Interdiction Initiative, of which $1,120,000 shall be provided for the purpose of expanding the program to include Las Vegas, Nevada.

On page 11, line 18, strike "diction Initiative."

On page 62, line 9 strike through page 62 line 15.

The amendment (No. 1205), as modified, was agreed to.

AMENDMENT NO. 1210 WITHDRAWN

Mr. CAMPBELL. Mr. President, I ask unanimous consent to withdraw amendment No. 1210 by Senator SCHUMER.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1198

Mr. CAMPBELL. Mr. President, amendment No. 1198 has been cleared by both sides. I ask unanimous consent that it be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1198) was agreed to.

AMENDMENT NO. 1213 WITHDRAWN

Mr. DORGAN. Mr. President, I have visited with Senator TORRICELLI. He is willing to withdraw the amendment, provided that he is offered 5 minutes to discuss it. Senator SCHUMER would like 5 minutes as well. They are willing to do that when we finish the wrap-up.

I ask unanimous consent to withdraw amendment No. 1213 on behalf of Senator TORRICELLI.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Michelle Vidovic be able to be on the floor of the Senate for the rest of our proceedings tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent that any remaining amendments at the desk be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 1208, AS MODIFIED, 1218, 1219, AND 1220, EN BLOC

Mr. CAMPBELL. Mr. President, I send to the desk a managers' package of amendments, and I ask unanimous consent they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. CAMPBELL) proposes amendments numbered 1208, as modified, 1218, 1219, and 1220, en bloc.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMNT NO. 1208 AS MODIFIED

(Purpose: To ensure that health and safety concerns at the Federal courthouse at 40 Centre Street in New York, New York, are alleviated)

Page 56, Line 6, after "Missouri;" insert and $1,250,000 shall be available for the repairs and alteration of the Federal Courthouse at 40 Center Street, New York, NY."

AMENDMENT NO. 1218

On page 62, line 8 after "building operations" insert "*Provided*, That the amounts provided above under this heading for rental of space, building operations and in aggregate amount for the Federal Buildings Fund, are reduced accordingly".

AMENDMENT NO. 1219

At the appropriate place, at the end of the General Services Administration, General Provisions insert the following new sections:

"SEC. 411. Notwithstanding 31 U.S.C. 1346, funds made available for fiscal year 2000 by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP salaries and administrative costs.

"SEC. 412. The Administrator of General Services may provide from government-wide credit card rebates, up to $3,000,000 in support of the Joint Financial Management Improvement Program as approved by the Chief Financial Officers Council.".

AMENDMENT NO. 1220

(Purpose: To require the Secretary of the Treasury to develop an Internet site where a taxpayer may generate a receipt for an income tax payment which itemizes the portion of the payment which is allocable to various Government spending categories)

On page 98, insert between lines 4 and 5 the following:

SEC. 636. ITEMIZED INCOME TAX RECEIPT.

(a) IN GENERAL.—Not later than April 15, 2000, the Secretary of the Treasury shall establish an interactive program on an Internet website where any taxpayer may generate an itemized receipt showing a proportionate allocation (in money terms) of the taxpayer's total tax payments among the major expenditure categories.

(b) INFORMATION NECESSARY TO GENERATE RECEIPT.—For purposes of generating an itemized receipt under subsection (a), the interactive program—

(1) shall only require the input of the taxpayer's total tax payments, and

(2) shall not require any identifying information relating to the taxpayer.

(c) TOTAL TAX PAYMENTS.—For purposes of this section, total tax payments of an individual for any taxable year are—

(1) the tax imposed by subtitle A of the Internal Revenue Code of 1986 for such taxable year (as shown on his return), and

(2) the tax imposed by section 3101 of such Code on wages received during such taxable year.

(d) CONTENT OF TAX RECEIPT.—

(1) MAJOR EXPENDITURE CATEGORIES.—For purposes of subsection (a), the major expenditure categories are:

(A) National defense.

(B) International affairs.

(C) Medicaid.

(D) Medicare.

(E) Means-tested entitlements.

(F) Domestic discretionary.

(G) Social Security.

(H) Interest payments.

(I) All other.

(2) OTHER ITEMS ON RECEIPT.—

(A) IN GENERAL.—In addition, the tax receipt shall include selected examples of more specific expenditure items, including the items listed in subparagraph (B), either at the budget function, subfunction, or program, project, or activity levels, along with any other information deemed appropriate by the Secretary of the Treasury and the Director of the Office of Management and Budget to enhance taxpayer understanding of the Federal budget.

(B) LISTED ITEMS.—The expenditure items listed in this subparagraph are as follows:

(i) Public schools funding programs.

(ii) Student loans and college aid.

(iii) Low-income housing programs.

(iv) Food stamp and welfare programs.

(v) Law enforcement, including the Federal Bureau of Investigation, law enforcement grants to the States, and other Federal law enforcement personnel.

(vi) Infrastructure, including roads, bridges, and mass transit.

(vii) Farm subsidies.

(viii) Congressional Member and staff salaries.

(ix) Health research programs.

(x) Aid to the disabled.

(xi) Veterans health care and pension programs.

(xii) Space programs.

(xiii) Environmental cleanup programs.

(xiv) United States embassies.

(xv) Military salaries.

(xvi) Foreign aid.

(xvii) Contributions to the North Atlantic Treaty Organization.

(xviii) Amtrak.

(xix) United States Postal Service.

(e) COST.—No charge shall be imposed to cover any cost associated with the production or distribution of the tax receipt.

(f) REGULATIONS.—The Secretary of the Treasury may prescribe such regulations as may be necessary to carry out this section.

Mr. CAMPBELL. Mr. President, the package of amendments I have sent to the desk has been agreed to by both sides. This package includes the following items:

One technical corrections in the GSA Federal Buildings Fund; addition of language regarding the Joint Financial Management Improvement Program; an amendment on itemized income tax receipts for Senator SCHUMER; and modifications to amendment No. 1208 for Senator MOYNIHAN.

I urge their adoption.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 1208, as modified, 1218, 1219, 1220, and 1221) were agreed to.

AMENDMENTS NOS. 1215, 1216, 1189, AND 1190 WITHDRAWN

Mr. CAMPBELL. Mr. President, I ask unanimous consent to withdraw amendment No. 1215 by Senator GRAHAM, No. 1216 by Senator GRAHAM, No. 1189 by Senator MOYNIHAN, and No. 1190 by Senator MOYNIHAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1192

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate now consider amendment No. 1192. I ask for its immediate consideration. It has been accepted by both sides. I urge its adoption.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. CAMPBELL) proposes an amendment numbered 1192.

AMENDMENT NO. 1192

On page 51, line 15 and on page 57, line 14 strike "5,140,000,000" and insert in lieu thereof "$5,261,478,000".

On page 53, line 2 after "are rescinded" insert "and shall remain in the Fund".

Mr. CAMPBELL. Mr. President, I repeat that this amendment has been cleared by both sides. I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1192) was agreed to.

Mr. DOMENICI. Mr. President, I rise in support of S. 1282, the Treasury and General Government Appropriations bill for FY 2000, as reported by the Senate Committee on Appropriations.

I commend the distinguished chairman and the ranking member for bringing the Senate a carefully crafted spending bill within the Subcommittee's 302(b) allocation and consistent with the discretionary spending caps for FY 2000.

The pending bill provides $27.6 billion in budget authority and $24.7 billion in new outlays for FY 2000 to fund the programs of the Department of the Treasury, including the Internal Revenue Service, U.S. Customs Service, and Bureau of Alcohol, Tobacco and Firearms; the Executive Office of the President; the Postal Service; and related independent agencies. With outlays from prior-years and other completed actions, the Senate bill totals $27.8 billion in budget authority and $28.2 billion in outlays.

For discretionary spending, which represents just under half the funding in the bill, the Senate bill is at the Subcommittee's 302(b) allocation for budget authority, and it is $109 million in outlays below the 302(b) allocation. The Senate bill is $0.5 billion in both BA and outlays below the President's budget request.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1282 TREASURY-POSTAL APPROPRIATIONS, 2000—SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2000, in millions of dollars]

	General purpose	Crime	Mandatory	Total
Senate-Reported Bill:				
Budget authority	13,204	194	14,385	27,783
Outlays	13,708	128	14,394	28,230
Senate 302(b) allocation:				
Budget authority	13,204	194	14,385	27,783
Outlays	13,817	128	14,394	28,339
1999 level:				
Budget authority	13,889	132	13,439	27,460
Outlays	12,762	131	13,439	26,332
President's request:				
Budget authority	13,792	132	14,385	28,309
Outlays	14,247	127	14,394	28,768
House-passed bill:				
Budget authority	....	....	....	....
Outlays	....	....	....	....
SENATE-REPORTED BILL COMPARED TO:				
Senate 302(b) allocation:				
Budget authority	....	....	....	....
Outlays	(109)	....	....	(109)
1999 level:				
Budget authority	(685)	62	946	323
Outlays	946	(3)	955	1,898
President's request:				
Budget authority	(588)	62	....	(526)
Outlays	(539)	1	....	(538)
House-passed bill:				
Budget authority	13,204	194	14,385	27,783
Outlays	13,708	128	14,394	28,230

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

Mr. MCCAIN. Mr. President, I want to thank the managers of this bill for their hard work in putting forth this legislation which provides federal funding for numerous vital programs. However, I am sad to say, once again, I find myself in the unpleasant position of speaking about unacceptable levels of parochial projects in another appropriations bill.

I have asked rhetorically on the floor of the Senate many times when we are going to stop this destructive and irresponsible practice of earmarking special-interest pork-barrel projects in appropriations bills primarily for parochial reasons. I have yet to receive an answer and this practice has neither stopped nor slowed. Last year's Treasury Postal Appropriations bill contained well over $826 million in specifically earmarked pork-barrel spending.

This year's bill is a drastic improvement over last year's bill in that it only contains a little over **$293.6** million in wasteful, pork-barrel spending. **$293.6** million of waste is much better than **$826** million of waste, but waste is still waste.

Where does all this pork go? Well, as usual, this bill contains millions on top of millions for court house construction and repairs. We have **$11,606,000** earmarked for repairs and alterations to the Frank M. Johnson, Jr. Federal Building—U.S. Courthouse in Montgomery, Alabama, and **$21,098,000** for repairs and alterations to the Federal Building—U.S. Courthouse Annex in Anchorage, Alaska. I know that these court houses may be in dire need of repair and modernization. But are these particular projects more important than the litany of other court houses competing for funding? The process by which these two earmarks were added makes it impossible to assess the relative merit of these programs against all other priority needs.

In addition to earmarks for court houses, this bill contains the usual earmarks of money for locality-specific projects such as: **$500,000** for the State Patrol Digital Distance Learning project to help the Nebraska State Patrol create computer-based training programs, and **$250,000** to the Fort Buford reconstruction project for planning and design of the reconstruction of this Fort—a Lewis and Clark "Corps of Discovery" site.

Then there are the many sections of the report which have language strongly urging various Departments of the Federal Government to recognize or participate in a joint-venture with a particular project in a state. While these objectionable provisions have no direct monetary effect on the bill, this not-so-subtle "urging" is sure to have some financial benefit for someone or some enterprise in a member's home state. For example: Report language urging the continuation and expansion of the collaboration between the University of North Dakota and the Customs Service for rotorcraft training, and report language urging GSA to strongly consider the U.S. Olympic Committee's need for additional space and to give priority to the USOC's request to gain title or acquire the property located at 1520 Willamette Avenue in Colorado Springs, Colorado.

This bill also selects particular sites across the country for which the report language either provides additional spending for extra staff and personnel, or "urges" the Agency not to reduce its staff. For example: **$750,000** for part-time and temporary positions in the Honolulu Customs District, Report language designating the Hector International Airport as an International Port of Entry, to be adequately staffed and equipped so that the users of the facility are provided efficient services, and report language directing the Customs Service to ensure that staffing levels are sufficient to staff and operate all New Mexico border facilities.

Why are these facilities protected at a time when each agency is required to abide by the Government Program Reduction Act which mandates that they operate more efficiently with less bureaucracy? Even if these positions are critical, why are they not prioritized in the normal administrative process?

Everyone knows that we are very close to breaking the spending caps. We have not done so as of yet. I hope my colleagues understand that just because we can fund these programs of questionable merit within the spending caps, that does not mean we have the right to spend tax payers' hard-earned dollars in such an irresponsible fashion.

I am constantly amazed by the arbitrary fashion by which the Appropriations Committee chooses to allocate the dollars that should be spent only for important and necessary federal programs.

The examples of wasteful spending that I have highlighted in this floor statement is just the tip of the iceberg. There are many more low-priority, wasteful, and unnecessary projects on the extensive list I have compiled, and I ask unanimous consent that the list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Objectionable Provisions Contained in S. 1282 the Treasury Department, the United States Postal Service, the Executive Office of the President, and Certain Independent Agencies Appropriations Bill.

BILL LANGUAGE

Department of the Treasury

$9,200,000 for the Federal Law Enforcement Training Center for construction of two firearms ranges at the Artesia Center in NM.

$900,000 is earmarked for a land grant university in North and/or South Dakota to conduct a research program on the United States/Canadian bilateral trade of agricultural commodities and products.

$150,000 for official reception and representation expenses associated with hosting the Inter-American Center of Tax Administration (CIAT) 2000 Conference.

Independent agencies

An earmark of **$35,000,000** in Montgomery County, Maryland, for FDA Consolidation.

$8,263,000 is earmarked for new construction of a border station in Sault Sainte Marie, Michigan.

$753,000 for new construction of a border station in Roosville, Montana.

An **$11,480,000** earmark for new construction of a border station in Sweetgrass, Montana.

$277,000 for new construction of a border station in Fort Hancock, Texas.

$11,206,000 for new construction of a border station in Oroville, Washington.

$11,606,000 is earmarked for repairs and alterations to the Frank M. Johnson, Jr. Federal Building—U.S. Courthouse in Montgomery, Alabama.

$21,098,000 for repairs and alterations to the Federal Building—U.S. Courthouse Annex in Anchorage, Alaska.

A **$6,831,000** earmark for repairs and alterations to the USGB Building 1 in Menlo Park, California.

$5,284,000 for repairs and alterations to the USGS Building 2 in Menlo Park, California.

A **$7,948,000** earmark for repairs and alterations to the Moss Federal Building—U.S. Courthouse in Sacramento, California.

$1,100,000 for repairs and alterations in the Interior Building (Phase 1) in the District of Columbia.

$47,226,000 for repairs and alterations in the Main Justice Building (Phase 2) in the District of Columbia.

$10,511,000 is earmarked for repairs and alterations to the State Department Building (Phase 2) in the District of Columbia.

$36,705,000 for repairs and alterations to the Metro West Building in Baltimore, Maryland.

A **$25,890,000** earmark for repairs and alterations to the Social Security Administration Annex in Woodlawn, Maryland.

$10,989,000 for repairs and alterations to the Bishop H. Whipple Federal Building in Ft. Snelling, Minnesota.

$8,537,000 for repairs and alterations to the Federal Building at 500 Gold Avenue in Albuquerque, New Mexico.

$7,234,000 for repairs and alterations to the Celebrezze Federal Building in Cleveland, Ohio.

An earmark of **$1,600,000** for the repairs and alterations of the Kansas City Federal Courthouse at 811 Grand Avenue, Kansas City, Missouri.

$2,750,000 for GSA to enter into a memorandum of understanding with the North Dakota State University to establish a Virtual Archive Storage Terminal.

General provisions

Language indicating that no funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance, the entity will comply with sections 2 through 4 of the Act of March 3, 1993, popularly known as the "Buy American Act."

Language indicating that entities receiving assistance should, in expending the assistance purchase only American-made equipment and products.

REPORT LANGUAGE

Report language directing the Director of Federal Law Enforcement Training Center (FLETC) to provide up to **$300,000** to a graduate level criminal justice program in a Northern Plains State which can provide causal research on the link between youth and criminal activity in rural locations.

Report language requesting that FLETC give special consideration to the training facilities at the Odegard School for Aerospace Sciences, at the University of North Dakota and at law enforcement training facilities in North Dakota.

$1,290,000 for the counter-terrorism facility at Glynco, Georgia.

Report language that the "Acquisition, construction, improvements, and related expenses" account covers major maintenance and facility improvements, construction, renovation, capital improvements, and related equipment at FLETC facilities in Glynco, GA. and Artesia, NM.

Report language urging that strong consideration be given to an application from Greenville, South Carolina for the Gang Resistance Education and Training [GREAT] Program.

Report language requesting that the Bureau of Alcohol, Tobacco, and Firearms give strong consideration to designating South Carolina and Las Vegas, Nevada as Youth Crime Gun Interdiction Initiative [YCGII] locations.

Report language designating the Hector International Airport in Fargo, North Dakota as an International Port of Entry, to be adequately staffed and equipped so that the users of the facility are provided efficient services.

Report language encouraging the Customs Service to pay close attention to the border facilities in Pembina and Minot, North Dakota.

Report language instructing Customs to maintain current staffing levels in Arizona in fiscal year 2000 and to report on what resources are necessary to reduce wait times along the Southwest border to twenty minutes.

Report language directing the Customs Service to maintain the level of services provided in fiscal year 1996 through fiscal year 2000 at the Charleston, West Virginia, Customs office.

$750,000 for part-time and temporary positions in the Honolulu Customs District.

Report language directing the Customs Service to ensure that staffing levels are sufficient to staff and operate all New Mexico border facilities.

Report language urging the Customs Service to give high priority to funding sufficient inspection personnel at ports of entry in Florida for fiscal year 2000.

Report language urging the Customs Service to consider allocation to smaller States and rural areas with particular emphasis on Vermont when reviewing its staffing requirements.

Report language expressing the Committee's concerns about the adequacy of staffing levels at the Great Falls, Montana port.

Report language urging the continuation and expansion of the collaboration between the University of North Dakota and the Customs Service for rotorcraft training.

Report language indicating the Committee's continued support of adequate staffing levels for tax administration and its support of the staffing plans for the Internal Revenue Service facilities in the communities of Martinsburg and Beckley, West Virginia.

Report language indicating that Section 105, an administrative provision of the Internal Revenue Service, continues a provision which provides that no reorganization of the field office structure of the Internal Revenue Service Criminal Investigation Division will result in a reduction of criminal investigators in Wisconsin and South Dakota from the 1996 level.

Report language directing the Postal Service to work with the State of Alaska and the Alaska Federation of Natives to develop an inspection program to stop the criminal use of the mail where the U.S. Postal Service is being used to transport drugs to remote villages in Alaska.

Report language indicating the Committee's awareness that the U.S. Postal Service has announced that it will purchase and deploy ethanol flexible fuel vehicles over the next two years.

Report language encouraging the Director to consider convening a national conference on rural drug crime to include regional conferences in rural areas, such as those in South Carolina and Vermont, in order to assess the needs of rural law enforcement and the impact of drug related crimes.

Report language encouraging the Office of National Drug Control Policy [ONDCP] to work with the State of North Carolina to develop and implement a plan to designate North Carolina as a High Intensity Drug Trafficking Area with a focus on intensified interdiction along its interstate and national highways.

Report language requesting that GSA review the District Court of Vermont's proposal to relocate to a new facility, and that the GSA work with the Courts to determine how to address logistical, safety and space concerns at the Burlington Courthouse and Federal Building.

Report language urging the General Services Administration to work with the Bureau of Alcohol, Tobacco and Firearms to provide the necessary expanded facilities to meet the chronic space needs at the National Tracing Center in Martinsburg, West Virginia.

Report language urging GSA to strongly consider the U.S. Olympic Committee's [USOC] need for additional space and to give priority to the USOC's request to gain title or acquire the property located at 1520 Willamette Avenue in Colorado Springs, Colorado.

Report language encouraging the GSA to assist the Salt Lake Organizing Committee for the Winter and Paralympic Games in 2002 as well as the 2001 World Police and Fire Games in Indiana.

Report language stating that a study of the causes, the impact, the effect, and the options for reversing de-population shall be undertaken by the universities of the following four states: Montana, Iowa, Colorado, and North Dakota.

$500,000 for the State Patrol Digital Distance Learning project to help the Nebraska State Patrol create computer-based training programs.

An $800,000,000 earmark for the repair, alteration, and improvements of the Ronald Reagan Presidential Library and Museum in Simi Valley, California.

$250,000 to the Fort Buford reconstruction project for planning and design of the reconstruction of this Fort—a Lewis and Clark "Corps of Discovery" site.

Mr. McCAIN. In closing, I urge my colleagues on both sides of the Capitol and on both sides of the aisle to develop a better standard which curbs our habit of funneling hard-earned taxpayer dollars to locality-specific special interests.

Mr. SANTORUM. Mr. President, I have sought recognition to express my support for Courthouse Construction funding for the U.S. federal courthouse in Erie, Pennsylvania. This courthouse is in dire need of repair, and the Administrative Office of the U.S. Courts has placed the Erie Federal Courthouse on its priority list, and the General Services Administration is in the final stages of completing the design for the refurbished complex, which will be ready for construction in FY2000. Specifically, this project involves the alteration of the existing Erie Federal Building, the acquisition, repair and alteration of the adjacent Erie County Library building for the bankruptcy court and court of appeals; and the construction of a new courthouse annex for the district court. The current courthouse provides inadequate space and is not consolidated in a single location, presenting logistical and security concerns for jurors, judges, attorneys, and the public. The project, which will be a major step in the revitalization of downtown Erie, will rely substantially on the rehabilitation of existing structures as opposed to more costly, new construction.

I understand that the President's budget did not include funding for courthouse construction for the third consecutive year. This failure to provide funding for the needs of our judicial system is a serious oversight that should not stand in the way of the safety and security of my constituents in Erie.

I look forward to working with the Chairman of the Treasury and General Government Subcommittee, Senator CAMPBELL, and my colleague from Pennsylvania, Senator SPECTER, to ensure that this project receives funding as soon as possible. In the meantime, I urge the General Services Administration to take any necessary actions to rectify safety concerns or logistical problems that may result from this lapse in funding.

Mr. CAMPBELL. I welcome the comments by the Senator from Pennsylvania and look forward to continuing to work with him on this request. I am well aware of the importance he places on the proposed improvements to the Erie Federal Courthouse and recognize the significance of timely action on this request.

FY2000 APPROPRIATIONS FOR THE HIDTA PROGRAM

Mr. GRAMS. Mr. President, I rise today to express my support for S. 1282, the Fiscal Year 2000 Treasury, Postal Service, and General Government Appropriations bill. In particular, I commend the Senate Appropriations Committee for its support of the High Intensity Drug Trafficking Area program within this legislation.

The High Intensity Drug Trafficking Area program was established in 1988 to assist state and local governments to investigate, prosecute and prevent illegal drug production and trafficking. Since 1990, the Office of National Drug Control Policy has designated twenty-six regions of the nation as High Intensity Drug Trafficking Areas. Most recently, the States of Ohio, Oregon, and Hawaii were among those areas granted HIDTA status to help improve coordination of drug control efforts.

Unfortunately, communities in my home state of Minnesota continue to be threatened by drug abuse and illegal drug trafficking, particularly methamphetamine. In recent years, methamphetamine has become the drug of choice throughout Minnesota, and is closely associated with increased violent crime. In my recent meeting with Office of National Drug Control Policy Director General Barry McCaffrey, he referred to methamphetamine as "the worst drug that ever hit America."

The alarming rate of meth production and trafficking has been caused by small, independent organizations that run clandestine laboratories in apartment complexes, farms, motel rooms and residences with inexpensive, over-the-counter-materials. The secretive nature of the manufacturing process involves toxic chemicals, and frequently results in fires, damaging explosions, and destruction to our environment. A constituent from Benson, Minnesota underscored the devastating effects of illegal meth production when he wrote, "The resultant crime and addition problems are destroying small and mid-sized rural communities."

The high volume of meth trafficking in Minnesota has also placed enormous strain on the resources of those federal and state law enforcement agencies investigating abuse of this deadly substance. In 1998, for example, task forces from Freeborn County, Hennepin County, and Washington County seized a total of fourteen meth labs, an increase from five seizures in 1997. In 1998, the Minneapolis-St. Paul Resident Office of the Drug Enforcement Agency seized more than 200 pounds of meth, compared to 67 pounds seized in 1997.

Mr. President, Minnesota's local law enforcement community has begun to strengthen its strategy for combating illegal drug use. By September 1, a committee that includes representatives from the U.S. Attorney's Office, the Minnesota Sheriffs Association, the Minnesota Attorney General's Office, and the Minnesota Department of Public Safety will submit its proposed HIDTA initiative to the Office of National Drug Control Policy.

When this designation is granted, Minnesota will receive federal assistance to improve antidrug efforts currently underway by local prosecutors, sheriffs, police chiefs and state law enforcement officials. I ask unanimous consent that following my remarks, a complete list of the federal and state agencies developing this proposal be printed in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. GRAMS. Mr. President, over the last several months, I have also worked to focus attention on the value of the HIDTA program to communities throughout Minnesota. This past Spring, I presented the need for a "Minnesota HIDTA" to Office of National Drug Control Policy Director Barry McCaffrey during the May edition of my monthly cable television program. As the administrator of the HIDTA program, General McCaffrey clearly understands that although law enforcement is primarily a local responsibility, the federal government can support the ability of local law enforcement to investigate and prosecute serious drug offenders.

I am pleased to have included a provision within S. 899, "The 21st Century Justice Act" that underscores the need for additional federal antidrug resources in Minnesota. This provision directs the Office of National Drug Control Policy to establish a "Northern Border High Intensity Drug Trafficking Area" that would include the State of Minnesota. It also authorizes $2.7 million in Fiscal Year 2000 to improving coordination of antidrug efforts currently underway by local prosecutors, sheriffs, police chiefs, and state law enforcement officials.

Again, I commend the Senate for its support for the High Intensity Drug Trafficking Area program. I will continue to work with law enforcement officials, my colleagues in the Senate, and the Office of National Drug Control Policy to ensure that localities have the assistance they need to protect our communities from crime and drug abuse.

EXHIBIT NO. 1

United States Attorney's Office-District of Minnesota

Bureau of Alcohol, Tobacco and Firearms
Drug Enforcement Administration
Federal Bureau of Investigation
Hennepin County Sheriffs Office
Internal Revenue Service/CID
Minnesota Department of Criminal Apprehension
Minnesota Attorney General's Office
Minnesota Chiefs of Police Association
Minnesota Department of Public Safety
Minnesota Sheriffs Association
Minnesota State Patrol
St. Paul Police Department
United States Customs, Office of Enforcement
United States Immigration and Naturalization Service.

Mr. GRASSLEY. Mr. President, I am concerned about a $257,000,000 decrease in appropriated funding for the United States Customs Service. Last year, Congress aided this agency through the Omnibus and Emergency Supplemental Appropriations, that devotes a large percentage of its aggregate budget to preventing the smuggling of Narcotics into the United States, with an additional $265,000,000. The Appropriations committee, this year, also recognizing the need of the Customs Service to react to changing smuggling modes and complex money laundering schemes increased the Customs Service total funding by $315,000,000. This is $315,000,000 over the President's budget estimate and Congress needs to maintain this effort. Drug trafficking is a never-ending battle. The demand for illegal drugs in the United States remains strong. The U.S. Customs Service is one of our front line drug enforcement agencies that protects America's borders every day from professional drug traffickers and money launders. Congress needs to fully and adequately fund the salaries and expenses and needed modernization for one of our major first line counter-drug agencies.

I am aware of the hard choices the Committee had to make in coming up with the current funding level for Customs. But I strongly feel that we must do more. Not only has legal trade expanded dramatically but so has illegal drug trafficking and alien smuggling. We have not supported the modernization or expansion of Customs to keep pace. We cannot maintain our commitment to fighting the smuggling of illegal drugs without more and better.

PROFESSIONAL LIABILITY INSURANCE COVERAGE FOR SENIOR FEDERAL EMPLOYEES

Mr. WARNER. Mr. President, I have offered an amendment to the Treasury, Postal and General Government Appropriations bill to ensure that federal managers and law enforcement officials in all federal departments and agencies receive the same benefits concerning professional liability insurance. Today, several federal departments contribute to the costs of professional liability insurance for federal managers and law enforcement officials. Other large federal departments do not contribute to assisting federal managers obtain this insurance.

This professional liability insurance is essential as many federal managers are personally absorbing the significant costs of obtaining legal representation in cases where complaints have been brought against. Often, allegations have been made by citizens, against whom federal officials were enforcing the law and by employees who had performance or conduct problems.

I have been working with Chairman COCHRAN of the Government Affairs Subcommittee on International Security, Proliferation and Federal Services to address this important issue and I welcome his views on this matter.

Mr. COCHRAN. I agree with Senator WARNER that this is an issue that must be addressed. In prior action, the Congress provided the authority for federal departments and agencies to contribute one-half of the costs of obtaining professional liability insurance for federal managers and law enforcement officials. Unfortunately, this benefit has not been offered by all federal departments. I am committed to working with Senator WARNER to address this issue and to ensure that all federal managers and law enforcement officials are treated fairly.

Mr. WARNER. I thank Chairman COCHRAN for his attention to this issue. This is an important matter that is critical to ensuring that the federal government can attract and retain qualified professionals in federal service.

At this time I will withdraw my amendment and look forward to working with Chairman COCHRAN, Chairman THOMPSON and other members of the Government Affairs Committee.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

Mr. CLELAND. Mr. President, I want to clarify with the ranking member of the Treasury Appropriations Subcommittee the intent of this bill regarding its appropriation of $80.1 million for salaries and expenses at the Federal Law Enforcement Training Center (FLETC) located in Glynco, GA. This appropriation is $6 million less than the $86 million for salaries initially requested by FLETC. It is my understanding that the lion's share of this reduction is simply the result of a readjustment based on what the Subcommittee and Committee believe will be the actual workload at FLETC and not an indication of the Committee's intent that there be any reduction in FLETC's ability to fulfill its mission. Does the Senator care to comment?

Mr. DORGAN. The Senator is correct. The $6 million reduction is the result of the Subcommittee's re-estimation of the likely workload at FLETC combined with a small across-the-board cut on all salaries covered by the Treasury Department appropriations bill.

Mr. CLELAND. I thank the Senator. Should the actual workload at FLETC result in an appropriations need beyond what is provided for in this bill, does the Senator believe that the committee would consider alternative funding sources to ensure FLETC could fulfill its mission?

Mr. DORGAN. The committee recognizes FLETC's important role in providing quality training to the nation's law enforcement personnel, and it is fully supportive of providing the funding necessary for the center to effectively carry out the mission for which it was created.

Mr. COVERDELL. I thank the Senators for their comments and the ranking member for his commitment to FLETC. It is important that Congress preserve FLETC's intent and function and I am glad to know that this bill continues Congressional support for, and commitment to, this important training center. I ask Chairman CAMPBELL if he cares to comment on this matter.

Mr. CAMPBELL. Yes, and I echo the sentiments of the ranking member. The amount appropriated by the Committee for salaries and expenses does not indicate a lower level of support for FLETC. The Senators are correct in their understanding of this matter and the Committee will continue efforts to preserve consolidated federal law enforcement training at FLETC.

Mr. COVERDELL. Mr. President, I would like to clarify with the chairman the intent of this bill regarding the Federal Law Enforcement Training Center and its facilities in Glynco, GA. Is it the Chairman's belief that the appropriations bill now before this body, S. 1282, preserves the intent and function of FLETC and takes the appropriate steps to move forward with FLETC's five year modernization plan?

Mr. CAMPBELL. I thank the Senator for his question. Yes, I do believe that this bill preserves the intent and function of FLETC. FLETC serves an important role for federal law enforcement training and through this bill I have taken steps to help it toward completion of its five year plan.

Mr. COVERDELL. I thank the chairman. I understand that $4.6 million has been funded in FLETC's base construction account and the Committee is directing the Treasury Department to use the money for a chilled water system expansion at FLETC's facility in Glynco, GA even though it was not specifically mentioned in the bill or report language.

Mr. CAMPBELL. The Senator is correct. These funds along with $900,000 for the completion of a new classroom in Artesia, NM will complete FLETC's fiscal year 2000 5-year plan funding requirements and will keep the effort to expand FLETC's capacity moving forward and on time.

Mr. COVERDELL. I thank the chairman for his support of this important program and for his commitment to FLETC's modernization effort.

Mr. CLELAND. I thank the two Senators for their statement. I am very pleased that this bill continues the commitment of the Committee, and the Subcommittee, to the Federal Law Enforcement Training Center. FLETC is a model state-of-the-art facility which is critical to the training of our Nation's law enforcement personnel.

Mr. COVERDELL. Mr. President, I would like to engage the esteemed chairman on a matter important to out Nation's Federal law enforcement training and the Glynco, GA site at which this training is conducted. As the chairman knows, the Federal Law Enforcement Training Center was developed to consolidate federal law enforcement training. This was done to ensure efficiency, prevent redundancy, and save taxpayer dollars. The Chairman is also aware that FLETC has a five year plan for its sites in Artesia, NM and Glynco, GA to modernize the facilities and address a training overflow issue. I understand that the Chairman's bill preserves FLETC's intent and keeps the five-year plan moving into the next fiscal year. Understanding the Chairman's work continues FLETC's viability, will he be willing to communicate to the Treasury Department not only his commitment to this program but his desire to see that Treasury take steps towards funding design money for two dormitories at Glynco during this fiscal year?

Mr. CAMPBELL. I thank the Senator for his question and for his comments about FLETC's role and the Committee's work on behalf of FLETC. I believe in the intent for which FLETC was created and believe this bill reflects that belief. I also understand the need to take further steps to continue FLETC's 5-year plan. I say to the Senator from Georgia that I am willing to communicate with the Treasury Secretary Robert Rubin my hope that the Treasury Department provide design money for the two dormitories.

Mr. COVERDELL. The chairman's remarks are appreciated. As the Senator from Colorado knows this design money will assist with the dormitories scheduled for full funding in fiscal year 2001. Funding for design money will provide important continuation of and commitment to FLETC's 5-year plan. I thank the chairman.

Mr. DOMENICI. Mr. President, I would like to engage the distinguished Senator from Colorado, the Chairman of the Subcommittee, in a colloquy.

Mr. President, I want to begin by applauding the Chairman and Ranking Member of the Treasury-General Government Appropriations Subcommittee for what they have done under difficult budgetary circumstances. The Administration's fiscal year 2000 budget request for Customs included a controversial $312.4 million user fee to fund 5,000 existing Customs personnel. That budget gimmick essentially forced the Committee to either reduce Customs staffing levels or reduce or deny many needed projects and new initiatives. Under those difficult circumstances. I believe that Committee made the right choice.

The Customs Service has added to the problem by failing to include comprehensive air interdiction and marine enforcement fleet modernization plans requested by Congress in its Fiscal Year 2000 budget request. Has the subcommittee received either of these plans?

Mr. CAMPBELL. We have not received either of the requested plans from the Customs Service. In my view, the Administration clearly has missed an opportunity. In the absence of these reports and in response to concerns expressed by the Senator from New Mexico and others we have urged the Customs Service to look at cost-effective force multiplying technologies to improve border control and support other federal, state and local law enforcement agencies.

Mr. DOMENICI. As the Chairman knows, I believe that the AS350 AStar helicopter is a proven force-multiplier for Customs that has been used along the Southwest border, and elsewhere in the country, to support operations by the Border Patrol, and other federal, state, and local law enforcement agencies. According to information provided by the Customs Service, in the past year these Customs helicopters assisted in the seizure of approximately $14 million 7,800 pounds of cocaine, almost 25 tons of marijuana, 88 vehicles, 1 aircraft, 12 illegal weapons, 5 vessels, and 210 arrests. In addition, the Executive Director of the Customs Air Interdiction Division, has indicated that AStar is the most cost-effective element of the Customs air fleet. Based on this track record, the AS350 AStar has become the light enforcement helicopter of choice for the U.S. Customs Service.

Mr. President, I understand the budget constraints facing the Subcommittee. I would simply ask that as we proceed with this bill in conference or later in the year, the Chairman and the distinguished Ranking Member of the Subcommittee, Mr. DORGAN, consider making investments in proven, cost-effective force multipliers—like the AStar helicopters—that can help strengthen law enforcement and improve our efforts to combat the inflow of drugs into this country a funding priority.

Mr. CAMPBELL. Mr. President, I share the concern expressed by the distinguished Senator from New Mexico about the inflow of drugs into this country. In addition to urging the Customs Service to transmit the requested air and marine modernization plans to the Committee, we worked with the Senator from new Mexico and others to add report language urging the Customs Service to consider additional investments in proven counterdrug assets like the AS350 AStar helicopter and other technologies in its current and future plans to try to maximize the effectiveness of Customs counterdrug personnel and resources. If additional resources become available to the Committee, cost-effective force-multipliers like the AS350 AStars will be among our top counterdrug priorities.

Mr. DOMENICI. Mr. President, I thank the distinguished Chairman.

HARTSFIELD ATLANTA INTERNATIONAL AIRPORT

Mr. COVERDELL. Mr. President, I would like to bring to the attention of the chairman the tremendous need for the speedy assignment of additional Customs Inspectors for Hartsfield Atlanta International Airport.

There has been a 100% increase in the number of international gates at Hartsfield from 1994 to 1999 and yet only a 14% increase in Customs Inspectors during the same period. In addition, there has been a 102% increase in metric tons of cargo and no increase in inspectors to handle that growth.

Hartsfield airport officials and the business community believe this lack of Customs Inspectors to handle the rapid growth in both passengers and cargo will soon place the airport at a serious competitive disadvantage. It is my understanding that millions of dollars a year will be lost by business travelers and industries in the Atlanta region due to inefficient movement of passengers and goods if this problem is not addressed soon.

Mr. CAMPBELL. Is it not true that the INS recently assigned 15 new inspectors to Hartsfield to handle the airport's tremendous growth?

Mr. COVERDELL. Yes, the chairman is correct.

Mr. CLELAND. Mr. President, I would like to state my concern to the chairman on this matter as well. Hartsfield recently surpassed O'Hare as the busiest airport in the world. I, too, strongly urge the U.S. Customs Service to address their lack of sufficient personnel at Hartsfield and respond as the INS has done in assigning the proper staff to this vital economic engine for the metro Atlanta region.

Mr. CAMPBELL. I thank my two colleagues for their comments on this matter and I encourage the Customs Service to work to address these issues.

Mr. President, I know of no further amendments to be offered. I believe we are ready for third reading of the bill. Senator DORGAN is prepared for that.

Mr. DORGAN. Mr. President, I think we are ready for third reading.

Let me, in 10 seconds, thank the staff on both sides who have worked so hard on this legislation.

I think all of the amendments have been disposed of. We are ready for final passage.

Mr. CAMPBELL. I also thank Senator DORGAN for all of his work. I ask now for a voice vote on final passage.

Mr. WELLSTONE. Mr. President, will we have a recorded vote on the conference report?

The PRESIDING OFFICER. Third reading.

Mr. CAMPBELL. Yes.

The PRESIDING OFFICER. The question is on third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (S. 1282), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. CAMPBELL. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I know there may be some wrap-up statements.

I commend the managers of the Treasury-Postal Service appropriations bill. They have worked together very well today. They have been able to complete a bill in 1 day that ordinarily takes days, or as much as a week. I commend them for that.

ORDER OF BUSINESS

Mr. LOTT. Mr. President, in light of the vote that just occurred on the Treasury-Postal Service appropriations bill, and the agreement just reached a few moments ago with respect to the District of Columbia appropriations, the Senate has conducted its last vote for the week. There will be no further votes tonight and no votes in the morning.

The next vote will occur on Tuesday, July 13. The Senate will reconvene on Monday, July 12, at noon. However, no votes will occur during Monday's session of the Senate.

Votes will occur during the session of the Senate beginning Tuesday, July 13, through Friday, July 16. There will be votes on Friday, July 16. So be prepared for that. That was under a previously agreed to cloture vote at 10:30 on Friday, the 16th, concerning the Social Security lockbox issue.

We will be in session some tomorrow. But there will be no recorded votes in the morning.

I thank all of our colleagues for their cooperation. Senator DASCHLE and our whips have all worked to make it possible to complete not one but two appropriations bills. I wish all of our colleagues a safe and happy holiday. I look forward to seeing you back on the 12th.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that when the Senate receives from the House of Representatives the companion bill to S. 1282, the Senate immediately proceed to the consideration of that measure; that all after the enacting clause be stricken and the text of Senate bill S. 1282, as passed, be inserted in lieu thereof; that the House bill, as amended, be read for the third time and passed; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate; and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that the bill, S. 1282, not be engrossed; that it remain at the desk pending receipt of the House companion bill, and that upon passage by the Senate of the House bill, as amended, the passage of S. 1282 be vitiated and the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAMPBELL. Mr. President, we agreed to a statement, after passage of the bill, of Senator TORRICELLI. I think that was the only one agreed to.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I thank the Senator from Colorado for his consideration.

UNFAIR COMMUTER TAX

Mr. TORRICELLI. Mr. President, I have this evening withdrawn consideration of an amendment that I offered with Senator LIEBERMAN, Senator DODD, and Senator LAUTENBERG. But I do so in the hope that in the intervening weeks the Finance Committee will consider this measure with the near certainty that my colleagues from

Connecticut and I will return with Senator LAUTENBERG and offer this in the coming weeks. I rise tonight very simply and very briefly to make our case.

There is nothing more fundamental in this Federal union than the equal protection of all of our citizens. It is the very purpose of the union. A citizen can travel State-by-State, live anywhere in this Nation, and be subject to the same application of the law.

This principle, while 200 years old, is now tested again. Some weeks ago, the State of New York repealed the commuter tax for commuters into the city of New York. That tax had been in place for more than 30 years. But they did a peculiar thing that is offensive to our concept of national union. They repealed the tax for people who live in New York State and commute to New York City, but they retained the tax for the citizens of Connecticut, 80,000 strong, and 250,000 commuters in the State of New Jersey. Those people who I represent alone were contributing $110 million to the city of New York.

It is not as if the legislature of the State of New York in doing this did not recognize they were trampling upon sacred constitutional grounds, because indeed in their State legislation they put a provision that if this was found unconstitutional for anybody, the law would be revoked. It was a political statement. It was not a sincere effort to legislate.

Indeed, as could be predicted, last week a judge did, indeed, rule that it was not only unfair to repeal this tax for New York commuters while imposing it on Connecticut and New Jersey, but it was unconstitutional and a violation of the privileges in the immunity clause of the U.S. Constitution.

I quote the judge who called this residency tax "arbitrary and irrational." The judge further recognized that "the only substantial difference between the two classes of commuters is in the State in which they reside."

It might be argued that the State of New York, having recognized this might be unconstitutional, a judge now having ruled it is unconstitutional, that we might let the matter rest. I do not believe that would be in the best interests of the Congress. Indeed, last week, the House of Representatives on a voice vote, without apparent objection, unanimously found this is bad policy and it should never happen again.

The legislation, the Computer Tax Fairness Act, that I have introduced with Senators DODD, LIEBERMAN, and LAUTENBERG, would have this Senate reach the same conclusion. I rise tonight not to offer an amendment but in the hopes of asking the Finance Committee in the next few weeks to review, as the Ways and Means in the House of Representatives has done, to review this legislation, and to reach its own judgment, so in future weeks we can come back to the floor of the Senate and ask the Senate to make an informed judgment.

I believe it is important. Today it may be the people of Connecticut and New Jersey. This is a principle we will visit again. People who live in Indiana may one day commute to Chicago and find the city of Chicago thinks it is a good idea to tax somebody else for their services. I daresay the people of Alabama may one day find they are commuting to Mississippi and finding they are paying a tax subjected only on their own citizens. This is anathema to our national union. It is taxation without representation. It is a violation of privilege of immunities. It is a problem of equal protection. Indeed, it violates our sense of union.

While I do not insist on the amendment tonight, we will return to this moment in the hope that as the courts have found and as the House of Representatives has found, we can once again establish this principle.

Mr. DODD. Will the Senator yield?

Mr. TORRICELLI. I am happy to yield to the Senator.

Mr. DODD. I commend my colleague from New Jersey for taking a leadership role on this.

We should point out to our neighbors in New York how much we appreciate and support our great neighbor. The city of New York is a source of great economic vitality for our region. Our citizens are proud to live in our respective States of New Jersey and Connecticut, happy to work in the State of New York, but we want to be treated equally.

My colleague from New Jersey has rightfully raised this issue and pointed out that almost 100,000 constituents of mine who commute every day to the city of New York, and the almost 300,000 from the State of New Jersey, have raised a very important issue. We are confident our colleagues from New York are going to be tremendously sympathetic to this injustice that could be heaped on their neighboring States of New Jersey and Connecticut.

I thank my colleague from New Jersey for raising this issue.

Mr. LAUTENBERG. Mr. President, New York state legislature exempted New York state residents from paying the New York City commuter tax. But out-of-state residents—including people who live in New Jersey—are not exempt. They're supposed to keep paying the tax.

Commuting between states is an inescapable reality of modern life. As our population grows, the physical boundaries that used to divide one city from another are breaking down.

More and more everyday, our country is becoming a collection of regions. And that's especially true on the east coast, where urban populations are already closer together than they are anywhere else.

Should we punish people for this? Is it fair to single people out for harsher tax treatment just because they live in one state and work in another? Of course not. It's economic discrimination. And even worse, it's unconstitutional.

It's especially unfair in the case of New Jersey residents who work in New York City. Those people work hard. And their work brings real, tangible benefits to New York—benefits that translate into a stronger economy for New York City and the rest of the state.

New York needs those commuters. But that fact seems to escape the state's lawmakers. Their message to New Jersey residents is this—"You're second-class citizens. You don't live on our side of the state line, so you don't count."

In 1996 alone, nearly 240,000 New Jersey residents paid $75 million in commuter taxes to New York. I'm sure they didn't like paying it, but at least in 1996 the tax was applied with a sense of fair play. Not anymore. Those commuters are plenty mad. And who can blame them?

Commuting to work is a necessity for millions of people. Often, it's an economic necessity. Or a desire to be close to family members.

When you tax people just for driving across state lines to work, you're essentially telling them they shouldn't have a choice about where they live.

That is wrong, Mr. President. I ask my colleagues to support this amendment.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from New York is recognized for 5 minutes.

Mr. SCHUMER. I very much appreciate the encomia that the Senator from Connecticut has given to our State of New York.

I want to thank my colleague from New Jersey for not forcing this dubious amendment tonight. First of all, there are two reasons to reject this amendment. One is that it is moot. Six days ago, as the Senator from New Jersey indicated, a court knocked out the entire commuter tax. To spend time debating this amendment right now, at this late hour, when people are eager to leave, and when the good work of the Senator from Texas and the Senator from Illinois has to be completed, does not make much sense.

Second, I caution that for the Senate to do this amendment without any hearings, without it going to the Finance Committee, might jeopardize all sorts of other complex decisions. Many States have pacts and agreements and covenants with neighboring States. How much this amendment affects those pacts and agreements, I don't know—but neither does anybody else in this Chamber.

To move this legislation which might have an effect on so many things, I am told, without nary a hearing or a discussion, would be a serious mistake. In fact, the Federation of Tax Administrators, on June 21, wrote about the companion bill in the House. They said:

> Just what this bill is trying to do that has not already been done is the question. Unfortunately, when Congress attempts to restate existing constitutional law, the courts are left to cast about for a meaning for the new law. The resulting interpretations lead to countless examples of "unintended consequences." Because of the bill's widespread impact, its confusing language, and the fact that the protections Congress hopes to bestow upon the taxpayers of New Jersey are already firmly established in the U.S. Constitution, the Federation [that is the Federation of Tax Administrators] would urge you at a minimum to withhold consideration of the House companion bill.

So I appreciate the fact we have done that in the House. We will debate this another day, this already moot point, and to not take any further time from my colleagues who are eager to debate other issues.

I yield back the remainder of my time and wish my colleagues a happy Fourth of July.

The PRESIDING OFFICER. The Senator from Montana.

OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF INTERNATIONAL TELECOMMUNICATIONS ACT

Mr. BURNS. I ask unanimous consent that the Senate now proceed to consideration of S. 376 as reported by the Commerce Committee.

Mr. LOTT. Reserving the right to object, and I will not object, I just want to commend the Senator from Montana for his dogged determination to move this legislation. I am sure that all of its imperfections will be resolved in conference. I commend him for his efforts.

I withdraw my reservation.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

> A bill (S. 376) a bill to amend the Communication Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, today the Senate will pass a measure that will usher in a new era in the international satellite communications marketplace. This bill is the result of months of deliberation among many of my colleagues and builds upon a debate from last Congress.

First and foremost, I extend my appreciation to the distinguished chairman of the Communications Subcommittee, Senator CONRAD BURNS, for his unrelenting diligence in working with all parties involved, both in the Senate and in the private sector. There were numerous players who had a stake or an interest in this reform measure. Senator BURNS was willing to accommodate their perspectives while remaining true to his commitment to move forward. I thank him for that.

Along with Senator BURNS, other Members in this Chamber, Senator BREAUX, Senator HOLLINGS, Senator STEVENS, and others were actively engaged in the process. Their contributions enhanced the final product in many respects and helped produce a more balanced bill. Let me also recognize Senator JOHN MCCAIN, chairman of the Senate Commerce Committee. His leadership and his support has been instrumental in helping to advance this effort, and I want to thank him as well.

Reaching a unified unanimous, Senate position on legislation of this magnitude was not a simple task. Although the bill garnered widespread agreement on principle, the technical issues have not been easy. Some were complex, given the marketplace transition from one dominated by intergovernmental organizations to one of private sector competition. Other issues were straightforward but contentious. This made it necessary to take the time and work through some of these areas in a fair and open manner. We did, and I am pleased that the Senate has now moved forward.

S. 376 enacts timely reform of a visionary policy adopted by Congress in the early 1960s to blaze the trail of a global communications network. It was the right policy at the right time. A solid foundation was laid as a result, and commercial satellite service has come of age. Now, over 35 years later, it is the right time for Congress to enact another visionary public policy. One that will move us from a marketplace dominated primarily by intergovernmental organizations to one of competitive, privately owned companies offering viable opportunities and real choices. A marketplace that will reflect today's market realities and encourage robust competition in our new satellite communications community for years to come. Such services are growing in demand, and Congress should act on behalf of consumers. They deserve it.

I always say that nothing could get done in the Senate without dedicated staff. Several individuals worked hard to prepare this legislation for passage. They include Mark Ashby, Lloyd Ator, Mark Buse, Greg Elias, Paula Ford, Leo Giacometto, Carole Grunberg, Maureen McLaughlin, Mike Rawson, Greg Rhode, Mitch Rose, Ivan Schlager, and Howard Waltzman. I thank them all for their time and their efforts.

It is my hope this is the year Congress will pass an international satellite privatization bill.

Mr. LIEBERMAN. Mr. President, I rise today to express my concerns about S. 376, the international satellite reform legislation. While I commend my colleagues who have worked hard on this very important issue, I am concerned that there is still more work to do to ensure reform that results in a truly competitive market.

Comprehensive satellite reform is long overdue. The 1962 Communications Satellite Act is based on a 1960s era notion that telecommunications services must be provided by national or international monopolies. This thinking gave rise to two treaty organizations, INTELSAT and Inmarsat, to provide international satellite communications services. Comsat, a private company, was created by Congress in 1962 and has been the U.S. representative—known as the Signatory—to these intergovernmental organizations. Today, we know that technology and the marketplace demand that this monopoly, governmental model must give way to private competition.

S. 376 may be a first step toward reaching the goal of privatizing the treaty organizations and reforming the 1962 Act. But more remains to be done.

One important issue that is very troubling to me involves the legal immunity that Comsat enjoys as the U.S. Signatory to INTELSAT. This is a critical issue. The FCC has found that Comsat's immunity gives it significant competitive advantages. Comsat is a publicly-traded private company. Legal immunity is an extraordinary advantage in the marketplace. It is rare for Congress to grant such a powerful advantage to a private commercial company. We must be very careful here.

I understand that Comsat might remain as the U.S. Signatory until INTELSAT is fully privatized, and, therefore, it would retain some official responsibility to represent the U.S. government. I understand that, in that capacity, it might need legal immunity when it is acting at the instruction of the U.S. government. But in every other action it takes, at INTELSAT or elsewhere, it should not and does not enjoy legal immunity. S. 376 limits Comsat's legal immunity.

My concern here is a simple one. If Congress by law is bestowing legal immunity on a private company, Congress has an obligation to be very clear and precise as to what actions are protected. The provisions in S. 376 that limits Comsat's immunity is not precise and specific enough. However, the intent and wording is plain that as long as Comsat represents the U.S. officially at INTELSAT prior to its privatization, it may enjoy legal immunity, but that immunity is clearly limited to the actions it takes pursuant to the written instruction it receives from the U.S. government.

While the intent is clear that Comsat obtains immunity only when it is acting under written government instruction, the language in this bill regarding immunity requires further clarification at conference.

We have a duty to be clear and precise when we grant such an extraordinary benefit as legal immunity to a private company. I raise this today because I want this issue to be further resolved in the Conference Committee, prior to enactment.

I look forward to working with my colleagues, Senators HOLLINGS, MCCAIN, LOTT, STEVENS, BURNS and others on the Commerce Committee to ensure that this clarification problem is corrected.

Mr DODD. Mr. President, I am pleased that today we will pass S. 376, which concerns the important topic of International Satellite Reform. I have followed the issue with interest for years, in part because in my Foreign Relations Committee work, we have addressed the market access concerns that are a critical part of opening up this industry.

Although it is significant to finally have the Senate on record supporting the need for a competitive restructuring of the international satellite market, this bill will need some work before it can achieve that goal. It does not make sense to address this issue for the first time in over 35 years, and to leave some issues unresolved. I believe that there is room for improvement with respect to balancing incentives and leverage in making the international marketplace more competitive. I also believe we need to move quickly to normalize our relations with Intelsat, and its U.S. component, Comsat.

I urge the Senate conferees from the Commerce Committee to continue their good work by tightening up this bill and removing unnecessary loopholes.

AMENDMENT NO. 1221

Mr. BURNS. There is a managers' amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BURNS], for himself, Mr. LOTT, and Mr. STEVENS, proposes an amendment numbered 1221.

Mr. BURNS. I ask unanimous consent that the reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Section 4 of S. 376 (as amended by the "ORBIT" substitute) is amended by striking proposed

Section 603 of the Communications Satellite Act of 1962 and inserting the following new section:

"SEC. 603. RESTRICTIONS PENDING PRIVATIZATION.

(a) INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to carriers (other than the United States signatory) or end users in the United States until July 1, 2001 or until INTELSAT achieves a pro-competitive privatization pursuant to section 613 (a) if privatization occurs earlier.

(b) Notwithstanding subsection (a), INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to any foreign signatory, or affiliate thereof, and no carrier, other than the United States signatory, nor any end user, shall be permitted to invest directly in INTELSAT.

(c) Pending INTELSAT's privatization, the Commission shall ensure that the United States signatory is compensated by direct access users for the costs it incurs in fulfilling its obligations under this Act.

(d) The provisions of subsections (b) and (c) shall remain in effect only until INTELSAT achieves a pro-competitive privatization pursuant to section 613(a)."

On line 21, page 32, Section 612(b), insert "subsection" after the word "under".

On line 21, page 32, Section 612(b), replace "consider" with "determine whether".

On line 23, page 32, Section 612(b), insert "exist" after the word "connections".

On line 9, page 33, Section 612(b)(4), after "ownership", insert "and whether the affiliate is independent of IGO signatories or former signatories who control telecommunications market access in their home territories."

On line 19, page 35, section 613(c)(1), after "taxation", insert "and does not unfairly benefit from ownership by former signatories who control telecommunications market access to their home territories."

On line 13, page 37, Section 613(d), replace "consider" with "determine".

On line 14, page 37, Section 613(d), insert "and Inmarsat" after "INTELSAT".

Mr. BURNS. I ask unanimous consent that the amendment be considered as read and agreed to, the committee substitute be agreed to, as amended, and the bill be read for the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1221) was agreed to.

The committee substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. BURNS. Mr. President, I thank our distinguished Majority Leader and Senator STEVENS for working with me, Senator MCCAIN, Senator HOLLINGS, and Senator BREAUX on the passage of S. 376, the Open-Market Reorganization for the Betterment of International Telecommunications Act, better known as "ORBIT."

The passage of ORBIT by unanimous consent today clearly indicates the Senate's overwhelming support for the approach taken in ORBIT to reform our satellite communications laws. I look forward to working with my good friend in the other body, Chairman BLILEY, on getting this legislation enacted into law this year.

ORBIT is a truly bipartisan bill that updates the Satellite Communications Act of 1962, expands competition, and encourages new market entrants in satellite communications. It will help to secure the rapid and pro-competitive privatization of INTELSAT by a date certain of January 1, 2002. The bill provides new incentives for INTELSAT's privatization, while at the same time, carries tough consequences if INTELSAT fails to achieve this important objective.

The bill also brings needed reform to the U.S. signatory to INTELSAT, COMSAT, by removing its special privileges and immunities. In addition, the bill eliminates outdated statutory restrictions on the ownership of COMSAT, which will allow COMSAT to function like a normal, private commercial company.

ORBIT will enhance competition in satellite communications, bringing far reaching and long-term benefits to consumers both here and abroad. I thank my colleagues on both sides of the aisle, and I especially want to thank the staff. The staff of all parties was involved in this. There have been long hours and long days devoted to this particular issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. I yield to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mrs. HUTCHISON. Mr. President, at this time I call up Calendar No. 170, S. 1283, the D.C. appropriations bill for fiscal year 2000.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

A bill (S. 1283) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for fiscal year ending September 30, 2000, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask my colleague from Georgia if he would allow me to make a general statement about the bill for about 5 minutes, and then I will defer to Senator DURBIN if he has a statement?

Mr. COVERDELL. Absolutely.

Mrs. HUTCHISON. Mr. President, I am pleased to bring to the Senate floor the bill making appropriations for the government of the District of Colombia for fiscal year 2000. This bill is largely the result of the cooperation between Mayor Williams, the city council, and the Financial Control Board. As a result of the hard work of locally elected officials, the Congress and the Financial Control Board, we begin to see signs of a healthier financial picture in the District.

At the end of fiscal year 1998, the District boasted an annual surplus of $445 million. This surplus allowed the District to eliminate the accumulated deficit.

Having paid that off, the District still realized a $112 million positive fund balance. The District is projecting a $282 million fund balance by the end of this year, which is 6 percent of the gross budget. The District's healthy fund balance and improved economic forecasts have helped the District achieve investment grade bond ratings on Wall Street, which will save the District millions in borrowing costs. One of the important provisions in the committee bill creates a mechanism that will help improve this situation even more. I am looking toward a higher bond rating for the city than the level at which it now rests.

While the economic condition of the District is improving, service delivery in our Nation's Capital still has a way to go. The public school system is still in serious condition. Chief among these concerns are recent reports of convicted felons walking away from district-run halfway houses and committing violent crimes. The District government will not be able to attract new families, middle-class families, to the city unless its streets are safe, the schools are effective, and its tax structure is competitive with surrounding jurisdictions.

Despite these problems, the budget moves the city in the correct direction, and I think we are making great progress. The subcommittee has adopted the District's consensus budget with a few modifications. These are the few:

We have again required the District to hold a $150 million reserve fund, and there are tight restrictions on the use of the reserve fund. It can now serve as a true "rainy day" fund for the city. In addition, we require the District to hold a 4-percent budget surplus. The combination of the reserve and the required surplus will give the District a solid financial cushion that is slightly above what other major cities hold, but it is appropriate for the District in order to improve its bond rating. Any funds above the 4-percent surplus are directed to be used in this manner: No less than half for debt reduction, no more than half for spending on nonrecurring expenses.

Currently, the District spends 13 percent of its budget servicing its debt. The highest normal ratio for a city is 10 percent. The reforms envisioned by this bill would bring this more in line with other cities.

The city's debt was at one time so bad that it was not even rated by the major agencies. The city's bond rating is now investment grade, although it is the lowest rank of investment grade. I think this budget will start the process by which that rating will be upgraded. This is so important for the District to save millions in borrowing costs in the future.

In addition, our budget has education reform. The committee has provided $17 million for the D.C. College Tuition Assistance Program, subject to authorization. I will wait and talk about that a little more when Senator DURBIN discusses it as well.

We have also addressed the issue of charter schools in the city. Many believe that charter schools are an important force for improving education in the city. Our bill adopts the D.C. City Council program to ensure that pupils in both public schools and charter schools receive the same amount of funding. This way, charter schools will remain an education alternative for students in the District.

Everyone knows crime in the District is still too high. We have provided $5.8 million for drug testing of people on probation. This has worked in other cities and we hope it will bring down the crime rate in the District of Columbia as well. We provided $1 million to the D.C. police to combat open-air drug markets. This was a special concern expressed by Senator DURBIN, and I think a correct one. These are dens of criminal activity that ruin a neighborhood and spread drugs to children. This money we hope will be used to start wiping out those open-air drug markets.

We have also permitted the District to use economic development funds that we appropriated last year to be used for local tax relief for commercial revitalization. Rebuilding or refurbishing a blighted neighborhood is the most important thing we can do to bring it back into the economic mainstream and keep it safe. The District has found just recently, as the landlord of a number of abandoned properties, that such properties are a magnet for crime and drug use. So these funds can be used for revitalization and public/private partnerships.

The committee tried to address the concerns of the mayor and the council. We certainly intend to improve the education system in the District. We are not where we want to be to make the Capital City the very best city in the whole United States, the beacon for what America is, but we are heading in that direction. It is the goal of Congress to make sure that our Capital City is one that all Americans feel they own and they can be proud of.

I am pleased the Appropriations Committee reported this bill unanimously and look forward to working through the conference with Senator DURBIN, my ranking member, who has been very cooperative and helpful in getting a bill through that will address the needs the District has and provide for those needs.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, let me say this is a new assignment for me as a ranking Democrat on the subcommittee on D.C. appropriations. I served in a similar capacity in the House and it has become a subject which I am more familiar with each time the appropriation process begins. But it has been a special pleasure to work with the chairman of this committee, Senator KAY BAILEY HUTCHISON of Texas. This is the first time we worked this closely together. It has been a very professional relationship, and I think a very productive one for the people of the District, as well as the Senate.

I salute, as well, Mary Beth Nethercutt and Jim Hyland of her staff, for their cooperation. I thank, on my side, Terry Sauvain, who is not only the minority clerk for this bill but who also serves as the minority deputy staff director for the Appropriations Committee. I appreciate very much Senator BYRD making him available to help me on this my maiden voyage on the Senate Appropriations Committee.

My staff member, Marianne Upton, of the D.C. authorization subcommittee of the Governmental Affairs Committee has worked tirelessly as well, and I extend my gratitude to her, as well as Liz Blevins and Suzanne Bailey of the committee staff.

May I say at the outset that I am heartened at the election of Mayor Williams in the District of Columbia. I do believe it is a new day for the District. The District has a better chance for a better future than it has had in many years. Those of us who had lost faith in the future of the District of Columbia have had it renewed by the earliest days of his administration. He is a man who is honest. He is a man who is dedicated. He truly wants the very best for the District of Columbia and I am anxious to work with him.

People whom he has hired to this point in his administration include some for whom I have a high regard. Police Chief Ramsey, who was a member of the Chicago police force, was well respected there and I am certain will do a good job here. Terry Gainer, who was the Superintendent of the Illinois State Police, works as an assistant to Chief Ramsey, and he, too, brings extraordinary expertise in the field of law enforcement.

Mr. President, having said that, Senator HUTCHISON has explained this unusual situation where the Congress of the United States, the Federal Government, appropriates money to give to a city government, the D.C. government.

Of course, that is why we are here this evening. We have a special interest in the District of Columbia, not just because the Capitol is located here, but because we believe, as every American does, that this is our city, too. Whatever our hometowns happen to be, the District of Columbia, Washington, DC, is our capital city, and we are very proud of it.

The millions of visitors who come each year really come to enjoy the institutions, the landmarks, the monuments, and all of the things that make this such a wonderful city and respected across the face of the Earth. The building we work in, the U.S. Capitol, is one of the most recognizable buildings in the world, and we are proud to work here, to be part of it, and we understand that Washington, DC, is part of the future of this country and part of our heritage.

Having said that, though, I have to be very candid. When my friends in Illinois and others tell me they are going to visit the District of Columbia, I tell them: Be careful. You have to be careful because, sadly, the crime in the District of Columbia is the worst in the Nation. The murder rate in the District of Columbia is more than twice any other city in the United States and certainly more than any other city in the world, from all the information I have been given. The number of auto thefts is higher in the District of Columbia than anywhere else in the United States of America. The schools, sad to say, are some of the worst. They may be getting better, and we hope they will, but, unfortunately, there are many problems.

When the mayor of the city came to testify before our committee, he said the Annie E. Casey Foundation has done an evaluation of children in the District of Columbia on how our kids are doing in Washington, DC. Time after time, we find they are doing worse than virtually every city in the United States or any State in the Union. As good as the District of Columbia may be, as inspiring as the monuments may be, there are endemic problems in this city which are horrible.

I am happy the revitalization plan has really given the District more voice in its own future. I have tried throughout the years to overcome the temptation to meddle in the politics of the District of Columbia and to let them govern themselves as much as humanly possible.

I can tell you as a person who has spent a good part of his adult life in the District, it has been tempting sometimes to speak up. Tonight I will speak up on an action taken by the D.C. City Council which I think is absolutely irresponsible. I will get to that a little later. But this appropriations bill tries to strike that balance where the Federal Government comes in with its contribution to the District of Columbia and respects the right of this city to make its own decisions, even if, in the judgment of some Senators here this evening, we think those decisions are wrong.

I, once again, salute Senator HUTCHISON. I know during the course of the debate on the amendments before us we will have a chance to get into more specific issues.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, under the unanimous consent agreement, at this time we will go to Senator COVERDELL's amendment, and the time will be divided, 20 minutes under the control of Senator COVERDELL and 10 minutes under the control of Senator DURBIN.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. I thank the Senator from Texas.

AMENDMENT NO. 1222

(Purpose: To prohibit the use of funds for the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug.)

Mr. COVERDELL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. COVERDELL], for himself and Mr. ASHCROFT, proposes an amendment numbered 1222.

At the appropriate place, insert the following:

SEC. . None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug, or for any payment to any individual or entity who carries out any such program.

Mr. COVERDELL. Mr. President, the amendment, in a sense, is a reflection of the comments just made by the Senator from Illinois about some of the difficulties in the Nation's Capital, and the amendment is drafted in the belief that a needle exchange program in the Nation's Capital is not conducive to the safety of the citizens of the Nation's Capital.

I ask unanimous consent that a New York Times op-ed dated Wednesday, April 22, 1998, by James L. Curtis, a professor of psychiatry at Columbia University Medical School and the director of psychiatry at Harlem Hospital, be printed in the RECORD.

There being no objection, the op-ed was ordered to be printed in the RECORD, as follows:

[From the New York Times, April 22, 1998]

CLEAN BUT NOT SAFE

(By James L. Curtis)

Donna Shalala, the Secretary of Health and Human Services, wanted it both ways this week. She announced that Federal money would not be used for programs that distribute clean needles to addicts. But she offered only a halfhearted defense of that decision even stating that while the Clinton Administration would not finance such programs, it supported them in theory.

Ms. Shalala should have defended the Administration's decision vigorously instead, she chose to placate AIDS activists, who insist that giving free needles to addicts is a cheap and easy was to prevent H.I.V. infection.

This is simplistic nonsense that stands common sense on its head. For the past 10 years, as a black psychiatrist specializing in addiction, I have warned about the dangers of needle-exchange policies, which hurt not only individual addicts but also poor and minority communities.

There is no evidence that such programs work. Take a look at the way many of them are conducted in the United States. An addict is enrolled anonymously, without being given an H.I.V. test to determine whether he or she is already infected. The addict is given a coded identification card exempting him or her from arrest for carrying drug paraphernalia. There is no strict accounting of how many needles are given out or returned.

How can such an effort prove it is preventing the spread of H.I.V. If the participants' are anonymous and if they aren't tested for the virus before and after entering the program?

Studies in Montreal and Vancouver did systematically test participants in needle-exchange programs. And the studies found that those addicts who took part in such exchanges were two to three times more likely to become infected with H.I.V. than those who did not participate. They also found that almost half the addicts frequently shared needles with others anyway.

This was unwelcome news to the AIDS establishment. For almost two years, the Montreal study was not reported in scientific journals. After the study finally appeared last year in a medical journal, two of the researchers, Julie Bruneau and Martin T. Schechter, said that their results had been misinterpreted. The results, they said, needed to be seen in the context of H.I.V. rates in other inner-city neighborhoods. They even suggested that maybe the number of needles given out in Vancouver should be raised to 10 million form 2 million.

Needle-exchange programs are reckless experiments. Clearly there is more than a minimal risk of contracting the virus. And addicts already infected with H.I.V., or infected while in the program, are not given antiretroviral medications, which we know combats the virus in its earliest stages.

Nedle exchanges also affect poor communities adversely. For instance, the Lower East Side Harm Reduction Center is one of New York City's largest needle-exchange programs. According to tenant groups I have talked to, the center, since it began in 1992, has become a magnet not only for addicts but for dealers as well. Used needles, syringes and crack vials litter the sidewalk. Tenants who live next door to the center complain that the police don't arrest addicts who hang out near it, even though they are openly buying drugs and injecting them.

The indisputable fact is that needle exchanges merely help addicts continue to use drugs. It's not unlike giving an alcoholic a clean Scotch tumbler to prevent meningitis. Drug addicts suffer from a serious disease requiring comprehensive treatment, sometimes under compulsion. Ultimately, that's the best way to reduce H.I.V. Infection among this group. What addicts don't need is the lure of free needles.

Mr. COVERDELL. Mr. President, I am going to read several of the statements made by Mr. Curtis in the op-ed. He says:

> For the past 10 years, as a black psychiatrist specializing in addiction, I have warned about the dangers of needle-exchange policies, which hurt not only individual addicts but also poor and minority communities.
>
> There is no evidence that such programs work. . . .
>
> Studies in Montreal and Vancouver . . . found that those addicts who took part in such exchanges were two to three times more likely to become infected with HIV than those who did not participate. They also found that almost half the addicts frequently shared needles with others anyway. . . .
>
> Needle-exchange programs are reckless experiments. . . .
>
> Needle exchanges also affect poor communities adversely. For instance, the Lower East Side Harm Reduction Center is one of New York City's largest needle-exchange programs. According to tenant groups I talked to, the center, since it began in 1992, has become a magnet not only for addicts but for dealers as well. . . .
>
> The indisputable fact is that needle exchanges merely help addicts continue to use drugs. . . .

Mr. President, I point out the last time that an amendment like this appeared before the Senate, it was adopted 96–4.

General McCaffrey, the Nation's drug czar, says:

> As public servants, citizens and parents, we owe our children an unambiguous no use message. And if they should become ensnared in drugs, we must offer them a way out, not a means to continue addictive behavior.

He goes on to say:

> The problem is not dirty needles, the problem is heroin addiction . . . the focus should be on bringing help to the suffering population—not giving them more effective means to continue their addiction. One doesn't want to facilitate this dreadful scourge on mankind.

A spokesman for the Office of Drug Control Policy also said that "addicts who took part in needle-exchange programs in Vancouver and Montreal had higher HIV infection rates than addicts who did not participate."

Just a word or two about the Vancouver experiment. In the case of Vancouver's needle exchange program, one of the biggest in the world, studies show that intravenous drug use increased by 20 percent and deaths from overdose have increased five-fold since 1988 when the program started. Some needle exchange programs actually encourage cocaine and crack injection providing so-called safe crack kits with instructions on how to inject crack intravenously.

I have one of the kit's brochures. It is the one issued by the Bridgeport Needle Exchange Program in Bridgeport, CT. It makes an interesting menu. It starts off:

> Get your stuff ready.
>
> Have a cooker, water, syringe, citric or ascorbic acid, cotton and alcohol wipes ready.
>
> Put crack and citric or ascorbic acid (about a pinch to a slab), in a cooker. Add plenty of water (about) 30 to 40 I.U. of water. Smash and mix well.
>
> Add cotton and draw up into the syringe.
>
> Get your vein ready.
>
> Tie off, find a good vein and clean with a alcoholic wipe.
>
> Inject, make sure you are in a vein, register, look for blood back flow in syringe.
>
> Slowly push plunger in for injection. This helps to avoid vein trauma and collapse.
>
> Withdraw needle. Apply pressure for about a minute. Use clean gauze tissue. . . .

Well, anyway, it goes on to say: Take care of yourself. Use vitamin C, eat a good diet, and things will be just fine.

I agree with General McCaffrey. I especially agree that in the Nation's Capital we do not want to send the messages of a needle exchange program.

I ask unanimous consent that Senator ASHCROFT of Missouri be added as a cosponsor to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I can assure the Senate and the Nation that we will continue pressing for this amendment. I believe we are going to succeed and overcome our foes that have caused us to have to withdraw this tonight. I think we are going to be successful because I think common sense, in this case, will prevail again.

I ask unanimous consent that when the time assigned to Senator DURBIN expires this amendment be withdrawn.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

Mr. COVERDELL. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks time?

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I believe under the unanimous consent agreement I am given 10 minutes to speak in opposition to this amendment; is that correct?

The PRESIDING OFFICER. That is correct, sir.

Mr. DURBIN. Thank you very much, Mr. President.

This is a tough topic. I not only don't care to talk about intravenous drug injection, I can't stand watching it on television.

I find myself in the middle of a debate where you have to face the reality of what this is all about. The reality is that too many people in the District of Columbia—wait a minute—too many people in America have become IV drug users. We are trying to reduce that number, not only because addiction to drugs can ruin your life but also because there are other dangers associated with it, such as HIV and AIDS and hepatitis, and so many other things that cause problems.

I find it interesting that the Senator from Georgia, together, I understand, with the Senator from Missouri, comes here to try to stop the needle exchange program in the District of Columbia, because as we look at a map of the United States showing the States that have needle exchange programs, we see there is a needle exchange program in the home State of the Senator from Georgia and there is a needle exchange program in the home State of the Senator from Missouri.

As you look across the Nation, you see that many States are trying these programs. I am certain that the Senator from Georgia has spent a great deal of time trying to overturn the decision in his own State. That is probably why he comes here in this crusade against the D.C. needle exchange program.

But before we dismiss this as something that might encourage drug use, please, let's look at the facts.

> The highest rate of new HIV infections is in [Washington, DC.] AIDS kills in the District like no other cause of death for residents between ages 30 and 44.

I am quoting from a July 1, 1999, Washington Post editorial. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> [From the Washington Post, July 1, 1997]
>
> HOW TO SPREAD HIV IN D.C.
>
> When the Senate takes up the District's fiscal year 2000 budget, a floor amendment may be offered to ban a needle-exchange program in the city. A yes vote is a green light to allow HIV to spread unimpeded among intravenous drug users.
>
> The District has strong reason for an effective needle-exchange program. The highest rate of new HIV infections is in the nation's capital. AIDS kills in the District like no other cause of death, for residents between ages 30 and 44. The city has the distinction of having an AIDS death rate seven times the national average. As if this weren't tragic enough, the city also has to contend with needle-exchange opponents attacking a program that has—through the Whitman Walker Clinic—reduced the spread of HIV by causing a 29 percent drop in the number of drug injections.
>
> Opponents will argue that needle-exchange programs promote drug use. That has not been the District's experience. Nor has it been the experience of more than 113 other state and local government-supported programs across the nation. Maybe that's why the American Medical Association, the National Academy of Sciences, the American Bar Association and the U.S. Department of Health and Human Services have thrown their weight behind the program.
>
> Last year Congress unwisely added to another District law a prohibition on funding a needle-exchange program. In an act of legislative overkill, it also required that private groups spending their own money on such programs lose any federal funds they might receive. That took the Whitman Walker Clinic out of the picture. As a result, a local group receiving only private funds is trying to fight the spread of HIV on a shoestring budget. That's the wrong way to fight a killing disease. The District should be able to

spend its own money on this lifesaving program.

Mr. DURBIN. I will continue:

> [Washington, DC] has the distinction of having an AIDS death rate seven times the national average. As if this weren't tragic enough, the city also has to contend with needle-exchange opponents attacking a program that has—through the Whitman Walker Clinic—reduced the spread of HIV by causing a 29 percent drop in the number of drug injections.

So we have a terrible scourge of HIV and AIDS right here in the Nation's Capital—seven times the national average. We have a program that tries to convince HIV users, through a needle exchange, to stop it, to go through drug rehab, to end their addiction. And it is successful.

As a result of the program, there was a 29-percent drop in the number of drug injections. The Senator from Georgia—and he is going to withdraw the amendment, in fairness to him—the Senator from Georgia says the best thing we can do is eliminate that program. That is an invitation for more HIV and AIDS and more addiction.

Mr. President, 75 percent of the cases of babies born with HIV are due to the use of dirty needles by either the mother or the father, and 70 percent of the cases of women with HIV are due to their own or their partner's use of contaminated needles.

That is what the debate is all about. It pains me to even talk about this topic. I am not comfortable with it. But I think we have to be honest if we want to deal with public health issues. We should say—and I think it should be a standard—that we will not support a needle exchange program unless it fits two criteria: First, it has a valid public health purpose—and I certainly believe that the elimination or reduction of HIV and AIDS in the District of Columbia is such a valid purpose—and, secondly, it must not encourage addiction to drugs.

There is absolutely no evidence that this program in the District encourages addiction. In fact, just the opposite is true. Those who come to these clinics end up getting in programs where they finally—perhaps after a lifetime of addiction—find themselves drug-free so that their babies can be born drug-free.

I am glad that the Senator from Georgia is going to withdraw this amendment. As difficult as it is to talk about some of these issues, we must face the reality that it is part of our responsibility.

The needle exchange program, which he would have restricted, is supported by many groups that I think have great stature in our country: The American Medical Association, the National Academy of Sciences, the American Academy of Pediatrics, the American Bar Association, the U.S. Conference of Mayors, and many others.

Again, I am happy the Senator is going to withdraw his amendment.

I yield the floor.

AMENDMENT NO. 1222 WITHDRAWN

The PRESIDING OFFICER. The amendment is withdrawn.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I just say, I commend Senator COVERDELL for offering the amendment. I think that because of the opposition, he withdrew it. But if this is a subject that will come up in our conference committee, I will be supportive of the amendment. I think it is a tragedy to give any credence to the notion that it is OK to use drugs and we just wanted to make sure you have clean needles to do it.

So this may come back. When it does, I will certainly be favorable to making sure we do not send any kind of signal that would make this an acceptable occasion in our country.

Mr. President, I think Senator DASCHLE has asked to put his amendment up next. I am happy for him to do that.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I have no objection to changing the order so the minority leader can offer his amendment at this time.

The PRESIDING OFFICER. Without objection, the minority leader is recognized.

AMENDMENT NO. 1223

(Purpose: To direct the Secretary of the Interior to implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999)

Mr. DASCHLE. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

> The Senator from South Dakota [Mr. DASCHLE] proposes an amendment numbered 1223.

Mr. DASCHLE. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 53, between lines 11 and 12, insert the following:
>
> SEC. 1____.—WIRELESS COMMUNICATIONS.—(a) IN GENERAL.—Notwithstanding any other provision of law, not later than 7 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—
>
> (1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and
>
> (2) expend such sums as are necessary to carry out paragraph (1).
>
> (b) ANTENNA APPLICATIONS.—
>
> (1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, a Federal agency that receives an application to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.
>
> (2) GUIDANCE.—In making a decision concerning wireless service in the District of Columbia or surrounding area, a Federal agency described in paragraph (1) may consider, but shall not be bound by, any decision or recommendation of—
>
> (A) the National Capital Planning Commission; or
>
> (B) any other area commission or authority.

Mr. DASCHLE. I thank my colleagues for their cooperation and indulgence. I appreciate very much the opportunity to go out of order. This should not take very long.

Mr. President, I want to just take a couple of minutes to talk about why I believe this amendment is needed, primarily for the RECORD, but also for those who may be interested in knowing of a problem that I think is a serious one that has to be addressed.

After 4 years of delay, the National Park Service tentatively approved applications to locate two cellular antennae in Rock Creek Park on April 8 of this year. These antennae will be located in areas that are already developed; namely, the Park Service Maintenance Yard and the Fitzgerald Tennis Center. Engineering tests show that the antennae cannot be seen by park users.

In March of 1999, the Park Service completed the environmental assessment and concluded that these antennae pose no significant environmental impact.

Federal law directs agencies to make their property available to communications facilities so long as they comply with the National Environmental Policy Act, which these antennae do.

Unfortunately, even though the decision was approved on April 8, even though we have now waited 4 years, the National Park Service has yet to announce its final decision. This amendment would simply require them to finish the process within 1 week of enactment—now after 4 years.

The U.S. Park Police has testified repeatedly that communication antennae are needed in Rock Creek Park because large sections of the park lack a reliable communications service. The police rely on commercial wireless communications for their own protection and to respond to the public's calls. Joggers, emergency medical groups, and other park users also testified these antennae will provide key links to police and rescue personnel. When someone is injured, rapid response may mean the difference between life and death.

The U.S. Park Police reported in Rock Creek Park over 3,500 safety incidents, including 348 violent crimes, 1,600 criminal offenses, and 1,664 traffic accidents in that 4-year period, from July 1995 to April 1999. When these incidents occur, there is no way for a victim or a Good Samaritan to call 911.

Our amendment ensures the intention of the Telecommunications Act is simply carried out. The act recognizes that Federal property should be available for locating the antennae so essential services for wireless communication can be provided.

In many locations in the D.C. area, Federal property holdings are extensive and afford the only reasonable location for such antennae. This amendment supports these initiatives. When the consideration of applications determines that the antennae meet applicable Federal environmental and other requirements, neither the Federal agencies nor local administrations should have any cause to block them. This amendment clarifies the current law for the Washington region like other jurisdictions and requires approval of these facilities if they meet all the Federal requirements.

That is an explanation of my amendment. I hope that, and I appreciate very much, under the unanimous consent agreement, we will have a voice vote on this matter. I certainly hope it can be maintained in conference, because I think this is a critical issue for public safety and also for the need for Federal responsiveness on issues of this import.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, the explanation of the amendment sounded very good. I had not seen the amendment until earlier this evening. I am happy to go forward with a vote on the amendment.

The PRESIDING OFFICER. All time on the amendment having expired, the question is on agreeing to amendment No. 1223.

The amendment (No. 1223) was agreed to.

Mr. DASCHLE. Mr. President, I move to reconsider the vote.

Mrs. HUTCHISON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DASCHLE. Mr. President, I thank the manager of the bill, the Senator from Texas, and my colleague, the Senator from Illinois.

AMENDMENT NO. 1224

(Purpose: To strike Federal funding for the District of Columbia resident tuition support program)

Mrs. HUTCHISON. Mr. President, the next item on the unanimous consent agreement is Senator DURBIN's tuition assistance program amendment. Twenty minutes will be given to Senator DURBIN, and I will control 10 minutes, at the end of which time Senator DURBIN will withdraw.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 1224.

The amendment is as follows:

On page 5, strike beginning with line 17 through page 6, line 4.

On page 11, line 1, after the semicolon insert "up to".

On page 11, line 2, after "resident" insert "college".

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, a bipartisan group of legislators, Congressmen from this region, came up with an idea that is a very good one. It is an effort to try to promote higher education among the residents of the District of Columbia.

Washington, DC, does not have a major public university. The young people in D.C. are disadvantaged. People living in the State of Texas, young people living in the State of Illinois can consider a number of public universities and colleges and qualify for in-State resident tuition, which is usually much lower than those out of State.

That same benefit is not available for the young people in the District of Columbia by and large, and this scholarship idea, which was promoted by the Clinton administration, as well as local Congressmen and many others in this area, has come forward. It is one that I wholeheartedly support. I think this tuition assistance program is an excellent idea. The estimated cost is about $17 million a year. That sum is appropriated in this bill.

Having said that, though, I have taken exception to a fact of life in the District of Columbia. I mentioned at the outset that the District of Columbia is going through major reform, major revitalization. We have changed the Federal contribution to help the District in some regards. For example, we are paying more Medicaid in the District of Columbia than in my home State of Illinois. We are paying for certain benefits, like a $5,000 tax credit for those first-time homebuyers in the District, things to encourage the District of Columbia to stand on its own feet.

They have made progress. I give credit to Mayor Williams and the city council for a lot of positive things that have occurred in a very short period of time.

Having said that, though, there is an action by the D.C. City Council which I consider to be the height of irresponsibility. That was a decision by this city council this year to give $59 million in tax cuts to D.C. residents.

Mark my words, any politician would like to stand up and say: I am going to give you a tax cut. Everyone applauds. That is a natural applause line. But when you take a look at the District of Columbia and the situation that it faces, it is almost incredible that they would decide at this moment in history that they have $59 million they can't figure out how to spend; $59 million they want to return in tax cuts, some of them in the neighborhood of $100 or $150 a year, $2 a week, $3 a week, for a total of $59 million. This is a tax cut in a city that has serious infrastructure problems and serious problems when it comes to the very basic things.

Let me give you an example. Here we are at the Capitol Building. A lot of my staff members live nearby. One of my staffers said to me the other evening: I am going home.

I said: Do you need a ride?

He said: I just live five blocks away. He paused and said: But come to think of it, a woman was stabbed and murdered in my neighborhood last week. I will take a ride, if you don't mind.

I said: Do you know what you need in your neighborhood, where murders are occurring? You need a tax cut.

Well, I think we know better. The people in the District of Columbia, more than anything else, need police protection. They need protection because we have the highest murder rate in the Nation right here in the District of Columbia, more than twice the next city in any State in this entire country.

I had some time to look over what has happened with the D.C. Police Department. The D.C. City Council can't seem to see any need there beyond the current budget. In fact, they want to give away $59 million.

Let me tell you a little bit about the D.C. Police Department. I think it has a good chief. Chief Ramsey comes from Chicago. I think he is making changes. But they wanted to have 3,800 policemen in the District of Columbia, and they can't find them. They found about 3,500, so they are short of the mark of even having the force in the city that they hope to have.

When the new chief took over a year ago, he looked around the District of Columbia Police Department and learned that 75 percent of the telephones in the D.C. Police Department were rotary phones. This is like traveling in Eastern Europe after the wall came down and discovering what is left of the Soviet empire. You travel around the D.C. city government and wonder how in the world did it get so bad.

This D.C. City Council can look beyond that. They can look beyond the fact that the policemen in the District of Columbia were not receiving firearms training a year ago. They can look beyond the fact that the D.C. policemen were not even trained for conducting sobriety tests. Can you imagine that? They didn't pull over speeders who were drunk because only 200 of the policemen, out of 3,800, had been trained in giving a basic sobriety test. In most cities in the Nation, 100 percent of the force receives that training.

The deficiencies, one after another, stack up until the people in this poor city worry more about getting hit in the head than whether they are going to get a tax cut. This is really, in my mind, quite a tragedy. If it were a family situation and you were trying to draw an analogy, the D.C. City Council decided to go out and buy a big screen TV although it couldn't afford to buy a lock for the front door of the house. That is what the tax cut is all about.

Give away $59 million in a city with these problems? That is not it alone. As I mentioned earlier, the D.C. public schools really need help. They have brought on some new people in an effort to try to deal with that. I hope it works. But the belief by the D.C. City Council that putting money into summer programs, early childhood development, afterschool programs is unnecessary, really strikes me as insensitive to the reality of the need for improving public education in the District of Columbia.

When the Mayor came and spoke to us, incidentally, he told us something which was troubling—I have a chart that demonstrates it—on children in the District of Columbia. The Casey Foundation took a look at kids in the District of Columbia, kids in Washington, DC. With one exception—and they looked at all the different criteria for children, and that was the high school dropout rate—the District of Columbia ranked worst in the Nation in every category involving children.

D.C. City Council, are you listening? The children you represent in these wards out here are the worst in the Nation in every single category. You can't figure out where to put $59 million, so you want to declare a dividend and give it away.

Why don't you consider, for a moment, the percent of low-birth-weight babies in the District of Columbia, the worst in the Nation, worse than any other State; the infant death rate in the District of Columbia is the worst in the Nation, twice the national average; the child death rate; the rate of teen deaths by accident and homicide; the teen birth rate; the percent of teens not attending school and not working; the percent of children living with parents who do not have full-time, year-round employment is last place in the District of Columbia; the percent of children in poverty; the percent of families headed by a single parent is the worst in the Nation.

The D.C. City Council has blinders on when it comes to the kids in the District of Columbia. They are more intent on the theory of a tax cut; they want to give $100. What is $100 worth when you are holding a premature baby who has to stay in the hospital for week after week and month after month in the hope that when it is all said and done, that child will have enough strength and intelligence to lead a normal life? Wouldn't you, as a member of the D.C. City Council, stop and say: Maybe we ought to dedicate a few dollars to the kids; maybe we ought to dedicate a few dollars to the police department?

I can't tell you, in my experience here in Washington, DC, how many times I have heard about the incidence of crime and how close it has come. I was a student here; I went to college and law school here. I have lived a big part of my life in Washington, DC. I have seen a lot of it. There is crime in other cities, make no mistake; but the rate of crime in this town is just incredible. The rate of auto theft is the worst in the Nation. A year ago, there was 1 police officer out of 3,500 who was assigned this responsibility of auto theft. These sorts of things, I suggest, the D.C. City Council ought to be taking into consideration—things that, frankly, cry out for a response.

The D.C. City Council says: No, we are not going to spend the money on the kids, we are not going to spend the money on the crime.

Pick up the Washington Post any morning of any day of any week, and you will find another story that is scandalous about what is happening in the District of Columbia. We have quotes here about homicides. Just in the last few months, a girl, 15, died in gang crossfire; an anticrime activist—he worked in one of the neighborhoods near Capitol Hill—was killed; a victim feared for family safety; four were arrested after a woman was killed by a stray bullet.

Last week, a grandmother—an innocent person—was killed by a stray bullet in a drive-by shooting. Little babies are being killed by guns. The D.C. City Council, when it reads headlines in the morning, must say that crime is so bad in the District that we need a tax cut.

That is what it is all about. If there is a belief that a tax cut is going to bring people back to the District to live, it is such a naive belief. People will live in the District of Columbia when it is safe to live in this District, when the schools are good schools, when the city meets its most basic needs. This idea, this perfidy that we can somehow answer the needs of the District with a tax cut, I find troubling.

That is why I raised the concern about this college tuition program. To think that we would take $17 million from the Federal Treasury and give it to the District of Columbia for this college assistance program at a time when the District of Columbia is giving away $59 million, I found to be particularly offensive—not that the program for college tuition isn't a good one, but the District of Columbia, apparently, has money to burn, money to give away, money to award in tax cuts, in a city that is in shambles, when you look at the basics.

I don't want to get into graphic details here. This mayor said he is going to do everything in his power to eradicate rats in this city. It is estimated that the rat population is larger than the human population in Washington, DC, and that doesn't include politicians in Congress. It is estimated that these problems cause public health hazards that, frankly, are rampant across Washington, DC. D.C. City Council says: We are not going to spend any of that $59 million on rat eradication; we are going to give a tax cut.

I think if they want to bring people to the District and businesses to the District, tax cuts can be part of the answer—after you have met the basics. If you can't afford a roof on your home, you won't go out and buy a swimming pool. If you can't afford the basics of food in the cupboard, you don't rent a caterer for a patio party. The D.C. City Council just doesn't get it; they are going to give away this $59 million.

I have been prepared to offer an amendment that would have said the money that was going to be allocated in this bill for this program would be stricken, $14 million. For the sake of the RECORD at this point, I want to offer the amendment.

AMENDMENT NO. 1224

(Purpose: To strike Federal funding for the District of Columbia resident tuition support program)

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 1224.

On page 5, strike beginning with line 17 through page 6, line 4.

On page 11, line 1, after the semicolon insert "up to".

On page 11, line 2, after "resident" insert "college".

Mr. DURBIN. Mr. President, I am going to withdraw the amendment. I received a telephone call from the White House today, and it is very clear that this college tuition assistance program is very important to the President, and I understand it. It is something that was part of his budget, something that he believes would be very good for the children of the District of Columbia.

I have asked and received the assurance of the administration that when the District of Columbia makes next year's budget request, we are going to hold them to a very sensible yardstick. We are going to ask them whether their experiment worked. We are going to ask them whether or not this idea of a $59 million tax cut did, in fact, not only improve the quality of life in the District, but address the most basic problems—whether or not the crime rate has come down, whether or not children are better off, and whether or not the schools are improved.

The District of Columbia will be held accountable. With that assurance, I can assure those who are listening that if I am still serving on the subcommittee, as I expect to be, I will apply the same standard. To the D.C. City Council, I say: I don't think you can have it both ways. I don't think you can give away the money in a tax cut and meet basic needs in the city. You have 12 months to prove me wrong. I will be watching.

I will be offering a sense-of-the-Senate resolution in a few moments that addresses some of the yardsticks and criteria we hope to use in measuring the performance of the D.C. City Council.

At this point, I ask how much time I have remaining under the unanimous consent request.

The PRESIDING OFFICER. The Senator has 5½ minutes.

Mr. DURBIN. At this point, I ask that my 5 minutes be held until Senator HUTCHISON has an opportunity to respond. If I may close, I will appreciate that.

Mrs. HUTCHISON. Mr. President, I have listened to Senator DURBIN's arguments on his amendment, and I have to say I am pleased that he is withdrawing the amendment, because I think his amendment is absolutely flat wrong.

Let's talk about what would give kids a chance in the District of Columbia. A better education system would give kids a better chance in the District of Columbia. We are funding health care for children in this District with the Federal programs that are available throughout our country. We are providing better support for education—well, we are not providing it; in fact, I think the District is providing it, and I think they are doing a good job. They are saying that charter schools should be given a chance, that if a child cannot be given a good public education in this system and that child chooses to go to a charter school, they will have an equal allocation of resources as if they were going to a public school—which a charter school is.

So the District is addressing education, because they want their kids to have a chance. We are putting more in crime prevention in this bill, in crime control, because we do think it is important to clean up neighborhoods. But a very important part of cleaning up neighborhoods is the tax cuts the District consensus budget envisions.

Now, the Senator from Illinois refers to these as giving away $59 million. Well, first of all, I don't think income tax cuts are giving money away. They are letting people who earn the money keep more of what they earn. Now, why would we support the District's decision to do that? Because the District is trying to clean up the neighborhoods, to do exactly what the Senator from Illinois wants to do—that is, have safe and clean neighborhoods throughout the District of Columbia.

The way they are doing this is with, I think, a quite balanced tax cut program. The tax cuts for business will attract business into the city. This city needs more business investment. It is a government city. There isn't much commercial activity. The commercial activity will clean up property. It will provide jobs. It will have economic viability. But it will also have more investment in beautification of the city.

Attracting business through tax cuts is something that is being done all over this country by cities that are trying to be progressive and improve their quality of life.

The tax cuts on the income tax side are so modest that I don't see how anyone could possibly disagree with them. People in the District who make $10,000 pay 6 percent in income taxes, and it would be lowered to 4 percent. It also gives breaks to the middle-income families that we want to be able to live in the District.

We want to have a full range of families able to live in the District, and we are trying to support the District's efforts to do exactly that—to make this a family-friendly city.

That is why it is so incredible that we would have any opposition to the tuition assistance plan, because one of the factors that a family uses to choose where it lives is the higher education potential for their children. I have had people tell me that it is like getting a $25,000-a-year pay raise to move to Texas because in-State tuition at Texas University is so low. I mean, it is ridiculously low. It is about $1,000.

So a person moving to Texas getting a first-rate education from the University of Texas, Texas A&M, all of our colleges, and universities that are rated in the top 10, top 20, in many fields, have a good bargain.

But what about a child who is growing up in the District of Columbia? They don't have a State university where they have an equal opportunity to go with in-State tuition because people are paying taxes to that State. This bill gives them that equal chance. This bill will equalize out-of-State tuition costs for D.C. students. So if they qualify to go to the University of Maryland, or the University of Virginia, or I hope the University of Texas, they will be able to have that added tuition they would have as an out-of-State student with these tuition assistance programs.

I think it is part of the overall strategy of the District to make this city family friendly. They are making every attempt in the budget they presented to us to give them a better chance for education at the grade school, middle school, and high school level. This bill gives them the chance to have out-of-State tuition lowered to in-State tuition, where they would qualify anywhere in the country.

This bill gives them more in crime prevention, more in crime control, and it says to businesses: We want you to come to the District, we want you to make an investment in the District, because we want to clean up the neighborhoods; and we know it is going to take a public-private partnership to do it.

But I think this bill is quite balanced. I think the District has done a terrific job in trying to use the money it has—both the Federal budget side and the local budget side—to do what is necessary to attract families back into the District to live, and to keep the families that are here living here. If they don't do something about the income tax rate, they are never going to attract people, because the income tax rates on either side of them in Maryland and Virginia are half of what they are in the District.

I think the Mayor and the council should be commended for saying: We are going to make our city attractive, we are going to do it in a balanced way, and we are going to meet the needs of the children in the District. But every city in the country is looking for ways to make their cities attractive.

I am going to support the District in their efforts to make this city attractive for families. I am going to continue to work with Senator DURBIN to try to make sure we are funding crime control in open air drug markets. I am going to continue to work with the District in trying to give charter schools a chance, if public education isn't serving the needs of individual children.

Let's give competition a chance. I think the District has been quite progressive in doing that in their budget.

I defend the tax cuts. I defend the tuition assistance program, which has bipartisan support, and the support of the President and the support of the District. I think we are going to see this city turn around.

I am going to support the council in every way I can when I think they are going in the right direction. I think they are going in the right direction with tuition assistance. I hope Congress will authorize this program so we can put it into effect for the next university year.

I think we will see a lot of activity in the District with people wanting to come here, stay here, and raise their families here. That will be good for every American, because a safe city, a clean city, and a city that has a low crime rate is going to be a city that every American wants to bring their families to visit as our Capital City.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes 30 seconds.

Mr. DURBIN. Thank you, Mr. President.

I respect what the Senator from Texas has said. I agree with much of what she said. I certainly agree the college tuition assistance program is a good one. I support it.

I hope you can tell from the debate that our point of disagreement is on the tax cut, and my belief is that tax cut money—at least a portion of it—should be dedicated toward making the District a safer place to live, and making D.C. schools better schools—and addressing some of the serious problems the children in this District face, problems which are, frankly, of a third world nature and seem to be ignored by this D.C. City Council.

Let me tell you, you shouldn't take the word of a Senator from Illinois, nor a Senator from Texas, about what D.C. residents are interested in; you should take their own word.

When you look at the surveys of the people of the District of Columbia, Washington, DC, and their priorities, you search down that list for a long way before they start talking about taxes. High on the list is their concern about safety and crime in their neighborhoods. How low could you bring taxes to attract a person into a neighborhood where they felt as though they were not safe?

So many members of my staff who would love to live on Capitol Hill where I live have finally reached the conclusion that they can't. One member of my staff, after she was mugged a second time on Capitol Hill, and her face was swollen for about a week, gave up and moved out of Washington, DC, to a neighboring suburb. The taxes had nothing to do with that.

I talked to another young couple, just the kind of people who should be living in the District to make a great contribution. They said it finally just wore them down—their concern about crime, their concern about the filth they saw in the streets, and the rats running across the streets as they came home in the evening. It finally just wore them down, and they picked up and moved to a neighboring suburb. They didn't mention taxes. I am sure it is a concern. Nobody wants to pay any more taxes than they have to.

But I think if this District were more livable when it came to the basics of protecting families in their own homes and neighborhoods that you would attract more people to live in what is otherwise in many places one of the most beautiful cities in America. The Senator from Texas said she wants Washington, DC, to be family friendly. I couldn't agree more. But first it has to be family safe. Unfortunately, it isn't close.

When they did a survey of the people in the District of Columbia, 48 percent said they live in fear of crime in their neighborhood. When they asked people in the District of Columbia, they had the highest percentage of residents among 12 cities surveyed indicating the presence of abandoned cars and rundown buildings. When they asked the residents in the District of Columbia whether or not they had problems of public drug sales, they had the highest response in the Nation. Panhandling and begging was the highest in the Nation.

These are quality-of-life issues that need to be addressed by the city council that should get its head out of the clouds and down on the street, talking to the people they represent.

AMENDMENT NO. 1224 WITHDRAWN

Mr. DURBIN. I ask my amendment be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1224) was withdrawn.

Mr. JEFFORDS. Mr. President, the amendment offered by the Senator from Illinois would strike the $17 million which is included in this bill to support a program offering tuition assistance to DC students who are pursuing postsecondary education. As the author of legislation to authorize this program, I strongly oppose the Durbin amendment.

In crafting my legislation—which is cosponsored by Senators HUTCHISON, WARNER, and MOYNIHAN—I have been mindful of the need for fiscal responsibility. The $17 million included in the DC appropriations bill is the amount recommended in the President's budget. Although I would agree that any amounts above this figure should come from sources other than the Federal treasury, I do believe it is appropriate for the Federal government to participate in an effort to place DC students on an even keel with students in other parts of the country.

The authorization process for the DC tuition bill is well underway. Under the leadership of Representative TOM DAVIS and DC Delegate ELEANOR HOLMES NORTON, the House of Representatives approved "The District of Columbia College Access Act" without a dissenting vote. The Senate Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia—chaired by Senator VOINOVICH—recently held a hearing on this initiative. I am working actively with him and other members of the Senate to move forward with sound legislation.

The legislation I have introduced and the measure approved by the House share the same goal. That goal is to provide citizens of the District with a greater range of options in pursuing postsecondary education by having the Federal government offer support that, in other areas of the country, is provided by State governments.

Throughout my career in Congress, I have made support for education one of my top priorities, and I have regarded the education of DC students as being an important part of my efforts.

I am therefore delighted at the level of interest and support which the DC tuition concept has received.

With respect to public postsecondary education, DC students exploring their options find they have a more limited set of choices than any other group of students in the country. A student in any of the 50 states who wishes to attend a public institution of higher education has a number of institutions among which to choose. That student can base his or her decision on considerations such as the size of the institution and the strengths of the various programs it offers. A student in the District of Columbia finds that only one public institution is available.

As a practical matter, the District cannot expand its boundaries, nor can it establish a system of public higher education that can offer the diversity of offerings available in the various states. Every State provides support for higher education from which their residents benefit through lower in-state tuition, while out-of-state residents pay a premium to attend. I believe it is appropriate for the Federal government to assume the role of the State, effectively pushing the boundaries to a point where District students are placed on an equal footing in terms of the public education choices available to them.

The legislation also recognizes that many District residents choose to attend one of the many private postsecondary institutions in the DC area. Many of these institutions have made extraordinary efforts to enable District residents to succeed in their pursuit of advanced education. A number of states have developed programs, such as the Virginia Tuition Assistance Grant (TAG), to assist students at private institutions in defraying costs. The program authorized in my bill is modeled after these initiatives.

This legislation also complements not only those programs such as "Everybody Wins!" and the Potomac Regional Education Partnership (PREP) with which I have been directly involved, but also the many other initiatives undertaken by individuals and institutions who work tirelessly to nurture the potential of the children of our Nation's capital. Members of the business community have recently launched a program known as the D.C. College Access Program (DC–CAP) which will offer both financial support for students pursuing postsecondary education and assistance to high school students to assure they are prepared to tackle the challenges of higher learning.

An investment in education is one of the most important investments we as a society and we as individuals can make. There are boundless opportunities in the DC area for individuals with education and training beyond high school. DC residents should not be left behind in obtaining the capacity to take advantage of these opportunities.

Mr. DURBIN. Mr. President, as part of last October's Omnibus Appropriations bill, a provision (Section 130) in the District of Columbia's FY 99 appropriations placed a $50 per hour/$1,300 per case cap on attorney's fees in cases brought under the Individuals with Disabilities Education Act (IDEA) in the District.

In signing the bill, President Clinton singled out the cap in his remarks, calling it "unacceptable" and he pledged to eliminate the cap this year. However, it has again been included in this bill to fund the District. (Sec. 128)

This cap has made it virtually impossible for local special education attorneys to accept cases on contingency, which is required for indigent parents and court-supervised children. Attorneys are forced to demand retainers from these residents, which precludes low-income parents from obtaining legal representation at all. In the end, the poorest kids in the District receive inadequate services from DCPS.

Federal law under the IDEA provides for the recovery of reasonable attorneys' fees at market rates. IDEA was passed with the understanding that it applied to cases in all jurisdictions. Congress, however, has singled out the District of Columbia and in effect has singled out poor families and children who struggle to get even a basic education.

DCPS spends $165 million per year on about 12,000 special education students. The average per-pupil cost comes out to be $17,000 per year. One in 10 District students are in need of special education program services.

Yet, services rendered to these students are substandard at best. Disabled children wait months, and in some cases years, to have their special education needs evaluated by DCPS. Since DCPS doesn't have nearly enough special education programs to accommodate its students, students wait lengthy periods of time to be placed in an appropriate classroom setting where they can receive essential related services.

In order to get these deserving kids assessed, parents have had to resort to litigation to get their children the services the law allows them. The tangled system of DCPS is unnavigable without an experienced attorney and most parents can't afford to hire and retain counsel for their children.

So for years, lawyers have sued the system on behalf of thousands of children with physical, emotional or learning disabilities who have not received proper assessments or services. The school system is required to pay legal fees when the child's case prevails—which has occurred most of the time.

The Washington Times reported in March that DCPS has committed funds to hire eight private attorneys to defend the school system in special education cases. It is disconcerting that the District is willing to pay the prevailing rate to "defense" attorney's to oppose parents, but it claims it can't afford to pay the prevailing rate to attorneys to represent parents seeking to have their children assessed.

Three class action suits have been filed against DCPS and recently, two of those lawsuits were settled. Under the terms of the settlement, the school system has agreed to hold hearings or otherwise resolve the backlog of hearing requests, estimated at more than 700, by the end of summer. The backlog of some 400 unimplemented decisions will be cleared up in stages, with the goal of reaching compliance with all decisions and agreement by the end of the first semester of the 1999–2000 school year. One more class-action suit against the division remains unresolved.

In one of those cases, Federal District Court Judge Paul Friedman ruled on May 11 that:

$4 million assessed for failure to comply with past court orders "has to be paid";

The school system violated legal provisions by trying to apply the congressional cap on fees for work performed before the cap was set;

The school system must pay more than $400,000 to one law firm, Feldman, Tucker, Leifer, Fidell & Bank, which has been handling a class-action lawsuit for several years and has not been paid in more than a year; and

Nothing in the law prevents judges from awarding attorney fees in special-education cases that continue longer than the one-year cap imposed this year. The city would simply be liable to pay the rest next year, or whenever the cap is lifted ["The statute doesn't tell me I can't award more than $50 an hour. It tells you can't pay more that $50 an hour."]

The special education problems are an embarrassment and need to be resolved. The school system has to address this and the kids are entitled to counsel and counsel deserve to be paid fairly and reasonably for their work and the time.

Mrs. HUTCHISON. This is a matter we can take up in conference.

Mrs. HUTCHISON. Mr. President, according to the unanimous consent agreement, it is now appropriate for Senator DURBIN's sense of the Senate on D.C. quality of life. He has 15 minutes under his control; I have 5 minutes under my control.

I yield the floor to Senator DURBIN.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I thank the Senator from Texas. I will make it brief because I have spoken on my concerns about the District of Columbia. My reason for withdrawing the last amendment is my belief that not only is it a high priority of the White House, it is fundamentally a sound program, as I said from the start.

My quarrel is what I consider to be the irresponsible action of the D.C. City Council with the so-called tax cut they have enacted. The sense of the Senate, which I make a part of this appropriations bill, says the D.C. City Council has a chance to prove their theory; they have a chance to prove the $59 million in tax cuts is more important than $59 million spent on police protection; $59 million, a part of which could be spent on the schools; $59 million, a part of which could be spent to try to help these poor babies who are dying because of low birthweight and other problems.

You have your chance. That is what home rule is all about. The sense of the Senate says it is a sense of the Senate that in considering the District of Columbia's fiscal year 2001 budget, the Senate will take into consideration progress or lack of progress in addressing the following issues: crime, including the homicide rate; implementation of community policing; the number of police officers on local beats; and the closing down of open-air drug markets.

Second, access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment drugs. Remember that HIV-AIDS is seven times more prevalent in the District of Columbia than in other city.

The third item on the sense of the Senate is management of parolees and pretrial violent offenders, including the number of halfway house escapees, and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapees.

Pick up the paper with regularity and you will find that the so-called halfway houses have revolving doors. Those accused of felonious conduct and violent crime are back on the street, walking in the neighborhoods of the District of Columbia, shoulder to shoulder with the people who live here and those who come to visit the Nation's capital.

That has to change. It is one of the criteria which I will personally use, and I hope others will use, during the course of this consideration of criteria for future appropriations for the District of Columbia.

Fourth, education including access to special education services and student achievement.

Fifth, improvement in the city's basic services, including rat control and abatement.

Six, the application for and management of Federal grants. This D.C. city government has not even applied for the money it is eligible for from the Federal Government. They have to reach a level of competence and it may mean achieving some in phases. I hope the Mayor is listening, and I hope the members of the D.C. City Council will be responsible for that.

Finally, the indicators of child wellbeing, which I mentioned earlier. Let's see next year, when we gather to debate this appropriation, whether the District of Columbia is still in last place among all the States in the Nation in so many categories which reflect the well-being of the children who live here.

AMENDMENT NO. 1227

(Purpose: To express the sense of the Senate regarding the urgent need to address basic quality of life concerns in the District of Columbia)

Mr. DURBIN. I retain the remainder of my time and offer the amendment, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 1227.

Mr. DURBIN. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___ (a) FINDINGS.—The Senate finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376 of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including 2 charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with 1 exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that in considering the District of Columbia's fiscal year 2001 budget, the Senate will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

Mrs. HUTCHISON. Mr. President, I think the Senator from Illinois has a very good sense of the Senate. I think having benchmarks and accountability we can look at next year is very appropriate. I commend him for caring about these crime issues and the issues that we all want to solve.

I certainly support his amendment and suggest we approve it unanimously.

Mr. DURBIN. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1227) was agreed to.

AMENDMENTS NOS. 1228 THROUGH 1231, EN BLOC

Mrs. HUTCHISON. Mr. President, I have a group of managers' amendments which I will send to the desk and ask for their immediate consideration. They have been cleared on both sides. I urge their adoption. There are two amendments by Senator DORGAN and two amendments by myself.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON] proposes amendments numbered 1228 through 1231, en bloc.

The amendments are as follows:

AMENDMENT NO. 1228

(Purpose: To encourage the Major of the District of Columbia to adhere to the recommendations of the Health Care Development Commission with respect to the use of Medicaid Disproportionate Share payments)

At the appropriate place, insert the following:

SEC. . The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

AMENDMENT NO. 1229

(Purpose: To allow the District of Columbia Public Schools to consider funding of a program to discourage school violence)

On page 13, line 17, insert the following: "*Provided further*, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina.".

AMENDMENT NO. 1230

(Purpose: To require a GAO study of the criminal justice system of the District of Columbia)

At the appropriate place, insert the following:

SEC. . GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM.

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of the District of Columbia, in order to identify the components most in need of additional resources, including financial, personal, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

AMENDMENT NO. 1231

(Purpose: To amend the District of Columbia Code to require the arrest and termination of parole of a prisoner for illegal drug use)

At the appropriate place, insert the following:

SEC. ___. TERMINATION OF PAROLE FOR ILLEGAL DRUG USE.

(a) ARREST FOR VIOLATION OF PAROLE.—Section 205 of title 24 of the District of Columbia Code is amended—

(1) in the first sentence, by striking "If the" and inserting the following:

"(a) If the"; and

(2) by adding at the end the following:

"(b) Notwithstanding subsection (a), with respect to a prisoner who is convicted of a crime of violence (as defined in §23–1331) and who is released on parole at any time during the term or terms of the prisoner's sentence for that offense, the Board of Parole shall issue a warrant for the retaking of the prisoner in accordance with this section, if the Board, or any member thereof, has reliable information (including positive drug test results) that the prisoner has illegally used a controlled substance (as defined in §33-501) at any time during the term or terms of the prisoner's sentence.”.

(b) HEARING AFTER ARREST; TERMINATION OF PAROLE.—Section 206 of title 24 of the District of Columbia Code is amended by adding at the end the following:

“(c) Notwithstanding any other provision of this section, with respect to a prisoner with respect to whom a warrant is issued under section 205(b), if, after a hearing under this section, the Board of Parole determines that the prisoner has illegally used a controlled substance (as defined in §33-501) at any time during the term or terms of the prisoner's sentence, the Board shall terminate the parole of that prisoner.”.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (Nos. 1227 through 1231) were agreed to.

Mrs. HUTCHISON. I move to reconsider the vote.

Mr. DURBIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I rise in support of S. 1283, the District of Columbia Appropriations bill for FY 2000 as reported by the Senate Appropriations Committee.

The bill provides $410 million in new budget authority and $401 million in new outlays for federal contributions to the District of Columbia government. When outlays from prior-year budget authority and other completed actions are taken into account, the Senate bill totals $410 million in budget authority and $405 million in outlays for FY 2000.

I commend the distinguished Chairman of the Subcommittee, Senator HUTCHISON, for her hard work and diligence in fashioning this bill. The bill is exactly at the Senate Subcommittee's 302(b) allocation. The bill is $17 million in budget authority and $12 million in outlays above the President's request due to the inclusion of a tuition assistance program for D.C. students who attend out-of-state colleges. The Administration has requested these funds, however, through the Department of Education rather than directly to the District of Columbia.

Mr. President, I ask unanimous consent that the Senate Budget Committee scoring of the District of Columbia Appropriations bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1283, D.C. APPROPRIATIONS, 2000—SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2000, in millions of dollars]

	General Purpose	Crime	Mandatory	Total
Senate-reported bill:				
Budget authority	410	....	....	410
Outlays	405	....	....	405
Senate 302(b) allocation:				
Budget authority	410	....	....	410
Outlays	405	....	....	405
1999 level:				
Budget authority	621	....	....	621
Outlays	616	....	....	616
President's request:				
Budget authority	393	....	....	393
Outlays	393	....	....	393
House-passed bill:				
Budget authority	....	....	....	....
Outlays	....	....	....	....
SENATE-REPORTED BILL COMPARED TO:				
Senate 302(b) allocation:				
Budget authority	....	....	....	....
Outlays	....	....	....	....
1999 level:				
Budget authority	(211)	....	....	(211)
Outlays	(211)	....	....	(211)
President's request:				
Budget authority	17	....	....	17
Outlays	12	....	....	12
House-passed bill:				
Budget authority	410	....	....	410
Outlays	405	....	....	405

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

Mr. DOMENICI. I urge my colleagues to support the bill.

Mrs. HUTCHISON. That is all the amendments we have pending. If there are no further amendments, I ask that the bill be read for a third time.

The bill was ordered to be read for a third time.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I will take a couple of minutes to express my appreciation to the two managers of this bill. I chaired the subcommittee on appropriations for the District of Columbia for 7 years, beginning in 1961 and ending in 1968.

This is not just an ordinary city, as we all know. I have traveled in many areas of the world, as have most Senators. I have been in many cities of the world, but this is the only Federal city in the world. This is the only Federal city in the United States.

Referring to the words of the Constitution, article I, section 9, it is the seat of the Government of the United States. It is not “a” seat of the Government of the United States, it is “the” seat of the Government of the United States.

So it is a unique city. It is the only city of its kind in this country. It is the only city of its kind in the universe.

I compliment these two Senators. It is 20 minutes after 9 o'clock on what will be the last day the Senate will be in session until after next week. These two Senators are here discussing important matters.

As I sat here, I thought this bill is one that the Senate should vote on. Senators should be here and should vote on this bill.

Next year, all things being equal, it is my intention at the present time to see that we have a vote on this bill, a rollcall vote. I think Senators should indicate that much interest in “the” city of the Federal Government of the United States.

I happen to agree with the distinguished Senator from Illinois in respect to his comments concerning a tax cut. Senators will not find me supporting very many tax cuts, whether it is for the District of Columbia or elsewhere. I will have plenty to say about that in due time. But every Senator has a right to his own viewpoint. Every Senator is here representing his own State, trying to do the best he can. That is what I am trying to do. But we all have a responsibility toward this city.

I referred to the job of the distinguished Senator from Texas, Mrs. HUTCHISON, and the distinguished Senator from Illinois, Mr. DURBIN, as being a thankless task. What did I mean by that? That was not spoken in pejorative terms, it was not in derogation of the District of Columbia, but it is a thankless task insofar as getting any credit from the folks back home is concerned. It doesn't get any Senator any votes back home, if that is what one expects. So in that respect, it is a thankless task.

But we all, all 100 Senators and every person in the United States, owe our thanks to the Senators who give of their time to fulfill this responsibility. It is a responsibility; it is a duty. Nobody wants this job. I didn't want it, but I held it for 7 years and gave it my best because I thought that the District of Columbia was entitled to the best of my talents, my energy, and whatever limited wisdom I possessed. So we owe that to the District of Columbia. It is our capital. It is our seat of our Federal Government.

So I thank both Senators. They spend a lot of time on this matter, I can tell you, and it is not easy. And they are subject to many criticisms from editorials in papers in the District and from editorials, probably, in their own States. They are subject to these criticisms. In return, as I say, they won't get many thanks. But they get my thanks. I hope to call this to the attention of the Senate, as I am now trying to do, as I am saying to the people of the United States who may be watching at this hour: These two Senators are entitled to the thanks and the congratulations of the people of the United States and the people of the District of Columbia.

There are people in the District of Columbia who do not look back with great satisfaction on certain recent years. There is a Delegate to the U.S. House of Representatives. She has the privilege of the floor. She is not sitting in the gallery. The rules say that we cannot call attention to people in the galleries. I hope Senators will read that rule and refresh their memory. I trust the Presiding Officers will keep that in mind in the future and call it to the attention of any Senator who refers to people in the gallery: a person, name those persons. But we can refer to an elected Delegate to the U.S. House of Representatives who has the privilege of this floor. I do that now with respect to Delegate ELEANOR HOLMES NORTON. She is highly respected, highly regarded, and she gives the best of her talents and services to the people of the District of Columbia who elected her. I salute her.

Again, I close by thanking the two fine Senators who have labored here and worked so late. I daresay the Senator from Texas would probably be on her way home, home in Texas. And the Senator from Illinois, I am quite sure, would be on his way home in Illinois. But he had a job to do here. He had a responsibility. I salute him, I thank him, and I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I think that was a very special statement made by the Senator from West Virginia, and I appreciate very much that he loves this Capitol and the seat of Government for all Americans. The fact that he spent 7 years on the Appropriations Committee chairing this subcommittee means that there was a lot of attention and a lot of care paid to this city.

I think he is right. I think we need to make sure this is a job well done. This is every bit as important as what I do for my constituents in Texas, because this is part of what I do for my constituents in Texas, and that is to make this the city that we all want it to be.

I am very pleased the Senator recognized Delegate ELEANOR HOLMES NORTON. I was going to do that as well, because Delegate NORTON is so interested in everything that applies to the District and she is always there, making sure that her constituents are represented. I have been very pleased to work with her and talk to her about these issues that affect her constituents. I hope she knows that all of us look at this Capital City as all America's city, which does give it a very special place in everyone's heart and means that all of us are going to take a special interest in making it a great city.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, if I might just take a moment of time here to thank the Senator from West Virginia. His kind words are high praise indeed.

This Washington, DC, has many museums which contain many national treasures, but the Senate has its own treasure in the Senator from West Virginia, and his dedication to this institution is just unparalleled. The fact that he would praise us for staying after 9 o'clock to do our job of course is belied by the fact that he is still here, prepared to say a few words as well, doing his job, as he always does, for the people of West Virginia.

I thank the Senator from West Virginia, as well as my colleague from Texas, for their kindnesses during consideration of this bill.

Mr. BYRD. Mr. President, I thank both Senators.

Mrs. HUTCHISON. Mr. President, I think we need to pass the bill.

The PRESIDING OFFICER. The question is on final passage of the bill.

The bill (S. 1283) was passed.

(The bill will be printed in a future edition of the RECORD.)

UNANIMOUS CONSENT AGREEMENT

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that when the Senate receives from the House of Representatives the companion bill to S. 1283, the Senate immediately proceed to the consideration of that measure, that all after the enacting clause be stricken and the text of the Senate bill, S. 1283, as passed, be inserted in lieu thereof, that the House bill, as amended, be read for a third time and passed, that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and the Chair be authorized to appoint conferees on the part of the Senate and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that the bill, S. 1283, not be engrossed, that it remain at the desk pending receipt of the House companion bill, and that upon passage by the Senate of the House bill as amended, the passage of S. 1283 be vitiated and the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I wish to thank profusely the staff who have worked so hard on this bill. As Senator BYRD said earlier, this takes a lot of time, because there are a lot of issues that are affected by this bill. I want to thank Mary Beth Nethercutt on the Appropriations Committee and Terry Sauvain, her counterpart on the minority side. They have done a wonderful job making sure that all the t's are crossed and the i's are dotted and the agreements are made and the agreements to disagree are put on the table. They have done a wonderful job.

On my staff, my legislative director Jim Hyland and Robb Woodson, who is the legislative assistant who has done so much to try to make sure that this is a very good and solid bill supporting the District of Columbia.

With that, Mr. President, I thank everyone for a job well done and appreciate once again Senator DURBIN's cooperation. We have had a great relationship. We have agreed to disagree on some issues, but I think he speaks from the heart, and I understand, even when we disagree, that we want the same goal. For that reason, I know we will have a good bill to come back out of conference for the Senate to adopt, and then we will continue to work with the District government to make sure our views are implemented and their views are implemented.

I yield the floor.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2000

AMENDMENT NO. 1186, AS MODIFIED

Mr. CAMPBELL. Mr. President, I send to the desk a modification of amendment No. 1186, previously agreed to within the foreign operations appropriations bill.

I ask unanimous consent the amendment be so modified.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment (No. 1186), as modified, is as follows:

At the appropriate place, insert:

AUTHORIZATIONS

SEC. 599C. The Secretary of the Treasury may, to fulfill commitments of the United States, (1) effect the United States participation in the fifth general capital increase of the African Development Bank, the first general capital increase of the Multilateral Investment Guarantee Agency, and the first general capital increase of the Inter-American Investment Corporation; (2) contribute on behalf of the United States to the eighth replenishment of the resources of the African Development Fund, the twelfth replenishment of the International Development Association. The following amounts are authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: $40,847.011 for paid-in capital, and $639,932,485 for callable capital, of the African Development Bank; $29,870,087 for paid-in capital, and $139,365,533 for callable capital, of the Multilateral Investment Guarantee Agency; $125,180,000 for paid-in capital of the Inter-American Investment Corporation; $300,000,000 for the African Development Fund; $2,410,000,000 for the International Development Association.

The PRESIDING OFFICER. The Senator from Washington.

MORNING BUSINESS

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, I ask for recognition to speak in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOVERY OF SALMON RUNS

Mr. GORTON. Mr. President, a thoughtful and detailed article appeared about a week ago in the Portland Oregonian indicating public expenditures of close to $1 billion during the current year directed at the recovery of salmon runs in the Pacific Northwest. That is an extraordinarily large amount of money for a purpose of that nature.

A modest portion of it comes from State appropriations of the four States in the Columbia River drainage area. The largest single share of that almost $1 billion is paid for through the charges for electric power produced by the Bonneville Power Administration and others, and, therefore, by the residents of the region, but a very substantial share of that money comes from appropriations approved by this Congress.

As recently as 1 year or 18 months ago, I and many others in the region were critical of the billions of dollars of spending for this purpose on the grounds that they had shown few, if any results, and that, in fact, salmon runs had declined during that period of time.

That criticism is no longer entirely correct. We have had some recent successes, and I will mention a few of them in just a moment. But I think all would agree that those successes are not at this point a proper return on an investment of almost $1 billion a year.

For example, with the aid and assistance of my friend and colleague, the senior Senator from West Virginia, the Interior appropriations bill for the current year included $20 million appropriated to the State of Washington for these purposes. And this Senator has to confess that he is not entirely certain what the people of the United States have gotten for that $20 million at this point.

This Senator cannot point to a single significant success as a result. Part of the reason, of course, is that in the current year, the spending of that money has not been completed. Part of it is that the programs which it funds are new, and part of it is the fact that the very nature of the salmon resource requires a number of years to tell whether or not any positive results will take place. But nonetheless, we are faced with that very real challenge of determining whether or not we are getting our money's worth out of these investments.

For the next year, for fiscal year 2000, I can identify in our own work in this body significant amounts of money coming from the energy and water appropriations bill, especially through the Army Corps of Engineers, through the agriculture appropriations bill, through the Commerce-State-Justice appropriations bill, particularly close to $100 million for the enforcement and maintenance of a recent treaty signed with Canada on the subject of salmon in the Northwest, through the Environmental Protection Agency, and once again, through the appropriations bill the Senator from West Virginia and I will manage for the Department of Interior and related agencies.

In addition, of course, there will be those huge amounts of money, close to half a billion dollars a year, through rates charged for electricity by the Bonneville Power Administration and somewhat enhanced appropriations from the four States.

There are many, and I have been occasionally tempted toward this position myself, who will say that if we are not getting our money's worth and if there are so many different entities spending money on salmon recovery, would it not be appropriate to have a single federally appointed salmon czar who would determine how all of this money would be spent.

The argument for that proposition, I think, would be much stronger if there were a single salmon science; that is to say, if we knew precisely what we were doing, if there were one accepted way of getting the most for our money in connection with salmon recovery.

Of course, at this point, there is not. There are serious, well-founded debates throughout the country and in the Pacific Northwest as to various, widely different policy prescriptions for salmon recovery.

To have one decisionmaker for all of these expenditures is perhaps not wise, at least until we have learned a good deal more about how we go about attaining our goals.

I do think, however, there could be considerably more coordination than there is at the present time. Three years ago, I persuaded the Congress, as a rider on an appropriations bill, to create an independent scientific review board to advise the Bonneville Power Administration on how to spend the more than $100 million a year in actual cash grants that it gives for salmon recovery. I had learned in the previous year that those decisions were made by various self-interested parties who awarded almost all of the money themselves without any discernible positive impact at all, and the situation with respect to that roughly 10 percent of the money spent on salmon recovery has been considerably improved by that independent scientific review.

I introduced a bill this year that would expand its authority to all the decisions made by the Bonneville Power Administration, not just direct money grants, but revenue foregone from its power cells, and I hope that the Congress will soon consider and pass that proposal.

Nevertheless, there remains a great deal of room for additional experimentation in connection with salmon recovery.

The bill which will be presented by the Senator from West Virginia and myself in a few weeks for the Department of the Interior will include a modest $4 million figure that will not go directly to the State of Washington, in this case, but will go, I hope, through a nonprofit organization which tells us that it can more than match the amount of money that we will appropriate and will direct most of its money at private volunteer citizen organizations.

I have found that those organizations do give us very much value for the money. Earlier this year, one local group of salmon recovery volunteers joined forces with a landowner on Snow Creek in my State. They received the cooperation of the Association of General Contractors in the State of Washington, an association that has a huge investment in connection with salmon recovery because of the impact of the Endangered Species Act on its ability to build.

Together, these volunteer organizations and private donors and representatives of the building industry have come up with an extremely constructive and almost certainly effective salmon recovery plan for a single stream. Like them, an organization of volunteers called Long Live the Kings is one of the dozen or more such organizations in the State of Washington, each of which is working on a single stream or group of streams with tremendous volunteer labor and great enthusiasm. Aid and assistance to them without detailed regulation from the State seems to me to be a wise investment of a modest portion of our money in this respect.

There are some in this body and others who say this is a regional problem and it should be paid for entirely by the region itself. And certainly the people of the Pacific Northwest put a very high value on salmon recovery.

But the way in which they must approach that salmon recovery is governed almost entirely, some would say distorted, by the Endangered Species Act, an act of the Congress of the United States which is both broad in one sense and very narrow in another sense in its scope, and governs many decisions in the State far beyond simply the management of our waters and of our salmon recovery itself.

So the Federal Government, having imposed these requirements, has an obligation at least substantially to help fund them. Nevertheless, I am here today to say that while this is a very high priority of the Congress, an extremely high priority of the people in my State and the other States in the Columbia River Basin, it is one on which we know and believe we should be held accountable by the Congress. We will do the best job we possibly can with the moneys appropriated by Congress or directed by Congress to see to it that we are successful.

Recent listings in the Puget Sound area now have the Endangered Species Act, for the first time, as having an immense impact on a major metropolitan area in the United States. The people of my State are eager to take on that task. They have asked for modest help from us here. We are giving them that modest help. We will keep Congress and the people of the United States advised of how well we are doing with the generous assistance that my colleagues have helped me to provide.

THE ALABAMA STURGEON

Mr. LOTT. Mr. President, the story of the efforts to protect the Alabama Sturgeon has been a very long and very ugly one. For many years Congress has been involved. Just three years ago, Congress thought they had put an end to the listing battle when a partnership was formed between the Fish and Wildlife Service (FWS) and the Alabama Department of Natural Resources and Conservation. A five-year recovery plan was established to repopulate the Tennessee-Tombigbee with Sturgeon. Now this program has fallen to pieces, because the FWS pulled the plug by taking the dedicated funds and proceeding directly to a formal listing under the Endangered Species Act.

The FWS needs to do the right thing. For me, this means the FWS should honor the partnership it set up with Alabama's Department of Conservation and Natural Resources. This program is at year three of a 5-year program and there is no evidence that the state of Alabama was performing poorly. However, it is clear the FWS wants to renege on the deal. Renege on a program that provides more direct and dedicated funding, and thus more resources, for the Alabama Sturgeon restoration than any funds the Fish and Wildlife Service spent under its own auspices. This simply does not make fiscal or scientific sense.

In both 1993 and 1994 Congress opposed the endangered species listing of the Alabama Sturgeon because of the lack of sound science. Congress also recognized the tremendous economic impact this listing would have on our region. The listing would have caused billions of dollars in river commerce to be disrupted. Nothing has changed in six years—no new science—no difference in the economic impact.

The FWS promised that the habitat designation will not require the stopping of dredging. However, someone forgot to tell the FWS office in Daphne, Alabama, what their position is supposed to be. The FWS office in Daphne, Alabama, has stated in writing that maintenance dredging will harm the sturgeon, and thus must not occur. I ask unanimous consent that the attached letter written to the Mobile, Alabama, office of the Army Corps of Engineers on June 17, 1999, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
Daphne, AL, June 17, 1999.

DISTRICT ENGINEER,
U.S. Army Corps of Engineers,
Mobile, AL.

DEAR SIR: This is the report of the U.S. Fish and Wildlife Service (Service) concerning public notice AL99-01811-F, in which the applicant, Boise Cascade Corporation, is proposing to hydraulically maintenance dredge approximately 2,000 cubic yards of silt, sand, and clay, per year, for five years from the Tombigbee River, near mile 89, Washington County, Alabama. All excavated material would be placed in the applicant's upland disposal site. The proposed maintenance dredging is currently authorized by Department of the Army General Permit Number ALG98-02923-E. This report is prepared in accordance with the requirements of the Fish and Wildlife Coordination Act (16 U.S.C. 661-667e) and is to be used in your determination of 404(b)(1) guidelines compliance (40 CFR 230) and in your public interest review (33 CFR 320.4) as they relate to protection of fish and wildlife resources.

We do not believe that this project would have significant impacts on non endangered fish and wildlife resources. However, we have determined that the federally threatened gulf sturgeon (*Acipenser axyrhincus desotoi*) occurs in the project area. Our records indicate that this species has been found in the Tombigbee River both upstream and downstream of the proposed dredge site. The Gulf Sturgeon is an anadromous fish that migrates from salt water into coastal rivers to spawn and spend warm months. The majority of its life is spent in fresh water. Major population limiting factors are thought to include barriers (dams) to historical spawning habitats, loss of habitat, poor water quality, and over fishing. However, we have determined that the proposed project will likely not affect this species if the following recommendations are adopted and used:

(1) No dredging work shall be performed during the months November through April.

(2) No work should be conducted across the entire river channel at any one time. (All underwater activity shall be limited to one general location within the river channel at any time.)

(3) No work barges or vessels should be moored in shallow waters along the shorelines from November through April.

If the applicant agrees to these conditions, formal consultation under the Endangered Species Act, Section 7, will not be necessary at this time. Implementation of these measures should provide adequate protection to avoid any impact on Gulf sturgeon inhabiting these waters during winter months or migrating to/from the Gulf of Mexico. Therefore, if they are followed, no further endangered species consultation will be required for this portion of the project unless: (1) the identified action is subsequently modified in a manner that causes an effect on this listed species; (2) new information reveals the identified action may affect another Federally protected species or a critical habitat in a manner or to an extent not previously considered; or (3) a new species is listed or a critical habitat is designated under the Endangered Species Act that may be affected by the identified action. Our positions on the proposed maintenance dredging project is based on the assumption that Best Management Practices will be followed and the Alabama State Section 401 CWA certification is not violated.

If you have any questions, please contact Mr. Dean Heckathorn at 334/441-5181.

Sincerely,

E.R. ROACH,
Acting Field Supervisor.

Mr. LOTT. This letter clearly states that dredging can only occur during six months of the year, and at no time can work be conducted across the entire river channel. It is clear to me, and it is clear to all my colleagues in the chamber today that dredging will be stopped. Also, on May 10, 1999, the FWS office in Daphne, Alabama, again wrote the Mobile Corp about another maintenance dredging project in Mobile. I ask unanimous consent that this letter to the Mobile Corp of Engineers be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
FISH AND WILDLIFE SERVICE,
Daphne, AL, May 10, 1999.

DISTRICT ENGINEER,
U.S. Army Corps of Engineers,
Mobile, AL.

DEAR SIR: This is the report of the U.S. Fish and Wildlife Service (Service) concerning public notice AL99-01328-S in which the applicant, Kimberly-Clark Corporation, is proposing to maintenance dredge within an existing dry dock slip on David Lake, near Mobile River, Mobile County, Alabama. A 200-foot-long by 52-foot-wide area would be dredged to a depth of minus 24 mean low water (MLW). All material would be placed within an existing upland disposals area. This report is prepared in accordance with the requirements of the Fish and Wildlife Coordination Act (16 U.S.C. 661-667e) and is to be used in your determination of 404(b)(1) guidelines compliance (40 CFR 230) and in your public interest review (33 CFR 320.4) as they relate to protection of fish and wildlife resources.

The Service does not object to this proposed project. However, the federally listed Gulf sturgeon (Acipenser oxyrinchus desotoi—Threatened) and the proposed for listing, Alabama sturgeon (Scaphirhyncus suttkusi) are found in these waters. The Gulf sturgeon is an anadromous fish which migrates from salt water into large coastal river to spawn and spend the warm months. According to our records the Gulf sturgeon seasonally occurs and the Alabama sturgeon is a permanent resident within the Mobile River. Throughout their ranges these species have had their forage and spawning habitats adversely affected from dams. In addition, dredging, desnagging, and spoil deposition carried out in connection with channel improvement and maintenance represent an ongoing threat to these sturgeon species.

In order to avoid adverse impacts to these species covered by the Endangered Species Act of 1973, as amended, (16 U.S.C. 1531 et seq.) (ESA), we recommend that the applicant implement appropriate Best Management Practices (BMPs) including the use of turbidity screens, as necessary to minimize turbidity downstream of the project site. Dredging activities should not exceed ambient water clarity of more than 50 Nephelometric turbidity units (NTU's). The Service believes that your project will not have an adverse effect on these sturgeon species, if these BMPs are followed. If these conditions are not acceptable then further consultation with this office is recommended in accordance with Section 7 of the ESA.

Should you have any questions or require additional information, please contact Mr. Dean Heckathorn at (334) 441-5181.

Sincerely,

E.R. ROACH,
Acting Field Supervisor.

Mr. LOTT. This letter stated "dredging, desnagging, and spoil disposition carried out in connection with channel improvement and maintenance represent an ongoing threat to these sturgeon species." Again this proves dredging will be stopped, and the FWS will not hold true to its oral promises here in Washington.

During this time frame a lawsuit has also been pending in the United States District Court for the Middle District of Alabama, styled Alabama Sturgeon, et al. v. Bruce Babbitt, as Secretary of the Interior, et al. Two months ago, on April 26, 1999, the court issued an Order noting the parties were engaged in "settlement negotiations" which were likely to lead to dismissal of the lawsuit. Four days later, on April 30, 1999, for some unknown reason the court issued the Order proposing to dismiss the lawsuit upon the payment of $20,000 in attorneys' fees and costs to the plaintiffs by the government. Neither the Court Order nor the Joint Stipulation of Dismissal and Notice of a Compromise Settlement of Attorney's fees and Costs makes any attempt to justify the rationale for this result. For some reason the Justice Department apparently decided to simply make a gift of $20,000 to the lawyers in this case.

This Administration has not only given away $20,000 to these lawyers to sweep this lawsuit under the rug, it also stole more than $400,000 designated for sturgeon restoration. I am disappointed by these actions.

It is my firm belief that Alabama's Federal partner is not motivated by a desire to restore the sturgeon. Clearly, making a decision to list the Alabama Sturgeon as an endangered species, while having no new scientific information must be based in politics—not science. Why an adversarial approach? The solution to this politically driven problem is simple. Let Alabama finish its 5-year program. The Fish and Wildlife Service action is wrong for Alabama . . . wrong for Mississippi . . . wrong for America. We all must continue to press forward in this fight to do the right thing for the Alabama Sturgeon in spite of these actions by FWS.

AMBASSADOR JAMES R. SASSER

Mr. BINGAMAN. Mr. President, I want to take a moment to call the attention of my colleagues to an important day for one of our former colleagues; and that is, Senator Jim Sasser, who is returning from China where he has served this country very well as our Ambassador for the last 3½ years. He was confirmed in this Senate on December 19, 1995, and with an overwhelming vote.

We are proud of the service he has performed, particularly in recent months, because of the strained relations we have had and the genuine misunderstanding which has existed concerning the bombing of the Chinese Embassy in Belgrade.

I think all of us were proud to see the way former Senator Sasser, Ambassador Sasser, conducted himself, and how all of the American Embassy personnel conducted themselves in that circumstance. I think that is typical of the service he provided throughout the time he was in China.

We are glad to see him back in the United States. We, of course, look forward to many years of friendship with him in the future.

I think it is worth noting, because I understand he is returning today from China and has distinguished himself in that position and deserves recognition.

Mr. President, I yield the floor.

Mr. FEINGOLD. Mr. President, I rise to honor one of our former colleagues, Jim Sasser, who today completes his term as United States Ambassador to China.

I was honored to serve with Jim Sasser during my first two years as a member of this body. He served the people of Tennessee with distinction. As a member of the Senate Committee on Foreign Relations, I was pleased to support his nomination to be our Ambassador to China both in Committee and on the Senate floor. Although I have serious concerns about United States policy toward China, I believe that Ambassador Sasser served this country admirably during a period of immense strain in the complex relationship between the two countries.

In particular, he displayed enormous poise and courage in the days that followed the unfortunate, tragic, and accidental bombing of the Chinese embassy in Belgrade. For more than four days, Ambassador Sasser and numerous staff members were literally trapped inside the United States embassy in Beijing as thousands of demonstrators chanted anti-American slogans and threw rocks at the embassy from the streets outside. I commend him for the calm and diplomatic manner in which he dealt with this tense situation. He reminded us that ambassadors are more than just the official representatives of the United States; they are also the chiefs of mission with responsibility for the staff of many U.S. agencies, as well as the responsibility for the safety of American citizens living or traveling in the countries in which they serve. Our former colleague carried out all of these functions admirably under difficult conditions.

I wish Ambassador Sasser well in his future endeavors.

Mr. CONRAD. Mr. President, I would like now to take a moment to acknowledge the accomplishments of my former colleague and friend James Sasser, the United States Ambassador to the People's Republic of China. I need not remind the Senate of the quality of his leadership as fellow member, and former chairman, of the Budget Committee. It is not his 18 year tenure in the Senate that I want to discuss at this time, but his distinguished work as Ambassador to China.

Over the past three years, the People's Republic of China has been turbulent both socially and economically. From the reversion of Hong Kong in 1997, to the heightened concern about human rights violations, to the recent developments in Kosovo, it is an understatement to say that the task set before James Sasser was daunting. From the onset of his appointment in 1996, during the Chinese missile testing in the Taiwan straits, James Sasser has worked tirelessly towards a "strong, stable, prosperous China," and towards the realization of an equally healthy relationship with United States.

The frontier of Chinese-US relations is a fast changing one, and Sasser's efforts have been considerable. Through the continued promotion of tariff reduction he has helped to launch American business towards the exploration of the Chinese market and helped to secure important trade commitments in the negotiations of the PCR's accession by the WTO.

There has also been considerable progress on the human rights front during the term of Sasser's Ambassadorship. Coupled with the release of prominent political and religious leaders, the PRC's ratification of the International Covenant of Economic and Social Rights is one of the most significant signs of progress with respect to civil rights in China. Sasser has also pioneered agreements with the PCR concerning the nonproliferation of nuclear technology, striving" to cooperate on the peaceful uses of nuclear energy and halt the spread of nuclear weapons technology."

It is with regret that I acknowledge James Sasser's departure. His counsel will be greatly missed. His accomplishment as US Ambassador to China will be remembered as important in advancing the opportunity for a sound relationship between the two countries. I would like to extend my sincere thanks for a job well done.

Mr. DASCHLE. Mr. President, I want to take a few moments to congratulate one of our former colleagues and a dedicated public servant, Jim Sasser, who leaves Beijing this week as our longest-serving ambassador to the People's Republic of China. I commend him for his distinguished and accomplished record in that demanding post.

I was proud to serve with Jim Sasser for eight years here in the Senate. I observed his fine work as Chairman of the Budget Committee, and as a key member of the Appropriations, Banking and

Government Affairs Committees. He did much for the people of his home state of Tennessee, and for the people of this Nation.

When Senator Sasser assumed the chairmanship of the Budget Committee in 1989, we faced growing budget deficits as far as the eye could see. When he left the Senate in 1995, he had worked to set us on a course of fiscal discipline that has created unprecedented economic prosperity and led to the largest budget *surpluses* in our history. He made the hard choices, he made the tough political judgments, and he displayed tremendous legislative skill in helping put an end to the huge budget shortfalls that plagued our country for far too many years.

We were fortunate, them, when Jim Sasser again answered the call to public service when his third term in the Senate came to an end. As our ambassador to China, he has confronted important issues and major problems at a crucial time in our relationship. He traveled first to Beijing during the crisis in the straits of Taiwan in early 1996. He comes home in the wake of the accidental bombing of the Chinese embassy in Belgrade. In the three-and-one-half years in between, Ambassador Sasser has worked tirelessly to ensure that such incidents will not fundamentally alter the course of our relations with the world's most populous nation.

During Ambassador Sasser's tenure, we have seen the exchange of visits between our countries' presidents and the very successful U.S. tour of Premier Zhu Rongji. Those exchanges highlight the hundreds of less prominent, but no less productive, meetings and negotiations that have taken place at various levels of government and business over these 40 months.

Clearly, we have important differences with the Chinese. They existed before Jim Sasser went to China, and they will persist after his departure. But the interests that unite us—in trade, in a cleaner environment, in combating drugs and terrorism, in controlling the spread of weapons of mass destruction—also remain the same. By helping find the common ground on these issues, by maintaining a constructive dialogue based on those common interests even at the worst of times, Ambassador Sasser has strengthened one of our most important bilateral relationships. And he has done it with the personal touch and political skill those of use who were privileged to serve with him in the Senate know so well.

So, today I say thank you to Jim Sasser. Thank you again for your service as a member of the United States Senate, and thank you for skillful diplomacy as our ambassador to China. I know all my colleagues will join me in congratulating Ambassador Sasser for a job well done, and in welcoming him and his wife Mary back home.

Mr. BYRD. Mr. President, today marks another milestone in the remarkable career of a remarkable man—former Senator James Sasser of Tennessee. Today, after three-and-a-half tumultuous years, Jim Sasser formally relinquishes his post as U.S. Ambassador to the People's Republic of China and prepares to return home.

I am told that Henry Kissinger gave a speech in Beijing the other day and called Jim Sasser "the best Ambassador we have sent to China." Having served with Jim for 18 years in the United States Senate, I am not surprised at the accolades he has received for his service as U.S. Ambassador in one of the most difficult and sensitive posts in the world.

Jim Sasser is a man of decency, integrity, and honor. Throughout his globe-spanning career, as a lawyer, a United States Senator, and a diplomat, he has never strayed far from his rural west Tennessee roots, where he learned the core values that have guided his actions ever since. In 1989, when I became chairman of the Appropriations Committee, Jim took over the chairmanship of the Senate Budget Committee. Together, we successfully tackled many of the thorny budget and appropriations issues that arose in the early 1990's. I was privileged to work closely with him for many years on the Senate Appropriations Committee, where he served with distinction as Chairman of the Military Construction Subcommittee.

It is clear that the hard work, talent, and leadership that he demonstrated throughout his Senate career served Jim well when he took over the post of Ambassador to China in 1996. U.S. relations with that nation have experienced dizzying swings during Jim's tenure, reaching their lowest point when the U.S. embassy in Beijing came under siege during the Kosovo conflict, but Jim has always remained above the fray, earning the respect of U.S. and Chinese officials alike. Few of us who know him can forget the haunting photograph of Jim Sasser standing behind the shattered window of the embassy at the height of the anti-American demonstrations in China just two months ago.

Mr. President, four-and-a-half years ago, I stood in this spot to bid Senator Sasser farewell upon his retirement from the Senate. Today, I am pleased to welcome him home to America again. He has served our nation with distinction, and I am confident that he will continue to do so in the coming years wherever the future may lead him.

Mr. BAUCUS. Mr. President, I rise today to honor a friend and former colleague of many of us in this Chamber, Jim Sasser. Jim will complete his assignment as our Ambassador in Beijing this week, an assignment that has lasted forty months, longer than any previous American Ambassador to China.

After three terms in the Senate, including his excellent leadership as Chairman of the Budget Committee, Jim spent a year in the private sector before taking up residence in Beijing in February of 1996. Since then, Jim has watched over the U.S.-China relationship during an incredibly tumultuous period.

Jim arrived in Beijing just as the crisis began in the Taiwan straits in early 1996. Three years later, he watched over the first exchange of Presidential visits between our two countries when Jiang Zemin visited the United States and President Clinton paid a return visit to China earlier this year. I had the distinct honor to lead the Congressional delegation accompanying the President to China and can attest that I was profoundly impressed by Jim Sasser's understanding and management of this critically important and complex bilateral relationship.

Then, most recently, we all watched with great worry and anticipation as Jim was trapped inside the Embassy during the violent demonstrations against the United States. We saw him ably represent and defend American interests during that extremely difficult and tense week.

Jim Sasser has represented this country through the most difficult of circumstances. When Jim left the Senate, I was proud that to have served in this body with him. As he leaves China, I am proud that he was my country's representative there. I wish him the best and know that my colleagues do so as well.

Mr. AKAKA. Mr. President, I rise today to pay tribute to our former colleague, a dear friend and a great American, Ambassador James R. Sasser, whose distinguished service as United States Ambassador to the People's Republic of China ended yesterday. Ambassador Sasser helped guide US-China relations through an interesting and complicated period, and as he and his family return to the United States I want to thank him for his dignified representation of our country.

I was privileged to serve with Jim Sasser when he was a member of the United States Senate. From 1977–1995, Jim Sasser distinguished himself first as the junior Senator, then later as the senior Senator from the State of Tennessee. While a member of the United States Senate, Senator Sasser served as chairman of the Senate Budget Committee and as chair of numerous subcommittees on a variety of domestic and foreign policy areas. During his tenure in the Senate, Senator Sasser introduced legislation to improve child nutrition, increase regulation of savings institutions and enhance research and training for geriatric diseases. However, Senator Sasser was best known for his role as chairman of the

Senate Budget Committee where he worked with the White House to secure passage of the 1993 Budget Reconciliation and Deficit Reduction Act, an accomplishment that is in large part responsible for the unprecedented period of economic growth our nation enjoys and the transformation of an escalating federal budget deficit into an impressive surplus.

Moreover, Senator Sasser distinguished himself on foreign policy issues, courageously speaking his mind on issues such as the Reagan Administration policies in Central America. He was well respected by his colleagues and was known for his sharp intellect and genial personality. His campaign slogan during his 1976 Senate campaign was "in behalf of a government that reflects our decency." Senator Sasser lived up to that promise through his distinguished record in the United States Senate.

After returning to private life in 1995, Jim Sasser served as a Fellow at the Kennedy School of Government at Harvard University before he was nominated as Ambassador to China. On January 10, 1996, Jim Sasser was sworn in by Vice President AL GORE as United States Ambassador to the People's Republic of China. Knowing that Sino-American relations were at an all time low, Ambassador Sasser went to the People's Republic of China with the same diligence that distinguished him as a Senator. The first motto that he graced the Chinese Embassy with, "We may doze, but we never close," typifies the job that Ambassador Sasser did for three remarkable years.

Ambassador to China is one of the most difficult assignments for a diplomat. Dealing with the government of the most populous country in the world can be an intimidating task. Ambassador Sasser rose to the challenge and quickly established amicable relationships with President Jiang Zemin and most recently with premier Zhu Rongji. So tight were there bonds that Premier Zhu said after his trip to America with Jim Sasser last year. "I would never have made it without the Ambassador." The relationships allowed Ambassador Sasser to navigate through the tough times in United States-China relations and have helped build and sustain cordial relations between the President of the United States and the President of the People's Republic of China. Moreover, his 18 years of distinguished service in the U.S. Senate helped prepare him for dealing with domestic and foreign policymakers in both countries.

Just weeks after Ambassador Sasser was sworn in, his diligence was tested when China began missile tests over the Taiwan Strait. Recently, United States-China relations were strained once again by the tragic, accidental bombing of the Chinese Embassy in Belgrade during NATO air strikes and reports of Chinese espionage of our national nuclear weapons laboratories. Ambassador Sasser distinguished himself and the entire American contingent of diplomats in China by acting in a respectful and sympathetic manner to the Chinese government during this unfortunate incident. I will never forget the photographs of Ambassador Sasser in the ruins of our embassy in Beijing. The calm, composed, and dignified manner in which he responded to the seige at our embassy and ambassador's residence are the benchmark for grace under fire and will forever symbolize the sacrifice and skills of our nation's diplomatic corps and foreign service personnel.

I had the opportunity to visit and talk with Ambassador Sasser on numerous occasions in Beijing. His assistance and advice was always courteous and on point. From human rights issues to intellectual property copyrights, Ambassador Sasser has done a tremendous job representing and communicating American interests in the People's Republic of China. During his 40 months of service as American Ambassador to China, the longest tenure of any American Ambassador to China, Jim Sasser has accomplished so much in helping to improve Sino-American relations. His achievements are numerous and commendable. Ambassador Sasser's service has helped advance cooperation between American and Chinese political and security officials. Economic relations between our two countries have improved under Ambassador Sasser's leadership including ongoing negotiations for admitting China into the World Trade Organization. In the area of nuclear nonproliferation, Ambassador Sasser has seen the Chinese government address U.S. concerns about providing assistance to rogue nations, as well as issuing a State Council directive controlling export of dual-use items with potential nuclear weapons uses. The U.S. Embassy in China has also helped to secure relief assistance to Chinese earthquake victims. The list of accomplishments of Ambassador Sasser and his corps of diplomatic officials goes on and on. His record as Ambassador speaks for itself.

Although United States-China relations have been damaged by the accidental bombing of the Belgrade embassy, we can say that relations with China are better now than they were 3 years ago when Ambassador Sasser assumed his post in Beijing.

Now that Jim and Mary have returned safely home, I would like to take one final opportunity to thank them and his family for their courageous service and commitment to serving America in China. I have to agree with former Secretary of State Henry Kissinger's assessment of Ambassador Sasser as "the best Ambassador to China we've ever had". To Jim Sasser and his family, I say maholo nui loa, thank you very much, for your service and bid you aloha, welcome home.

CHANGES TO THE BUDGETARY AGGREGATES AND APPROPRIATIONS COMMITTEE ALLOCATION

Mr. DOMENICI. Mr. President, section 314(b)(5) of the Congressional Budget Act, as amended, requires the chairman of the Senate Budget Committee to adjust the appropriate budgetary aggregates and the allocation for the Appropriations Committee to reflect an amount provided for an earned income tax credit compliance initiative.

I hereby submit revisions to the 2000 Senate Appropriations Committee allocations, pursuant to section 302 of the Congressional Budget Act, in the following amounts:

[In millions of dollars]

	Budget authority	Outlays
Current allocation:		
General purpose discretionary	533,971	543,967
Violent crime reduction fund	4,500	5,554
Highways		24,574
Mass transit		4,117
Mandatory	321,502	304,297
Total	859,973	882,509
Adjustments:		
General purpose discretionary	+144	+146
Violent crime reduction fund		
Highways		
Mass transit		
Mandatory		
Total	+144	+146
Revised allocation:		
General purpose discretionary	534,115	544,113
Violent crime reduction fund	4,500	5,554
Highways		24,574
Mass transit		4,117
Mandatory	321,502	304,297
Total	860,117	882,655

I hereby submit revisions to the 2000 budget aggregates, pursuant to section 311 of the Congressional Budget Act, in the following amounts:

[In millions of dollars]

	Budget authority	Outlays	Deficit
Current allocation: Budget resolution	1,428,920	1,415,349	−7,267
Adjustments: EITC compliance	+144	+146	−146
Revised allocation: Budget resolution	1,429,064	1,415,495	−7,413

THE SUPREME COURT'S END-OF-TERM DECISIONS

Mr. LEAHY. Mr. President, the Supreme Court ended its term last week with a trio of deeply disturbing decisions regarding the role of the States and Congress in our federal system. In Alden v. Maine, the Court made it impossible for State employees to enforce their rights under the Fair Labor Standards Act, which for decades has guaranteed public and private employees nationwide a fair minimum wage.

In College Savings Bank, the Court deprived private parties of the ability to enforce federal unfair competition law against the States. And in Florida Prepaid, the Court held that Congress can execute its constitutional mandate to protect patents as against States only if the Court is satisfied that there is a sufficient "pattern of constitutional violations" of patent rights by the States. The Court also made an unprecedented suggestion about how we must write legislation: that we must expressly invoke a constitutional provision before it will honor our authority to legislate.

These three decisions, all by the same bare majority, are disturbing on three fronts. First, they seem to be premised on obsolete notions of natural law, with no basis in the text of the Constitution, and they expressly depart from established constitutional precedent. Second, they will make it harder for ordinary Americans to enforce their federally-protected rights against States. Third, they will make it far more difficult for Congress to enforce uniform policies on matters of national concern.

Justice Souter has eloquently explained how the Court's decisions will harm individuals. Dissenting in the Alden case, Justice Souter pointed out that the majority's decision left Maine's employees with a federal right to get paid for overtime work, but no way to enforce it. This flies in the face of logic, precedent, and common sense. As every first-year law student knows, where there is a right, there must be a remedy.

The maintenance of State sovereignty is clearly a matter of great importance. For this reason, I have been critical of the increasing intrusion of federal regulation into areas traditionally reserved to the States.

In particular, I have expressed concern about the seemingly uncontrollable impulse to react to the latest headline-grabbing criminal caper with a new federal prohibition. This Congress has also extended the federalization of State laws to civil law matters traditionally the province of the States, as in the Y2K bill. But though I watch the federalization of the law with concern, I cannot agree with the Court's decisions, which privilege States' rights over those of both the individual citizen and the federal Government. It is one thing to say that Congress should forbear from interfering in areas that are adequately regulated by the States; it is quite another thing to say that Congress may not exercise its constitutionally-delegated authority even when the national interest so demands.

We on the Senate Judiciary Committee hear a good deal of rhetoric about judicial activism. Here we have the real thing. The Court's so-called conservatives, who routinely limit individual constitutional rights on the basis of supposed strict adherence to the constitutional text, have suddenly developed a natural law concept of State sovereignty that even they admit has no basis in the constitutional text.

These conservative activists have reached out to overrule solid legal precedent. Thirty-five years ago, in Parden v. Terminal Railway Company, the Court held that States may lose their immunity by engaging in ordinary commercial ventures. This makes a good deal of sense.

Why should States that choose to act outside their core sovereign powers and compete in the marketplace get an edge over their regulated private competitors? Certainly, nothing in the Constitution suggests that they should. By overruling Parden, the Court's "conservatives" abandoned all pretense of judicial restraint.

Let me turn now to the flip-side of the Court's new emphasis on States' rights. In strengthening the power of the States, the Court has weakened the power of Congress and the federal Government.

We should, I believe, pay particular attention to the Court's restrictive reading of Congress's authority to enforce the Fourteenth Amendment.

This amendment grants the Congress the power to enforce, by appropriate legislation, federal constitutional rights. Last week, for the second time in as many years, the Court invalidated an Act of Congress because of the perceived deficiency of the legislative record. The Court held, in effect, that Congress may not exercise its power pursuant to the Fourteenth Amendment unless it justifies itself, in advance, to the satisfaction of the federal courts. This demonstrates a breathtaking lack of respect for a co-equal branch of Government. Congress is not an administrative agency, and it should not be required to dot every "i" and cross every "t" before taking action in the public interest.

The Court's "no-deference" approach could complicate a broad range of current legislative initiatives. I will note just two that are of critical importance to me: civil rights and intellectual property.

The Religious Liberty Protection Act, which was recently reported by the House Judiciary Committee, is an important congressional effort to protect religious liberty after the Court struck down our previous attempt in the 1997 City of Boerne case. To the extent that any new bill rests on our authority under the Fourteenth Amendment, we must now do the work of an administrative agency to develop an evidentiary record that will satisfy the Supreme Court.

The end-of-term decisions will also make it harder for Congress to design a uniform system that will apply throughout the nation to protect important intellectual property interests. Intellectual property rights are deeply rooted in the Constitution, which provides in Article I that "The Congress shall have power . . . [t]o promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." I have worked hard over the years to provide the creators and inventors of copyrighted and patented works with the protection they may need in our global economy.

Yet, the Court's decisions will have far-reaching consequences about how these intellectual property rights may be protected against even egregious infringements and violations by the States. For example, in light of the Court's decisions, will Congress now have to write one law for private universities, libraries and educational institutions, while State-run institutions are free to do whatever they please. This is a matter that Chairman HATCH and I will have to examine closely in the Judiciary Committee as we consider a host of intellectual property matters ranging from distance education, database protection, cyberpiracy of domain names, and others.

The Court's new conception of federalism poses an interesting challenge to Congress. Over the coming years, we can expect a flurry of lawsuits aimed at testing the limits of last week's rulings and of this body's legislative authority. In fact, the Court has already agreed to decide next term whether States are immune from suits charging that they have violated the federal law against age discrimination and whether they may be sued for defrauding the federal government.

I have risen to discuss the Court's end-of-term decisions for two reasons. First, I agree with the four dissenting Justices that these decisions are an egregious case of judicial activism and a misapplication of the Constitution. The four dissenters expressed their belief that the Court's new direction will eventually be reversed. I hope this is so. In the interim, however, we need to determine what means remain to Congress to fulfill the promise of the Constitution, which guarantees national supremacy to federal law and to federally-protected rights.

At least three paths remain open to us. First, Congress can require States to waive their immunity from suit as a condition of receiving federal funds. Second, since the States are not immune from suit by the federal Government, Congress can empower federal authorities to collect damages on behalf of private citizens whose federal rights have been violated by States. Third, Congress can give more emphasis to preventative remedies, since nothing in the Court's decisions affects the ability of individuals to sue States for injunctive relief.

I urge all Senators to study the Court's decisions. We need to work together with a clear understanding of the Court's new constitutional order.

KAREN SCHREIER'S CONFIRMATION AS UNITED STATES FEDERAL DISTRICT JUDGE FOR SOUTH DAKOTA

Mr. JOHNSON. Mr. President, I rise to express my appreciation of my colleagues for their overwhelming and bipartisan support for confirmation of Karen Schreier as a United States Federal District Judge for South Dakota. Karen Schreier has established an extraordinary reputation for skill and integrity during her years of private law practice, and as a very successful United States Attorney.

It is of historic note, that Karen is about to become the first female federal judge in South Dakota's 110-year history, and her outstanding achievements as an attorney, community leader, and federal judge will serve as a model for countless other talented young people throughout our state—both men and women. Most importantly, however, her ascension to the federal bench is a victory for justice and the rule of law. South Dakota and our nation will be very well served by Karen Schreier's tenure as Federal District Judge for South Dakota.

I also must observe that even the most talented of individuals does not achieve the highest career success without the support and assistance of other important people in their lives. I had the great honor and pleasure of serving in the South Dakota legislature with Karen's father, Harold Schreier. Harold represented the very best of public service in our state, and I know that Karen's success would be of enormous pride and satisfaction to him. Karen's mother, Maysie Schreier, has been a wonderful resource in the Flandreau community in her own right, and her values and determination are reflected in her daughter. Karen's husband, Tim Dougherty, is a talented lawyer, community leader and source of never-ending support and encouragement. Tim's father, Bill Dougherty, has for many years been one of South Dakota's foremost political leaders and voice for common-sense and progressive public policy. Bill has been the father of a great deal of legislative accomplishment in our state, but I have a feeling that Karen's success will always be one of his greatest sources of pride.

Mr. President, it is with wonderful personal satisfaction, that I can today offer my congratulations to Karen Schreier on her confirmation. Congratulations as well, to the Schreier and Dougherty families—outstanding South Dakota families, and valued personal friends!

SILVERY MINNOW—CRITICAL HABITAT DESIGNATION

Mr. DOMENICI. Mr. President, I rise today to discuss recent developments regarding the Rio Grande River in New Mexico, an endangered species called the silvery minnow, and praiseworthy action by the Senate Environment and Public Works Committee earlier this week.

As I have previously outlined before to my colleagues, a complicated and potentially chaotic situation involving literally hundreds of thousands of water users along the Rio Grande in my state could emerge this year. Yesterday, the Fish and Wildlife Service designated almost 170 miles of the Rio Grande channel as critical habitat for the silvery minnow. This designation, as Secretary of Interior Bruce Babbitt testified earlier this year, is prematurely driven by a court order before the needs of the minnow and economic impacts are known. Indeed, this is a "cart before the horse" situation that would be comical if its consequences weren't potentially so tragic.

In light of this situation, the action by the Senate Environment and Public Works Committee Tuesday is heartening in two respects. First, I want to profoundly thank Senator CHAFEE, chairman of the committee; Senator BAUCUS, ranking member; and Senator CRAPO, chairman of the relevant subcommittee, and their staffs, for their help on S. 1100, a precisely crafted bill that would bring a logical and commonsense reform to the present Endangered Species Act. Second, I also thank the various environmental organizations and their staffs that helped us in this effort. This was a unique, bi-partisan undertaking. I think the committee's work shows that intelligent reform can occur in this highly charged arena. I will do all I can to assist in "clean" passage of this legislation, without the burden of multiple amendments that will fracture the consensus that has developed.

S. 1100 simply requires that the designation of critical habitat for an endangered species occur, in the future, after the scientific work necessary to develop a comprehensive recovery plan for that species is completed. That sounds logical to my colleagues, I suspect, but the present Endangered Species Act provides for just the opposite: that is, it requires a designation of habitat before science has told us what a species needs to survive.

I have been asked what relationship exists between S. 1100 and the Rio Grande/silvery minnow situation. The answer will clearly depend on how the courts resolve this particular case. However, S. 1100 provides that designation of critical habitat should occur concurrently with the development of a recovery plan. That is a significant step forward, but only a first step. It will prevent the situation now found on the Rio Grande in the future.

A court has forced the Fish and Wildlife Service to prematurely designate critical habitat, a premature designation that everyone agrees could be counter-productive. Mr. President, you know that a full Environmental Impact Statement is required by law in the case of a "major federal action." If any case cries out for a full EIS, it is the case of the silvery minnow. The potential impact of this federal action by the Fish and Wildlife Service, compelled by the court, could have consequences well beyond the normal definition of the word "major." At stake is the water, literally the water used every second of every day by all users of the Rio Grande system. Unfortunately, even with legal precedent on the need for an EIS in habitat designations, the Fish and Wildlife Service chose not to do one.

Some try to portray this particular case as one dividing farmers and ranchers from the more extreme environmentalists in our state, a situation described quite accurately and colorfully by Secretary Babbitt earlier this year as "intransigence." Yet, this issue is much broader than that kind of confrontation: hundreds of thousands of users, people who depend upon the Rio Grande for their water in their taps at home, residents of Santa Fe and Albuquerque, and the communities in between, could find their water endangered.

In light of this potential, I believe that a full-scale Environmental Impact Statement must be done on the silvery minnow issue. It is only after we know the impact that critical habitat designation may have on all users, and its relationship to saving the species, that we can intelligently move forward.

A BUDGET SURPLUS TO REFORM AMERICA'S PUBLIC SCHOOLS

Mr. KERRY. Mr. President, I want to spend a few moments today to talk about one of the great questions to which I believe the Senate has yet to take a stand. That is the question of reform of our public school system. And Mr. President, I would suggest that today the responsibility to be creative, to be resourceful, and to empower our schools resides right here in the United States Senate.

I am grateful that President Clinton has recently taken a position a number of us have advocated in this age of budget surpluses. Now it's time for all of us to acknowledge that some proportion of these projected budget surpluses should be set aside for education reform—set aside in a lockbox. And, Mr. President, I would suggest that we should all be able to agree that any budget we conclude this year—if it is a budget that reflects the American people's most urgent need—must include more funding for school reform.

Let's be honest—as a society, there is no decision of greater importance to the long term health, stability, and competitiveness of this nation than the way we decide to educate our children. We look to public schools today to educate our children to lead in an information age and a global economy where borders have vanished—and the wealth of nations will be determined by the wisdom of their workers—by their level of training, the depth of their knowledge, and their ability to compete with workers around the world.

Mr. President, two hundred years ago Thomas Jefferson told us that our public schools would be "the pillars of the republic"—he was right then, he is right now—but today there is a caveat: those public schools must also be—more than ever—the pillars of our economy and the pillars of our communities.

And I would respectfully suggest to you that there has not been a more urgent time than the present to reevaluate the way America's greatest democratic experiment is working—the experiment of our nation's public schools.

Those pillars of the republic have never before had to support so heavy a burden as they do today. In our world of telecommuting; the Internet; hundreds and soon thousands of television channels; sixty, seventy and eighty hour work weeks—there are fewer and fewer places where Americans come together in person to share in that common civic culture, fewer ways in which we unite as citizens. And more reasons, I believe, why this nation must have a great public school system.

And what can we say of the system before us today? I think we must say that—although there are thousands of public schools in this country doing a magnificent job of educating our children to a world class level—too many of our schools are struggling and too many kids are being left behind.

I believe we have a responsibility to be the true friends of public education—and the best friends are critical friends, and it is time that we seek the truth and offer our help to a system that is not doing enough for a large proportion of the 50 million children in our public schools today—children whose reading scores show that of 2.6 million graduating high school students, one-third are below basic reading level, one-third are at basic, only one-third are proficient and only 100,000 are at a world class reading level; children who edge out only South Africa and Cyprus on international tests in science and math, with 29 percent of all college freshmen requiring remedial classes in basic skills.

This year we have already passed the Ed-Flex Bill, a step forward in giving our schools the flexibility and the accountability they need to enact reform, making it a matter of law that we won't tie their hands with red tape when Governors and Mayors and local school districts are doing all they can to educate our kids, but also emphasizing that with added flexibility comes a responsibility to raise student achievement.

But EdFlex was just one step to balance accountability and flexibility—to continue the process of real education reform—and that is why my colleague, the Senator from Oregon, GORDON SMITH, and I have come together, in a bipartisan way—through the Kerry-Smith approach to education reform we've introduced with TED KENNEDY, MAX CLELAND, EVAN BAYH, JOHN EDWARDS, CARL LEVIN, PATTY MURRAY, RICHARD BRYAN, as well as JOHN CHAFEE, SUSAN COLLINS and OLYMPIA SNOWE from Maine. Ours is an approach which will make a difference in our schools and which can bring together leaders from across the political spectrum around good ideas which unite us.

For too long in this country the education debate has been stuck both nationally and locally. Leaders have been unable or unwilling to answer the challenge, trapped in a debate that is little more than an echo of old and irrelevant positions with promising solutions stymied by ideology and interest groups—both on the right and on the left.

Nowhere more than in the venerable United States Senate, where we pride ourselves on our ability to work together across partisan lines, have we—in so many debates—been stuck in a place where Democrats and Republicans seem to talk past each other. Democrats are perceived to be always ready to throw money at the problem but never for sufficient accountability or creativity; Republicans are perceived as always ready to give a voucher to go somewhere else but rarely supportive of investing sufficient resources to make the public schools work.

Well, I think it is in this Congress, this year, that we can finally disengage ourselves from the political combat, and acknowledge that with so much on the line, such high stakes in our schools, you can't just talk past each other and call it reform.

We all need to do our part to find a new answer, and Mr. President I would respectfully suggest that in the bipartisan support you see for this approach, there is a different road we can meet on to make it happen.

Together we are introducing the kind of comprehensive education reform legislation that I believe will provide us a chance to come together not as Democrats and Republicans, but as the true friends of parents, children, teachers, and principals—to come together as citizens—and help our schools reclaim the promise of public education in this country. We need to ask one question: "What provides our children with the best education?" And whether the answer is conservative, liberal or simply practical, we need to commit ourselves to that course.

Our bill is built on the notion of providing grants for schools with real accountability to pursue comprehensive reform and adopt the proven best practices of any other school—Voluntary State Reform Incentive Grants so school districts that choose to finance and implement comprehensive reform based on proven high-performance models can bring forth change. We will target investments at school districts with high numbers of at-risk students and leverage local dollars through matching grants. This component of the legislation will give schools the chance to quickly and easily put in place the best of what works in any other school—private, parochial or public—with decentralized control, site-based management, parental engagement, and high levels of volunteerism—while at the same time meeting high standards of student achievement and public accountability. I believe public schools need to have the chance to make changes not tomorrow, not five years from now, not after another study—but now—today.

So if schools will embrace this new framework—every school adopting the best practices of high achieving schools, building accountability into the system—what then are the key ingredients of excellence that every school needs to succeed?

Well, I think we can start by guaranteeing that every one of our nation's 80,000 principals have the capacity to lead—the talents and the know-how to do the job; effective leadership skills; the vision to create an effective team—to recruit, hire, and transfer teachers and engage parents. Without those abilities, the title of principal and the freedom to lead means little. We are proposing an "Excellent Principals Challenge Grant" which would provide funds to local school districts to train principals in sound management skills and effective classroom practices. This bill helps our schools make being a principal the great calling of our time.

But as we set our sights on recruiting a new generation of effective principals, we must acknowledge what today's best principals know: principals can only produce results as good as the teachers with whom they must work. To get the best results, we need the best teachers. And we must act immediately to guarantee that we get the best as the United States hires 2 million new teachers in the next ten years, 60% of them in the next five years. In the Kerry-Smith Bill we will empower our states and school districts to find new ways to hire and train outstanding teachers: through a focus on teacher quality and training—in Title V of this bill—we can use financial incentives to attract a larger group of qualified people into the teaching profession and we can provide real ongoing education and continued training for our nation's teachers.

This legislation will allow states to reconfigure their certification policies and their teaching standards to address the reality that our standards for teachers are not high enough—and at the same time, they are too rigid in setting out irrelevant requirements that don't make teaching better; they make it harder for some who choose to teach. We know we need to streamline teacher certification rules in this country to recruit the best college graduates to teach in the United States. Today we hire almost exclusively education majors to teach, and liberal arts graduates are only welcomed in our country's top private schools. Our legislation will allow states to rewrite the rules so principals have a far greater flexibility to hire liberal arts graduates as teachers, graduates who can meet high standards; while at the same time allowing hundreds of thousands more teachers to achieve a more broad based meaningful certification—the National Board for Professional Teaching Standards certification with its rigorous test of subject matter knowledge and teaching ability.

This legislation will build a new teacher recruitment system for our public schools—providing college scholarships for our highest achieving high school graduates if they agree to come back and teach in our public schools.

We will demand a great deal from our principals and our teachers—holding them accountable for student achievement—but Mr. President we also hope to build a new consensus in America that recognizes that you can't hold someone accountable if they don't have the tools to succeed.

Our bill helps to close the resource gap in public education: helping to eliminate the crime that turns too many hallways and classrooms into arenas of violence by giving school districts incentives to write discipline codes and create "Second Chance" schools with a range of alternatives for chronically disruptive and violent students—everything from short-term in-school crisis centers, to medium duration in-school suspension rooms, to high quality off-campus alternatives, providing the resources that can, in tandem with values and character education, prevent senseless tragedy before it happens; the resources to help every child come to school ready to learn by funding successful, local early childhood development efforts; and making schools the hubs of our communities once more by providing support for after school programs where students receive tutoring, mentoring, and values-based education—the kind of programs that are open to entire communities, making public schools truly public.

And our legislation will help us bring a new kind accountability to public education by injecting choice and competition into a public school system badly in need of both. We are not a country that believes in monopolies. We are a country that believes competition raises quality. And we ought to merge the best of those ideas by ending a system that restricts each child to an administrator's choice and not a parent's choice where possible. It is time we adopt a competitive system of public school choice with grants awarded to schools that meet parents' test of quality and assistance to schools that must catch up rapidly. That is why our bill creates an incentive for schools all across the nation to adopt public school choice to the extent logistically feasible.

We are not just asking Democrats and Republicans to meet in a compromise, a grand bargain to reform public education. We are offering legislation that helps us do it, that forces not just a debate, but a vote—yes or no, up or down, change or more of the same. Together we can embrace new rights and responsibilities on both sides of the ideological divide and admit that the answer to the crisis of public education is not found in one concept alone—in private school vouchers or bricks and mortar alone. We can find answers for our children by breaking with the instinct for the symbolic, and especially the notion that a speech here and there will make education better in this country. It can't and it won't. But our hard work together in the coming year—Democrats and Republicans together—can make a difference. Education reform can work in a bi-partisan way There is no shortage of good ideas or leadership here in the Senate—the experience of GORDON SMITH who spent years in the Oregon legislature working to balance resources and accountability to raise the quality of public education; with tireless leadership from former Governors like EVAN BAYH and JOHN CHAFEE; bipartisan creativity from PATTY MURRAY and OLYMPIA SNOWE; and the leadership and passion, of course, of the senior Senator from my state, Senator KENNEDY, who has led the fight on education in this Senate, and who has provided this body with over 30 years of unrivaled leadership and support for education.

We look forward to working with all of our colleagues this year to pass this legislation, in this important year as we undergo the process of reauthorizing the Elementary and Secondary Education Act, to find common ground in ideas that we can all support—bold legislation that sends the message to parents and children struggling to find schools that work, and to teachers and principals struggling in schools simultaneously bloated with bureaucracy and starved for resources—to prove to them not just that we hear their cries for help, but that we will respond not with sound bites and salvos, but with real answers. And Mr. President, I would suggest that in this time when the United States, the richest nation on the face of the earth, leading a global economy, pushing our stock market well over 10,000, with budget surpluses we all herald at every turn, I would suggest that at this time we need to make the commitment—together, Democrats and Republicans—to give every school the chance to give every child in our country a world class education. That is an investment we can not afford to pass up—and Mr. President this is the time to do it. I look forward to working with all colleagues, Mr. President, in fashioning a budget that takes serious the American people's call for real and comprehensive education reform.

WELFARE REFORM

Mr. WELLSTONE. Mr. President, I rise today because I am concerned that there is a growing national crisis in America. Although we do not know its exact dimensions, the early evidence is extremely troubling.

Nearly three years ago, against my objections, Congress passed and President Clinton signed the welfare reform law. The stated purpose of the law was to move people off welfare and toward economic self-sufficiency.

By now, we all know that the welfare caseloads have dramatically declined. The welfare caseloads are at their lowest point in nearly 30 years. Since welfare reform became law, 1.6 million families have left the welfare rolls. Approximately 4.6 million are no longer receiving cash assistance. Clearly, the law has been successful at moving people off welfare. On this basis, nearly everyone is jumping at the opportunity to proclaim welfare reform as a "success." But, Mr. President, I have my doubts. How can we call welfare reform a success without knowing what has happened to these people after leaving welfare? How can we call it a success without knowing how people are doing? Mr. President, declining caseloads do not answer the fundamentally important questions. They don't tell us if families are moving toward economic self-sufficiency. They don't tell us if people have been able to escape poverty. They don't tell us if mothers have been able to find work. They don't tell us if children have food and are covered by health insurance.

Mr President to be honest, the declining welfare caseloads tell us very little. We should not be trumpeting the success of welfare reform before we know about the living conditions of the people who have been moved off welfare. And right now, no one seems to know. Over and over again I have asked my colleagues if they know of any research demonstrating that the decrease in the number of families receiving assistance means that people are escaping poverty, but no one has produced such a study. No one!

My fear is that these people are simply disappearing.

Mr. President, we've got a similar problem with the recent reports about Food Stamps. Lately we've been hearing a lot about the plunge in Food Stamp participation. Over the last four years the number of people using food stamps dropped by almost one-third, from 28 million to 19 million people.

Some want to interpret this decline as an indication of diminished need. But, just like the decline in welfare rolls, there are important questions that are left unanswered. I hope that the drop means that fewer people are going hungry. But, I have my doubts.

If people are no longer needy, then how can we account for the fact that 78 percent of cities surveyed by the United States Conference of Mayors for its Report on Hunger reported increases in requests for emergency food in 1998?

If people are no longer needy, then how can we explain why Catholic Charities USA reported early this year that 73 percent of dioceses had increases of as much as 145 percent in requests for emergency food assistance compared to a year before.

Mr. President, how can we account for these findings without questioning whether the reformers' claims of success are premature?

What is going on here? A story from the New York Times suggests one troubling explanation:

"[One welfare recipient was told] incorrectly . . . that she could not get food stamps without welfare. So, though she is scraping by raising a family of five children and sometimes goes hungry, she has not applied [for food stamps]. . . . 'They referred me to the food pantry,' she said. 'They don't tell you what you really need to know. They tell you what they want you to know." (4/17/99).

Mr. President, I am here today to propose an amendment. It is an amendment that I hope will receive widespread support. It is simple and straightforward. It will help us find out how people who have left welfare are doing. It will provide us with the information we need in order to properly evaluate the success or failure of welfare reform.

Mr. President, the 1996 welfare law sets aside $1 billion for "high-performance" bonuses. Currently, the money is awarded to states using a formula that takes into account state effectiveness in increasing employment among TANF recipients. My amendment would add three more criteria:

Food stamp participation among poor children,

The proportion of families leaving TANF who are covered by Medicaid or child health insurance, and

The number of children in working poor families who receive some form subsidized child care.

In other words, states would have to provide this information in addition to the job entry, job retention, and earnings data they already must provide in their high-performance bonus applications.

Mr. President, some of my colleagues might suggest that these additional requirements will be too difficult for the states to meet. I will address this issue in detail in a little while. Right now, let me just reassure everyone that no state will be required to conduct any new surveys. In fact, no state will have to collect any new data. All that my amendment will require is that states report data they already have.

Mr. President, as I have already suggested, I am here today because of my deep concern for the millions of Americans who struggle each day to get by. These are the people who worry about:

How to keep a roof over their families' heads, How to get food in their children's stomachs, How to earn a wage that pays their bills, and How to obtain medical help when they are sick.

I am especially concerned about our nation's children who all too often are the innocent victims of poverty.

Mr. President, we live in the richest country in the world. We live in a country that has experienced what many call "an unprecedented period of prosperity." But Mr. President, this prosperity has not extended to all families and their children. While our country is supposedly doing so well, we've got about 14 million—That's one in five—children who live in poverty. And, 6.5 million children live in extreme poverty. Their family income is less than one-half the poverty line.

This poverty has profoundly terrible consequences on the lives of these children. On the basis of research, we now know that poverty is a greater risk to children's overall health status than living in a single parent family. A baby born poor is less likely to be alive to celebrate its first birthday than a baby born to an unwed mother, a high school dropout, or a mother who smoked during pregnancy.

Mr. President, poor children must walk a gauntlet of troubles, that begin even before they are born and often last a lifetime. Not only are poor children more likely to die during childhood, they are:

More likely to have low birth weights and be born premature; More likely to be deaf; More likely to be blind; More likely to have serious physical or mental disabilities, and More likely to suffer from stunted growth.

Mr. President, I am worried that welfare reform is making these problems worse. I think that we really need to pay attention to the quality of people's lives not just to the numbers of people on assistance.

Mr. President, the purpose of my amendment is to help us to understand at a national level what is happening in our country in the wake of welfare reform. I've spent a lot of time trying to figure this out and have come to the conclusion that what we currently know is not sufficient. I am not alone in this belief. One of the organizations I work is called NETWORK. It's a National Catholic Social Justice lobby. The people at NETWORK wrote the following in their recent report on welfare reform:

> Even though government officials are quick to point out that national welfare caseloads are at their lowest point in 30 years, they are unable to tell us for the most part what is happening to people after they leave the welfare rolls—and what is happening to people living in poverty who never received assistance in the first place.

Mr. President, although we lack a national portrait, some of the research I read about what is going on in the states deeply concerns me.

For example: In Alabama, a professor found that intake workers gave public assistance applications to only 6 out of 27 undergraduate students who requested them, despite state policy that says that anyone who asks for an application should get one.

In Arizona, after holding fairly steady from 1990 to 1993, the number of meals distributed through Arizona's statewide food-charity network has since risen 50 percent.

In California, tens of thousands of welfare beneficiaries are dropped each month as punishment. In total, half of those leaving welfare are doing so because they did not follow the rules.

In Florida, more than 15,000 families left welfare during a typical month last year. About 3,600 reported finding work, but nearly 4,200 left because they were punished. The state doesn't know what happened to almost 7,500 others.

In Georgia, nearly half of the homeless families interviewed in shelters and other homeless facilities had lost TANF benefits in the previous 12 months.

In Iowa, 47 percent of those who left welfare did so because they did not comply with requirements such as going to job interviews or providing paperwork. And in Iowa's PROMISE JOBS experiment, the majority of families punished for failure to meet welfare-to-work requirements told researchers that they didn't understand those requirements.

In my own State of Minnesota, care managers found that penalized families were twice as likely to have serious mental health problems, three times as likely to have low intellectual ability, and five times more likely to have family violence problems when compared with other recipients.

In the Mississippi Delta, workfare recipients gather at 4 a.m. to travel by bus for two hours to their assigned work places, work their full days, and then return—another two hours—home each night. It is no surprise, therefore, that they are having trouble finding child care during these nontraditional hours, and for such extended days.

In New York, a September 1998 survey found that 71 percent of former recipients who last received TANF in March 1997 did not have any employer-reported earnings.

In a rural Appalachian community in Ohio, there is a lack of jobs at decent wages that has resulted in dramatic increases in requests for food. The Congressional Hunger Center tells us that, "As people are being moved off of the rolls in rural areas, there is very little support structure to help them become self-sufficient—government programs are unavailable due to time limits, there is little private industry in the area, and neighbors struggle to get by on their own."

And then there is the so-called success story in Wisconsin. Only one in four families that permanently leave welfare have incomes above the poverty line. The typical recipient actually lost income during the year after leaving welfare. Only one in three of those who left welfare increased their economic resources. In La Crosse, Wisconsin, the number of children sleeping in Salvation Army homeless shelters shot up by 50 percent between 1994 and 1996. In contrast, the number of homeless men—a group that is largely unaffected by welfare changes—rose by only one percent during the same period. And, a recently released study by the Institute for Wisconsin's Future says that the number of families in extreme poverty jumped from about 1,700 in 1989 to 11,200 in 1997.

Mr. President, clearly we need to be careful about pronouncing welfare reform a "success" simply because the caseloads are down. People are continuing to suffer and struggle to meet their basic needs.

Mr. President, I have already discussed the dramatic decline in welfare caseloads. Let me remind everyone that the caseload decline has not been matched by a similar decline in poverty indicators.

I think we need to know, on a national level, what's going on. The research we do have suggests that moving people off of welfare is not having the intended effect of putting them on the road to economic self-sufficiency.

The NETWORK study reports that people continue to experience severe hardship. For example:

Nearly half of the respondents report that their health is only "fair" or "poor." 43% eat fewer meals or less food per meal due to cost. 52% of soup kitchen patrons are unable to provide sufficient food for their children. Even the working poor are suffering as 41% of those with jobs experienced hunger.

Mr. President, NETWORK is not the only group out there trying to find out what is going on. In another study, seven local agencies and community welfare monitoring coalitions in six states compared people currently receiving welfare to those who stopped getting welfare in the last six months.

The data show that people who stopped getting welfare were:

Less likely to get food stamps; Less likely to get Medicaid; More likely to go without food for a day or more; More likely to move because they couldn't pay rent; More likely to have a child who lived away or was in foster care; More likely to have difficulty paying for and getting child care, and; More likely to say "my life is worse" compared to six months ago.

The National Conference of State Legislatures' analyzed 14 state studies with good information about families leaving welfare. It found:

> Most of the jobs [that former recipients get] pay between $5.50 and $7 an hour, higher than minimum wage but not enough to raise a family out of poverty. So far, few families who leave welfare have been able to escape poverty.

And then there is the recent study by Families USA, which presents a very troubling set of findings. It reports:

> over two-thirds of a million low-income people—approximately 675,000—lost Medical coverage and became uninsured as of 1997 due to welfare reform. The majority (62 percent) of those who became uninsured due to welfare reform were children, and most of those children were, in all likelihood, still eligible for coverage under Medicaid. Moreover, the number of people who lose health coverage due to welfare reform is certain to grow rather substantially in the years ahead.

Mr. President, sometimes with all these numbers and studies we lose sight of the fact that they are based on the lives of real people—people who want the best for themselves and their children. But, we must not forget this reality.

Here is the story of one family that one of the Sisters in the NETWORK study workeed with:

> Martha and her seven year-old child, David, live in Chicago. She recently began working, but her 37-hour a week job pays only $6.00 an hour. In order to work, Martha must have childcare for David. Since he goes to school, she found a sitter who would receive him at 7 a.m. and take him to school. This sitter provided after school care as well. When Sister Joan sat down with Martha to talk about her finances, they discovered that her salary does not even cover the sitter's costs.

The Families USA Report tells us the following story:

Terry (This is not her real name)

> had been on welfare for about two years when she got a job at McDonald's. Working 30 hours a week, Terry earned $600 a month. When she told her welfare caseworker about her new job, Terry and her 5-year-old son, James, were cut off of cash assistance and Medicaid. Her Food Stamps stopped, too, although she was promised they would continue. When Terry left welfare for work, no one told her that she was eligible for Transitional Medicaid. And her son James should have continued to receive Medicaid until Terry earned at least $1,200 a month—twice as much as she made at her job at McDonald's.

Mr. President, these three cases I just mentioned are about families where a parent is working. There is an even scarier situation—families that neither receive government assistance nor have a parent with a job. We don't know for certain how large this population is, but in the NETWORK study 79% of the people were unemployed and not receiving welfare benefits. Of course this study was focused on the hardest hit and therefore overestimates the overall percentage of former recipients who are unemployed. But, it still represents a 50% increase over the level it found before welfare reform.

How are these families surviving? Mr. President, I am deeply concerned and worried about them. They are no longer receiving aid and they don't have jobs. They are literally falling through the cracks and disappearing. I call these families, which are composed primarily of women and their children, The Disappeared Americans.

We must find out what is going on. That is why this amendment is so important. It will provide us with valuable information we need in order to be responsible policymakers.

Mr. President, this is not the first time I have come to the floor of the US Senate to offer an amendment designed to find out what is happening to poor people in this country. Last month I offered a similar amendment and it lost by one vote. Although 50 Senators voted against it, not one spoke in opposition. Not a single Senator rose to debate me on the merits of the measure. At that time, I promised and I would return to the Senate floor with the amendment, and today I am fulfilling my promise.

Since I first offered the amendment, we have received some valuable input about the best way to gather the kind of data we need to understand on a national level what is going on. In the original amendment, states would have been required to conduct new studies to track all former TANF recipients. In the version of the amendment I offer today, states can simply rely on administrative data that they already collect. For example, in order to provide Medicaid and child health insurance data, states would just have to do a match between their TANF and Medicaid/CHIP computer systems. And, if states choose not to apply for the TANF bonus money, they would only need to provide data on a valid sample of former recipients, not the entire population.

In other words, Mr. President, we have reworked the amendment to make it significantly less burdensome of the Secretary of HHS and the states. Frankly, with these changes, I don't see a reason why anyone would vote against this amendment. If there is going to be opposition, I expect that we will have a debate. Let's identify our differences and debate them.

Mr. President, let me wrap things up by reminding us all that it is our duty and our responsibility to make sure that the policies we enact for the good of the people actually are doing good for them. Evaluation is one of the key ingredients in good policy making and it does not take a degree in political science to realize what anyone with common sense already knows: When you try something new, you need to find out how it works.

As policy makers—regardless of our ideology or intuitions—it is our role to ensure that the programs we enact to provide for American families' well-being are effective and produce the outcomes we intend.

We need to know what is happening with the families who are affected by welfare reform. We need to know whether reform is, in fact, effectively helping low income mothers and their children build a path to escape poverty and move toward economic self-sufficiency.

As I have already explained, the data we do have does not provide us with all the information we need. We need to go beyond simply assuming that welfare and food stamp declines are "good" news.

The Swedish sociologist Gunnar Myrdal once said, "Ignorance is never random." Sometimes we choose not to know what we do not want to know. In the case of welfare reform, we must have the courage to find out.

PLIGHT OF THE DOMESTIC OIL AND GAS INDUSTRY

Mr. DOMENICI. Mr. President, the Wall Street Journal yesterday wrote:

> What is not in dispute is how hard a hit small domestic oil took during the recent downturn in oil prices. While larger oil companies with their huge asset bases and integrated businesses were able to weather the storm, many of the smaller producers, which operate on low margins and minuscule volumes, lurched toward ruin.
>
> These small producers, who mop up the tailings of the country's once-great oil fields primarily in the West and the Mid-west collectively produce about 1.4 million barrels of oil daily, an amount roughly equivalent to that imported to Saudi Arabia. And the total number of such subsistence wells, defined by the Interstate Oil and Gas Compact Commission as ones producing 10 barrels of crude a day or less were abandoned at an accelerated rate during the downturn, experts say.

The Wall Street Journal is not the only entity noticing the plight of the domestic independent oil and gas industry. DOE recently wrote: "Domestic crude oil producers have seen the price of their product (adjusted for inflation) fall to levels not seen since the 1930's."

Independent oil and gas producers have wells in 32 States. Senators from these producing States have heard from the producers, oil and gas service small businesses, Governors, mayors and county commissioners. The situation was so bad in Oklahoma that the Governor held a special session of the legislature. In New Mexico, we have oil and gas producers organizing marches and rallies calling attention to their crisis. When the oil and gas industry suffers a cash flow problem and credit crunch, so do Federal, State and local governments. The recent oil and gas crisis has cost States and localities $2.1 billion in lost royalties alone. One community had to chose between keeping the hospital or the school open. Oil tax revenues were, not sufficient to keep both operating.

The number of oil and gas rigs operating in the United States is at the lowest count since 1944, when records of this tally began. The industry is predicting that the U.S. will loss an additional million barrels a day of domestic production as a result of the last price collapse. This production shrinkage will be felt in the marketplace in 12 to 18 months.

Beginning in November 1997, the oil and gas exploration and development industry began experiencing the lowest inflation-adjusted oil prices in history.

Recent Independent Petroleum Association of America (IPAA) statistics speak for themselves:

- 55,000 jobs lost out of an estimated 338,600 total industry jobs.
- Additional 68,000 oil and natural gas jobs (20 percent) are at risk of being lost.
- 136,000 oil wells (25 percent of total U.S.) and 57,000 natural gas wells shut down.

Every barrel of domestic that we lose will have to be replaced with barrel of foreign produced oil and our dependence on foreign oil is already too high—in excess of 57 percent and trending higher.

The industry we are trying to help includes royalty owners in all 50 States. Many of these royalty owners are retired and depend on their oil royalty checks to pay for their daily expenses. When the price of oil dipped to $10 a barrel several months ago, these royalty owners saw their royalty checks drop by half.

At $18 to $19 a barrel our independent producers barely break even. At $14 a barrel they lose $10.30 a day per well or $3,752 a year per well.

The oil and gas industry is a very capital intensive industry on the front end—exploring and drilling wells and also on the back end—shutting in wells or going out of business. The drilling costs for a well range from $600,000 to $15 million for an off-shore deep water well. Getting out of the business is capital intensive industry, too. On average it costs $5,000 to $10,000 a well to decommission a well.

It is an industry dependent on banks and credit. The independents get about 40 percent of their capital from financial institutions. The price of oil has just recently improved, but the bankers have been reluctant to restructure loans or to make new loans.

Capital budgets to develop new production and replace depleting existing production have been cut dramatically. Most independents are not drilling new wells. The industry has a viable future but they have to get through this current credit crunch, and they need loan restructuring to keep them going until they can recover from the big price drop of 1997 through mid-1999.

This is why I joined with Senator Byrd to propose an emergency loan program for oil, gas and steel—two important core industries. I am hopeful that the House will quickly name conferees and move the bill through the legislative process. Domestic oil and gas production is America's true national strategic petroleum reserve and we need to make sure there is an industry in the U.S. capable of meeting our strategic oil and gas needs.

I ask unanimous consent that an article that appeared in the June 30, 1999, Wall Street Journal be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, June 30, 1999]

Oil Producers File Antidumping Suit

GROUP OF INDEPENDENT FIRMS SAYS FOUR COUNTRIES SOLD AT CHEAP PRICES IN U.S.

(By Helene Cooper and Christopher Cooper)

WASHINGTON—Thirty years ago, after a two-day debate over the difference between material injury and immaterial injury in America's dense antidumping laws, Sen. Russell Long issued a commentary still bandied about in international trade corridors today. The antidumping debate, he said, "sounds more like the difference between mumbo-jumbo and jumbo-mumbo."

Yesterday, that jumbo-mumbo erupted into a case that could smack consumers right in the wallets—and just before an election year, no less. A group of independent oil producers has filed an antidumping suit with the Commerce Department and the International Trade Commission. The oil companies—representing an industry that 20 years ago was a cartel that kept prices high—say four countries "dumped" cheap oil on the U.S. market in 1998 and 1999.

The group, called Save Domestic Oil Inc., wants the Clinton administration to impose dumping duties on oil from the four alleged offenders—Mexico, Venezuela, Saudi Arabia and Iraq—which together account for more than half of the oil imported into the U.S. The duties requested range from 33.37% (Mexico) to 177.52% (Venezuela). Many of the bigger U.S. oil companies, which import much of their oil, oppose the complaint.

In Washington, where politicians are still reeling from the steel industry's recent attempt to limit steel imports, the case is bound to be politically explosive. "This oil thing could kill us," says one Clinton administration official. Indeed, if the oilmen win—and in the world of U.S. antidumping statutes, he who complains usually wins—the Clinton administration could well find itself blamed for increased prices at the pump.

Energy Secretary Bill Richardson called the complaint a "serious charge, with potentially serious consequences." He added that the administration should seek to "bring all the parties together to see whether there is a way to resolve the concerns raised by this petition."

Many economists and trade lawyers who dislike the U.S. antidumping law say it's crazy to file an oil antidumping complaint because oil is a commodity regulated by world markets; as a commodity, oil's properties tend to be consistent, so the markets set a standard price. But Danny Briggs, proprietor of tiny Pickrell Oil Co. in northwest Kansas and a member of Save Domestic Oil's executive committee, says he's tired of watching cheap oil from abroad drive down the prices here. "We tried everything we could think of" before turning to the trade action, Mr. Briggs says. "It's been used by the apple growers and the steel manufacturers—why not the oil producers?"

Although most of the plaintiffs, advancing the trade complaint are small oil producers—strippers, as they're known in the business—one exception is Houston's Apache Corp., one of the nation's largest independent oil companies. Raymond Plank, Apache's chief executive, said he personally put up $10,000 and his company anted up another $10,000 to help pay the costs of the trade complaint, which is ultimately expected to cost the plaintiffs $1.5 million in legal fees.

They hired Charles Verrill, a powerful Washington trade lawyer who, for 30 years, has represented U.S. businesses, including steelmakers, that complain about unfairly low prices from foreign competition. In this oil case, he says, "imports have increased significantly while prices have declined," noting that the price per barrel plunged to close to $10 earlier this year before rebounding in the second quarter.

Economists opposed to the antidumping law said they want the oilmen to lose, but they relish the thought of a win embarrassing politicians into changing the law, which they see as protectionist and biased. "If this case succeeds, it may actually help put antidumping reform on the international trade agenda, where it should have been all along," says Robert Litan, an economist at the Brookings Institution and co-author of "Down In The Dumps," a book about antidumping law.

"Any economist who knows this subject will tell you these laws are ridiculous," Mr. Litan says. "They punish foreigners for selling below cost, activities which American companies do all the time in their domestic markets."

U.S. lawmakers, prodded by companies that wanted to protect their domestic sales from competition from cheap foreign imports, devised and refined the antidumping law as one weapon in the home-team arsenal. The rationale behind the law was simple: Hit the foreign countries with stiff duties to stop them from flooding the U.S. market with cheap goods and sending the U.S. companies out of business.

The wildcatters complain that Mexico, Venezuela and Iraq have been selling their oil in the U.S. at below the cost of production—the most widely accepted definition of dumping. Saudi Arabia, they complain, sold oil in Japan at higher prices than the oil it sold in the U.S.

Most trade lawyers say the oilmen have a good shot at victory. That's because U.S. antidumping law—conceived in the 1920s—has been refined by successive lawmakers to heavily favor the plaintiff. Indeed, in more than 90% of the cases filed, the Commerce Department finds in favor of the plaintiff.

The case will work its way through the Commerce Department and the International Trade Commission. The Commerce Department has as many as 20 days to decide whether to initiate an investigation. If the investigation goes forward, the department has 190 days to determine if dumping occurred. The ITC then determines whether "material injury" to the oilmen occurred. Duties, if warranted, would follow.

The four countries deny the allegations and say they will fight them. Roberto Mandini, president of Venezuelan state-oil monopoly Petroleos De Venezuela SA, says that "pushing down oil prices would be suicidal for Venezeuela." Adds Luis de la Calle, Mexico's undersecretary for international trade negotiations: "Mexico is not in the practice of unfair commercial practices."

What is not in dispute is how hard a hit small domestic oil took during the recent downturn in oil prices. While larger oil companies with their huge asset bases and integrated businesses were able to weather the storm, many of the smaller producers, which operate on low margins and miniscule volumes, lurched toward ruin.

These small producers, who mop up the tailings of the country's once-great oil fields primarily in the West and the Mid-west collectively produce about 1.4 million barrels of oil daily, an amount roughly equivalent to that imported to Saudi Arabia. And the total number of such subsistence wells, defined by the Interstate Oil and Gas Compact Commission as ones producing 10 barrels of crude a day or less, were abandoned at an accelerated rate during the downturn, experts say.

EFFECTIVE EXPORT CONTROLS

Mr. AKAKA. Mr. President, I wish to call attention to an important Governmental Affairs Committee hearing on export controls held last week.

In August 1998, the Chairman of the Governmental Affairs Committee requested the Inspectors General of the Departments of Commerce, Defense, Energy, State, and Treasury and the Central Intelligence Agency to conduct a review of their export license processes and to follow-up on an earlier set of reports that were done in 1993.

In their reports and at the hearing, the Inspectors General raised a number of important issues which, I believe, will require further oversight and clarification. These issues are especially important in light of the recent Cox Committee Report which highlighted espionage activities at our National Laboratories and the release of classified nuclear information. As we begin to debate the reauthorization of the Export Administration Act, the recommendations made by the Inspectors General should be considered in this context.

The Inspectors General concluded that the export control processes work relatively well, but they also highlighted additional issues that the Congress should continue to monitor. Certain of these issues include:

Inadequate monitoring by our National Laboratories of foreign visitors, who may be exposed to controlled technology which may require an export license.

Inadequate analysis by all of the agencies of the cumulative effect of dual-use and munitions list exports to a particular country or end-user.

Need to upgrade certain computer systems used in the export process.

Improve monitoring of conditions placed on licenses to ensure that sophisticated items are not diverted.

Enhance the processes for pre-license checks and post-shipment verifications of certain exports.

Enhance training and guidance of Licensing Officers.

I look forward to the Governmental Affairs Committee holding further hearings on this subject. We must ensure that the United States maintains an efficient and effective export control system. Further, our additional oversight on this issue will help ensure that exports of dual-use and munitions items will not go to rogue nations or individuals.

Our hearing last week raised important national security and proliferation issues, and I commend Senator THOMPSON and Senator LIEBERMAN, the ranking member of the Governmental Affairs Committee, for their leadership.

CBO COST ESTIMATE OF S. 1287

Mr. MURKOWSKI. Mr. President, in compliance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources has obtained a letter from the Congressional Budget Office containing an estimate of the costs of S. 1287, the Nuclear Waste Policy Amendments Act of 1999, as reported from the Committee. In addition, pursuant to Public Law 104-4, the letter contains the opinion of the Congressional Budget Office regarding whether the S. 1287 contains intergovernmental mandates as defined in that Act. I ask unanimous consent that the opinion of the Congressional Budget Office be printed in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 14, 1999.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for the Nuclear Waste Policy Amendments Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Kim Cawley (for federal costs), who can be reached at 226-2860, and Marjorie Miller (for state and local impact), who can be reached at 225-3220.

Sincerely,

DAN L. CRIPPEN.

Enclosure.

Summary: This bill would amend the Nuclear Waste Policy Act by directing the Department of Energy (DOE) to make a final decision by December 31, 2001, whether to recommend to the President that the Yucca Mountain site in Nevada be developed as a permanent waste repository. The bill would, under certain conditions, provide for storage of waste at Yucca Mountain before a permanent repository is completed, and would allow DOE to enter into agreements with nuclear utilities to assume responsibility for some waste at a utility's current storage site. In addition, the bill would authorize training programs and grants to states to prepare for transshipment of nuclear waste, and it would authorize the establishment of an Office of Spent Fuel Research in DOE.

Assuming appropriation of the necessary amounts, CBO estimates that implementing this legislation would cost about $1.9 billion over the 2000–2004 period to continue DOE's efforts to characterize the Yucca Mountain site and submit a license application to the Nuclear Regulatory Commission (NRC). Enacting this bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

The state of Nevada and localities in the state would incur some additional costs as a result of this bill, but CBO is unsure whether the provisions causing those costs would be considered intergovernmental mandates, as defined in the Unfunded Mandates Reform Act (UMRA). We estimate that the costs incurred by state and local governments would total significantly less than the threshold established in the law ($50 million in 1996, adjusted annually for inflation). This bill contains no new private-sector mandates as defined in UMRA.

Estimated cost to the Federal Government: The estimated budgetary impact of this bill is shown in the following table. The costs of this legislation fall within budget functions 270 and 050 (energy and defense).

[By fiscal year, in millions of dollars]

	1999	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION						
Spending on Nuclear Waste Disposal Under Current Law:						
Budget Authority[1]	358	0	0	0	0	0
Estimated Outlays	324	55	0	0	0	0
Proposed Changes:						
Estimated Authorization Level	0	390	365	340	430	455
Estimated Outlays	0	312	370	345	412	450
Spending on Nuclear Waste Disposal Under the Bill:						
Estimated Authorization Level[1]	358	390	365	340	430	455
Estimated Outlays	324	367	370	345	412	450

[1] The 1999 level is the amount appropriated for that year.

Basis of estimate: This estimate is based on DOE's current plan for the nuclear waste program, issued in July 1998. For purposes of this estimate, CBO assumes the bill will be enacted before the end of fiscal year 1999. We assume DOE will apply to the NRC for authorization to build a permanent repository at the Yucca Mountain site by March 31, 2002, so that the NRC may decide whether to authorize construction by December 31, 2006, as directed by section 101 of this bill.

Yucca Mountain. This legislation would authorize DOE to proceed with its Civilian Radioactive Waste Management Program plan of July 1998. This plan calls for continuing to evaluate the Yucca Mountain site as a permanent repository for nuclear waste and applying for a construction license from the NRC in 2002, if the site appears to be viable for this use. Based on information from DOE, CBO estimates that this effort would require appropriations averaging nearly $400 million annually and totaling about $2 billion over the 2000–2004 period. Substantial additional costs would be incurred after 2004 to construct and operate a nuclear waste repository at Yucca Mountain if the NRC issues a license to the department. In its December 1998 report, Analysis of the Total System Life Cycle Cost of the Civilian Radioactive Waste Management Program, DOE estimates the future cost to complete the program is "approximately $26.6 billion, in constant 1998 dollars from 1999 through closure and decommissioning, assumed to be in 2116."

Backup storage. Section 102 would direct DOE to take title to any amounts of nuclear waste that the NRC determines cannot be stored at a utility's site, provided that such a utility would agree to waive any claim for damages against the United States because of DOE's failure to begin disposing of waste in 1998. DOE would be directed to transport this waste to the Yucca Mountain site following NRC authorization to construct a permanent repository there, or to transport it to a privately run facility for nuclear waste storage. DOE could incur additional discretionary costs for building waste storage capacity at the Yucca Mountain site before the facility opened or transporting waste to a private storage facility (if any private facilities are constructed), if any utilities require backup storage.

This cost estimate does not include any potential costs for backup storage, however, because it is not clear that there will be any demand for backup storage. Thus, there may not be a need for additional DOE spending over 2003–2006 period. In addition, it is uncertain whether or not the NRC will authorize construction of a repository at the Yucca Mountain site in 2006. This authorization would be required before backup storage could be provided since it appears unlikely that any privately owned waste storage facilities will be developed over the next few years. If DOE were required to prepare the Yucca Mountain site for backup storage, additional costs could be substantial. Based on information from DOE, we estimated such costs could approach $1 billion over the 2003–2006 period, subject to the availability of appropriated funds.

Settlement agreements. Section 105 would allow DOE to enter into settlement agreements with any utilities that were scheduled to have nuclear waste removed from their sites by DOE starting on January 31, 1998. If a utility waives any claim for damages against the United States because of DOE's failure to begin disposing of waste in 1998, then the department may take title to the utility's waste, provide waste storage casks to the utility, operate an existing dry cask storage facility for the utility, or compensate the utility for the cost of providing storage for this waste at the utility's site. The bill would restrict DOE from making expenditures from the Nuclear Waste Fund to pay for any settlement costs that would not otherwise be incurred under the existing contracts for nuclear waste disposal between DOE and nuclear utilities.

This estimate does not include any additional discretionary costs for settlement agreements that may be entered into between DOE and nuclear utilities as a result of enacting this bill. Under current law, and consistent with the standard contract for nuclear waste disposal between the department and the nuclear utilities, these parties may agree to reduce the annual nuclear waste fee (referred to as "fee credits") paid to the government by the utilities in the event of an avoidable delay in the schedule for disposing of waste. CBO has assumed that DOE and those utilities that have experienced an avoidable delay in the disposal of their waste will choose to invoke this provision of their contracts and that the mandatory nuclear waste fee will be reduced by a total of about $400 million over the 2000–2009 period to compensate these utilities for the incremental cost of continued waste storage at their sites of 10,000 metric tons of waste.

If nuclear utilities choose to enter into settlement agreements with DOE following enactment of this bill, it is possible that DOE would agree to provide compensation greater than or less than the amount CBO has assumed under current law. It is also possible that DOE would choose to use appropriated funds to provide compensation instead of fee credits as we have assumed. In this case, the discretionary costs of this legislation would be higher than we have estimated here, and nuclear waste fee collections would be greater than the amount we have estimated. CBO cannot predict whether or not utilities would choose to enter into settlement agreements under the terms defined in this bill, nor whether DOE would use fee credits or appropriated funds to implement any settlement agreements.

Pay-as-you-go considerations: None.

Estimated impact on state, local, and tribal governments: Mandates. CBO is unsure whether the bill contains intergovernmental mandates, as defined in UMRA, but we estimated that costs incurred by state, local, and tribal governments as a result of the bill would total significantly less than the threshold established in the law ($50 million in 1996, adjusted annually for inflation).

Although this bill would, by itself, establish no new enforceable duties on state, local, or tribal governments, shipments on nuclear waste for surface storage at the Yucca Mountain site, as authorized by the bill, probably would increase the cost to the state of Nevada of complying with existing federal requirements. CBO cannot determine whether these costs would be considered the direct costs of a mandate as defined by UMRA.

Additional spending by the state would support a number of activities, including emergency communications, emergency response planning and training, inspections, and escort of waste shipments. These costs are similar to those that the state would eventually incur under current law as a result of the permanent repository planned for Yucca Mountain. This bill would, however, authorize DOE to receive and store waste at Yucca Mountain once the NRC has authorized construction of a repository at that site and would set a deadline of December 31, 2006, for NRC to make that decision. This date is about three years earlier than DOE expects to begin receiving material at the site under current law.

Other impacts. This bill would authorize planning grants of at least $150,000 for each state and Indian tribe through whose jurisdiction radioactive waste would be transported and annual implementation grants for those states and tribes after they have completed their plans. Further, the bill would prohibit shipments through the jurisdiction of any state or tribe that has not received technical assistance and funds for at least three years.

Estimated impact on the private sector: This bill contains no new private-sector mandates as defined in UMRA.

Previous CBO estimate: On May 4, 1999, CBO prepared a cost estimate for H.R. 45, the Nuclear Waste Policy Act of 1999, as ordered reported by the House Committee on Commerce on April 21, 1999. The provisions of the bill ordered reported by the Senate Committee on Energy and Natural Resources and H.R. 45 are different and the two cost estimates reflect those differences. In particular, H.R. 45 would authorize construction of an interim repository at the Yucca Mountain site, while the Senate bill does not contain any similar provision. In contrast to

H.R. 45, the Senate bill contains provisions relating to settlement agreements between DOE and nuclear utilities and to backup storage.

Estimate prepared by: Federal costs: Kim Cawley (226-2860); Impact on State, local, and tribal governments: Majorie Miller (225-3220).

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

ASIAN ECONOMIC AND SECURITY POLICY

Mr. BAUCUS. Mr. President, when we look at Asia these days, Americans' primary focus is on China and the many difficult challenges that we face in that relationship. Next on our list of what we are watching in the region is Japan where our economic and security relationship remains the linchpin of our presence in Asia. These days, however, Japan seems to get scant attention from either the public or the policymaking community. That is a mistake, but I will leave that issue to another day.

After Japan in our focus comes the Korean Peninsula where we are concerned particularly about North Korea and its nuclear weapons development, missile technology, military adventurism, possible economic collapse, and internal instability. As we continue down the list of important things to think about in Asia, we come to Indonesia and the future of economic and political reform and internal stability in that hugely important nation.

Some may differ with my analysis, but it appears to me that, right or wrong, these days, our nation is looking at Asia in this way.

Today, however, I would like to call the Senate's attention to two important developments in other countries in Asia, specifically Southeast Asia, that are not on this list. These developments have been reported in our media, but, generally, on the back pages. They should not be ignored, because they relate to America's broad strategy toward the region where our interests are in security, stability, and open markets.

The two developments are the passage by the Philippine Senate of a U.S.-Philippine Visiting Forces Agreement and the progress being made toward completion of a U.S.-Vietnam trade agreement.

After a decade of stable democracy and economic reform, the Philippines may be the strongest economy in Southeast Asia after Singapore. Security ties, however, have remained at a very low level since the end of the base arrangement in 1991. This changed dramatically two weeks ago when the Philippine Senate ratified the new Visiting Forces Agreement.

This arrangement, typical of the relationship we have with many of our allies, allows us to apply U.S. military law to American soldiers and sailors overseas. Its ratification will permit us to renew joint military exercises, pay naval port visits, and develop a stronger and more cooperative relationship than we have had in the decade since we left Subic Bay and Clark Field. President Estrada and the Philippine Senate deserve great credit for their statesmanship in bringing these talks to conclusion.

The Visiting Forces Agreement also comes at an opportune time. Disputes between Southeast Asian states and China in the South China Sea are becoming more frequent. The financial crisis has forced most Southeast Asian nations to concentrate on internal economic issues. This agreement should give Southeast Asian countries more confidence in the U.S. commitment to the region, and, hence, serve as a long-term force for stability.

In the case of Vietnam, we appear to be getting close to a bilateral trade agreement, which will promote economic reform in Vietnam and allow us to grant them Normal Trade Relations status, NTR.

Vietnam, the fourth largest country in Asia and one that shares a land border with China, is an essential part of any regional policy. We have obvious historic sensitivities to address as we develop closer relations with Vietnam. We have taken a number of steps in the past few years—lifting the trade embargo, normalizing diplomatic relations, dispatching Pete Peterson as Ambassador, and concluding a Copyright Agreement, all in association with a commitment by Vietnam for full cooperation on resolving POW/MIA issues. As time passes, a normal and productive relationship with Vietnam will contribute immensely to stability and security in the southern Pacific.

We are now negotiating an agreement that would begin to open the Vietnamese market to foreign trade and investment. This will support economic reform and market opening in Vietnam while also creating new commercial opportunities for Americans in a market of 80 million people. The strategic implications of this agreement, which will move us down the road to a normal bilateral relationship with Vietnam, are important. It will strengthen Southeast Asia, reduce chances for conflicts in the wider Asian region, and place the United States in a stronger regional position.

Of course, an agreement must be meaningful in trade policy terms. It is not a WTO accession and, therefore, need not meet WTO standards, but it should include elements such as reform of trading rights and opening of key service sectors, in addition to other market-opening steps. For our part, if the Vietnamese are willing to conclude such an agreement, we should proceed rapidly to grant them Normal Trade Relations. This is in our trade and commercial interest, and also in our strategic interest. We have an opportunity to integrate Vietnam more fully into the Asian and world economies. I encourage our Administration, and the Vietnamese government, to complete the Commercial Agreement expeditiously.

We should, parenthetically, also proceed to Normal Trade Relations with Laos, where a trade agreement has already been completed.

The Philippine Visiting Forces Agreement and the bilateral trade agreement with Vietnam, once completed, mean we have taken additional steps toward creating a post-Cold War framework involving open trade and security relationships in the Pacific. This is very much in our national interest.

CHEMICAL WEAPONS CONVENTION

Mr. AKAKA. Mr. President, as the ranking member of the Subcommittee on International Security, Proliferation and Federal Services, I want to stress the importance of the United States implementing in a timely manner the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, commonly referred as the Chemical Weapons Convention (CWC).

The Convention is an important multilateral agreement that serves to reduce the threat posed by chemical weapons. It bans the development, production, stockpiling, and use of chemical weapons by signatory states. The Convention also requires the destruction of all chemical weapons and production facilities by signatory states.

The Convention does not, however, prohibit the manufacture, use, and consumption of chemicals that could be used as warfare agents or their precursor chemicals as long as these chemicals are used for legitimate peaceful purposes.

Although the Convention has been in force for 2½ years, the United States is not in the compliance because the administration has not yet submitted the required industrial declarations to the International Organization on the Proliferation of Chemical Weapons. This is a disappointment since the United States played a central role in spearheading development of this treaty.

Most of our allies have complied with their treaty obligations, but it is likely that they will not agree to a second round of inspections until the United States has submitted declarations and U.S. industry has undergone inspections.

The United States has the largest chemical industry in the world. This industry is involved in legitimate production, use, consumption, export and import of chemicals subject to verification under the Convention. The United States must serve as a model of compliance with the Convention to build confidence with our friends and foes and also to ensure that chemical weapons are never used again.

On June 25, 1999, President Clinton issued Executive Order 13128 to implement the Chemical Weapons Convention Implementation Act of 1998, which Congress passed on October 21, 1998.

However, the administration still has not issued regulations for industry to comply with the declaration and inspection requirements under the treaty.

The American chemical industry is poised to comply with our treaty obligations. I hope the administration quickly issues these regulations so the United States is in compliance with our treaty obligations.

TRIBUTE TO NELSON RHONE

Mr. LOTT. Mr. President, I rise today to pay tribute to Nelson Rhone who will be retiring from the Senate on July 7, 1999. Nelson began his Senate career December 21, 1964, as a laborer with Sergeant at Arms' custodial service operation. During his tenure with the Sergeant at Arms office, Nelson also worked in the Legislative Garage as a garage attendant and driver. In 1988, Nelso was promoted to Labor Foreman in the Sergeant at Arms' Environmental Service operation.

That account of his career here does not adequately convey the affection and respect he has earned at all levels of this institution. He is one of those rare individuals who, by virtue of both his tenure and his character, come to represent all that is best in the Senate of the United States.

In describing him, the word that immediately comes to mind is "gentleman." These days, that can seem like a quaint or old-fashioned term, but it is the most accurate compliment for someone like Nelson, who, by personal example, has set a standard for others to follow. It is an understatement to say that we will miss him. He is a gem.

Now, after nearly 35 years of devoted service to the Senate, he is retiring to spend more time with his wife, Mary Jane, and his family. Nelson is an avid bowler and enjoys traveling. He and Mary Jane look forward to having the time to travel and spend more time with their friends and family.

Nelson has been a dedicated and valuable member of the Senate community, and I know all members join with me in wishing him many years of health and happiness.

MARCIA KOZIE

Mr. MURKOWSKI. Mr. President, today Marcia Kozie, who heads up my State office in Fairbanks, will retire from Federal service. She has served in this capacity since 1981.

When I think of my Fairbanks office, I think of an advisor and friend, Marcia Kozie. She knows everyone in town and stays current on all the issues involving Federal, State and local governments. If I want to know the whole story, I call Marcia. I know the old addage goes, "no one is irreplaceable," but Marcia's boots will be difficult to fill. She has trailblazed for me these many years and her calm demeanor and soothing voice can smooth out the many wrinkles we often encounter.

When you cross the threshold of the Fairbanks office, you are always welcomed by a cheerful smile, a kind word and a sympathetic ear. Marcia Kozie has always had these winning ways, even during the most difficult of times. We all sometimes shoot the messenger by mistake, but Marcia's demeanor has always worked like a charm. Her ability to see the glass half full instead of empty, her cool head in times of crises and her genuine concern for my constituency have been worth more to me and Nancy and my office than a ton of Alaska gold. You just can't buy this kind of service.

Even though Marcia made her way to Alaska via Vermont, New Hampshire, Colorado, and Texas, she lived in the Fairbanks community for over 19 years before she came to work for me. In typical Marcia fashion, she immersed herself in the community getting involved with her three children and their activities, her husband Walt's business and many philanthropic groups who provided a special insight into Fairbanks community affairs.

She told me in her first interview that even though she had not worked for many years, she was adaptable and proficient in whatever the task. She continued by saying this was a God-given talent and that she didn't think He had taken it away from her, yet. And I have never regretted that decision to hire Marcia. While her Federal service will end, I know she will be devoting her time to spreading those God-given talents around the community.

She will be missed by all the staff members in both the Washington, DC, and State offices. It is with deep appreciation and gratitude that I thank her for 18 years of a job well done. As a matter of fact, the mayor of Fairbanks has proclaimed today, June 30, 1999, as Marcia Kozie Day in Fairbanks.

Toodle-loo, my loyal friend. Thank you for your service to this country, the State of Alaska and the people of Fairbanks.

MEDICARE HOME HEALTH EQUITY ACT OF 1999

Mr. LEVIN. Mr. President, on June 10th we held a hearing on home health care in the Permanent Subcommittee on Investigations Subcommittee where we examined how the so called "reforms" of the Balanced Budget Act of 1997 were holding up. I continue to believe that the answer to that question is, "not well." That is why I am joining with my colleague from Maine, Senator COLLINS, the Chairman of the PSI Subcommittee, in introducing an important bill, the Medicare Home Health Equity Act of 1999.

Home health care agencies provide a vital service to many elderly Americans. In my own state of Michigan there are over 1.3 million Medicare beneficiaries. Over 100,000 of these beneficiaries use the services of Michigan's 223 home health agencies. People prefer to recuperate in their own homes, and it is also less costly for the government since the alternative is nursing home care which is extraordinarily expensive for the Medicare program.

I am concerned about potential access problems. Although HCFA and the GAO have reported that they have not seen a decline in access for beneficiaries, the home health care witnesses that spoke before the PSI Subcommittee all stated that they believed there was an access problem. In fact, Barbara Markham Smith, from the George Washington University Medical Center, testified that "many seriously ill patients, especially diabetics, appear to have been displaced from Medicare home care." Sometimes it takes a while for the people in the field to actually get the numbers back to the people in Washington, and I think this is one of those instances.

We all know that during the early 90's home health care expenditures grew at a rapid pace. According to the GAO, Medicare spent $3.7 billion to pay for home health visits in 1990 compared to $17.8 billion in 1997. This growth led to changes, like the interim payment system, (IPS) that were implemented under the Balanced Budget Act. While some of the changes under the Balanced Budget Act were good, some of the changes are now negatively impacting Medicare beneficiaries.

I have heard from many constituents regarding home health care changes under the Balanced Budget Act and the various regulations that HCFA has imposed. In fact, last year, I received some 1500 letters from both home health care providers and beneficiaries. I echo their concerns when I say that the interim payment system penalizes cost efficient home health providers, like those in Michigan, while rewarding higher cost agencies.

Not only does the IPS penalize agencies that attempted to keep their costs down in 1994, but the new regulations which HCFA has imposed on the agencies are quite burdensome. There is no more poignant story to demonstrate the undue burdens being placed on home health care providers than that of Linda Stock, a Michigan home health care provider. This month Ms. Stock testified before the PSI Subcommittee about the problems that home care providers were having, particularly cost efficient home care providers like her own. Last week Ms. Stock called to let me know that she has resigned from her job because she did not feel that she could ask her staff to implement regulations such as OASIS (Outcome and Assessment Information Set) and the 15 minute increment home health reporting requirement. It is tragic that a committed health care provider such as Linda Stock would feel the need to resign from her job rather than implement regulations which she believed were unfair to both beneficiaries and providers.

So what can be done in the face of these problems? I believe that the bill we are introducing today, if enacted, could go a long way towards helping Ms. Stock and others like her.

Last year I worked on a bill with Senator COLLINS to revise the payment formula used to calculate the per beneficiary limit. That bill would have created new winners and losers under the IPS. This year's bill does not attempt to revise the formula, and therefore avoids the formula fight which made action on this issue so difficult last year. Our new bill makes needed adjustments to the Balanced Budget Act of 1997 and related federal regulations.

Though technical in nature, I would like to read the major provisions found in the bill:

(1) The bill will eliminate the automatic 15 per cent reduction in Medicare home health payments now scheduled for October 1, 2000.

(2) The bill will provide supplemental payments to home health agencies on a patient by patient basis if the cost of care for an individual is considered by the Secretary to be significantly higher than average due to the patient's particular health and functional condition.

(3) The bill will increase the per beneficiary cost limit for agencies with limits below the national average to the national average cost per patient over a three year period or until the Medicare home health prospective payment system is implemented.

(4) The bill will revise the surety bond requirement for home health agencies to more appropriately target fraud

(5) The bill will extend the IPS overpayment recoupment period to three years without interest

(6) The bill will eliminate the 15 minute incremental reporting period

(7) The bill temporarily maintains the Periodic Interim Payment (PIP) program, a program that permits HCFA to make payments to agencies-based on historical payment levels—prior to the final settlement of claims and cost reports.

I believe that this bill provides an opportunity for us to move forward in solving some of the problems caused by the Balanced Budget Act. We should pass this common sense bill that will ensure that home care is accessible to those seniors who so desperately need it.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, June 30, 1999, the federal debt stood at $5,638,780,248,334.54 (Five trillion, six hundred thirty-eight billion, seven hundred eighty million, two hundred forty-eight thousand, three hundred thirty-four dollars and fifty-four cents).

One year ago, June 30, 1998, the federal debt stood at $5,547,935,000,000 (Five trillion, five hundred forty-seven billion, nine hundred thirty-five million).

Five years ago, June 30, 1994, the federal debt stood at $4,645,802,000,000 (Four trillion, six hundred forty-five billion, eight hundred two million).

Ten years ago, June 30, 1989, the federal debt stood at $2,799,923,000,000 (Two trillion, seven hundred ninety-nine billion, nine hundred twenty-three million).

Twenty-five years ago, June 30, 1974, the federal debt stood at $476,006,000,000 (Four hundred seventy-six billion, six million) which reflects a debt increase of more than $5 trillion—$5,162,774,248,334.54 (Five trillion, one hundred sixty-two billion, seven hundred seventy-four million, two hundred forty-eight thousand, three hundred thirty-four dollars and fifty-four cents) during the past 25 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in the executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:01 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 66. An act to preserve the cultural resources of the Route 66 corridor and to authorize the Secretary of the Interior to provide assistance.

H.R. 592. An act to designate a portion of Gateway National Recreation Area as "World War Veterans park at Miller Field."

H.R. 791. An act to amend the National Trails System Act to designate the route of the War of 1812 British invasion of Maryland and Washington, District of Columbia, and the route of the American defense, for study for potential addition to the national trails systems.

H.R. 1218. An act to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 775) to establish certain procedures for civil actions brought for damages relating to the failure for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 200, and for other purposes.

At 6:45 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House insists upon its amendment to the bill (S. 1059) to authorize appropriations for fiscal years 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, disagreed to by the Senate, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the Houses:

From the Committee on Armed Services: for consideration of the Senate bill and the House amendment, and modifications committed to conference: Mr. SPENCE, Mr. STUMP, Mr. HUNTER, Mr. BATEMAN, Mr. HANSEN, Mr. WELDON of Pennsylvania, Mr. HEFLEY, Mr. SAXTON, Mr. BUYER, Mrs. FOWLER, Mr. MCHUGH, Mr. TALENT, Mr. EVERETT, Mr. BARLETT of Maryland, Mr. MCKEON, Mr. WATTS of Oklahoma, Mr. THORNBERRY, Mr. HOSTETTLER, Mr. CHAMBLISS, Mr. HILLEARY, Mr. SKELTON, Mr. SISISKY, Mr. SPRATT, Mr. ORTIZ, Mr. PICKETT, Mr. EVANS, Mr. TAYLOR of Mississippi, Mr. ABERCROMBIE, Mr. MEEHAN, Mr. UNDERWOOD, Mr. REYES, Mr. TURNER, Ms. SANCHEZ, Mrs. TAUSCHER, Mr. ANDREWS, and Mr. LARSON.

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 11 of rule X: Mr. GOSS, Mr. LEWIS of California, and Mr. DIXON.

From the Committee on Banking and Financial Services, for consideration of section 1059 of the Senate bill, and section 1409 of the House bill, and modifications committed to conference: Mr.

McCollum, Mr. Bachus, and Mr. LaFalce.

From the Committee on Commerce, for consideration of sections 326, 601, 602, 1049, 1050, 3151–53, 3155–3165, 3173, 3175, 3176–78 of the Senate bill, and sections 601, 602, 653, 3161, 3162, 3165, 3167, 3184, 3186, 3188, 3189, and 3191 of the House amendment, and modifications committed to conference: Mr. Bliley, Mr. Barton of Texas, and Mr. Dingell: *Provided*, That Mr. Bilirakis is appointed in lieu of Mr. Barton of Texas for consideration of sections 326, 601, and 602 of the Senate bill, and sections 601, 602, and 653 of the House amendment, and modifications committed to conference: *Provided further*, That Mr. Tauzin is appointed in lieu of Mr. Barton of Texas for considerations of sections 1049 and 1050 of the Senate bill, and modifications committed to conference.

From the Committee on Education and the Workforce, for consideration of sections 479 and 698 of the Senate bill, and sections 341, 343, 549, 567, and 673 of the House amendment, and modifications committed to conference: Mr. Goodling, Mr. Deal of Georgia, and Mrs. Mink of Hawaii.

From the Committee on Government Reform, for consideration of sections 538, 652, 654, 805–810, 1004, 1052–54, 1080, 1101–07, 2831, 2862, 3160, 3161, 3163, and 3173 of the Senate bill, and sections 522, 524, 525, 661–64, 672, 802, 1101–05, 2802, and 3162 of the House amendment, and modifications committed to conference: Mr. Burton of Indiana, Mr. Scarborough, and Mr. Cummings: *Provided*, That Mr. Horn is appointed in lieu of Mr. Scarborough for consideration of sections 538, 805–810, 1052–54, 1080, 2831, 2862, 3160, and 3161 of the Senate bill, and sections 802 and 2802 of the House amendment.

From the Committee on International Relations, for consideration of sections 1013, 1043, 1044, 1046, 1066, 1071, 1072, and 1083 of the Senate bill, and sections 1202, 1206, 1301–07, 1404, 1407, 1408, 1411, and 1413 of the House amendment, and modifications committed to conference: Mr. Gilman, Mr. Bereuter, and Mr. Gejdenson.

From the Committee on the Judiciary, for consideration of sections 3156 and 3163 of the Senate bill, and sections 3166 and 3194 of the House amendment, and modifications committed to conference: Mr. Hyde, Mr. McCollum, and Mr. Conyers.

From the Committee on Resources, for consideration of sections 601, 602, 695, 2833, and 2861 of the Senate bill, and sections 365, 601, 602, 653, 654, and 2863 of the House amendment, and modifications committed to conference: Mr. Young of Alaska, Mr. Tauzin, and Mr. George Miller of California.

From the Committee on Science, for consideration of sections 1049, 3151–53, and 3155–65 of the Senate bill, and sections 3167, 3170, 3184, 3188–90, and 3191 of the House amendment, and modifications committed to conference: Mr. Sensenbrenner, Mr. Calvert, and Mr. Costello.

From the Committee on Transportation and Infrastructure, for consideration of sections 601, 602, 1060, 1079, and 1080 of the Senate bill, and sections 361, 601, 602, and 3404 of the House amendment, and modifications committed to conference: Mr. Shuster, Mr. Gilchrest, and Mr. DeFazio.

From the Committee on Veterans' Affairs, for consideration of sections 671–75, 681, 682, 696, 697, 1062, and 1066 of the Senate bill, and modifications committed to conference: Mr. Bilirakis, Mr. Quinn, and Mr. Filner.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1905) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2000, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses there; and appoints Mr. Taylor of North Carolina, Mr. Wamp, Mr. Lewis of California, Ms. Granger, Mr. Peterson of Pennsylvania, Mr. Young of Florida, Mr. Pastor, Mr. Murtha, Mr. Hoyer, and Mr. Obey, as the managers of the conference on the part of the House.

MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times and placed on the calendar:

H.R. 791. An act to amend the National Trails System Act to designate the route of the War of 1812 British invasion of Maryland and Washington, District of Columbia, and the route of the American defense, for study for potential addition to the national trails system.

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 1218. An act to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4035. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Foreign Assistance Act of 1961 the annual report for fiscal year 1998 relative to defense articles that were licensed for export under the Arms Control Act; to the Committee on Foreign Relations.

EC–4036. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, a report relative to a human resources demonstration project at the Naval Research Laboratory; to the Committee on Governmental Affairs.

EC–4037. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the report of the Office of the Treasury Inspector General for Tax Administration for the period October 1, 1998 through March 31, 1999; to the Committee on Governmental Affairs.

EC–4038. A communication from the Chairman, Federal Housing Finance Board, transmitting, pursuant to law, the management reports of the twelve Federal Home Loan Banks and the Financing Corporation for calendar year 1998; to the Committee on Governmental Affairs.

EC–4039. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report of the Metals Initiative for fiscal year 1997; to the Committee on Energy and Natural Resources.

EC–4040. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Summary of Expenditures of Rebates from the Low-Level Radioactive Waste Surcharge Escrow Account" for calendar year 1997; to the Committee on Energy and Natural Resources.

EC–4041. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to the Cooperative Threat Reduction Program; to the Committee on Armed Services.

EC–4042. A communication from the Board Members, Railroad Retirement Board, transmitting, pursuant to law, the 1999 annual report on the financial status of the railroad unemployment insurance system; to the Committee on Health, Education, Labor, and Pensions.

EC–4043. A communication from the Board Members, Railroad Retirement Board, transmitting, pursuant to law, a report relative to the actuarial status of the railroad retirement system dated June 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–4044. A communication from the Attorney for the National Council on Radiation Protection and Measurements, transmitting, pursuant to law, the annual report of independent auditors for calendar year 1998; to the Committee on the Judiciary.

EC–4045. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the report of the Congressional Commission on Servicemembers and Veterans Transition Assistance; to the Committee on Veteran's Affairs.

EC–4046. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "VISAS: Documentation of Nonimmigrants Under the Immigration and Nationality Act, as Amended—Border Crossing Cards" (Public Notice 2976), received June 30, 1999; to the Committee on Foreign Relations.

EC–4047. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, a report on the Investigation of U.S.-Origin Military Equipment in Cyprus and Azerbaijan; to the Committee on Foreign Relations.

EC–4048. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report relative to the legal descriptions of acquired lands and conveyed lands in the State of Alaska; to the Committee on Energy and Natural Resources.

EC-4049. A communication from the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the annual report on the profitability of the credit card operations of depository institutions, dated June 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4050. A communication from the Chairman, Postal Rate Commission, transmitting, pursuant to law, the annual report on international mail costs for fiscal year 1998; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-231. A resolution adopted by the House of the Legislature of the State of Michigan relative to the Kyoto Protocol on greenhouse gas emissions; to the Committee on Foreign Relations.

HOUSE RESOLUTION NO. 98

Whereas, The people of Michigan join other Americans in the concern that emissions of carbon dioxide and other greenhouse gases may pose a risk of adding to natural long-term changes in climate, such as warming of the Earth, shifts in climate patterns and weather conditions, and other atmospheric aberrations; and

Whereas, Scientists are continuing to investigate and debate the merits of existing evidence of climate change. Researchers are developing more information about the extent, causes, and solutions related to greenhouse gases; and

Whereas, Michigan's citizens want government leaders to seek affordable, effective ways to address climate change; and

Whereas, in July 1997, the United States Senate adopted Senate Resolution 98, which directs the United States not to adopt any agreement emerging from the Kyoto, Japan, summit on climate change that would commit this nation to limits or reductions in greenhouse gas emissions without also requiring commitments by developing nations or that would impose undue economic burdens on all Americans; and

Whereas, Despite well-documented uncertainties about the scientific basis of climate change and contrary to the directives contained in Senate Resolution 98, the United States signed the Kyoto Climate Treaty. This treaty, often referred to as the Kyoto Protocol, commits this nation to reducing its emissions of greenhouse gases to amounts that are seven percent below their 1990 levels between the years 2008 and 2012 (an amount requiring more than a 30 percent reduction in projected United States carbon emissions achieved by reductions in energy use). The treaty, however, exempts more than 130 developing nations from similar constraints; and

Whereas, Energy provides valuable services to citizens through the heating and cooling of homes, transportation, processing of fuel, and other services vital to our citizens' well-being and our security; and

Whereas, Achieving the Kyoto Protocol targets will not mitigate climate changes or its effects, but according to the United States Department of Energy's Energy Information Administration, it may cause the loss of 2.4 million jobs throughout most industry sectors and increase the price of electricity (up to 86%), gasoline (66 cents per gallon), fuel oil (76%), and natural gas (147%); and

Whereas, Studies by the Heartland Institute and the Sparks Companies show that the Kyoto Protocol would increase production costs and cut farmers' incomes by one-quarter to one-half. This would force many family farms out of business, reduce agricultural exports, and increase food prices, which would be especially detrimental to America's poorest families; and

Whereas, According to the United States Energy Information Administration, meeting the emissions reduction targets in the Kyoto Protocol could cost the average household in the United States $4,100 per year beginning in 2010 resulting from the increase in the price of utilities, fuel, and consumer goods and services. It is projected to cause the loss of 96,500 jobs in Michigan; and

Whereas, Other alternatives to reducing greenhouse gas emissions, such as research and development and voluntary emissions reduction programs, should be investigated and considered. It is vital to use a balanced approach to promoting economic progress and protecting the environment; now, therefore, be it

Resolved by the House of Representatives, That we oppose the provisions of the Kyoto Protocol and memorialize the United States Senate not to ratify the Kyoto Climate Treaty. We urge federal authorities to consider strategies to protect the environment that apply to all nations and encourage alternative, voluntary proposals to reduce greenhouse gases; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM-232. A resolution adopted by the House of the Legislature of the State of Illinois relative to Social Security; to the Committee on Finance.

HOUSE RESOLUTION NO. 95

Whereas, Social Security is America's premier family protection system, providing working families with crucial income insurance in the event of the retirement, death or disability of a family wage earner; and

Whereas, Social Security is the only secure source of retirement income for the overwhelming majority of Americans, with two in three older American households relying on Social Security for half or more of their income; and

Whereas, Many of the proposals being discussed would require sharp and misguided benefit cuts, including raising the normal retirement age and reducing the cost of living adjustments; and

Whereas, The Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds are reporting that Social Security is secure and can pay full benefits until 2032, with 70 to 75 percent of benefits covered by expected revenues after that time; and

Whereas, Many Americans are concerned about Social Security's long-term financial viability; therefore, be it

Resolved, by the House of Representatives of the Ninety-First General Assembly of the State of Illinois, That (1) Congress should take steps soon to strengthen Social Security so that all Americans can be assured that the program will be there for them; (2) Social Security should continue to provide an unreduced foundation of economic security for American families; (3) Social Security benefits should not be subject to the whims of the market, and private investment accounts should never be substituted for the core defined benefits Social Security currently provides; (4) Working families should be able to count on full disability and survivor protections that grow to meet the needs of families, including spouses and children; (5) Americans who do not spend full careers in the paid workforce because they work at home caring for children or other family members should not be penalized by reform; and (6) Responsible Social Security reforms must be based on realistic assumptions about the economy as well as about the uncertainty and risk inherent in markets; and be it further

Resolved, That suitable copies of this resolution be presented to the Speaker of the United States House of Representatives, the President of the United States Senate, and each member of the Illinois congressional delegation.

POM-233. A resolution adopted by the House of the Legislature of the State of Illinois relative to the Social Service Block Grant/Title XX program; to the Committee on Appropriations.

HOUSE RESOLUTION NO. 160

Whereas, Congress and the White House have funded the Social Service Block Grant/Title XX program at a relatively stable level for the past 5 years; and

Whereas, The FFY 99 funding level for this program unexpectedly dropped 17% during budget negotiations at the close of the last congressional session; and

Whereas, This federally funded program is almost exclusively devoted to community based human services throughout the State of Illinois, including adoption services, case coordination services, intervention for victims of domestic violence, youth development services, day care for children, employment development services, family support, foster care for children, homemaker services, outpatient treatment, protective intervention, rehabilitation and training for handicapped adults, and treatment for substance abuse, among other funded services, extending into every county and legislative district in the State serving over 130,000 individuals or families in Illinois; and

Whereas, The National Conference of Mayors, the National Council of State Legislatures, and the National Governors Conference have all strongly recommended the restoration of full funding to this important program; therefore be it

Resolved, by the House of Representatives of the Ninety-First General Assembly of the State of Illinois, That the Illinois congressional delegation be informed of our concern regarding this essential source of funding for critically important State programming and services; and be it further

Resolved, That the Illinois House of Representatives urges the Illinois congressional delegation to influence and guide the federal budgeting process for FFY 2000 and beyond to restore full funding for the Social Service Block Grant/Title XX program and incrementally increase funding for this essential program as future federal budget opportunities present themselves; and be it further

Resolved, That copies of this resolution be forwarded to the members of the Illinois congressional delegation immediately.

POM-234. A resolution adopted by the House of the Legislature of the State of Illinois relative to the proposed "Dollars to the Classroom Act"; to the Committee on Health, Education, Labor, and Pensions.

HOUSE RESOLUTION NO. 228

Whereas, H.R. 2 is a bill that was introduced this year in the U.S. House of Representatives to send more dollars to the classroom and for certain other purposes; and

Whereas, In this bill, Congress urges the Department of Education, states, and local educational agencies to work together to ensure that not less than 95% of all funds appropriated for elementary and secondary education programs administered by the Department of Education is spent for children in their classrooms; the bill also provides for an educational flexibility program under which the Secretary of Education allows a State educational entity to waive statutory and regulatory requirements for the State educational agency or any local education agency or school and provides for the modification of arbitrage rebate rules applicable to bonds used to finance public schools; therefore be it

Resolved, by the House of Representatives of the Ninety-First General Assembly of the State of Illinois, That we urge the U.S. Congress to pass H.R. 2; and be it further

Resolved, That suitable copies of this resolution be delivered to the Speaker of the U.S. House of Representatives, the President pro tempore of the U.S. Senate, and each member of the Illinois congressional delegation.

POM–235. A resolution adopted by the House of the Legislature of the State of Illinois relative to the proposed "Death Tax Elimination Act"; to the Committee on Finance.

HOUSE RESOLUTION NO. 229

Whereas, H.R. 8, the Death Tax Elimination Act, was introduced in the House of Representatives of the 106th Congress; and

Whereas, H.R. 8 will amend the Internal Revenue Code of 1986 to phase out estate and gift taxes over a 10-year period; and

Whereas, The elimination of federal estate and gift taxes will result in tax savings to the citizens of this State; therefore, be it

Resolved, by the House of Representatives of the Ninety-First General Assembly of the State of Illinois, That we encourage the United States Congress to pass H.R. 8; be it further

RESOLVED, That suitable copies of this resolution be delivered to the President pro tempore of the United States Senate, the Speaker of the United States House of Representatives, and each member of the Illinois congressional delegation.

POM–236. A resolution adopted by the House of the Legislature of the State of Illinois relative to Phase II Reformulated Gasoline; to the Committee on Environment and Public Works.

HOUSE RESOLUTION NO. 303

Whereas, The federal Clean Air Act requires a new type of motor fuel to be sold in the Nation's ozone non-attainment areas beginning January 1, 2000; and

Whereas, This new fuel is known as Phase II Reformulated Gasoline or RFG; and

Whereas, Illinois has 2 ozone non-attainment areas: the 8-county Chicago Metropolitan area which will have to sell Phase II RFG exclusively and the 3-county Metro-east area; and

Whereas, Most of the present Phase I RFG fuel sold in the Chicago Metropolitan area, through a partnership between corn growers, ethanol processors, and gasoline refiners and marketers, contains 10% ethanol; and

Whereas, The Chicago RFG market accounts for 400 million gallons of ethanol demand, making it the foundation of the domestic ethanol industry today; and

Whereas, The General Assembly is greatly concerned that present United States Environmental Protection Agency regulations for Phase II RFG could severely limit or prohibit the blending of ethanol in gasoline by refiners, especially in the summer months, thereby endangering the Illinois ethanol industry's core market; and

Whereas, To date, the Chicago Area and Illinois have made extraordinary progress in meeting the demands of the Clean Air Act, leading to greatly improved air quality, much of which is attributed to the use of existing RFG fuels; and

Whereas, The USEPA's proposed Phase II RFG regulations for January 1, 2000, constitute a real threat to the economic viability of Illinois; ethanol industry and Illinois' gasoline refining industry; and

Whereas, Illinois' ethanol industry supports over 50,000 jobs in the corn farming and ethanol processing sector, with major facilities in Peoria, Decatur, and elsewhere in the State; and

Whereas, Illinois' gasoline refining and marketing industry employs over 40,000 Illinois workers, including 6 major refineries producing over one million barrels a day of gasoline and other products in the Chicago area, St. Louis area, and Southeastern Illinois location; therefore, be it

Resolved, by the House of Representatives of the Ninety-First General Assembly of the State of Illinois, That we encourage and support Governor George Ryan's decision to immediately engage the Administrator of the United States Environmental Protection Agency in a dialogue towards meeting and resolving the technical challenges of using ethanol in Phase II RFG; that the dialogue shall include presentation of recent research data suggesting ethanol benefits and the request that the U.S. Environmental Protection Agency permit the continued use of ethanol under phase II of the RFG Program in a way that will not economically disadvantage Illinois' ethanol and gasoline refining industries; and be it further

Resolved, That if urban airshed modeling is required as a necessary component of the presentation to the U.S. Environmental Protection Agency, the General Assembly will support funding for the Illinois EPA to conduct the modeling; and be it further

Resolved, That suitable copies of this resolution be delivered to the Governor, the Director of the Illinois Environmental Protection Agency, the Administrator of the United States Environmental Protection Agency, the President of the United States, and each member of the Illinois congressional delegation.

POM–237. A resolution adopted by the Legislature of the State of Alaska relative to the Kosovo conflict and to Alaskans serving in the military forces in the area of the conflict; to the Committee on Armed Services.

LEGISLATIVE RESOLVE NO. 20

Whereas, Slobodan Milosevic has embarked upon a policy of ethnic cleansing of Albanians in Kosovo, Yugoslavia; and

Whereas, the actions of the Serbian military forces are a humanitarian disaster in the making and are not acceptable in the civilized world; and

Whereas, the armed forces of the United States are currently participating in the campaign against Serbian forces in Kosovo to stop the ethnic cleansing activities; and

Whereas, many of the United States troops that will be sent to the Balkans will be pulled away from civilian lives at great personal sacrifice; and

Whereas, the Allied troops will be expected to endure many uncertainties and hardships caused by separation from their loved ones for months while stationed in the harsh conditions of the Balkan region; and

Whereas, the tremendous humanitarian effort being taken by the Allied military force is an enormous service to mankind; and

Whereas, members of our military forces are performing their mission with great dispatch, exemplifying the high degree of dedication, professionalism, and training that underlines the technologies and strategic superiority of our military strength; and

Whereas, many of our United States troops are in danger, and the media reports that the public must be prepared to accept the possibility that there will be United States casualties; and

Whereas, Alaskans in the military services have been called on to participate in the Kosovo conflict and are likely to be called on to serve there in increasing numbers; and

Whereas, these Alaskans are and will be serving in the interest of the United States with dedication, honor, and commitment; be it

Resolved, That the Alaska State Legislature

(1) commends the bravery and dedication of Alaska's military personnel and of all men and women who are serving in the Kosovo conflict; and

(2) applauds the extraordinary job being done by the United States and Allied military forces in saving lives by setting up tents and establishing refugee camps; and be it further

Resolved, That the members of the Alaska State Legislature express their heartfelt concern for the safety of the United States military personnel in the conflict, and of the refugees who are fleeing Kosovo, and, therefore, urge President Clinton and the Congress to use whatever means available to bring the conflict to an end as soon as possible and in a manner that will help secure a just and lasting peace in the region; and be it further

Resolved, That the Alaska State Legislature requests the Alaska Legislative Council to direct the Legislative Affairs Agency to send the following message to all Alaskans and military personnel stationed in Alaska who are serving in the United States armed forces in the Kosovo conflict: "The members of the Alaska State Legislature thank you heartily for your efforts in stopping the barbaric actions of Slobodan Milosevic in Kosovo and for laying a foundation for a just and lasting peace in the region. We commend your bravery and dedication. We wish you a safe and speedy return home."

Copies of this resolution shall be sent to the Honorable Bill Clinton, President of the United States; the Honorable Al Gore Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Strom Thurmond, President Pro Tempore of the U.S. Senate; the Honorable J. Dennis Hastert, Speaker of the U.S. House of Representatives; the Honorable William S. Cohen, Secretary of Defense; to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators; and the Honorable Don Young, U.S. Representative; Brigadier General Dean Cash, Commanding General, U.S. Army, Alaska; Brigadier General Phillip Oates, Adjutant General, Alaska National Guard; and Colonel George Cannelos, Director, Alaska Air National Guard.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations:

Special report entitled "Further Revised Allocation to Subcommittees of Budget Totals, Fiscal Year 2000" (Rept. No. 106–101).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 335: A bill to amend chapter 30 of title 39, United States Code, to provide for the nonmailability of certain deceptive matter relating to games of chance, administrative procedures, orders, and civil penalties relating to such matter, and for other purposes (Rept. No. 106–102).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

S. 468: A bill to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public (Rept. No. 106–103).

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 59: A bill designating both July 2, 1999, and July 2, 2000, as "National Literacy Day".

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amendment to the title:

S. 467: A bill to restate and improve section 7A of the Clayton Act, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1257: A bill to amend statutory damages provisions of title 17, United States Code.

S. 1258: A bill to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes.

S. 1259: A bill to amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1260: A bill to make technical corrections in title 17, United States Code, and other laws.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MURKOWSKI, for the Committee on Energy and Natural Resources:

David L. Goldwyn, of the District of Columbia to be an Assistant Secretary of Energy (International Affairs).

James B. Lewis, of New Mexico, to be Director of the Office of Minority Economic Impact, Department of Energy.

By Mr. ROTH, for the Committee on Finance:

Stuart E. Eizenstat, of Maryland, to be Deputy Secretary of the Treasury.

Lewis Andrew Sachs, of Connecticut, to be an Assistant Secretary of the Treasury.

Jeffrey Rush, Jr., of Virginia, to be Inspector General, Department of the Treasury, vice David C. Williams.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, for the Committee on the Judiciary:

Marsha L. Berzon, of California, to be United States Circuit Judge for the Ninth Circuit.

Robert A. Katzmann, of New York, to be United States Circuit Judge for the Second Circuit.

T. John Ward, of Texas, to be United States District Judge for the Eastern District of Texas.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS:

S. 1312. A bill to ensure full and expeditious enforcement of the provisions of the Communications Act of 1934 that seek to bring about competition in local telecommunications markets, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. REED:

S. 1313. A bill to enable the State of Rhode Island to meet the criteria for recommendation as an Area of Application to the Boston-Worcester-Lawrence; Massachusetts, New Hampshire, Maine, and Connecticut Federal locality pay area; to the Committee on Governmental Affairs.

By Mr. LEAHY (for himself, Mr. DEWINE, and Mr. ROBB):

S. 1314. A bill to establish a grant program to assist State and local law enforcement in deterring, investigating, and prosecuting computer crimes; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself and Mr. HATCH):

S. 1315. A bill to permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease; to the Committee on Indian Affairs.

By Mrs. LINCOLN:

S. 1316. A bill to amend the Internal Revenue Code of 1986 to clarify that any amount allowable as a child tax credit under section 24 or an earned income credit under section 32 shall not be treated as income for purposes of any means-tested Federal program; to the Committee on Finance.

By Mr. AKAKA (for himself, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mr. WELLSTONE, Mrs. MURRAY, and Mr. LAUTENBERG):

S. 1317. A bill to reauthorize the Welfare-To-Work program to provide additional resources and flexibility to improve the administration of the program; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. KERRY, Mr. GRAMS, Mr. SARBANES, and Mr. WELLSTONE):

S. 1318. A bill to authorize the Secretary of Housing and Urban Development to award grants to States to supplement State and local assistance for the preservation and promotion of affordable housing opportunities for low-income families; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BOND:

S. 1319. A bill to authorize the Secretary of Housing and Urban Development to renew project-based contracts for assistance under secion 8 of the United States Housing Act of 1937 at up to market rent levels, in order to preserve these projects as affordable low-income housing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRAIG:

S. 1320. A bill to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WELLSTONE (for himself and Mrs. MURRAY):

S. 1321. A bill to amend title III of the Family Violence Prevention and Services Act and title IV of the Elementary and Secondary Education Act of 1965 to limit the effects of domestic violence on the lives of children, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DASCHLE (for himself, Mr. HARKIN, Mr. DODD, and Mr. KENNEDY):

S. 1322. A bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MCCONNELL (for himself and Mr. BUNNING):

S. 1323. A bill to amend the Federal Power Act to ensure that certain Federal power customers are provided protection by the Federal Energy Regulatory Commission, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SANTORUM:

S. 1324. A bill to expand the boundaries of the Gettysburg National Military Park to include Wills House, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FRIST:

S. 1325. A bill to amend the Applachian Regional Development Act of 1965 to add Hickman, Lawrence, Lewis, Perry, and Wayne Counties, Tennessee, to the Appalachian region; to the Committee on Environment and Public Works..

S. 1326. A bill to eliminate certain benefits for Members of Congress, and for other purposes; to the Committee on Governmental Affairs.

By Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. BOND, Mr. REED, Mr. JEFFORDS, Mr. MOYNIHAN, Mr. BREAUX, Ms. LANDRIEU, Mr. KERREY, and Ms. MIKULSKI):

S. 1327. A bill to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes; to the Committee on Finance..

By Mr. KERRY (for himself, Mr. GRASSLEY, Mr. BAUCUS, Mr. HARKIN, Mr. CLELAND, and Mr. BURNS):

S. 1328. A bill to amend the Internal Revenue Code of 1986 to permit the disclosure of certain tax information by the Secretary of the Treasury to facilitate combined Federal and State employment tax reporting, and for other purposes; to the Committee on Finance.

By Mr. REID:

S. 1329. A bill to direct the Secretary of the Interior to convey certain land to Nye County, Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1330. A bill to give the city of Mesquite, Nevada, the right to purchase at fair market value certain parcels of public land in the city; to the Committee on Energy and Natural Resources.

S. 1331. A bill to give Lincoln County, Nevada, the right to purchase at fair market value certain public land in the county; to the Committee on Energy and Natural Resources.

By Mr. BAYH (for himself, Mr. LUGAR, Mr. ROCKEFELLER, Mr. VOINOVICH, Mr. DURBIN, Mr. BINGAMAN, Mr. STEVENS, Mr. KENNEDY, Mr. MURKOWSKI, Mr. KERREY, and Ms. LANDRIEU):

S. 1332. A bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WYDEN (for himself and Mr. BENNETT):

S. 1333. A bill to expand homeownership in the United States; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. AKAKA (for himself, Mr. EDWARDS, Mr. FRIST, Mr. LEVIN, Mr. STEVENS, Mr. SARBANES, and Mr. DURBIN):

S. 1334. A bill to amend chapter 63 of title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ASHCROFT:

S. 1335. A bill entitled the "Military Retiree Health Care Act of 1999"; to the Committee on Finance.

By Mr. REED (for himself, Mr. SCHUMER, and Mr. EDWARDS):

S. 1336. A bill to amend the Internal Revenue Code of 1986 to provide a credit to promote home ownership among low-income individuals; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. SESSIONS, and Mr. KYL):

S. 1337. A bill to provide for the placement of anti-drug messages on appropriate Internet sites controlled by NASA; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI (by request):

S. 1338. A bill entitled the "Military Lands Withdrawal Act of 1999"; to the Committee on Energy and Natural Resources.

By Mr. DURBIN:

S. 1339. A bill to provide for the debarment or suspension from Federal procurement and nonprocurement activities of persons that violate certain labor and safety laws; to the Committee on Governmental Affairs.

By Mrs. LINCOLN:

S. 1340. A bill to redesignate the "Stuttgart National Aquaculture Research Center" as the "Harry K. Dupree Stuttgart National Aquaculture Research Center"; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DORGAN (for himself, Mr. LOTT, Mr. DASCHLE, Mr. NICKLES, Mr. REID, Mr. MURKOWSKI, Mr. CONRAD, Mr. BREAUX, Mr. GRAHAM, Mr. KERREY, Mr. HAGEL, Mr. HARKIN, Mr. DURBIN, Mr. SCHUMER, Mr. COCHRAN, Mr. CRAIG, Mr. BROWNBACK, Mr. WELLSTONE, Mr. EDWARDS, Mr. CAMPBELL, Mr. JOHNSON, Mr. BINGAMAN, Mr. MACK, Mr. DOMENICI, Mr. BENNETT, Mr. SANTORUM, and Mr. LEAHY):

S. 1341. A bill to amend the Internal Revenue Code of 1986 to expand the applicability of section 179 which permits the expensing of certain depreciable assets; to the Committee on Finance.

By Mr. ALLARD:

S. 1342. A bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers; to the Committee on Finance.

By Mr. REID:

S. 1343. A bill to direct the Secretary of Agriculture to convey certain National Forest land to Elko County, Nevada, for continued use as a cemetery; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. FEINSTEIN (for herself and Mrs. BOXER):

S. Res. 132. A resolution designating the week beginning January 21, 2001, as "Zinfandel Grape Appreciation Week"; to the Committee on the Judiciary.

By Mr. ABRAHAM (for himself and Mr. CRAIG):

S. Res. 133. A resolution supporting religious tolerance toward Muslims; to the Committee on the Judiciary.

By Mr. HARKIN (for himself, Mr. THURMOND, and Mr. HOLLINGS):

S. Res. 134. A resolution expressing the sense of the Senate that Joseph Jefferson "Shoeless Joe" Jackson should be appropriately honored for his outstanding baseball accomplishments; to the Committee on Commerce, Science, and Transportation.

By Mr. DURBIN (for himself and Mr. LEAHY):

S. Res. 135. A resolution calling for the immediate release of the three humanitarian workers in Yugoslavia; to the Committee on Foreign Relations.

By Mrs. BOXER (for herself, Mrs. FEINSTEIN, Mr. DASCHLE, and Mr. ABRAHAM):

S. Res. 136. A resolution condemning the acts of arson at the three Sacramento, California, area synagogues on June 18, 1999, and calling on all Americans to categorically reject crimes of hate and intolerance; considered and agreed to.

By Mr. LOTT:

S. Con. Res. 43. A concurrent resolution providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS:

S. 1312. A bill to ensure full and expeditious enforcement of the provisions of the Communications Act of 1934 that seek to bring about competition in local telecommunications markets, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE TELECOMMUNICATIONS COMPETITION ENFORCEMENT ACT OF 1999

Mr. HOLLINGS. Mr. President, I rise to introduce, S. 1312, the Telecommunications Competition Enforcement Act of 1999.

The United States has a telecommunications system that is unequaled. We have worked hard to ensure that consumers in all parts of the country have access to this system and enjoy services at an affordable price. Therefore, when the Bell companies asked us to allow them to enter the long distance market, it was with great caution that we began to develop policies that would change the existing framework. We did not want to jeopardize existing service as we phased in competition into local markets and allowed local phone companies to enter the long distance market.

Bell companies worked with Congress to create the fourteen point checklist and they celebrated the passage of the 1996 Act. They then filed applications with the Federal Communications Commission (FCC) to enter the long distance market. However, the FCC found that the Bell companies had not opened their local markets to competition, and therefore, under the 1996 Act, could not enter the long distance market. Once the Bell companies realized that they were not going to get into the long distance market before they complied with the 1996 Act, they began a strategy of litigation to delay competition into their local markets and hold on to their monopolies. They appealed the FCC's decisions to the Court of Appeals and challenged the constitutionality of the Act taking their case to the Supreme Court. Having lost in those forums they have now come to Congress seeking changes to the Act that only three years ago they championed. As a result bills have been introduced in the Senate and the House that significantly amend the 1996 Act, harm competition in the local markets, and slow the delivery of advanced, affordable services to consumers.

Therefore, I introduce this legislation as part of a continuing effort to promote competition in the local telecommunications markets. I am frustrated by the broken promises of the Bell companies given that not a single Bell company has adequately opened its local phone market to competition since the enactment of the Telecommunications Act of 1996. According to wall street analysts, as of the end of last year new entrants had only 2.5 percent of all access lines while Bell companies and incumbent local exchange carriers continued to control over 97 percent of those lines into the home.

Three years ago when we passed the 1996 Act, Bell companies proclaimed that they would open their markets immediately and begin competing. In fact, they and their lawyers helped write the 14 point checklist—their roadmap into the long distance market in their region. All these companies have to do to provide long distance service in their regions is to follow that roadmap and meet the requirements of Section 271.

I remember the excitement by the local phone companies at the time of the 1996 Act. On March 5, 1996, Bell South-Alabama President, Neal Travis, stated that the "Telecommunications Act now means that consumers will have more choices . . . We are going full speed ahead . . . and within a year or so we can offer [long distance] to our residential and business wireline customers."

And, on February 8, 1996, USWest's President of Long Distance, Richard Coleman, issued this statement: "The Inter-LATA long distance potential is a tremendous business opportunity for USWest. Customers have made it clear they want one-stop shopping for both their local and long distance service. We are preparing to give them exactly what they've been asking for." He went on to predict that USWest would meet the 14 point checklist in a majority of its states within 12–18 months.

Ameritech's chief executive office, Richard Notebaert February 1, 1996, noted his support of the 1996 Act by stating that, "[t]he real open competition this bill promotes will bring customers more choices, competitive prices and better quality services . . . [T]his bill will rank as one of the most important and far-reaching pieces of federal legislation passed this decade . . . It offers a comprehensive communications policy, solidly grounded in the principles of the competitive marketplace. It's truly a framework for the information age."

Those were the statements of the local phone companies in 1996. What has happened since then? The answer is very little. In fact, rather than meet their promises, the local phone companies were in federal court challenging the FCC's implementation of the Act less than one year after its enactment. In addition, only five applications for Section 271 relief have been filed at the FCC—and none have met the requirements of section 271. On more than one occasion, the FCC's decision to deny a 271 application has been upheld by the D.C. Circuit Court. One of the regional Bell companies even challenged the constitutionality of section 271—a challenge the court of appeals denied and the Supreme Court refused to hear. Today, there are no 271 applications on file at the FCC and not a single application has been presented to the FCC since July 1998.

What this means for the customer is that the choice and the local competition we tried to create with the passage of the Telecommunications Act has been thwarted by the very companies that promised to compete. Instead, they have chosen to litigate, complain, and combine. Just two days ago, the Chairman of the FCC decided to grant SBC and Ameritech approval to merge their operations. In permitting the merger to go forward, the FCC has conditioned approval on future performance—performance which SBC has not met in the three years since the passage of the 1996 Act. In fact, on the same day conditional approval of the SBC and Ameritech merger was announced, SBC agreed to pay $1.3 million to settle disputes surrounding alleged violations of sections of the 1996 Act dealing with the provision of long distance service. One company will now control one-third of all access lines in the United States even though its market is not open to competition. Competition again becomes a casualty of the unwillingness of Bell companies, to open their markets and let go of their monopolies.

Today, there are companies seeking to connect to the Bell networks and provide service to consumers. However, these companies often times experience significant difficulties in obtaining access to these networks. Thus, while I applaud the efforts of the competitive local exchange carriers, long distance carriers, and the cable industry to provide facilities-based local competition, I must express my disappointment that not a single regional bell operating company has sufficiently opened its markets to competition.

Since the beginning of this Congress, many of the Bell companies have been meeting with Senators and Representatives, often accompanied by the same lawyers who helped write the Telecommunications Act. But this time their message is different. They are asking us to change the rules of the game. They now want to offer lucrative high-speed data services for long distance customers without first having to open their local markets to competition. They maintain that they should be permitted to continue their hold on the local customer as they provide data services because the 1996 Act did not contemplate the provision of such services. To state it plainly—they are wrong. The Telecommunications Act clearly contemplated the provision of advanced services—data and otherwise. In fact, the Act had an entire section dedicated to promoting the development and deployment of advanced services. To quote the Act, "advanced telecommunications capability" is defined as "high-speed switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology."

Regardless, nothing in the 1996 Act prevents phone companies from providing high speed data services to consumers inside and outside their region. They are already providing DSL service to customers inside their region. And, under the 1996 Act, Bell companies can provide long distance service in their region once they open their local markets. We must hold to this principle if we want consumers to have a choice of service providers. In fact, a number of Bell companies are working to meet Section 271 requirements. I applaud those attempts which, if successful, will ultimately provide new and innovative services at low prices to consumers.

Therefore, I reject their proposed legislative solutions, and instead, forward a different proposal. By 2001, five years will have passed since the Telecommunications Act became law. I believe, it is reasonable to expect Bell companies to have at least one-half of their markets in their region open to competition by 2001 and all of their markets in their region open to competition by 2003. The legislation that I introduce today accomplishs just that. My bill requires the Federal Communications Commission to assess a forfeiture penalty of $100,000 per day if a Bell operating company has not met the section 271 checklist in at least half of the states in its region by February 8, 2001—the five year anniversary of President Clinton signing the Telecommunications Act into law. Moreover, if the FCC finds that a Bell operating company has not met the section 271 checklist throughout its region by February 8, 2003, the Commission is required to order the company to divest its telecommunications network facilities within six months, in states in which it is not in compliance with the checklist.

With respect to non-Bell incumbent local exchange carriers with more than 5 percent of the access lines in the nation, the Commission, upon the petition of any interested party, is required to investigate whether the carrier's markets are open to competition to determine whether such carrier has complied with the interconnection requirements of the Act. A determination that such an incumbent local exchange company has not opened its markets shall result in a $50,000 per day forfeiture penalty, to be imposed by the FCC, if the company does not come into compliance within 60 days. In addition, the FCC shall order the company to cease and desist in marketing and selling long distance services to new customers, if it has not complied within the 60 day grace period.

Lastly, to protect competition once the Bell companies have met the section 271 checklist requirements, this bill provides the FCC with additional enforcement tools. If, at some point after meeting the checklist requirements, a Bell company fails to meet one or more provisions of the checklist, the FCC shall impose a forfeiture penalty of $100,000 for each day of the continuing violation. Moreover, if, after meeting the checklist requirements, the Bell company willfully, knowing, and repeatedly fails to meet one or more provisions of the checklist, the FCC shall require the Bell company, within 180 days, to divest its telecommunications network facilities in states in which the repeated violations have occurred.

While these penalties may appear severe, severe action needs to be taken to force dominant market providers to open their markets to competition. During the debate over the Telecommunications Act, we did not include such a strong approach. Rather, we settled on a rational and reasonable set of procedures—endorsed by the local phone monoplies—that provided incentives to open their local markets while preserving the integrity of the premier communications networks in the world. That approach seemed particularly palatable in light of the statements issued at the time of enactment of the 1996 Act by the local phone companies promising an early opening of the local phone market pursuant to the requirements of the Section 271 checklist.

Today, our communications networks remain the envy of the world and the development of innovative advanced services is accelerating rapidly. Unfortunately, the rollout of those services on a competitive basis to all Americans is being thwarted by the failure of Bell companies to open their markets to competition. Those same monopolists told us their markets would be open months ago. This legislation seeks to hold them to their word.

I ask consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE TELECOMMUNICATIONS COMPETITION ENFORCEMENT ACT OF 1999

SUMMARY

A Bell Operating Company (BOC) is required to meet the market opening requirements of the section 271 checklist of the Telecommunications Act of 1996 for half of the states in its region by February 8, 2001. The FCC is required to assess a forfeiture penalty of $100,000 for each day a BOC is in violation of this requirement.

A BOC is required to meet the market opening requirements of the section 271 checklist of the Telecommunications Act of 1996 for all the states in its region by February 8, 2003. The FCC is required to order a BOC to divest its telecommunications network facilities within 180 days in which it is in violation of this requirement.

Upon petition by any interested party, the FCC is directed to investigate whether incumbent local exchange carriers (ILEC) with more than 5 percent of the nation's access lines (that are not Bell Companies) have opened their markets to competition pursuant to Section 251(c) of the Telecommunications Act of 1996.

Upon a determination that such ILECs are not in full compliance with Section 251(c), the FCC shall set forth the reasons for noncompliance and grant 60 days for the ILEC to come into full compliance. Absent such compliance after that 60 day period, the FCC is required to assess a civil forfeiture penalty of $50,000 for each day of the continuing violation and order the company to cease and desist in marketing and selling long distance services to new customers.

If upon meeting the checklist requirements, a BOC fails to meet one or more provisions of the checklist, the FCC shall impose a forfeiture of $100,000 for each day of the continuing violation. If upon meeting the checklist requirements, the BOC knowingly, willfully, and repeatedly fails to meet one or more provisions of the checklist, the FCC shall require the BOC, to divest its telecommunications network facilities, within 180 days, in states in which repeated violations have occurred.

JUSTIFICATION

The Telecommunications Act of 1996 required Bell Operating Companies (BOCs) to open their markets to competition. Yet, not a single BOC has met the market opening requirements of the Section 271 checklist. No Section 271 applications have been filed at the FCC since July of 1998. Only five applications have been filed since 1996—none of which complied with Section 271.

In the three years since enactment, however, the BOCs have pursued a strategy of stonewalling and litigation that has delayed implementation of the critical interconnection, unbundling, collocation, and resale requirements of the Act.

Now, BOCs are seeking legislative relief from the pro-competitive provisions of the Telecommunications Act. They argue that they will provide rural America with advanced communications services, but only if they are allowed to provide long distance service to their current customers. The truth is that BOCs can provide advanced services today. However, to get into the long distance market, they must open their local markets to competition. This bill provides an incentive for them to do just that.

By requiring a date certain by which the local phone monopolies must open their markets, and by accompanying that requirement with federal enforcement authority, we can be assured that American consumers will obtain the benefits of local competition.

By Mr. LEAHY (for himself, Mr. DEWINE, and Mr. ROBB):

S. 1314. A bill to establish a grant program to assist State and local law enforcement in deterring, investigating, and prosecuting computer crimes; to the Committee on the Judiciary.

COMPUTER CRIME ENFORCEMENT ACT

Mr. LEAHY. Mr. President, today I rise to introduce the Computer Crime Enforcement Act. This legislation establishes a Department of Justice grant program to support state and local law enforcement officers and prosecutors to prevent, investigate and prosecute computer crime. I am pleased that Senator DEWINE, with whom I worked closely and successfully last year on the Crime Identification Technology Act, and Senator ROBB, who has long been a leader on law enforcement issues, support this bill as original cosponsors.

Computer crime is quickly emerging as one of today's top challenges for state and local law enforcement officials. A recent survey by the FBI and the Computer Security Institute found that 62% of information security professionals reported computer security breaches in the past year. These breaches in computer security resulted in financial losses of more than $120 million from fraud, theft of proprietary information, sabotage, computer viruses and stolen laptops. Computer crime has become a multi-billion dollar problem.

I am proud to report that the States, including my home state of Vermont, are reacting to the increase in computer crime by enacted tough computer crime control laws. For example, Vermont's new law makes certain acts against computers illegal, such as: accessing any computer system or data without permission; accessing a computer to commit fraud, remove, destroy or copy data or deny access to the data; damaging or interfering with the operation of the computer system or data; and stealing or destroying any computer data or system. These state laws establish a firm groundwork for electronic commerce, an increasingly important sector of the Vermont economy and of the nation's economy. Now all fifty states have enacted some type of computer crime statute.

Unfortunately, too many state and local law enforcement agencies are struggling to afford the high cost of enforcing their state computer crime statute. The Computer Crime Enforcement Act would provide a helping hand by authorizing a $25 million grant program to help the states receive Federal funding for improved education, training, enforcement and prosecution of computer crime. Our bill will help states take a byte out of computer crime.

Congress has recognized the importance of providing state and local law enforcement officers with the means necessary to prevent and combat cyber attacks and other computer crime through the FBI's Computer Analysis and Response Team (CART) Program and the National Infrastructure Protection Center. Our legislation would enhance that Federal role by providing each state with much-needed resources to join Federal law enforcement officials in collaborative efforts to fight computer crime.

In Vermont, for instance, only half a dozen law enforcement officers among the more than 900 officers in the state have been trained in investigating computer crimes and analyzing cyber evidence. As Detective Michael Schirling of the Chittenden Unit for Special Investigations recently observed in my home state: "The bad guys are using computers at a rate that's exponentially greater than our ability to respond to the problem." Without the necessary educational training, technical support, and coordinated information, our law enforcement officials will be hamstrung in their efforts to crack down on computer crime.

Computers have ushered in a new age filled with unlimited potential for good. But the computer age has also ushered in new challenges for our state and local law enforcement officers. Let's provide our state and local partners in crime fighting with the resources that they need in the battle against computer crime.

I urge my colleagues to support the Computer Crime Enforcement Act and its quick passage into law.

Mr. President, I ask unanimous consent that the text of the Computer Crime Enforcement Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1314

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Computer Crime Enforcement Act".

SEC. 2. STATE GRANT PROGRAM FOR TRAINING AND PROSECUTION OF COMPUTER CRIMES.

(a) In General.—Subject to the availability of amounts provided in advance in appropriations Acts, the Office of Justice Programs shall make a grant to each State, which shall be used by the State, in conjunction with units of local government, State and local courts, other States, or combinations thereof, to—

(1) assist State and local law enforcement in enforcing State and local criminal laws relating to computer crime;

(2) assist State and local law enforcement in educating the public to prevent and identify computer crime;

(3) assist in educating and training State and local law enforcement officers and prosecutors to conduct investigations and forensic analyses of evidence and prosecutions of computer crime;

(4) assist State and local law enforcement officers and prosecutors in acquiring computer and other equipment to conduct investigations and forensic analysis of evidence of computer crimes; and

(5) facilitate and promote the sharing of Federal law enforcement expertise and information about the investigation, analysis, and prosecution of computer crimes with State and local law enforcement officers and prosecutors, including the use of multijurisdictional task forces.

(b) Use of Grant Amounts.—Grants under this section may be used to establish and develop programs to—

(1) assist State and local law enforcement in enforcing State and local criminal laws relating to computer crime;

(2) assist State and local law enforcement in educating the public to prevent and identify computer crime;

(3) educate and train State and local law enforcement officers and prosecutors to conduct investigations and forensic analyses of evidence and prosecutions of computer crime;

(4) assist State and local law enforcement officers and prosecutors in acquiring computer and other equipment to conduct investigations and forensic analysis of evidence of computer crimes; and

(5) facilitate and promote the sharing of Federal law enforcement expertise and information about the investigation, analysis, and prosecution of computer crimes with State and local law enforcement officers and prosecutors, including the use of multijurisdictional task forces.

(c) Assurances.—To be eligible to receive a grant under this section, a State shall provide assurances to the Attorney General that the State—

(1) has in effect laws that penalize computer crime, such as penal laws prohibiting—

(A) fraudulent schemes executed by means of a computer system or network;

(B) the unlawful damaging, destroying, altering, deleting removing of computer software, or data contained in a computer, computer system, computer program, or computer network; or

(C) the unlawful interference with the operation of or denial of access to a computer, computer program, computer system, or computer network;

(2) an assessment of the State and local resource needs, including criminal justice resources being devoted to the investigation and enforcement of computer crime laws; and

(3) a plan for coordinating the programs funded under this section with other federally funded technical assistant and training programs, including directly funded local programs such as the Local Law Enforcement Block Grant program (described under the heading "Violent Crime Reduction Programs, State and Local Law Enforcement Assistance" of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (Public Law 105–119)).

(d) Matching Funds.—The Federal share of a grant received under this section may not exceed 90 percent of the costs of a program or proposal funded under this section unless the Attorney General waives, wholly or in part, the requirements of this subsection.

(e) Authorization of Appropriations.—

(1) In general.—There is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2000 through 2003.

(2) Limitations.—Of the amount made available to carry out this section in any fiscal year not more than 3 percent may be used by the Attorney General for salaries and administrative expenses.

(3) Minimum amount.—Unless all eligible applications submitted by any State or unit of local government within such State for a grant under this section have been funded, such State, together with grantees within the State (other than Indian tribes), shall be allocated in each fiscal year under this section not less than 0.75 percent of the total amount appropriated in the fiscal year for grants pursuant to this section, except that the United States Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands each shall be allocated 0.25 percent.

(f) Grants to Indian Tribes.—Notwithstanding any other provision of this section, the Attorney General may use amounts made available under this section to make grants to Indian tribes for use in accordance with this section.

By Mr. BINGAMAN:

S. 1315. A bill to permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease; to the Committee on Indian Affairs.

FRACTIONATED LANDS

Mr. BINGAMAN. Mr. President, I rise to talk about a bill that I have sent to the desk. It relates to a very serious problem faced by a large number of Navajo people in my State. The issue is referred to as "fractionated lands."

Around the turn of the century, the Federal Government attempted to force Indian people to assimilate by breaking up traditional tribal lands and allotting parcels of the land to individual tribal members. In New Mexico, this policy created what is known as the "checkerboard," because alternating tracts of land are now owned by individual Navajos, the state, the federal government, or private landowners. A Navajo allotment was generally 160 acres. Under the allotment system, the Navajo owner was granted an undivided interest in the entire parcel. The heirs of the original owner also inherit an undivided interest, geometrically compounding—or fractionating—the number of owners of the original 160 acres.

This allotment policy, coupled with other federal laws governing Indian land ownership, land management, and probate, have not served the Navajo people well during this century. I am introducing legislation today to help address this problem.

Mr. President, I'd like to take a few minutes to illustrate why the legislation I am proposing is needed. If a Navajo was allotted a 160-acre parcel and had four heirs, the heirs did not inherit 40 acres each when the original owner died. Rather, each heir inherited a 25 percent undivided interest in the full 160-acre allotment. Going forward, when the current four owners died, assuming again four heirs each, sixteen heirs inherited a 6.25 percent undivided interest in the allotment. The next generation would result in 64 heirs each with a 1.5625 percent undivided interest. And so forth.

What makes this situation so unique is that each heir inherits an undivided interest in the allotment. Over time, individual owners may inherit tiny fractions in many different allotments around the reservation. In my state, there are about 4,000 individual allotments covering nearly 700,000 acres. At this point, these 4,000 Navajo allotments have a total of 40,000 listed owners, and the number grows every day. It doesn't take a Ph.D. in math to figure out what's wrong with this policy.

Mr. President, in April I held a town meeting with Navajo allottees in

Nageezi, New Mexico, a small chapter house in the Northeast section of the Navajo Reservation. The allottees talked about the serious problems that fractionated ownership has caused. Over 100 members of the Navajo Nation came from as far away as Aneth, Utah, to speak at the meeting. As you know, the Navajo Nation extends into three states, New Mexico, Arizona and Utah, and there are allottees living in all three states.

Record keeping of individual land ownership has become a nightmare. In many cases, owners can no longer be located. Also, ownership can be clouded when an owner dies without a legal will—a common situation in Indian Country.

Some individuals do not even realize they own one or more of these allotments. Often, individuals are surprised to find out that they are an heir to an allotment on another reservation.

Mr. President, we all recognize there are serious problems with BIA's management of its trust responsibilities for allotted lands in New Mexico. The management problems were brought out very clearly at a joint Senate hearing in March. The hearing also revealed the extent to which the government's allotment policy contributed to BIA's current trust management problems.

On the Navajo reservation, a three-year pilot project is underway in Farmington, New Mexico, to try to unravel some of the management problems with allotted Navajo lands. This project, called the Farmington Indian Minerals Office, or FIMO, is trying to cut through the red tape created by three different Bureaus in the Department of Interior, BIA, BLM, and MMS, which share responsibility for management of allotted lands. The FIMO has worked hard to assist Navajo allottees determine who their fellow allottees are and what land each allottee owns. I support the efforts of FIMO. If this legislation is passed, FIMO could accomplish even more on behalf of the Navajo allottees in the three states.

Mr. President, over the years, Congress has tried to deal with the problem of fractionated lands, and has failed every time. The long history of trust management problems is not going to be corrected quickly. Developing and implementing a comprehensive solution is going to take time. The Indian Land Working Group is one of the leaders in this area and has submitted a proposal for Congress to consider. I applaud the efforts of Senators CAMPBELL and INOUYE and the members of the Indian Affairs Committee for taking on this difficult issue. Some of the proposals include improved record keeping, probate and estate planning programs, and new processes for consolidating fractionated lands. I look forward to working with the Committee to craft a comprehensive solution.

While the larger issue of fractionated ownership is being considered by the Senate, I believe it is appropriate to consider a stop-gap measure to help stimulate near-term economic development on fractionated Navajo lands. There is an abundance of oil and gas beneath the Navajo allotments, yet the allottees are unable to benefit from this wealth because of federal laws that make it very difficult for Indian allottees to lease their land. To illustrate, during the last 12 years, $7 million in leasing bonuses has been paid to the state and federal government for leases in the checkerboard region of New Mexico, while only $27,000 has been paid to owners of Navajo allotments.

The problem lies in the 1909 Mineral Leasing Act. The Act requires all persons who have an undivided interest in any particular parcel to consent to its lease. In the case of Navajo allottees, 100 percent of the allottees must consent to a lease of their land. Because of the fractionated land problem, obtaining 100 percent consent is often impossible because many owners cannot be located. Consequently, the Navajo allottees are precluded from the beneficial use of their land.

The bill I am introducing today will facilitate the leasing of Navajo allotted land for oil and gas development. In the case of non-Indians, most states already allow mineral leases with less than 100 percent consent of the owners as long as all persons who own an interest receive the benefits from the lease. My bill simply extends similar benefits to Navajo allottees. The bill would authorize the Secretary of the Interior to approve an oil or gas lease connected to Navajo allotted land when less than 100 percent of the owners consent to such a lease. A similar bill was passed in the 105th Congress to facilitate mineral leasing of allotted lands on the Ft. Berthold Reservation in North Dakota.

My bill proposes a graded system for lease approval. In situations where there are 10 or fewer owners of an allotment, 100 percent of the owners must consent to a lease. However, where there exists 11 to 50 owners of an allotment, only 80 percent of the owners need consent. And, with more than 50 owners, 60 percent consent would be required. This graded system was suggested by the Navajo allottees.

Mr. President, unemployment on the Navajo Reservation now exceeds 50 percent. The opportunities for economic development on this land are few. It is not appropriate for the federal government to continue to deprive the legal owners of Navajo allotted lands the option to develop their land as they choose. This bill is a small step toward correcting the mistakes of the past and a bigger step towards providing economic prosperity for future generations of Navajo allottees.

The bill has the support of the Navajo Nation and the Shii Shi Keyah, the principal Navajo Allottees' Association.

Mr. President, I ask unanimous consent that a resolution from the Shii Shi Keyah Association and a letter from the Navajo Nation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SHII SHI KEYAH ASSOCIATION RESOLUTION OF THE BOARD OF DIRECTORS

Whereas, the Board of Directors of Shii Shi Keyah Association ("SSKA"), an unincorporated association of Navajos who have ownership interests in allotments on or near the Navajo Reservation, generally referred to as Navajo Indian Country, has considered a number of issues relating to oil and gas rights and revenues which require its attention;

Whereas, United States Senator Jeff Bingaman will introduce in the 106th Congress, 1st Session, a bill which begins "To permit the leasing of oil and gas rights on certain lands in New Mexico held in trust for the Navajo Tribe or allotted to a member of the Navajo Tribe, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for issue;"

Be it Resolved that SSKA will support Senator Bingaman's bill if it is amended to include the states of Utah and Arizona.

CERTIFICATION

The foregoing Resolution was adopted by the Board of Directors of Shii Shi Keyah Association of Bloomfield, NM with no votes against and no abstentions at a regular meeting of the Board held on June 4, 1999.

THE NAVAJO NATION,
Washington, DC, May 18, 1999.

Re: Proposed Bill to Permit the Leasing of Oil and Gas Rights on Certain Lands in New Mexico Held in Trust for the Navajo Tribe or Allotted to a Member of the Navajo Tribe, in any Case in which There Is Consent from a Specified Percentage Interest in the Parcel of Land under Consideration for Lease

Hon. JEFF BINGAMAN,
U.S. Senate,
Hart Senate Office Building, Washington, DC.

SENATOR BINGAMAN: Thank you for scheduling the April 8, 1999 meeting at the Nageezi Chapter. The Navajo Nation appreciates your interest in the problems faced by Navajo people regarding their allotted lands in northwestern New Mexico.

The Navajo Nation supports your efforts toward solving the problems engendered by increasingly fractionated interests held by Navajo individuals in allotted lands. We support the intent of the bill, provided that it is supported by a consensus of Navajo individuals that will be affected. In addition, we can support most of the particulars of the bill, although the Navajo Nation would request some minor revisions to the bill before it is introduced, as explained below.

Initially, we are concerned whether a consensus of affected Navajo individuals support the proposed bill. The Navajo Nation is concerned that the Shii Shi Keyah Association apparently opposes the bill, as indicated in a letter to you dated March 11, 1999 from the Association's attorney, Alan R. Taradash, copy attached. We understand that the Shii Shi Keyah Association is a respected organization comprised of Navajo individuals numbering in the thousands.

The approach suggested by Mr. Taradash, the conveyance of fractionated interests into family trusts, appears to have much to commend it. However, we are not sure that the family trust approach and the approach reflected in the proposed bill are mutually exclusive. The Navajo Nation respectfully requests that your office continue to work with affected Navajo individuals to assure that the bill reflects the best approach or combination of approaches to solve the problems facing those individuals. The Navajo Nation would be happy to work with your office in this regard, and stands ready to provide any assistance your office may need.

In addition, the Navajo Nation is very concerned with the effect of section 1(b)(3)(A) of the proposed legislation, which would appear to make the Navajo Nation a party to any lease of oil and gas rights in allotted lands in which it might own a minority interest. While the Navajo Nation has no objection to any minority interest it might hold being leased in accordance with the provisions of the bill, if that is the approach that a consensus of affected Navajo individuals support, the Navajo Nation must opposed being made a party to any such lease. The Navajo Nation has very deliberate policies and requirements regarding terms and conditions in leases to which it is a party. In the present judicial climate, lease terms and conditions can have a profound effect on the sovereignty of an Indian nation. Therefore, we must respectfully request that section 1(b)(3) of the bill be changed to read in its entirety as follows:

"(3) EFFECT OF APPROVAL.—On approval by the Secretary under paragraph (1), an oil or gas lease or agreement shall be binding upon each of the beneficial owners that have consented in writing to the lease or agreement and upon all other parties to the lease or agreement and shall be binding upon the entire undivided interest in a Navajo Indian allotted land covered under the lease or agreement."

Finally, the Navajo Nation respectfully requests that all references to the "Navajo Tribe" be changed to refer to the "Navajo Nation," and that the reference be deleted in section 1(a)(3) to the Navajo Nation as "including the Alamo, Ramah and Cañoncito bands of Navajo Indians." The Term "Navajo Nation" is the legal name of the Navajo Nation, and by Navajo Nation statute is preferred over the term "Navajo Tribe." We must object to the reference to the three bands (but not others) because of the possible negative inference that there exists some ambiguity as to whether such bands are constituent parts of the Navajo Nation. There is no such ambiguity now, and we wish to avoid creating any. The reference can safely be deleted without causing any uncertainty in the definition.

Unfortunately, fractionated interests remains a significant problem within the Navajo Nation, as we understand it is also within our Indian nations. The Navajo Nation would like to work your office and with other members of Congress on comprehensive, long-term solution to this problem. If you have any questions, or need additional information, please contact the Navajo Nation Washington Office.

Sincerely,

ESTELLE J. BOWMAN,
Executive Director.

By Mr. AKAKA (for himself, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mr. WELLSTONE, Mrs. MURRAY, and Mr. LAUTENBERG):

S. 1317. A bill to reauthorize the Welfare-to-Work program to provide additional resources and flexibility to improve the administration of the program; to the Committee on Finance.

WELFARE-TO-WORK AMENDMENTS OF 1999

Mr. AKAKA. Mr. President, I rise to introduce a bill that would continue a program vital to helping welfare recipients who face the greatest barriers to finding and securing employment, called the Welfare-to-Work Amendments of 1999. My bill targets resources to families and communities with the greatest need, simplifies eligibility criteria for participation, and helps noncustodial parents get jobs to enable them to make child support payments. It also opens more resources to Native Americans, the homeless, those with disabilities or substance abuse problems, and victims of domestic violence. This is similar to a proposal unveiled by the Clinton Administration earlier this year and introduced as H.R. 1482 by Representative BENJAMIN CARDIN of Maryland. I would also like to thank my colleagues Senators MOYNIHAN, FEINSTEIN, WELLSTONE, MURRAY, and LAUTENBERG for joining me as original cosponsors of my bill.

Mr. President, I ask unanimous consent that a letter which I received from the Secretary of Labor, Alexis Herman, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF LABOR,
Washington, July 1, 1999.

Hon. DANIEL K. AKAKA,
U.S. Senate,
Washington, DC.

DEAR SENATOR AKAKA: I congratulate you on the introduction of the "Welfare-to-Work Amendments of 1999." I am pleased that your legislation joins that introduced by Rep. Benjamin Cardin earlier this year in the House in seeking to accomplish the Administration's objectives in reauthorizing the Welfare-to-Work (WtW) Grants Program. President Clinton and I believe the Welfare-to-Work Grants Program is a key component of the overall welfare reform effort. While welfare caseloads have declined by nearly half over the last six years, many individuals remaining on welfare are long-term recipients who face significant barriers to employment. As the President said in his April 10th radio address, "We can't finish the job of welfare reform without doing more to help people who have the hardest time moving from welfare to work—those who live in the poorest neighborhoods and have the poorest job skills. That's why I call on Congress to pass my plan to extend the Department of Labor's Welfare-to-Work program."

This legislation incorporates the President's proposal to extend the WtW Program, reflecting key suggestions the Administration has received from State and local service providers since the passage of the Balanced Budget Act of 1997. The WtW program funds job creation, job placement, and job retention efforts to help long-term welfare recipients and non-custodial parents move into lasting, unsubsidized employment. In addition to helping long-term welfare recipients make the transition from welfare to work, this bill will help more low-income fathers increase their employment and their involvement with their children. Demand for WtW has been great. Last year, over 1,400 applicants from local communities across the nation applied for more than $5 billion in WtW Competitive Grants, but DOL had sufficient resources to fund less than 10 percent of these projects. In addition, 44 states covering 95 percent of the welfare caseload applied for formula funds. While the fundamental principles and features of the program are maintained (including the focus on work, targeting resources to individuals and communities with the greatest need, and administration through the locally administered, business-led workforce investment system) we are also pleased to see the principles of the original legislation further carried out by the addition of the following enhancements:

A simplification of eligibility criteria which continues to focus on long-term welfare recipients but provides that at least one, rather than two, specified barriers to employment must be met.

The provisions of even greater flexibility to serve those with the greatest challenges to employment by the addition of long-term welfare recipients who are victims of domestic violence, individuals with disabilities, or homeless as eligible to participate.

A strong focus on the family by targeting at least 20 percent of the WtW Formula Grant funds to help noncustodial parents (mainly fathers) with children who are on or have exhausted Temporary Assistance to Needy Families fulfill their responsibilities to their children by committing to work and pay child support.

An increase in the reserve for grants to Indian tribes from the current 1 percent of the total to 3 percent, and an authorization for Indian tribes to apply directly to the Department of Labor for WtW Competitive Grants.

A procedure which allows unallotted formula funds to be used to award competitive grants in the subsequent year, providing a preference in awarding these funds to those local applicants and tribes from States that did not receive formula grants.

The development of streamlined reporting requirements through the Department of Labor.

The establishment of a one percent reserve of Fiscal Year 2000 funds for technical assistance which includes sharing of innovative and promising practices and strategies for serving noncustodial parents.

In addition to the changes proposed by the Administration, the legislation also provides for:

The inclusion of children aging out of foster care as eligible service recipients and

The addition of job skills training and vocational educational training.

While our welfare reform efforts have resulted in some important early successes, much remains to be done. Reauthorizing the WtW program, together with the Administration's proposals to provide welfare-to-work housing vouchers, transportation funds, and employer tax credits, will provide parents the tools they need to support their children and succeed in the workforce. Your introduction of the "Welfare-to-Work Amendments of 1999" provides significant opportunities to hard-to-employ welfare recipients to make the transition to stable employment and assist noncustodial parents in making meaningful contributions to their children's well-being. I applaud and support your efforts.

> The Office of Management and Budget advises that it has no objection to the transmittal of this report from the standpoint of the Administration's program.
>
> Sincerely,
>
> *Alexis M. Herman.*

Mr. AKAKA. Mr. President, I quote from that letter to me.

> President Clinton and I believe the Welfare-to-Work Grants Program is a key component of the overall welfare reform efforts.

Mr. President, the Welfare-to-Work program has helped numerous welfare parents—both custodial and non-custodial—find and keep jobs that pay a living wage and allow them to fulfill basic obligations to their children. Children have fundamental needs for food, shelter, and clothing, yet many parents find themselves barely scraping by, in order to obtain these things. Many families are unable to go much beyond the essentials to enroll their children in sports and other activities that build strong bodies and social skills, or to provide them with decent school supplies, books or computers to develop strong minds. Most families take these things for granted because they live without the anxiety of wondering when the next paycheck or child support payment might be coming in. They have the finances to pay for child care to enable parents to work during the day. They have cars or other access to transportation that will take them to work every morning. Or they have a telephone so that they may receive calls for job interviews. The families that cannot make ends meet continue to live in dire need and find their children living at risk.

Mr. President, 14.5 million American children live in poverty. Furthermore, as reported in Kids Count 1999, 32 percent of children do not live with two parents and 19 percent live in a home where the head of household is a high school dropout. Twenty-one percent of children are in families with incomes below the poverty line, 28 percent are living with a parent or parents lacking steady full-time employment, and 15 percent do not have health insurance. It is a shame that, in the most prosperous nation in the world, we continue to be faced with these dismal statistics for our children—young Americans who hold the promise of this country's future in their hands.

Many of these children were helped when the Balanced Budget Act of 1997 created the Welfare-to-Work program as a new system for providing assistance to welfare recipients most in need. This followed on the heels of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, which replaced the Aid to Families with Dependent Children cash assistance program with the Temporary Assistance for Needy Families (TANF) program.

The 1996 welfare reform law addressed the bulk of the welfare population but lacked a component to help the hardest to employ welfare recipients. Thus, Welfare-to-Work was passed to assist this population find jobs and achieve independence so they no longer would need public support. The Welfare-to-Work program became an essential component of the Administration's welfare reform effort by providing recipients with a good alternative to welfare.

Since 1996, the number of people in the system dropped by a record number: forty percent from a peak of about five million families in 1994 down to three million families as of June, 1998, according to the General Accounting Office. However, the job is not finished. Welfare-to-Work is needed now more than ever because those remaining on the rolls are increasing likely to have multiple barriers to employment such as poor work experience, inadequate English or computer skills, or substance abuse problems.

We need to invest much more to help these individuals reach self-sufficiency than we did in those who have already left welfare-these individuals might have already had an educational record, special skills or significant family support behind them to help them to their feet. In contrast, Welfare-to-Work participants are the welfare recipients who need the most help. In addition, extending Welfare-to-Work will become even more important when TANF recipients and their children reach welfare time limits in 19 states by year's end and have their benefits reduced or completely removed.

These are the hard luck cases, Mr. President. These are the people who continue to be left out of the economic boom of the 1990s. And these are the people whom Welfare-to-Work was designed to help. If we let the program expire this year, even if states have three years from the date of award to spend their program funds, we will be saying to these people, "We've forgotten the promises we made to you in 1996 that we would continue to help you. Now, there is no more help for you."

This would be particularly harmful in my state of Hawaii which has struggled due to the Asian financial crisis and has been the only state where welfare rolls have increased. Welfare-to-Work has assisted many of Hawaii's welfare recipients through this period of financial hardship for the state by helping them find unsubsidized employment. The program must be extended so that it may help other recipients and their families in my beleaguered state.

My bill not only extends the Welfare-to-Work program, but it also makes a number of important improvements to the program that states, counties, and cities have requested. Currently, most funds allocated to Welfare-to-Work state formula grants cannot be used because of eligibility criteria that are difficult to meet. Currently, an individual must have been receiving assistance for at least 30 months or must be within 12 months of reaching the maximum period for assistance. In addition, they must have two of three characteristics, including: lacks a high school diploma or GED and has low math or reading skills; has a poor work history; or requires substance abuse treatment for employment. These criteria have excluded many TANF applicants who, for instance, may have a GED or high school diploma but still cannot read; these criteria have proven unrealistic.

Instead, under my bill, criteria would be changed to require participants to have one out of seven characteristics: lacks a high school diploma or GED; has English reading writing, or computer skills at or below the 8th grade level; has a poor work history; requires substance abuse treatment for employment; is homeless; has a disability; or is a victim of domestic violence. This revision in eligibility criteria would allow the program to better match the participant pool. It is necessary because current criteria have left more than 90 percent of Welfare-to-Work state formula grants unspent. In Hawaii alone, only 37 percent of our TANF recipients have been eligible to participate in the program, and this figure would double under my bill. Furthermore, officials of the Hawaii Department of Human Services which administers TANF and Welfare-to-Work in my state predict that unless the Federal law is changed, it is unlikely that they will be able to refer clients in sufficient numbers to meet WtW expectations. Similar situations exist in all states, and these criteria revisions respond to State and local entities that have been doing the work of Welfare-to-Work and want to serve as many participants as possible. In Texas, 21,000 people would be able to participate in the program, according to the U.S. Department of Labor. Under my bill, figures like this could be seen across the nation, and more people in need would be able to find employment.

A related improvement contained in my bill is that it transfers any unallocated Welfare-to-Work formula grant funds into the competitive grant program. This competitive grant program has been tremendously popular.

Out of the 1400 applications submitted requesting a total of $5 billion, only 126 applications for $470 million in funds were awarded in FY 1998. This portion of Welfare-to-Work needs more funding. Under my bill, preference is given to grant applications submitted from states that did not receive a formula grant.

Mr. President, my bill also provides a re-emphasis on the whole family. This past Father's Day, I had the opportunity to celebrate with several of my children and their families, as it was a day to celebrate and honor the family. However, many fathers were not as fortunate as myself and were not able to celebrate with their children because they went through divorce and did not receive custody of the children. Even worse, many of these fathers are dismissively labeled "dead beat dads" because they are not a presence in their children's lives and do not pay child support. What we have found, Mr. President, is that many of these fathers do not want to abandon their children. Rather, they are "dead broke dads" and face the same barriers to finding and holding employment that many welfare mothers do. This prevents them from fulfilling child support obligations, which many want to do. If these fathers can provide for their children, they will be more likely to see them more often. Hopefully, renewed financial and emotional involvement of fathers will mean that these children's lives will improve.

For these non-custodial fathers, my bill will make it easier for them to participate in Welfare to-Work. Currently, non-custodial parents face the same problems in attempting to qualify for Welfare-to-Work as other applicants because of the same overly-restrictive criteria. Under my bill, the eligibility requirements for non-custodial parents will be revised to allow them to demonstrate that they are unemployed, underemployed, or having difficulty paying child support payments. In addition, at least one of the following characteristics must apply to the minor child or non-custodial parent: the child or non-custodial parent has been on public assistance for over 30 months, or is within 12 months of becoming ineligible for TANF due to a time limit; the child is receiving or eligible for TANF; the child has left TANF within the past year; or the child is receiving or is eligible for food stamps, Supplemental Security Income (SSI), Medicaid, or the Children's Health Improvement Program (CHIP).

The bill increases funding for non-custodial parents by requiring that at least 20 percent of state formula funds be used for this population. The bill also provides that a non-custodial parent will enter into an individual responsibility contract with the service provider and state agency to say that he or she will cooperate in the establishment of paternity and in the establishment or modification of a child support order, make regular child support payments, and find and hold a job. These revisions are an attempt to permit and encourage non-custodial parents to provide for their children, become more involved in their children's lives, and pursue better lives for themselves and their families.

Mr. President, Native American communities will benefit from my bill from a doubling of the Native American set-aside from $15 million to $30 million. This funding increase in necessary because Native Americans currently receive one percent of the total Welfare-to-Work funds but serve 3.2 percent of total program participants, according to a recent U.S. Department of Health and Human Services Welfare-to-Work Evaluation. In recognition of their sovereignty, the bill also provides Native American tribes with flexibility in designing programs that are effective for their territories. It is a gross understatement to say that our Native American communities have not had the chance to experience the economic success that our nation has been enjoying. We must do what we can to make up for this shortfall, fulfill our Federal responsibilities to Native Americans, and help families and children in Native American communities who face obstacles to self-sufficiency.

Mr. President, children who leave foster care at age 18 make up another hard-to-help population that faces numerous barriers to employment. My bill introduces new support for these individuals when they attempt to start out on their own by allowing them to take advantage of Welfare-to-Work programs. According to DOL, 20,000 children leave foster care annually. Of these, 32 to 40 percent receive some type of government assistance within the first 18 months after leaving the foster care system. This bill provides funds to help them find alternatives to welfare as they leave their state care system.

My bill simplifies Welfare-to-Work reporting requirements so that the program can be evaluated effectively. This evaluation will allow Congress and DOL access to better statistics on how the program is performing nationwide. In addition, one-percent of the funds are provided for technical assistance so that DOL can ensure cooperation between states, local governments, TANF and child support agencies, and community-based organizations so that all are able to work together and be better able to provide services to those who are in need.

Finally, the bill eases Welfare-to-Work's "work first" requirements that mean that TANF recipients must find jobs first, before they are able to take advantage of stand-alone programs such as job training, basic education or vocational education programs. My bill would designate these as allowable work activities under Welfare-to-Work. This change is in response to requests from states who want to use program funds to better prepare recipients for the workforce before sending them off to a job. This approach seeks to improve TANF recipients' chances at maintaining steady employment.

Although my colleagues may have disagreed on welfare reform in the past, Welfare-to-Work is a program that all should be able to support. It represents a Federal-state-local partnership, as well as a partnership between government, private industry, and community-based organizations. It encourages people to take responsibility for themselves, find work, and contribute to their families and society in a meaningful way. We cannot abandon these welfare recipients who are the most difficult to employ and must instead invest in them in a way that will help them find jobs paying a living wage, become self-sufficient, and allow them to break out of the cycle of dependency on public assistance.

I would again like to thank my colleagues Senators MOYNIHAN, FEINSTEIN, WELLSTONE, MURRAY, and LAUTENBERG for joining me as original cosponsors of my bill, and I urge other colleagues to join us in supporting this important Welfare-to-Work reauthorization bill.

By Mr. JEFFORDS (for himself, Mr. KERRY, Mr. GRAMS, Mr. SARBANES, and Mr. WELLSTONE):

S. 1318. A bill to authorize the Secretary of Housing and Urban Development to award grants to States to supplement State and local assistance for the preservation and promotion of affordable housing opportunities for low-income families; to the Committee on Banking, Housing, and Urban Affairs.

AFFORDABLE HOUSING PRESERVATION ACT OF 1999

• Mr. JEFFORDS. Mr. President, today I am pleased to introduce with Senator KERRY, Senator GRAMS, AND SENATOR WELLSTONE the Affordable Housing Preservation Act of 1999.

My work on this bill began several weeks ago out of discussions with Vermont housing advocates and private section 8 property owners, and as well as with Senator ALLARD, Senator GRAMS and Senator GRAMM during consideration of the Financial Modernization bill. We all acknowledge that this issue has rapidly become a serious national problem—one where thousands of low income elderly, disabled, and families with children are increasingly unable to afford privately-owned low income housing units.

Housing and Urban Development Secretary Andrew Cuomo and Commissioner Apgar recently took the step of exercising authority provided by Congress to use additional vouchers to stem the tide of Section 8 opt outs and prepayments. The Affordable Housing Preservation Act will provide a more permanent solution to this crisis.

The Jeffords/Kerry Affordable Housing Preservation Act will provide a longterm solution by building on local partnerships between non-profits, state and local governments, and private landlords to keep existing projects available for low income tenants. The bill preserves existing low income projects, as well as increase the units to expand a tight housing marketplace through new acquisition and rehabilitation.

In Vermont rents have increased 11 percent over the past three years, making it increasingly difficult to find affordable shelter. To make matters worse, the lack of low income housing makes it simply impossible to find a place to live in areas like Burlington, where the vacancy rate is less than one percent.

The need to preserve existing housing from opt outs and prepayments is only exceeded by the need to expand the number of housing units for low-income families, elderly and disabled. The affect of more Section 8 vouchers is undermined when there is nowhere to use them. On any given day in Burlington there are just 60 available rental units in a city of more than 40,000 people.

In such circumstances, low income families cannot even find a place to live, much less find one that's affordable. This problem has been a key factor in increasing homelessness, as families seeking help from Burlington's emergency shelter rose over 60 percent between 1997 and 1998.

As Section 8 federal subsidies come up for renewal more often, the risk of opt outs by private landlords increases. Housing projects in Brattleboro and Montpelier currently face opt out situations where landlords will raise rents to levels that Section 8 tenants cannot afford.

The Affordable Housing Preservation Act will build foundations for cooperation where efforts to raise public and private money are enhanced through federal matching grants. Vermont's community based non-profit organizations have achieved much success by encouraging private landlords seeking to exit the affordable housing business to transfer ownership to these groups.

Although "sticky vouchers" provide much needed short term relief, the Affordable Housing Preservation Act offers a long term solution to the opt out and prepayment problem by expanding community-based housing preservation and acquisition initiatives. This bill will give hope by providing help for those elderly, disabled, and families facing eviction or homelessness.

I look forward to working with the Chairmen and Members of the Housing Committees in the Senate and House to fix this problem and provide a new direction for the nation in affordable housing.•

• Mr. KERREY. Mr. President, I am pleased to have worked with Senator JEFFORDS to draft the legislation we are introducing today, the Affordable Housing Preservation Act of 1999. The legislation will establish a matching grant program that provides money to states and localities that are willing to put up some of their own funds for the purposes of preserving affordable housing. In order to receive a grant under this program, the owner would have to commit to maintaining the existing affordability restrictions for a minimum of 15 years.

In addition, the legislation will encourage transfer of ownership of these properties to non-profit housing corporations that work closely with residents. We believe that non-profit ownership will, in the long run, ensure the maximum possible commitment to affordability at the lowest possible cost. The current ownership structure for assisted housing constantly puts us in this bind of having to provide more and more money just to keep what we have already built and paid for. With non-profits, we will not face the constant dilemma of opt-outs, prepayments or expiring affordability restrictions. Nonetheless, private owners who want to continue to provide affordable housing will be eligible under this bill.

I appreciate the efforts of Senator JEFFORDS in facing this problem head-on. We are facing an increasing crisis in affordable housing. Ironically, this crisis worsens as the strong economy pushes rents ever higher, out of the reach of many working Americans and the poor. This legislation will help us preserve this crucial affordable housing resource.

In the long run, however, preservation of affordable housing, while necessary, won't solve the problem facing millions of American families. The real problem in many cities around the country is that there is not enough production of new housing. We need to find ways to fund the construction of new, affordable, multifamily housing for low income and working families, and we need to fund the 100,000 additional vouchers we authorized in last year's public housing bill. This is not just a poor person's issue. In many states around the country—Massachusetts, Nevada, New York, Connecticut, New Jersey, Alaska, and others—a family would need to work as many as three full time jobs at $7 per hour, well above the minimum wage, just to afford the rent on a typical 2 bedroom apartment. This is unsustainable economically, and it is simply not fair.

In sum, Mr. President, the Jeffords-Kerry bill builds effectively on efforts HUD is taking to save existing housing stock. Now, we need to provide the funding to make sure these efforts can move forward, as we consider longer term solutions in the months ahead.•

By Mr. BOND:

S. 1319. A bill to authorize the Secretary of Housing and Urban Development to renew project-based contracts for assistance under section 8 of the United States Housing Act of 1937 at up to market rent levels, in order to preserve these projects as affordable low-income housing, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SAVE MY HOME ACT OF 1999

• Mr. BOND. Mr. President, I stand before you today to introduce the Save My Home Act of 1999. This legislation is intended to provide a blueprint for HUD to address the problem of owners opting out of the section 8 program by not renewing their section 8 project-based contracts. This is a housing crisis. In my state of Missouri alone, section 8 contracts on over 23,000 units will expire over the next 5 years. Nationwide, section 8 contracts on over 14,000 multifamily housing projects with over 1 million units will expire over the same period of time.

The "Save My Home Act of 1999" will restate and reemphasize the need for HUD to use its best efforts to renew all expiring section 8 project-based contracts. The bill also provides new authority for section 8 enhanced or "sticky" vouchers to ensure that families in housing for which owners do not renew their section 8 contracts will be able to continue to live in their housing with the Federal government picking up the additional rental costs of the unit. The use of sticky vouchers is intended as a last resort. HUD must push for the renewal of the section 8 project-based contracts first. The bill also focuses on appraisals so that the cost of this housing reflects the true market value of the rental units. This has been a huge problem and will continue to be a problem until HUD develops the capacity and expertise to appraise adequately these multifamily housing projects.

This legislation is needed because HUD has, until recently, refused to renew section 8 project-based contracts at market levels. In response to this policy, many owners of this housing have refused to renew their section 8 contracts and the housing has been converted to market rate housing and lost as affordable, low-income housing inventory. This means that the assisted low-income families in this housing often have to move because the new rents will be too high for the section 8 rental subsidies. This is a huge problem, especially for the elderly and for persons with disabilities who have come to see this housing as their homes.

And this has become a crisis. For example, according to the National Housing Trust, during 1998 alone, owners of 219 properties with some 25,488 units section 8 units voluntarily opted out of receiving federal rental subsidies under the section 8 project-based program. Moreover, it has been estimated that we are losing another 3,000 section 8 units a month because of HUD's inaction. I wish we had better numbers but HUD is not providing us or the housing advocates with this information, and it is not clear that HUD even has this information.

However, I do want to be clear about the parameters of section 8 opt-out crisis. HUD currently has the legal authority to renew expiring section 8 contracts at the market rent, but has failed to implement this authority. Congress in the Multifamily Assisted Housing Reform and Affordability Act of 1997, as enacted on October 27, 1997 in the VA/HUD FY 1998 Appropriations bill, provided HUD with the authority to renew section 8 contracts up to the rental market level. This was almost 2 years ago, and HUD has only announced recently a renewal policy that it has not yet been able to implement. And despite press releases to the contrary, I am not convinced that HUD intends to renew these contracts except with an additional push from the Congress.

I also want to be clear about funding. HUD has enough funds to pay for section 8 contract renewals, even though HUD would have you believe otherwise. In particular, HUD has at least $2 billion in the Housing Certificate fund in excess of what is needed for renewing all expiring section 8 contracts this year. Instead of committing any of these funds for the renewal of section 8 project-based contracts, HUD has dedicated these funds as part of its FY 2000 budget for general section 8 contract renewals. Nevertheless, this money is available now and can be used to renew these expiring section 8 contracts. The real problem is that HUD does not have the "will" or "commitment" to fund these contracts. In fact, the biggest problem is commitment because you cannot legislate commitment. We need to find a way to make HUD renew these section 8 project-based contracts.

HUD's lack of commitment to section 8 project-based housing has been a problem through this Administration. From the start, both HUD and the Administration have had a stated policy of opposing section 8 project-based assistance in favor of vouchers. And this is true whether we are talking about elderly housing, housing for persons with disabilities, or housing that is located in very low vacancy areas, such as rural areas where there is no available housing or high-cost urban areas like Boston and San Francisco. This has been a problem in the past with the Section 202 program and with the Mark-to-Market inventory.

One final point is that I know there is interest in both the House and Senate in funding a grant program to assist in the sale of section 8 projects to nonprofits and tenant groups. While I support the concept of selling section 8 projects to nonprofits and tenant groups, I am troubled by the thought of buying projects that the Federal Government has already paid for several times over. This program sounds like another reiteration of the preservation program which we misguidedly funded over several years through the VA/HUD Appropriations Subcommittee, resulting in fraud and abuse as we vastly overpaid the value of these projects when we could have been using those funds for more fiscally responsible, affordable housing purposes.

I look forward to working with interested Members of Congress on these very important issues.●

By Mr. CRAIG:

S. 1320. A bill to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands and for other purposes; to the Committee on Energy and Natural Resources.

PUBLIC LANDS PLANNING AND MANAGEMENT IMPROVEMENT ACT OF 1999

Mr. CRAIG. Mr. President, the bill I am introducing today represents a significant modification of S. 1253, which I introduced in the last Congress. This effort represents a large body of work—both oversight and legislative—to modernize the laws governing our stewardship over federally-owned, multiple-use lands.

For those of you who have just tuned in, this bill is the result of 15 oversight hearings that my Subcommittee on Forests and Public Land Management held during the 104th Congress. These hearings involved over 200 witnesses, representing all points of view, and reviewing all aspects of the management of the Forest Service and Bureau of Land Management lands. The overwhelming conclusion from all of these witnesses—developers and environmentalists alike, public and private sector employees alike—was that the statutes governing federal land management—the 1976 Federal Land and Policy Management Act and the 1976 National Forest Management Act—are antiquated, and in need of updating. These statutes were passed by Congress in the mid-1970s to help solve land management problems. Today, they are a large part of the problem.

I look at laws as "tools" for use by professional land managers and resource scientists that help establish priorities and make management decisions. These two tools are as antiquated as the slide-rule and computer punch cards that were the tools used by land managers at the time that these statutes were passed.

As a consequence of this oversight review during the 104th Congress, and subsequent oversight hearings since, I drafted S. 1253 and circulated it at the outset of the 105th Congress. That draft, and the subsequently-introduced bill were, in turn, the subject of six informal workshops and another eight formal, legislative hearings to review the concepts embodied in both the first draft and the introduced version of S. 1253. The ideas that emanated from the oversight hearings were modified to reflect the suggestions of witnesses, and in recognition of how resource management problems have subsequently evolved.

Also, during the course of the last eighteen months, we have held additional hearings, reviewed subsequent correspondence, and enjoyed additional dialogue about how to best modify the 1976 statutes. For instance, we held one hearing where all four of the former Chiefs of the Forest Service and one former Bureau of Land Management Director shared their views about the current state of federal land management, and where legislative action could assist their successors in discharging the public trust more effectively.

During this time period there has been at least one seminal decision from the Supreme Court. In Ohio Forestry Association versus Glickman, the Supreme Court has, in my view, significantly devalued the importance of the land management planning process authorized under the National Land Management Act, and probably FLPMA as well. In that decision, the Court denied standing to challenge resource management plans, essentially on the basis that no real decisions are made. While properly decided on the basis of existing law, I believe that decision produced the wrong result insofar as effective resource planning is concerned. The bill I am introducing today would explicitly set a new course, reversing the effect of this decision in order to make resource management plans more meaningful documents. In various other ways of a less significant nature, the bill I am introducing today also reflects the product of court decisions that have been rendered during the period that we have been reviewing these issues.

The bill that I am introducing today is also the direct result of four important pieces of information. Let me describe each of these in turn.

First, we held an extraordinary pair of hearings with the President of the Wilderness Society as the sole witness. These hearings were significant in the sense that we were not limited to the usual, five-to-ten minute exchange to communicate with one another. Instead, we actually discussed the Wilderness Society's concerns and views about National Forest management for several hours.

Second and equally important was the assistance provided by the Society of American Foresters. The Society laudably took on the task of appointing a working group of resource scientists and professionals to review the current state of federal land management and the proposals that we made in the last Congress, and to offer suggestions for improvement. I commend their report as an authoritative guide to needed changes in the current system. Most notably, the Society is emphatic, as am I, that many, if not most, of the problems that plague federal land management today can be resolved only through a cooperative effort between the Administration and Congress to produce a revised legislative charter for the land managing agencies.

Third, we were in many important respects guided by Secretary of Agriculture, Dan Glickman's, Committee of Scientists Report, also issued earlier this year. I commend this report to the attention of Senators as well. In many areas, we find ourselves in agreement with the Committee of Scientists, particularly with regard to defining a new mission for the Forest Service. We would submit that this is needed for the Bureau of Land Management as well—even though that was beyond the Committee's charter. One area where the Committee's views are unclear is whether or not these improvements can be made exclusively through the rule-making process. The Committee seems to be of two minds about this. It is clear to us that the kinds of changes the Committee seeks cannot be accomplished through regulation. They must involve fundamental statutory changes to the agencies' missions. Any other path is, in our view, doomed to failure.

Finally, we were informed at the time of the Administration's budget submission that the Administration would be sending forward a series of seven important legislative proposals governing federal land management. We were pleased that the Administration had at last come to the conclusion that legislative changes are necessary. This has been a source of intense dialogue between myself, Secretary Glickman, Undersecretary Lyons, and others in the Administration for more than two years. Given this recognition on their part, we felt duty-bound to wait for these proposals before going forward. In the bill I am introducing today, we have adopted, in pertinent part, five of the Administration's seven legislative proposals. A sixth proposal is the subject of a separate piece of legislation that was introduced in the House yesterday (HR 2389). I am working on a companion Senate bill to introduce shortly. Thus, I found the Administration's proposals something that I could agree with, and want to be responsive to.

So, my work product is the result of a number of sources of information. It has taken at least six months longer to produce than I anticipated it would, but in the interest of: (1) securing the advice of Secretary Glickman's Committee of Scientists; (2) evaluating the Society of American Foresters' report; and (3) being responsive to the Administration's legislative proposals, I believe the wait was worthwhile.

We will now move forward with additional hearings on this proposal confident that we are on the correct path to improve the quality of federal land management and, through a variety of means, increase public support for the future management of our federal forest lands.

We invite both the Administration and Members on both sides of the aisle to join us in this effort. We move forward knowing that this proposal, like any other, is a working draft that will by necessity change, probably significantly, as we move forward.

However, we also move forward knowing that legislative change in this area is both inevitable and vital. It is clear to me that this area of public discourse vitally needs a vibrant legislative debate and a new legislative charter so that our federal land managers can be provided with tools a little more modern than the slide-rule and mainframe computer punch cards.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION DESCRIPTION—PUBLIC LANDS PLANNING AND MANAGEMENT IMPROVEMENT ACT OF 1999

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.—This legislation—"Public Lands Planning and Management Improvement Act of 1999"—provides new authority and gives greater responsibility and accountability to the Forest Service, Department of Agriculture, and Bureau of Land Management (BLM), Department of the Interior, for planning and management of federal lands under their jurisdiction. The two statutes governing the agencies' land planning and management—the National Forest Management Act (NFMA) and the Federal Land Policy and Management Act (FLPMA)—are now more than two decades old; this legislation preserves those laws' policies and requirements while it updates those laws to reflect the agencies' subsequent performance and experience.

The need for new statutory authority is one of the principal findings of a recent report on the planning and management of national forest and BLM lands commissioned by the Society of American Foresters (SAF), entitled Forest of Discord: Options for Governing our National Forests and Federal Public Lands. The report states that "new legislation seems the best approach for improving federal land management * * * Because the problems that exist are both serious and complex, the problems cannot be resolved through regulatory reform or through the appropriations process. Rather, new legislation is warranted."

The first version of this bill was introduced as S. 1253 on October 3, 1997. Since then the Energy and Natural Resources Committee has devoted significant attention to the legislation. It has been the subject of 8 hearings and 6 workshops, including one hearing in which 4 former chiefs of the Forest Service and one former director of the BLM spoke about the need for legislation to modernize the existing statutory base for federal land planning and managing, and analyzed this bill through the prisms of their experiences as agency heads, and two hearings in which the President of the Wilderness Society provided an in depth critique of the bill's provisions. Toward the end of 1998, the legislation was substantially altered to accommodate numerous useful suggestions of, and to remedy a number of concerns raised by, the many witnesses.

In the Spring of 1999, two important documents were published: (1) the SAF-commissioned critique of Forest Service and BLM planning and management and call for legislation, authored by prominent academics, state foresters, consultants, federal officials, and private forestland managers; and (2) the report of the Committee of Scientists appointed by the Secretary of Agriculture to provide advice in the course of a new rulemaking governing Forest Service planning, Sustaining the People's Lands: Recommendations for Stewardship of the National Forests and Grasslands into the Next Century. This bill was redrafted again before its introduction to incorporate many suggestions and concepts from these two landmark documents. As a result of the two rewrites, this legislation is significantly different from, and reflects a much broader array of views and ideas than did, its predecessor in the 105th Congress.

SEC. 2. FINDINGS.—This section contains numerous findings which explain the need for this legislation. Many of these findings are shared by the Committee of Scientists and SAF reports, and the language of the most prominent findings cite those documents. The findings—

Note the widespread public support for the twin principles of federal land management—multiple use and sustained yield—imposed on Forest Service lands in NFMA and on BLM lands in FLPMA.

Recognize that NFMA and FLPMA, enacted in 1976, established resource management planning processes as the means to apply these land management principles to the federal lands.

State that, in the 2 decades since the enactment of NFMA and FLPMA, fundamental flaws in the planning processes have been exposed, to the dissatisfaction of all stakeholders.

Find that these flaws threaten the planning and management decisionmaking processes and undermine the agencies' ability to fulfill their statutory land management responsibilities and to accomplish management that is well grounded in science.

Note that Congress' desire for planning to be completed within discrete time frames and to provide secure management guidance has not been achieved.

Describe how planning has yet to be completed 2 decades after the enactment of NFMA and FLPMA, and how the Forest Service and BLM are now engaged in an apparently perpetual planning cycle that deprives both the agencies and the public of stable and predictable management of federal lands.

State that the two levels of planning contemplated and required by NFMA and FLPMA have been expanded by the agencies and the courts to include various planning exercises on multiple, often conflicting, broader and narrower planning scales that in many cases are focused on only a single resource, are conducted without the procedural and public participation safeguards required by those laws, and result in guidance that conflicts with the planning that is conducted in accordance with those laws.

Find that the procedures and requirements of NFMA and FLPMA often are not compatible, and even conflict, with procedures and requirements of other, more generally applicable environmental laws. The result is often the de facto transfer of planning and management decisionmaking authority from the land management agencies—the Forest Service and BLM—to other environmental agencies—most notably the Environmental Protection Agency, Fish and Wildlife Service, National Marine Fisheries Service—that do not possess comparable land management expertise.

Find "without doubt" that Congress has failed to reconcile the procedures and requirements of other environmental laws with the planning and management processes established by NFMA and FLPMA.

State that the land management planning is conducted without regard for likely funding constraints on plan implementation and that the agencies' budgets and Congressional appropriations are not linked to the plans.

Describe how, even when the Forest Service and BLM retain planning and management authority, they are often paralyzed by an escalating number of administrative appeals and lawsuits.

Note that existing law does not recognize, nor integrate into planning, important new land management concepts such as ecosystem management and adaptive management which are being imposed or incorporated in federal land planning and management without statutory authority or clear public understanding.

State that new processes developed by stakeholders to better participate in federal land planning and decision making, such as the community collaborative deliberations of the Quincy Library Group and Applegate Partnership, are not recognized or encouraged by NFMA and FLPMA.

Find that these flaws in planning and plan implementation, including the administrative and judicial challenges, have escalated Forest Service and BLM land management costs and thereby reduced land management capability.

Note that FLPMA and NFMA were enacted when federal land ecosystems were regarded generally as healthy, but numerous watersheds are degraded, species are declining because of habitat loss, and forested areas are undergoing or are threatened by an unprecedented forest health crisis.

State that monitoring to develop an adequate basis for planning and to determine whether plans are being implemented adequately or conditions have changed sufficiently to warrant new planning is often promised but rarely conducted.

State that these flaws in planning and subsequently inability to secure plan implementation have injured—both environmentally and economically—all stakeholders, but particularly local resource-dependent communities which have no protection nor recourse under NFMA and FLPMA.

Find that NFMA and FLPMA, and their implementing regulations provide much guidance on planning, but virtually none on plan implementation, thereby devaluing the term "Management" common to both Acts' titles.

Report the finding of the United States General Accounting Office (GAO) that the statutory flaws and public distrust discussed in these findings have contributed to, and been compounded by, the agencies' lack of a clear mission statement.

And find that additional statutory direction for planning and plan implementation is needed to secure stable and predictable federal land management and to free the Forest Service and BLM to exercise fully their professionalism in making management decisions.

SEC. 3. DEFINITIONS.—This section defines the terms used in this legislation. For the purpose of this section-by-section description only two terms need definition here. "Federal lands" means all federal lands managed by the BLM (excluding Outer Continental Shelf lands) and Forest Service (including national grasslands). The four "Committees of Congress" are the authorizing committees with jurisdiction over the Forest Service and BLM: the Committee on Resources and Committee on Agriculture in the House of Representatives and the Committee on Energy and Natural Resources and Committee on Agriculture, Nutrition, and Forestry in the United States Senate.

SEC. 4. SUPPLEMENTAL AUTHORITY.—This section makes clear that this legislation supplements the NFMA, FLPMA, and other applicable law. Any inconsistency: between this bill and the NFMA or FLPMA is resolved in favor of this bill; and between this bill and the statutes governing management of units of the National Wilderness Preservation, National Wild and Scenic Rivers, and National Trails Systems is resolved in favor of those statutes.

SEC. 5. TRANSITION.—This section makes clear that existing plans, policies, and other guidance concerning the federal lands that are in effect on the date of enactment of this legislation remain valid until they are revised, amended, changed, or terminated in accordance with this legislation.

TITLE I—ENSURING THE EFFECTIVENESS AND IMPLEMENTATION OF FEDERAL LAND PLANNING

SEC. 101. PURPOSES.—The purposes of Title I are to provide a mission statement for the Forest Service and BLM and provide Congressional direction to those agencies on the preparation and implementation of resource management plans for, and the planning of management activities on, the federal lands. This mission and direction are intended to avoid the environmental, economic, and social injuries caused by the existing flaws and past absence of mission and direction in federal land planning. Most importantly, this mission and direction are expected to achieve more stable, predictable, timely, sustainable, and cost-effective management of federal lands. This title is also intended to encourage collaborative processes in federal land planning, to ensure adequate monitoring, and to establish uniform, expeditious procedures for administrative and judicial appeals. Finally, this title would provide for consideration during planning of funding constraints on, and during budget setting of funding needs for, plan implementation. The collaborative planning, monitoring, and budgetary purposes were not in this bill's predecessor.

PART A. IN GENERAL

SEC. 102. MISSION OF THE LAND MANAGEMENT AGENCIES.—A common theme of the SAF report (pp. 17–18), the Committee of Scientists report (pp. xiv-xvi), and a 1997 GAO report entitled, "Forest Service Decision-making: A Framework for Improving Performance." (p. 5) is the need for a new mission direction for the Forest Service and BLM that provides guidance beyond the multiple use and sustained yield principles and incorporates the newer management concepts concerning ecosystems, landscape management, and biological diversity. This section provides that new mission statement. It is: to manage the federal lands to assure the health, sustainability, and productivity of the lands' ecosystems; where consistent with that objective, to furnish a sustainable flow of multiple goods, services, and amenities; to preserve or establish a full range and diversity of natural habitats of native species in a dynamic manner over the landscape, and to designate discrete areas to conserve certain resources or allow certain uses. This section was rewritten, consistent with the Committee of Scientists and SAF reports' recommendations, to accord priority to ecosystem concerns and to clarify and ensure that the agencies are to deliver amenities as well as goods and services.

SEC. 103. SCIENTIFIC BASIS FOR FEDERAL LAND DECISIONS.—To ensure that federal land planning and management is well grounded in science (a particular concern of the Committee of Scientists), this section requires the Forest Service and BLM to use in all federal land decisions the "best scientific and commercial data available." Congress first adopted this stringent standard in the Endangered Species Act of 1973; this bill's standard is identical to that Act's.

PART B. RESOURCE MANAGEMENT AND ACTIVITY PLANNING

SEC. 104. LEVELS OF PLANNING.—To reduce the proliferating number of federal land planning exercises, this section limits the levels of Forest Service and BLM planning to two—multiple-use resource management planning for designated planning units and site-specific planning for management activities. The two agencies are given complete discretion to designate planning units of whatever size and number they consider appropriate in which to conduct the resource management planning.

The agencies may also conduct analyses or assessments for geographical areas other than the planning units (including ecoregion assessments as provided in Part F of this title). The results of those analyses or assessments may be applied to the federal lands by amending or revising the applicable resource management plans.

This section establishes a 3-year deadline for amending or revising existing resource management plans to include policies developed in planning conducted outside of the two prescribed planning levels. Non-complying planning will no longer apply to the federal lands at the end of the 3-year period.

SEC. 105. CONTENTS OF PLANNING AND ALLOCATIONS OF DECISIONS TO EACH PLANNING LEVEL.—To eliminate redundant planning that is time-consuming and costly, this section assigns specific analyses to the two levels of planning established in section 104 and clarifies that the analyses may not be repeated elsewhere in the planning process. This assignment of planning tasks to specific planning levels is regarded as a critically important change by the authors of the SAF report (pp. 51, 59): "The current land management planning process is unclear about which decisions are made at which points in the planning process. No public organization or management system can be effective without clearly articulated goals and an unambiguous decisionmaking process, and in current planning, neither of these conditions obtains. . . . Once the overall mission of the lands has been identified, the most important questions about land management planning on the national forests and public lands relate to clarifying which issues are decided at which levels of the decisionmaking process."

This section requires that resource management plans contain 5 basic elements: (1) statement of management goals and objectives; (2) allocation of land uses to specific areas in the planning unit; (3) determination of outputs of goods, services, and amenities from the unit; (4) environmental protection policies; and (5) a description of the desired future conditions of the unit's lands and the expected duration of time needed to achieve those conditions. Basic elements (1) and (3) are specifically recommended by the SAF report (p. 57): "Resource management plans should identify and quantify (to the extent feasible) appropriate goals and outcomes, including vegetation management goals and commodity and amenity outputs." Element 2—land allocations—is, of course, the historic backbone of planning and is recommended by the Committee of Scientists report (p. xxxiii). "Desired future conditions" is a new, basic element added to this bill; this concept is recommended in the Committee of Scientists report (p. xxviii) as "[t]he central reference point for strategic planning." The agencies are admonished to tailor the environmental protection policies in element 4, to the maximum extent feasible, not to be prescriptive requirements generally applicable to the entire planning unit, but rather to provide guidance for determining specific requirements suitable for the precise conditions at identified sites during the planning of individual management activities.

The agencies are tasked with describing the basic elements in a manner that provides a basis for monitoring required by section 116 and adaptive management required by section 117. This requirement is new to this bill and is recommended by SAF report (p. 57): "The goals and outputs (including fiscal expectations and downstream effects) should be set forth in a manner that provides a basis for monitoring, evaluating, and reporting agency performance.".

Additionally, the resource management plans are required to contain: (1) a statement of historical uses, and trends in conditions of, the resources covered by the plans; (2) a comparison of the projected results of the basic elements with recent agency performance and a discussion of any expected, significant changes in management direction, including any steps to be taken to ameliorate any adverse economic, social, and economic consequences that might result from those changes; (3) a schedule and procedure for monitoring plan implementation, management of the covered federal lands, and trends in the covered resources' uses and conditions as required by section 116; (4) criteria for determining when circumstances on the covered federal lands warrant adaptive management of the resources as required by sections 116(a)(3) and 117(c). The requirement to compare projected results with past performance and discuss significant differences is a new element in this bill that is recommended in the SAF report (p. 57): "The plans should compare and contrast the goals and outcomes with recent performance, highlighting situations where a significant change in direction is proposed." The requirement for a schedule and procedures for monitoring is recommended by both the Committee of Scientists report ("An adequate plan contains the methods and proposed measurements for monitoring . . .". (p. 108) and the SAF report ("The [planning] decision document needs to specify the monitoring process . . .". (p. 27)).

Another provision designed to reduce plan redundancies and the time consumed in repetitive planning requires the agencies to assign by a notice-and-comment rulemaking specific analyses and decisions to each of the two planning levels (as recommended in the SAF report (p. 59): "Forest planning regulations should identify the analyses and decisions that must be made at each planning level"). The agencies may not conduct or reconsider those analyses or decisions in the planning level to which they are not assigned. This section also assigns a number of analyses and decisions by statute. In addition to the 5 basic elements discussed previously, assigned to resource management planning are resource inventories, cumulative effects analyses (including effects on water quality), discussion of relationship to State and local plans, identification of federal lands which might be exchanged or otherwise disposed of, and decisions on wilderness, unsuitability of lands for certain uses (*e.g.*, coal mining as required by section 522 of the Surface Mining Control and reclamation Act and timber harvesting as required by section 6 of the National Forest Management Act), and visual objectives.

Assigned to management activity planning are analyses of site-specific resources and environmental effects, and decisions concerning the design of, and requirements for, the activity, including decisions related to water quality effects of the activity, method for harvesting forest products, revenue benefits, and a schedule and procedures for monitoring the effects of the activity. These assignments of decisionmaking comport with the recommendations in the SAF report (p. 59): "Forest or area plans might be the appropriate place to analyze and decide wilderness recommendations, output targets, supply-demand relationships, and community impacts. [Localized] plans might be the appropriate place to analyze and decide on silvicultural practices and restoration activities and the mix of habitats for species viability . . . [and] access and management unit boundaries."

Among the more significant changes in this section from the language of this bill's predecessors are the addition of desired future uses to the plan's basic elements, the emphasis on monitoring and adaptive management in resource management planning, the requirement to address adverse consequences of significant changes in management direction, and the assignment of water quality analyses to both planning levels.

Sec. 106. Planning Deadlines.—To break the cycle of perpetual planning, this section would set deadlines for conducting the two-level planning. These deadlines are: (1) for resource management planning—36 months for plan preparation, 18 months for amendments defined as significant by regulations, 12 months for amendments defined as nonsignificant by regulations, and 30 months for revisions; and (2) for management activity planning—12 months for planning significant activities, and 9 months for planning nonsignificant activities. All of these deadlines are longer than those in the predecessor bill, as suggested by the former agency heads and other witnesses. Also added is a provision that adjusts the deadlines if an activity must be submitted to Congress as a "rule" under section 251 of the Contract with American Advancement Act of 1996 (110 Stat. 868–874, 5 U.S.C. 801–808). Both the Committee of Scientists report ("Planners should aim to complete the planning phases from assessment through formal adoption of small landscape plans within three years and preferably less than two." (p. 181)) and the SAF report ("deadlines for decisions should therefore be set") (p. 46)) recommend planning deadlines.

Sec. 107. Plan Amendments and Revisions.—This section ensures that the 5 basic elements of the resource management plans are accorded equal dignity and that one element is not arbitrarily sacrificed or ignored to achieve another. It prohibits the Forest Service and BLM from applying a policy to, or making a decision on, a resource management plan or a management activity which is inconsistent with one of the basis elements. To ensure that the agencies discover any such inconsistency, this section requires each agency either to report in writing with each land management activity decision that the activity contributes to or does not preclude achievement of the basic elements or to amend or revise the plan to remove or reconcile the affected element. This decision to amend would be made whenever the inconsistency is discovered whether it is during the planning for a specific management activity or during the monitoring of plan implementation required by section 116. The agencies are given the authority to waive an inconsistency without amending the resource management plan for a single specific management activity within any class of management activities once during the life of the plan if the inconsistency does not violate a nondiscretionary statutory requirement and the determination is made that the waiver is in the public interest.

This section also requires that any change in federal land management that is imposed by new law, regulation, or court order or that is warranted by new information must be effected by amending or revising the appropriate resource management plans. Further, unless the agency determines that the law or court requires otherwise and publishes that determination, the change in management does not become effective until the amendment or revision is adopted.

This section directs that, when resource management plans are revised, all provisions of those plans are to be considered and analyzed in the environmental analysis (environmental impact statement (EIS) or environmental assessment (EA)) and decision documents. This ensures that the agency does not consider only those portions of the plans that are particularly important to the most vociferous advocates for a particular land use or management policy or are of particular interest to the officials involved in the planning exercise.

Finally, this section clarifies that, while a resource management plan is being amended or revised, management activities are to continue and not be stayed in anticipation of changes that might be made by the amendment or revision. Exceptions to this stay prohibition include whenever a stay is required by this bill, court order, or a formal declaration by the Secretary (without delegating the authority). However, the agencies can stay particular activities for purposes that are unrelated to the purpose or the likely effect of the amendment or revision. To ensure that *de facto* stays do not occur, this section provides that, except as described above, a plan amendment or revision may not become effective until final decisions on management activities that are scheduled to be made during the plan amendment or revision process have been made.

Changes to this section include wording that responds to a concern expressed by the President of the Wilderness Society that environmental policies could be made secondary to other commodity-oriented policies. This was accomplished by clarifying that no basic element—including the environmental policies—can be made inconsistent and ignored, and that exception can be made only once for any class of management activities over the plan's life.

Sec. 108. Consideration of Communities Dependent on Federal Lands and Resources.—This section requires that, in preparing, amending, or revising each resource management plan, the Forest Service and BLM must consider if, and explain whether, the plan will maintain to the maximum extent feasible the stability of any community that has become dependent on the commodity or non-commodity resources of the federal lands to which the plan applies. Consideration of dependent communities was strongly recommended in the Committee of Scientists report (pp. xxi, 45): "Within the context of sustainability, planning should consider the needs, resilience, and vulnerability of economies and communities in selecting long-term management strategies." "The national forests and grasslands must serve all of the nation's people; nevertheless, local residents deserve particular attention when the contributions of the forests to economic and social sustainability are being considered."

The procedure for meeting this mandate is to include in the EIS or EA on the plan, amendment, or revision a discussion of: the impact of each plan alternative on the revenues and budget, public services, wages, and social conditions of each federal lands-dependent community; how the alternatives would relate to historic community expectations; and how the impacts were considered in the final plan decision.

This section defines a community dependent on the commodity or non-commodity resources of the federal lands as one which is located in proximity to federal lands and is significantly affected socially, economically, or environmentally by the allocation of uses of one or more of the lands' commodity or non-commodity resources. The secretaries are to consult with the Secretaries of Commerce and Labor in establishing by rule-making criteria for identifying these communities.

This section was changed to recognize that many communities are as dependent on non-commodity resources (for professional guiding, river running, hunting and fishing, etc.) as others are dependent on commodity resources and that both types of communities should be given special attention in planning.

SEC. 109. ECOSYSTEM MANAGEMENT PRINCIPLES.—This section provides a statutory basis for the relatively new ecosystem management concept. It requires that this concept be incorporated into planning. As the agencies accomplish this integration of ecosystem management and planning, they are cautioned that this new concept may not supersede other statutory mandates. This section requires that the Forest Service and BLM consider and discuss ecosystem management principles in the EISs or EAs for resource management plans, amendments, and revisions. It also states that these principles are to be applied consistent with, and may not be used as authority for not complying with, the other requirements of this legislation, FLPMA, NFMA, and other environmental laws applicable to resource management planning.

"Ecosystem management" is defined in section 3. That definition has been altered in this bill to incorporate the basic management mandate recommended by the Committee of Scientists report (pp. xiv, 177): "ecological, economic, and social sustainability".

PART C. ENCOURAGEMENT OF COLLABORATIVE PLANNING

Decentralized, collaborative planning is emphasized in both the Committee of Scientists report (pp. xxiii–xxv) and the SAF report (p. 46). Although the provisions in this part have appeared in earlier versions of this bill, they are arranged here into one part in order to emphasize the collaborative planning concept.

SEC. 110. PARTICIPATION OF LOCAL, MULTI-INTEREST COMMITTEES.—To encourage local solutions to federal land management issues developed through collaborative planning by neighboring citizens of diverse interests, this section provides for the establishment of two types of local, matter-interest committees. The first is the "independent committee of local interests" established without the direction, intervention, or funding of the agencies and including at least one representative of a non-commodity interest and one representative of a commodity interest. Prototypes for this type of committee are the Quincy Library Group and Applegate Partnership.

This section encourages these independent committees to prepare planning recommendations for the federal lands by imposing the requirement on the agencies that they include those recommendations as alternatives in the EISs or EAs which accompany the preparation, amendment, or revision of resource management plans. If more than two independent committees are established and submit planning alternatives for the same federal lands, the Forest Service or BLM will include the alternatives of the two committees it determines to be most broadly representative of the interests to be affected by the plan, amendment, or revision, and will attempt to consolidate for analysis or otherwise discuss the other committees' alternatives. Finally, the section authorizes the Forest Service and BLM to provide to any independent committee whose planning alternative is adopted sufficient funds to monitor the alternative's implementation. These independent committees would be exempt from the Federal Advisory Committee Act.

Second, the agencies are empowered to establish local committees corresponding to the federal land's planning units. The membership of these committees must be broadly representative of interests affected by planning for the planning units for which they are formed. The agencies must seek the advice of the committees prior to adopting, amending, or revising the relevant resource management plans and provide the committees with funding to monitor plan implementation.

SEC. 111. CITIZEN PETITIONS FOR PLAN AMENDMENTS OR REVISIONS.—Section 122 establishes deadlines for challenging resource management plans, amendments, and revisions. The section provides a procedure for citizens who believe a plan has become inadequate after the deadlines have passed to seek change in the plan and, if unsuccessful in obtaining change, to challenge the plan. This section authorizes any person to challenge a plan after the deadline solely on the basis of new information, law, or regulation. The mechanism for challenge is a petition for plan amendment or revision. The Forest Service or BLM must accept or deny the petition within 90 days, and any request for a stay within 5 days, or receipt of the petition. If the agency fails to respond to or denies the petition or stay request, the petitioner may file suit immediately against the plan. If the agency accepts the petition, the process of amending or revising the plan begins immediately. The agency's decision to accept or deny the petition is not subject to the consultation requirement of the Endangered Species Act (ESA) or the environmental analysis requirements of the National Environmental Policy Act (NEPA).

The principal change in this section was in response to the testimony of the President of the Wilderness Society. It adds the opportunity for a petitioner to seek a stay of any activities subject to the petitioned plan amendment.

SEC. 112. NOTICE AND COMMENT ON MANAGEMENT ACTIVITIES.—This section adopts a provision from the provision in the Fiscal Year 1993 Interior and Related Agencies Appropriation Act which provided procedures for adminsitrative appeals of Forest Service land management activities. In this bill and its prior versions the appeal procedures were incorporated in a broader administrative appeals section (here, section 122). Consequently, this bill and its predecessors would repeal that 1993 appropriations act rider. As pointed out by the President of the Wilderness Society, inadvertently dropped from the repealed language was a provision requiring notice (by mail and newspaper) and comment (within a 30 day period) on Forest Service land management activities. This section restores that provision and expands it to include land management activities of the BLM.

PART D. CONSIDERATION AND DISCLOSURE OF BUDGET AND FUNDING EFFECTS

SEC. 113. DISCLOSURE OF FUNDING CONSTRAINTS ON PLANNING AND MANAGEMENT.—To ensure that planning decisions are not based on overly optimistic funding expectations and are not rendered irrelevant by enactment of differing appropriations, this section requires that the EIS or EA on ech resource management plan, or plan amendment or revision, contain a determination on how the 5 basic elements (goals and objectives, land use allocations, outputs of goods and services, environmental protection policies and standards, and desired future conditions) will be implemented within a range of funding levels (with at least one level which provides less funds annually, and one level which provides more funds annually, than the level of funding for the fiscal year in which the EIS or EA is prepared).

The Committee of Scientists, the SAF report authors, and the GAO (Forest Service Issues Related to Management of National Forests for Multiple Uses, 1996) all recognized the fundamental problem of what the Committee of Scientists (p. 107) called the "disconnect between budgets and plans." As described in the SAF report (p. 22), "Even though the Forest Service has generally received the funds requested for land management planning, it has not delivered the outputs that the plans specify. Some plans have been developed without budget constraints. This gap between plans and reality means that many of the actions called for in the plans and justified on multiple-use grounds can never be realized simply because of lack of funds." All three reports basically call for the same remedy (i.e., "Forest or area plans should explain how the goals and outcomes would be affected by differing budgets." SAF report, p. 62) that is provided in this section.

SEC. 114. FULLY ALLOCATED COSTS ANALYSIS.—To ensure that the costs to all uses are revealed, this section directs the Forest Service and BLM to disclose in the EISs and EAs on resource management plans, amendments, and revisions the fully allocated cost including foregone revenues, expressed as a user fee or cost-per-beneficiary, of each non-commodity output from the federal lands to which the plans apply.

SEC. 115. BUDGET AND COST DISCLOSURES.—To better relate the agencies' planning process with Congress' appropriations process, this section requires that the President's budget request to Congress include an appendix that discloses the amount of funds that would be required to achieve 100% of the annual outputs of goods and services in, and otherwise implement fully, each Forest Service and BLM resource management plan. This provision, together with section 113, implements two critical recommendations in the SAF report (p. 62): "A persistent criticism of resource management plans is that annual appropriations have not always matched the funding assumptions. Forest or area plans should explain how the goals and outcomes would be affected by differing budgets. Annual reporting on agency performance can then compare and contrast the goals and targets of the plan with the requested budgets and actual appropriations.".

In the face of escalating planning costs, particularly those associated with ecoregion assessments, this section also requires the agencies to submit to Congress each year an accounting of the total costs and cost per function or procedure for each plan, amendment, revision or assessment published in the preceding year.

PART E. MONITORING AND ADAPTIVE MANAGEMENT

Set out in this part are the two most important functions conducted by the agencies (in addition to responding to citizen petitions for plan amendment or revision authorized by section 111) to ensure that resource management plans—once prepared—are implemented and kept current. The first of these functions is monitoring. A recurring theme of numerous studies (including both the Committee of Scientists and SAF reports and the 1997 GAO report, Forest Service Decision-making: A Framerwork for Improving Performance) is that, in the words of the SAF report (p. 51), "[b]oth natural resources monitoring and program implementation monitoring are currently inadequate." The Committee of Scientists report emphasizes that the second of these functions—adaptive management—is wholly dependent on adequate monitoring. Because monitoring is expensive (SAF report, p. 38) and is not typically a prerequisite to land management decisions, it is usually deprived of necessary funding by both Congress and the agencies. This part provides statutory emphasis for, and attempts to provide more secure funding to, these critical functions. This part consolidates and strengthens various provisions in the previous version of this bill.

SEC. 116. MONITORING.—This section requires use of funds from the Monitoring Funds established by section 118 to monitor the implementation of each resource management plan at least biennially. The monitoring is to (1) ensure that no basic element (goal, land allocation, output, environmental policy, or desired future condition) of the plan is constructively changed through a pattern of incompatible management activities or of failures to undertake compatible management activities, (2) determine that no conflict has arisen between any of the basic elements of the plan, and (3) determine if circumstances warrant adaptive management of the plan. The monitoring is to be conducted in accordance with the procedures for monitoring that are required to be included in each resource management plan by section 105. Likewise, the determination of circumstances warranting adaptive management are to be made in accordance with the criteria for such determinations which section 105 also requires be included in each plan.

SEC. 117. ADAPTIVE MANAGEMENT AND OTHER CHANGES DUE TO MONITORING.—This section requires corrective management actions or plan amendments or revisions whenever, as provided in section 116, the monitoring discloses changed circumstances, conflicts in plan elements, or circumstances warranting adaptive management.

SEC. 118. MONITORING FUNDS.—This section would implement a recommendation in the SAF report (p. 62) that "[m]onitoring should be separately and adequately funded." This section establishes a Public Lands Monitoring Fund for BLM lands and Forest Lands Monitoring Fund for Forest Service lands to provide a supplemental funding source for important monitoring activities. The Funds would receive all monies collected from federal lands in any fiscal year that are in excess of federal land revenues projected in the President's baseline budget (minus the State's and local government's share as required by law). The monies in the Funds may be used, without appropriations, to conduct the monitoring required by section 116 or to fund the monitoring of the local, multi-interest committees under section 110.

Added to this section is a provision that encourages each agency to use private contractors, including contractors under the Jobs in the Woods Program, to conduct monitoring, except the monitoring done by the multi-interest committees.

PART F. PLANNING—RELATED ASSESSMENTS

SEC. 119. PURPOSE AND AUTHORIZATION OF ECOREGION AND OTHER ASSESSMENTS.—The purpose of this part and section is to authorize the new practice of preparing ecoregion and other assessments of environmental, economic, and social issues and conditions that transcend the boundaries of planning units established pursuant to section 104 for the purpose of informing the resource management planning for, and the planning of management activities on, the federal lands. The Committee of Scientists (pp. xxvi–xxvii) endorses assessments as vehicles for "provid[ing] the context for. . . . planning."

First, this section authorizes the Forest Service and BLM to prepare these ecoregion or other assessments, which may include non-federal lands if the Governors of the affected States or the governing bodies of the affected Indian tribes, as the case may be, agree. It requires the agency to give the four Committees of Congress and the public 90 days advance notice before initiating an assessment. The notice to Congress and Federal Register notice must include: (1) a description of the land involved; (2) the agency officials responsible; (3) the estimated costs of and the deadlines for the assessment; (4) the charter for the assessment; (5) the public, State, local government and tribal participation procedures; (6) a thorough explanation of how the region or area for the assessment was identified and the attributes which establish it; and (7) detailed reasons for the decision to prepare the assessment.

SEC. 120. STATUS, EFFECT, AND APPLICATION OF ASSESSMENTS.—This section provides that the assessments must not contain any decisions concerning resource management planning or management activities. The Committee of Scientists (p. xxvi) endorses this approach: "A critical component of the framework proposed by the Committee is that assessments are not decision documents and should not be made to function under the NEPA processes associated with decision-making." The section also establishes a procedure for applying information or analysis contained in ecoregion or other assessments to the planning and management activities. It directs the relevant agency to make a decision within 6 months of completion of an assessment whether any information or analyses in the assessment warrants amendments to, or revisions of, a resource management plan for the federal lands to which the assessment applies. If the decision is made for an amendment or revision, no management activity on federal lands may be delayed or altered on the basis of the assessment while the amendment or revision is prepared. This section also prohibits any federal official from using an assessment as an independent basis to regulate non-federal lands. Finally, as the assessments are nondecisional, this section provides that they will not be subject to the consultation requirements of the Endangered Species Act or the environmental documentation requirements of the National Environmental Policy Act. ("Most critically, assessments do not produce decisions and, therefore, should not be made to function under the NEPA processes associated with decision making." Committee of Scientists report, p. 95.)

SEC. 121. REPORTS TO CONGRESS ON ASSESSMENTS.—This section mandates three reports on ecoregion and other assessments.

First, this section directs the agencies to report biennially to the four Committees of Congress on ecosystem and other assessments, their implications for federal land management, and any resource management plan amendments or revisions based on assessments. The reports also must include the agencies' views of the benefits and detriments of, and recommendations for improving, assessments.

Second, this section requires the GAO to prepare and submit to the same Committees of Congress a report on each assessment 3 years after the conclusion of the assessment. The report is to: review the degree of protection for non-commodity resources on, and the level of goods and services from, the relevant federal lands that are projected by the assessment; provide an evaluation of whether such resource protection and amount of goods and services were actually delivered and, if not, why; and recommendations to change assessments to change assessments to secure more accurate projections and better delivery.

Third, the GAO is directed to provide the Committees of Congress with an overall evaluation of the efficacy of assessments seven years after enactment.

Dropped from this bill was the Pacific Northwest Plan Review provision that was contained in earlier versions and was criticized by witnesses for environmental organizations.

PART G. CHALLENGES TO PLANNING

The purposes of this part are to ensure that challenges—both administrative and judicial—of resource management plans and management activities are brought more timely, and by those who truly participate in the agencies' processes. It does not eliminate challenges or insulate agency decisions from challenges.

SEC. 122. ADMINISTRATIVE APPEALS.—This section directs the Forest Service and BLM to promulgate rules to govern administrative appeals of decisions to approve resource management plans, amendments, and revisions, and of decisions to approve, disapprove, or otherwise take final action on management activities. While allowing the agencies considerable discretion in rulemaking, this section does provide that the rules must: (1) require that, in order to bring an appeal, the appellant must have commented in writing during the agency process on the issue or issues to be appealed if an opportunity to comment was provided and if the issue or issues were manifest at that time (SAF report recommendation (p.58): "Increase the requirements for filing an administrative appeal by requiring participation in the decision process related to the specific decision"); (2) provide that administrative appeals of plans may not challenge analyses or decisions assigned to management activities under section 105 and administrative appeals of management activities may not challenge analyses or decisions assigned to plans under section 105; (3) provide deadlines for bringing the administrative appeals (not more than 120 days after a plan or revision decision, 90 days after an amendment decision, and 45 days after a management activity decision); (4) provide deadlines for final decisions on the appeals (not more than 120 days for appeal of a plan or revision, 90 days for appeal of a plan amendment, and 45 days for appeal of a management activity, with possible 15 days extension for each); (5) provide that, in the event of failure to render a decision by the applicable deadline, the decision on which the appeal is based is to be deemed a final agency action which allows the appellant to file suit immediately; (6) require the agency to consider and balance environmental and/or economic injury in deciding whether to issue a stay pending appeal; (7) provide that no stay may extend more than 30 days beyond a final decision on an appeal of a plan, amendment, or revision or 15 days beyond a final decision on an appeal of a management activity; and (8) establish categories of management activities excluded from administrative appeals (but not lawsuits) because of emergency, time-sensitive, or other exigent circumstances.

This section is more comprehensive than the section of the Fiscal Year 1993 Interior and Related Agencies Appropriation Act which concerned appeals only of management activities (not management plans, amendments, and revisions) of the Forest Service (not BLM). As this section supplants that more limited provision, it repeals that provision when the new appeals rules required by this section become effective.

Sec. 123. Judicial Review.—This section establishes venue and standing requirements in, sets deadlines for, and otherwise governs lawsuits over resource management plans, amendments, revisions, and petitions and management activities.

The venue for plan-related litigation is the U.S. Circuit Court of Appeals for the circuit in which the lands (or the largest portion of the lands) to which the plan applies are located. The venue for litigation over a management activity, or petition for plan amendment or revision is the U.S. District Court in the district where the lands (or the largest portion of the lands) on which the activity would occur or to which the plan applies are located.

This section also clarifies that standing and intervention of right is to be granted to the fullest extent permitted by the Constitution. This means those who are economically injured cannot be barred by the non-constitutional, prudential "zone of interest" test developed by the judiciary. This section also overturns the Supreme Court's 1998 decision in *Ohio Forestry Association* v. *Sierra Club* (118 S. Ct. 1665 (1998)) which drastically limited the ability of environmental organizations or other litigants from filing lawsuits challenging resource management plans. On the other hand, this section limits standing to those who make a legitimate effort to resolve their concerns during the agency's decisionmaking process and do not engage in "litigation by ambush" by withholding their concerns until after the agency decision is made. Specifically, this section requires that the plaintiff must have participated in the agency's decisionmaking process and submitted a written statement on the issue or issues to be litigated if the opportunity to comment was provided and the issue or issues were manifest at that time, and must have exhausted opportunities for administrative review.

Deadlines for bringing suit are 90 days after the final decision on the administrative appeal of a resource management plan, amendment, or revision, and 30 days after a final decision on the administrative appeal of a management activity or final disposition of a petition for plan amendment or revision. If the challenge involves a statute (*e.g.*, Endangered Species Act or Clean Water Act) which requires a period of notice before filing a citizen suit, suit must be filed no later than 7 days after the end of that notice period.

This section bars suits brought on the basis of new information, law, or regulation until after a petition for plan amendment or revision is filed and a decision is made on it.

This section also clarifies that suits concerning resource management plans and management activities are to be decided on the administrative record.

Several changes were made to this section to respond to concerns expressed by the President of the Wilderness Society.

TITLE II—COORDINATION AND COMPLIANCE WITH OTHER ENVIRONMENTAL LAWS

Sec. 201. Purposes.—The purposes of this title are to eliminate primarily procedural conflicts among, and coordinate, the various land management and environmental laws without reducing—indeed enhancing—environmental protection. A wide variety of reports from diverse sources have consistently sounded the theme that conflicting laws have made management of federal lands more difficult. Among these reports are both the Committee of Scientists report (p. xli) and the SAF report (pp. 23–24), the 1992 Office of Technology Assessment report Forest Service Planning: Accommodating Uses, Producing Outputs and Sustaining Ecosystems (p. 59), and the 1997 GAO report Forest Service Decision-making: A Framework for Improving Performance (p. 11). The SAF report (p. 23) summarizes one fundamental consequence: "Because [other federal and state] agencies have different missions, they interpret statutes and regulations differently. The result, too often, is that they fail to agree on land management decisions. In recent cases, land management has been guided as much by decisions of the regulatory agencies as by the resource agencies."

The SAF report finds that legislation is required to address this problem; the Committee Scientists report (p. xli), which focuses on recommendations to improve Forest Service regulations, opines that, as to this problem, legislative action may be necessary. This part approaches, but does not go as far as, the principal recommendation of the SAF report (pp. 55–56) relevant to this problem: "Consistent with sound land management theory, the federal land management agencies should be given broad authority and responsibility to meet all environmental requirements. Consultation is appropriate, but other federal and state agencies should not have the responsibility for approving land management activities. If the federal land management agencies do not act in a prudent, responsible fashion, their actions should be subject to legal challenges."

Sec. 202. Environmental Analysis.—This section describes how compliance with the National Environmental Policy Act will occur in resource management planning and planning for management activities. It requires that EIS be prepared whenever a resource management plan is developed or revised. (Plan amendments may have either and EIS or EA depending on their significance.) This section also provides that, for management activities, an EA ordinarily is prepared. The EA for the management activity is to be tiered to the EIS for the applicable resource management plan. The agency may prepare a full EIS on a management activity if it determines the nature or scope of the activity's environmental impacts is substantially different from, or greater than, the nature or scope of impacts analyzed in the EIS on the applicable resource management plan.

Sec. 203. Wildlife Protection.—This section addresses the relationship of the Endangered Species Act to federal land planning and management. First, it provides a certification procedure by which the Forest Service and BLM can become certified by the Fish and Wildlife Service to conduct the consultation responsibilities normally assigned to the Fish and Wildlife Service and National Marine Fisheries Services by section 7 of the ESA. If they are certified, the two land management agencies will have the authority to prepare the biological opinions under the ESA just as they now prepare EISs under NEPA.

Second, this section addresses situations in which the resource management plan may have to undergo consultation because of a new designation of an endangered or threatened species or of a species' critical habitat, or new information about an already designated species or habitat. This section requires that a decision be reached as to whether consultation is required on the plan within 90 days of the new designation, and that any amendment to or revision of the plan be completed within 12 or 18 months, respectively, after the new designation. It also allows individual management activities to continue under the plan while it is being amended or revised, if those activities either separately undergo consultation concerning the newly designated species or habitat or are determined not to require consultation.

Sec. 204. Water Quality Protection.—This section addresses the relationship of the Clean Water Act (CWA) to federal land planning and management. It provides that any management activity that constitutes a nonpoint source of water pollution is to be considered in compliance with applicable CWA provisions if the State in which the activity will occur certifies that it meets best management practices or their financial equivalent. The agency, however, may choose not to seek State certification and satisfy the separate applicable CWA requirements.

Sec. 205. Air Quality Protection.—This section addresses the relationship of the Clean Air Act (CAA) to federal land planning and management. It provides that, when a Forest Service forest supervisor or BLM district manager (after providing an opportunity for review by the appropriate Governor) finds that a prescribed fire will reduce the likelihood of greater emissions from a wildfire, and will be conducted in a manner that minimizes impacts on air quality to the extent practicable, the prescribed fire is deemed to be in compliance with applicable CAA provisions.

Sec. 206. Meetings With Users of the Federal Lands.—This section addresses the relationship of the Federal Advisory Committee Act (FACA) to federal land planning and management. It clarifies that the agencies may meet without violating FACA with one or more: holders of, or applicants for, federal permits, leases, contracts or other authorizations for use of the federal lands; other than persons who conduct activities on the federal lands; and persons who own or manage lands adjacent to the federal lands.

TITLE III—DEVELOPMENT OF A GLOBAL RENEWABLE RESOURCES ASSESSMENT

SEC. 301. PURPOSES.—The purpose of this title is to replace the Renewable Resource Assessment and Renewable Resource Program administered by the Forest Service under the Forest and Rangeland Renewable Resources Planning Act of 1974 with a Global Renewable Resources Assessment administered by an independent National Council on Renewable Resource Policy.

SEC. 302. GLOBAL RENEWABLE RESOURCES ASSESSMENT.—This section emphasizes the vital importance of renewable resources to national and international social, economic, and environmental well-being, and of the need for a long-term perspective in the use and conservation of renewable resources. To achieve that perspective, this section directs that a Global Renewable Resources Assessment be prepared every 5 years. The Assessment must include: (1) an analysis of national and international renewable resources supply and demand; (2) an inventory of national and international renewable resources, including opportunities to improve their yield of goods and services; (3) an analysis of environmental constraints and their effects on renewable resource production in the U.S. and elsewhere; (4) an analysis of the extent to which the renewable resources management programs of other countries ensure sustainable use and production of such resources; (5) a description of national and international research programs on renewable resources; (6) a discussion of policies, laws, etc. that are expected to affect significantly the use and ownership of public and private renewable resource lands; and (7) recommendations for administrative or legislative initiatives.

SEC. 303. NATIONAL COUNCIL ON RENEWABLE RESOURCES POLICY.—This section establishes the National Council on Renewable Resources Policy. Its functions are the preparation and submission to Congress of the Global Renewable Resources Assessment and the periodic submission to the Forest Service, BLM, and four Committees of Congress of recommendations for administrative and legislative changes or initiatives.

The Council has 15 members, 5 each appointed by the President, President pro tempore of the Senate, and Speaker of the House. The Chair is to be selected from the members. This section has typical provisions for filling vacancies, appointment of an Executive Director, compensation of the members and the Executive Director, appointment of personnel, authority to contract with federal agencies, and rulemaking and other powers of the Council.

This section strives to ensure the independence of the Council in three ways. First, it requires that the Council submit its budget request concurrently to both the President and the Appropriations Committees of Congress. Second, it requires concurrent submission of the Assessment, analyses, recommendations, and testimony to Executive Branch officials or agencies and the four Committees of Congress. Finally, it prohibits any attempt by a federal official or agency to require prior submission of the Assessment, analyses, recommendations, or testimony for approval, comments, or review.

SEC. 304. REPEAL OF CERTAIN PROVISIONS OF THE FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT.—This section repeals those provisions of the Forest and Rangeland Renewable Resources Planning Act that direct the Forest Service to prepare a Renewable Resource Assessment and Renewable Resource Program.

TITLE IV—ADMINISTRATION.

PART A. IN GENERAL

SEC. 401. CONFIRMATION OF THE CHIEF OF THE FOREST SERVICE.—This section provides for Senate confirmation of appointments to the office of Chief of the Forest Service, thereby establishing the same appointment procedures as those applicable to the Director of the BLM. This section also sets certain minimum qualifications for the appointee: (1) a degree in a scientific or engineering discipline that is relevant to federal land management; (2) 5 years or more experience in decisionmaking concerning management, or research concerning the management, of federal lands or other public lands; and (3) 5 years or more experience in administering an office or program with a number of employees equal to, or greater than, the average number of employees in national forest supervisors' offices.

SEC. 402. INTERAGENCY TRANSFER AND INTERCHANGE AUTHORITY.—This section authorizes the BLM and Forest Service to transfer between them adjacent lands not exceeding 5,000 acres or exchange adjacent lands not exceeding 10,000 acres per transaction. These transactions are: (1) to occur without tranfer of funds; (2) to be effective 30 days or more after publication of Federal Register notice; (3) not to affect any legislative designation for the lands involved; and (4) subject to valid existing rights. In response to the testimony of the President of the Wilderness Society, a proviso is added that absolutely prohibits modification or removal of any special designation of, or any special management direction applicable to, lands transferred or interchanged under this section that was made or provided by statute, except by another Act of Congress. The proviso also provides that administrative designations may be altered or removed only by amendments to the applicable resource management plans.

SEC. 403. COMMERCIAL FILMING ACTIVITIES.—This section requires the agencies to issue permits and charge fees for commercial filming and still photography on federal lands. It is modelled on S. 568, introduced by Senator Thomas.

Criteria for setting the fee for commercial filming are based on the scale of the filming activities and their potential impact on the federal lands. The agencies are also to recover any costs they incur as a result of the filming activities. The agencies are required to issue permits and collect fees for still photography when models or props not part of the federal lands or resources are used, and may issue permits and collect fees when there is a likelihood of resource impact, disruption of public use, or risk to public health or safety.

The fees and costs collected under this section are to be retained in a special account in the Treasury and used, without appropriation, for high-priority visitor or resource management activities in the federal land units where the permitted activities occurred.

SEC. 404. VISITOR FACILITIES IMPROVEMENT DEMONSTRATION PROGRAMS.—This section is modeled on legislation prepared by the Forest Service for the Administration's FY 2000 budget request. It directs the agencies to develop demonstration programs to evaluate the use of private funding for the construction, rehabilitation, maintenance, and operation of federally owned visitor centers on federal lands. Each agency is authorized to undertake up to 15 projects in which individuals, corporations, public agencies, and nonprofit groups are selected competitively to develop and operate new, or improve and operate existing, visitor centers. The terms of the projects are to be based on the agencies' estimates of the time necessary for the concessionaires to depreciate their capital investments in the projects, but in no case more than 30 years. When a project is terminated or revoked, the agency or succeeding concessionaire will purchase any remaining value in the capital investment that is not fully depreciated. The agencies are also authorized to sell existing federally owned visitor facilities at fair market value, so long as the purchasers agree that any construction will be consistent with the applicable resource management plans.

The agencies are directed to charge concession fees established by the concessionaires' competitive bids, and those fees are to be used, without appropriation, for enhancing visitor services and facilities. The concessionaires must provide bonds 5 years before the end of the projects to ensure that the visitor facilities will be in satisfactory condition for future use. The Secretary of Agriculture and the Secretary of the Interior are each required to submit a report to the four Committees of Congress evaluating the demonstration program and making any appropriate recommendations on whether to make the program permanent.

SEC. 405. FEES FOR LINEAR RIGHTS-OF-WAYS.—This section incorporates legislation prepared by the Forest Service for the Administration's FY 2000 budget request. It directs each agency to collect rental fees for all linear rights-of-way for power lines, roads, pipelines, etc. under section 501 of FLPMA and the Act of February 25, 1920, except for rights-of-way that are exempted by law or regulation.

SEC. 406. FEES FOR PROCESSING RECORDS REQUESTS.—To discourage inordinately broad "fishing expedition" requests under the Freedom of Information Act that severely tax agency funding and personnel, this section prohibits the waiver or reduction of fees under that Act for any records request to the Forest Service or BLM that will cost in excess of $1000 for a single request or for multiple requests of any one party within a 6-month period.

SEC. 407. OFF-BUDGET STUDY.—The SAF report speculates (pp. 27–28) that under certain assumptions the BLM and the Forest Service could become "self-financing." The Committee of Scientists report (p. 179) suggests that "the Forest Service should consider the development of more self-funding activities to reduce its dependence on appropriated funds." To test these speculations and suggestions, this section tasks the GAO with the responsibility to conduct a study for Congress of the feasibility of making the Forest Service and BLM self-supporting by taking the agencies off-budget (no appropriated funds) and returning to them all revenues generated on federal lands (with mineral revenues from national forest lands allocated to the Forest Service), except revenues which by other laws are paid to States and local governments.

SEC. 408. EXEMPTION FROM STRICT LIABILITY FOR THE RECOVERY OF FIRE SUPPRESSION

Costs. Section 504 of FLPMA directed the Secretary of the Interior to promulgate regulations governing liability of users of rights-of-way granted under that Act. The subsequent regulations imposed liability without fault for, among other things, the recovery of fire suppression costs of up to $1 million (43 C.F.R. §2803.1-5). This section would amend section 504 to relieve entities that use the rights-of-way for electrical transmission from strict liability for such costs. This provision does not relieve these entities from liability for fire suppression costs when they are at fault.

Part B. Nonfederal Lands

This part seeks to increase the timeliness and cost efficiency of Forest Service and BLM decisionmaking which directly affects private lands.

Sec. 409. Access to Adjacent or Intermingled Nonfederal Lands.—This section establishes procedures for processing applications for access to nonfederal land across federal land as guaranteed by section 1323 of the Alaska National Interests Lands Conservation Act (ANILCA). First, this section requires that the application processing be completed within 180 days and, if it is not, the access be deemed approved. It sets a 15-day deadline for notifying the applicant whether the application is complete. This section makes clear that the analyses conducted under the National Environmental Policy Act and Endangered Species Act are to consider the effects of the construction, maintenance and use of the access across the federal lands not the use of the nonfederal lands to be accessed. Finally, it clarifies that any restrictions imposed on the access grant pursuant to section 1323 of ANILCA may limit or condition the construction, maintenance, or use of the access across the federal lands, but not the use of the nonfederal lands to be accessed.

Sec. 410. Exchanges of Federal Lands for Nonfederal Lands.—This section establishes procedures for exchanges under, and amends, section 206(b) of FLPMA. As any management activity on any federal lands or interests in lands newly acquired under an exchange will be required to undergo full National Environmental Policy Act and Endangered Species Act review, this section provides that on the exchange itself an EA satisfies the environmental analysis requirements of section 102(2) NEPA and any consultation required under ESA will be completed within 45 days instead of the 90-day period provided by section 7 of ESA. Further, this section provides that any exchange mandated by Congress requires no NEPA documentation. This section also explicitly states that no management activity may be undertaken on the newly acquired federal lands or interests in land until NEPA and ESA are fully complied with and, if necessary, the applicable resource management plan is amended or revised. This section requires that processing of the exchange must be completed within one year of the date of submission of the exchange application. Further, the nonfederal land or interests in land in the exchange are to be appraised without restrictions imposed by federal or State law to protect an environmental value or resource if protection of that value or resource is the very reason why the land is being acquired by the federal government.

This section also allows the Forest Service and BLM to offer for competitive bid the exchange of federal lands or interests in land that meets certain conditions. It also authorizes the agencies to identify early or "prequalify" federal lands or interests in land for exchange. Further, when an exchange involves school trust lands, the agency is excused from conducting a cultural assessment under section 106 of the National Historic Preservation Act if it enters into an agreement with the State that ensures State protection after the exchange of archaeological resources or sites to the maximum extent practicable. Further, this section authorizes the Forest Service to exchange federally owned subsurface resources within the National Forest System or acquired under the Bankhead-Jones Farm Tenant Act of 1937.

This section establishes special funds with a cap of $12,000,000 for the agencies to use, subject to appropriations, for processing land exchanges (including making cash equalization payments where required to equalize values of exchange properties). Finally, the maximum value of lands in an exchange which may be undertaken on the basis of approximately equal value (rather than strictly equal value) is raised from $150,000 to $500,000.

Part C. The Forest Resource

This part contains 5 sections concerning sales of forest products on federal lands. This bill drops a provision contained in its predecessors that allowed bidding on timber sales for the express purpose of protecting—not harvesting—the trees. This provision had the distinction of garnering opposition from both the timber industry and the environmental community.

Sec. 411. Timber Sale Preparation User Fee.—This section is modeled on legislation prepared by the Forest Service for the Administration's FY 2000 budget request. It authorizes the agencies to develop 8-year pilot programs to recover from timber purchasers the direct costs of timber sale preparation and harvest administration. Alternatively, purchasers can elect to contract with parties on approved agency lists to conduct timber sale administration activities. Exempted from collection under the programs would be the costs of complying with the National Environmental Policy Act, conducting stewardship timber sales under section 347 of the fiscal year 1999 Interior and Related Agencies Appropriation Act, and conducting timber sales where the fees would adversely affect the sales' marketability or the ability of small businesses to bid on the sales. Fees collected are to be used to pay for the administration of the pilot programs.

Sec. 412. Forest Health Credits in Sales of Forest Products.—This section provides the Forest Service and BLM with an optional approach to undertaking forest health management activities that would be impractical for the agencies to accomplish under existing procedures or within existing programs. This approach permits the agencies to include new provisions in the standard contract provisions for any salvage sale of forest products or any sale of forest products constituting a forest health enhancement project under section 413. These new provisions would obligate the purchaser to undertake certain forest health management activities which could logically be performed as part of the sale. In return, the purchaser receives "forest health credits" to offset the cost of performing the activities against the purchaser's payment for the forest products. These forest health management activities are subject to the same contractual requirements as all other harvesting activities. Sale contracts with these forest health credits provisions are to have terms of no more than 3 years.

Before forest health credits provisions can be included in a contract of sale of forest products, the agency concerned has to identify and select the specific forest health management activities. Forest health activities would be eligible for forest health credits if the agency concerned finds that: (1) they would address the effects of the operation of the sale or past sales, or involve vegetation management within the sale area; and (2) they could be accomplished most effectively when performed as part of the sale contract, and would not likely be performed otherwise. Forest health management activities are defined to include thinning, salvage, stand improvement, reforestation, prescribed burning or other fuels management, insect or disease control, riparian or other habitat improvement, or other activity which has any of 5 purposes: improve forest health; safeguard human life, property, and communities; protect other forest resources threatened by adverse forest health conditions; restore the integrity of ecosystems, watersheds, and habitats damaged by adverse forest health conditions; or protect federal investments in forest resources and future federal, State, and local revenues.

Once the determination is made to add forest health management activities requirements to a sale of forest products, the specific activities are identified, and their costs are appraised, the required activities and the forest health credits assigned to those activities are identified in the sale's advertisement and prospectus. (After the sale, the agency, with the concurrence of a sale purchaser, can alter the scope of the forest health management activities or amount of credits when warranted by changed conditions.) This section provides that sales with forest health credits need not return more revenues than they cost and are not to be considered in determining the revenue effects of individual forest, Forest Service region, or national forest products sales programs.

Appropriated funds can be used to offset the costs of forest health management activities prescribed in a forest products sale contract (typically when the total cost of such activities would otherwise exceed the value of the offered forest products materials or likely dampen competitive interest in the sale), but only if those funds are derived from the resource function or functions which would directly benefit from the performance of the activities and are appropriated in the fiscal year in which the sale is offered. The amount of any appropriated funds to be paid for forest health management activities under a sale contract also must be announced in the sale's advertisement and prospectus.

All forest health credits earned by the purchaser are redeemable. Earned forest health credits can be transferred to any other sale of forest products held by the purchaser which is located in the same region of the Forest Service or same jurisdiction of the BLM State office, as the case may be. The credits are considered "earned" when the purchaser satisfactorily performs the forest health management activity to which the credits are assigned in the sale advertisement. If the purchaser normally would be required to pay for all the forest products materials prior to completion of a forest health management activity or activities assigned forest health credits, the purchaser could elect to defer a portion of the final payment for the harvested materials equal to the forest health credits assigned to the activity.

This section sunsets in 5 years, but previously awarded contracts for sale of forest products with forest health credits provisions remain in effect under the terms of this section after that time. To assist the Congress in determining whether this section should be reenacted, the Forest Service and BLM are required to monitor the performance of sales contracts with forest health credits and submit a joint report to Congress assessing the contracts' effectiveness and whether continued use of such contracts is advised.

SEC. 413. SPECIAL FUNDS.—This section gives permanent status to the funds for salvage sales of forest products of the Forest Service and BLM and expands their purposes to allow use of the fund monies for a full array of forest health enhancement projects.

SEC. 414. PRIVATE CONTRACTORS.—To ensure that processing of sales of forest products is accomplished in a timely manner in an era of severe budget and personnel constraints, this section encourages that the agencies, to the maximum extent possible, use private contractors to prepare the sales. To ensure the integrity of sale decisionmaking, this section also requires the agencies to review the contractors' work before making any decisions on the sales and bars the contractors from commenting on or participating in the sales' decisions.

SEC. 415. SPECIAL FOREST PRODUCTS.—This section is modeled on legislation prepared by the Forest Service for the Administration's FY 2000 budget request. It directs the Forest Service to collect fees for the fair market value (established by appraisal methods or bidding procedures) of special forest products harvested from national forest lands and the costs for authorizing and monitoring the harvesting. Special forest products are defined as any vegetation or other life form not excluded from fees by regulation. The Forest Service is to use the fair market value fees collected under this section for conducting inventories of special forest products and assessing and addressing any impacts from harvesting activities, and the recovered costs for administration of the program.

TITLE V—MISCELLANEOUS

SEC. 501. REGULATIONS.—This section requires the Forest Service and BLM to promulgate rules to implement this legislation within a year and a half of its enactment.

SEC. 502. AUTHORIZATION OF APPROPRIATIONS.—This section authorizes appropriations to implement this legislation for 10 fiscal years after enactment. It also sunsets at the same time all other statutory authorizations for appropriations to the Forest Service and BLM for management of the federal lands.

SEC. 503. EFFECTIVE DATE.—This section provides that this legislation will take effect upon its enactment, and admonishes that no decision or action authorized by this legislation is to be delayed pending rulemaking.

SEC. 504. SAVINGS CLAUSES.—This section ensures that nothing in this legislation conflicts with the law pertaining to the revested Oregon and California Railroad and Coos Bay Wagon Road grant lands in Oregon. Further, this section bars construing any provision of this legislation as terminating any valid lease, permit, right-of-way, or other right or authorization of use of the federal land existing upon enactment and as altering in any way any Native American treaty right. Finally, this section provides that all actions under this legislation are subject to valid existing rights.

SEC. 505. SEVERABILITY.—This final section contains the standard severability clause.

By Mr. WELLSTONE (for himself and Mrs. MURRAY):

S. 1321. A bill to amend title III of the Family Violence Prevention and Services Act and title IV of the Elementary and Secondary Education Act of 1965 to limit the effects of domestic violence on the lives of children, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

CHILDREN WHO WITNESS DOMESTIC VIOLENCE PROTECTION ACT OF 1999

Mr. WELLSTONE. Mr. President, today, I am introducing the Children Who Witness Domestic Violence Protection Act. My legislation, which I am joined by Senator MURRAY in offering today, is a comprehensive first step towards confronting the impact that witnessing domestic violence has on children. This bill addresses the issue from multiple perspectives, including mental health, education, child protection services, supervised visitation centers, law enforcement, and crisis nurseries.

There are many facets to the serious problem we have with violence in our country. The evening news brings violent images from around the world into our homes every day. We also witness through various media the violent images or hear stories of violence that has occurred in our own communities and in our schools like Columbine High.

Images of violence bombard our children from the movies, video games, or from television programs. But there is a type of violence in the lives of America's children that is not in the spotlight. Increasingly, children are witnessing real-life violence in their homes. In fact, it is in their own homes that many children witness violence for the first time.

Over 3 million children are witnessing violence in their homes each year, and it is having a profound impact on their development.

Frequently, these children are physically injured by the violence. But always, they carry with them lasting emotional sears from having been exposed to the threat and trauma of injury, assault or killing. This exposure to domestic violence changes the way children view the world. It may change the value they place on life itself. It affects their ability to learn, to establish relationships, and to cope with stress.

Witnessing domestic violence has such a profound impact on children, placing them at high risk for anxiety, depression, and, potentially, suicide. Further, these child victims may exhibit more aggressive, antisocial, and fearful behaviors. They are also at greater risk of becoming future offenders.

Studies indicate that children who witness their fathers beating their mothers suffer emotional problems, including slowed development, sleep disturbances, and feelings of helplessness, depression and anxiety. Many of these children exhibit more aggressive, antisocial, fearful and inhibited behaviors. They also show lower social competence than other children.

Children from homes where their mothers were abused have also shown less skill in understanding how others feel and in examining situations from the other's perspective when compared to children from non-violent households. Even one episode of violence can produce post-traumatic stress disorder in children.

Exposure to family violence, many studies suggest, is the strongest predictor of violent delinquent behavior among adolescents. It is estimated that between 20 and 40 percent of chronically violent adolescents have witnessed extreme parental conflict.

Recent studies have demonstrated that up to 50% of children who come before the juvenile dependency court on allegations of abuse and neglect have been exposed to domestic violence in their homes.

In a Justice Department funded study of children in Rochester, NY, children who had grown up in families where domestic violence occurred were 21 percent more likely to report violent delinquency than those not so exposed. Children exposed to multiple forms of family violence reported twice the rate of youth violence as those from nonviolent families.

A 1994 survey of 115 mothers in the waiting room of Boston City Hospital's Primary Care Clinic found that by age 6, one in ten children had witnessed a knifing or shooting. An additional 18 percent of the children under six had witnesses pushing, hitting or shoving. Half of the reported violence occurred in the child's home.

Many children actually see their father, stepfather, or mother's boyfriend not only beat their mothers but rape them as well. Although some parents believe that they succeed in shielding their children from the batterer's aggression, children often provide detailed accounts of the very events which adults report they did not witness. Reports by children and by adults of their memories of childhood experience indicate that parents severely underestimate the extent to which their children are exposed to violence.

Children who witness domestic violence are traumatized and need support. Who is a child going to turn to when their mother is the victim of their father? Who is a child going to talk to when their sibling has emotionally shut down and no longer speaks? Who is a child going to go to for help when they need assistance?

Children have the right to know that what is happening in their home is wrong. Children have the right to feel that we are about their safety.'

This bill addresses the issue from multiple perspective including mental health, education, children protection services, supervised visitation centers, law enforcement, and crisis nurseries.

There are some creative programs in this country that are forging partnerships in their communities to meet the needs of traumatized children. I have visited such programs in Boston, San Francisco and Minnesota.

More must be done.

To address the devastating impact that witnessing domestic violence has on the mental health of children, my legislation provides nonprofit agencies with the funds needed to design and implement multi-system interventions for child witnesses. This partnerships would involve the courts, schools, health care providers, child protective services, battered women's programs and others. Promoting collaboration and coordination among all the professionals involved can broaden the community's response to the child.

This response would include developing and providing: Guidenace to evaluate the need of child witnesses; safety and security procedures for child witnesses and their families; counseling and advocacy for families of child witnesses; mental health treatment services; and outreach and training to community professionals.

My legislation also encourages collaboration between domestic violence community agencies and schools to provide educational programming and support services for students and staff. Domestic violence agencies will work with schools to provide: Training for school officials about domestic violence and its impact on children; educational programming and materials on domestic violence for students; and support services, such as counselors, for students and school officials.

Among the many detrimental impacts of witnessing domestic violence, children exposed to domestic violence are at high risk for learning difficulties and school failure. Research indicates that children residing in shelters show significantly lower verbal and quantitive skills when compared to children nationally. These deficits, when coupled with the impact on children's behavioral and emotional functioning, demand that schools be able to understand and address the needs of children who have witnessed domestic violence. Further, service providers continue to find that the occurrence of domestic violence could be detected sooner if various points of contact with the family had been better trained to recognize the indicators of such family violence.

Children cannot always compartmentalize traumatic events—instead the domestic violence comes to school with each and every child witness. It undermines their school performance, and their relationship with other children.

This legislation also addresses domestic violence and the people who work to protect our children from abuse and neglect. There is a significant overlap between domestic violence and child abuse. In families where one form of family violence exists, there is a likelihood that the other does, too. In a national survey, researchers found that 50 percent of the men who frequently assaulted their wives also frequently abused their children.

The problem is that Child Protective Services and domestic violence organizations have separately set up programs to address one of these forms of violence, yet few address both when they occur together in families. My bill creates incentives for local governments to collaborate with domestic violence agencies in administering their child welfare programs.

Under my legislation, funds will be awarded to States and local governments to work collaboratively with community-based domestic violence programs to: Provide training to the staff, supervisors, and administrators of child welfare service agencies and domestic violence programs, including staff responsible for screening, intake, assessment, and investigation of reports of child abuse and neglect; assist agencies in recognizing that the overlap between child abuse and domestic violence places both children and adult victims in danger; develop relevant protocols for screening, intake, assessment, investigation, and interventions; and increase the safety and well-being of child witnesses of domestic violence as well as the safety of the non-abusing parent.

Another important part of my legislation is funding to increase the availability of supervised visitation centers. Since domestic violence often escalates during separation and divorce, and visitation is frequently used as an opportunity for abuse, this provision is designed to shield children from further exposure to violence. It creates a grants program which domestic violence service providers can apply for on a competitive basis to create family visitation centers. Use of these centers can minimize stressful and potentially dangerous interactions among family members. In addition, the centers provide judges with a further tool to deal with problematic visitations when there has been a history of violence.

On July 3, 1996 5 year old Brandon and 4 year old Alex were murdered by their father during an unsupervised visit. Their mother Angela was separated from Kurt Frank, the children's father. During her marriage, Angela was physically and emotionally abused by Frank, and Frank had hit Brandon and split open his lip when he stepped in front of his mother during a domestic violence incident. Angela had an Order of Protection against Kurt Frank, but during custody hearings her request for her husband to only receive supervised visits was rejected. Kurt Frank murdered his two sons during an unsupervised visit. We must do better for the 3 million children witnesses still living out there.

Law enforcement officers are those who find traumatized children hiding behind doors, beneath furniture, in closets. They are generally the first to arrive and their ability to recognize and address the needs of the children is critical.

This bill provides further training to law enforcement officers regarding the appropriate treatment of children who have witnessed domestic violence. Police officers will be trained in child development and issues related to domestic violence so that they may: Recognize the needs of children who have witnessed domestic violence; meet children's immediate needs at the scene of the crime; and establish a collaborative working relationship between police officers and local domestic violence service agencies.

Families faced with domestic violence also need a safe place for their children during times of crisis.

This legislation provides funds to States to assist private and public agencies and organizations to provide crisis nurseries for children who are abused, neglected, at risk of abuse or neglect, or who are in families receiving child protective services. Nurseries will be available to provide a safe place for children and to alleviate the social and emotional stress among children and families impacted by domestic violence.

In conclusion, we must pass this legislation for children who are traumatized by what they have seen. We must pass this legislation for children like Brandon and Alex who deserve to have our protection from harm.

Please join me in the protection of children who witness domestic violence.

Mr. President, I ask unanimous consent that the summary of the bill be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Children Who Witness Domestic Violence Protection Act of 1999—Summary

The Children Who witness Domestic Violence Protection Act is a comprehensive first step toward confronting the impact that witnessing domestic violence has on children. Over 3 million children in the United States witness domestic violence in their homes each year. These children are at a high risk for aggression, depression, learning difficulties, school failure, delinquency, and even suicide. The attitudes a child develops concerning the use of violence and conflict resolution in their own relationship are also affected. Further, children living in homes where domestic violence occurs are at a greater risk of being abused themselves. This bill addresses the needs of children witnesses domestic violence by providing for mental health services, education programs, child protection services, supervised visitation centers, the training and support of law enforcement personnel, and crisis nurseries.

MENTAL HEALTH

Multi-System Interventions for Children Who Witness Domestic Violence.

This bill will provide nonprofit agencies with funding to bring various service providers together to design and implement intervention programs for children who witness domestic violence. These working partnerships will involve counselors, courts, schools, health care providers, battered women's programs and others. Intervention programs will include counseling and advocacy for child witnesses and their families, strategies to ensure the safety and security of the children and their families, and outreach and training to community professionals about the issue of children witnessing domestic violence. Funds can be use to develop new programs or to carry out programs that have been successful in other communities. Authorization of appropriations for the multi-system interventions is $5,000,000 for 3 years (totaling $15,000,000).

EDUCATION

Combatting the Impact of Witnessing Domestic Violence on Elementary and Secondary School Children.

This bill will create opportunities for domestic violence community agencies and elementary and secondary schools to work together to address the needs of children who witness domestic violence. Domestic violence agencies will work with schools to provide domestic violence training to school officials so they can understand how witnessing domestic violence affects the children in their schools. Educational programming and materials will be provided to students to they can learn about the problem. Also, support services such as counselors will be provided for students and school officials to help address the problems of children witnessing domestic violence. Authorization of appropriations for combating the impact of witnessing domestic violence on school children is $5,000,000 for 3 years (totaling $15,000,000).

CHILD PROTECTION SERVICES

Child Welfare Worker Training on Domestic Violence.

This bill will provide training to both child welfare and domestic violence workers to assist them in recognizing the treating domestic violence as a serious problem threatening the safety and well being of both children and adults. Funds will be awarded to States and local governments to work with one or more community-based programs to provide training and assistance to workers in the area of domestic violence as it relates to cases of child welfare.

Training will include teaching staff to recognize the overlap between child abuse and domestic violence which places both children and adult victims in danger, and developing methods for identifying the presence of domestic violence in child welfare cases. Staff will also be taught how to increase the safety and well-being of child witnesses of domestic violence as well as the safety of the non-abusing parent. Protocols will be developed with law enforcement, probation and other justice agencies in order to ensure that justice system interventions and protections are readily available for victims of domestic violence served by the social service agency.

Authorization of appropriations for child welfare worker training is $5,000,000 for 3 years (totaling $15,000,000).

SUPERVISED VISITATION CENTERS

This bill increases the availability of visitation centers for visits and visitation exchange of child witnesses and their parents. It provides money which domestic violence service providers can use to establish an operate supervised visitation centers. Authorization of appropriations for safe havens from the Violent Crime Reduction Trust Fund is $20,000,000 for 3 years (totaling $60,000,000).

LAW ENFORCEMENT: POLICE OFFICER TRAINING

This bill provides training to law enforcement officers in how to care for children who have witnessed domestic violence. Police officers will be trained in child development and issues related to domestic violence so that they may recognize the needs of children who have witnessed domestic violence. Police officers will be taught how to meet children's immediate needs at the scene of violence. Authorization of appropriations for law enforcement officer training from the Violent Crime Reduction Trust Fund is $3,000,000 for 3 years (totaling $9,000,000).

CRISIS NURSERIES

This bill provides funds to States to assist private and public agencies and organizations to provide crisis nurseries for children. Families faced with domestic violence need a safe place for their children during times of crisis. Authorization of appropriations for crisis nurseries of $15,000,000 for 3 years (totaling $45,000,000).

By Mr. DASCHLE (for himself, Mr. HARKIN, Mr. DODD, and Mr. KENENDY):

S. 1322. A bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services; to the Committee on Health, Education, Labor, and Pensions.

THE GENETIC NONDISCRIMINATION IN HEALTH INSURANCE AND EMPLOYMENT ACT OF 1999

Mr. DASCHLE. Mr. President, today, with my colleagues Senators KENNEDY, HARKIN, and DODD, I announce the introduction of the Genetic Nondiscrimination in Health Insurance and Employment Act of 1999, a piece of legislation designed to stop genetic discrimination. The advent of testing for genes that indicate a predisposition to disease has presented us with a new series of opportunities and challenges. While prior awareness of susceptibility to disease offers millions the chance to take preventive measures that will help them live healthier and longer lives, there also exists the possibility that genetic information will be misused. It is for that reason that we Democrats feel strongly that measures must be taken to ensure that health insurers may not discriminate against patients on the basis of predictive genetic information, and that employers may not discriminate against employees in the provision of health insurance or by withholding job benefits as a result of the improper use of genetic information.

When the Patients' Bill of Rights reaches the floor after the July recess, we hope to offer this bill as an amendment to the bill under consideration. This issue, like many others, exposes a fault line between the Republican and Democratic approach to health insurance reform.

Scientific advances now make it possible to identify genes that indicate a predisposition to disease. For example, tests for genes associated with hereditary breast cancer are commercially available. Genetic information may prove highly beneficial in areas related to prevention, treatment, diet, or lifestyle. While this is profoundly good news for patients, it also raises fears regarding how genetic information will be used in the workplace. Advances in genetic and screening, accelerated by the Human Genome Project at the National Institutes of Health, increase physicians' ability to detect genetic mutations. These technologies and their resulting genomic data will enhance medical science, but may also lead to discrimination.

Regrettably, many employers may not hire individuals whom they believe will require time off or medical treatment at some point in the future due to a genetically transmitted disease. Equally disturbing, employers may simply deny insurance coverage to employees who they believe are predisposed to genetic disease. This discrimination could result despite the fact that genetic testing only indicates that an individual may be predisposed to a disease—not necessarily whether that disease will develop.

This issue is already touching the lives of many Americans. For example, a survey last year by the American Management Association of over 1,000 companies indicated that 5% of responding employers currently do genetic testing of their employees. While that number may sound small, its more than the number of companies who test for HIV status. And of those companies who do genetic testing on their employees, 19% have chosen not to hire an individual and 10% have dismissed an employee based on the genetic test results.

Anecdotal evidence suggests that fear of discrimination already has inhibited people who may be susceptible to disease from getting genetic testing. In some cases, this means that gene carriers will miss out on early diagnosis, treatment or even prevention. If consumers avoid taking advantage of available diagnostic tests out of fear of discrimination, they may suffer much more serious—and more expensive—health problems in the long run.

That is why our proposal to ban employment discrimination is clearly supported by the American people. A recent national poll by the National Center for Genome Resources demonstrates that an overwhelming majority of those surveyed—85%—think that employers should be prohibited from obtaining information about an individual's genetic conditions, risks, and predispositions.

We will pay the price in more than increased health care costs if we allow genetic information to be used in a discriminatory manner. Discrimination based on genetic factors can be as unjust as that based on race, national origin, religion, sex or disability. In each case, people are treated inequitably, not because of their inherent abilities, but solely because of irrelevant characteristics. Genetic discrimination that excludes qualified individuals from employment robs the marketplace of skills, energy, and imagination. Finally, genetic discrimination undercuts the Human Genome Project's fundamental purpose of promoting public health. Investing resources in the Human Genome Project is justified by the benefits of identifying, preventing and developing effective treatments for disease. But if fear of discrimination deters people from genetic diagnosis or from confiding in physicians and genetic counselors, and makes them more concerned with job loss than with care and treatment, our understanding of the humane genome will be for naught.

Because genetic information could be used unfairly, Congress must expand the scope of its anti-discrimination laws to include a ban on genetic discrimination. Our bill has three major components: (1) it forbids employers from discriminating in hiring or in the terms and conditions of employment on the basis of genetic information, (2) it forbids health insurers from discriminating against individuals on the basis of genetic information, and (3) it prevents the disclosure of genetic information to people who have no legitimate need for the information: health insurers, health insurance data banks, or to employers.

Now, before the use of genetic information becomes widespread, we must make sure that dramatic scientific advances do not have negative consequences for the public. We have an historic opportunity to preempt this problem. I hope that my colleagues will join me in supporting this important legislation.

Mr. DODD. Mr. President, over the past decade the science of identifying genetic markers for diseases has evolved at an astonishing pace. For an increasing number of Americans science fiction has become reality—their doctors can now scan their unique genetic blueprints and predict the likelihood of their developing diseases like cancer, Alzheimer's or Parkinson's.

Armed with this knowledge, individuals and families can make informed decisions about their health care including, in some cases, even taking steps to prevent the disease or to detect and treat it early.

Unfortunately, phenomenal advances in our knowledge about genetics have outpaced the protections currently provided in law. Thus, the potential also exists for this remarkable new information—which is making such a difference in people's lives in terms of their health—this information could always be used by health insurers, employers, or others to deny health coverage or job opportunities to people.

We know the Federal and State laws currently offer only a patchwork of protections against the misuse of genetic information. While the Health Insurance Portability and Accountability Act of 1996 took important first steps toward prohibiting genetic discrimination in health insurance, it left large gaps. For example, it does not prohibit insurers from requiring genetic testing or from disclosing genetic information and offers no protection at all for people who must buy their insurance in the individual market.

While several States—including my own—have enacted legislation prohibiting health insurance discrimination, these laws cannot protect more than 51 million American individuals in employer-sponsored, "self-funded" health plans. Additionally, few States have chosen to address the issue of employment discrimination or the separate issue of the privacy of genetic records.

I have personal experience that this issue is not a partisan issue. Two years ago, my distinguished friend and colleague from New Mexico, Senator DOMENICI, and I introduced one of the first bills on this critical topic addressing both insurance and employment discrimination.

Last year, along with many of my Democratic colleagues, I joined Senator SNOWE of Maine in supporting strong legislation protecting patients from genetic discrimination in insurance.

Today I am pleased to join my colleagues, Senator DASCHLE, Senator HARKIN, and Senator KENNEDY, in introducing comprehensive legislation to safeguard the privacy of genetic information and to prohibit health insurance or employment discrimination based on genetic information.

Specifically, this legislation, which we call the Genetic Nondiscrimination Health Insurance and Employment Act, would prohibit health insurers from discriminating based on genetic predisposition to an illness or condition and would prevent insurers from requiring applicants for health insurance to submit to genetic testing.

This bill would also address the concerns about employment discrimination by preventing employers from firing or refusing to hire individuals who may be susceptible to a genetic condition.

Finally, this legislation would hold employers and insurers accountable by imposing strong penalties on those who violate these previous just stated provisions.

In a few short years researchers will have the ability to translate the entire genetic code, revealing each individual's unique genetic blueprint. It is an astonishing prospect. Last year, in a visit I made to Yale University's Genetic Testing Center, I had the opportunity to see into the future and glimpse cutting-edge uses of this technology. I also had the opportunity to hear of the fears expressed by patients at this center.

As an aside, we are talking about predisposition. We are now reaching a point on breast cancer in women, through tests being done over the years on twins, where we are able to determine almost at birth the likelihood or the probability of a woman contracting breast cancer at the time of that child's birth—looking into the future based on the genetic markers.

That is profound information. It could make a huge difference to be able to know early on about a predisposition based upon your genetic makeup, knowing you have a probability or a likelihood later in life of contracting certain diseases. That allows that individual and that family early on to take the steps through diet and/or mediation, prescriptions, and so forth, to avoid the possibility of contracting these dreaded diseases. That is the great news. It is phenomenal. It is happening at such a pace, it is hard to believe.

As we gather this information that a person may be, based upon their genetic makeup, susceptible to breast cancer, Alzheimer's, Parkinson's disease, or other forms of cancer, that information ought to be protected. I believe it should. It is one thing if you have a condition and you keep that from an employer and they hire you and they want to know whether or not you have a condition. I don't think anyone ought to be allowed to deny revealing information that an employer ought to have. But a predisposition—that information ought not to deprive you of a job or health insurance just because that genetic information indicates that may be the case.

This is what happens. While I visited this wonderful Genetic Testing Center at Yale University, I met with some patients and the researchers who do this work. They asked me to pay attention and listen to a couple of patients with whom they work.

Keith Hall has been a patient at Yale for several years, since he was first diagnosed with something called tuberous sclerosis. Let me explain what that is. It is a genetic disease that causes tumors of the brain, kidney, and other organs, and sometimes mental retardation. Keith, obviously, worries about what will happen to his insurance if he ever has to switch jobs with that condition.

I also met with Ashley Przybylski, an 11-year-old girl from Oxford, CT. Ashley suffers from a genetic nutritional disorder that can cause seizures and brain damage. Currently, the family insurance covers the exorbitant cost of medication that keeps her healty—about $33,000 a year. Ashley faces the prospect of being denied coverage when she gets older.

While we as a nation welcome these scientific achievements—we will be able to determine in the case of both Keith and Ashley that they have a predisposition for tuberous sclerosis or genetic nutritional disorders—if both this child and this individual were to be denied employment or insurance because of a genetic predisposition because that information becomes available, that is wrong and should be corrected.

This legislation is designed to try to provide this kind of protection to people as we move forward with the wonderful information gathering of genetic information.

The issue is too important to ignore for another year. Each day that passes, more individuals suffer discrimination. Each day we fail to act, more families are forced to make decisions about genetic testing based not on health care but on fear.

I pledge my commitment to ensuring that progress on the Human Genome Project is matched against the potential discrimination in establishing some fundamental rights of privacy.

I welcome comments from my colleagues and others who may be interested in being a part of this effort to try to get ahead of the curve as we deal with the wonderful news of genetic marking that can make such a difference in people's lives.

Mr. HARKIN. Mr. President, genetic discrimination is a terribly important issue and one that I have been following for quite some time now. I am pleased to be here today with Senator DASCHLE, SENATOR DODD, and Senator KENENDY to introduce the "Genetic Non-discrimination in Health Insurance and Employment Act of 1999."

The advances we have made recently in the study of the human gene are mind-boggling. The identification of a number of disease-related genes is providing scientists with important new tools for understanding the underlying mechanisms for many illnesses. Genomic technologies have the potential to lead to better diagnosis and treatment, and ultimately to the prevention and cure of many diseases and disabilities.

Yet discrimination in health insurance and employment, and the fear of potential discrimination, threaten our ability to conduct the very research we need to understand, treat, and prevent genetic disease. Moreover, discrimination—and the fear of discrimination—threaten our ability to use new genetic technologies to improve human health.

Let me give you just a few examples:

In the early 1970's some insurance companies denied coverage and some employers denied jobs to African-Americans who were identified as carriers for sicklecell anemia, even though they were healthy and would never develop the disease.

More recently, in a survey of people in families with genetic disorders, 22% indicated that they, or a member of their family, had been refused health insurance on the basis of their genetic information.

And a number of researchers have been unable to get individuals to participate in cancer genetics research. Fear of discrimination is cited as the reason why.

But this is more than just about numbers and anonymous individuals, it's about real people—including my own family. As many of you know, both my sisters died from breast cancer. And other members of my family might be at risk. Should I counsel them to get tested for the BRCA1 and BRCA2 mutations? Should I counsel them to disclose our family history to their health care providers?

Right now, I'm torn. I know that if my family is to have access to the best available interventions and preventive care, they should get tested, and they should disclose our family's medical history to their physicians. But, conversely, if they are to get any health care at all, they must have access to health insurance. Without strong protections against discrimination, access to health insurance is currently in question.

In 1995, I introduced an amendment during the markup of the Health Insurance Portability and Accountability Act. My amendment clarified that group health plans could not establish eligibility, continuation, enrollment, or contribution requirements based on genetic information. My amendment became part of the manager's package that went to the floor, and it ultimately became law.

HIPAA is a good first step. We should be proud of that legislation. Yet if our goal is to ensure that individuals have access to health insurance coverage and to employment opportunities—regardless of their genetic makeup—we must pass comprehensive anti-discrimination protections.

Our proposed legislation offers such protections. Let me describe them in brief:

First, this legislation prohibits insurers and employers from discriminating on the basis of genetic information. It is essential to prohibit discrimination both at work and in health insurance coverage. If we only prohibit discrimination in the insurance context, employers who are worried about future increased medical costs will simply not hire individuals who have a genetic predisposition to a particular disease.

Second, under our proposal, health insurance companies are prohibited from disclosing genetic information to other insurance companies, industry-wide data banks, and employers. If we really want to prevent discrimination, we should not let genetic information get into the wrong hands.

Finally, if protections against genetic discrimination are to have teeth, we must include strong penalties and remedies to deter employers and insurers from discriminating in the first place.

In closing, let me say that this legislation will ensure that every American will enjoy the latest advances in scientific research and health care delivery, without fear of retribution on the basis of their sensitive genetic information. All of us should be concerned about this issue, because all of us have genetic information that could be used against us. As we move into the new millennium, everyone should enjoy the benefits of 21st century technologies—and not be harmed by 21st century discrimination.

I applaud the committment of my fellow co-sponsors on this important issue and look forward to working with the rest of my colleagues to pass federal legislation that will prohibit genetic discrimination in the workplace and in health insurance.

Mr. KENNEDY. Mr. President, the Nation is making extraordinary progress in biomedical research. The National Institutes of Health will have developed a working draft of the entire human genome by next spring. Comprehensive knowledge of the genetic sequence will enable researchers to identify large numbers of mutations associated with disease. Understanding the molecular basis of hereditary diseases will expedite the search for more effective treatments and cures. The benefits for patients are likely to be unparalleled in the history of medicine.

But this new scientific knowledge also raises a number of ethical, legal, and social questions. The National Institutes of Health is dealing with many of these challenges through programs funded by the National Human Genome Research Institute.

Congress also has a key role to play in this process, especially in dealing with genetic discrimination, which is an increasingly serious problem in health insurance and the workplace. A 1996 study in "Science and Engineering Ethics" documented more than 200 cases of discrimination against individuals with genetic predispositions to certain diseases, even though the individuals have no symptoms of the disease as yet. For example, some employers have used genetic screening to identify African Americans with the gene mutation for sickle cell anemia. Those with the sickle cell gene mutation were denied jobs, even though many were only carriers of the mutation and would never become ill themselves.

In other cases, persons at risk for Huntington's disease have been denied health insurance and have lost their jobs. Similar concerns are arising in the wake of research showing a genetic basis for breast cancer. Ethnic groups who were participants in research to identify disease-related genes are increasingly concerned about the adverse effects on their insurance coverage and their jobs. Even at the National Institutes of Health, 32% of women offered a test for a genetic mutation related to breast cancer refused to take the test, citing concerns about possible discrimination and the loss of privacy.

To deal with this issue, Senator DASCHLE, Senator HARKIN, Senator DODD, and I are introducing legislation to ban genetic discrimination by both health insurers and employers. Our proposal is the culmination of years of work and debate over genetic discrimination. The proposal that we are introducing today is based on our belief that neither your health insurer nor your employer should be able to discriminate against you based upon your genetic information. In this era, when many people obtain their health insurance through their employer, it is especially critical that both health insurers and employers are prohibited from disclosing genetic information to each other. Proposals that do not address both the insurance and the employment aspects of the issue will not truly prevent genetic discrimination.

Our legislation prohibits health insurers from setting premiums and defining eligibility on the basis of genetic information. Because we believe that genetic testing is a decision that patients should make with their physicians, our bill prohibits insurers from suggesting or requiring patients to undergo genetic testing. Because insurers do not need to know genetic information for most situations, our bill prohibits them from requesting, collecting, or purchasing genetic information. In addition, the bill does not allow health insurers to share genetic information with each other, to disclose genetic information to industry-wide data banks, or to disclose genetic information to employers.

We know that employers are beginning to collect genetic information and discriminate against applicants and employees. Many examples illustrate the problem on a personal level, such as the story of Christine, in Milwaukee, WI. One of Christine's parents developed Huntington's disease, which meant that Christine had a 50% chance that she had inherited the mutant gene that would cause her to develop the disease. Christine decided to undergo a genetic test to determine whether she had inherited the mutation. She traveled to the University of Michigan in Ann Arbor for the test, and paid for the test herself. A co-worker in the small firm where Christine worked overheard Christine making the arrangements for the test and told Christine's supervisor. Her supervisor was initially sympathetic and offered to help. Christine then underwent the genetic test and learned that she had indeed inherited the mutation and would therefore eventually develop the disease. When Chistine shared this information with her supervisor, she was fired, despite a series of outstanding job evaluations. Now, because of Christine's experience, none of her siblings are willing to have the genetic test.

This type of blatant discrimination must be stopped. Our legislation prohibits employers from collecting genetic information from any source, including health insurers, and from making any type of employment decision based on genetic information.

We should all be concerned about genetic discrimination, because we all have mutations in our genes, and medical researchers are discovering new relationships between genes and diseases. Without legislative action, genetic discrimination will intensify as more genes associated with specific diseases are discovered, and as genetic testing becomes more common. Earlier this week, Vice President GORE proposed a challenge to the biomedical research community—to identify all genes associated with cancer by the year 2002.

Our legislation is supported by the Alliance to Genetic Support Groups, the National Partnership for Women and Families, the American Civil Liberties Union, and Hadassah.

Congress should act quickly to pass legislation to ban genetic discrimination in health insurance and the workplace, so that we can benefit from those research advances without the threat that people will lose their jobs or their health insurance.

I ask uninamous consent that their letters of support be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL BREAST CANCER COALITION,
July 1, 1999.

Hon. TED KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the National Breast Cancer Coalition (NBCC), I am writing to thank you for your leadership in offering the Genetic Nondiscrimination in Health Insurance and Employment Act of 1999. As you know, NBCC is a grassroots advocacy organization made up of over 500 organizations and tens of thousands of individuals, their families and friends. We are dedicated to the eradication of the breast cancer epidemic through action and advocacy. Addressing the complex privacy, insurance and employment discrimination questions raised by evolving genetic discoveries is one of our top priorities.

Discrimination in health insurance and employment is a serious problem. In addition to the risks of losing one's insurance or job, the fear of potential discrimination threatens both a woman's decision to use new genetic technologies and seek the best medical care from her physician. It also limits the ability to conduct the research necessary to understand the cause and find a cure for breast cancer.

The Kassebaum-Kennedy Health Insurance Reform Act (1996) took some significant steps toward extending protection in the area of genetic discrimination in health insurance. But it did not go far enough. Moreover, since the enactment of Kassebaum-Kennedy, there have been incredible discoveries at a very rapid rate that offer fascinating insights in the biology of breast cancer, but that may also expose individuals to an increased risk of discrimination based on their genetic information. For instance, because of the discovery of BRCA1 and BRCA2, breast cancer susceptibility genes, we now face the reality of a test that can detect the increased risk associated with heritable breast cancer. Genetic testing may well lead to the promise of improved health. But if women are too fearful to get tested, they won't be able to gain from the future benefits genetic testing might offer.

We commend your efforts to go beyond Kassebaum-Kennedy toward ensuring that all individuals—not just those in group health plans—are guaranteed protection against discrimination in the health insurance arena and the employment venue based on their genetic information. The Genetic Nondiscrimination in Health Insurance and Employment Act of 1999 would also guarantee individuals important protections against rate hikes based on genetic information, would prohibit insurers from demanding access to genetic information contained in medical records or family histories, and would restrict insurers' release of genetic information.

Passage of this legislation, and the protections it offers, are essential not only for women with a genetic predisposition to breast cancer, but also for women living with breast cancer, their families, and the millions of women who will be diagnosed with breast cancer. We look forward to working with you towards getting the Genetic Nondiscrimination in Health Insurance and Employment Act of 1999 enacted this year.

Thank you again for your outstanding leadership, and please do not hesitate to call me or NBCC's Government Relations Manager, Jennifer Katz if you have any questions.

Sincerely,

FRAN VISCO, *President.*

HADASSAH, THE WOMEN'S ZIONIST
ORGANIZATION OF AMERICA, INC.
July 1, 1999.

Hon. EDWARD KENNEDY,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: On behalf of Hadassah's 300,000 members, I would like to thank you, as well as Senators Daschle, Dodd, and Harkin for introducing "The Genetic Non-discrimination in Health Insurance and Employment Act of 1999." The very information that may save someone's health or life should under no circumstances be used to deny them the insurance coverage needed to pay for this care.

The issue of genetics-based discrimination by both insurance companies and employers has come to be of particular concern to the Jewish community. Over the past few years, studies have shown that certain populations experience heightened hereditary susceptibility to certain genetic mutations and their corresponding diseases. In particular, women of Ashkenazi or Eastern European Jewish descent have been found to demonstrate a distinct genetic predisposition to both breast and ovarian cancers. Most recently, there have been scientific findings linking colon cancer to Ashkenazi Jews.

Unfortunately, as Jews and other at-risk populations have sought to learn more about their genetic backgrounds, they have been confronted by genetics-based discrimination. As a result of this discrimination, many individuals choose not to receive genetic testing, or to even participate in research studies. As scientists continue to identify the genetic "markers" for more and more diseases, the issue of genetic discrimination stands to confront each and every one of us—men and women alike—regardless of ethnic heritage.

Hadassah has been active in support of similar legislation, such as H.R. 306, sponsored by Representative Louise Slaughter (D–NY), regarding health insurance discrimination. We are optimistic that similar endeavors from your office, and from those of your colleagues, will continue to expand the scope and prominence of this issue. Hopefully, our combined efforts will insure the passage of this legislation, and ultimately result in the elimination of genetics-based discrimination in both health insurance and employment. Please sign Hadassah on as supporters of this bill.

I look forward to working with you on this important piece of legislation. If you have any additional questions, or would like our assistance, please contact Ms. Tana Senn, Director of American Affairs/Domestic Policy. Again, we applaud your efforts in addressing this crucial issue.

With admiration and appreciation.

MARLENE E. POST,
National President.

AMERICAN CIVIL LIBERTIES
UNION FOUNDATION,
July 1, 1999.

DEAR SENATOR KENNEDY: The American Civil Liberties Union is a national, private, non-profit organization of more than 250,000 members dedicated to preserving the principles of liberty embodied in the Bill of Rights and the U.S. Constitution. The ACLU applauds the efforts of Senators Daschle, Dodd, Harkin and Kennedy in their continued efforts to promote awareness of the current and future problems of genetic discrimination. We are in full support of the Genetic Nondiscrimination in Health Insurance and Employment Act of 1999 and ask that the issue of genetic discrimination be given complete and immediate attention.

Sincerely,

JEREMY GRUBER, *Legal Director,*
ACLU National Taskforce on
Civil Liberties in the Workplace.

NATIONAL PARTNERSHIP FOR
WOMEN & FAMILIES,
July 1, 1999.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: I want to thank you for, once again, taking the lead on an issue of great importance to women. The National Partnership for Women & Families is proud to endorse your bill, "The Genetic Nondiscrimination In Health Insurance and Employment Act of 1999."

We believe that genetic discrimination is the next big civil rights issue. The job of deciphering every gene found in the human body—more than 80,000 in all—is proceeding at record speed. Just a decade ago, genetic testing was largely restricted to prenatal tests to look for birth defects. Today, more than 550 genetic tests are being used for the diagnosis of disease, and millions of women and their families stand to benefit from improved prevention, detection, and treatment of diseases like breast and ovarian cancer.

Unfortunately, without adequate protection against misuse, the potential for real medical benefit from genetic advances may be outweighed by the fear of discrimination by insurers and employers. Your bill will alleviate that fear and allow women and men to benefit from medical and scientific progress. Thank you once again for all your hard work on this issue.

Sincerely yours,

JUDITH L. LICHTMAN,
President, National Partnership for Women & Families.

SUSANNAH A. BARUCH,
Director of Legal and Public Policy, National Partnership for Women & Families.

By Mr. McCONNELL (for himself and Mr. BUNNING):

S. 1323. A bill to amend the Federal Power Act to ensure that certain Federal power customers are provided protection by the Federal Energy Regulatory Commission, and for other purposes; to the Committee on Environment and Public Works.

THE TVA CUSTOMER PROTECTION ACT

Mr. McCONNELL. Mr. President, I have come to the Senate floor today to introduce a bill known as the TVA Customer Protection Act. This legislation will implement a number of consumer protections that will make TVA accountable to ratepayers and better prepare TVA to compete in a restructured electricity market. I am pleased to have Senator Bunning as an original cosponsor on this bill.

The legislation I am introducing, which is virtually identical to the legislation I introduced in the 105th Congress, provides Valley ratepayers protections against unchecked and unjustified increases in their power rates. Included in this bill are checks against future increases in TVA's massive debt. This bill will put an end to TVA's ability to compete unfairly with its regional distributors and will prohibit TVA from sticking ratepayers with the bill for its international forays that have no relevance to its responsibility to provide low-cost power to the Valley. Finally, this bill also codifies an agreement between TVA and several industry associations to limit TVA's authority as a government entity to compete with small businesses in non-electric services.

Mr. President, TVA is a federal corporation that was first established in 1933, to tame the Tennessee River, our nation's fifth largest river, and to bring economic development to this once poverty stricken region. Today, TVA provides power to nearly all of Tennessee and to parts of six other states covering over 80,000 square miles and serving eight million consumers. The bulk of TVA's power sales are made through municipal and cooperative distributors, which in turn are responsible for delivering that power to every home, office and farm in the Valley. TVA has exclusive power contracts with its distributors and the three-member TVA board sets the retail rates offered by distributors.

Mr. President, while TVA has achieved significant success, it has not come without a price. Today, TVA customers are paying a premium for TVA's excesses and mismanagement. For example, TVA has accumulated an enormous debt of nearly $26 billion, despite its monopoly status and the Board's unilateral rate making authority. As a result, in 1998, TVA customers paid an astronomical 30 cents of every $1 to interest expenses. When you match TVA's interest charge of 30 cents to the 11 cents paid by the Federal Government, it makes Uncle Sam look like a conservative financial planner. When compared to the average regulated public utility, which pays a mere 7 percent in finance cost, it is obvious that this isn't a good deal for TVA ratepayers.

In a 1994 study, the General Accounting Office determined that TVA's financial condition "threatens its long-term viability and places the federal government at risk." Only through years of unaccountability and fiscal irresponsibility could a power company have ever reached this level of debt, despite the fact that TVA is a monopoly provider of electricity.

As a result of TVA's fiscal mismanagement and bloated budgets, TVA rates are higher than those of FERC-regulated utilities in Kentucky. Since 1988, wholesale power rates of regulated utilities in Kentucky have steadily fallen, while TVA has maintained the same level, albeit higher than Kentucky utilities. Then, in 1997, TVA was forced to raise rates by 7 percent in an effort to get its fiscal house back in order. It is apparent that due to TVA's past financial mismanagement, thousands of Kentucky residents are paying more for power than Kentucky residents who are outside the TVA fence.

Mr. President, another way to quantify the impact of TVA's fiscal irresponsibility is to compare the electric rates paid by Kentuckians. Mr. President I have a chart here that displays the rate premiums paid by the 211,427 TVA customers living in Kentucky. I have used the rates filed by Kentucky Utilities and TVA's publicly disclosed rates between 1999 and 2003. Based on these rates, Kentuckians will pay an average of $50 million more annually for the privilege of being served by TVA. Over the next five years this amounts to a $250 million "TVA membership fee." It is painfully clear the Kentuckians who are served by TVA are getting a raw deal from this New Deal program.

Mr. President, I have come to the conclusion that TVA needs to be made more accountable for its actions. Not more accountable to Congress or the President, but the people TVA is charged to serve—Valley customers.

Mr. President, it is my desire to provide TVA customers with a clear picture of TVA's financial situation including its rates, charges and costs. The Federal Energy Regulatory Commission (FERC) is authorized under the Federal Power Act with regulating electric utilities. FERC currently provides regulatory oversight to over 200 utilities for wholesale and transmission power rates to ensure that their electric rates and charges are "just and reasonable and not unduly discriminatory or preferential." At present, TVA is entirely exempt from these necessary regulations allowing it to operate as a self-regulating monopoly, with no such mandate for openness, fairness or oversight.

Mr. President, I am not alone in this belief. The distributors serving Memphis, Tennessee, Knoxville, Tennessee, and Paducah, Kentucky, share my views that TVA should fully comply with the FERC authority. Recently, before the House Commerce Committee, Mr. Herman Morris, Jr., President and CEO of the Memphis Light, Gas and Water Division testified on behalf of MLGWD and the Knoxville Utilities Board that FERC would "provide a neutral forum for resolving disputes regarding TVA transmission, wholesale sales pricing, terms and conditions." Mr. Morris went on to say that FERC jurisdiction is "necessary to provide Tennessee Valley distributors the same level of protection that the rest of the country enjoys."

Requiring TVA to comply with FERC regulations will serve two purposes. First, it will allow customers to accurately evaluate TVA's wholesale and transmission pricing to ensure the rates charged are "just and reasonable" and will provide customers with a forum for challenging future rate increases just as every other regulated utility does.

Second, this information will provide FERC with a better understanding of the costs TVA has accumulated. Understanding the full scope of these costs will be critical in an open transmission and wholesale market. It will also have a significant impact in determining how competitive TVA will be in the future.

Another measure which I have added this year builds on the full disclosure provisions by requiring FERC to conduct an investigation to determine TVA's total stranded cost liability. I have heard from a number of distributors who are very concerned about the potential stranded cost liability they might be assessed. They adamantly oppose paying for any costs or services they haven't paid for. For example, residents of Paducah, Kentucky don't want to pay for the costs TVA incurred in providing service to Nashville. Unfortunately, nobody has any idea of the total stranded cost liability TVA has incurred or can be recovered. This investigation will uncover those costs that were prudently incurred and are eligible for recovery as stranded costs.

In order to ensure that TVA keeps its promise of lowering its debt, I have proposed that TVA be required to meet four need-based criteria before it is able to add costly generating capacity. For my colleagues who are not familiar with TVA, it is important to note that TVA's tremendous level of debt is a result of TVA's aggressive and unchecked plan to add new generating capacity in the Valley. In 1966, TVA announced a plan to build 17 nuclear facilities throughout the Valley. Today less than half of these facilities are in commercial service.

As a result, TVA is $26 billion in debt and has invested $14 billion in non-performing nuclear assets which have driven rates up in the Valley. To prevent history from repeating itself, I believe it is necessary to apply safeguards against overbuilding. TVA must demonstrate a legitimate need before committing such significant resources again.

This legislation will also prohibit TVA from using Valley ratepayers to subsidize power sales outside the Valley in the future. All new generation will be required to meet the needs of Valley ratepayers.

Mr. President, let me take a moment to go through the other important customer reforms included in the bill. Section Four of the bill prohibits TVA from continuing to subsidize their foreign endeavors at ratepayer's expense. Quarter million dollar conferences in China and other points on the globe are not consistent with either TVA's deficit reduction goals or its mission to be a low-cost power provider to the Valley.

Another provision that I have included is a measure proposed by the TVA distributors. Section Five in the bill protects distributors from unfair competition by ending TVA's ability to directly serve large industrial customers. In the past, TVA has been able to directly serve some of the valley's largest industrial customers. Through this loophole, TVA is able to use its considerable market power to unfairly compete with distributors.

Section Seven of this bill will increase TVA's level of accountability by applying all federal antitrust laws and penalties. I have included this provision in response to heavy-handed tactics used by TVA to punish the City of Bristol, Virginia, for signing a contract with another energy provider.

TVA applied heavy-handed tactics by predicting unreliable electricity services as a disincentive to leaving, and TVA attempted to syphon-off Bristol's industrial customers by offering direct-serve power contracts at 2 percent below any rate offered by Bristol. I find these predatory practices to be entirely unacceptable, especially applied to one of its own customers. It is my belief that since TVA's activities were performed in a commercial endeavor, they should be held to the same standards as any other corporation under the antitrust laws.

I understand that TVA is willing to subject themselves to federal antitrust laws, so long as they aren't subject to any penalties. Mr. President, I have some advice for TVA.

If you can't pay the fine, don't do the crime.

Finally, this legislation limits TVA's ability to branch out into other businesses beyond power generation and transmission. TVA has attempted to diversify into equipment leasing as well as engineering and other contracting services in direct competition with other Valley businesses. I don't believe that TVA should be permitted to use its considerable advantages, like its tax-exempt status, to compete against Valley businesses. TVA has signed a Memorandum of Agreement with Valley businesses not to compete against them.

My legislation codifies that agreement. Mr. President, I hope these reforms will offer TVA customers—both distributors and individuals alike—the means to make TVA more accountable and put an end, once and for all, to TVA's unaccountability and unchecked fiscal irresponsibility. I want to put an end to TVA membership premium and let all Kentuckians benefit from some of the lowest power rates in the nation.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "TVA Customer Protection Act of 1999".

SEC. 2. INCLUSION IN DEFINITION OF PUBLIC UTILITY.

(a) In General.—Section 201(e) of the Federal Power Act (16 U.S.C. 824(e)) is amended by inserting before the period at the end the following: ", and includes the Tennessee Valley Authority".

(b) Conforming Amendment.—Section 201(f) of the Federal Power Act (16 U.S.C. 824(f)) is amended by striking "foregoing, or any corporation" and inserting "foregoing (other than the Tennessee Valley Authority) or any corporation".

SEC. 3. DISPOSITION OF PROPERTY.

Section 203 of the Federal Power Act (16 U.S.C. 824b) is amended by adding at the end the following:

"(c) TVA Exception.—This section does not apply to a disposition of the whole or any part of the facilities of the Tennessee Valley Authority if—

"(1) the Tennessee Valley Authority discloses to the Commission (on a form, and to the extent, that the Commission shall prescribe by regulation) the sale, lease, or other disposition of any part of its facilities that—

"(A) is subject to the jurisdiction of the Commission under this Part; and

"(B) has a value of more than $50,000; and

"(2) all proceeds of the sale, lease, or other disposition under paragraph (1) are applied by the Tennessee Valley Authority to the reduction of debt of the Tennessee Valley Authority.".

SEC. 4. FOREIGN OPERATIONS; PROTECTIONS.

Section 208 of the Federal Power Act (16 U.S.C. 824g) is amended by adding at the end the following:

"(c) Tennessee Valley Authority.—

"(1) Limit on charges.—

"(A) No authorization or permit.—The Commission shall issue no order under this Act that has the effect of authorizing or permitting the Tennessee Valley Authority to make, demand, or receive any rate or charge, or impose any rule or regulation pertaining to a rate or charge, that includes any costs incurred by or for the Tennessee Valley Authority in the conduct of any activities or operations outside the United States.

"(B) Unlawful rate.—

"(i) In general.—Any rate, charge, rule, or regulation described in subparagraph (A) shall be deemed for the purposes of this Act to be unjust, unreasonable, and unlawful.

"(ii) No limitation on authority.—Clause (i) does not limit the authority of the Commission under any other provision of law to regulate and establish just and reasonable rates and charges for the Tennessee Valley Authority.

"(2) Annual report.—The Tennessee Valley Authority shall annually—

"(A) prepare and file with the Commission, in a form that the Commission shall prescribe by regulation, a report setting forth in detail any activities or operations engaged in outside the United States by or on behalf of the Tennessee Valley Authority; and

"(B) certify to the Commission that the Tennessee Valley Authority has neither recovered nor sought to recover the costs of activities or operations engaged in outside the United States by or on behalf of the Tennessee Valley Authority in any rate, charge, rule, or regulation on file with the Commission.".

SEC. 5. TVA POWER SALES AND PROPERTY VALUATION.

(a) In General.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

"SEC. 215. TVA POWER SALES.

"(a) In General.—The Tennessee Valley Authority shall not sell electric power to a retail customer that will consume the power within the area that, on the date of enactment of this section, is assigned by law as the distributor service area, unless—

"(1) the customer (or predecessor in interest to the customer) was purchasing electric power directly from the Tennessee Valley Authority as a retail customer on that date;

"(2) the distributor is purchasing firm power from the Tennessee Valley Authority in an amount that is equal to not more than 50 percent of the total retail sales of the distributor; or

"(3) the distributor agrees that the Tennessee Valley Authority may sell power to the customer.

"(b) Retail Sales.—Notwithstanding any other provision of law, the rates, terms, and conditions of retail sales of electric power by the Tennessee Valley Authority that are not prohibited by subsection (a) shall be subject to regulation under State law applicable to public utilities in the manner and to the extent that a State commission or other regulatory authority determines to be appropriate.

"(c) Assurance of Adequate Electric Generation Capacity.—

"(1) In general.—Notwithstanding any other provision of law, after the date of enactment of this section, the Tennessee Valley Authority shall not construct or acquire by any means electric generation capacity, or sell the output of electric generation capacity constructed or acquired after that date, unless the Commission has issued to the Tennessee Valley Authority a certificate of public convenience and necessity authorizing the construction or acquisition of electric generation capacity.

"(2) Criteria for issuance of certificate.—The Commission shall issue a certificate of public convenience and necessity under paragraph (1) only if the Commission finds, after affording an opportunity for an evidentiary hearing, that—

"(A) the reserve power margin of the Tennessee Valley Authority for the area within which the Tennessee Valley Authority is permitted by law to be a source of supply—

"(i) is less than 15 percent; and

"(ii) is expected to remain less than 15 percent for a period of at least 1 year unless new capacity is constructed or acquired;

"(B) the Energy Information Administration has submitted to the Commission, with respect to issuance of the certificate of public convenience and necessity, a determination that—

"(i) there is no commercially reasonable option for the purchase of power from the wholesale power market to meet the needs of the area within which the Tennessee Valley Authority is permitted by law to be a source of supply; and

"(ii) the proposed construction or acquisition is the only commercially reasonable means to meet the firm contractual obligations of the Tennessee Valley Authority with respect to the area within which the Tennessee Valley Authority is permitted by law to be a source of supply;

"(C) the electric generation capacity or the output of the capacity proposed to be authorized will not make the Tennessee Valley Authority a direct or indirect source of supply in any area with respect to which the Authority is prohibited by law from being, directly or indirectly, a source of supply; and

"(D) the electric generation capacity proposed to be authorized is completely subscribed in advance for use by customers only within the area for which the Tennessee Valley Authority or distributors of the Authority were the primary source of power supply on July 1, 1957.

"SEC. 216. VALUATION OF CERTAIN TVA PROPERTY.

"(a) Evidentiary Hearing.—Not later than 120 days after the date of enactment of this section, notwithstanding any other provision of law, the Commission shall commence a hearing on the record for the purpose of determining the value of the property owned by the Tennessee Valley Authority—

"(1) that is used and useful; and

"(2) the cost of which was prudently incurred in providing electric service, as of July 1, 1999, to—

"(A) the distributors of the Authority; and

"(B) the customers that directly purchased power from the Authority.

"(b) Procedures and Standards.—In making the determination under subsection (a), the Commission shall use, to the maximum extent practicable, the procedures and standards that the Commission uses in making similar determinations with respect to public utilities.

"(c) Timing of Final Order.—The Commission shall issue a final order with respect to the determination under subsection (a)—

"(1) not later than 1 year after the date of commencement of the hearing under subsection (a); or

"(2) not later than a date determined by the Commission by an order supported by the record.

"(d) Timing of Order Awarding Recovery of Stranded Costs.—The Commission may issue an order awarding recovery to the Tennessee Valley Authority of costs rendered uneconomic by competition not earlier than the date on which the Commission issues a final order with respect to the determination under subsection (a).".

(b) Transition.—Not later than 180 days after the date of enactment of this Act, the Tennessee Valley Authority shall file all rates and charges for the transmission or sale of electric energy and the classifications, practices, and regulations affecting those rates and charges, together with all contracts that in any manner affect or relate to contracts that are required to be filed under Part II of the Federal Power Act (16 U.S.C. 824 et seq.) (as amended by subsection (a)) and that are in effect as of the date of enactment of this Act.

SEC. 6. FILING AND FULL DISCLOSURE OF TVA DOCUMENTS.

Part III of the Federal Power Act (16 U.S.C. 825 et seq.) is amended—

(1) by redesignating sections 319 through 321 as sections 320 through 322, respectively; and

(2) by inserting after section 318 the following:

"SEC. 319. FILING AND FULL DISCLOSURE OF TVA DOCUMENTS.

"(a) In General.—The Tennessee Valley Authority shall file and disclose the same documents and other information that other public utilities are required to file under this Act, as the Commission shall require by regulation.

"(b) Regulation.—

"(1) Timing.—The regulation under subsection (a) shall be promulgated not later than 1 year after the date of enactment of this section.

"(2) Considerations.—In promulgating the regulation under subsection (a), the Commission shall take into consideration the practices of the Commission with respect to public utilities other than the Tennessee Valley Authority.".

SEC. 7. APPLICABILITY OF THE ANTITRUST LAWS.

The Tennessee Valley Authority Act of 1933 (16 U.S.C. 831 et seq.) is amended by inserting after section 16 the following:

"SEC. 17. APPLICABILITY OF THE ANTITRUST LAWS.

"(a) DEFINITION OF ANTITRUST LAWS.—In this section, the term 'antitrust laws' means—

"(1) an antitrust law (within the meaning of section (1) of the Clayton Act (15 U.S.C. 12));

"(2) the Act of June 19, 1936 (commonly known as the 'Robinson Patman Act') (49 Stat. 1526, chapter 323; 15 U.S.C. 13 et seq.); and

"(3) section 5 of the Federal Trade Commission Act (15 U.S.C. 45), to the extent that the section relates to unfair methods of competition.

"(b) APPLICABILITY.—Nothing in this Act modifies, impairs, or supersedes the antitrust laws.

"(c) ANTITRUST LAWS.—

"(1) TVA DEEMED A PERSON.—The Tennessee Valley Authority shall be deemed to be a person, and not government, for purposes of the antitrust laws.

"(2) APPLICABILITY.—Notwithstanding any other provision of law, the antitrust laws (including the availability of any remedy for a violation of an antitrust law) shall apply to the Tennessee Valley Authority notwithstanding any determination that the Tennessee Valley Authority is a corporate agency or instrumentality of the United States or is otherwise engaged in governmental functions.".

SEC. 8. SAVINGS PROVISION.

(a) DEFINITION OF TVA DISTRIBUTOR.—In this section, the term "TVA distributor" means a cooperative organization or publicly owned electric power system that, on January 2, 1998, purchased electric power at wholesale from the Tennessee Valley Authority under an all-requirements power contract.

(b) EFFECT OF ACT.—Nothing in this Act or any amendment made by this Act—

(1) subjects any TVA distributor to regulation by the Federal Energy Regulatory Commission; or

(2) abrogates or affects any law in effect on the date of enactment of this Act that applies to a TVA distributor.

SEC. 9. PROVISION OF CONSTRUCTION EQUIPMENT, CONTRACTING, AND ENGINEERING SERVICES.

Section 4 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831c) is amended by adding at the end the following:

"(m) PROVISION OF CONSTRUCTION EQUIPMENT, CONTRACTING, AND ENGINEERING SERVICES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act, except as provided in this subsection, the Corporation shall not have power to—

"(A) rent or sell construction equipment;

"(B) provide a construction equipment maintenance or repair service;

"(C) perform contract construction work; or

"(D) provide a construction engineering service;

to any private or public entity.

"(2) ELECTRICAL CONTRACTORS.—The Corporation may provide equipment or a service described in subparagraph (1) to a private contractor that is engaged in electrical utility work on an electrical utility project of the Corporation.

"(3) CUSTOMERS, DISTRIBUTORS, AND GOVERNMENTAL ENTITIES.—The Corporation may provide equipment or a service described in subparagraph (1) to—

"(A) a power customer served directly by the Corporation;

"(B) a distributor of Corporation power; or

"(C) a Federal, State, or local government entity;

that is engaged in work specifically related to an electrical utility project of the Corporation.

"(4) USED CONSTRUCTION EQUIPMENT.—

"(A) DEFINITION OF USED CONSTRUCTION EQUIPMENT.—In this paragraph, the term 'used construction equipment' means construction equipment that has been in service for more than 2,500 hours.

"(B) DISPOSITION.—The Corporation may dispose of used construction equipment by means of a public auction conducted by a private entity that is independent of the Corporation.

"(C) DEBT REDUCTION.—The Corporation shall apply all proceeds of a disposition of used construction equipment under subparagraph (B) to the reduction of debt of the Corporation.".

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Federal Energy Regulatory Commission such sums as are necessary to carry out this Act and the amendments made by this Act.

TVA BOARD SPENT MORE THAN $85,000 TO TRAVEL IN 1998

Knoxville, Tenn.—Credit card receipts show Tennessee Valley Authority board members spent more than $85,000 in 1998 on travel expenses, a newspaper reported on Sunday.

Among the charges are lodging at the Ritz-Carlton hotel near Washington, a casino resort in Nevada and a golf club in Mississippi. TVA Chairman Craven Crowell alone took 92 trips, including 12 to foreign countries, The Knoxville News-Sentinel reported.

Crowell's charges totaled $49,541. Crowell, who is currently in England with other Tennessee business leaders, declined to discuss the issue with the newspaper last week.

Among Crowell's duties while traveling are promoting TVA bonds, meeting with utility officials and attending conferences, according to TVA officials.

"These are not pleasure trips," said TVA spokesman Steve Bender. "The chairman is working on these trips."

The U.S. General Accounting Office, the investigative arm of Congress, is probing how TVA Inspector General George Prosser spent TVA expense money, after a written request from Crowell. In question are more than $10,000 in travel and entertainment charges.

Prosser maintains the expenses are legitimate and he is the victim of retaliation by TVA officials because he investigated TVA executive Joe Dickey for fraud.

Prosser's expenses include a $500 hotel bill from a Mississippi casino, $4,500 at attractions with golf courses and more than $200 in liquor.

Crowell currently is the only member of the three-member TVA board. Johnny Hayes left in January to work in Vice President Al Gore's presidential campaign, and Bill Kennoy's nine-year term ended May 18.

In 1998, Kennoy spent $17,935 on 69 trips, and he didn't return phone calls from the newspaper seeking comment. Hayes spent $17,268 on 155 trips.

"I never charged golf, a meal or anything else where I wasn't on TVA business," Hayes said.

"I was out with customers constantly," he said. "I fished with them. I golfed with them. I went to every major convention they had."

U.S. Rep. Harold Ford, Jr., D-Memphis, said the travel expenses seemed high at first glance.

"The real measure is how much they accomplish on the trips," Ford said.

PADUCAH POWER SYSTEM,
Paducah, KY, July 1, 1999.

Senator MITCH MCCONNELL,
Russell Building, Washington, DC.

DEAR SENATOR MCCONNELL: Having reviewed the "TVA Customer Protection Act of 1999," the Board and management of Paducah Power System are supportive of the bill.

Specifically, the protection from TVA competing with the distributors for retail customers as long as at least half of the distributors wholesale power requirements are purchased from TVA is very important.

The provision for identifying and establishing the methodology and value of stranded cost is extremely important. This information will assist future planning for distributors.

Additionally, the protection of Valley ratepayers from subsidizing off system sales provides distributors within the Valley to continue to provide energy at the lowest practical cost.

Thank you for your efforts and continuing interest in the people of Western Kentucky and all the Tennessee Valley.

Feel free to call if I can be of any assistance.

Respectfully,

DON FULLER,
General Manager.

By Mr. FRIST:

S. 1326. A bill to eliminate certain benefits for Members of Congress, and for other purposes; to the Committee on Governmental Affairs.

CITIZEN CONGRESS ACT

Mr. FRIST. Mr. President, today I rise to introduce the Citizen Congress Act, a bill which will end the five greatest perks and privileges which separate the Members of Congress from the American people, and which will eliminate taxpayer-funded financial incentives which encourage Members to become life-long legislators. In the past two Congresses, I have introduced a more broad version of this legislation. However, in the next two years, I want to focus on removing the top five taxpayer-funded financial incentives which encourage Senators and Representatives to remain in office as career politicians. I believe that the elimination of these five special privileges will return Congress to the institution our fore-fathers established.

As we approach the two-hundred and twenty-third anniversary of the founding of our great country, we should remember that our Founding Fathers envisioned a Congress of citizen legislators who would leave their families and communities for a short time to write legislation and pass laws, and then return home to live under those laws they helped to pass. Unfortunately, we have stayed from that vision. With the passage of the Congressional Accountability Act four years ago, we made the first step towards ensuring that Members of Congress abide by the same laws as everyone else. In spite of this measure, Members of Congress continue to receive special perks and privileges unavailable to most American citizens. While I support term limits for Members of Congress, and I remain committed to passing a term limits amendment to the Constitution, there are other more immediate actions we can take to restore faith in Congress.

The legislation I introduce today represents an achievable step toward making Congress more accountable and responsible to the American people. The Citizen Congress Act will eliminate the five greatest financial incentives for Members to become life-long legislators, and will put them on equal footing with the majority of Americans. The provisions of this legislation include: Eliminate the taxpayer subsidy element of Congressional pensions; require public disclosure of Congressional pensions; eliminate automatic COLA's for Congressional pensions; eliminate automatic COLA's for Congressional pay; and require a roll call vote on all Congressional pay increases.

Eliminating the taxpayer subsidy of Congressional pensions and reforming the overall Congressional pension system represents a remarkable improvement. With the Citizen Congress Act, Senators and Representatives will no longer be eligible for pensions that far exceed what is available in the private sector and are padded with matching taxpayer dollars. Instead, Members will have access to the same plans as other federal employees and private citizens, with no taxpayer subsidy. This will ensure that Members who serve in Congress for many years do not accumulate multi-million dollar pensions at the public's expense. Automatic cost of living adjustments for Congressional pensions are also eliminated in this bill. Additionally, requiring a public roll call vote on pay increases ensures that Members of Congress do not vote themselves a pay increase in the dead of night, as has been the case many, many times in the past.

At a time when everyone is tightening their belts to maintain fiscal responsibility and restore confidence in our government, it is only fitting that Members of Congress eliminate the perks and privileges which separate them from the American people. This is what Tennesseans tell me when I travel across our state, and that is what I am doing with the Citizen Congress Act. I encourage my colleagues to join me in passing this important legislation and bringing Congress another step closer to the American people.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1326

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Citizen Congress Act".

SEC. 2. LIMITATION ON RETIREMENT COVERAGE FOR MEMBERS OF CONGRESS.

(a) IN GENERAL.—Notwithstanding any other provision of law, effective at the beginning of the Congress next beginning after the date of the enactment of this Act, a Member of Congress shall be ineligible to participate in the Civil Service Retirement System or the Federal Employees' Retirement System, except as otherwise provided under this section.

(b) PARTICIPATION IN THE THRIFT SAVINGS PLAN.—Notwithstanding subsection (a), a Member may participate in the Thrift Savings Plan subject to section 8351 if title 5, United States Code, at anytime during the 12-year period beginning on the date the Member begins his or her first term.

(c) REFUNDS OF CONTRIBUTIONS.—

(1) IN GENERAL.—Nothing in subsection (a) shall prevent refunds from being made, in accordance with otherwise applicable provisions of law (including those relating to the Thrift Savings Plan), on account of an individual's becoming ineligible to participate in the Civil Service Retirement System or the Federal Employees' Retirement System (as the case may be) as a result of the enactment of this section.

(2) TREATMENT OF REFUND.—For purposes of any refund referred to in paragraph (1), a Member who so becomes ineligible to participate in either of the retirement systems referred to in paragraph (1) shall be treated in the same way as if separated from service.

(d) ANNUITIES NOT AFFECTED TO THE EXTENT BASED ON PRIOR SERVICE.—Subsection (a) shall not be considered to affect—

(1) any annuity (or other benefit) entitlement which is based on a separation from service occurring before the date of the enactment of this Act (including any survivor annuity based on the death of the individual who so separated); or

(2) any other annuity (or benefit), to the extent provided under subsection (e).

(e) PRESERVATIONS OF RIGHTS BASED ON PRIOR SERVICE.—

(1) IN GENERAL.—For purposes of determining eligibility for, or the amount of, any annuity (or other benefit) referred to in subsection (d)(2) based on service as a Member of Congress—

(A) all service as a Member of Congress shall be disregarded except for any such service performed before the date of the enactment of this Act; and

(B) all pay for service performed as a Member of Congress shall be disregarded other than pay for service which may be taken into account under subparagraph (A).

(2) PRESERVATION OF RIGHTS.—To the extent practicable, eligibility for, and the amount of, any annuity (or other benefit) to which an individual is entitled based on a separation of a Member of Congress occurring after such Member becomes ineligible to participate in the Civil Service Retirement System or the Federal Employees' Retirement System (as the case may be) by reason of subsection (a) shall be determined in a manner that preserves any rights to which the Member would have been entitled, as of the date of the enactment of this Act, had separation occurred on such date.

(f) REGULATIONS.—Any regulations necessary to carry out this section may be prescribed by the Office of Personnel Management and the Executive Director (referred to in section 8401(13) of title 5, United States Code) with respect to matters within their respective areas of responsibility.

(g) DEFINITION.—In this section, the terms "Member of Congress" and "Member" have the meaning of the term "Member" as defined under section 8331(2) or 8401(20) of title 5, United States Code.

(h) RULE OF CONSTRUCTION.—Nothing in this section shall be considered to apply with respect to any savings plan or other matter outside of subchapter III of chapter 83 or chapter 84 of title 5, United States Code.

SEC. 3. DISCLOSURE OF ESTIMATES OF FEDERAL RETIREMENT BENEFITS OF MEMBERS OF CONGRESS.

(a) IN GENERAL.—Section 105(a) of the Legislative Branch Appropriations Act, 1965 (2 U.S.C. 104a; Public Law 88–454; 78 Stat. 550) is amended by adding at the end the following new paragraph:

"(5) The Secretary of the Senate and the Clerk of the House of Representatives shall include in each report submitted under paragraph (1), with respect to Members of Congress, as applicable—

"(A) the total amount of individual contributions made by each Member to the Civil Service Retirement and Disability Fund and the Thrift Savings Fund under chapters 83 and 84 of title 5, United States Code, for all Federal service performed by the Member as a Member of Congress and as a Federal employee;

"(B) an estimate of the annuity each Member would be entitled to receive under chapters 83 and 84 of such title based on the earliest possible date to receive annuity payments by reason of retirement (other than disability retirement) which begins after the date of expiration of the term of office such Member is serving; and

"(C) any other information necessary to enable the public to accurately compute the Federal retirement benefits of each Member based on various assumptions of years of service and age of separation from service by reason of retirement.".

(b) EFFECTIVE DATE.—This section shall take effect 1 year after the date of the enactment of this Act.

SEC. 4. ELIMINATION OF AUTOMATIC ANNUITY ADJUSTMENTS FOR MEMBERS OF CONGRESS.

The portion of the annuity of a Member of Congress which is based solely on service as a Member of Congress shall not be subject to a cost-of-living adjustment under section 8340 or 8462 of title 5, United States Code.

SEC. 5. ELIMINATION OF AUTOMATIC PAY ADJUSTMENTS FOR MEMBERS OF CONGRESS.

(a) PAY ADJUSTMENTS.—Paragraph (2) of section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) is repealed.

(b) CONFORMING AMENDMENT.—Section 601(a)(1) of such Act is amended—

(1) by striking "(a)(1)" and inserting "(a)";

(2) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively; and

(3) by striking ", as adjusted by paragraph (2) of this subsection".

SEC. 6. ROLLCALL VOTE FOR ANY CONGRESSIONAL PAY RAISE.

It shall not be in order in the Senate or the House of Representatives to dispose of any amendment, bill, resolution, motion, or other matter relating to the pay of Members of Congress unless the matter is decided by a rollcall vote.

By Mr. CHAFEE (for himself, Mr. ROCKEFELLER, Mr. BOND, Mr.

REED, Mr. JEFFORDS, Mr. MOYNIHAN, Mr. BREAUX, Ms. LANDRIEU, Mr. KERREY, and Ms. MIKULSKI):

S. 1327. A bill to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes; to the Committee on Finance.

FOSTER CARE INDEPENDENCE ACT OF 1999

Mr. CHAFEE. Mr. President, it is a rare opportunity when we can provide assistance to one of our nation's most vulnerable groups: children in the foster care program. Currently, Independent Living Programs for older foster children end at their 18th birthday, abandoning these teens in the middle of a critical transition period from adolescence to adulthood. Sadly, these young people are left to negotiate the rough waters of adulthood without vital health and mental health resources and critical life-skills. That is why I am pleased to join my colleagues Senators ROCKEFELLER, BOND, MOYNIHAN, and others in introducing the Foster Care Independence Act.

Many of the 20,000 adolescents who leave the foster care rolls each year to become adults come from particularly troubled backgrounds. Typically, these young people have experienced on average four placements in the past seven years of their lives. As a result, they lack a sense of permanency and the skills essential to becoming self-reliant and productive adults. Our bill will cushion the transition to adulthood by funding Independent Living Programs and ensuring access to the critical health care and mental health services provided by Medicaid through a foster child's 21st birthday.

Most importantly, it doubles the money available to state-administered Independent Living Programs, allowing them to provide the day-to-day living needs for 18 to 21-year-olds while they learn valuable life skills. This more comprehensive program with a long transition period will promote the safety, health, and permanency in the lives of these children. It also removes a significant barrier to these children's adoption by ensuring that the families who adopt them have access to the appropriate resources through age 21.

In addition, this bill provides them access to the health and mental health services offered through Medicaid. Numerous studies of adolescents who leave foster care have found that this population has a significantly higher-than-normal rate of school drop outs, out-of-wedlock pregnancies, homelessness, health and mental health problems, poverty, and unemployment. They are also more likely to be victims of crime and physical assaults. My more comprehensive program addresses these grave health and safety concerns by allowing adolescents who age out of or are adopted out of foster care to continue to receive crucial health, and mental health care benefits through the age of 21.

I am heartened by the broad, bipartisan support that the Independent Living Act of 1999, introduced by my colleague, Representative NANCY JOHNSON, received last week in the House. I urge my colleagues to join me in supporting this important measure and ask unanimous consent that the full text and summary of the bill printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Foster Care Independence Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVED INDEPENDENT LIVING PROGRAM

Subtitle A—Improved Independent Living Program

Sec. 101. Improved independent living program.

Subtitle B—Related Foster Care Provision

Sec. 111. Increase in amount of assets allowable for children in foster care.

Subtitle C—Medicaid Amendments

Sec. 121. State option of medicaid coverage for adolescents leaving foster care.

Subtitle D—Welfare-To-Work Amendments

Sec. 131. Children aging out of foster care eligible for services.

TITLE II—SSI FRAUD PREVENTION

Subtitle A—Fraud Prevention and Related Provisions

Sec. 201. Liability of representative payees for overpayments to deceased recipients.

Sec. 202. Recovery of overpayments of SSI benefits from lump sum SSI benefit payments.

Sec. 203. Additional debt collection practices.

Sec. 204. Requirement to provide State prisoner information to Federal and federally assisted benefit programs.

Sec. 205. Rules relating to collection of overpayments from individuals convicted of crimes.

Sec. 206. Treatment of assets held in trust under the SSI program.

Sec. 207. Disposal of resources for less than fair market value under the SSI program.

Sec. 208. Administrative procedure for imposing penalties for false or misleading statements.

Sec. 209. Exclusion of representatives and health care providers convicted of violations from participation in social security programs.

Sec. 210. State data exchanges.

Sec. 211. Study on possible measures to improve fraud prevention and administrative processing.

Sec. 212. Annual report on amounts necessary to combat fraud.

Sec. 213. Computer matches with medicare and medicaid institutionalization data.

Sec. 214. Access to information held by financial institutions.

Subtitle B—Benefits for Certain Veterans of World War II

Sec. 251. Establishment of program of special benefits for certain World War II veterans.

TITLE III—CHILD SUPPORT

Sec. 301. Elimination of enhanced matching for laboratory costs for paternity establishment.

Sec. 302. Elimination of hold harmless provision for State share of distribution of collected child support.

TITLE IV—TECHNICAL CORRECTIONS

Sec. 401. Technical corrections relating to amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

TITLE I—IMPROVED INDEPENDENT LIVING PROGRAM

Subtitle A—Improved Independent Living Program

SEC. 101. IMPROVED INDEPENDENT LIVING PROGRAM.

(a) FINDINGS.—The Congress finds the following:

(1) The Adoption and Safe Families Act of 1997 establishes that safety, health, and permanency are paramount when planning for children in foster care. States are required to make reasonable efforts to locate permanent families for all children, including older children and teens, for whom reunification with their biological families is not in the best interests of the children.

(2) Older children who continue to be in foster care as adolescents may become eligible for Independent Living programs. These Independent Living programs are not an alternative to permanency planning for these children. Enrollment in Independent Living programs can occur concurrent with continued efforts to locate, and achieve placement in, permanent families for older children in foster care.

(3) About 20,000 adolescents leave the Nation's foster care system each year because they have reached 18 years of age and are expected to support themselves. In addition, approximately 5,000 adolescents (foster children over the age of 12) are adopted out of the foster care system each year, of whom approximately 620 are over the age of 16 at the time of their adoption. A large percentage of these children have not yet completed their high school education.

(4) Congress has received extensive information that adolescents leaving foster care are in trouble. A careful study of all the children aging out of foster care in Wisconsin during 1994 showed high rates of school drop out, out-of-wedlock childbearing, homelessness, poverty, and being the target of crime and physical assaults.

(5) The Nation's State and local governments, with financial support from the Federal Government, should offer an extensive program of education, health and mental health care, training, employment, financial support, and post adoption support services for adolescents leaving foster care (including those who exit foster care to adoption), with participation in such program beginning several years before high school graduation and continuing, as needed, until the young adults

exiting foster care establish independence or reach 21 years of age.

(b) Improved Independent Living Program.—Section 477 of the Social Security Act (42 U.S.C. 677) is amended to read as follows:

“SEC. 477. INDEPENDENT LIVING PROGRAM.

“(a) Purpose.—The purpose of this section is to provide States with flexible funding that will enable the States to design and conduct programs—

“(1) to identify children who are likely to remain in foster care during their teenage years and that help these children make the transition to self-sufficiency by providing services such as assistance in obtaining a high school diploma, career exploration, vocational training, job placement and retention, training in daily living skills, training in budgeting and financial management skills, substance abuse prevention, and how to maintain their own physical and mental health, including how to access health care, mental health, and community-based peer-support services;

“(2) to help children leaving foster care, including those adopted after age 16, obtain the education, training, and services necessary to obtain and maintain employment;

“(3) to help children leaving foster care, including those adopted after age 16, prepare for and enter postsecondary training and education institutions;

“(4) to provide personal and emotional support to children aging out of foster care, through mentors, the promotion of interactions with dedicated adults, and continued efforts at locating permanent family resources, including adoption, for these children; and

“(5) to provide financial assistance, access to health and mental health care, supervised housing, counseling, employment, education, permanency planning, and other appropriate support and services that promote active and responsible citizenship, healthy development, and community membership to former foster care recipients between 18 and 21 years of age to complement their own efforts to achieve long-term self-sufficiency.

“(b) Applications.—

“(1) In general.—A State may apply for funds from its allotment under subsection (c) for a period of 5 consecutive fiscal years by submitting to the Secretary, in writing, a plan that meets the requirements of paragraph (2) and the certifications required by paragraph (3) with respect to the plan.

“(2) State plan.—A plan meets the requirements of this paragraph if the plan specifies which State agency or agencies will administer, supervise, or oversee the programs carried out under the plan, and describes how the State intends to do the following:

“(A) Design and deliver programs to achieve the purposes of this section in such a way that each child's health, safety, opportunity for a permanent family, and successful, long-term self-sufficiency is of paramount concern.

“(B) Ensure that all political subdivisions in the State are served by the programs, though not necessarily in a uniform manner.

“(C) Ensure that the programs serve children of various ages and at various stages of achieving independence.

“(D) Involve public and private individuals and organizations familiar with, or interested in addressing, the needs of youths aging out of foster care, including young people served by these programs, and, where they exist, organizations of youths who have been in foster care.

“(E) Use objective criteria for determining eligibility for benefits and services under the programs, and for ensuring fair and equitable treatment of benefit recipients.

“(F) Cooperate in national evaluations of the effects of the programs in achieving the purposes of this section.

“(G) Designate an independent living coordinator to oversee the delivery of benefits and services under the programs.

“(3) Certifications.—The certifications required by this paragraph with respect to a plan are the following:

“(A) A certification by the chief executive officer of the State that the State will provide assistance and services to children who have left foster care after the age of 16 but have not attained 21 years of age.

“(B) A certification by the chief executive officer of the State that not more than 30 percent of the amounts paid to the State from its allotment under subsection (c) for a fiscal year will be expended for room or board for children who have left foster care after the age of 16 and have attained 18 but not 21 years of age, and that such room and board services shall be supervised, including interaction between the youths and adults, and the provision of such services shall include a requirement that the participating youths must be actively enrolled in educational, vocational training, or career development programs.

“(C) A certification by the chief executive officer of the State that none of the amounts paid to the State from its allotment under subsection (c) will be expended for room or board for any child who has not attained 18 years of age.

“(D) A certification by the chief executive officer of the State that the State has consulted widely with public and private individuals and organizations familiar with, or interested in addressing, the needs of youths aging out of foster care, including young people served by the programs under the plan, and, where they exist, organizations of youths who have been in foster care, in developing the plan and that the State has given all interested members of the public at least 30 days to submit comments on the plan.

“(E) A certification by the chief executive officer of the State that the State will make every effort to coordinate the State programs receiving funds provided from an allotment made to the State under subsection (c) with other Federal and State programs for youth, especially transitional living youth projects authorized under part B of title III of the Juvenile Justice and Delinquency Prevention Act of 1974 and funded and administered by the Department of Health and Human Services, local housing programs, programs for disabled youth, and school-to-work programs.

“(F) A certification by the chief executive officer of the State that each Indian tribe in the State has been informed about the programs to be carried out under the plan; that each such tribe has been given an opportunity to comment on the plan before submission to the Secretary; and that benefits and services under the programs will be made available to Indian children in the State on the same basis as to other children in the State.

“(G) A certification by the chief executive officer of the State that the State will use training funds provided under the program of Federal payments for foster care and adoption assistance to provide training to help foster parents, adoptive parents, workers in group homes, and case managers understand and address the issues confronting adolescents preparing for independent living, with such training utilizing a youth development approach, and will, to the extent possible, coordinate such training with the independent living program conducted for adolescents.

“(H) A certification by the chief executive officer of the State that the State will ensure that each adolescent participating in any program under this section will have a personal independent living plan, and that adolescents themselves will participate directly in designing their own program activities that prepare them for independent living and in taking personal responsibility for fulfilling their program requirements.

“(I) A certification by the chief executive officer of the State that the State has established and will enforce standards and procedures to prevent fraud and abuse in the programs carried out under the plan.

“(4) Approval.—The Secretary shall approve an application submitted by a State pursuant to paragraph (1) for a period if—

“(A) the application is submitted on or before June 30 of the calendar year in which such period begins; and

“(B) the Secretary finds that the application contains the material required by paragraph (1).

“(5) Authority to implement certain amendments; notification.—A State with an application approved under paragraph (4) may implement any amendment to the plan contained in the application if the application, incorporating the amendment, would be approvable under paragraph (4). Within 30 days after a State implements any such amendment, the State shall notify the Secretary of the amendment.

“(6) Availability.—The State shall make available to the public any application submitted by the State pursuant to paragraph (1), and a brief summary of the plan contained in the application.

“(c) Allotments to States.—For fiscal year 2000 and each succeeding fiscal year, the Secretary shall allot the amount specified in subsection (h) that remains after applying subsection (g)(2) among States with applications approved under subsection (b) for the fiscal year in the following manner:

“(1) The Secretary shall first allot to each State an amount equal to the amount payable to the State for fiscal year 1998 under this section, as in effect on the day before the date of the enactment of the Foster Care Independence Act of 1999.

“(2) From the amount remaining after carrying out paragraph (1), the Secretary shall allot to each State that elects the option under section 1902(a)(10)(A)(ii)(XV) to provide medical assistance to independent foster care adolescents the sum of—

“(A) an amount equal to one-half of the amount allotted to the State under paragraph (1), plus

“(B) an amount bearing the same ratio to the amount remaining after carrying out paragraph (1) and subparagraph (A) as the number of children in foster care under a program of the State in the most recent fiscal year for which such information is available bears to the total number of children in such foster care in all States for such most recent fiscal year.

“(3) Reallotment of unused funds.—The Secretary shall use the formula provided in paragraph (1) of this subsection to reallot among the States with applications approved under subsection (b) for a fiscal year any amount allotted to a State under this subsection for the preceding year that is not payable to the State for the preceding year.

"(d) Use of Funds.—

"(1) In general.—A State to which an amount is paid from its allotment under subsection (c) may use the amount in any manner that is reasonably calculated to accomplish the purposes of this section.

"(2) No supplantation of other funds available for same general purposes.—The amounts paid to a State from its allotment under subsection (c) shall be used to supplement and not supplant any other funds which are available for the same general purposes in the State.

"(e) Penalties.—

"(1) Use of grant in violation of this part.—If the Secretary is made aware, by an audit conducted under chapter 75 of title 31, United States Code, or by any other means, that a program receiving funds from an allotment made to a State under subsection (c) has been operated in a manner that is inconsistent with, or not disclosed in the State application approved under subsection (b), the Secretary shall assess a penalty against the State in an amount equal to not less than 1 percent and not more than 5 percent of the amount of the allotment.

"(2) Failure to comply with data reporting requirement.—The Secretary shall assess a penalty against a State that fails during a fiscal year to comply with an information collection plan implemented under subsection (f) in an amount equal to not less than 1 percent and not more than 5 percent of the amount allotted to the State for the fiscal year.

"(3) Penalties based on degree of noncompliance.—The Secretary shall assess penalties under this subsection based on the degree of noncompliance.

"(f) Data Collection and Performance Measurement.—

"(1) In general.—The Secretary, in consultation with State and local public officials responsible for administering independent living and other child welfare programs, child welfare advocates, members of Congress, youth service providers, and researchers, shall—

"(A) develop outcome measures (such as measures of educational attainment, employment, career goal-setting and development, active participation in personal health care, development of healthy relationships with family, mentors, and other community members, as well as, avoidance of dependency, homelessness, nonmarital childbirth, illegal activities, substance abuse or alcohol dependence, and high-risk behaviors) that can be used—

"(i) to assess the performance of States in operating independent living programs, and

"(ii) to explicitly track all outcomes, particularly those related to educational attainment, for youths who are provided with room and board services under such State programs;

"(B) identify data elements needed to track—

"(i) the number and characteristics of children receiving services under this section;

"(ii) the type and quantity of services being provided; and

"(iii) State performance on the outcome measures;

"(C) develop and implement a plan to collect the needed information beginning with the 2nd fiscal year beginning after the date of the enactment of this section; and

"(D) ensure that the data collection plan described in subparagraph (C) will be coordinated with the development and implementation of other data collection efforts required under the Adoption and Safe Families Act of 1997 and the Adoption and Foster Care Reporting System and the Statewide Automated Child Welfare Information Systems.

"(2) Report to the congress.—Within 12 months after the date of the enactment of this section, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the plans and timetable for collecting from the States the information described in paragraph (1).

"(g) Evaluations.—

"(1) In general.—The Secretary shall conduct evaluations of such State programs funded under this section as the Secretary deems to be innovative or of potential national significance. The evaluation of any such program shall include information on the effects of the program on education, employment, and personal development. To the maximum extent practicable, the evaluations shall be based on rigorous scientific standards including random assignment to treatment and control groups. The Secretary is encouraged to work directly with State and local governments to design methods for conducting the evaluations, directly or by grant, contract, or cooperative agreement.

"(2) Funding of evaluations.—The Secretary shall reserve 1.5 percent of the amount specified in subsection (h) for a fiscal year to carry out, during the fiscal year, evaluation, technical assistance, performance measurement, and data collection activities related to this section, directly or through grants, contracts, or cooperative agreements with appropriate entities.

"(h) Limitations on Authorization of Appropriations.—To carry out this section, there are authorized to be appropriated to the Secretary $140,000,000 for each fiscal year.".

(c) Payments to States.—Section 474(a)(4) of such Act (42 U.S.C. 674(a)(4)) is amended to read as follows:

"(4) the lesser of—

"(A) 80 percent of the amount (if any) by which—

"(i) the total amount expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); exceeds

"(ii) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs; or

"(B) the amount allotted to the State under section 477 for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year.".

(d) Regulations.—Not later than 12 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall issue such regulations as may be necessary to carry out the amendments made by this section.

Subtitle B—Related Foster Care Provision

SEC. 111. INCREASE IN AMOUNT OF ASSETS ALLOWABLE FOR CHILDREN IN FOSTER CARE.

Section 472(a) of the Social Security Act (42 U.S.C. 672(a)) is amended by adding at the end the following: "In determining whether a child would have received aid under a State plan approved under section 402 (as in effect on July 16, 1996), a child whose resources (determined pursuant to section 402(a)(7)(B), as so in effect) have a combined value of not more than $10,000 shall be considered to be a child whose resources have a combined value of not more than $1,000 (or such lower amount as the State may determine for purposes of such section 402(a)(7)(B)).".

Subtitle C—Medicaid Amendments

SEC. 121. STATE OPTION OF MEDICAID COVERAGE FOR ADOLESCENTS LEAVING FOSTER CARE.

(a) In General.—Title XIX of the Social Security Act is amended—

(1) in section 1902(a)(10)(A)(ii) (42 U.S.C. 1396a(a)(10)(A)(ii))—

(A) by striking "or" at the end of subclause (XIII);

(B) by adding "or" at the end of subclause (XIV); and

(C) by adding at the end the following new subclause:

"(XV) who are independent foster care adolescents (as defined in (section 1905(v)(1));"; and

(2) in section 1905 (42 U.S.C. 1396d), by adding at the end the following new subsection:

"(v)(1) For purposes of this title, the term 'independent foster care adolescent' means an individual—

"(A) who is under 21 years of age;

"(B)(i) who, on the individual's 18th birthday, was in foster care under the responsibility of a State, (ii) who is described in subparagraph (A), (B), or (C) of section 477(a)(2) (regardless of whether or not the State has exercised the option described in such subparagraph (B) or (C)), or (iii) who was adopted after the individual's 16th birthday and before the individual's 18th birthday and with respect to whose adoption there was in effect an adoption assistance agreement described in section 473; and

"(C) who meets the income and resource standards (if any) established by the State consistent with paragraph (2).

The State may waive the application of any resource or income standard otherwise applicable under subparagraph (C) for reasonable classifications of adolescents.

"(2) The income and resource standards (if any) established by a State under paragraph (1)(C) may not be less than the corresponding income and resource standards applied by the State under section 1931(b) and the income and resource methodologies (if any) used in applying such paragraph may not be more restrictive than the methodologies referred to in paragraph (2)(C) of such section.".

(b) Conforming Amendment.—Section 1903(f)(4) of such Act (42 U.S.C. 1396b(f)(4)) is amended by inserting "1902(a)(10)(A)(ii)(XV)," after 1902(a)(10)(A)(ii)((X),".

(c) Effective Date.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after October 1, 1999, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

Subtitle D—Welfare-To-Work Amendments

SEC. 131. CHILDREN AGING OUT OF FOSTER CARE ELIGIBLE FOR SERVICES.

(a) Recipients With Characteristics of Long-Term Dependency; Children Aging Out of Foster Care.—Clause (iii) of section 403(a)(5)(C) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(iii)) is amended—

(1) in subclause (I), by striking "or" at the end;

(2) in subclause (II), by striking the period at the end and inserting "; or"; and

(3) by inserting after subclause (II) the following new subclause:

"(III) to children—

"(aa) who have attained 18 years of age but not 25 years of age; and

"(bb) who, on the day before attaining 18 years of age were recipients of foster care maintenance payments (as defined in section 475(4)) under part E or were in foster care under the responsibility of a State.".

(b) Conforming Amendment.—Section 403(a)(5)(C)(iii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(iii)) is amended by inserting "HARD TO EMPLOY" before "INDIVIDUALS" in the heading.

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 1999.

TITLE II—SSI FRAUD PREVENTION

Subtitle A—Fraud Prevention and Related Provisions

SEC. 201. LIABILITY OF REPRESENTATIVE PAYEES FOR OVERPAYMENTS TO DECEASED RECIPIENTS.

(a) Amendment to Title II.—Section 204(a)(2) of the Social Security Act (42 U.S.C. 404(a)(2)) is amended by adding at the end the following new sentence: "If any payment of more than the correct amount is made to a representative payee on behalf of an individual after the individual's death, the representative payee shall be liable for the repayment of the overpayment, and the Commissioner of Social Security shall establish an overpayment control record under the social security account number of the representative payee.".

(b) Amendment to Title XVI.—Section 1631(b)(2) of such Act (42 U.S.C. 1383(b)(2)) is amended by adding at the end the following new sentence: "If any payment of more than the correct amount is made to a representative payee on behalf of an individual after the individual's death, the representative payee shall be liable for the repayment of the overpayment, and the Commissioner of Social Security shall establish an overpayment control record under the social security account number of the representative payee.".

(c) Effective Date.—The amendments made by this section shall apply to overpayments made 12 months or more after the date of the enactment of this Act.

SEC. 202. RECOVERY OF OVERPAYMENTS OF SSI BENEFITS FROM LUMP SUM SSI BENEFIT PAYMENTS.

(a) In General.—Section 1631(b)(1)(B)(ii) of the Social Security Act (42 U.S.C. 1383(b)(1)(B)(ii)) is amended—

(1) by inserting "monthly" before "benefit payments"; and

(2) by inserting "and in the case of an individual or eligible spouse to whom a lump sum is payable under this title (including under section 1616(a) of this Act or under an agreement entered into under section 212(a) of Public Law 93–66) shall, as at least one means of recovering such overpayment, make the adjustment or recovery from the lump sum payment in an amount equal to not less than the lesser of the amount of the overpayment or 50 percent of the lump sum payment," before "unless fraud".

(b) Effective Date.—The amendments made by this section shall take effect 12 months after the date of the enactment of this Act and shall apply to amounts incorrectly paid which remain outstanding on or after such date.

SEC. 203. ADDITIONAL DEBT COLLECTION PRACTICES.

(a) In General.—Section 1631(b) of the Social Security Act (42 U.S.C. 1383(b)) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

"(4)(A) With respect to any delinquent amount, the Commissioner of Social Security may use the collection practices described in sections 3711(f), 3716, 3717, and 3718 of title 31, United States Code, and in section 5514 of title 5, United States Code, all as in effect immediately after the enactment of the Debt Collection Improvement Act of 1996.

"(B) For purposes of subparagraph (A), the term 'delinquent amount' means an amount—

"(i) in excess of the correct amount of payment under this title;

"(ii) paid to a person after such person has attained 18 years of age; and

"(iii) determined by the Commissioner of Social Security, under regulations, to be otherwise unrecoverable under this section after such person ceases to be a beneficiary under this title.".

(b) Conforming Amendments.—Section 3701(d)(2) of title 31, United States Code, is amended by striking "section 204(f)" and inserting "sections 204(f) and 1631(b)(4)".

(c) Technical Amendments.—Section 204(f) of the Social Security Act (42 U.S.C. 404(f)) is amended—

(1) by striking "3711(e)" and inserting "3711(f)"; and

(2) by inserting "all" before "as in effect".

(d) Effective Date.—The amendments made by this section shall apply to debt outstanding on or after the date of the enactment of this Act.

SEC. 204. REQUIREMENT TO PROVIDE STATE PRISONER INFORMATION TO FEDERAL AND FEDERALLY ASSISTED BENEFIT PROGRAMS.

Section 1611(e)(1)(I)(ii)(II) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)(ii)(II)) is amended by striking "is authorized to" and inserting "shall".

SEC. 205. RULES RELATING TO COLLECTION OF OVERPAYMENTS FROM INDIVIDUALS CONVICTED OF CRIMES.

(a) Waivers Inapplicable to Overpayments by Reason of Payment in Months in Which Beneficiary Is a Prisoner or a Fugitive.—

(1) Amendment to title II.—Section 204(b) of the Social Security Act (42 U.S.C. 404(b)) is amended—

(A) by inserting "(1)" after "(b)"; and

(B) by adding at the end the following new paragraph:

"(2) Paragraph (1) shall not apply with respect to any payment to any person made during a month in which such benefit was not payable under section 202(x).".

(2) Amendment to title XVI.—Section 1631(b)(1)(B)(i) of such Act (42 U.S.C. 1383(b)(1)(B)(i)) is amended by inserting "unless (I) section 1611(e)(1) prohibits payment to the person of a benefit under this title for the month by reason of confinement of a type described in clause (i) or (ii) of section 202(x)(1)(A), or (II) section 1611(e)(5) prohibits payment to the person of a benefit under this title for the month," after "administration of this title".

(b) 10-Year Period of Ineligibility for Persons Failing To Notify Commissioner of Overpayments in Months in Which Beneficiary Is a Prisoner or a Fugitive or Failing To Comply With Repayment Schedule for Such Overpayments.—

(1) Amendment to title II.—Section 202(x) of such Act (42 U.S.C. 402(x)) is amended by adding at the end the following new paragraph:

"(4)(A) No person shall be considered entitled to monthly insurance benefits under this section based on the person's disability or to disability insurance benefits under section 223 otherwise payable during the 10-year period that begins on the date the person—

"(i) knowingly fails to timely notify the Commissioner of Social Security, in connection with any application for benefits under this title, of any prior receipt by such person of any benefit under this title or title XVI in any month in which such benefit was not payable under the preceding provisions of this subsection, or

"(ii) knowingly fails to comply with any schedule imposed by the Commissioner which is for repayment of overpayments comprised of payments described in subparagraph (A) and which is in compliance with section 204.

"(B) The Commissioner of Social Security shall, in addition to any other relevant factors, take into account any mental or linguistic limitations of a person (including any lack of facility with the English language) in determining whether the person has knowingly failed to comply with a requirement of clause (i) or (ii) of subparagraph (A).".

(2) Amendment to title XVI.—Section 1611(e)(1) of such Act (42 U.S.C. 1382(e)(1)) is amended by adding at the end the following new subparagraph:

"(J)(i) A person shall not be considered an eligible individual or eligible spouse for purposes of benefits under this title by reason of disability, during the 10-year period that begins on the date the person—

"(I) knowingly fails to timely notify the Commissioner of Social Security, in an application for benefits under this title, of any prior receipt by the person of a benefit under this title or title II in a month in which payment to the person of a benefit under this title was prohibited by—

"(aa) the preceding provisions of this paragraph by reason of confinement of a type described in clause (i) or (ii) of section 202(x)(1)(A); or

"(bb) section 1611(e)(4); or

"(II) knowingly fails to comply with any schedule imposed by the Commissioner which is for repayment of overpayments comprised of payments described in clause (i) of this subparagraph and which is in compliance with section 1631(b).

"(ii) The Commissioner of Social Security shall, in addition to any other relevant factors, take into account any mental or linguistic limitations of a person (including any lack of facility with the English language) in determining whether the person has knowingly failed to comply with a requirement of subclause (I) or (II) of clause (i).".

(c) Continued Collection Efforts Against Prisoners.—

(1) Amendment to title II.—Section 204(b) of such Act (42 U.S.C. 404(b)), as amended by subsection (a)(1) of this section, is amended further by adding at the end the following new paragraph:

"(3) The Commissioner shall not refrain from recovering overpayments from resources currently available to any overpaid person or to such person's estate solely because such individual is confined as described in clause (i) or (ii) of section 202(x)(1)(A).".

(2) Amendment to title XVI.—Section 1631(b)(1)(A) of such Act (42 U.S.C. 1383(b)(1)(A)) is amended by adding after and below clause (ii) the following flush left sentence:

"The Commissioner shall not refrain from recovering overpayments from resources currently available to any individual solely because the individual is confined as described in clause (i) or (ii) of section 202(x)(1)(A).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to overpayments made in, and to benefits payable for, months beginning 24 months or more after the date of the enactment of this Act.

SEC. 206. TREATMENT OF ASSETS HELD IN TRUST UNDER THE SSI PROGRAM.

(a) TREATMENT AS RESOURCE.—Section 1613 of the Social Security Act (42 U.S.C. 1382b) is amended by adding at the end the following new subsection:

"Trusts

"(e)(1) In determining the resources of an individual, paragraph (3) shall apply to a trust (other than a trust described in paragraph (5)) established by the individual.

"(2)(A) For purposes of this subsection, an individual shall be considered to have established a trust if any assets of the individual (or of the individual's spouse) are transferred to the trust other than by will.

"(B) In the case of an irrevocable trust to which are transferred the assets of an individual (or of the individual's spouse) and the assets of any other person, this subsection shall apply to the portion of the trust attributable to the assets of the individual (or of the individual's spouse).

"(C) This subsection shall apply to a trust without regard to—

"(i) the purposes for which the trust is established;

"(ii) whether the trustees have or exercise any discretion under the trust;

"(iii) any restrictions on when or whether distributions may be made from the trust; or

"(iv) any restrictions on the use of distributions from the trust.

"(3)(A) In the case of a revocable trust established by an individual, the corpus of the trust shall be considered a resource available to the individual.

"(B) In the case of an irrevocable trust established by an individual, if there are any circumstances under which payment from the trust could be made to or for the benefit of the individual or the individual's spouse, the portion of the corpus from which payment to or for the benefit of the individual or the individual's spouse could be made shall be considered a resource available to the individual.

"(4) The Commissioner of Social Security may waive the application of this subsection with respect to an individual if the Commissioner determines that such application would work an undue hardship (as determined on the basis of criteria established by the Commissioner) on the individual.

"(5) This subsection shall not apply to a trust described in subparagraph (A) or (C) of section 1917(d)(4).

"(6) For purposes of this subsection—

"(A) the term 'trust' includes any legal instrument or device that is similar to a trust;

"(B) the term 'corpus' means, with respect to a trust, all property and other interests held by the trust, including accumulated earnings and any other addition to the trust after its establishment (except that such term does not include any such earnings or addition in the month in which the earnings or addition is credited or otherwise transferred to the trust); and

"(C) the term 'asset' includes any income or resource of the individual or of the individual's spouse, including—

"(i) any income excluded by section 1612(b);

"(ii) any resource otherwise excluded by this section; and

"(iii) any other payment or property to which the individual or the individual's spouse is entitled but does not receive or have access to because of action by—

"(I) the individual or spouse;

"(II) a person or entity (including a court) with legal authority to act in place of, or on behalf of, the individual or spouse; or

"(III) a person or entity (including a court) acting at the direction of, or on the request of, the individual or spouse.".

(b) TREATMENT AS INCOME.—Section 1612(a)(2) of such Act (42 U.S.C. 1382a(a)(2)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(G) any earnings of, and additions to, the corpus of a trust established by an individual (within the meaning of section 1613(e)), of which the individual is a beneficiary, to which section 1613(e) applies, and, in the case of an irrevocable trust, with respect to which circumstances exist under which a payment from the earnings or additions could be made to or for the benefit of the individual.".

(c) CONFORMING AMENDMENTS.—Section 1902(a)(10) of the Social Security Act (42 U.S.C. 1396a(a)(10)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by adding "and" at the end of subparagraph (F); and

(3) by inserting after subparagraph (F) the following new subparagraph:

"(G) that, in applying eligibility criteria of the supplemental security income program under title XVI for purposes of determining eligibility for medical assistance under the State plan of an individual who is not receiving supplemental security income, the State will disregard the provisions of section 1613(e);".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2000, and shall apply to trusts established on or after such date.

SEC. 207. DISPOSAL OF RESOURCES FOR LESS THAN FAIR MARKET VALUE UNDER THE SSI PROGRAM.

(a) IN GENERAL.—Section 1613(c) of the Social Security Act (42 U.S.C. 1382b(c)) is amended—

(1) in the caption, by striking "Notification of Medicaid Policy Restricting Eligibility of Institutionalized Individuals for Benefits Based on";

(2) in paragraph (1)—

(A) in subparagraph (A)—

(i) by inserting "paragraph (1) and" after "provisions of";

(ii) by striking "title XIX" the first place it appears and inserting "this title and title XIX, respectively,";

(iii) by striking "subparagraph (B)" and inserting "clause (ii)";

(iv) by striking "paragraph (2)" and inserting "subparagraph (B)";

(B) in subparagraph (B)—

(i) by striking "by the State agency"; and

(ii) by striking "section 1917(c)" and all that follows and inserting "paragraph (1) or section 1917(c)."; and

(C) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) in paragraph (2)—

(A) by striking "(2)" and inserting "(B)"; and

(B) by striking "paragraph (1)(B)" and inserting "subparagraph (A)(ii)";

(4) by striking "(c)(1)" and inserting "(2)(A)"; and

(5) by inserting before paragraph (2) (as so redesignated by paragraph (4) of this subsection) the following new subsection:

"(c)(1)(A)(i) If an individual or the spouse of an individual disposes of resources for less than fair market value on or after the look-back date described in clause (ii)(I), the individual is ineligible for benefits under this title for months during the period beginning on the date described in clause (iii) and equal to the number of months calculated as provided in clause (iv).

"(ii)(I) The look-back date described in this subclause is a date that is 36 months before the date described in subclause (II).

"(II) The date described in this subclause is the date on which the individual applies for benefits under this title or, if later, the date on which the individual (or the spouse of the individual) disposes of resources for less than fair market value.

"(iii) The date described in this clause is the first day of the first month in or after which resources were disposed of for less than fair market value and which does not occur in any other period of ineligibility under this paragraph.

"(iv) The number of months calculated under this clause shall be equal to—

"(I) the total, cumulative uncompensated value of all resources so disposed of by the individual (or the spouse of the individual) on or after the look-back date described in clause (ii)(I); divided by

"(II) the amount of the maximum monthly benefit payable under section 1611(b), plus the amount (if any) of the maximum State supplementary payment corresponding to the State's payment level applicable to the individual's living arrangement and eligibility category that would otherwise be payable to the individual by the Commissioner pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93-66, for the month in which occurs the date described in clause (ii)(II),

rounded, in the case of any fraction, to the nearest whole number, but shall not in any case exceed 36 months.

"(B)(i) Notwithstanding subparagraph (A), this subsection shall not apply to a transfer of a resource to a trust if the portion of the trust attributable to the resource is considered a resource available to the individual pursuant to subsection (e)(3) (or would be so considered but for the application of subsection (e)(4)).

"(ii) In the case of a trust established by an individual or an individual's spouse (within the meaning of subsection (e)), if from such portion of the trust, if any, that is considered a resource available to the individual pursuant to subsection (e)(3) (or would be so considered but for the application of subsection (e)(4)) or the residue of the portion on the termination of the trust—

"(I) there is made a payment other than to or for the benefit of the individual; or

"(II) no payment could under any circumstance be made to the individual,

then, for purposes of this subsection, the payment described in clause (I) or the foreclosure of payment described in clause (II) shall be considered a transfer of resources by the individual or the individual's spouse as of the date of the payment or foreclosure, as the case may be.

"(C) An individual shall not be ineligible for benefits under this title by reason of the application of this paragraph to a disposal of resources by the individual or the spouse of the individual, to the extent that—

"(i) the resources are a home and title to the home was transferred to—

“(I) the spouse of the transferor;

“(II) a child of the transferor who has not attained 21 years of age, or is blind or disabled;

“(III) a sibling of the transferor who has an equity interest in such home and who was residing in the transferor's home for a period of at least 1 year immediately before the date the transferor becomes an institutionalized individual; or

“(IV) a son or daughter of the transferor (other than a child described in subclause (II)) who was residing in the transferor's home for a period of at least 2 years immediately before the date the transferor becomes an institutionalized individual, and who provided care to the transferor which permitted the transferor to reside at home rather than in such an institution or facility;

“(ii) the resources—

“(I) were transferred to the transferor's spouse or to another for the sole benefit of the transferor's spouse;

“(II) were transferred from the transferor's spouse to another for the sole benefit of the transferor's spouse;

“(III) were transferred to, or to a trust (including a trust described in section 1917(d)(4)) established solely for the benefit of, the transferor's child who is blind or disabled; or

“(IV) were transferred to a trust (including a trust described in section 1917(d)(4)) established solely for the benefit of an individual who has not attained 65 years of age and who is disabled;

“(iii) a satisfactory showing is made to the Commissioner of Social Security (in accordance with regulations promulgated by the Commissioner) that—

“(I) the individual who disposed of the resources intended to dispose of the resources either at fair market value, or for other valuable consideration;

“(II) the resources were transferred exclusively for a purpose other than to qualify for benefits under this title; or

“(III) all resources transferred for less than fair market value have been returned to the transferor; or

“(iv) the Commissioner determines, under procedures established by the Commissioner, that the denial of eligibility would work an undue hardship as determined on the basis of criteria established by the Commissioner.

“(D) For purposes of this subsection, in the case of a resource held by an individual in common with another person or persons in a joint tenancy, tenancy in common, or similar arrangement, the resource (or the affected portion of such resource) shall be considered to be disposed of by the individual when any action is taken, either by the individual or by any other person, that reduces or eliminates the individual's ownership or control of such resource.

“(E) In the case of a transfer by the spouse of an individual that results in a period of ineligibility for the individual under this subsection, the Commissioner shall apportion the period (or any portion of the period) among the individual and the individual's spouse if the spouse becomes eligible for benefits under this title.

“(F) For purposes of this paragraph—

“(i) the term ‘benefits under this title’ includes payments of the type described in section 1616(a) of this Act and of the type described in section 212(b) of Public Law 93–66;

“(ii) the term ‘institutionalized individual’ has the meaning given such term in section 1917(e)(3); and

“(iii) the term ‘trust’ has the meaning given such term in subsection (e)(6)(A) of this section.”.

(b) CONFORMING AMENDMENT.—Section 1902(a)(10) of the Social Security Act (42 U.S.C. 1396a(a)(10)), as amended by section 206(c) of this Act, is amended by striking “section 1613(e)” and inserting “subsections (c) and (e) of section 1613”.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to disposals made on or after the date of the enactment of this Act.

SEC. 208. ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES FOR FALSE OR MISLEADING STATEMENTS.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by inserting after section 1129 the following new section:

“SEC. 1129A. ADMINISTRATIVE PROCEDURE FOR IMPOSING PENALTIES FOR FALSE OR MISLEADING STATEMENTS.

“(a) IN GENERAL.—Any person who makes, or causes to be made, a statement or representation of a material fact for use in determining any initial or continuing right to or the amount of—

“(1) monthly insurance benefits under title II; or

“(2) benefits or payments under title XVI,

that the person knows or should know is false or misleading or knows or should know omits a material fact or makes such a statement with knowing disregard for the truth shall be subject to, in addition to any other penalties that may be prescribed by law, a penalty described in subsection (b) to be imposed by the Commissioner of Social Security.

“(b) PENALTY.—The penalty described in this subsection is—

“(1) nonpayment of benefits under title II that would otherwise be payable to the person; and

“(2) ineligibility for cash benefits under title XVI,

for each month that begins during the applicable period described in subsection (c).

“(c) DURATION OF PENALTY.—The duration of the applicable period, with respect to a determination by the Commissioner under subsection (a) that a person has engaged in conduct described in subsection (a), shall be—

“(1) 6 consecutive months, in the case of a first such determination with respect to the person;

“(2) 12 consecutive months, in the case of a second such determination with respect to the person; and

“(3) 24 consecutive months, in the case of a third or subsequent such determination with respect to the person.

“(d) EFFECT ON OTHER ASSISTANCE.—A person subject to a period of nonpayment of benefits under title II or ineligibility for title XVI benefits by reason of this section nevertheless shall be considered to be eligible for and receiving such benefits, to the extent that the person would be receiving or eligible for such benefits but for the imposition of the penalty, for purposes of—

“(1) determination of the eligibility of the person for benefits under titles XVIII and XIX; and

“(2) determination of the eligibility or amount of benefits payable under title II or XVI to another person.

“(e) DEFINITION.—In this section, the term ‘benefits under title XVI’ includes State supplementary payments made by the Commissioner pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93–66.

“(f) CONSULTATIONS.—The Commissioner of Social Security shall consult with the Inspector General of the Social Security Administration regarding initiating actions under this section.”.

(b) CONFORMING AMENDMENT PRECLUDING DELAYED RETIREMENT CREDIT FOR ANY MONTH TO WHICH A NONPAYMENT OF BENEFITS PENALTY APPLIES.—Section 202(w)(2)(B) of such Act (42 U.S.C. 402(w)(2)(B)) is amended—

(1) by striking “and” at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting “, and”; and

(3) by adding at the end the following new clause:

“(iii) such individual was not subject to a penalty imposed under section 1129A.”.

(c) ELIMINATION OF REDUNDANT PROVISION.—Section 1611(e) of such Act (42 U.S.C. 1382(e)) is amended—

(1) by striking paragraph (4);

(2) in paragraph (6)(A)(i), by striking “(5)” and inserting “(4)”; and

(3) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

(d) REGULATIONS.—Within 6 months after the date of the enactment of this Act, the Commissioner of Social Security shall develop regulations that prescribe the administrative process for making determinations under section 1129A of the Social Security Act (including when the applicable period in subsection (c) of such section shall commence), and shall provide guidance on the exercise of discretion as to whether the penalty should be imposed in particular cases.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to statements and representations made on or after the date of the enactment of this Act.

SEC. 209. EXCLUSION OF REPRESENTATIVES AND HEALTH CARE PROVIDERS CONVICTED OF VIOLATIONS FROM PARTICIPATION IN SOCIAL SECURITY PROGRAMS.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301–1320b–17) is amended by adding at the end the following new section:

“EXCLUSION OF REPRESENTATIVES AND HEALTH CARE PROVIDERS CONVICTED OF VIOLATIONS FROM PARTICIPATION IN SOCIAL SECURITY PROGRAMS

“SEC. 1148. (a) IN GENERAL.—The Commissioner of Social Security shall exclude from participation in the social security programs any representative or health care provider—

“(1) who is convicted of a violation of section 208 or 1632 of this Act,

“(2) who is convicted of any violation under title 18, United States Code, relating to an initial application for or continuing entitlement to, or amount of, benefits under title II of this Act, or an initial application for or continuing eligibility for, or amount of, benefits under title XVI of this Act, or

“(3) who the Commissioner determines has committed an offense described in section 1129(a)(1) of this Act.

“(b) NOTICE, EFFECTIVE DATE, AND PERIOD OF EXCLUSION.—(1) An exclusion under this section shall be effective at such time, for such period, and upon such reasonable notice to the public and to the individual excluded as may be specified in regulations consistent with paragraph (2).

“(2) Such an exclusion shall be effective with respect to services furnished to any individual on or after the effective date of the exclusion. Nothing in this section may be construed to preclude, in determining disability under title II or title XVI, consideration of any medical evidence derived from services provided by a health care provider before the effective date of the exclusion of the health care provider under this section.

"(3)(A) The Commissioner shall specify, in the notice of exclusion under paragraph (1), the period of the exclusion.

"(B) Subject to subparagraph (C), in the case of an exclusion under subsection (a), the minimum period of exclusion shall be five years, except that the Commissioner may waive the exclusion in the case of an individual who is the sole source of essential services in a community. The Commissioner's decision whether to waive the exclusion shall not be reviewable.

"(C) In the case of an exclusion of an individual under subsection (a) based on a conviction or a determination described in subsection (a)(3) occurring on or after the date of the enactment of this section, if the individual has (before, on, or after such date of enactment) been convicted, or if such a determination has been made with respect to the individual—

"(i) on one previous occasion of one or more offenses for which an exclusion may be effected under such subsection, the period of the exclusion shall be not less than 10 years, or

"(ii) on 2 or more previous occasions of one or more offenses for which an exclusion may be effected under such subsection, the period of the exclusion shall be permanent.

"(c) Notice to State Agencies.—The Commissioner shall promptly notify each appropriate State agency employed for the purpose of making disability determinations under section 221 or 1633(a)—

"(1) of the fact and circumstances of each exclusion effected against an individual under this section, and

"(2) of the period (described in subsection (b)(3)) for which the State agency is directed to exclude the individual from participation in the activities of the State agency in the course of its employment.

"(d) Notice to State Licensing Agencies.—The Commissioner shall—

"(1) promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual excluded from participation under this section of the fact and circumstances of the exclusion,

"(2) request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy, and

"(3) request that the State or local agency or authority keep the Commissioner and the Inspector General of the Social Security Administration fully and currently informed with respect to any actions taken in response to the request.

"(e) Notice, Hearing, and Judicial Review.—(1) Any individual who is excluded (or directed to be excluded) from participation under this section is entitled to reasonable notice and opportunity for a hearing thereon by the Commissioner to the same extent as is provided in section 205(b), and to judicial review of the Commissioner's final decision after such hearing as is provided in section 205(g).

"(2) The provisions of section 205(h) shall apply with respect to this section to the same extent as it is applicable with respect to title II.

"(f) Application for Termination of Exclusion.—(1) An individual excluded from participation under this section may apply to the Commissioner, in the manner specified by the Commissioner in regulations and at the end of the minimum period of exclusion provided under subsection (b)(3) and at such other times as the Commissioner may provide, for termination of the exclusion effected under this section.

"(2) The Commissioner may terminate the exclusion if the Commissioner determines, on the basis of the conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Commissioner at the time of the exclusion, that—

"(A) there is no basis under subsection (a) for a continuation of the exclusion, and

"(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

"(3) The Commissioner shall promptly notify each State agency employed for the purpose of making disability determinations under section 221 or 1633(a) of the fact and circumstances of each termination of exclusion made under this subsection.

"(g) Availability of Records of Excluded Representatives and Health Care Providers.—Nothing in this section shall be construed to have the effect of limiting access by any applicant or beneficiary under title II or XVI, any State agency acting under section 221 or 1633(a), or the Commissioner to records maintained by any representative or health care provider in connection with services provided to the applicant or beneficiary prior to the exclusion of such representative or health care provider under this section.

"(h) Reporting Requirement.—Any representative or health care provider participating in, or seeking to participate in, a social security program shall inform the Commissioner, in such form and manner as the Commissioner shall prescribe by regulation, whether such representative or health care provider has been convicted of a violation described in subsection (a).

"(i) Delegation of Authority.—The Commissioner may delegate authority granted by this section to the Inspector General.

"(j) Definitions.—For purposes of this section:

"(1) Exclude.—The term 'exclude' from participation means—

"(A) in connection with a representative, to prohibit from engaging in representation of an applicant for, or recipient of, benefits, as a representative payee under section 205(j) or 1631(a)(2)(A)(ii), or otherwise as a representative, in any hearing or other proceeding relating to entitlement to benefits, and

"(B) in connection with a health care provider, to prohibit from providing items or services to an applicant for, or recipient of, benefits for the purpose of assisting such applicant or recipient in demonstrating disability.

"(2) Social security program.—The term 'social security programs' means the program providing for monthly insurance benefits under title II, and the program providing for monthly supplemental security income benefits to individuals under title XVI (including State supplementary payments made by the Commissioner pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93–66).

"(3) Convicted.—An individual is considered to have been 'convicted' of a violation—

"(A) when a judgment of conviction has been entered against the individual by a Federal, State, or local court, except if the judgment of conviction has been set aside or expunged;

"(B) when there has been a finding of guilt against the individual by a Federal, State, or local court;

"(C) when a plea of guilty or nolo contendere by the individual has been accepted by a Federal, State, or local court; or

"(D) when the individual has entered into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.".

(b) Effective Date.—The amendment made by this section shall apply with respect to convictions of violations described in paragraphs (1) and (2) of section 1148(a) of the Social Security Act and determinations described in paragraph (3) of such section occurring on or after the date of the enactment of this Act.

SEC. 210. STATE DATA EXCHANGES.

Whenever the Commissioner of Social Security requests information from a State for the purpose of ascertaining an individual's eligibility for benefits (or the correct amount of such benefits) under title II or XVI of the Social Security Act, the standards of the Commissioner promulgated pursuant to section 1106 of such Act or any other Federal law for the use, safeguarding, and disclosure of information are deemed to meet any standards of the State that would otherwise apply to the disclosure of information by the State to the Commissioner.

SEC. 211. STUDY ON POSSIBLE MEASURES TO IMPROVE FRAUD PREVENTION AND ADMINISTRATIVE PROCESSING.

(a) Study.—As soon as practicable after the date of the enactment of this Act, the Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration and the Attorney General, shall conduct a study of possible measures to improve—

(1) prevention of fraud on the part of individuals entitled to disability benefits under section 223 of the Social Security Act or benefits under section 202 of such Act based on the beneficiary's disability, individuals eligible for supplemental security income benefits under title XVI of such Act, and applicants for any such benefits; and

(2) timely processing of reported income changes by individuals receiving such benefits.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report that contains the results of the Commissioner's study under subsection (a). The report shall contain such recommendations for legislative and administrative changes as the Commissioner considers appropriate.

SEC. 212. ANNUAL REPORT ON AMOUNTS NECESSARY TO COMBAT FRAUD.

(a) In General.—Section 704(b)(1) of the Social Security Act (42 U.S.C. 904(b)(1)) is amended—

(1) by inserting "(A)" after "(b)(1)"; and

(2) by adding at the end the following new subparagraph:

"(B) The Commissioner shall include in the annual budget prepared pursuant to subparagraph (A) an itemization of the amount of funds required by the Social Security Administration for the fiscal year covered by the budget to support efforts to combat fraud committed by applicants and beneficiaries.".

(b) Effective Date.—The amendments made by this section shall apply with respect to annual budgets prepared for fiscal years after fiscal year 1999.

SEC. 213. COMPUTER MATCHES WITH MEDICARE AND MEDICAID INSTITUTIONALIZATION DATA.

(a) IN GENERAL.—Section 1611(e)(1) of the Social Security Act (42 U.S.C. 1382(e)(1)), as amended by section 205(b)(2) of this Act, is further amended by adding at the end the following new subparagraph:

"(K) For the purpose of carrying out this paragraph, the Commissioner of Social Security shall conduct periodic computer matches with data maintained by the Secretary of Health and Human Services under title XVIII or XIX. The Secretary shall furnish to the Commissioner, in such form and manner and under such terms as the Commissioner and the Secretary shall mutually agree, such information as the Commissioner may request for this purpose. Information obtained pursuant to such a match may be substituted for the physician's certification otherwise required under subparagraph (G)(i).".

(b) CONFORMING AMENDMENT.—Section 1611(e)(1)(G) of such Act (42 U.S.C. 1382(e)(1)(G)) is amended by striking "subparagraph (H)" and inserting "subparagraph (H) or (K)".

SEC. 214. ACCESS TO INFORMATION HELD BY FINANCIAL INSTITUTIONS.

Section 1631(e)(1)(B) of the Social Security Act (42 U.S.C. 1383(e)(1)(B)) is amended—

(1) by striking "(B) The" and inserting "(B)(i) The"; and

(2) by adding at the end the following new clause:

"(ii)(I) The Commissioner of Social Security may require each applicant for, or recipient of, benefits under this title to provide authorization by the applicant or recipient (or by any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient for such benefits) for the Commissioner to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to the applicant or recipient (or any such other person) whenever the Commissioner determines the record is needed in connection with a determination with respect to such eligibility or the amount of such benefits.

"(II) Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act, an authorization provided by an applicant or recipient (or any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient) pursuant to subclause (I) of this clause shall remain effective until the earliest of—

"(aa) the rendering of a final adverse decision on the applicant's application for eligibility for benefits under this title;

"(bb) the cessation of the recipient's eligibility for benefits under this title; or

"(cc) the express revocation by the applicant or recipient (or such other person referred to in subclause (I)) of the authorization, in a written notification to the Commissioner.

"(III)(aa) An authorization obtained by the Commissioner of Social Security pursuant to this clause shall be considered to meet the requirements of the Right to Financial Privacy Act for purposes of section 1103(a) of such Act, and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act.

"(bb) The certification requirements of section 1103(b) of the Right to Financial Privacy Act shall not apply to requests by the Commissioner of Social Security pursuant to an authorization provided under this clause.

"(cc) A request by the Commissioner pursuant to an authorization provided under this clause is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act and the flush language of section 1102 of such Act.

"(IV) The Commissioner shall inform any person who provides authorization pursuant to this clause of the duration and scope of the authorization.

"(V) If an applicant for, or recipient of, benefits under this title (or any such other person referred to in subclause (I)) refuses to provide, or revokes, any authorization made by the applicant or recipient for the Commissioner of Social Security to obtain from any financial institution any financial record, the Commissioner may, on that basis, determine that the applicant or recipient is ineligible for benefits under this title.".

Subtitle B—Benefits for Certain Veterans of World War II

SEC. 251. ESTABLISHMENT OF PROGRAM OF SPECIAL BENEFITS FOR CERTAIN WORLD WAR II VETERANS.

(a) IN GENERAL.—The Social Security Act is amended by inserting after title VII the following:

"TITLE VIII—SPECIAL BENEFITS FOR CERTAIN WORLD WAR II VETERANS

"TABLE OF CONTENTS

"Sec. 801. Basic entitlement to benefits.
"Sec. 802. Qualified individuals.
"Sec. 803. Residence outside the United States.
"Sec. 804. Disqualifications.
"Sec. 805. Benefit amount.
"Sec. 806. Applications and furnishing of information.
"Sec. 807. Representative payees.
"Sec. 808. Overpayments and underpayments.
"Sec. 809. Hearings and review.
"Sec. 810. Other administrative provisions.
"Sec. 811. Penalties for fraud.
"Sec. 812. Definitions.
"Sec. 813. Appropriations.

"SEC. 801. BASIC ENTITLEMENT TO BENEFITS.

"Every individual who is a qualified individual under section 802 shall, in accordance with and subject to the provisions of this title, be entitled to a monthly benefit paid by the Commissioner of Social Security for each month after September 2000 (or such earlier month, if the Commissioner determines is administratively feasible) the individual resides outside the United States.

"SEC. 802. QUALIFIED INDIVIDUALS.

"Except as otherwise provided in this title, an individual—

"(1) who has attained the age of 65 on or before the date of the enactment of this title;

"(2) who is a World War II veteran;

"(3) who is eligible for a supplemental security income benefit under title XVI for—

"(A) the month in which this title is enacted; and

"(B) the month in which the individual files an application for benefits under this title;

"(4) whose total benefit income is less than 75 percent of the Federal benefit rate under title XVI;

"(5) who has filed an application for benefits under this title; and

"(6) who is in compliance with all requirements imposed by the Commissioner of Social Security under this title,

shall be a qualified individual for purposes of this title.

"SEC. 803. RESIDENCE OUTSIDE THE UNITED STATES.

For purposes of section 801, with respect to any month, an individual shall be regarded as residing outside the United States if, on the first day of the month, the individual so resides outside the United States.

"SEC. 804. DISQUALIFICATIONS.

"Notwithstanding section 802, an individual may not be a qualified individual for any month—

"(1) that begins after the month in which the Commissioner of Social Security is notified by the Attorney General that the individual has been removed from the United States pursuant to section 237(a) of the Immigration and Nationality Act and before the month in which the Commissioner of Social Security is notified by the Attorney General that the individual is lawfully admitted to the United States for permanent residence;

"(2) during any part of which the individual is outside the United States due to flight to avoid prosecution, or custody or confinement after conviction, under the laws of the United States or the jurisdiction within the United States from which the person has fled, for a crime, or an attempt to commit a crime, that is a felony under the laws of the place from which the individual has fled, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State;

"(3) during any part of which the individual violates a condition of probation or parole imposed under Federal or State law; or

"(4) during any part of which the individual is confined in a jail, prison, or other penal institution or correctional facility pursuant to a conviction of an offense.

"SEC. 805. BENEFIT AMOUNT.

"The benefit under this title payable to a qualified individual for any month shall be in an amount equal to 75 percent of the Federal benefit rate under title XVI for the month, reduced by the amount of the qualified individual's benefit income for the month.

"SEC. 806. APPLICATIONS AND FURNISHING OF INFORMATION.

"(a) IN GENERAL.—The Commissioner of Social Security shall, subject to subsection (b), prescribe such requirements with respect to the filing of applications, the furnishing of information and other material, and the reporting of events and changes in circumstances, as may be necessary for the effective and efficient administration of this title.

"(b) VERIFICATION REQUIREMENT.—The requirements prescribed by the Commissioner of Social Security under subsection (a) shall preclude any determination of entitlement to benefits under this title solely on the basis of declarations by the individual concerning qualifications or other material facts, and shall provide for verification of material information from independent or collateral sources, and the procurement of additional information as necessary in order to ensure that the benefits are provided only to qualified individuals (or their representative payees) in correct amounts.

"SEC. 807. REPRESENTATIVE PAYEES.

"(a) IN GENERAL.—If the Commissioner of Social Security determines that the interest of any qualified individual under this title would be served thereby, payment of the qualified individual's benefit under this title may be made, regardless of the legal competency or incompetency of the qualified individual, either directly to the qualified individual, or for his or her benefit, to another person (the meaning of which term, for purposes of this section, includes an organization) with respect to whom the requirements of subsection (b) have been met (in this section referred to as the qualified individual's 'representative payee'). If the Commissioner of Social Security determines that a representative payee has misused any benefit paid to the representative payee pursuant to this section, section 205(j), or section 1631(a)(2), the Commissioner of Social Security shall promptly revoke the person's designation as the qualified individual's representative payee under this subsection, and shall make payment to an alternative representative payee or, if the interest of the qualified individual under this title would be served thereby, to the qualified individual.

“(b) Examination of Fitness of Prospective Representative Payee.—

“(1) Any determination under subsection (a) to pay the benefits of a qualified individual to a representative payee shall be made on the basis of—

“(A) an investigation by the Commissioner of Social Security of the person to serve as representative payee, which shall be conducted in advance of the determination and shall, to the extent practicable, include a face-to-face interview with the person (or, in the case of an organization, a representative of the organization); and

“(B) adequate evidence that the arrangement is in the interest of the qualified individual.

“(2) As part of the investigation referred to in paragraph (1), the Commissioner of Social Security shall—

“(A) require the person being investigated to submit documented proof of the identity of the person;

“(B) in the case of a person who has a social security account number issued for purposes of the program under title II or an employer identification number issued for purposes of the Internal Revenue Code of 1986, verify the number;

“(C) determine whether the person has been convicted of a violation of section 208, 811, or 1632; and

“(D) determine whether payment of benefits to the person in the capacity as representative payee has been revoked or terminated pursuant to this section, section 205(j), or section 1631(a)(2)(A)(iii) by reason of misuse of funds paid as benefits under this title, title II, or title XVI, respectively.

“(c) Requirement for Centralized File.—The Commissioner of Social Security shall establish and maintain a centralized file, which shall be updated periodically and which shall be in a form that renders it readily retrievable by each servicing office of the Social Security Administration. The file shall consist of—

“(1) a list of the names and social security account numbers or employer identification numbers (if issued) of all persons with respect to whom, in the capacity of representative payee, the payment of benefits has been revoked or terminated under this section, section 205(j), or section 1631(a)(2)(A)(iii) by reason of misuse of funds paid as benefits under this title, title II, or title XVI, respectively; and

“(2) a list of the names and social security account numbers or employer identification numbers (if issued) of all persons who have been convicted of a violation of section 208, 811, or 1632.

“(d) Persons Ineligible To Serve as Representative Payees.—

“(1) In general.—The benefits of a qualified individual may not be paid to any other person pursuant to this section if—

“(A) the person has been convicted of a violation of section 208, 811, or 1632;

“(B) except as provided in paragraph (2), payment of benefits to the person in the capacity of representative payee has been revoked or terminated under this section, section 205(j), or section 1631(a)(2)(A)(ii) by reason of misuse of funds paid as benefits under this title, title II, or title XVI, respectively; or

“(C) except as provided in paragraph (2)(B), the person is a creditor of the qualified individual and provides the qualified individual with goods or services for consideration.

“(2) Exemptions.—

“(A) The Commissioner of Social Security may prescribe circumstances under which the Commissioner of Social Security may grant an exemption from paragraph (1) to any person on a case-by-case basis if the exemption is in the best interest of the qualified individual whose benefits would be paid to the person pursuant to this section.

“(B) Paragraph (1)(C) shall not apply with respect to any person who is a creditor referred to in such paragraph if the creditor is—

“(i) a relative of the qualified individual and the relative resides in the same household as the qualified individual;

“(ii) a legal guardian or legal representative of the individual;

“(iii) a facility that is licensed or certified as a care facility under the law of the political jurisdiction in which the qualified individual resides;

“(iv) a person who is an administrator, owner, or employee of a facility referred to in clause (iii), if the qualified individual resides in the facility, and the payment to the facility or the person is made only after the Commissioner of Social Security has made a good faith effort to locate an alternative representative payee to whom payment would serve the best interests of the qualified individual; or

“(v) a person who is determined by the Commissioner of Social Security, on the basis of written findings and pursuant to procedures prescribed by the Commissioner of Social Security, to be acceptable to serve as a representative payee.

“(C) The procedures referred to in subparagraph (B)(v) shall require the person who will serve as representative payee to establish, to the satisfaction of the Commissioner of Social Security, that—

“(i) the person poses no risk to the qualified individual;

“(ii) the financial relationship of the person to the qualified individual poses no substantial conflict of interest; and

“(iii) no other more suitable representative payee can be found.

“(e) Deferral of Payment Pending Appointment of Representative Payee.—

“(1) In general.—Subject to paragraph (2), if the Commissioner of Social Security makes a determination described in the first sentence of subsection (a) with respect to any qualified individual's benefit and determines that direct payment of the benefit to the qualified individual would cause substantial harm to the qualified individual, the Commissioner of Social Security may defer (in the case of initial entitlement) or suspend (in the case of existing entitlement) direct payment of the benefit to the qualified individual, until such time as the selection of a representative payee is made pursuant to this section.

“(2) Time limitation.—

“(A) In general.—Except as provided in subparagraph (B), any deferral or suspension of direct payment of a benefit pursuant to paragraph (1) shall be for a period of not more than 1 month.

“(B) Exception in the case of incompetency.—Subparagraph (A) shall not apply in any case in which the qualified individual is, as of the date of the Commissioner of Social Security's determination, legally incompetent under the laws of the jurisdiction in which the individual resides.

“(3) Payment of retroactive benefits.—Payment of any benefits which are deferred or suspended pending the selection of a representative payee shall be made to the qualified individual or the representative payee as a single sum or over such period of time as the Commissioner of Social Security determines is in the best interest of the qualified individual.

“(f) Hearing.—Any qualified individual who is dissatisfied with a determination by the Commissioner of Social Security to make payment of the qualified individual's benefit to a representative payee under subsection (a) of this section or with the designation of a particular person to serve as representative payee shall be entitled to a hearing by the Commissioner of Social Security to the same extent as is provided in section 809(a), and to judicial review of the Commissioner of Social Security's final decision as is provided in section 809(b).

“(g) Notice Requirements.—

“(1) In general.—In advance of the payment of a qualified individual's benefit to a representative payee under subsection (a), the Commissioner of Social Security shall provide written notice of the Commissioner's initial determination to so make the payment. The notice shall be provided to the qualified individual, except that, if the qualified individual is legally incompetent, then the notice shall be provided solely to the legal guardian or legal representative of the qualified individual.

“(2) Specific requirements.—Any notice required by paragraph (1) shall be clearly written in language that is easily understandable to the reader, shall identify the person to be designated as the qualified individual's representative payee, and shall explain to the reader the right under subsection (f) of the qualified individual or of the qualified individual's legal guardian or legal representative—

“(A) to appeal a determination that a representative payee is necessary for the qualified individual;

“(B) to appeal the designation of a particular person to serve as the representative payee of qualified individual; and

“(C) to review the evidence upon which the designation is based and to submit additional evidence.

“(h) Accountability Monitoring.—

“(1) In any case where payment under this title is made to a person other than the qualified individual entitled to the payment, the Commissioner of Social Security shall establish a system of accountability monitoring under which the person shall report not less often than annually with respect to the use of the payments. The Commissioner of Social Security shall establish and implement statistically valid procedures for reviewing the reports in order to identify instances in which persons are not properly using the payments.

“(2) Special reports.—Notwithstanding paragraph (1), the Commissioner of Social Security may require a report at any time from any person receiving payments on behalf of a qualified individual, if the Commissioner of Social Security has reason to believe that the person receiving the payments is misusing the payments.

"(3) Centralized file.—The Commissioner of Social Security shall maintain a centralized file, which shall be updated periodically and which shall be in a form that is readily retrievable, of—

"(A) the name, address, and (if issued) the social security account number or employer identification number of each representative payee who is receiving benefit payments pursuant to this section, section 205(j), or section 1631(a)(2); and

"(B) the name, address, and social security account number of each individual for whom each representative payee is reported to be providing services as representative payee pursuant to this section, section 205(j), or section 1631(a)(2).

"(4) The Commissioner of Social Security shall maintain a list, which shall be updated periodically, of public agencies and community-based nonprofit social service agencies which are qualified to serve as representative payees pursuant to this section and which are located in the jurisdiction in which any qualified individual resides.

"(l) Restitution.—In any case where the negligent failure of the Commissioner of Social Security to investigate or monitor a representative payee results in misuse of benefits by the representative payee, the Commissioner of Social Security shall make payment to the qualified individual or the individual's alternative representative payee of an amount equal to the misused benefits. The Commissioner of Social Security shall make a good faith effort to obtain restitution from the terminated representative payee.

"SEC. 808. OVERPAYMENTS AND UNDERPAYMENTS.

"(a) In General.—Whenever the Commissioner of Social Security finds that more or less than the correct amount of payment has been made to any person under this title, proper adjustment or recovery shall be made, as follows:

"(1) With respect to payment to a person of more than the correct amount, the Commissioner of Social Security shall decrease any payment under this title to which the overpaid person (if a qualified individual) is entitled, or shall require the overpaid person or his or her estate to refund the amount in excess of the correct amount, or, if recovery is not obtained under these two methods, shall seek or pursue recovery by means of reduction in tax refunds based on notice to the Secretary of the Treasury, as authorized under section 3720A of title 31, United States Code.

"(2) With respect to payment of less than the correct amount to a qualified individual who, at the time the Commissioner of Social Security is prepared to take action with respect to the underpayment—

"(A) is living, the Commissioner of Social Security shall make payment to the qualified individual (or the qualified individual's representative payee designated under section 807) of the balance of the amount due the underpaid qualified individual; or

"(B) is deceased, the balance of the amount due shall revert to the general fund of the Treasury.

"(b) Waiver of Recovery of Overpayment.—In any case in which more than the correct amount of payment has been made, there shall be no adjustment of payments to, or recovery by the United States from, any person who is without fault if the Commissioner of Social Security determines that the adjustment or recovery would defeat the purpose of this title or would be against equity and good conscience.

"(c) Limited Immunity for Disbursing Officers.—A disbursing officer may not be held liable for any amount paid by the officer if the adjustment or recovery of the amount is waived under subsection (b), or adjustment under subsection (a) is not completed before the death of the qualified individual against whose benefits deductions are authorized.

"(d) Authorized Collection Practices.—

"(1) In general.—With respect to any delinquent amount, the Commissioner of Social Security may use the collection practices described in sections 3711(e), 3716, and 3718 of title 31, United States Code, as in effect on October 1, 1994.

"(2) Definition.—For purposes of paragraph (1), the term 'delinquent amount' means an amount—

"(A) in excess of the correct amount of the payment under this title; and

"(B) determined by the Commissioner of Social Security to be otherwise unrecoverable under this section from a person who is not a qualified individual under this title.

"SEC. 809. HEARINGS AND REVIEW.

"(a) Hearings.—

"(1) In general.—The Commissioner of Social Security shall make findings of fact and decisions as to the rights of any individual applying for payment under this title. The Commissioner of Social Security shall provide reasonable notice and opportunity for a hearing to any individual who is or claims to be a qualified individual and is in disagreement with any determination under this title with respect to entitlement to, or the amount of, benefits under this title, if the individual requests a hearing on the matter in disagreement within 60 days after notice of the determination is received, and, if a hearing is held, shall, on the basis of evidence adduced at the hearing affirm, modify, or reverse the Commissioner of Social Security's findings of fact and the decision. The Commissioner of Social Security may, on the Commissioner of Social Security's own motion, hold such hearings and to conduct such investigations and other proceedings as the Commissioner of Social Security deems necessary or proper for the administration of this title. In the course of any hearing, investigation, or other proceeding, the Commissioner may administer oaths and affirmations, examine witnesses, and receive evidence. Evidence may be received at any hearing before the Commissioner of Social Security even though inadmissible under the rules of evidence applicable to court procedure. The Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation of the individual (including any lack of facility with the English language) in determining, with respect to the entitlement of the individual for benefits under this title, whether the individual acted in good faith or was at fault, and in determining fraud, deception, or intent.

"(2) Effect of failure to timely request review.—A failure to timely request review of an initial adverse determination with respect to an application for any payment under this title or an adverse determination on reconsideration of such an initial determination shall not serve as a basis for denial of a subsequent application for any payment under this title if the applicant demonstrates that the applicant failed to so request such a review acting in good faith reliance upon incorrect, incomplete, or misleading information, relating to the consequences of reapplying for payments in lieu of seeking review of an adverse determination, provided by any officer or employee of the Social Security Administration.

"(3) Notice requirements.—In any notice of an adverse determination with respect to which a review may be requested under paragraph (1), the Commissioner of Social Security shall describe in clear and specific language the effect on possible entitlement to benefits under this title of choosing to reapply in lieu of requesting review of the determination.

"(b) Judicial Review.—The final determination of the Commissioner of Social Security after a hearing under subsection (a)(1) shall be subject to judicial review as provided in section 205(g) to the same extent as the Commissioner of Social Security's final determinations under section 205.

"SEC. 810. OTHER ADMINISTRATIVE PROVISIONS.

"(a) Regulations and Administrative Arrangements.—The Commissioner of Social Security may prescribe such regulations, and make such administrative and other arrangements, as may be necessary or appropriate to carry out this title.

"(b) Payment of Benefits.—Benefits under this title shall be paid at such time or times and in such installments as the Commissioner of Social Security determines are in the interests of economy and efficiency.

"(c) Entitlement Redeterminations.—An individual's entitlement to benefits under this title, and the amount of the benefits, may be redetermined at such time or times as the Commissioner of Social Security determines to be appropriate.

"(d) Suspension of Benefits.—Regulations prescribed by the Commissioner of Social Security under subsection (a) may provide for the temporary suspension of entitlement to benefits under this title as the Commissioner determines is appropriate.

"SEC. 811. PENALTIES FOR FRAUD.

"(a) In General.—Whoever—

"(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in an application for benefits under this title;

"(2) at any time knowingly and willfully makes or causes to be made any false statement or representation of a material fact for use in determining any right to the benefits;

"(3) having knowledge of the occurrence of any event affecting—

"(A) his or her initial or continued right to the benefits; or

"(B) the initial or continued right to the benefits of any other individual in whose behalf he or she has applied for or is receiving the benefit,

conceals or fails to disclose the event with an intent fraudulently to secure the benefit either in a greater amount or quantity than is due or when no such benefit is authorized; or

"(4) having made application to receive any such benefit for the use and benefit of another and having received it, knowingly and willfully converts the benefit or any part thereof to a use other than for the use and benefit of the other individual,

shall be fined under title 18, United States Code, imprisoned not more than 5 years, or both.

"(b) Restitution by Representative Payee.—If a person or organization violates subsection (a) in the person's or organization's role as, or in applying to become, a representative payee under section 807 on behalf of a qualified individual, and the violation includes a willful misuse of funds by the person or entity, the court may also require that full or partial restitution of funds be made to the qualified individual.

"SEC. 812. DEFINITIONS.

"In this title:

"(1) WORLD WAR II VETERAN.—The term 'World War II veteran' means a person who served during World War II—

"(A) in the active military, naval, or air service of the United States during World War II, and who was discharged or released therefrom under conditions other than dishonorable after service of 90 days or more; or

"(B) in the organized military forces of the Government of the Commonwealth of the Philippines, while the forces were in the service of the Armed Forces of the United States pursuant to the military order of the President dated July 26, 1941, including among the military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander in Chief, Southwest Pacific Area, or other competent authority in the Army of the United States, in any case in which the service was rendered before December 31, 1946.

"(2) WORLD WAR II.—The term 'World War II' means the period beginning on September 16, 1940, and ending on July 24, 1947.

"(3) SUPPLEMENTAL SECURITY INCOME BENEFIT UNDER TITLE XVI.—The term 'supplemental security income benefit under title XVI', except as otherwise provided, includes State supplementary payments which are paid by the Commissioner of Social Security pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93-66.

"(4) FEDERAL BENEFIT RATE UNDER TITLE XVI.—The term 'Federal benefit rate under title XVI' means, with respect to any month, the amount of the supplemental security income cash benefit (not including any State supplementary payment which is paid by the Commissioner of Social Security pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93-66) payable under title XVI for the month to an eligible individual with no income.

"(5) UNITED STATES.—The term 'United States' means, notwithstanding section 1101(a)(1), only the 50 States, the District of Columbia, and the Commonwealth of the Northern Mariana Islands.

"(6) BENEFIT INCOME.—The term 'benefit income' means any recurring payment received by a qualified individual as an annuity, pension, retirement, or disability benefit (including any veterans' compensation or pension, workmen's compensation payment, old-age, survivors, or disability insurance benefit, railroad retirement annuity or pension, and unemployment insurance benefit), but only if a similar payment was received by the individual from the same (or a related) source during the 12-month period preceding the month in which the individual files an application for benefits under this title.

"SEC. 813. APPROPRIATIONS.

"There are hereby appropriated for fiscal year 2001 and subsequent fiscal years such sums as may be necessary to carry out this title.".

(b) CONFORMING AMENDMENTS.—

(1) SOCIAL SECURITY TRUST FUNDS LAE ACCOUNT.—Section 201(g) of such Act (42 U.S.C. 401(g)) is amended—

(A) in the fourth sentence of paragraph (1)(A), by inserting after "this title," the following: "title VIII,";

(B) in paragraph (1)(B)(i)(I), by inserting after "this title," the following: "title VIII,"; and

(C) in paragraph (1)(C)(i), by inserting after "this title," the following: "title VIII,".

(2) REPRESENTATIVE PAYEE PROVISIONS OF TITLE II.—Section 205(j) of such Act (42 U.S.C. 405(j)) is amended—

(A) in paragraph (1)(A), by inserting "807 or" before "1631(a)(2)";

(B) in paragraph (2)(B)(i)(I), by inserting ", title VIII," before "or title XVI";

(C) in paragraph (2)(B)(i)(III), by inserting ", 811," before "or 1632";

(D) in paragraph (2)(B)(i)(IV)—

(i) by inserting ", the designation of such person as a representative payee has been revoked pursuant to section 807(a)," before "or payment of benefits"; and

(ii) by inserting ", title VIII," before "or title XVI";

(E) in paragraph (2)(B)(ii)(I)—

(i) by inserting "whose designation as a representative payee has been revoked pursuant to section 807(a)," before "or with respect to whom"; and

(ii) by inserting ", title VIII," before "or title XVI";

(F) in paragraph (2)(B)(i)(II), by inserting ", 811," before "or 1632";

(G) in paragraph (2)(C)(i)(II) by inserting ", the designation of such person as a representative payee has been revoked pursuant to section 807(a)," before "or payment of benefits";

(H) in each of clauses (i) and (ii) of paragraph (3)(E), by inserting ", section 807," before "or section 1631(a)(2)";

(I) in paragraph (3)(F), by inserting "807 or" before "1631(a)(2)"; and

(J) in paragraph (4)(B)(i), by inserting "807 or" before "1631(a)(2)".

(3) WITHHOLDING FOR CHILD SUPPORT AND ALIMONY OBLIGATIONS.—Section 459(h)(1)(A) of such Act (42 U.S.C. 659(h)(1)(A)) is amended—

(A) at the end of clause (iii), by striking "and";

(B) at the end of clause (iv), by striking "but" and inserting "and"; and

(C) by adding at the end a new clause as follows:

"(v) special benefits for certain World War II veterans payable under title VIII; but".

(4) SOCIAL SECURITY ADVISORY BOARD.—Section 703(b) of such Act (42 U.S.C. 903(b)) is amended by striking "title II" and inserting "title II, the program of special benefits for certain World War II veterans under title VIII,".

(5) DELIVERY OF CHECKS.—Section 708 of such Act (42 U.S.C. 908) is amended—

(A) in subsection (a), by striking "title II" and inserting "title II, title VIII,"; and

(B) in subsection (b), by striking "title II" and inserting "title II, title VIII,".

(6) CIVIL MONETARY PENALTIES.—Section 1129 of such Act (42 U.S.C. 1320a-8) is amended—

(A) in the title, by striking "II" and inserting "II, VIII";

(B) in subsection (a)(1)—

(i) by striking "or" at the end of subparagraph (A);

(ii) by redesignating subparagraph (B) as subparagraph (C); and

(iii) by inserting after subparagraph (A) the following:

"(B) benefits or payments under title VIII, or";

(C) in subsection (a)(2), by inserting "or title VIII," after "title II";

(D) in subsection (e)(1)(C)—

(i) by striking "or" at the end of clause (i);

(ii) by redesignating clause (ii) as clause (iii); and

(iii) by inserting after clause (i) the following:

"(ii) by decrease of any payment under title VIII to which the person is entitled, or";

(E) in subsection (e)(2)(B), by striking "title XVI" and inserting "title VIII or XVI"; and

(F) in subsection (l), by striking "title XVI" and inserting "title VIII or XVI".

(7) RECOVERY OF SSI OVERPAYMENTS.—Section 1147 of such Act (42 U.S.C. 1320b-17) is amended—

(A) in subsection (a)(1)—

(i) by inserting "or VIII" after "title II" the first place it appears; and

(ii) by striking "title II" the second place it appears and inserting "such title"; and

(B) in the title, by striking "SOCIAL SECURITY" and inserting "OTHER".

(8) REPRESENTATIVE PAYEE PROVISIONS OF TITLE XVI.—Section 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is amended—

(A) in subparagraph (A)(iii), by inserting "or 807" after "205(j)(1)";

(B) in subparagraph (B)(ii)(I), by inserting ", title VIII," before "or this title";

(C) in subparagraph (B)(ii)(III), by inserting ", 811," before "or 1632";

(D) in subparagraph (B)(ii)(IV)—

(i) by inserting "whether the designation of such person as a representative payee has been revoked pursuant to section 807(a)," before "and whether certification"; and

(ii) by inserting ", title VIII," before "or this title";

(E) in subparagraph (B)(iii)(II), by inserting "the designation of such person as a representative payee has been revoked pursuant to section 807(a)," before "or certification"; and

(F) in subparagraph (D)(ii)(II)(aa), by inserting "or 807" after "205(j)(4)".

(9) ADMINISTRATIVE OFFSET.—Section 3716(c)(3)(C) of title 31, United States Code, is amended—

(A) by striking "sections 205(b)(1)" and inserting "sections 205(b)(1), 809(a)(1),"; and

(B) by striking "either title II" and inserting "title II, VIII,".

TITLE III—CHILD SUPPORT

SEC. 301. ELIMINATION OF ENHANCED MATCHING FOR LABORATORY COSTS FOR PATERNITY ESTABLISHMENT.

(a) IN GENERAL.—Section 455(a)(1) of the Social Security Act (42 U.S.C. 655(a)(1)) is amended by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C).

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective with respect to calendar quarters beginning on or after October 1, 1999.

SEC. 302. ELIMINATION OF HOLD HARMLESS PROVISION FOR STATE SHARE OF DISTRIBUTION OF COLLECTED CHILD SUPPORT.

(a) IN GENERAL.—Section 457 of the Social Security Act (42 U.S.C. 657) is amended—

(1) in subsection (a), by striking "subsections (e) and (f)" and inserting "subsections (d) and (e)";

(2) by striking subsection (d);

(3) in subsection (e), by striking the 2nd sentence; and

(4) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning on or after October 1, 1999.

TITLE IV—TECHNICAL CORRECTIONS

SEC. 401. TECHNICAL CORRECTIONS RELATING TO AMENDMENTS MADE BY THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996.

(a) Section 402(a)(1)(B)(iv) of the Social Security Act (42 U.S.C. 602(a)(1)(B)(iv)) is amended by striking "Act" and inserting "section".

(b) Section 409(a)(7)(B)(i)(II) of the Social Security Act (42 U.S.C. 609(a)(7)(B)(i)(II)) is amended by striking "part" and inserting "section".

(c) Section 413(g)(1) of the Social Security Act (42 U.S.C. 613(g)(1)) is amended by striking "Act" and inserting "section".

(d) Section 413(i)(1) of the Social Security Act (42 U.S.C. 613(i)(1)) is amended by striking "part" and inserting "section".

(e) Section 416 of the Social Security Act (42 U.S.C. 616) is amended by striking "Opportunity Act" and inserting "Opportunity Reconciliation Act" each place such term appears.

(f) Section 431(a)(6) of the Social Security Act (42 U.S.C. 629a(a)(6))) is amended—

(1) by inserting ", as in effect before August 22, 1986" after "482(i)(5)"; and

(2) by inserting ", as so in effect" after "482(i)(7)(A)".

(g) Sections 452(a)(7) and 466(c)(2)(A)(i) of the Social Security Act (42 U.S.C. 652(a)(7) and 666(c)(2)(A)(i)) are each amended by striking "Social Security" and inserting "social security".

(h) Section 454 of the Social Security Act (42 U.S.C. 654) is amended—

(1) by striking ", or" at the end of each of paragraphs (6)(E)(i) and (19)(B)(i) and inserting "; or";

(2) in paragraph (9), by striking the comma at the end of each of subparagraphs (A), (B), (C) and inserting a semicolon; and

(3) by striking ", and" at the end of each of paragraphs (19)(A) and (24)(A) and inserting "; and".

(i) Section 454(24)(B) of the Social Security Act (42 U.S.C. 654(24)(B)) is amended by striking "Opportunity Act" and inserting "Opportunity Reconciliation Act".

(j) Section 344(b)(1)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (110 Stat. 2236) is amended to read as follows:

"(A) in paragraph (1), by striking subparagraph (B) and inserting the following new subparagraph:

'(B) equal to the percent specified in paragraph (3) of the sums expended during such quarter that are attributable to the planning, design, development, installation or enhancement of an automatic data processing and information retrieval system (including in such sums the full cost of the hardware components of such system); and'; and".

(k) Section 457(a)(2)(B)(i)(I) of the Social Security Act (42 U.S.C. 657(a)(2)(B)(i)(I)) is amended by striking "Act Reconciliation" and inserting "Reconciliation Act".

(l) Section 457 of the Social Security Act (42 U.S.C. 657) is amended by striking "Opportunity Act" each place it appears and inserting "Opportunity Reconciliation Act".

(m) Section 466(a)(7) of the Social Security Act (42 U.S.C. 666(a)(7)) is amended by striking "1681a(f))" and inserting "1681a(f)))".

(n) Section 466(b)(6)(A) of the Social Security Act (42 U.S.C. 666(b)(6)(A)) is amended by striking "state" and inserting "State".

(o) Section 471(a)(8) of the Social Security Act (42 U.S.C. 671(a)(8)) is amended by striking "(including activities under part F)".

(p) Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b-7(a)(3)) is amended by striking "453A(a)(2)(B)(iii))" and inserting "453A(a)(2)(B)(ii)))".

(q) The amendments made by this section shall take effect as if included in the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

FOSTER CARE INDEPENDENCE ACT OF 1999—FACT SHEET

Federal Independent Living Programs (ILP) are designed to assist some of our Nation's most vulnerable children as they make the transition from foster children to independent adults. Under current law, teens are "out of the system" and completely on their own immediately when they turn 18. Many teens need help to make a successful transition to self-sufficiency, especially teens who have spent years in foster care. Programs must be designed to be consistent with the Adoption and Safe Families Act of 1997, namely that safety and health of the child are paramount. Studies of adolescents who leave foster care have found that these children have a significantly higher than normal rate of school drop out, out-of-wedlock childbearing, homelessness, health and mental health problems, and poverty.

The Foster Care Independence Act of 1999 is designed to help teens aging out of foster care make a more successful transition to adulthood. It addresses safety by allowing for ILP funds to be used to ensure that the basic needs of housing and food can be provided to these youth. It addresses health by ensuring that teens who are aging out of or adopted out of foster care to continue to receive crucial health, and mental health, care benefits to the age of 21. Key provisions of the Act include:

Strong Medicaid coverage: Requires states that receiving new ILP monies continue to provide health care, including coverage for mental health needs to foster, or adopted (whose adoptive placements began on or after their 16th birthdays), children up to their 21st birthday.

Funding for Independent Living services: Doubles the funding—up to $140 million—for Independent Living services to enable states to cover teens from 18 to 21, with support services and housing assistance, with language to promote continuing education and/or job training. The bill also insures that ILP are supervised and includes a broad array of services based on young people's developmental and self-sufficiency needs.

Avoids disincentives for adoption of teens: Consistent with the priorities established in the Adoption and Safe Families Act, this bill promotes permanence by allowing teens adopted after 16 to retain eligibility for Independent Living programs, including vital access to health coverage from ages 18–21. This clarifies that Independent Living programs are not a substitute for permanency for foster care teens, rather support services to ease the transition for teens who have faced challenges. This provision allows Independent Living Program services to be concurrent with continued reasonable efforts to locate and achieve placement in adoptive families or other planned permanent settings as required under ASFA.

Quality data, evaluation and outcome measures: Insures that quality data is collected and evaluated, to enhance programs are effective, and seeks to coordinate with the data collection efforts required under the Adoption and Safe Families Act.

Updated funding formula: Funding formula provides that every state can quality for new Independent Living incentives to serve teens aging out of foster care from 18 to 21.

Mr. ROCKEFELLER. Mr. President, I rise today to join Senator CHAFEE and a bipartisan group in the introduction of the Foster Care Independence Act of 1999. I would like to thank Senator CHAFEE for his leadership on behalf of vulnerable young people, including our bipartisan work on this legislation. I also wish to thank the other co-sponsors of this legislation—Senators REED, BOND, LANDRIEU, MOYNIHAN, BREAUX, KERREY, MIKULSKI, and JEFFORDS. Work on this legislation is based on the foundation created by the bipartisan 1997 Adoption and Safe Families Act.

Our First Lady, Mrs. Clinton, has also been a special leader on behalf of vulnerable children. In 1997, she helped focus the national spotlight on the need to promote adoption. This year, she has helped to focus much needed attention on the challenges facing teenagers who age out of foster care, and has challenged us to improve the system for such teens by expanding the Independent Living program.

In 1997, a unique bipartisan Senate coalition formed to promote adoption and find ways to help our most vulnerable children, those subjected to abuse and neglected. After months of hard work, we forged consensus on the Adoption and Safe Families Act of 1997 (ASFA). This law, for the first time ever, establishes that a child's health and safety are paramount when any decisions are made regarding children in the abuse and neglect system. The law also stressed the importance of permanency to a child, and it imposed new time frames as goals for permanency. While this law was the most sweeping and comprehensive piece of child welfare legislation passed in over a decade, more work and resources will be crucial to truly achieve the goals of safety, stability and permanence for all abused and neglected children.

We have been pleased to learn that one of the desired outcomes of the Adoption Act, moving children more swiftly from foster care into permanent homes, has begun to become a reality. Adoptions throughout the country are up dramatically, far exceeding expectations. Yet, at the same time, we find that there continue to be approximately 20,000 young people each year who turn 18 and "age out" of the foster care system with no home, no family, no medical coverage and no system of support in place. In my own state of West Virginia, over 1000 of our foster children are over the age of 16. 185 of these children, in the last year, received services through the state's Independent Living program.

How do such teens in West Virginia and throughout the country fare? A Wisconsin study shows us that 18 months after leaving foster care, over one-third had not graduated from high school, half were unemployed, nearly half had no access to or coverage for health care, and many were homeless or victims or perpetrators of crimes. These are not just numbers, each of these statistics represents a real person, like Wendy or James:

Wendy had been in foster care since the age of 6. She had been moved again and again, and at the age of 14 was placed in a Wilderness Program for teens with challenging behaviors. At 16 she was moved to a locked residential facility. Her 18th birthday, in December, was a cold day in more ways than one. Early in the morning, a knock came on her door and she was told to get dressed and gather her things, as she was moving. This was not unusual for her, so she did as she was told. She went, with her meager possessions, to the front desk and asked, "Where am I going?" The staff person jingled the large key ring, opened the front door, looked out into the snowy day and said, "Anywhere you want—you are 18 and you are on your own." One year later, Wendy was addicted to drugs, homeless and pregnant. She had no access to health care until she became pregnant—Her baby was now her ticket to care.

James had been in foster care since the age of 10. He had been moved "only" five or six times and when he turned 18, all services stopped. The foster family he had been living with could not afford to care for him any longer, but they agreed to allow him to sleep in their garage. He had to drop out of school in order to work full time at a pizza restaurant and attempt to support himself. When he turned 19, he had an opportunity to be adopted with some of his younger siblings. He immediately said, "Yes!" and when asked by the judge why he would want to be adopted at his age, he replied, "I will always need a family, and someday, I hope my children will be able to have grandparents." James was able to reenroll in school, graduate with a trade and is now a self-supporting married man. Oh, and his 3 children do have grandparents.

This legislation will provide resources and incentives to states so that more of our young people will have stories that end like James, and fewer that end like Wendy's.

One of the most significant provisions of ASFA was the assurance of ongoing health care coverage for all children with special needs who move from foster care to adoption. The Foster Care Independence Act is an essential next step in this ongoing process. This important legislation will ensure that health care coverage for our foster care youths does not end when they turn 18. All states who wish to receive the new Independent Living Program money must provide assurance that they will provide health care coverage to these young people through to the age of 21. Young people who have survived the many traumas that led to their placement in foster care, and their journey through the foster care system often have special health care needs, especially in the area of mental health. Providing transitional health coverage at this crucial juncture in their lives can make the difference between successfully moving on to accomplish their goals, or becoming stuck in an unsatisfying and unhealthy way of life.

Another key focus of ASFA is on moving children from foster care to permanent homes, and when possible adoption. Older teens in foster care have a great need for a permanent family. Although we propose to improve the Independent Living program and increase eligibility for services to the age of 21, it does end at that time. And yet a youth's need for a family does not end at any particular age. Each of us can clearly recall times when we have had to turn to our own families for advice, comfort or support long after our 18th or 21st birthdays. Many of us are still in the role of providing such support to our own children who are in their late teens or 20s. Therefore, an important provision in this Senate version of the Foster Care Independence Act states that Independent Living (IL) programs are not alternatives to permanency planning—young people of all ages need and deserve every possible effort made towards permanence, including adoption. It would be counterproductive to create any disincentive for adoption of teenagers. Therefore, our legislation would allow any enhanced independent living services, particularly health care, to continue until age 21 for those teens who are lucky enough to become adopted after 16 years old.

Independent Living programs were designed to provide young people with training, skill-development and support as they make the transition from foster care to self-sufficiency. In some states, with creativity and innovation, these programs have seen remarkable success in that effort. In other localities, the programs have provided minimal support, and young people have faced an array of challenging life decisions and choices without the skills or supports to make them successfully. This bill requires that states improve their Independent Living programs, by requiring youth involvement at every level, requiring youths to participate in on-going education and career development activities, and requiring that those youths for whom room and board services are provided also have adult supervision and support.

In short, this bill assists a very vulnerable group of young Americans by ensuring that they have access to: Health Care up to the age of 21; continued efforts to locate a permanent family; a quality Independent Living program providing a broad array of skills, resources and services; and a program that focuses on critical outcomes, especially in the areas of education, career development, and positive lifestyle choices.

These will be valuable steps in our efforts to be more able to effectively address the needs of our Nation's most vulnerable young people, on the brink of adulthood. I urge my colleagues to join us in co-sponsoring and passing this bill.

Mr. BOND. Mr. President, I rise today with my colleagues Senators CHAFEE, ROCKEFELLER, REED, MOYNIHAN, BREAUX, CONRAD, JEFFORDS, MIKULSKI, and LANDRIEU to introduce the Foster Care Independence Living Act of 1999. This important piece of legislation will provide transitional assistance for the estimated 20,000 youths in the United States who "age out" of the foster care system at the age of 18 without a permanent family.

This legislation builds on the Promotion of Adoption, Safety, and Support for Abused and Neglected Children (PASS) Act that I co-sponsored in 1997. The Foster Care Independence Living Act of 1999 increases the funding for the independent living program in order to provide basic living needs, such as housing and food. Additionally, the increased funding provides states the option to grant Medicaid for health care, including mental health needs, to former foster children up to their 21st birthdays as a condition of receiving the increased funding.

This legislation also guarantees that state programs are well supervised and provides a wide range of support which focuses on health, safety, and permanency goals. In addition, the bill allows children who receive aid under the independent living program to have assets or resources totaling $10,000, in contrast to the old requirement of $1,000, which deterred foster children from saving money for a sound future.

Mr. President, at age 18 foster care children are suddenly expected to be adults, able to take care of themselves. That is not a reasonable expectation, especially for kids deprived of a nurturing parent or other caring adult. As these youths age out of foster care without a permanent family or a structure of continued support, many lack a high school education, have difficulty maintaining employment, and often experience high levels of depression and discouragement. Research has proven that a significant number of homeless shelters users had recently been discharged from foster care. Other studies found that former foster care youth 2½ to 4 years after they "aged out" of foster care found that 46% of the youths had not completed high school, approximately 40% were dependent on public assistance or Medicaid and 42% had given birth or fathered a child.

Mr. President, I know first hand how this legislation can impact our nation's foster care children. In my home state of Missouri, Epworth Children and

Family Services, in St. Louis, provides resources needed to help people who fall through the cracks of a system that is not strong enough to help build a future for foster care children "aging out" of foster care. Robin, an 18-year-old foster care youth, was all alone in the world when she entered Epworth's Independent Living Program. Her father was never a part of her life and her mother was serving time in jail. Motivated by the desire to regain custody of her two-year-old baby boy, Robin started the program with high hopes. However Robin struggled as she worked with the caring staff at Epworth. Despite attempts by the professional at Epworth to stretch limited resources to address Robin's ongoing needs, their system failed Robin. She was removed from Epworth by the Missouri Division of Family Services. Robin needed more support, more staff interaction and more resources than the Epworth program could provide.

Mr. President, the Foster Care Independence Living Act of 1999 provides significant assistance to assure that these foster care youth who "age out" of the system are provided with the assistance needed to transition out of foster care into independence. The provisions in this bill will assist these youth to begin a supervised and nurtured life outside of the foster care system. They will be given the time and resources they need to enter adulthood prepared. This independent living initiative would give many "Robins" the change to be self-sufficient and to contribute to her community. This means a better life for all of our children.

Mr. MOYNIHAN. Mr. President, today, I am proud to co-sponsor the Foster Care Independence Act of 1999, introduced by my good friend and colleague Senator CHAFEE. We are joined by a group of our colleagues, including Senator ROCKEFELLER, BOND, REED.

This legislation will help a group of our children in dire circumstances—foster children who reach age 18 still in the custody of the state. They were victims of abuse and neglect and their families proved to be beyond repair. About 20,000 children a year "age out" of the foster care system. They reach 18 and we, in large part, abandon them to the world. Many make their way successfully. But far too many, alas, do not, and these children are more likely to become homeless or end up on public assistance.

More than a decade ago, we recognized that these children needed additional help in preparing for life on their own. I am proud to have helped create the Independent Living program, which provided Federal support for efforts that prepare teenager for the transition from foster care to independence.

Today we are working on a bipartisan basis to build on this program. The bill we are introducing will double funding for the Independent Living program and increase the use of the funds to assist former foster care children until they reach 21, including, for the first time, help with room and board. As any parent knows, many 19 and 20-year olds remain in need of family support from time to time. For children who have "aged out" of foster care by turning 18, the government is, in effect, their parent and we should do more to help them become independent and self-sufficient, just as other parents do. The legislation also contains important provisions encouraging states to continue Medicaid coverage for these children so that health care remains available to them.

Mr. President, this legislation has widespread support, including from the Administration and key members of both parties. I would like to particularly thank the First Lady for her leadership in working on behalf of these children. I thank Senator CHAFEE for offering it and look forward to working with him and many others to see that it becomes law.

By Mr. KERRY (for himself, Mr. GRASSLEY, Mr. BAUCUS, Mr. HARKIN, Mr. CLELAND and Mr. BURNS):

S. 1328. A bill to amend the Internal Revenue Code of 1986 to permit the disclosure of certain tax information by the Secretary of the Treasury to facilitate combined Federal and State employment tax reporting, and for other purposes; to the Committee on Finance.

SINGLE POINT TAX FILING ACT OF 1999

Mr. KERRY. Mr. President, there is no shortage of ideological ferment over the issue of taxes—from IRS Reform to discussion after discussion of tax cuts, we have gone back and forth over these questions and we've worked, as much as possible, to find a bipartisan consensus. Today I am joined by my colleagues Senator GRASSLEY and Senator BAUCUS to introduce legislation about which I would think every member of this body would be able to agree—legislation that makes tax filing simpler and easier for the small businesses that constitute 98 percent of all businesses in America, employ nearly 60 percent of the workforce, and which, having created close to two-thirds of America's net new jobs since the 1970s, continue to serve as the wellspring for our Nation's technological innovation and productivity growth.

Mr. President, America's small businesses are today drowning in tax paperwork. The nation's 6.7 million employers are responsible for filing federal and state employment taxes and wage reports, as well as unemployment insurance reports. Under current law, employers file tax and unemployment insurance reports with federal and state agencies throughout the year, reports which obligate employers to understand and comply with diverse and often conflicting state and federal laws. Just to keep up with these requirements, employers must maintain separate wage records for federal income tax withholding, state income tax withholding, FICA, FUTA, and SUI. In many cases, employers must report this information to government agencies at different times and in different forms. The reporting burden is only compounded when employers do business in more than one state, many of which do not have the same legal or procedural requirements. Just consider the financial burden—essentially a tax on taxes—associated with employer tax, wage, and unemployment insurance reporting is estimated at $16.2 billion for Fiscal Year 1999. The federal portion of this employer burden is $9.8 billion, the state portion relatively little less at $6.4 billion.

Given what we know about the role small businesses play as the engine of our economy, and given all the expectations we share in terms of the potential for these businesses to push the boundaries of economic growth out even further in the new economy, I think we would all agree that we ought to do something to relieve some of the tax filing burdens on these employers, to give them more time and, I think it follows, more capital to focus on job creation in our workforce, not, respectfully, job creation over at the IRS and in the accounting industry.

Let me just read to you what David A. Lifson, speaking on behalf of the American Institute of Certified Public Accountants, said in his testimony before the Ways and Means Committee, Oversight Subcommittee on "The Impact of Complexity of the Tax Code on Individual Taxpayers and Small Businesses" May 25, 1999:

"Significant problems arise from the increasing complexity of the tax law. For example: a growing number of taxpayers perceive the tax law to be unfair; it becomes increasingly more difficult for the Internal Revenue Service to administer the tax law; the cost of compliance for all taxpayers is increasing (of particular concern are the many taxpayers with unsophisticated financial affairs who are forced to seek professional tax return preparation assistance); and, complexity interferes with economic decision making. The end result is erosion of voluntary compliance. By and large, our citizens obey the law, but it is only human to disobey a law if you do not or can not understand the rules. In a recent Associated Press (AP) poll, 66 percent of the respondents said that the federal tax system is too complicated. Three years ago, just under one-half of respondents in a similar AP poll said that the tax system was too complicated. The poll also showed that more than half of those surveyed, 56 percent, now pay someone else to prepare their tax returns. This is a serious indictment of our tax system. When over half our individual taxpayers have so little comprehension of (or faith in) their tax system that they have to hire another party to prepare their returns, something is not right."

Now, Mr. President, I applaud David Lifson's candor in speaking out for tax simplification. The truth is, when the one industry—accounting—which depends financially on the very complexity and unwieldiness of our tax filing process and the tax code itself, is saying—honestly—that the system is too complex, we know—unequivocally—that we need to do something to make the tax filing process work for taxpayers. The burden of tax code complexity is taking a heavy toll. At an April hearing before the Senate Small Business Committee, the General Accounting Office identified more than 200 different federal tax code requirements that potentially apply to small businesses. Today, when a business hires an employee, the business becomes responsible for collecting and paying three federal taxes (income tax withholding, FICA, and FUTA). It also becomes liable for state and local employment taxes: in most states, these include a state income tax and a state unemployment tax. For businesses, each tax presents its own set of rules and regulations. For the small business owner just starting up, these employment tax rules make compliance difficult and confusing—and in too many instances the cumbersome nature of the tax filing process is a disincentive in itself for small businesses to grow.

We need to reverse that course, and, Mr. President, we can do just that today—we can simplify the tax filing process for employers by allowing the Internal Revenue Service (IRS) and State agencies to combine, on one form, both State and Federal employment tax returns.

As we all know, traditionally, federal tax forms are filed with the federal government and state tax forms are filed with individual states. This necessitates duplication of items common to both returns. Several States have been working creatively with the IRS to implement combined State and Federal reporting of employment taxes, on one form, as a way of reducing the administrative burden on taxpayers. The Taxpayer Relief Act of 1997 authorized a demonstration project to assess the feasibility and desirability of expanding combined reporting. The pilot project was: (1) limited to the State of Montana, (2) limited to employment tax reporting, (3) limited to disclosure of the name, address, taxpayer identification number, and signature of the taxpayer, and (4) limited to a period of five years. On March 29, 1999, the IRS announced the successful testing of the Single-Point Filing Initiative. Several States are currently considering agreements with the IRS to initiate joint-filing of employment taxes. Those States include Maine, Oklahoma, Iowa, South Carolina, Ohio, and Massachusetts. My colleague Senator BAUCUS knows just how popular this experiment has been in Montana. He'll tell you that by permitting the IRS to share a limited amount of basic taxpayer identity information—information which States already collect separately at an added expense to themselves and the taxpayer, the Single-Point Tax Filing Act we are introducing today will allow the IRS to expand joint-filing beyond its current pilot project.

Implementation of combined State-Federal employment tax reporting—a good idea, a common-sense idea long in the making—has been hindered because the tax code applies restrictions on disclosure of information common to both the State and Federal portions of the combined form. Our bill will waive those restrictions, and allow us to take a common-sense step forward for small businesses in the United States, a step forward for single-point tax filing.

Mr. President, this is one of the obligations the American people—regardless of party or politics, expect us to take seriously—to protect them as taxpayers. And I believe that this is one tax provision, one measure of simplification, on which we can all agree—and we can make it law at no additional cost to taxpayers. I am pleased to introduce the Single Point Tax Filing legislation today. I thank the distinguished members of the Finance Committee CHARLES GRASSLEY and MAX BAUCUS who join me today in offering this legislation, and I ask for your support of this important measure.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SINGLE-POINT TAX FILING ACT OF 1999

PURPOSE

To simplify the tax filing process for employers by allowing the Internal Revenue Service (IRS) and State agencies to combine, on one form, both State and Federal employment tax returns.

SUMMARY

Traditionally, Federal tax forms are filed with the Federal government and State tax forms are filed with individual States. This necessitates duplication of items common to both returns. Several States have been working with the IRS to implement combined State and Federal reporting of employment taxes, on one form, as a way of reducing the administrative burden on taxpayers. By permitting the IRS to share a limited amount of basic taxpayer identity information—information which States already collect separately at an added expense to themselves and the taxpayer, the Single-Point Tax Filing Act will allow the IRS to expand joint-filing beyond its current pilot project.

BACKGROUND

The tax code prohibits disclosure of tax returns and return information, except to the extent specifically authorized by law. Unauthorized disclosure is a felony punishable by a fine not exceeding $5,000 or imprisonment of not more than five years, or both. An action for civil damages also may be brought for unauthorized disclosure. No tax information may be furnished by the IRS to another agency unless the other agency establishes procedures satisfactory to the IRS for safeguarding the tax information it receives.

Implementation of combined State-Federal employment tax reporting has been hindered because the tax code applies restrictions on disclosure of information common to both the State and Federal portions of the combined form.

The Taxpayer Relief Act of 1997 authorized a demonstration project to assess the feasibility and desirability of expanding combined reporting. The pilot project was: (1) limited to the State of Montana, (2) limited to employment tax reporting, (3) limited to disclosure of the name, address, taxpayer identification number, and signature of the taxpayer, and (4) limited to a period of five years. On March 29, 1999, the IRS announced the successful testing of the Single-Point Filing Initiative.

Several States are currently considering agreements with the IRS to initiate joint-filing of employment taxes. Those States include Maine, Oklahoma, Iowa, South Carolina, Ohio, and Massachusetts.

LEGISLATION

Before additional joint-filing projects may move forward, the IRS must receive legislative authority to share basic information with State agencies. By providing the necessary statutory waiver, the Single-Point Tax Filing Act will permit the IRS to extend joint-filing beyond its current pilot project. The waiver would only pertain to employment tax reporting and would only permit the disclosure of the taxpayer's name, mailing address, taxpayer identification number, and signature (i.e., taxpayer identity information).

Mr. BAUCUS. Mr. President, I want to add my strong support to the Single-Point Tax Filing Act of 1999 introduced by my colleagues Senators KERRY and GRASSLEY. As a result of language I had included in the 1997 Taxpayer Relief Act, Montana is the only state in the nation currently testing a Single-Point Tax Filing system, also known as the Simplified Tax and Wage Reporting System, or STAWRS.

The STAWRS pilot project in Montana has been a tremendous success. Earlier this year, the State of Montana and its Department of Revenue received a Regulatory Innovation Award from the Small Business Administration, the Commissioner's Award from the Internal Revenue Service, and the "Hammer" Award by the National Performance Review. These awards were all given in recognition of the pilot project's achievement in dramatically reducing paperwork and cutting red tape for small businesses. I was also honored to receive SBA's Special Advocacy Award for my efforts to have legislation enacted that allowed the pilot project to go forward.

The STAWRS program is designed to help businesses file their paperwork with one office, instead of wading through a blizzard of paper. It's one-stop shopping and will go a long way toward streamlining payroll information, making filing faster and easier. Right now, businesses find themselves reporting the same exact information, on wide variety of forms, to a range of state and federal agencies. This takes time and effort, both of which small business owners could put to much better use running their businesses. The STAWRS project is intended to eventually make it possible for employers to file a single, one-page report that is then shared by the appropriate revenue agencies. The governments will do the work and extract the information they need rather than the employer.

Small businesses are the engine for economic growth in this country. They have created close to two-thirds of America's net new jobs since the 1970's, helping drive our unprecedented economic growth and prosperity. All of this growth has been achieved despite the crushing paperwork requirements that small business owners face. The Single-Point Tax Filing Act gives us an opportunity to reduce this paperwork burden at no cost to the government. I am proud that Montana has taken the lead in reducing paperwork for small business, and strongly believe it should be made available to small businesses in every state, and on a permanent basis.

I urge my colleagues to support the bill.

By Mr. REID:

S. 1329. A bill to direct the Secretary of the Interior to convey certain land to Nye County, Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

CONVEYANCE OF LAND TO NYE COUNTY, NEVADA

Mr. REID. Mr. President, I rise today to introduce legislation to authorize Nye County, Nevada to acquire approximately 800 acres of public land. This conveyance will facilitate the development of both the Nevada Science and Technology Center and the Amargosa Valley Science and Technology Park, part of a larger proposed Nevada Science and Technology Corridor.

The Nevada Science and Technology Center is a proposed interactive science center and museum, highlighting the environment, industries, and technological developments associated with the region. This state of the art facility will have the potential to draw visitors from the Las Vegas Valley, 80 miles to the southeast, and the 1.3 million tourists who visit nearby Death Valley on an annual basis. The Center will appeal to people of all ages and backgrounds because it will provide a unique, fun, hands-on experience. Planning for this project is ongoing under the direction of a Nevada registered non-profit organization.

The Amargosa Valley Science and Technology Park is a proposed research and development business park designed to support Department of Energy contractors and suppliers associated with the Nevada Test Site, located immediately to the north of this site. Nye County currently has a $1.5 million grant from the Economic Development Administration in the final stages of review at that agency's regional office. Once finalized, this grant will provide the funding for water and infrastructure development in support of both the science center and the research and development park.

The lands proposed for conveyance have been identified for disposal under the Bureau of Land Management's October 1998 Las Vegas Resource Management Plan. Due to the non-profit nature of the Science Center, this portion of land, approximately 450 acres, would be conveyed at no cost. Because the research and industrial park will house commercial operations, the County would be required to pay fair market value for these lands, approximately 350 acres. The legislation contains provisions for the no-cost land to revert to the federal government should it be used for purposes other than the science center and related facilities.

This legislation will provide the impetus for future development in this area, providing the opportunity for economic growth in Nye County. I urge my colleagues to vote for passage of this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1329

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE TO NYE COUNTY, NEVADA.

(a) Definitions.—In this section:

(1) County.—The term "County" means Nye County, Nevada.

(2) Secretary.—The term "Secretary" means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(b) Parcels Conveyed for Use of the Nevada Science and Technology Center.—

(1) In general.—For no consideration and at no other cost to the County, the Secretary shall convey to the County, subject to valid existing rights, all right, title, and interest in and to the parcels of public land described in paragraph (2).

(2) Land description.—The parcels of public land referred to in paragraph (1) are the following:

(A) The portion of Sec. 13 north of United States Route 95, T. 15 S. R. 49 E, Mount Diablo Meridian, Nevada.

(B) In Sec. 18, T. 15 S., R. 50 E., Mount Diablo Meridian, Nevada:

(i) W ½ W ½ NW ¼.

(ii) The portion of the W ½ W ½ SW ¼ north of United States Route 95.

(3) Use.—

(A) In general.—The parcels described in paragraph (2) shall be used for the construction and operation of the Nevada Science and Technology Center as a nonprofit museum and exposition center, and related facilities and activities.

(B) Reversion.—The conveyance of any parcel described in paragraph (2) shall be subject to reversion to the United States, at the discretion of Secretary, if the parcel is used for a purpose other than that specified in subparagraph (A).

(b) Parcels Conveyed for Other Use for a commercial purpose.—

(1) Right to purchase.—For a period of 5 years beginning on the date of enactment of this Act, the County shall have the exclusive right to purchase the parcels of public land described in paragraph (2) for the fair market value of the parcels, as determined by the Secretary.

(2) Land description.—The parcels of public land referred to in paragraph (1) are the following parcels in Sec. 18, T. 15 S., R. 50 E., Mount Diablo Meridian, Nevada:

(A) E ½ NW ¼.

(B) E ½ W ½ NW ¼.

(C) The portion of the E ½ SW ¼ north of United States Route 95.

(D) The portion of the E ½ W ½ SW ¼ north of United States Route 95.

(E) The portion of the SE ¼ north of United States Route 95.

(3) Use of proceeds.—Proceeds of a sale of a parcel described in paragraph (2)—

(A) shall be deposited in the special account established under section 4(e)(1)(C) of the Southern Nevada Public Land Management Act of 1998 (112 Stat. 2345); and

(B) shall be available to the Secretary as provided in section 4(e)(3) of that Act (112 Stat. 2346).

By Mr. REID:

S. 1330. A bill to give the city of Mesquite, Nevada, the right to purchase at fair market value certain parcels of public land in the city; to the Committee on Energy and Natural Resources.

CONVEYANCE OF LAND TO THE CITY OF MESQUITE, NEVADA

Mr. REID. Mr. President, I rise today to introduce legislation to authorize the city of Mesquite, Nevada, to acquire approximately 7,690 acres of public land necessary to provide for urban and economic growth and development of a new commercial airport. This legislation will amend existing public law and allow for the continued expansion of this growing community.

Mesquite is the one of the fastest growing cities in the fastest growing State in the Nation According to figures released by the U.S. Census Bureau, Mesquite grew by 441% between 1990 and 1998, increasing in population from 1,871 to over 10,000. This phenomenal growth rate is being fueled by a variety of factors, including the development of new destination resorts and the "discovery" of other recreational opportunities in the tri-state region of Nevada, Arizona, and Utah. As the tourism industry in the area continues to grow and prosper, a greater capacity for air carrier service will be required to meet the needs of the region. In addition, the city of Mesquite is land locked by public lands. While some relief has been provided via the existing public law, this growth is exceeding demand and the city expects to be out of room within a couple of years. This bill is designed to help with both growth related and air service issues.

Although the existing Mesquite Airport is adequate for general aviation service, terrain precludes the expansion necessary for commercial and cargo service. A new commercial airport is needed to meet the future regional demands. The proposed airport site identified in this bill is a result of an approved Site Selection Study conducted for the Clark County Department of Aviation. This study was funded through, and approved by, the Federal Aviation Administration. Of course, no airport construction activities will begin without completion of a comprehensive Airport Master Plan and environmental review. Once these steps are completed, airport construction will be financed by the City of Mesquite and its business community.

Existing state law requires that the airport site be contiguous with the city limits in order to be annexed. The legislation I introduce today will authorize the city to purchase 5,400 acres of public land to meet this connectivity requirement. As some of this land has development potential, the city will be required to pay fair market value for this acreage. The actual airport site of 2,560 acres would be acquired by the city pursuant to existing land acquisition statues related to transportation and airport development.

Mr. President, I request that this legislation be given prompt consideration.

Mr. President, I also ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF LAND TO CITY OF MESQUITE, NEVADA.

Section 3 of Public Law 99-548 (100 Stat. 3061; 110 Stat. 3009-202) is amended by adding at the end the following:

"(e) FIFTH AREA.—

"(1) RIGHT TO PURCHASE.—For a period of 12 years after the date of enactment of this Act, the city of Mesquite, Nevada, shall have the exclusive right to purchase the parcels of public land described in paragraph (2).

"(2) LAND DESCRIPTION.—The parcels of public land referred to in paragraph (1) are as follows:

"(A) In T. 13 S., R. 70 E., Mount Diablo Meridian, Nevada:

"(i) The portion of sec. 27 north of Interstate Route 15.

"(ii) Sec. 28: NE ¼, S ½ (except the Interstate Route 15 right-of-way).

"(iii) Sec. 29: E ½ NE ¼ SE ¼, SE ¼ SE ¼.

"(iv) The portion of sec. 30 south of Interstate Route 15.

"(v) The portion of sec. 31 south of Interstate Route 15.

"(vi) Sec. 32: NE ¼ NE ¼ (except the Interstate Route 15 right-of-way), the portion of NW ¼ NE ¼ south of Interstate Route 15, and the portion of W ½ south of Interstate Route 15.

"(vii) The portion of sec. 33 north of Interstate Route 15.

"(B) In T. 14 S., R. 70 E., Mount Diablo Meridian, Nevada:

"(i) Sec. 5: NW ¼.

"(ii) Sec. 6: N ½.

"(C) In T. 13 S., R. 69 E., Mount Diablo Meridian, Nevada:

"(i) The portion of sec. 25 south of Interstate Route 15.

"(ii) The portion of sec. 26 south of Interstate Route 15.

"(iii) The portion of sec. 27 south of Interstate Route 15.

"(iv) Sec. 28: SW ¼ SE ¼.

"(v) Sec. 33: E ½.

"(vi) Sec. 34.

"(vii) Sec. 35.

"(viii) Sec. 36.

"(3) NOTIFICATION.—Not later than 10 years after the date of enactment of this subsection, the city shall notify the Secretary which of the parcels of public land described in paragraph (2) the city intends to purchase.

"(4) CONVEYANCE.—Not later than 1 year after receiving notification from the city under paragraph (3), the Secretary shall convey to the city the land selected for purchase.

"(5) WITHDRAWAL.—Subject to valid existing rights, until the date that is 12 years after the date of enactment of this subsection, the parcels of public land described in paragraph (2) are withdrawn from all forms of entry and appropriation under the public land laws, including the mining laws, and from operation of the mineral leasing and geothermal leasing laws.

"(6) USE OF PROCEEDS.—The proceeds of the sale of each parcel—

"(A) shall be deposited in the special account established under section 4(e)(1)(C) of the Southern Nevada Public Land Management Act of 1998 (112 Stat. 2345); and

"(B) shall be disposed of by the Secretary as provided in section 4(e)(3) of that Act (112 Stat. 2346).

"(f) SIXTH AREA.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall convey to the city of Mesquite, Nevada, in accordance with section 47125 of title 49, United States Code, up to 2,560 acres of public land to be selected by the city from among the parcels of land described in paragraph (2).

"(2) LAND DESCRIPTION.—The parcels of land referred to in paragraph (1) are as follows:

"(A) In T. 13 S., R. 69 E., Mount Diablo Meridian, Nevada:

"(i) The portion of sec. 28 south of Interstate Route 15 (except S ½ SE ¼).

"(ii) The portion of sec. 29 south of Interstate Route 15.

"(iii) The portion of sec. 30 south of Interstate Route 15.

"(iv) The portion of sec. 31 south of Interstate Route 15.

"(v) Sec. 32.

"(vi) Sec. 33: W ½.

"(B) In T. 14 S., R. 69 E., Mount Diablo Meridian, Nevada:

"(i) Sec. 4.

"(ii) Sec. 5.

"(iii) Sec. 6.

"(iv) Sec. 8.

"(C) In T. 14 S., R. 68 E., Mount Diablo Meridian, Nevada:

"(i) Sec. 1.

"(ii) Sec. 12.

"(3) WITHDRAWAL.—Subject to valid existing rights, until the date that is 12 years after the date of enactment of this subsection, the parcels of public land described in paragraph (2) are withdrawn from all forms of entry and appropriation under the public land laws, including the mining laws, and from operation of the mineral leasing and geothermal leasing laws.".

By Mr. REID:

S. 1331. A bill to give Lincoln County, Nevada, the right to purchase at fair market value certain public land in the county; to the Committee on Energy and Natural Resources.

LINCOLN COUNTY LANDS ACT OF 1999

Mr. REID. Mr. President, I rise today to introduce legislation to provide Lincoln County, Nevada with the exclusive right to purchase approximately 4,800 acres of public land near Mesquite, Nevada. This legislation, to be known as the Lincoln County Lands Act of 1999, will facilitate economic growth and development in one of the most economically distressed counties in the Silver State.

Lincoln County encompasses an area of 10,132 square miles, which is larger than several of the New England states combined. Approximately 98% of the County is owned by the federal government and property tax revenues amount to only $1,106,558 annually. As a result, Lincoln County is hard pressed to provide basic services to its citizens and the County school district in facing a critical situation as its schools are literally crumbling because of a lack of funds to maintain them. The Lincoln County Lands Act will allow the County to address these economic problems in a positive way.

By allowing Lincoln County to purchase 4,800 acres of public land (less than 1/10th of 1% of the land in the County) at fair market value, this legislation will result in the County's property tax revenues increasing by over $12.9 million annually—an increase of more than 1000%. While this may seem extraordinary, it is a result of land being situated immediately adjacent to the rapidly growing City of Mesquite which is located just over the County line in Clark County, Nevada. Mesquite's growth has created a huge demand for more housing and commercial development that can be best met by allowing Lincoln County to purchase this public land and develop it in a prudent manner. Under this scenario everyone involved is a winner. Lincoln County will gain badly needed property tax revenue. Mesquite gains room for expansion and growth, and the federal government will be fairly compensated for the sale of public lands.

Another important aspect of this legislation is that it allows for the proceeds of any sale of land pursuant to the Act to be utilized by the Bureau of Land Management to acquire or otherwise protect environmentally sensitive lands in Nevada, to defray the administrative costs that BLM will incur in processing this land sale, and to develop a multi-species habitat plan for all of Lincoln County. These provisions, similar to those contained in the Southern Nevada Public Land Management Act enacted in 1998, will help ensure that a mechanism exists to fund the conservation and protection of Nevada's natural resources.

Mr. President, the Lincoln County Lands Act is modeled after other legislation that I have successfully sponsored, such as the Mesquite Lands Act of 1986 and the previously mentioned Southern Nevada Public Land Management Act. These laws have provided a framework for creating economic growth while protecting the environment and the taxpayer. I am very pleased to be able to build upon these achievements by assisting Lincoln County in a similar manner. I look forward to prompt consideration of this important piece of legislation.

Mr. President. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Lincoln County Land Act of 1999".

SEC. 2. SALE OF PUBLIC LAND.

(a) RIGHT TO PURCHASE.—For a period of 10 years after the date of enactment of this Act, Lincoln County, Nevada, shall have the exclusive right to purchase the parcels of public land described in subsection (b).

(b) LAND DESCRIPTION.—The parcels of public land referred to in subsection (a) are the following parcels in T. 12 S., R. 71 E., Mount Diablo Meridian, Nevada:

(1) Sec. 16: NW ¼ SW ¼, S ½ SW ¼, SE ¼.
(2) Sec. 17: SW ¼, W ½ SE ¼, SE ¼ SE ¼.
(3) Sec. 18: SE ¼.
(4) Sec. 19: E ½.
(5) Sec. 20.
(6) Sec. 21: W ½.
(7) Sec. 28: W ½.
(8) Sec. 29.
(9) Sec. 30: E ½.
(10) Sec. 31: E ½.
(11) Sec. 32.
(12) Sec. 33: W ½, SE ¼.
(13) Sec. 34: S ½.

(c) NOTIFICATION.—Not later than 180 days after the date of enactment of this Act, Lincoln County, Nevada, shall notify the Secretary of the Interior which of the parcels of public land described in subsection (b) the county intends to purchase.

(d) TERMS AND CONDITIONS OF SALE.—All sales of public land under this section—

(1) shall be subject to valid existing rights; and

(2) shall be made for fair market value, as determined by the Secretary.

(e) CONVEYANCE.—Not later than 1 year after receiving notification by Lincoln County that the county wishes to proceed with a purchase under subsection (a), the Secretary of the Interior shall convey to Lincoln County the parcels of land selected for purchase.

(f) WITHDRAWAL.—Subject to valid existing rights, until the date that is 10 years after the date of enactment of this Act, the public land described in subsection (b) is withdrawn from all forms of entry and appropriation under the public land laws, including the mining laws, and from operation of the mineral leasing and geothermal leasing laws.

SEC. 3. DISPOSITION OF PROCEEDS.

(a) LAND SALES.—Of the gross proceeds of sales of land under this Act in a fiscal year—

(1) 5 percent shall be paid directly to the State of Nevada for use in the general education program of the State;

(2) 10 percent shall be returned to Lincoln County for use as determined through normal county budgeting procedures, with emphasis given to support of schools, of which no amount may be used in support of litigation against the Federal Government; and

(3) the remainder shall be deposited in a special account in the Treasury of the United States (referred to in this section as the "special account") for use as provided in subsection (b).

(b) AVAILABILITY OF SPECIAL ACCOUNT.—

(1) IN GENERAL.—Amounts in the special account (including amounts earned as interest under paragraph (3)) shall be available to the Secretary of the Interior, without further Act of appropriation, and shall remain available until expended, for—

(A) the cost of acquisition of environmentally sensitive land or interests in such land in the State of Nevada, with priority given to land outside Clark County;

(B) development of a multispecies habitat conservation plan in Lincoln County, Nevada; and

(C) reimbursement of costs incurred by the Bureau of Land Management in preparing sales under this Act, or other authorized land sales or exchanges within Lincoln County, Nevada, including the costs of land boundary surveys, compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), appraisals, environmental and cultural clearances, and any public notice.

(2) ACQUISITION FROM WILLING SELLERS.—An acquisition under paragraph (1)(A) shall be made only from a willing seller and after consultation with the State of Nevada and units of local government under the jurisdiction of which the environmentally sensitive land is located.

(3) INTEREST.—Amounts in the special account shall earn interest in the amount determined by the Secretary of Treasury on the basis of current average market yield on outstanding marketable obligations of the United States of comparable maturities.

By Mr. BAYH (for himself, Mr. LUGAR, Mr. ROCKEFELLER, Mr. VOINOVICH, Mr. DURBIN, Mr. BINGAMAN, Mr. STEVENS, Mr. KENNEDY, Mr. MURKOWSKI, Mr. KERREY, and Ms. LANDRIEU):

S. 1332. A bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community; to the Committee on Banking, Housing, and Urban Affairs.

CONGRESSIONAL GOLD MEDAL IN HONOR OF REVEREND THEODORE HESBURGH

• Mr. BAYH. Mr. President, I rise today with my good friend and colleague from Indiana, Senator RICHARD LUGAR, to introduce legislation awarding the Congressional Gold Medal to the Reverend Theodore Hesburgh, president emeritus of the University of Notre Dame.

This bipartisan effort recognizes Father Hesburgh for his outstanding contributions to the civil rights movement and to improving higher education. His efforts have provided benefits not only to the people of the United States but to the global community as well.

Over the years, Father Hesburgh has held 15 presidential appointments and remains a national leader in the fields of education, civil rights and development of the world's poorest nations. Most notable among Father Hesburgh's many previous awards is the Medal of Freedom, the nation's highest civilian honor, bestowed on him by President Johnson in 1964.

Mr. President, Father Hesburgh has been a champion of the civil rights movement for more than forty years. He was a charter member of the U.S. Commission on Civil Rights in 1957, and served as Chairman of the commission from 1969–72. His relentless pursuit of justice, peace and equality continue to inspire people around the world.

Despite Father Hesburgh's commitment and obligations to Notre Dame and the various commissions he served, he still managed to give a sufficient amount of time and attention to global problems. Father Hesburgh served four Popes in many capacities, including as the permanent Vatican City representative to the International Atomic Energy Agency in Vienna from 1956–1970. In 1971, he joined the board of Overseas Developing Council, a private organization supporting interests of the underdeveloped world, and chaired it until 1982. During this time, he led fund-raising efforts that averted mass starvation in Cambodia in the immediate aftermath of the Khmer Rouge.

Notre Dame is perhaps most celebrated for its athletic prowess, but these on-the-field achievements should not overshadow Notre Dame's place as a world class institution of learning and scholarship. When Father Hesburgh stepped down as head of Notre Dame in 1987, he ended the longest tenure among active presidents of American institutions of higher learning. The accomplishments made during Father Hesburgh's tenure are perhaps best reflected in the significant gains made from the time he took over as the 15th president of Notre Dame in 1952, up until his departure. By the time Father Hesburgh left Notre Dame, enrollment had doubled, the number of faculty had tripled, and the number of degrees offered by the school had grown to over 2,500.

Most strikingly, Father Hesburgh was responsible for making dramatic changes to the University's composition by admitting women to Notre Dame. He also established several of

Notre Dame's prestigious institutions, both the Kroc Institute for International Peace Studies and the Kellogg Institute for International Studies.

Today, even in retirement, Father Hesburgh continues to be a leading educator and humanitarian, inspiring generations of students and citizens, while generously sharing his wisdom in the struggle for the rights of man.

That is why we rise today to introduce legislation in the Senate honoring this man with a Congressional Gold Medal for his outstanding contributions to the University of Notre Dame, our country and the global community.•

• Mr. LUGAR. Mr. President, I rise today to join Senator BAYH in introducing legislation to bestow a Congressional Gold Medal on Reverend Theodore M. Hesburgh, C.S.C., president emeritus of the University of Notre Dame.

In 1952, at the age of 35, Father Hesburgh became the fifteenth president of the University of Notre Dame. He served in that position for a remarkable 35 years. At the time of his retirement in 1987, he had the longest tenure among active American university presidents. Father Hesburgh's leadership and vision, together with the hard work of faculty, staff, alumni, and students, built Notre Dame into one of the premier universities in the United States.

In you ask any Golden-domer, they will tell you that Father Hesburgh's contributions to the University of Notre Dame are as big as the 13-floor library that bears his name. Notre Dame grew exponentially in research funding and in endowment during Father Hesburgh's presidency. When he assumed the office in 1952, Notre Dame served fewer than 5,000 students. Today it is an internationally recognized university of nearly 10,000 students engaged in every imaginable academic discipline.

More importantly, through his example and direction, Father Hesburgh inspired the university community to pursue not only academic excellence and international prominence, but also justice and spiritual meaning. Few universities have succeeded at creating an environment so committed to public service and so rich in its dialogue between the intellectual and the spiritual.

As Father Hesburgh worked to build the University of Notre Dame into what it is today, he simultaneously answered the call to serve his nation and the world. His career has embodied the principle of public service that he espoused at Notre Dame.

Father Hesburgh has held a remarkable 15 Presidential appointments over the years, covering such diverse topics as the peaceful uses of atomic energy and campus unrest. He was a charter member of the U.S. Commission on Civil Rights, created in 1957, and he chaired the commission from 1969–1972.

All the while he remained a national leader in education, serving on many commissions and study groups. He chaired the International Federation of Catholic Universities from 1963 to 1970. In this position and through his writings, he was instrumental in redefining the importance of international studies in higher education and the nature and mission of a contemporary Catholic university. Father Hesburgh also served four Popes as a Vatican representative to the International Atomic Energy Agency and other international assemblies.

The problems of underdeveloped nations have been a special interest of Father Hesburgh. He joined the board of the Overseas Development Council in 1971. His fund-raising work as Chairman helped avert mass starvation in Cambodia in 1979 and 1980. He also chaired the Select Commission on Immigration and Refugee Policy between 1979 and 1981. The recommendations of the Commission became the basis of legislation five years later.

Father Hesburgh's lengthy list of awards include the Medal of Freedom, bestowed by President Johnson in 1964. He is also the recipient of 135 honorary degrees, the most ever awarded to an American.

In retirement, Father Hesburgh has become a best-selling author. He still plays a major role in the development of higher education through the institutes he was instrumental in founding at Notre Dame, including the Kroc Institute for International Peace Studies and the Kellogg Institute for International Studies. Father Hesburgh chairs the advisory committee for both institutes.

Despite his innumerable accomplishments, Father Hesburgh has always remained grounded in the campus life of Notre Dame University. He continues to frequently lecture and preside at mass. He talks with everyone who approaches him and still loves having lunch with students daily to discuss their views on the courses and programs he has been so instrumental in advancing.

Mr. President, Father Hesburgh's life stands as an example of the type of service, dedication, and faith that the Congressional Gold Medal was meant to commemorate. I encourage my colleagues to join Senator BAYH and myself in supporting this legislation.•

By Mr. WYDEN (for himself and Mr. BENNETT):

S. 1333. A bill to expand homeownership in the United States; to the Committee on Banking, Housing, and Urban Affairs.

PROMOTING HOUSING AFFORDABILITY FOR WORKING FAMILIES ACT OF 1999

• Mr. WYDEN. Mr. President, many Americans are benefiting from today's robust economy—unemployment is down, the stock market is up and homeownership is at record levels.

Sounds good. But while homeownership levels are up for some, for others, the idea of owning a home is about as realistic as winning the lottery.

For millions of working families, paying for the house of their dreams too often turns into a financial nightmare. Homeownership should not be reserved for the wealthiest in our society, but should be within the grasp of every working man and woman.

Families with incomes below $25,000 generally cannot afford rent—much less monthly mortgage payments on most homes. Some of these are the people who keep our streets safe, fight fires and teach our children, people who play vital roles in our community. They deserve to own their own homes in the communities they know so well and work so hard to improve.

Working families should be able to invest in themselves and in their families rather than put their hard-earned income every month into rent paid to someone else. Houses do more than provide shelter. Houses become homes. They allow adults a chance to become established. They give children a sense of security. They allow small towns to function and big cities to endure.

It is no wonder then that we value homeownership in this country. Owning a home is a part of our culture, it's what we call "the American dream." Still, this dream is out of the reach of many Americans. In Oregon, where more than 75 percent of jobs do not pay a living wage for a single parent, housing costs have skyrocketed, forcing nearly half of Oregon renters to spend more than 30 percent of their income on housing and utilities. According to the Department of Housing and Urban Development's guidelines, if someone is spending more than 30 percent of his or her income on housing, they start cutting into other basic needs such as putting food on the table, taking elderly parents to the doctor or clothing kids for school.

People should not have to choose between feeding their kids or keeping a roof over their heads. The bill that I am introducing, "The Promoting Housing Affordability for Working Families Act of 1999," will help communities remove the barriers to affordable housing, so working families will not have to make this choice. Many factors, such as excessive rules and regulations, add to the price of a house. Cities and states must work together to remove these barriers. By working together, they can free up rental housing for those who cannot afford to buy a home while making the purchase of a first home easier for folks who have been previously denied the opportunity.

This bill addresses the problem on three fronts. First, it brings communities together to form "barrier removal councils" so they can identify problems to housing affordability and begin implementing solutions.

Second, the bill requires Federal agencies to examine the impact of their regulations on the cost of housing. Determining this information through a "housing impact analysis" at the outset will save states, communities and, ultimately, families a lot of hassle down the road.

Third, it makes homeownership possible for people who help our communities thrive—teachers, police officers, fire fighters and other public employees. Through incentives such as downpayment assistance and closing cost flexibility this bill helps people live in the communities they serve.

Many working families are ready for their first home. They are starting to raise families, move up the ladder at work and are prepared to take on the responsibilities of homeownership. But when they get to the front door, they cannot step over the threshold because they are tied up in unnecessary regulation that drives up home prices. The "Promoting Housing Affordability for Working Families Act of 1999" will help these families untangle this regulatory knot and unlock the door to their first home.●

By Mr. AKAKA (for himself, Mr. EDWARDS, Mr. FRIST, Mr. LEVIN, Mr. STEVENS, Mr. SARBANES, and Mr. DURBIN):

S. 1334. A bill to amend chapter 63 of title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes; to the Committee on Governmental Affairs.

ORGAN DONOR LEAVE ACT

Mr. AKAKA. Mr. President, I am pleased today to introduce the Organ Donor Leave Act. This bill would extend the amount of leave in each calendar year available to federal workers who serve as living organ donors from 7 days to 30 days. It is a straight forward way to ensure that federal employees who serve as an organ donor have sufficient time to recover from an organ transplant operation.

I am delighted to be joined by Senator FRIST, one of the nation's leading transplant surgeons and the only active surgeon in Congress, as well as Senators EDWARDS, STEVENS, LEVIN, SARBANES, and DURBIN. The bill we offer is a companion bill to H.R. 457, introduced by Representative ELIJAH CUMMINGS and marked out of the House Government Reform Committee. Last year, an identical bill passed the House, but not the Senate. It is my hope that, with such a distinguished list of cosponsors from both sides of the aisle, the Senate will quickly enact this important legislation.

In most instances, an organ transplant operation and post-operative recovery time for a living donor is generally six to eight weeks. In order to address the disparity between the available leave a federal employee may take for an organ donation and the average recovery time, the Office of Personnel Management (OPM) and the Department of Health and Human Services (HHS) assisted in the drafting of this legislation to increase the amount of time that may be used for organ donation to 30 days. The amount of leave for a bone marrow donation would remain at seven days because experience shows that a week is considered adequate recovery time form bone marrow donations.

Since 1954, when the first kidney transplant was performed, there have been hundreds of patients who have received successful transplants from living donors. Unfortunately, there are not enough organs available and over 55,000 Americans currently wait for a life-saving organ. There are certain organs, such as a single kidney, a lobe of a lung, a segment of the liver, or a portion of the pancreas, which may be transplanted from a living donor. These operations can reduce the mortality of small children needing liver transplants, help another person breathe, or free a dialysis patient from daily treatment.

According to the University of Southern California Liver Transplant Program, "With living donors, liver transplants can be performed electively and before patients get extremely ill, thus leading to better outcomes. Another advantage to this approach is the emotional satisfaction donors share with recipients when a life is saved."

Our bill has the strong support of the American Transplantation Society, the nation's largest professional transplant organization, representing over 1,400 physicians, surgeons, and scientists. In a letter expressing support of the Organ Donor Leave Act, the AST noted: ". . . a lack of leave time has served as a significant impediment and disincentive for individuals willing to share the gift-of-life. This important initiative addresses the disparities between leave time and recovery time." According to AST, the bill would give ". . . donors the added assurance that they will be granted an adequate amount of time to recuperate from the life-saving process that they undertake voluntarily."

Mr. President, this bill has already been passed by the House once, and appears to be on the same course in the 106th Congress. I hope the Senate will agree with the other chamber, and I urge my colleagues to support moving this life-saving legislation as soon as possible. I ask unanimous consent that a letter from the American Society of Transplantation be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN SOCIETY
OF TRANSPLANTATION,
Thorofare, NJ, June 29, 1999.
Hon. DANIEL AKAKA,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR AKAKA: The American Society of Transplantation (AST) commends you for your continuing efforts to improve our nation's system for organ donation and transplantation. The AST is the largest professional transplant organization in the United States and represents over 1,400 physicians, surgeons and scientists. During the last few years, the Society has greatly appreciated the opportunity to work with Congressional Members and staff in addressing many important organ transplantation issues.

The AST applauds you most recent efforts to improve organ donation by introducing the Senate companion legislation to H.R. 457 which seeks to amend the United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor. Through this legislation, the Federal Government will become a leader in encouraging individuals to perform the valuable public service of donating organs.

In the past, a lack of leave time has served as a significant impediment and disincentive for individuals willing to share the gift-of-life. This important initiative address disparities between leave time and recovery time. This legislation gives donors the added assurance that they will be granted an adequate amount of time to recuperate from the life saving process that they undertake voluntarily.

As we have discussed in the past, the problems that our nation faces in the allocation of organs and tissues for transplantation, a precious and scarce resource, are complex, and continue to evolve from both a medical and policy perspective. However, the real answer to dealing with the dilemma of allocating and distributing an inadequate supply of organs is through efforts such as yours to increase donation.

On behalf of the thousands of U.S. patients currently awaiting organ transplants, we commend you for your leadership in this area. In addition, we look forward to continuing to work with you in the future to improve the field of transplantation medicine.

Sincerely,

JOHN R. LAKE,
President.
JOHN F. NEYLAN,
Chair, Public Policy Committee.

By Mr. REED (for himself, Mr. SCHUMER, and Mr. EDWARDS):

S. 1336. A bill to amend the Internal Revenue Code of 1986 to provide a credit to promote home ownership among low-income individuals; to the Committee on Finance.

HOME OWNERSHIP TAX CREDIT ACT OF 1999

Mr. REED. Mr. President, I rise to discuss the state of home ownership in the U.S., in addition to legislation I am introducing with Senator SCHUMER and Senator EDWARDS to enable more families to achieve the American dream of home ownership.

Today, we have many reasons to celebrate. Indeed, the national home ownership rate has soared to an all-time high of almost 67 percent, which is up from 64 percent in 1993. Of further significance, this increase has, in large measure, been fueled by the growth in home ownership among minority households. In fact, minorities were responsible for 42 percent of the increase in home ownership between 1994 and 1997, although they only account for 17 percent of the home owner population.

Despite these positive developments, a number of distressing trends should give us cause for concern. For example, minority home ownership rates still lag significantly behind those of non-minority households: 45 percent for minorities versus 72 percent for white households. In addition, only 45 percent of low-income households live in owner-occupied homes, as compared to 86 percent of high-income households.

These alarming disparities have broad societal implications because of the tremendous benefits associated with home ownership. Historically, home ownership has been the key to wealth creation in this country, and wealth in the form of home equity has enabled families to start businesses, finance their children's education, and cover unexpected expenses. Consequently, unequal home ownership rates lead to wealth disparities. In fact, the median wealth of non-elderly low income home owners is 12 times greater than the median wealth of non-elderly renters of the same income.

In addition to wealth-building, home ownership has a positive effect on families and on our communities. Indeed, research has found that children of homeowners are less likely to become involved in the justice system, drop out of school, or have children out of wedlock. Moreover, home ownership is correlated with membership in community organizations and voting, as well as participation in neighborhood enhancing activities.

In view of the substantial benefits associated with home ownership, the Federal Government has actively worked to increase the home ownership rate. The primary tools in this effort have been the mortgage interest and the real estate tax deductions. Although these tax deductions have reduced the costs of home ownership for many, they are of little use to low-income households because their itemized tax deductions generally do not exceed the standard deduction. As such, over 90 percent of the total benefits of the mortgage interest deduction accrue to home buyers with incomes greater than $40,000, and because of the progressive nature of federal income tax rates, even if lower-income households do itemize their deductions, they receive a smaller deduction as a percentage of income than more affluent buyers.

To attack the home ownership disparity between low- and upper-income households, the Federal Government has relied on the Mortgage Revenue Bond (MRB) program, the Mortgage Credit Certificate (MCC) program, and, to a limited extent, the Low-Income Housing Tax Credit (LIHTC) program. Under these programs, the Federal Government subsidizes interest rates to reduce monthly mortgage costs for low-income home owners.

While these programs have been successful, their effects have been limited. Indeed, the size of these programs, as measured by their annual cost—$2.2 billion—pales in comparison to the annual cost of the mortgage and real estate tax deductions—$58 billion.

Also, while attacking the income constraints that prevent many low-income families from being able to afford monthly mortgage costs, these programs do not address wealth constraints such as a lack of savings for a down payment and closing costs, that keep many low-income families from becoming home owners.

During these times of economic prosperity, we have a rare opportunity to close the home ownership gap that exists between low-income and upper-income families. To this end, I am introducing legislation to establish a Home Ownership Tax Credit targeted to low-income families. This legislation, which has been developed in conjunction with Harvard's Joint Center on Housing Studies, the Brookings Institution, and Self-Help Community Development Corporation, would attack the wealth and income constraints that prevent many low-income families from becoming home owners.

Under this legislation, the Federal Government would issue tax credits to participating lenders who would then be obligated to extend either low-interest or zero-interest second mortgages to low-income families. These second mortgages would effectively be used to cover the downpayment and closing costs, although a prospective home buyer would still be required to make a small contribution toward the purchase. Families could defer repayment on the second mortgage for 25 years, at which point a balloon payment would come due, or they could repay the second mortgage over 30-years, concurrent with the repayment of their first mortgage. In either event, the interest rate on the second mortgage would be subsidized, which would lower families' monthly mortgage costs. Also, these second mortgages would eliminate the need for private mortgage insurance, providing additional savings of roughly $60 per month. Under this proposal, families earning as little as $14,500 would, for the first time, have the opportunity of realizing the American dream of home ownership.

Mr. President, I believe this legislation represents a common-sense approach to addressing the home ownership disparity which exists and I would hope my colleagues can be supportive.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1336

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; FINDINGS; PURPOSES.

(a) SHORT TITLE.—This Act may be cited as the "Home Ownership Tax Credit Act of 1999".

(b) FINDINGS.—Congress finds the following:

(1) Home ownership is of primary importance in building wealth in low-income families.

(2) 67 percent of the wealth that is owned by non-elderly low-income households consists of the equity in their residences and the median wealth of such non-elderly low-income households is 12 times greater than the median wealth for non-elderly renters with the same level of income.

(3) Only 45 percent of low-income households live in owner-occupied homes, as compared to 66 percent of all households, and 86 percent of high-income households.

(4) According to the Bureau of the Census, in 1993, 88 percent of all renters and 93 percent of renters earning less than $20,000 could not afford a house selling for half of the regional median house price.

(5) There is a 23 percentage point difference in home ownership rates between central cities and suburban cities which is largely the result of the concentration of low-income households in central cities.

(6) The cost of the largest Federal tax incentives for home ownership, the mortgage interest deduction and the real estate tax deduction, is equal to approximately twice the amount of Federal expenditures for direct Federal housing assistance which benefits low-income households.

(7) The mortgage interest deduction and the real estate tax deduction have little value to low-income households because the itemized tax deductions of low-income households generally do not exceed the standard deduction.

(8) Over 90 percent of the total benefits of the mortgage interest deduction accrue to home buyers with incomes greater than $40,000.

(9) Current provisions in the Federal tax code to promote home ownership among low-income households, such as the mortgage revenue bond program, the mortgage credit certificate program, and the low-income housing credit, fail to simultaneously attack the twin constraints of lack of wealth and low income that prevent many low-income households from becoming homeowners.

(c) PURPOSES.—The purposes of this Act are—

(1) to establish a decentralized, market-driven approach to increasing home ownership among low-income households,

(2) to enable low-income households to overcome the wealth and income constraints that frequently prevent such households from becoming homeowners, and

(3) to reduce the disparities in home ownership between low-income households and higher-income households and between central cities and suburban cities.

SEC. 2. HOME OWNERSHIP TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal

Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following:

“SEC. 45D. HOME OWNERSHIP TAX CREDIT.

“(a) Allowance of Credit.—

“(1) In general.—For purposes of section 38, the amount of the home ownership tax credit determined under this section for any taxable year in the credit period shall be an amount equal to the applicable percentage of the home ownership tax credit amount allocated such taxpayer by a State housing finance agency in the credit allocation year under subsection (b).

“(2) Applicable percentage.—For purposes of this section, the Secretary shall prescribe the applicable percentage for any year in which the taxpayer is a qualified lender. Such percentage with respect to any month in the credit period with respect to such taxpayer shall be percentages which will yield over such period amounts of credit under paragraph (1) which have a present value equal to 100 percent of the home ownership tax credit amount allocated such taxpayer under subsection (b).

“(3) Method of discounting.—The present value under paragraph (2) shall be determined in the same manner as the low-income housing credit under section 42(b)(2)(C).

“(b) Allocation of Home Ownership Tax Credit Amounts.—

“(1) Amount of credit.—Each qualified State shall receive a home ownership tax credit dollar amount for each calendar year in an amount equal to the sum of—

“(A) an amount equal to—

“(i) 40 cents multiplied by the State population, multiplied by

“(ii) 10, plus

“(B) the unused home ownership tax credit dollar amount (if any) of such State for the preceding year.

“(2) Qualified state.—For purposes of this section—

“(A) In general.—The term ‘qualified State’ means a State with an approved allocation plan to allocate home ownership tax credits to qualified lenders through the State housing finance agency.

“(B) Approved allocation plan.—For purposes of this paragraph, the term ‘approved allocation plan’ means a written plan, certified by the Secretary, which includes—

“(i) selection criteria for the allocation of credits to qualified lenders—

“(I) based on a process in which lenders submit bids for the value of the credit, and

“(II) which gives priority to qualified lenders with qualified home ownership tax credit loans which are prepaid during a calendar year, for credit allocations in the succeeding calendar year,

“(ii) an assurance that the State will not allocate in excess of 10 percent of the home ownership tax credit amount for the calendar year for qualified home ownership tax credit loans which are neighborhood revitalization project loans,

“(iii) a procedure that the agency (or an agent or other private contractor of such agency) will follow in monitoring for noncompliance with the provisions of this section and in notifying the Internal Revenue Service of such noncompliance with respect to which such agency becomes aware, and

“(iv) such other assurances as the Secretary may require.

“(3) Qualified lender.—For purposes of this section, the term ‘qualified lender’ means a lender which—

“(A) is an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act), insured credit union (as defined in section 101 of the Federal Credit Union Act), community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702)), or nonprofit community development corporation (as defined in section 613 of the Community Economic Development Act of 1981 (42 U.S.C. 9802)),

“(B) makes available, through such lender or the lender’s designee, pre-purchase homeownership counseling for mortgagors, and

“(C) during the 1-year period beginning on the date of the credit allocation, originates not less than 100 qualified home ownership tax credit loans in an aggregate amount not less than the amount of the bid of such lender for such credit allocation.

“(4) Carryover of credit.—A home ownership tax credit amount received by a State for any calendar year and not allocated in such year shall remain available to be allocated in the succeeding calendar year.

“(5) Population.—For purposes of this section, population shall be determined in accordance with section 146(j).

“(6) Cost-of-living adjustment.—

“(A) In general.—In the case of a calendar year after 2000, the 40 cent amount contained in paragraph (1)(A)(i) shall be increased by an amount equal to—

“(i) such amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting ‘calendar year 1999’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(B) Rounding.—If any amount as adjusted under subparagraph (A) is not a multiple of 5 cents, such amount shall be rounded to the next lowest multiple of 5 cents.

“(c) Qualified Home Ownership Tax Credit Loan Defined.—For purposes of this section—

“(1) In general.—The term ‘qualified home ownership tax credit loan’ means a loan originated and funded by a qualified lender which is secured by a second lien on a residence, but only if—

“(A) the requirements of subsections (d), (e), and (f) are met,

“(B) subject to subparagraphs (F), (H), and (I), the proceeds from such loan are applied exclusively—

“(i) to acquire such residence, or

“(ii) to substantially improve such residence in connection with a neighborhood revitalization project,

“(C) the principal amount of the loan is equal to an amount which is—

“(i) not less than 18 percent of the purchase price of the residence securing the loan, and

“(ii) not more than the lesser of—

“(I) 22 percent of such purchase price, or

“(II) $25,000,

“(D) in the case of a neighborhood revitalization project loan, subparagraph (C) is applied by substituting—

“(i) ‘purchase price or appraised value’ for ‘purchase price’, and

“(ii) ‘$40,000’ for ‘$25,000’,

“(E) the loan is—

“(i) amortized over a period of not more than 30 years (or any lesser period of time as determined by the lender or the State housing finance agency (as applicable)), or

“(ii) described in paragraph (2),

“(F) the proceeds of such loan are not used for settlement or other closing costs of the transaction in an amount in excess of 4 percent of the purchase price of the residence securing the loan,

“(G) the rate of interest of the loan does not exceed the greater of—

“(i) the excess of—

“(I) the prime lending rate in effect as of the date on which the loan is originated, over

“(II) 5.5 percent, or

“(ii) 3 percent,

“(H) the origination fee paid with respect to the loan does not cause the aggregate amount of origination fees paid with respect to any loans secured by the residence—

“(i) in the case of a neighborhood revitalization project loan, to exceed 1 percent of the appraised value of the residence which secures the loan, and

“(ii) in the case of any other loan, to exceed 2 percent of the appraised value of such residence, and

“(I) the servicing fees of such loan—

“(i) are allocated from interest payments made with respect to the loan, and

“(ii) may not—

“(I) in the case of a neighborhood revitalization project loan, exceed a total of 38 basis points, and

“(II) in the case of any other loan, when added to such fees of any other loan secured by the residence, exceed a total of 63 basis points.

“(2) Balloon payment loan.—

“(A) In general.—A loan is described in this paragraph if such loan—

“(i) meets the requirements of subparagraphs (B) and (C),

“(ii) is for a period of 25 years and, except as provided in clause (iv), no payment is due on such loan until the sooner of—

“(I) the end of such period, or

“(II) the date on which the residence which secures the loan is disposed of,

“(iii) does not prohibit early repayment of such loan, and

“(iv) requires payment on such loan if the mortgagor receives any portion of the equity of such residence as part of a refinancing of any loan secured by such residence.

“(B) Interest.—Notwithstanding paragraph (1)(G), the rate of interest of the loan is zero percent.

“(C) Servicing fees.—Notwithstanding paragraph (1)(I), there shall be no servicing fees in connection with the loan.

“(3) Index of amount.—

“(A) In general.—In the case of a calendar year after 2000, the amounts under subparagraphs (C) and (D) of paragraph (1) shall be increased by an amount equal to—

“(i) such amount, multiplied by

“(ii) the housing price adjustment for such calendar year.

“(B) Housing price adjustment.—For purposes of subparagraph (A), the housing price adjustment for any calendar year is the percentage (if any) by which—

“(i) the housing price index for the preceding calendar year, exceeds

“(ii) the housing price index for calendar year 2000.

“(C) Housing price index.—For purposes of subparagraph (B), the housing price index means the housing price index published by the Federal Housing Finance Board (as established in section 2A of the Federal Home Loan Bank Act (12 U.S.C. 1422a)) for the calendar year.

“(d) Mortgagor.—

“(1) In general.—A loan meets the requirements of this subsection if it is made to a mortgagor—

“(A) whose family income for the year in which the mortgagor applies for the loan is 80 percent or less of the area median gross income for the area in which the residence which secures the mortgage is located,

“(B) for whom the loan would not result in a housing debt-to-income ratio, with respect to the residence securing the loan, or total debt-to-income ratio which is greater than the guidelines set by the Federal Housing Administration (or any other ratio as determined by the State housing finance agency or lender if such ratio is less than such guidelines), and

"(C) who attends pre-purchase homeownership counseling provided by the qualified lender or the lender's designee.

"(2) DETERMINATION OF FAMILY INCOME.—For purposes of this subsection and subsection (h), the family income of a mortgagor and area median gross income shall be determined in accordance with section 143(f)(2).

"(e) RESIDENCE REQUIREMENTS.—A loan meets the requirements of this subsection if it is secured by a residence that is—

"(1) a single-family residence (including a manufactured home (within the meaning of section 25(e)(10))) which is the principal residence (within the meaning of section 121) of the mortgagor, or can reasonably be expected to become the principal residence of the mortgagor within a reasonable time after the financing is provided,

"(2) purchased by the mortgagor with a down payment in an amount not less than the lesser of—

"(A) 2 percent of the purchase price, or

"(B) $1,000, and

"(3) in the case of a mortgagor with a family income greater than 50 percent of the area median gross income, as determined under subsection (d)(1)(A), not financed in connection with a qualified mortgage issued under section 143.

"(f) DEFINITION AND SPECIAL RULES RELATING TO CREDIT PERIOD.—

"(1) CREDIT PERIOD DEFINED.—For purposes of this section, the term 'credit period' means the period of 10 taxable years beginning with the taxable year in which a home ownership tax credit amount is allocated to the taxpayer.

"(2) SPECIAL RULE FOR 1ST YEAR OF CREDIT PERIOD.—

"(A) IN GENERAL.—The credit allowable under subsection (a) with respect to any taxpayer for the 1st taxable year of the credit period shall be determined by substituting for the applicable percentage under subsection (a)(2) the fraction—

"(i) the numerator of which is the sum of the applicable percentages determined under subsection (a)(2) as of the close of each full month of such year, during which the taxpayer was a qualified lender, and

"(ii) the denominator of which is 12.

"(B) DISALLOWED 1ST YEAR CREDIT ALLOWED IN 11TH YEAR.—Any reduction by reason of subparagraph (A) in the credit allowable (without regard to subparagraph (A)) for the 1st taxable year of the credit period shall be allowable under subsection (a) for the 1st taxable year following the credit period.

"(3) DISPOSITION OF HOME OWNERSHIP TAX CREDIT LOANS.—If a qualified home ownership tax credit loan is disposed of during any year for which a credit is allowable under subsection (a), such credit shall be allocated between the parties on the basis of the number of days during such year the mortgage was held by each and the portion of the total credit allocated to the qualified lender which is attributable to such mortgage.

"(g) LOSS OF CREDIT.—If, during the taxable year, a qualified home ownership tax credit loan is repaid prior to the expiration of the credit period with respect to such loan, the amount of the home ownership tax credit attributable to such loan is no longer available under subsection (a). For purposes of the preceding sentence, the tax credit is allowable for the portion of the year in which such repayment occurs for which the loan is outstanding, determined in the same manner as provided in subsection (f)(2)(A).

"(h) RECAPTURE OF PORTION OF FEDERAL SUBSIDY FROM HOME-OWNER.—

"(1) IN GENERAL.—If, during the taxable year, any taxpayer described in paragraph (3) disposes of an interest in a residence with respect to which a home ownership tax credit amount applies, then the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 50 percent of the gain (if any) on the disposition of such interest.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply to any disposition—

"(A) by reason of death,

"(B) which is made on a date that is more than 10 years after the date on which the qualified home ownership tax credit loan secured by such residence was made, or

"(C) in which the purchaser of the residence assumes the qualified home ownership tax credit loan secured by the residence.

"(3) INCOME LIMITATION.—A taxpayer is described in this paragraph if, on the date of the disposition, the family income of the mortgagor is 115 percent or more of the area median gross income as determined under subsection (d)(1)(A) for the year in which the disposition occurs.

"(4) SPECIAL RULES RELATING TO LIMITATION ON RECAPTURE AMOUNT BASED ON GAIN REALIZED.—For purposes of this subsection, rules similar to the rules of section 143(m)(6) shall apply.

"(5) LENDER TO INFORM MORTGAGOR OF POTENTIAL RECAPTURE.—The qualified lender which makes a qualified home ownership tax credit loan to a mortgagor shall, at the time of settlement, provide a written statement informing the mortgagor of the potential recapture under this subsection.

"(6) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of section 143(m)(8) shall apply.

"(i) OTHER DEFINITIONS.—

"(1) NEIGHBORHOOD REVITALIZATION PROJECT LOAN.—

"(A) IN GENERAL.—The term 'neighborhood revitalization project loan' means a loan secured by a second lien on a residence, the proceeds of which are used to substantially improve such residence in connection with a neighborhood revitalization project.

"(B) NEIGHBORHOOD REVITALIZATION PROJECT.—The term 'neighborhood revitalization project' means a project of sufficient size and scope to alleviate physical deterioration and stimulate investment in—

"(i) a geographic location within the jurisdiction of a unit of local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other documents as a neighborhood, village, or similar geographic designation, or

"(ii) the entire jurisdiction of a unit of local government if the population of such jurisdiction is not in excess of 25,000.

"(2) STATE.—The term 'State' includes a possession of the United States.

"(3) STATE HOUSING FINANCE AGENCY.—The term 'State housing finance agency' means the public agency, authority, corporation, or other instrumentality of a State that has the authority to provide residential mortgage loan financing throughout the State.

"(j) CERTIFICATION AND OTHER REPORTS TO THE SECRETARY.—

"(1) CERTIFICATION WITH RESPECT TO STATE ALLOCATION OF HOME OWNERSHIP TAX CREDITS.—The Secretary may, upon a finding of noncompliance, revoke the certification of a qualified State and revoke any qualified home ownership tax credit amounts allocated to such State or allocated by such State to a qualified lender.

"(2) ANNUAL REPORT FROM HOUSING FINANCE AGENCIES.—Each State housing finance agency which allocates any home ownership tax credit amount to any qualified lender for any calendar year shall submit to the Secretary (at such time and in such manner as the Secretary shall prescribe) an annual report specifying—

"(A) the home ownership tax credit amount allocated to each qualified lender for such year, and

"(B) with respect to each qualified lender—

"(i) the principal amount of the aggregate qualified home ownership tax credit loans made by such lender in such year and the outstanding amount of such loans in such year, and

"(ii) the number of qualified home ownership tax credit loans made by such lender in such year.

The penalty under section 6652(j) shall apply to any failure to submit the report required by this paragraph on the date prescribed therefore.

"(k) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) LIMITATION ON CARRYBACK OF UNUSED CREDIT.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(9) NO CARRYBACK OF HOME OWNERSHIP TAX CREDITS BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the home ownership tax credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D."

(c) CONFORMING AMENDMENTS.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking "plus" at the end of paragraph (11),

(B) by striking the period at the end of paragraph (12), and inserting ", plus", and

(C) by adding at the end the following:

"(13) the home ownership tax credit determined under section 45D."

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following:

"Sec. 45D. Home ownership tax credit."

(d) EFFECTIVE DATE.—The amendments made by this section apply to calendar years after 1999.

SUMMARY OF THE HOME OWNERSHIP TAX CREDIT ACT

Bill Summary: Under this legislation, each year the federal government would issue home ownership tax credits to state housing finance agencies (HFAs). State HFAs would then auction these credits off to lenders such as banks, thrifts, community development financial institutions, and community development corporations. Lenders purchasing the tax credits would commit to extending either: 1) zero-interest balloon second mortgages that are due in 25 years or upon the sale of the home, or 2) very low-interest rate second mortgages that amortize in 30 years. These second mortgages would reduce the size of the first mortgage and ultimately reduce monthly mortgage costs. The aggregate principal amount of second mortgages made by each lender would be equal to the price the lender paid for the tax credits. Also, the lender would commit to making at least 100 home ownership tax credit loans.

The lender would receive the tax credit annually for 10 years or until the loan was paid off, whichever occurred earlier. If a home ownership tax credit mortgage was prepaid during the 10-year tax credit period, the lender would have priority in the issuance of tax credits in the subsequent year.

The lender would get its principal back when the second mortgage amortized, balloon payment came due, or the house was sold. Lenders also would be able to sell the tax credit mortgages on the secondary market with the tax credits being transferred to secondary market investors.

Only borrowers earning up to 80 percent of the area median income would qualify to take advantage of the home ownership tax credit program. These second mortgages could be between 18 and 22 percent of the purchase price of the home, up to $25,000. The second mortgage could be up to $40,000 if used in areas formally targeted for neighborhood revitalization.

Under this proposal, families earning at little at $14,500 would be able to become home owners.

Example: The following example indicates how this proposal would work:

A low-income family identifies a $100,000 home that it wants to purchase. The potential home buyers would visit a lender participating in the tax credit program. Let's assume that the lender would agree to extend a $81,000 first mortgage to the home buyer. Under the tax credit program, the home buyer would only be required to make a $1,000 down payment. Assuming that the home buyer met the eligibility requirements of the home ownership tax credit program, the lender would also agree to extend an $18,000 second mortgage (In the alternative, the home buyer could get the first and second mortgages from different lenders). Closing costs of up to $4,000 could be financed into the second mortgage, increasing the second mortgage amount to $22,000.

If the second mortgage was a zero-interest 25-year balloon, the home buyer would only pay principal, interest, taxes, and insurance on the $81,000 first mortgage for 25 years, or until sale of the home (approximately $540/month at 7 percent interest, plus taxes and insurance). Assuming that the home buyer stayed in the home, at the end of 25 years, he/she could refinance using his/her accumulated equity to repay most or all of the $22,000 they owed on the balloon mortgage.

In sum, this proposal will allow a low-income family to purchase a $100,000 home with a $1000 down payment and a monthly mortgage payment of $540 (plus taxes and insurance) throughout most of the life of the first mortgage.

By Mr. GRASSLEY (for himself, Mr. SESSIONS, and Mr. KYL):

S. 1337. A bill to provide for the placement of anti-drug messages on appropriate Internet sites controlled by NASA; to the Committee on Commerce, Science, and Transportation.

ANTI-DRUG MESSAGES ON NASA INTERNET CONTROLLED SITES

Mr. GRASSLEY. Mr. President, today, I am introducing legislation along with Senator SESSIONS and Senator KYL to help in sending our young people a no-use message on drugs. This parallels efforts in the House by Congressman MATT SALMON and it is supported by NASA.

The average age of our young people who first use illegal drugs is 16 and the age of first use is dropping. We need to reverse this trend and prevent drug use among young people. An easy way of contacting them is at our finger tips. NASA's web sites are among the most visited government sites. Thousands of schools have programs that include NASA's web sites in their curriculum. I believe it is important to reach out to those young people. Here is a chance to reach millions of young people at no added expense to the taxpayer.

In this bill the NASA administration must work with the Office of National Drug Control Policy to add anti-drug messages on NASA's web sites. With our young people being bombarded by images of violence and drugs from films and TV, this is a way to get the anti-drug message to our children at a young age through a location that we know a large number will see. I urge my colleagues to join me in this effort and support this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ANTI-DRUG MESSAGES ON INTERNET SITES.

Not later than 90 days after the date of enactment of this Act, the Administrator of the National Aeronautics and Space Administration, in consultation with the Director of the Office of National Drug Control Policy, shall place anti-drug messages on appropriate Internet sites controlled by the National Aeronautics and Space Administration.

By Mr. MURKOWSKI (by request):

S. 1338. A bill entitled the "Military Lands Withdrawal Act of 1999"; to the Committee on Energy and Natural Resources.

MILITARY LANDS WITHDRAWAL ACT OF 1999

Mr. MURKOWSKI. Mr. President, I send to the desk the Military Lands Withdrawal Act of 1999. I am introducing this legislation on behalf of the Administration. At this point I am neither prepared to support nor object to any of the specific provisions contained within this legislative proposal. It is my intention however, to hold hearings on this important legislation and the withdrawal renewals contained within it. After those hearings have been held and we have had the benefit of input from the parties most effected by the withdrawals, I am prepared to offer an amendment in the nature of a substitute which makes such needed changes as are identified during the hearing process.

This legislation renews the withdrawals contained within P.L. 99-606, enacted by Congress in 1986. This Congressional action withdrew 7.2 million acres of public land for use by the Department of Defense at six installations. The affected bases are the Barry M. Goldwater Air Force Range in Arizona, Nellis Air Force Base and Naval Air Station Fallon in Nevada, the McGregor Army Range in New Mexico, and Fort Wainwright and Fort Greely in my home state of Alaska. These withdrawals were for a period of 15 years and expire in 2001.

I have a deep abiding recognition of the unique and critical role all of these military bases play in our national defense strategy and on the economies of the states within which they are located. However, I also understand that the issues surrounding the renewal of these withdrawals are complex and varied. Congress's ability to resolve these issues will ultimately define success or failure for this entire round of withdrawals. What we do here will have a lasting impact on these bases military mission, their local economies, and the environmental protection of the public lands. It is my firm belief that only through the Congressional hearing process can the concerns of all affected parties be recorded and factored into the renewal of these base withdrawals.

I am committed to the prompt consideration of this legislation. However, taking into consideration the fact that these withdrawals do not expire until 2001, I believe it is prudent that we move this legislation at a pace which allows both the public and our colleagues the opportunity to participate in a meaningful way and in the proper forum.

By Mr. DURBIN:

S. 1339. A bill to provide for the debarment or suspension from Federal procurement and nonprocurement activities of persons that violate certain labor and safety laws; to the Committee on Governmental Affairs.

FEDERAL PROCUREMENT AND ASSISTANCE INTEGRITY ACT

Mr. DURBIN. Mr. President, I am pleased today to introduce legislation to improve the efficiency and protect the integrity of Federal procurement and assistance programs, by ensuring that the Federal Government does business with responsible contractors and participants

The United States General Accounting Office [GAO] has found that billions of dollars in Federal procurement contracts and assistance are going to individuals and corporations which are violating our nation's labor and employment laws. In 1995, the GAO reported that more than $23 billion in Federal contracts were awarded in fiscal year 1993 to contractors who violated labor laws. That is 13 percent of the $182 billion in Federal contracts awarded that year. Part of the reason for this, the GAO found, is that the National Labor Relations Board, which enforces our nation's labor laws, does not know whether violators of the law are receiving Federal contracts. And the General Services Administration, which oversees Federal procurement, does not know the labor relations records of Federal contractors.

In 1996, the GAO reported that $38 billion in Federal contracts in fiscal year 1994 were awarded to contractors who had violated workplace health and safety laws. That is 22 percent of the $176 billion in Federal contracts of $25,000 or more which were awarded that year. The GAO found that 35 people died and 55 more people were hospitalized in fiscal year 1994 as a result of injuries at the workplaces of federal contractors who violated health and safety laws. These contractors were assessed a total of $10.9 million in penalties in fiscal year 1994—while being awarded $38 billion in Federal contracts.

The GAO concluded that, although federal agencies have the authority to deny contracts and federal assistance to companies that violate Federal laws, this authority is rarely used in the case of safety and health violations. The GAO found that federal agencies do not normally collect or receive information about which contractors are violating health and safety laws—even when contractors have been assessed large penalties for egregious or repeat violations.

The Federal Government should not ignore the health and safety records of companies that apply for federal contracts and assistance. A report published this week in the Archives of Internal Medicine concludes that job-related injuries and illnesses in the United States are more common than previously thought, costing the nation more than AIDS, Alzheimer's, cancer or heart disease. The report, which analyzed national estimates of job-related illnesses and injuries in 1992, states that more than 13 million Americans were injured from job-related causes in just one year—more than four times the number of people who live in the City of Chicago. The report concluded that the cost to our country from workplace injuries and illnesses was $171 billion in 1992.

The Federal Government has a responsibility to taxpayers, working Americans and law-abiding businesses, to ensure that federal tax dollars do not go to individuals and corporations that violate safety and health, labor and veterans' employment preference laws. About 26 million Americans are employed by federal contractors and subcontractors. They deserve to know that their Government is not rewarding employers who violate the laws that protect American workers and veterans. The legislation I am introducing today will improve the enforcement of our nation's health and safety, labor and veterans' employment laws, and provide an incentive to contractors to comply with the law. This legislation will allow the Secretary of Labor to debar or suspend a person from receiving Federal contracts or assistance for violating the National Labor Relations Act, the Fair Labor Standards Act, the Occupational Safety and Health Act or the disabled and Vietnam-era veterans hiring preference law. It will require the Secretary of Labor and the National Labor Relations Board to develop procedures to determine whether a violation of law is serious enough to warrant debarment or suspension. And, as recommended by the GAO, this legislation will require ongoing exchanges of information among Federal agencies to improve their ability to enforce our nation's laws. This legislation is identical to a bill introduced in the House of Representatives by Congressman Lane Evans of Illinois, and it is similar to legislation introduced in previous years by former Senator Paul Simon.

Mr. President, it is important to note that the vast majority of Federal contractors obey the law. This legislation is only directed at those who are violating the law. It will deny Federal contracts and assistance to individuals and companies that violate the law and ensure that Federal contracts are awarded to companies that respect the law.

I urge my colleagues to join me in supporting this legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

S. 1339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Procurement and Assistance Integrity Act".

SEC. 2. PURPOSE.

The purpose of this Act is to improve the efficiency and effectiveness and protect the integrity of the Federal procurement and assistance systems by ensuring that the Federal Government does business with responsible contractors and participants.

SEC. 3. DEBARMENT AND SUSPENSION FOR VIOLATORS OF CERTAIN LABOR AND SAFETY LAWS.

(a) DEBARMENT AND SUSPENSION.—The Secretary of Labor may debar or suspend a person from procurement activities or nonprocurement activities upon a finding, in accordance with procedures developed under this section, that the person violated any of the following laws:

(1) The National Labor Relations Act (29 U.S.C. 151 et seq.).

(2) The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

(3) The Occupational Safety and Health Act (29 U.S.C. 651 et seq.).

(4) Section 4212(a) of title 38, United States Code.

(b) PROCEDURES.—The Secretary of Labor and the National Labor Relations Board shall jointly develop procedures to determine whether a violation of a law listed in subsection (a) is serious enough to warrant debarment or suspension under that subsection. The procedures shall provide for an assessment of the nature and extent of compliance with such laws, including whether there are or were single or multiple violations of those laws or other labor or safety laws and whether the violations occur or have occurred at one facility, several facilities, or throughout the company concerned. In developing the procedures, the Secretary and the Board shall consult with departments and agencies of the Federal Government and provide, to the extent feasible, for ongoing exchanges of information between the departments and agencies and the Department of Labor and the Board in order to accurately carry out such assessments.

(c) DEFINITIONS.—In this section:

(1) DEBAR.—The term "debar" means to exclude, pursuant to established administrative procedures, from Federal Government contracting and subcontracting, or from participation in nonprocurement activities, for a specified period of time commensurate with the seriousness of the failure or offense or the inadequacy of performance.

(2) NONPROCUREMENT ACTIVITIES.—The term "nonprocurement activities" means all programs and activities involving Federal financial and nonfinancial assistance and benefits, as covered by Executive Order No. 12549 and the Office of Management and Budget guidelines implementing that order.

(3) PROCUREMENT ACTIVITIES.—The term "procurement activities" means all acquisition programs and activities of the Federal Government, as defined in the Federal Acquisition Regulation.

(4) SUSPEND.—The term "suspend" means to disqualify, pursuant to established administrative procedures, from Federal Government contracting and subcontracting, or from participation in nonprocurement activities, for a temporary period of time because an entity or individual is suspected of engaging in criminal, fraudulent, or seriously improper conduct.

(d) EFFECTIVE DATE.—This Act shall take effect on October 1, 1999.

(e) REGULATIONS.—The Federal Acquisition Regulation and the regulations issued pursuant to Executive Order No. 12549 shall be revised to include provisions to carry out this Act.

(f) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor and the National Labor Relations Board shall jointly submit to Congress a report on the implementation of this Act.

By Mrs. LINCOLN:

S. 1340. A bill to redesignate the "Stuttgart National Aquaculture Research Center" as the "Harry K. Dupree Stuttgart National Aquaculture Research Center"; to the Committee on Agriculture, Nutrition, and Forestry.

HARRY K. DUPREE STUTTGART NATIONAL AQUACULTURE RESEARCH CENTER

Mrs. LINCOLN. Mr. President, I offer for the Senate's consideration, a bill to rename the Stuttgart National Aquaculture Research Center after a man that has been essential to the success of the aquaculture industry in Arkansas: Dr. Harry K. Dupree.

Dr. Dupree has devoted his entire career to the progress of the warmwater fish industry. In Arkansas, aquaculture production has taken great strides in recent years. The catfish industry in the state has grown rapidly and Arkansas currently ranks second nationally in acreage and production of catfish. The baitfish industry is not far behind, selling more than 15 million pounds of fish annually. Much of this success is due to the ongoing efforts of Dr. Harry Dupree.

The early years of Dr. Dupree's career were spent in Alabama. Harry received his master's in fisheries management from Auburn University in 1956 and his Ph.D. in Zoology in 1960. From 1960 to 1974, Harry served as both a Research Biologist and Laboratory Director at the Southeastern Fish Cultural Laboratory in Marion, Alabama. There, Dr. Dupree focused his efforts on catfish research and established the major elements required for a manufactured feed for channel catfish. His research activities led to the formulation of pelleted feed for catfish production and made it possible for catfish production to move from a small, labor intensive industry of local interest to a streamlined industry with potential for expansion on the national and international level.

Arkansas was fortunate enough to lure Dr. Dupree to the Fish Farming Experimental Laboratory in Stuttgart, Arkansas, during 1974 where he served as Scientific Director for the next 18 years. His efforts, dating back to before 1985, resulted in funding for design and construction of the new laboratories and offices for the facilities on the campus of the Stuttgart National Aquaculture Research Center. These facilities were constructed in 1992 and Dr. Dupree has served as the Laboratory Director for the center ever since.

I first met Harry during my tenure as Representative of the First Congressional District of Arkansas. I'll never forget the enthusiasm and genuine interest Harry displayed as he showed me around the research center that he had worked so hard to establish. I, and many others, share many fond memories and great gratitude for the wonderful friendship and great work of Dr. Harry Dupree. The pride that he has exhibited and has instilled in all Arkansans for the science industry of Aquaculture has been tremendous.

Dr. Dupree is a great man with a huge heart. I urge my colleagues to act promptly on this legislation so that Dr. Harry K. Dupree will receive the recognition that he truly deserves.

Mr. President, at this point I ask unanimous consent that letters of support for this bill be included in the RECORD from constituents and aquaculture associations across Arkansas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SENATE,
STATE OF ARKANSAS,
June 22, 1999.

Hon. BLANCHE LAMBERT LINCOLN,
Washington, DC.

DEAR SENATOR LINCOLN: I am writing to submit my letter of support for proposed legislation naming the USDA Fish Farming Laboratory in Stuttgart after Dr. Harry Dupree.

As you know, you and I have served together with Dr. Dupree on the Arkansas Delta Council and Foundation. Dr. Dupree has served Delta Council since its formation in 1990, and more recently as Treasurer. More importantly, Dr. Dupree has been the central figure in the development of the Fish Farming Laboratory since the beginning. When I was an aide to Senator Bumpers, I recall meeting Dr. Dupree for the first time at the annual U.S. Senate Catfish Fry in the Russell Senate Office Building. He was busy telling everyone he could find about the importance of the mission for the fish lab, and why it needed more funding. Years later, Harry and I became close friends when I moved to Stuttgart, and I witnessed his many efforts as the chief champion of a new lab and mission at USDA. Everything that is associated with the fish lab is due at one level or another to the efforts of Dr. Harry Dupree.

Therefore, I can speak with complete authority when I say that our constituents here in Arkansas County, and in the aquaculture field, fully support the naming of this facility after Dr. Dupree. I can think of no more fitting name for this lab. Indeed, it is every bit as much an honor for USDA, this center and for Arkansas County to have this named after Dr. Dupree as it is an honor for Dr. Dupree.

Finally, I would ask that these comments, along with the other comments you are receiving about Dr. Dupree, be listed in the Congressional Record. I believe it would be a fitting tribute for him, his wife Ruth, and for his hard work and dedicated public service.

Thank you for your consideration of this request, and I trust that all is well with you in Washington.

Sincerely,

KEVIN A. SMITH.

ADFA,
June 23, 1999.

Hon. BLANCHE LINCOLN,
Washington, DC.

DEAR SENATOR LINCOLN: I want to express my full support for legislation that would change the name of the Stuttgart National Aquaculture Research Center to the Harry K. Dupree Stuttgart National Aquaculture Research Center.

Dr. Harry K. Dupree has devoted his professional career to the advancement of warmwater fish culture; first as a research scientist in fish nutrition and later in administration of research while continuing with research. Early in his career his research established the major elements required for a manufactured feed for channel catfish. This work included the establishment of amino acid requirements of channel catfish, highlighting those that are considered "essential", and testing many types of proteins for their usefulness as primary amino acid sources. Dr. Dupree contributed to the establishment of the vitamin requirements of channel catfish, working specifically with vitamin E, vitamin A, and beta carotene. Research on sources of oil for formulating channel catfish diets led to the understanding of the lipid requirements for commercial production.

Dr. Dupree's research helped establish the form and formulation of manufactured feed most readily accepted by channel catfish. With his studies of the feeding habits of cultured catfish, helped determine the quality of feed needed at different stages of development, the digestibility of feeds of different compositions, and the quantity and timing of feeding for maximum pond production. His research activities led to the formulation of pelleted feed for catfish production and made it possible for catfish production to move from a small, labor intensive industry of local interest to a streamlined industry with potential for expansion on the national and international level. Dr. Dupree has written extensively on the subject of fish nutrition and is a recognized authority on warmwater fish nutrition.

Dr. Dupree's research in other areas of fish biology illustrates the breadth of his interest and abilities. His work on immunity and with the immune response of paddlefish, gar, and channel catfish lead to a better understanding of basic systems of immunity. His research on hormone induction of ovulation of goldfish led to modern day standard procedures now employed in spawning these and other species of fish. Other research has included pesticide analysis of Channel catfish and work with karyology of grass carp that led to modern methods for determining the difference between diploids and triploids.

In 1984, Dr. Dupree was responsible for editing "The Third Report to the Fish Farmer" and for revising or writing a large part of the publication. "The Third Report" is a comprehensive review of most aspects of warmwater aquaculture and is one of the most popular publications released by the U.S. Fish and Wildlife Service; 17,500 copies have been printed and most have been distributed to satisfy or through GPO sales.

Dr. Dupree is largely responsible for the laboratories, offices and research buildings that are now at the Stuttgart National Aquaculture Research Center. His efforts, dating back to before 1985, resulted in funding for design and construction of the new laboratories and offices and it is because of his efforts that the laboratory exists today. His efforts are continuing as he expands the facilities available for the growing research staff that he has fought to gain funding for.

I have been involved with aquaculture for 30 years, first as a fish farmer and for the last 8 years as the State Aquaculture Coordinator. I don't know of anyone who has contributed as much to the aquaculture industry as Dr. Harry Dupree.

I have talked to people in many states that are very supportive of this name change and feel that Dr. Dupree is very worthy of the honor.

Sincerely,

TED MCNULTY,
State Aquaculture Coordinator, ADFA.

UNIVERSITY OF ARKANSAS,
DIVISION OF AGRICULTURE,
June 30, 1999.

Hon. BLANCHE LINCOLN,
United States Senate, Washington, DC.

DEAR SENATOR LINCOLN: It is an honor and a pleasure to support renaming of the Stuttgart National Aquaculture Research Center in Stuttgart, Arkansas the Harry K. Dupree—Stuttgart National Aquaculture Research Center. It is a fitting tribute to a man who had a vision for what the Center could be and then devoted his professional career to making it a reality for the benefit of fish farmers and the fish industry throughout the country.

If ever a person personifies dedication, it is Dr. Dupree. He takes tremendous pride in the people, facilities, and programs that make up the Stuttgart Center. For nearly forty years, the Stuttgart Center has guided and championed the warmwater aquaculture industry. For twenty-five of those years, Dr. Dupree has been at the helm. Today thriving, vibrant industry is a legacy of both the Center and the leadership and devotion provided by Dr. Dupree.

I am proud to call Harry Dupree a friend and express my deep gratitude for being given this opportunity to honor our friendship and his career.

Sincerely,

MILO J. SHULT,
Vice President for Agriculture.

KEO FISH FARM, INC.,
Keo, AR, June 21, 1999.

Sen. BLANCH LINCOLN,
United States Senate, Washington, D.C. 20510

DEAR SENATOR LINCOLN: As I discussed earlier with you, Keo Fish Farm, Inc. would consider it most appropriate for the Stuttgart Fish Farming Experiment Station to be re-named after its long-time Director, Dr. Harry K. Dupree. I believe you will find widespread support among Arkansas' fish farmers for such action.

Sincerely,

MIKE FREEZE.

By Mr. DORGAN (for himself, Mr. LOTT, Mr. DASCHLE, Mr. NICKLES, Mr. REID, Mr. MURKOWSKI, Mr. CONRAD, Mr. BREAUX, Mr. GRAHAM, Mr. KERREY, Mr. HAGEL, Mr. HARKIN, Mr. DURBIN, Mr. SCHUMER, Mr. COCHRAN, Mr. CRAIG, Mr. BROWNBACK, Mr. WELLSTONE, Mr. EDWARDS, Mr. CAMPBELL, Mr. JOHNSON, Mr. BINGAMAN, Mr. MACK, Mr. DOMENICI, Mr. BENNETT, Mr. SANTORUM, and Mr. LEAHY):

S. 1341. A bill to amend the Internal Revenue Code of 1986 to expand the applicability of section 179 which permits the expensing of certain depreciable assets; to the Committee on Finance.

MAIN STREET BUSINESS INCENTIVE ACT OF 1999

● Mr. DORGAN. Mr. President, today I'm joined by Senators LOTT, DASCHLE, NICKLES, REID, MURKOWSKI, and twenty-one other distinguished colleagues in introducing the "Main Street Business Incentive Act of 1999," which addresses a gap in the current law that is impeding the improvement of many of our small town Main Street businesses. Specifically, the bill would raise the income tax expensing provision for small businesses in current law from $19,000 to $25,000 this year. The bill also would expand the provision to cover investments in commercial buildings and structural improvements.

Mr. President, small businesses are the economic anchors of Main Streets in small and large communities throughout our country. They provide jobs, sponsor local charities and little league teams, and enable people to purchase their daily necessities without driving long distances. Without small businesses, we wouldn't have communities, which is why Congress has adjusted the tax laws in numerous ways over the years to encourage investments that enable them to grow and thrive.

For example, many businesses have to depreciate the cost of new equipment purchases—which is to say, they deduct these costs over a long period of years. Small businesses, by contrast, can "expense" up to $19,000 in purchases of such assets. They deduct the cost entirely in the first year. That maximum amount will increase to $25,000 in year 2003. This tax provision is helpful to many small businesses because it enables them to write off the investment immediately and so bolsters their cash flow.

However, this expensing provision is not as helpful as it could be and needs to be. Specifically, it does not include investments that small businesses make in improving the store front or the building in which they conduct their business. In many small towns, the local drug store, shoe store or grocery store doesn't have much need of new equipment. But it does need to improve the store front or the interior, and generally spruce things up.

Such investments are good for our Main Streets. They improve the appearance of both the business and the town. Yet under today's tax law, if a small business owner improves his storefront, he has to spread the cost of the investments for tax purposes over 39 years, which is the depreciation schedule for commercial real estate. The result is a large economic hurdle for many of these small businesses.

There are Main Streets all across our country that were built or refurbished thirty, forty or fifty years ago and now need investment and improvement. The Tax Code should encourage this. A simple way to accomplish it is to allow the expensing of up to $25,000, not only for equipment and machinery, but also for small business investments in store fronts and business locations. The motel, the gas station, the hardware store or barber shop ought to be able to "expense" that amount of investment in their property. That's what my legislation provides.

This would be a significant benefit to America's small business and I think would result in a significant improvement in America's communities and main streets. This legislation is supported by a number of small business-oriented trade groups including the National Federation of Independent Business (NFIB), NFIB-North Dakota, the Small Business Legislative Council, the North Dakota Association of Realtors and National Association of Realtors.

I urge my colleagues to cosponsor this much-needed legislation.●

By Mr. ALLARD:

S. 1342. A bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers; to the Committee on Finance.

LEGISLATION TO REPEAL THE FEDERAL DEATH TAX

● Mr. ALLARD. Mr. President, today I am introducing legislation to repeal the federal death tax, otherwise known as the estate and gift tax. I ask unanimous consent that the text of the bill be printed in the RECORD. I also ask unanimous consent that Colorado Senate Joint Memorial 99-004, approved by the Colorado Legislature be printed in the RECORD. This memorial resolution urges the immediate repeal of the Federal estate and gift tax. Finally, I ask that an article I recently wrote on this topic be printed in the RECORD.

The material follows:

S. 1342

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF FEDERAL TRANSFER TAXES.

(a) IN GENERAL.—Subtitle B of the Internal Revenue Code of 1986 is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to the estates of decedents dying, and gifts and generation-skipping transfers made, after the date of enactment of this Act.

(c) TECHNICAL AND CONFORMING CHANGES.—The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

TIME TO END THE ESTATE TAX

(By Senator Wayne Allard)

As we approach the new millennium a consensus has emerged in favor of significant tax reform. While some prefer the flat tax, others advocate the sales tax. A third camp argues that Congress should avoid a complete overhaul and instead work to improve the existing system. Whatever path is chosen, it should include elimination of the federal estate and gift tax. Repeal of the estate tax is the first step toward a fairer and flatter tax system.

Congress has levied estate taxes at various times throughout U.S. history, particularly during war. The current estate tax dates back to 1916, a time when many in Congress were looking for ways to redistribute some of the wealth held by a small number of super-rich families. This first permanent estate tax had a top rate of only 10 percent, and the threshold was high enough to ensure that the tax effected only a tiny fraction of the population.

Like the rest of our tax code, it did not take long for this limited tax to evolve into a more substantial burden. In only the second year of the tax, the top rate was increased to 25 percent. By 1935 the top rate was 70 percent and in 1941 it reached an all time high of 77 percent.

While income tax rates have declined in recent decades, estate taxes have remained high. Today, the top estate tax rate is 55 percent (a top marginal rate of 60 percent is paid by some estates), and the tax is imposed on amounts above the 1999 exemption level of $650,000 (value above $650,000 is taxed at an initial rate of 37%).

Generally, the value of all assets held at death is included in the estate for purposes of assessing the tax—this includes residences, business assets, stocks, bonds, savings, personal property, etc. Estate tax returns are due within nine months of the decedent's death (a six-month extension is available) and with the exception of certain closely held businesses, the tax is due when the return is filed. The tax is paid by the estate rather than by the beneficiary (in contrast to an inheritance tax).

The 1997 tax bill increased the unified estate and gift tax exemption from $600,000 to $1 million. However, this is done very gradually and does not reach the $1 million level until 2006. The bill also increased the exemption amount for a qualified family owned business to $1.3 million. While both actions are a good first step, they barely compensate for the effects of inflation. The $600,000 exemption level was last set in 1987, just to keep pace with inflation the exemption should have risen to $850,000 by 1997. Incremental improvements help, but we need more substantial reform.

The United States retains among the highest estate taxes in the world. Among industrial nations, only Japan has a higher top rate than the U.S. But Japan's 70 percent applies to an inheritance of $16 million or more. The U.S. top rate of 55% kicks in on estates of $3 million or more. France, the United Kingdom, and Ireland all have top rates of 40%, and the average top rate of OECD countries is only 29%. Australia, Canada, and Mexico presently have no estate taxes.

The strongest argument that supporters of the estate tax make is that most American families will never have to pay an estate tax. While this is true, it does not justify retention of a tax that causes great harm to family businesses and farms, often constitutes double taxation, limits economic growth, consumes significant resources in unproductive tax compliance activities, and raises only a tiny portion of federal tax revenues. In other words, the estate tax is not worth all the trouble.

The estate tax can destroy a family business. This is the most disturbing aspect of the tax. No American family should lose its business or farm because of the estate tax. Current estimates are that more than 70 percent of family businesses do not survive the second generation, and 87 percent do not survive the third generation. While there are many reasons for these high numbers, the estate tax is certainly one of them. The estate tax fails to distinguish between cash and non-liquid assets, and since family businesses are often asset-rich and cash poor, they can be forced to sell assets in order to pay the tax. This practice can destroy the business outright, or leave it so strapped for capital that long-term survival is jeopardized. Similarly, more and more large ranches and farms are facing the prospect of breakup and sale to developers in order to pay the estate tax. In addition to destroying a family business, this harms the environment.

Recently, the accounting firm Price Waterhouse calculated the taxable components of 1995 estates. While 21 percent of assets were corporate stock and bonds, and another 21 percent were mutual fund assets, fully 32 percent of gross estates consisted of "business assets" such as stock in closely held businesses, interests in non-corporate businesses and farms, and interests in limited partnerships. In larger estates this portion rose to 55 percent. Clearly, a substantial portion of taxable estates consist of family businesses.

The National Center for Policy Analysis reports that a 1995 survey by Travis Research Associates found that 51 percent of family businesses would have significant difficulty surviving the estate tax, and 30 percent of respondents said they would have to sell part or all of their business. This is supported by a 1995 Family Business Survey conducted by Matthew Greenwald and Associates which found that 33 percent of family businesses anticipate having to liquidate or sell part of their business to pay the estate tax.

While some businesses are destroyed by the estate tax, many more expend substantial resources in tax planning and compliance. Those that survive the estate tax often do so by purchasing expensive insurance. A 1995 Gallup survey of family firms found that 23 percent of the owners of companies valued at over $10 million pay $50,000 or more per year in insurance premiums on policies designed to help them pay the eventual tax bill. The same survey found that family firms estimated they had spent on average over $33,000 on lawyers, accountants and financial planners over a period of 6.5 years in order to prepare for the estate tax.

In fact, one of the great ironies of the estate tax is that an extensive amount of tax planning can very nearly eliminate the tax. This results in a situation where the very wealthy can end up paying less estate tax than those of more modest means. As noted above, life insurance can play a big role in estate planning, but there are also mechanisms such as qualified personal residence trusts, charitable remainder trusts, charitable lead trusts, generation-skipping trusts, and the effective use of annual gifts. While these mechanisms may reduce the tax, they waste resources that could be put to much better use growing businesses and creating jobs.

One of the tenets of a fair tax system is that income is taxed only once. Income should be taxed when it is first earned or realized, it should not be repeatedly re-taxed by government. The estate tax violates this tenet. At the time of a person's death, much of their savings, business assets, or farm assets have already been subjected to federal, state, and local tax. These same assets are then taxed again under the estate tax. Price Waterhouse has calculated that those families that will be liable for the estate tax face the prospect of nearly 73 percent of every dollar being taxed away.

Repeal of the estate tax would benefit the economy. Without the estate tax, greater business resources could be put toward productive economic activities. Recently, the Center for the Study of Taxation commissioned George Mason University Professor Richard Wagner to estimate the economic impact of a phase-out of the estate tax. He estimated that if the tax is phased out over 5 years beginning in 1999, that the economy would create 189,895 more jobs and would grow by an additional $509 billion over a ten year period. Similarly, a recent Heritage Foundation study simulated the results of an estate tax repeal under two respected economic models, the Washington University Macro Model, and the Wharton Econometric Model. Under the models, a repeal of the tax is forecast to increase jobs and GDP, as well as reduce the cost of capital.

One might expect that with all the economic dislocation associated with the estate tax that it raises a significant amount of revenue or accomplishes a redistributionist social policy. In fact, the revenue take is quite modest—approximately 1 percent of federal revenue, or $14.7 billion in 1995. And as for social policy, the ability of the federal government to equalize wealth through the estate tax may be quite limited. A 1995 study published by the Rand Corporation found that for the very wealthiest Americans, only 7.5 percent of their wealth is attributable to inheritance—the other 92.5 percent is from earnings.

America is a nation of tremendous economic opportunity. Success is determined principally through hard work and individual initiative. Our tax policy should focus on encouraging greater initiative rather than on attempts to limit inherited wealth. The estate tax is a relic. It damages family businesses, harms the economy, and constitutes double taxation. It is time for the estate tax to go.

SENATE JOINT MEMORIAL 99–004

Whereas, The Federal Unified Gift and Estate Tax, or "Death Tax", generates a minimal amount of federal revenue, especially considering the high cost of collection and compliance and in fact has been shown to decrease federal revenues from what they might otherwise have been; and

Whereas, This federal Death Tax has been identified as destructive to job opportunity and expansion, especially to minority entrepreneurs and family farmers; and

Whereas, This federal Death Tax causes severe hardship to growing family businesses and family farming operations, often to the point of partial or complete forced liquidation; and

Whereas, Critical state and local leadership assets are unnecessarily destroyed and forever lost to the future detriment of their communities through relocation or liquidation; and

Whereas, Local and state schools, churches, and numerous charitable organizations would greatly benefit from the increased employment and continued family business leadership that would result from the repeal of the federal Death Tax; now, therefore,

Be It Resolved by the Senate of the Sixty-second General Assembly of the State of Colorado, the House of Representatives concurring herein: That the Congress of the United States is hereby memoralized to immediately repeal the Federal Unified Gift and Estate Tax.

Be It Further Resolved, That copies of this Joint Memorial be sent to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, and each member of the Colorado congressional delegation.●

By Mr. REID:

S. 1343. A bill to direct the Secretary of Agriculture to convey certain National Forest land to Elko County, Nevada, for continued use as a cemetery, to the Committee on Energy and Natural Resources.

CONVEYANCE OF NATIONAL FOREST LAND TO ELKO COUNTY, NEVADA

Mr. REID. Mr. President, I rise today to introduce legislation to authorize the Secretary of Agriculture to convey, without consideration, two acres of land to Elko County, NV, for use as a cemetery. This proposal should not be controversial, and I urge my colleagues to act upon this quickly.

Jarbidge, NV, is a small town located in the remote wilderness of Elko County in northern Nevada. Surrounded by the Humboldt-Toiyabe National Forest, this community is representative of many of the small, rural communities of Nevada. Its residents have worked hard to earn a living off the land and many of its families have deep roots in Nevada established decades ago by early pioneers to the Silver State. Since the 1900's, the people there have buried their dead in a small parcel of national forest land.

The people of Jarbidge now have an opportunity to establish a permanent trust for the maintenance of this historic cemetery. The establishment of the trust is dependent on county ownership of the land, however. The Forest Service has stated that they cannot and will not give the land to the County, and insist that the land be paid for—either in cash or via a land exchange. While I agree that in the vast majority of instances this is the correct stance, in this case the Forest Service is just plain wrong.

We should do the right thing and give this land to the county to honor the families whose loved ones rest in that small cemetery. The bill I introduce today is companion legislation to a House bill introduced by my fellow Nevada legislator JIM GIBBONS—a bill which is making its way through the House. I hope my colleagues in the Senate will act quickly so that the residents of Jarbidge will know the entire U.S. Congress supports their efforts to honor the memory of deceased residents whose graves occupy this tiny plot of land.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF NATIONAL FOREST LAND TO ELKO COUNTY, NEVADA, FOR USE AS CEMETERY.

(a) REQUIREMENT TO CONVEY.—The Secretary of Agriculture shall convey, without consideration, to Elko County, Nevada, all right, title, and interest of the United States in and to the parcel of real property described in subsection (b), for use as a cemetery.

(b) DESCRIPTION OF PROPERTY.—

(1) IN GENERAL.—The property referred to in subsection (a) is a parcel of National Forest land (including any improvements on the land) in Elko County, Nevada, known as "Jarbidge Cemetery", consisting of approximately 2 acres and described as the NE¼SW1¼NW¼ of Section 9 T 46 N, R 58 E, MDB&M.

(2) SURVEY.—

(A) IN GENERAL.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(B) COST.—As a condition of any conveyance under this section, the County shall pay the cost of the survey.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions with respect to the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

ADDITIONAL COSPONSORS

S. 97

At the request of Mr. McCAIN, the names of the Senator from Missouri (Mr. BOND) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 97, a bill to require the installation and use by schools and libraries of a technology for filtering or blocking material on the Internet on computers with Internet access to be eligible to receive or retain universal service assistance.

S. 215

At the request of Mr. MOYNIHAN, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 215, a bill to amend title XXI of the Social Security Act to increase the allotments for territories under the State Children's Health Insurance Program.

S. 222

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 222, a bill to amend title 23, United States Code, to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 333

At the request of Mr. LEAHY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 333, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to improve the farmland protection program.

S. 343

At the request of Mr. BOND, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 343, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 376

At the request of Mr. BURNS, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from Hawaii (Mr. INOUYE), the Senator from Alaska (Mr. STEVENS), and the Senator from Mississippi (Mr. LOTT) were added as cosponsors of S. 376, a bill to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 446

At the request of Mrs. BOXER, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 446, a bill to provide for the permanent protection of the resources of the United States in the year 2000 and beyond.

S. 459

At the request of Mr. BREAUX, the names of the Senator from North Dakota (Mr. DORGAN), the Senator from New Hampshire (Mr. GREGG), and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 472

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 484

At the request of Mr. CAMPBELL, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 484, a bill to provide for the granting of refugee status in the United States to nationals of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present, if those nationals assist in the return to the United States of those POW/MIAs alive.

S. 542

At the request of Mr. ABRAHAM, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 542, a bill to amend the Internal Revenue Code of 1986 to expand the deduction for computer donations to schools and allow a tax credit for donated computers.

S. 566

At the request of Mr. LUGAR, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of S. 566, a bill to amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.

S. 635

At the request of Mr. MACK, the name of the Senator from California (Mrs.

FEINSTEIN) was added as a cosponsor of S. 635, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

S. 642

At the request of Mr. GRASSLEY, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 642, a bill to amend the Internal Revenue Code of 1986 to provide for Farm and Ranch Risk Management Accounts, and for other purposes.

S. 659

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 659, a bill to amend the Internal Revenue Code of 1986 to require pension plans to provide adequate notice to individuals whose future benefit accruals are being significantly reduced, and for other purposes.

S. 663

At the request of Mr. SPECTER, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 663, a bill to impose certain limitations on the receipt of out-of-State municipal solid waste, to authorize State and local controls over the flow of municipal solid waste, and for other purposes.

S. 676

At the request of Mr. CAMPBELL, the names of the Senator from Indiana (Mr. BAYH), the Senator from Maryland (Mr. SARBANES), and the Senator from Missouri (Mr. BOND) were added as cosponsors of S. 676, a bill to locate and secure the return of Zachary Baumel, a citizen of the United States, and other Israeli soldiers missing in action.

S. 693

At the request of Mr. HELMS, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 693, a bill to assist in the enhancement of the security of Taiwan, and for other purposes.

S. 800

At the request of Mr. BURNS, the names of the Senator from Tennessee (Mr. FRIST), the Senator from Michigan (Mr. ABRAHAM), and the Senator from Missouri (Mr. ASHCROFT) were added as cosponsors of S. 800, a bill to promote and enhance public safety through the use of 9-1-1 as the universal emergency assistance number, further deployment of wireless 9-1-1 service, support of States in upgrading 9-1-1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous, and reliable networks for personal wireless services, and for other purposes.

S. 817

At the request of Mrs. BOXER, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 817, a bill to improve academic and social outcomes for students and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities during after school hours.

S. 856

At the request of Mr. JEFFORDS, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 856, a bill to provide greater options for District of Columbia students in higher education.

S. 879

At the request of Mr. CONRAD, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements.

S. 918

At the request of Mr. KERRY, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 918, a bill to authorize the Small Business Administration to provide financial and business development assistance to military reservists' small business, and for other purposes.

S. 951

At the request of Mr. DOMENICI, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 951, a bill to amend the Internal Revenue Code of 1986 to establish a permanent tax incentive for research and development, and for other purposes.

S. 952

At the request of Mr. BIDEN, his name was withdrawn as a cosponsor of S. 952, a bill to expand an antitrust exemption applicable to professional sports leagues and to require, as a condition of such an exemption, participation by professional football and major league baseball sports leagues in the financing of certain stadium construction activities, and for other purposes.

S. 959

At the request of Mr. HOLLINGS, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New York (Mr. MOYNIHAN), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 959, a bill to establish a National Ocean Council, a Commission on Ocean Policy, and for other purposes.

S. 969

At the request of Mr. ASHCROFT, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 969, a bill to amend the Individuals with Disabilities Education Act and the Gun-Free Schools Act of 1994 to authorize schools to apply appropriate discipline measures in cases where students have weapons or threaten to harm others, and for other purposes.

S. 1017

At the request of Mr. MACK, the names of the Senator from Montana (Mr. BURNS), and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

S. 1075

At the request of Mrs. BOXER, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1075, a bill to promote research to identify and evaluate the health effects of silicone breast implants, and to insure that women and their doctors receive accurate information about such implants.

S. 1079

At the request of Mr. MACK, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1079, a bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals subject to Federal hours of service.

S. 1108

At the request of Mr. COCHRAN, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1108, a bill to amend the Federal Crop Insurance Act to improve crop insurance coverage and administration, and for other purposes.

S. 1130

At the request of Mr. MCCAIN, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 1130, a bill to amend title 49, United States Code, with respect to liability of motor vehicle rental or leasing companies for the negligent operation of rented or leased motor vehicles.

S. 1159

At the request of Mr. STEVENS, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 1159, a bill to provide grants and contracts to local educational agencies to initiate, expand, and improve physical education programs for all kindergarten through 12th grade students.

S. 1165

At the request of Mr. MACK, the names of the Senator from Kentucky (Mr. BUNNING), the Senator from Montana (Mr. BURNS), and the Senator from Illinois (Mr. FITZGERALD) were added as cosponsors of S. 1165, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 1172

At the request of Mr. TORRICELLI, the name of the Senator from Florida (Mr. MACK) was added as a cosponsor of S. 1172, a bill to provide a patent term restoration review procedure for certain drug products.

S. 1227

At the request of Mr. CHAFEE, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1227, a bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women and children to be eligible for medical assistance under the medical program, and for other purposes.

S. 1267

At the request of Mr. SCHUMER, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1267, a bill to require that health care providers inform their patients of certain referral fees upon the referral of the patients to clinical trials.

S. 1277

At the request of Mr. BAUCUS, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1290

At the request of Mr. INOUYE, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1290, a bill to amend title 36 of the United States Code to establish the American Indian Education Foundation, and for other purposes.

S. 1310

At the request of Ms. COLLINS, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1310, a bill to amend title XVIII of the Social Security Act to modify the interim payment system for home health services, and for other purposes.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. SPECTER, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of Senate Concurrent Resolution 34, a concurrent resolution relating to the observance of "In Memory" Day.

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. SCHUMER, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of Senate Concurrent Resolution 36, a concurrent resolution condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan.

SENATE RESOLUTION 92

At the request of Mrs. BOXER, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of Senate Resolution 92, a resolution expressing the sense of the Senate that funding for prostate cancer research should be increased substantially.

SENATE RESOLUTION 95

At the request of Mr. THURMOND, the names of the Senator from Connecticut (Mr. DODD), the Senator from Nebraska (Mr. KERREY), the Senator from California (Mrs. FEINSTEIN), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of Senate Resolution 95, a resolution designating August 16, 1999, as "National Airborne Day."

SENATE RESOLUTION 119

At the request of Mr. SMITH, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of Senate Resolution 119, a resolution expressing the sense of the Senate with respect to United Nations General Assembly Resolution ES–10/6.

SENATE CONCURRENT RESOLUTION 43—PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

Mr. LOTT submitted the following resolution; which was considered and agreed to:

S. CON. RES. 43

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, July 1, 1999, Friday, July 2, 1999, or Saturday, July 3, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Monday, July 12, 1999, or until such time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, July 1, 1999, or Friday, July 2, 1999, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 12:30 p.m. on Monday, July 12, 1999, for morning-hour debate, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE RESOLUTION 132—DESIGNATING THE WEEK BEGINNING JANUARY 21, 2001, "ZINFANDEL GRAPE APPRECIATION WEEK"

Mrs. FEINSTEIN (for herself and Mrs. BOXER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 132

Whereas Zinfandel grapes have historical significance among agricultural products of the United States, in that the origins of Zinfandel grapes in the United States date back to the 1830s;

Whereas Zinfandel grape vines are a living link to the time when gold was discovered in the Sierra Nevada mountains and many people in the United States moved west to seek their fortunes;

Whereas some Zinfandel grape vines in the Sierra Nevada foothills are at least 125 years old and still producing grapes;

Whereas Zinfandel grape vines were an integral part of the Gold Rush of 1849 and the agricultural cultivation of the West;

Whereas Zinfandel wine is an excellent representative of the agricultural community of the United States because its development and production range from the hot houses and nurseries of New England and Long Island to the hills and valleys of the Pacific Coast and Southwest;

Whereas Zinfandel grape vines are planted in 14 States and distributed to every major community in all 50 States, and have worldwide recognition by scholars, growers, and consumers as being a quintessential creation of the United States;

Whereas Zinfandel grape products are used in products as diverse as jams, pasta sauce, and wine;

Whereas the Zinfandel grape, a principal component of an important agricultural sector in the United States, has been the leading red grape from the 1880s to the present in terms of acres planted and wine produced, and is accordingly a crucial part of an industry that, in 1996, produced approximately $41,000,000,000 of direct and indirect economic activity and $3,000,000,000 in State and local revenue, and provided permanent employment for 554,630 people;

Whereas Zinfandel wine has been winning first prize and similar recognition in competitions since 1859 against domestic and internationally produced wines, and brings great credit to the quality of agriculture in the United States;

Whereas Zinfandel vines grown in the United States serve as the source of vines grown elsewhere in the world and set the standards for Zinfandel vines worldwide;

Whereas only Zinfandel wine, among the wines of the world, is recognized as being a product that is uniquely from the United States;

Whereas the Zinfandel grape is an embodiment of the history and heritage of the United States, and, in particular, of the settlement and agricultural cultivation of the West; and

Whereas for the reasons described above, the Zinfandel grape is a national treasure: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week beginning January 21, 2001, as "Zinfandel Grape Appreciation Week"; and

(2) requests the President to issue a proclamation calling on the people of the United States to celebrate the week with appropriate ceremonies and programs.

• Mrs. FEINSTEIN. Mr. President, I rise today to submit a resolution to commemorate the Zinfandel grape.

The Zinfandel grape has a long and unique history that mirrors the diversity and agricultural development of our nation. Unlike other grapes that today have international recognition—such as Cabernet, Chardonnay, or Pinot Noir—the Zinfandel grape is uniquely and distinctly American. One writer has referred to it as "the Horatio Alger of varietals, the True American."

While Zinfandel's exact origins are unclear, we know that it was consumed as a table grape in New England in the 1830's, and that Zinfandel cuttings from a nursery in Long Island were taken by the settlers as they headed west. During the California Gold Rush of 1849, Zinfandel vines were planted and their products consumed as table grapes and as wine. By the 1880's, Zinfandel was the most commonly planted red grape in the West, and the wine made from Zinfandel grapes began winning awards as early as 1859.

Today the Zinfandel grape is our most versatile of viticultural products. It is used in jams, jellies, pasta sauces, mustards, and other food products. It is produced as a wine in 14 states, including Arizona, California, Colorado, Illinois, Indiana, Iowa, Massachusetts, Nevada, New Mexico, North Carolina, Oregon, Ohio, Tennessee and Texas.

Zinfandel products now touch every region of the United States, yet knowledge of its uniquely American heritage is poor. I hope that passage of this resolution will bring greater awareness to the public of the notable and uniquely American attributes of this important agricultural product.

In my state, there are grape vines in the foothills of the Sierra Nevada mountains that have been alive since the late 1800's. These ancient vines still produce grapes, and the genetic qualities of these grapes so interest scientists that the University of California at Davis has established a "Heritage Vineyard" project specifically to study these plants.

On a more prosaic level, these old vines are a living link to our past—to a time when many Americans living in the East uprooted themselves and moved to West to cultivate and settle the entire expanse of our country. We should recognize and treasure these historical connections to the development of our nation.

Mr. President, let me clarify that this resolution does not seek to commemorate an alcoholic product, or any particular commercial product. It does not seek to commemorate a "western" issue, since Zinfandel food products are consumed nationwide and Zinfandel grapes are made into wine in every major portion of the country. Indeed, the very origins of Zinfandel are in the East. Rather, my colleagues and I seek to commemorate a uniquely American agricultural product that has gained international recognition and that is produced and enjoyed in every part of this country.

I am pleased to submit this resolution to commemorate the Zinfandel grape and establish January 23–29, 2001, as Zinfandel Grape Appreciation Week.●

SENATE RESOLUTION 133—SUPPORTING RELIGIOUS TOLERANCE TOWARD MUSLIMS

Mr. ABRAHAM (for himself and Mr. CRAIG) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 133

Whereas the American Muslim community, comprised of approximately 6,000,000 people, is a vital part of our Nation, with more than 1,500 mosques, Islamic schools, and Islamic centers in neighborhoods across the United States;

Whereas Islam is one of the great Abrahamic faiths, whose significant contributions throughout history have advanced the fields of math, science, medicine, law, philosophy, art, and literature;

Whereas the United States is a secular nation, with an unprecedented commitment to religious tolerance and pluralism, where the rights, liberties, and freedoms guaranteed by the Constitution are guaranteed to all citizens regardless of religious affiliation;

Whereas Muslims have been subjected, simply because of their faith, to acts of discrimination and harassment that all too often have led to hate-inspired violence, as was the case during the rush to judgment in the aftermath of the tragic Oklahoma City bombing;

Whereas discrimination against Muslims intimidates American Muslims and may prevent Muslims from freely expressing their opinions and exercising their religious beliefs as guaranteed by the first amendment to the Constitution;

Whereas American Muslims have regrettably been portrayed in a negative light in some discussions of policy issues such as issues relating to religious persecution abroad or fighting terrorism in the United States;

Whereas stereotypes and anti-Muslim rhetoric have also contributed to a backlash against Muslims in some neighborhoods across the United States; and

Whereas all persons in the United States who espouse and adhere to the values of the founders of our Nation should help in the fight against bias, bigotry, and intolerance in all their forms and from all their sources: Now, therefore, be it

Resolved, That—

(1) the Senate condemns anti-Muslim intolerance and discrimination as wholly inconsistent with the American values of religious tolerance and pluralism;

(2) while the Senate respects and upholds the right of individuals to free speech, the Senate acknowledges that individuals and organizations that foster such intolerance create an atmosphere of hatred and fear that divides the Nation;

(3) the Senate resolves to uphold a level of political discourse that does not involve making a scapegoat of an entire religion or drawing political conclusions on the basis of religious doctrine; and

(4) the Senate recognizes the contributions of American Muslims, who are followers of one of the three major monotheistic religions of the world and one of the fastest growing faiths in the United States.

SENATE RESOLUTION 134—EXPRESSING THE SENSE OF THE SENATE THAT JOSEPH JEFFERSON "SHOELESS JOE" JACKSON SHOULD BE APPROPRIATELY HONORED FOR IS OUTSTANDING BASEBALL ACCOMPLISHMENTS

Mr. HARKIN (for himself, Mr. THURMOND, and Mr. HOLLINGS) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 134

Resolved,

SECTION 1. SENSE OF THE SENATE THAT "SHOELESS JOE" JACKSON SHOULD BE RECOGNIZED FOR HIS BASEBALL ACCOMPLISHMENTS.

(a) FINDINGS.—The Senate finds the following:

(1) In 1919, the infamous "Black Sox" scandal erupted when an employee of a New York gambler allegedly bribed 8 players of the Chicago White Sox, including Joseph Jefferson "Shoeless Joe" Jackson, to throw the first and second games of the 1919 World Series to the Cincinnati Reds.

(2) In September 1920, a criminal court acquitted "Shoeless Joe" Jackson of the charge that he conspired to throw the 1919 World Series.

(3) Despite the acquittal, Commissioner Landis banned "Shoeless Joe" Jackson from playing Major League Baseball for life without conducting any investigation of Jackson's alleged activities, issuing a summary punishment that fell far short of due process standards.

(4) The evidence shows that Jackson did not deliberately misplay during the 1919 World Series in an attempt to make his team lose the World Series.

(5) During the 1919 World Series, Jackson's play was outstanding—his batting average was .375, the highest of any player from either team; he had 12 hits, setting a World Series record; he did not commit any errors; and he hit the only home run of the Series.

(6) Not only was Jackson's performance during the 1919 World Series unmatched, but his accomplishments throughout his 13-year career in professional baseball were outstanding as well—he was 1 of only 7 Major League Baseball players to ever top the coveted mark of a .400 batting average for a season, and he earned a lifetime batting average of .356, the third highest of all time.

(7) "Shoeless Joe" Jackson's career record clearly makes him one of our Nation's top baseball players of all time.

(8) Because of his lifetime ban from Major League Baseball, "Shoeless Joe" Jackson has been excluded from consideration for admission to the Major League Baseball Hall of Fame.

(9) "Shoeless Joe" Jackson passed away in 1951, and 80 years have elapsed since the 1919 World Series scandal erupted.

(10) Recently, Major League Baseball Commissioner Bud Selig took an important first step toward restoring the reputation of "Shoeless Joe" Jackson by agreeing to investigate whether he was involved in a conspiracy to alter the outcome of the 1919 World Series and whether he should be eligible for inclusion in the Major League Baseball Hall of Fame.

(11) Courts have exonerated "Shoeless Joe" Jackson, the evidence shows that Jackson did not deliberately misplay during the 1919 World Series, and 80 years have passed since the scandal erupted; therefore, Major League

Baseball should remove the taint upon the memory of "Shoeless Joe" Jackson and honor his outstanding baseball accomplishments.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Joseph Jefferson "Shoeless Joe" Jackson should be appropriately honored for his outstanding baseball accomplishments.

• Mr. HARKIN. Mr. President, on behalf of myself and Senators THURMOND and HOLLINGS, I am submitting today a sense of the Senate resolution to right a wrong perpetrated against one of the greatest American baseball players of all time—Joseph Jefferson "Shoeless Joe" Jackson.

In 1920 "Shoeless Joe" Jackson was banned from the game of baseball, the game he loved. He was banned from Major League baseball for allegedly taking part in a conspiracy to throw the 1919 World Series, in what has become known as the "Black Sox" scandal. While "Shoeless Joe" did admit that he received $5,000 from his roommate, Lefty Williams, to participate in the fix, evidence suggests that Jackson did everything in his power to stop the fix from going through. He twice tried to give the money back. He offered to sit out the World Series in order to avoid any appearance of impropriety. And, he tried to inform White Sox owner Charles Comisky of the fix. All of these efforts fell on deaf ears.

Perhaps the most convincing evidence of Jackson's withdrawal from the conspiracy was his performance on the field during the series. During the 1919 World Series—which he was accused of conspiring to fix—"Shoeless Joe" Jackson's batting average was .375, the highest of any player from either team. He had 12 hits, a World Series record. He led his team in runs scored and runs batted in. And, he hit the only home run of the series. On defense, Jackson committed no errors and had no questionable plays in 30 chances.

When criminal charges were brought against Jackson in trial, the jury found him "not guilty." White Sox owner Charles Comiskey and several sportswriters testified that they saw no indication that Jackson did anything to indicate he was trying to throw the series. But, when the issue came before the newly-formed Major League Baseball Commissioner's office, Commissioner Judge Kenesaw "Mountain" Landis found Jackson guilty of taking part in the fix, and he was banned for life from playing baseball. The Commissioner's office never conducted an investigation and never heard a hearing, thus denying "Shoeless Joe" Jackson due process.

Major League Baseball now has an opportunity to correct a great injustice. I wrote recently to Commissioner Bud Selig urging him to take a new look at this case. I was very pleased when the Commissioner responded to my inquiry by saying he is giving the case a fair and objective review. Restoring "Shoeless Joe" Jackson's eligibility for the Hall of Fame would benefit Major League Baseball, baseball fans, and all Americans who appreciate a sense of fair play.

"Shoeless Joe" Jackson is an inspiration to people of all generations. Babe Ruth was said to have copied Jackson's swing. I was touched by Jackson's story through the movie "Field of Dreams," which recounted his story. The movie was filmed in Dyersville, Iowa. Thousands of Iowans, young and old alike, have come to embrace "Shoeless Joe." In fact, there is an annual Shoeless Joe Jackson celebration and celebrity baseball game in Dyersville. This year it will be attended by a cast of baseball greats, including Tommy Lasorda and Bob Feller.

Jackson's career statistics and accomplishments throughout his thirteen years in professional baseball clearly earn him a place as one of baseball's all-time greats. His career batting average of .356 is the third highest of all time. In addition, Jackson was one of only seven Major League Baseball players to top the coveted mark of a .400 batting average for a season.

The resolution we submit today states that Major League Baseball should honor Jackson's accomplishments appropriately. I believe Jackson should be inducted into the Major League Baseball Hall of Fame. If that is to happen, Jackson must first be cleared for consideration by the Hall of Fame Veterans Committee, which will stand as the jury which decides whether Jackson's accomplishments during his playing career are worthy of recognition in the Hall of Fame.

Mr. President, we are involved in many important issues. Clearly, this matter will not and should not take up the same amount of time this body devotes to critical issues like health care, education, or national defense. But, restoring the good name and reputation of a single American is important. This resolution gives us an opportunity to right an old wrong. It gives us an opportunity to honor one of the all-time great players of America's pastime, "Shoeless Joe" Jackson.

I urge my colleagues to support this resolution.•

SENATE RESOLUTION—CALLING FOR THE IMMEDIATE RELEASE OF THE THREE HUMANITARIAN WORKERS IN YUGOSLAVIA

Mr. DURBIN (for himself and Mr. LEAHY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 135

Whereas Branko Jelen, Steve Pratt, and Peter Wallace are three humanitarian workers employed in Yugoslavia by CARE International, the relief and development organization, providing food, medicines and fuel to more than 50,000 Serbian refugees in Serbia and to displaced ethnic Albanians in Kosovo;

Whereas Steve Pratt and Peter Wallace, two Australian nationals, were detained on March 31, 1999, and later accused of operating and managing a spy ring and being employed by a spy ring, and Branko Jelen, a Yugoslav, was arrested one week later on the same charges;

Whereas on March 30, the organization CARE International had received a letter of commendation from the Yugoslavian government about CARE International's humanitarian work in Yugoslavia;

Whereas one of the three humanitarian workers, Steve Pratt, appeared on Serbian television on April 11, and he was coerced into saying that he had performed covert intelligence activities;

Whereas the three humanitarian workers were held without access to outsiders for 20 days;

Whereas on May 29 a military court dismissed every element of the original indictment, but then proceeded to convict the three CARE International workers on an entirely new charge of passing on information to a foreign organization, namely CARE International, and sentenced Pratt to 12 years, Jelen to six, and Wallace to four;

Whereas this last charge was introduced at the reading of the verdict, denying lawyers for the three any opportunity to mount an appropriate defense;

Whereas it appears these humanitarian workers were convicted of providing "situation reports" to their head office and other CARE International offices around the world, based on legitimately gathered information, necessary to enable CARE International management to plan their humanitarian assistance in a rapidly changing context and to inform CARE International management of the security situation in which their staff were working;

Whereas the convictions of these three humanitarian workers raise serious questions regarding the ability of humanitarian aid organizations to operate in Yugoslavia, with implications for their operations in other areas of conflict around the world;

Whereas the three humanitarian workers are innocent, committed no crime, and are being held prisoner unjustly;

Whereas Yugoslavia needs humanitarian workers who feel secure enough to do their work and who are not at risk of going to prison on false charges; and

Whereas many leaders around the world have raised the issue and sought to free the captives, including Kofi Annan, Nelson Mandela, Marti Ahtisaari, Mary Robinson, and Jesse Jackson: Now, therefore, be it

Resolved, That the Senate—

(1) urges the Government of the United States and the United Nations to undertake urgent and strenuous efforts to secure the release of the three CARE International humanitarian workers; and

(2) calls upon the Government of the Federal Republic of Yugoslavia to send a positive signal to the international humanitarian community and to give these workers their freedom without further delay.

Mr. DURBIN. Mr. President, today I am joining with Senator LEAHY to introduce a resolution calling for the immediate release of three CARE International workers in Yugoslavia. The three humanitarian workers committed no crime and are being held prisoner unjustly. Coercion was used in extracting a televised "confession" from one of the workers and the judicial proceedings held against them were a sham, preventing them from mounting a serious defense.

The men, Branko Jelen, Steve Pratt, and Peter Wallace, are three humanitarian workers employed in Yugoslavia by CARE International, which has been providing food, medicines and fuel to more than 50,000 Serbian refugees in Serbia and to displaced ethnic Albanians in Kosovo.

On March 31, 1999, Steve Pratt and Peter Wallace, two Australian nationals, were arrested and later accused of operating a spy ring. Branko Jelen, a Yugoslav, was arrested a week later on the same charges. Yugoslav officials forced Steve Pratt to appear on Serbian television on April 11, when he was coerced into saying that he had performed covert intelligence activities. The three were held without access to outsiders for 20 days.

On May 29 a military court dismissed the original indictment, but then convicted the three CARE International workers on an entirely new charge of passing on information to a foreign organization, their employer, CARE International! This charge was introduced at the reading of the verdict, denying lawyers for the three any opportunity to mount an appropriate defense. Pratt was sentenced to 12 years, Jelen to 6 years, and Wallace to 4 years in prison.

These humanitarian workers apparently were convicted of providing "situation reports" to their head office and other CARE International offices around the world, based on legitimately gathered information. Such reports are necessary to enable CARE International management to plan their humanitarian assistance and to inform CARE International management of the rapidly changing security situation faced by their staff.

The convictions of these three humanitarian workers raise serious questions regarding the ability of humanitarian aid organizations to operate in Yugoslavia, with implications for their operations in other areas of conflict around the world. Humanitarian workers must feel secure enough to do their work and must not be at risk of going to prison on false charges. Since that is not now the case in Serbia, CARE International regretfully was forced to stop its operations there.

The resolution we introduce today urges the United States and the United Nations to try to secure the release of the three humanitarian workers and calls on the Yugoslavia government to release them. I urge my colleagues to support this resolution.

SENATE RESOLUTION—CONDEMNING THE ACTS OF ARSON AT THE THREE SACRAMENTO, CA, AREA SYNAGOGUES ON JUNE 18, 1999, AND CALLING ON ALL AMERICANS TO CATEGORICALLY REJECT CRIMES OF HATE AND INTOLERANCE

Mrs. BOXER (for herself, Mrs. FEINSTEIN, Mr. DASCHLE, and Mr. ABRAHAM) submitted the following resolution; which was considered and agreed to:

S. RES. 136

Whereas on the evening of June 18, 1999, in Sacramento, California, the Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center were victims of malicious and cowardly acts of arson;

Whereas such crimes against our institutions of faith are crimes against us all;

Whereas we have celebrated since our Nation's birth the rich and colorful diversity of its people, and the sancitity of a free and democratic society;

Whereas the liberties Americans enjoy are attributed in large part to the courage and determination of visionaries who made great strides in overcoming the barriers of oppression, intolerance, and discrimination in order to ensure fair and equal treatment for every American by every American;

Whereas this type of unacceptable behavior is a direct assault upon the fundamental rights of all Americans who cherish their freedom of religion; and

Whereas every Member of Congress serves in part as a role model and bears a responsibility to protect and honor the multitude of cultural institutions and traditions we enjoy in the United States of America: Now, therefore, be it

Resolved, That the Senate—

(1) condemns the crimes that occurred in Sacramento, California, at Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center on the evening of June 18, 1999;

(2) rejects such acts of intolerance and malice in our society and interprets such attacks on cultural and religious institutions as an attack on all Americans;

(3) in the strongest terms possible, is committed to using Federal law enforcement personnel and resources pursuant to existing Federal authority to identify the persons who committed these heinous acts and bring them to justice in a swift and deliberate manner;

(4) recognizes and applauds the residents of the Sacramento, California, area who have so quickly joined together to lend support and assistance to the victims of these despicable crimes, and remain committed to preserving the freedom of religion of all members of the community; and

(5) calls upon all Americans to categorically reject similar acts of hate and intolerance.

AMENDMENTS SUBMITTED

TREASURY-POSTAL SERVICE APPROPRIATIONS

REED (AND CHAFEE) AMENDMENT NO. 1193

Mr. REED (for himself and Mr. CHAFEE) proposed an amendment to the bill (S. 1282) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes; as follows:

On page 98, insert between lines 4 and 5 the following:

SEC. 636. Section 5304 of title 5, United States Code, is amended by adding at the end the following:

"(j) For purposes of this section, the 5 counties of the State of Rhode Island (including Providence, Bristol, Newport, Kent, and Washington counties) shall be considered as 1 county, adjacent to the Boston-Worcester-Lawrence; Massachusetts, New Hampshire, Maine, and Connecticut locality pay area and the Hartford, Connecticut locality pay area.".

WARNER AMENDMENT NO. 1194

Mr. CAMPBELL (for Mr. WARNER) proposed an amendment to the bill, S. 1282, supra; as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROFESSIONAL LIABILITY INSURANCE.

(a) SHORT TITLE.—This Act may be cited as the "Federal Employees Equity Act of 1999".

(b) IN GENERAL.—Section 636(a) of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–363; 5 U.S.C. prec. 5941 note) is amended in the first sentence by striking "may" and inserting "shall".

(c) LAW ENFORCEMENT OFFICERS.—Section 636(c)(2) of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–364; 5 U.S.C. prec. 5941 note) is amended to read as follows:

"(2) the term 'law enforcement officer' means an employee, the duties of whose position are primarily the investigation, apprehension, prosecution, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including—

"(A) any law enforcement officer under section 8331(20) or 8401(17) of title 5, United States Code;

"(B) any special agent under section 206 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4823);

"(C) any customs officer as defined under section 5(e)(1) of the Act of February 13, 1911 (19 U.S.C. 267);

"(D) any revenue officer or revenue agent of the Internal Revenue Service; or

"(E) any Assistant United States Attorney appointed under section 542 of title 28, United States Code.".

(d) EFFECTIVE DATE.—The amendments made by this Act shall take effect on the later of—

(1) October 1, 1999; or

(2) the date of enactment of this Act.

Mr. WARNER. Mr. President, I rise today in support of my amendment creating the Federal Employees Equity Act of 1999.

My legislation expands a provision included in the Omnibus Appropriations Bill for fiscal year 1997 (P.L. 104–208) to allow Federal agencies to contribute to the costs of professional liability insurance for their senior executives, managers and law enforcement officials. While this important benefit contained in the Omnibus Appropriation bill was indeed enacted, it has not been made available on as wide a basis to Federal employees as we had hoped.

The Federal Employees Equity Act would ensure that Federal agencies reimburse one-half the premiums for Professional Liability Insurance for employees covered by this bill. Federal managers, supervisors and law enforcement officials should not have to fear the excessive costs of legal representation when unwarranted allegations are made against them and investigations of these allegations are conducted.

I was a strong supporter of the provision in 1996 because Federal officials often found themselves to be the target of unfounded allegations of wrongdoing. Sometimes allegations were made by citizens, against whom Federal officials were enforcing the law and by employees who had performance or conduct problems. Although many allegations have proven to be specious, these Federal officials were often subject to lengthy investigations and had to pay for their own legal representation when their agencies could not provide it.

The affected Federal managers, supervisors and law enforcement officials are generally prohibited from being represented by unions. For employees who are in bargaining units represented by unions, Congress allows Federal agencies to subsidize the time and expenses of union representatives when they are needed by such employees, whether or not they are dues paying members of the union.

Because these Federal officials are denied union representation, they have found it necessary to purchase Professional Liability Insurance in order to protect themselves when allegations are made against them to the Inspector General of their agency, to the Office of Special Counsel, or to the EEO office. The insurance provides coverage for legal representation for the employees when they are accused, and will pay judgments against the employee up to a maximum dollar amount if the employee is found to have made a mistake while carrying out his official duties. Currently, these managers must hire their own lawyers in order to defend their reputation and careers when they are the subject of a grievance, regardless of whether the complaint has merit.

The current law has had some success and has been implemented by several Federal departments including: Departments of Agriculture, Education, Interior, Labor, and such agencies as the Social Security Administration, Small Business Administration, General Services Administration, Securities and Exchange Commission, National Aeronautics and Space Administration, the Office of the Inspector General at the Department of Housing and Urban Development, the National Science Foundation, the Merit Systems Protection Board, the Office of the Inspector General at the Office of Public Health and Science, and the Substance Abuse and Mental Health Services Administration at Department of Health and Human Services.

Regrettably, other departments such as Treasury, Justice, Defense, Commerce, Transportation, Veterans Affairs, and agencies such as the Equal Employment Opportunity Commission, and the Office of Personnel Management have not seen fit to do so.

The professional associations of these officials (the Senior Executives Association, the Professional Managers Association, the FBI Agents Association, the Federal Criminal Investigators Association, the Federal Law Enforcement Officers Association, the National Association of Assistant U.S. Attorneys, and the Nation Treasury Employees Union) have endorsed the concept for legislation to require Federal agencies to reimburse half the cost of premiums for Professional Liability Insurance.

The intent of this measure is simply to "level the playing field" so that supervisors and managers are treated equally by various Federal agencies and have access to protections similar to those which are already provided for rank and file Federal employees.

I request your support for these Federal officials and for this legislation.

KYL (AND OTHERS) AMENDMENT NO. 1195

Mr. CAMPBELL (for Mr. KYL (for himself, Mrs. HUTCHISON, Mrs. FEINSTEIN, Mr. ABRAHAM, Mr. GRAHAM, Mr. GRAMM, and Mr. BINGAMAN)) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 13, line 24, strike "$1,670,747,000" and insert "$1,720,747,000".

On page 15, line 6, before the period, insert the following: ": *Provided further*, That $50,000,000 shall be available until expended to hire, train, provide equipment for, and deploy 500 new Customs inspectors".

On page 49, line 13, strike "$38,175,000" and insert "$36,500,000".

On page 50, line 1, strike "$23,681,000" and insert "$22,586,000".

On page 53, line 3, strike "$624,896,000" and insert "$590,110,000".

On page 58, line 8, strike "$120,198,000" and insert "$109,344,000".

On page 62, line 26, strike "$27,422,000" and insert "$25,805,000".

KYL (AND OTHERS) AMENDMENT NO. 1196

Mr. CAMPBELL (for Mr. KYL (for himself, Mrs. HUTCHISON, Mrs. FEINSTEIN, Mr. MCCAIN, and Mr. ABRAHAM)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE ON FUNDING FOR CUSTOMS SERVICE PERSONNEL.

(a) FINDINGS.—The Senate finds the following:

(1) The Federal Government is responsible for securing our Nation's borders and stopping the flow of illegal drugs into the United States. The Federal Government is also responsible for affecting the flow of legitimate trade and commerce across the southern and northern borders of the United States.

(2) The United States Customs Service needs additional personnel to carry out its increasingly difficult mission, to seize illegal drugs and contraband and facilitate legitimate trade and commerce. Canada and Mexico are the United States first and second largest trading partners, respectively.

(3) The number of commercial trucks crossing United States-Mexico and United States-Canada ports-of-entry increased from 7,500,000 in 1994 to 10,100,000 in 1998, a 40-percent increase. More than 372,000,000 people crossed either the United States-Mexico or United States-Canada border in fiscal year 1998 and an additional 87,000,000 international passengers were processed at United States airports and seaports during fiscal year 1998. Between 1994 and 1998, however, the total number of United States Customs Service inspectors and canine enforcement officers increased by only 540, from 5,668 inspectors to 6,208 inspectors. As a result, significant delays in cross-border traffic now occur at various ports-of-entry throughout the United States.

(4) Even with limited numbers of inspectors and agents, the United States Customs Service continues to seize an alarming amount of drugs. Of the 3,484 pounds of heroin seized in the United States in 1998, the United States Customs Service seized 2,705 pounds. Of the 264,630 pounds of cocaine seized in the United States in 1998, the Customs Service seized 148,103 pounds. Of the 1,760,000 pounds of marijuana seized last year in the United States, the Customs Service seized 995,988 pounds.

(5) The United States Customs Service must have the necessary staffing and technology to detect, deter, disrupt, and seize illegal drugs and to expedite the processing of traffic and cargo at United States ports. Approximately 1,360 additional full-time Customs inspectors are needed to reduce traffic congestion to 20 minutes per vehicle at land ports of entry and to better interdict illegal drugs.

(6) The Customs Service requested 617 additional inspectors for fiscal year 2000 to work towards this goal. In the fiscal year 2000 budget request to Congress, however, the President set aside no additional money to hire additional inspectors.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that additional funding should be provided to the United States Customs Service to hire necessary staff for drug interdiction and traffic facilitation at United States land border crossings, including 617 full-time, active duty Customs inspectors for United States ports of entry.

JEFFORDS (AND LANDRIEU) AMENDMENT NO. 1197

Mr. CAMPBELL (for Mr. JEFFORDS (for himself, Mrs. LANDRIEU, and Mr. ROBB)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, add the following:

TITLE —CHILD CARE CENTERS IN FEDERAL FACILITIES

SECTION 1. SHORT TITLE.

This title may be cited as the "Federal Employees Child Care Act".

SEC. 2. DEFINITIONS.

In this title (except as otherwise provided in section 5):

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) CHILD CARE ACCREDITATION ENTITY.—The term "child care accreditation entity" means a nonprofit private organization or public agency that—

(A) is recognized by a State agency or by a national organization that serves as a peer review panel on the standards and procedures of public and private child care or school accrediting bodies; and

(B) accredits a facility to provide child care on the basis of—

(i) an accreditation or credentialing instrument based on peer-validated research;

(ii) compliance with applicable State or local licensing requirements, as appropriate, for the facility;

(iii) outside monitoring of the facility; and

(iv) criteria that provide assurances of—

(I) use of developmentally appropriate health and safety standards at the facility;

(II) use of developmentally appropriate educational activities, as an integral part of the child care program carried out at the facility; and

(III) use of ongoing staff development or training activities for the staff of the facility, including related skills-based testing.

(3) ENTITY SPONSORING A CHILD CARE FACILITY.—The term "entity sponsoring a child care facility" means a Federal agency that operates, or an entity that enters into a contract or licensing agreement with a Federal agency to operate, a child care facility primarily for the use of Federal employees.

(4) EXECUTIVE AGENCY.—The term "Executive agency" has the meaning given the term in section 105 of title 5, United States Code, except that the term—

(A) does not include the Department of Defense and the Coast Guard; and

(B) includes the General Services Administration, with respect to the administration of a facility described in paragraph (5)(B).

(5) EXECUTIVE FACILITY.—The term "executive facility"—

(A) means a facility that is owned or leased by an Executive agency; and

(B) includes a facility that is owned or leased by the General Services Administration on behalf of a judicial office.

(6) FEDERAL AGENCY.—The term "Federal agency" means an Executive agency, a legislative office, or a judicial office.

(7) JUDICIAL FACILITY.—The term "judicial facility" means a facility that is owned or leased by a judicial office (other than a facility that is also a facility described in paragraph (5)(B)).

(8) JUDICIAL OFFICE.—The term "judicial office" means an entity of the judicial branch of the Federal Government.

(9) LEGISLATIVE FACILITY.—The term "legislative facility" means a facility that is owned or leased by a legislative office.

(10) LEGISLATIVE OFFICE.—The term "legislative office" means an entity of the legislative branch of the Federal Government.

(11) STATE.—The term "State" has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

SEC. 3. PROVIDING QUALITY CHILD CARE IN FEDERAL FACILITIES.

(a) EXECUTIVE FACILITIES.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS.—

(A) IN GENERAL.—Any entity sponsoring a child care facility in an executive facility shall—

(i) comply with child care standards described in paragraph (2) that are no less stringent than applicable State or local licensing requirements that are related to the provision of child care in the State or locality involved; or

(ii) obtain the applicable State or local licenses, as appropriate, for the facility.

(B) COMPLIANCE.—Not later than 6 months after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with subparagraph (A); and

(ii) any contract or licensing agreement used by an Executive agency for the provision of child care services in the child care facility shall include a condition that the child care be provided by an entity that complies with the standards described in subparagraph (A)(i) or obtains the licenses described in subparagraph (A)(ii).

(2) HEALTH, SAFETY, AND FACILITY STANDARDS.—The Administrator shall by regulation establish standards relating to health, safety, facilities, facility design, and other aspects of child care that the Administrator determines to be appropriate for child care in executive facilities, and require child care facilities, and entities sponsoring child care facilities, in executive facilities to comply with the standards. The standards shall include requirements that child care facilities be inspected for, and be free of, lead hazards.

(3) ACCREDITATION STANDARDS.—

(A) IN GENERAL.—The Administrator shall issue regulations requiring, to the maximum extent possible, any entity sponsoring an eligible child care facility (as defined by the Administrator) in an executive facility to comply with standards of a child care accreditation entity.

(B) COMPLIANCE.—The regulations shall require that, not later than 3 years after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with the standards; and

(ii) any contract or licensing agreement used by an Executive agency for the provision of child care services in the child care facility shall include a condition that the child care be provided by an entity that complies with the standards.

(4) EVALUATION AND COMPLIANCE.—

(A) IN GENERAL.—The Administrator shall evaluate the compliance, with the requirements of paragraph (1) and the regulations issued pursuant to paragraphs (2) and (3), as appropriate, of child care facilities, and entities sponsoring child care facilities, in executive facilities. The Administrator may conduct the evaluation of such a child care facility or entity directly, or through an agreement with another Federal agency or private entity, other than the Federal agency for which the child care facility is providing services. If the Administrator determines, on the basis of such an evaluation, that the child care facility or entity is not in compliance with the requirements, the Administrator shall notify the Executive agency.

(B) EFFECT OF NONCOMPLIANCE.—On receipt of the notification of noncompliance issued by the Administrator, the head of the Executive agency shall—

(i) if the entity operating the child care facility is the agency—

(I) not later than 2 business days after the date of receipt of the notification, correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) not later than 4 months after the date of receipt of the notification, develop and provide to the Administrator a plan to correct any other deficiencies in the operation of the facility and bring the facility and entity into compliance with the requirements;

(III) provide the parents of the children receiving child care services at the child care facility and employees of the facility with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies, and post a copy of the notification in a conspicuous place in the facility for 5 working days or until the deficiencies are corrected, whichever is later;

(IV) bring the child care facility and entity into compliance with the requirements and certify to the Administrator that the facility and entity are in compliance, based on an onsite evaluation of the facility conducted by an individual with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the child care facility, or the affected portion of the facility, until the deficiencies are corrected and notify the Administrator of the closure; and

(ii) if the entity operating the child care facility is a contractor or licensee of the Executive agency—

(I) require the contractor or licensee, not later than 2 business days after the date of receipt of the notification, to correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) require the contractor or licensee, not later than 4 months after the date of receipt of the notification, to develop and provide to the head of the agency a plan to correct any other deficiencies in the operation of the child care facility and bring the facility and entity into compliance with the requirements;

(III) require the contractor or licensee to provide the parents of the children receiving child care services at the child care facility and employees of the facility with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies, and to post a copy of the notification in a conspicuous place in the facility for 5 working days or until the deficiencies are corrected, whichever is later;

(IV) require the contractor or licensee to bring the child care facility and entity into compliance with the requirements and certify to the head of the agency that the facility and entity are in compliance, based on an onsite evaluation of the facility conducted by an independent entity with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the child care facility, or the affected portion of the facility, until the deficiencies are corrected and notify the Administrator of the closure, which closure may be grounds for the immediate termination or suspension of the contract or license of the contractor or licensee.

(C) COST REIMBURSEMENT.—The Executive agency shall reimburse the Administrator for the costs of carrying out subparagraph (A) for child care facilities located in an executive facility other than an executive facility of the General Services Administration. If an entity is sponsoring a child care facility for 2 or more Executive agencies, the Administrator shall allocate the reimbursement costs with respect to the entity among the agencies in a fair and equitable manner, based on the extent to which each agency is eligible to place children in the facility.

(5) DISCLOSURE OF PRIOR VIOLATIONS TO PARENTS AND FACILITY EMPLOYEES.—

(A) IN GENERAL.—The Administrator shall issue regulations that require that each entity sponsoring a child care facility in an executive facility, upon receipt by the child care facility or the entity (as applicable) of a request by any individual who is—

(i) a parent of any child enrolled at the facility;

(ii) a parent of a child for whom an application has been submitted to enroll at the facility; or

(iii) an employee of the facility;

shall provide to the individual the copies and description described in subparagraph (B).

(B) COPIES AND DESCRIPTION.—The entity shall provide—

(i) copies of all notifications of deficiencies that have been provided in the past with respect to the facility under clause (i)(III) or (ii)(III), as applicable, of paragraph (4)(B); and

(ii) a description of the actions that were taken to correct the deficiencies.

(b) LEGISLATIVE FACILITIES.—

(1) ACCREDITATION.—The Chief Administrative Officer of the House of Representatives, the Librarian of Congress, and the head of a designated entity in the Senate shall ensure that, not later than 1 year after the date of enactment of this Act, the corresponding child care facility obtains accreditation by a child care accreditation entity, in accordance with the accreditation standards of the entity.

(2) REGULATIONS.—

(A) IN GENERAL.—If the corresponding child care facility does not maintain accreditation status with a child care accreditation entity, the Chief Administrative Officer of the House of Representatives, the Librarian of Congress, or the head of the designated entity in the Senate shall issue regulations governing the operation of the corresponding child care facility, to ensure the safety and quality of care of children placed in the facility. The regulations shall be no less stringent in content and effect than the requirements of subsection (a)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (a), except to the extent that appropriate administrative officers make the determination described in subparagraph (B).

(B) MODIFICATION MORE EFFECTIVE.—The determination referred to in subparagraph (A) is a determination, for good cause shown and stated together with the regulations, that a modification of the regulations would be more effective for the implementation of the requirements and standards described in subsection (a) for the corresponding child care facilities, and entities sponsoring the corresponding child care facilities, in legislative facilities.

(3) CORRESPONDING CHILD CARE FACILITY.—In this subsection, the term "corresponding child care facility", used with respect to the Chief Administrative Officer, the Librarian, or the head of a designated entity described in paragraph (1), means a child care facility operated by, or under a contract or licensing agreement with, an office of the House of Representatives, the Library of Congress, or an office of the Senate, respectively.

(c) JUDICIAL BRANCH STANDARDS AND COMPLIANCE.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS HEALTH, SAFETY, AND FACILITY STANDARDS, AND ACCREDITATION STANDARDS.—The Director of the Administrative Office of the United States Courts shall issue regulations for child care facilities, and entities sponsoring child care facilities, in judicial facilities, which shall be no less stringent in content and effect than the requirements of subsection (a)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (a), except to the extent that the Director may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in paragraphs (1), (2), and (3) of subsection (a) for child care facilities, and entities sponsoring child care facilities, in judicial facilities.

(2) EVALUATION AND COMPLIANCE.—

(A) DIRECTOR OF THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS.—The Director of the Administrative Office of the United States Courts shall have the same authorities and duties with respect to the evaluation of, compliance of, and cost reimbursement for child care facilities, and entities sponsoring child care facilities, in judicial facilities as the Administrator has under subsection (a)(4) with respect to the evaluation of, compliance of, and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(B) HEAD OF A JUDICIAL OFFICE.—The head of a judicial office shall have the same authorities and duties with respect to the compliance of and cost reimbursement for child care facilities, and entities sponsoring child care facilities, in judicial facilities as the head of an Executive agency has under subsection (a)(4) with respect to the compliance of and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(d) APPLICATION.—Notwithstanding any other provision of this section, if 8 or more child care facilities are sponsored in facilities owned or leased by an Executive agency, the Administrator shall delegate to the head of the agency the evaluation and compliance responsibilities assigned to the Administrator under subsection (a)(4)(A).

(e) TECHNICAL ASSISTANCE, STUDIES, AND REVIEWS.—The Administrator may provide technical assistance, and conduct and provide the results of studies and reviews, for Executive agencies, and entities sponsoring child care facilities in executive facilities, on a reimbursable basis, in order to assist the entities in complying with this section. The Chief Administrative Officer of the House of Representatives, the Librarian of Congress, the head of the designated Senate entity described in subsection (b), and the Director of the Administrative Office of the United States Courts, may provide technical assistance, and conduct and provide the results of studies and reviews, or request that the Administrator provide technical assistance, and conduct and provide the results of studies and reviews, for legislative offices and judicial offices, as appropriate, and entities operating child care facilities in legislative facilities or judicial facilities, as appropriate, on a reimbursable basis, in order to assist the entities in complying with this section.

(f) INTERAGENCY COUNCIL.—

(1) COMPOSITION.—The Administrator shall establish an interagency council, comprised of—

(A) representatives of all Executive agencies described in subsection (d) and other Executive agencies at the election of the heads of the agencies;

(B) a representative of the Chief Administrative Officer of the House of Representatives, at the election of the Chief Administrative Officer;

(C) a representative of the head of the designated Senate entity described in subsection (b), at the election of the head of the entity;

(D) a representative of the Librarian of Congress, at the election of the Librarian; and

(E) a representative of the Director of the Administrative Office of the United States Courts, at the election of the Director.

(2) FUNCTIONS.—The council shall facilitate cooperation and sharing of best practices, and develop and coordinate policy, regarding the provision of child care, including the provision of areas for nursing mothers and other lactation support facilities and services, in the Federal Government.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $900,000 for fiscal year 2000 and such sums as may be necessary for each subsequent fiscal year.

SEC. 4. FEDERAL CHILD CARE EVALUATION.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator and the Director of the Office of Personnel Management shall jointly prepare and submit to Congress a report that evaluates child care provided by entities sponsoring child care facilities in executive facilities, legislative facilities, or judicial facilities.

(b) CONTENTS.—The evaluation shall contain, at a minimum—

(1) information on the number of children receiving child care described in subsection (a), analyzed by age, including information on the number of those children who are age 6 through 12;

(2) information on the number of families not using child care described in subsection (a) because of the cost of the child care; and

(3) recommendations for improving the quality and cost effectiveness of child care described in subsection (a), including recommendations of options for creating an optimal organizational structure and using best practices for the delivery of the child care.

SEC. 5. CHILD CARE SERVICES FOR FEDERAL EMPLOYEES.

(a) IN GENERAL.—In addition to services authorized to be provided by an agency of the United States pursuant to section 616 of the Act of December 22, 1987 (40 U.S.C. 490b), an Executive agency that provides or proposes to provide child care services for Federal employees may use agency funds to provide the child care services, in a facility that is owned or leased by an Executive agency, or through a contractor, for civilian employees of the agency.

(b) AFFORDABILITY.—Funds so used with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by the facility or contractor.

(c) REGULATIONS.—The Administrator after consultation with the Director of the Office of Personnel Management, shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) DEFINITION.—For purposes of this section, the term "Executive agency" has the meaning given the term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

SEC. 6. MISCELLANEOUS PROVISIONS RELATING TO CHILD CARE PROVIDED BY FEDERAL AGENCIES.

(a) AVAILABILITY OF FEDERAL CHILD CARE CENTERS FOR ONSITE CONTRACTORS; PERCENTAGE GOAL.—Section 616 of the Act of December 22, 1987 (40 U.S.C. 490b) is amended—

(1) in subsection (a)—

(A) by striking "officer or agency of the United States" and inserting "Federal agency or officer of a Federal agency"; and

(B) by striking paragraphs (2) and (3) and inserting the following:

"(2) the officer or agency determines that the space will be used to provide child care and related services to—

"(A) children of Federal employees or onsite Federal contractors; or

"(B) dependent children who live with Federal employees or onsite Federal contractors; and

"(3) the officer or agency determines that the individual or entity will give priority for available child care and related services in the space to Federal employees and onsite Federal contractors."; and

(2) by adding at the end the following:

"(e)(1)(A) The Administrator of General Services shall confirm that at least 50 percent of aggregate enrollment in Federal child care centers governmentwide are children of Federal employees or onsite Federal contractors, or dependent children who live with Federal employees or onsite Federal contractors.

"(B) Each provider of child care services at an individual Federal child care center shall maintain 50 percent of the enrollment at the center of children described under subparagraph (A) as a goal for enrollment at the center.

"(C)(i) If enrollment at a center does not meet the percentage goal under subparagraph (B), the provider shall develop and implement a business plan with the sponsoring Federal agency to achieve the goal within a reasonable timeframe.

"(ii) The plan shall be approved by the Administrator of General Services based on—

"(I) compliance of the plan with standards established by the Administrator; and

"(II) the effect of the plan on achieving the aggregate Federal enrollment percentage goal.

"(2) The Administrator of General Services Administration may enter into public-private partnerships or contracts with nongovernmental entities to increase the capacity, quality, affordability, or range of child care and related services and may, on a demonstration basis, waive subsection (a)(3) and paragraph (1) of this subsection.".

(b) PAYMENT OF COSTS OF TRAINING PROGRAMS.—Section 616(b)(3) of such Act (40 U.S.C. 490b(b)(3)) is amended to read as follows:

"(3) If a Federal agency has a child care facility in a Federal space, or is a sponsoring agency for a child care facility in a Federal space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited. Any Federal agency that provides or proposes to provide child care services for children referred to in subsection (a)(2), may reimburse any Federal employee or any person employed to provide the services for the costs of training programs, conferences, and meetings and related travel, transportation, and subsistence expenses incurred in connection with those activities. Any per diem allowance made under this section shall not exceed the rate specified in regulations prescribed under section 5707 of title 5, United States Code.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 616(c) of such Act (40 U.S.C. 490b(c)) is amended—

(1) by inserting "Federal" before "child care centers"; and

(2) by striking "Federal workers" and inserting "Federal employees".

(d) PROVISION OF CHILD CARE BY PRIVATE ENTITIES.—Section 616(d) of such Act (40 U.S.C. 490b(d)) is amended to read as follows:

"(d)(1) If a Federal agency has a child care facility in a Federal space, or is a sponsoring agency for a child care facility in a Federal space, the agency, the child care center board of directors, or the General Services Administration may enter into an agreement with 1 or more private entities under which the private entities would assist in defraying the general operating expenses of the child care providers including salaries and tuition assistance programs at the facility.

"(2)(A) Notwithstanding any other provision of law, if a Federal agency does not have a child care program, or if the Administrator of General Services has identified a need for child care for Federal employees at a Federal agency providing child care services that do not meet the requirements of subsection (a), the agency or the Administrator may enter into an agreement with a non-Federal, licensed, and accredited child care facility, or a planned child care facility that will become licensed and accredited, for the provision of child care services for children of Federal employees.

"(B) Before entering into an agreement, the head of the Federal agency shall determine that child care services to be provided through the agreement are more cost effectively provided through the arrangement than through establishment of a Federal child care facility.

"(C) The Federal agency may provide any of the services described in subsection (b)(3) if, in exchange for the services, the facility reserves child care spaces for children referred to in subsection (a)(2), as agreed to by the parties. The cost of any such services provided by a Federal agency to a Federal child care facility on behalf of another Federal agency shall be reimbursed by the receiving agency.

"(3) This subsection does not apply to residential child care programs.".

(e) PILOT PROJECTS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(f)(1) Upon approval of the agency head, a Federal agency may conduct a pilot project not otherwise authorized by law for no more than 2 years to test innovative approaches to providing alternative forms of quality child care assistance for Federal employees. A Federal agency head may extend a pilot project for an additional 2-year period. Before any pilot project may be implemented, a determination shall be made by the agency head that initiating the pilot project would be more cost-effective than establishing a new Federal child care facility. Costs of any pilot project shall be paid solely by the agency conducting the pilot project.

"(2) The Administrator of General Services shall serve as an information clearinghouse for pilot projects initiated by other Federal agencies to disseminate information concerning the pilot projects to the other Federal agencies.

"(3) Within 6 months after completion of the initial 2-year pilot project period, a Federal agency conducting a pilot project under this subsection shall provide for an evaluation of the impact of the project on the delivery of child care services to Federal employees, and shall submit the results of the evaluation to the Administrator of General Services. The Administrator shall share the results with other Federal agencies.".

(f) BACKGROUND CHECK.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(g) Each Federal child care center located in a Federal space shall ensure that each employee of the center (including any employee whose employment began before the date of enactment of this subsection) shall undergo a criminal history background check consistent with section 231 of the Crime Control Act of 1990 (42 U.S.C. 13041).".

(g) DEFINITIONS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(h) In this section:

"(1) The term 'Federal agency' has the meaning given the term 'Executive agency' in section 2 of the Federal Employees Child Care Act.

"(2) The terms 'Federal building' and 'Federal space' have the meanings given the term 'executive facility' in such section 2.

"(3) The term 'Federal child care center' means a child care center in an executive facility, as defined in such section 2.

"(4) The terms 'Federal contractor' and 'Federal employee' mean a contractor and an employee, respectively, of an Executive agency, as defined in such section 2.".

ENZI (AND THOMAS) AMENDMENT NO. 1198

Mr. CAMPBELL (for Mr. ENZI (for himself and Mr. THOMAS) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 48, line 2, strike the period following "HIDTA", insert a colon (:), and after the colon insert the following:

Provided further, That Campbell County and Uinta County are hereby designated as part of the Rock Mountain High Intensity Drug Trafficking Area for the State of Wyoming.

GRASSLEY AMENDMENT NO. 1199

Mr. CAMPBELL (for Mr. GRASSLEY) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 13, line 24: Strike $1,670,747,000 and insert $1,928,494,752.

On page 2, line 19: Strike $133,168,000 and insert $130,168,000.

On page 4, line 8: Strike $111,340,000 and insert $102,340,000.

On page 8, line 11: Strike $80,114,000 and insert $75,114,000.

On page 10, line 18: Strike $200,054,000 and insert $190,054,000.

On page 11, line 16: Strike $569,225,000 and insert $560,225,000.

On page 17, line 16: Strike $3,291,945,000 and insert $3,271,945,000.

On page 18, line 6: Strike $3,305,090,000 and insert $3,205,090,000.

On page 19, line 2: Strike $1,450,100,000 and insert $1,400,100,000.

On page 49, line 13: Strike $38,175,000 and insert $30,427,248.

On page 51, line 15: Strike $5,140,000,000 and insert $5,100,000,000.

On page 63, line 13: Strike $179,738,000 and insert $175,738,000.

DEWINE (AND OTHERS) AMENDMENT NO. 1200

Mr. CAMPBELL (for Mr. DeWine (for himself, Mr. Abraham, Mr. Brownback, Mr. Santorum, Mr. Helms, Mr. Ashcroft, Mr. Hagel, Mr. McCain, and Mr. Nickles)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the end of title VI, add the following:

Sec. . No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

Sec. . The provision of section shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

LOTT (AND DASCHLE) AMENDMENT NO. 1201

Mr. CAMPBELL (for Mr. Lott (for himself and Mr. Daschle)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, insert the following:

SEC. . CONVEYANCE OF LAND TO THE COLUMBIA HOSPITAL FOR WOMEN.

(a) Administrator of General Services.—Subject to subsection (f) and such terms and conditions as the Administrator of General Services (in this section referred to as the "Administrator") shall require in accordance with this section, the Administrator shall convey to the Columbia Hospital for Women (formerly Columbia Hospital for Women and Lying-In Asylum; in this section referred to as "Columbia Hospital"), located in Washington, District of Columbia, for $14,000,000 plus accrued interest to be paid in accordance with the terms set forth in subsection (d), all right, title, and interest of the United States in and to those pieces or parcels of land in the District of Columbia, described in subsection (b), together with all improvements thereon and appurtenances thereto. The purpose of this conveyance is to enable the expansion by Columbia Hospital of its Ambulatory Care Center, Betty Ford Breast Center, and the Columbia Hospital Center for Teen Health and Reproductive Toxicology Center.

(b) Property Description.—

(1) In general.—The land referred to in subsection (a) was conveyed to the United States of America by deed dated May 2, 1888, from David Fergusson, widower, recorded in liber 1314, folio 102, of the land records of the District of Columbia, and is that portion of square numbered 25 in the city of Washington in the District of Columbia which was not previously conveyed to such hospital by the Act of June 28, 1952 (66 Stat. 287; chapter 486).

(2) Particular description.—The property is more particularly described as square 25, lot 803, or as follows: all that piece or parcel of land situated and lying in the city of Washington in the District of Columbia and known as part of square numbered 25, as laid down and distinguished on the plat or plan of said city as follows: beginning for the same at the northeast corner of the square being the corner formed by the intersection of the west line of Twenty-fourth Street Northwest, with the south line of north M Street Northwest and running thence south with the line of said Twenty-fourth Street Northwest for the distance of two hundred and thirty-one feet ten inches, thence running west and parallel with said M Street Northwest for the distance of two hundred and thirty feet six inches and running thence north and parallel with the line of said Twenty-fourth Street Northwest for the distance of two hundred and thirty-one feet ten inches to the line of said M Street Northwest and running thence east with the line of said M Street Northwest to the place of beginning two hundred and thirty feet and six inches together with all the improvements, ways, easements, rights, privileges, and appurtenances to the same belonging or in anywise appertaining.

(c) Date of Conveyance.—

(1) Date.—The date of the conveyance of property required under subsection (a) shall be the date upon which the Administrator receives from Columbia Hospital written notice of its exercise of the purchase option granted by this section, which notice shall be accompanied by the first of 30 equal installment payments of $869,000 toward the total purchase price of $14,000,000, plus accrued interest.

(2) Deadline for conveyance of property.—Written notification and payment of the first installment payment from Columbia Hospital under paragraph (1) shall be ineffective, and the purchase option granted Columbia Hospital under this section shall lapse, if that written notification and installment payment are not received by the Administrator before the date which is 1 year after the date of enactment of this section.

(3) Quitclaim deed.—Any conveyance of property to Columbia Hospital under this section shall be by quitclaim deed.

(d) Conveyance Terms.—

(1) In general.—The conveyance of property required under subsection (a) shall be consistent with the terms and conditions set forth in this section and such other terms and conditions as the Administrator deems to be in the interest of the United States, including—

(A) the provision for the prepayment of the full purchase price if mutually acceptable to the parties;

(B) restrictions on the use of the described land for use of the purposes set out in subsection (a);

(C) the conditions under which the described land or interests therein may be sold, assigned, or otherwise conveyed in order to facilitate financing to fulfill its intended use; and

(D) the consequences in the event of default by Columbia Hospital for failing to pay all installments payments toward the total purchase price when due, including revision of the described property to the United States.

(2) Payment of purchase price.—Columbia Hospital shall pay the total purchase price of $14,000,000, plus accrued interest over the term at a rate of 4.5 percent annually, in equal installments of $869,000, for 29 years following the date of conveyance of the property and receipt of the initial installment of $869,000 by the Administrator under subsection (c)(1). Unless the full purchase price, plus accrued interest, is prepaid, the total amount paid for the property after 30 years will be $26,070,000.

(e) Treatment of Amounts Received.—Amounts received by the United States as payments under this section shall be paid into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), and may be expended by the Administrator for real property management and related activities not otherwise provided for, without further authorization.

(f) Reversionary Interest.—

(1) In general.—The property conveyed under subsection (a) shall revert to the United States, together with any improvements thereon—

(A) 1 year from the date on which Columbia Hospital defaults in paying to the United States an annual installment payment of $869,000, when due; or

(B) immediately upon any attempt by Columbia Hospital to assign, sell, or convey the described property before the United States has received full purchase price, plus accrued interest.

The Columbia Hospital shall execute and provide to the Administrator such written instruments and assurances as the Administrator may reasonably request to protect the interests of the United States under this subsection.

(2) Release of reversionary interest.—The Administrator may release, upon request, any restriction imposed on the use of described property for the purposes of paragraph (1), and release any reversionary interest of the United States in the property conveyed under this subsection only upon receipt by the United States of full payment of the purchase price specified under subsection (d)(2).

(3) Property returned to the general services administration.—Any property that reverts to the United States under this subsection shall be under the jurisdiction, custody and control of the General Services Administration shall be available for use or disposition by the Administrator in accordance with applicable Federal law.

COLLINS (AND OTHERS) AMENDMENT NO. 1202

Mr. CAMPBELL (for Ms. Collins (for herself, Mr. Campbell, Mr. Dorgan, Mr. Inouye, Ms. Snowe, Mr. Hatch, Mr. Wyden, Mrs. Lincoln, Mrs. Murray, Mr. Lugar, Mr. Coverdell, Mr. Shelby, Mr. Helms, Mr. Robb, Mr. Cleland, Mr. Torricelli, Mr. Conrad, Mr. Abraham, Mr. Allard, Mr. Brownback, Mr. Chafee, Mr. Dodd, Mr. Enzi, Mr. Feingold, Mr. Ashcroft, Mr. Durbin, Mr. Fitzgerald, Mr. Gorton, Mr. Gregg, Mr. Hagel, Mr. Inhofe, Mrs. Landrieu, Mr. Reid, Mr. Specter, Mr. Stevens, Mr. Wellstone, and Mr. Thurmond)) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 98, insert between lines 4 and 5 the following:

Sec. 636. (a) Congress finds that—

(1) the Veterans of Foreign Wars of the United States (in this section referred to as the "VFW"), which was formed by veterans of the Spanish-American War and the Philippine Insurrection to help secure rights and benefits for their service, will be celebrating its 100th anniversary in 1999;

(2) members of the VFW have fought, bled, and died in every war, conflict, police action,

and military intervention in which the United States has engaged during this century;

(3) over its history, the VFW has ably represented the interests of veterans in Congress and State Legislatures across the Nation and established a network of trained service officers who, at no charge, have helped millions of veterans and their dependents to secure the education, disability compensation, pension, and health care benefits they are rightfully entitled to receive as a result of the military service performed by those veterans:

(4) the VFW has also been deeply involved in national education projects, awarding nearly $2,700,000 in scholarships annually, as well as countless community projects initiated by its 10,000 posts; and

(5) the United States Postal Service has issued commemorative postage stamps honoring the VFW's 50th and 75th anniversaries, respectively.

(b) Therefore, it is the sense of the Senate that the United States Postal Service is encouraged to issue a commemorative postage stamp in honor of the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States.

DEWINE (AND COVERDELL) AMENDMENT NO. 1203

Mr. CAMPBELL (for Mr. DEWINE (for himself and Mr. COVERDELL)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place in title I, insert the following:

SEC. . In addition to the amounts appropriated under this Act for the United States Customs Service, $336,900,000 are appropriated to the United States Customs Service for drug enforcement activities in accordance with section 813(a) of the Western Hemisphere Drug Elimination Act, of which—

(1) $258,500,000 shall be used for acquisition of up to six P-3B Slick and up to four P-3B AEW aircraft;

(2) $25,500,000 shall be used for operations and maintenance support for the P-3B Slick and P-3B AEW aircraft;

(3) $20,000,000 shall be used for construction of a hangar facility;

(4) $13,400,000 shall be used for the restoration, operation, and maintenance of a radar facility in the Caribbean region;

(5) $10,000,000 shall be used for the development and deployment of a commercial unclassified relocatable Passive Coherent Location system for the region to determine active smuggling air and sea corridors;

(6) $9,500,000 shall be used to perform surface interdiction in the Bahamian Island basic, Caribbean basin, and the Eastern Pacific in conjunction with U.S. Customs Service air program to support end game operations.

On page 17, line 16, strike "$3,291,945,000" and insert "$3,091,077,000".

On page 18, line 6, strike "$3,305,090,000" and insert "$3,169,058,000".

HUTCHISON (AND KYL) AMENDMENT NO. 1204

Mr. CAMPBELL (for Mrs. HUTCHISON (for herself and Mr. KYL)) proposed an amendment to the bill, S. 1282, supra; as follows:

Insert the following:

On page 13, line 24: Strike "$1,670,747,000 and insert $1,720,747,000.

On page 15, line 6: Insert "Provided, that $50,000,000 be provided to hire, train, deploy, and provide equipment for 500 new full-time, active-duty Customs inspectors."

On page 10, line 18: Strike $200,054,000 and insert $199,081,000.

On page 67, line 21: Strike $91,584,000 and insert $89,814,000.

On page 53, line 3: Strike $624,896,000 and insert $590,110,000.

On page 58, line 8: Strike $120,198,000 and insert $109,344,000.

On page 62, line 26: Strike $27,422,000 and insert $25,805,000.

REID AMENDMENT NO. 1205

Mr. CAMPBELL (for Mr. REID) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 11, strike line 17, and insert the following: "$39,320,000 may be used for the Youth Crime Gun Interdiction Initiative, of which $1,120,000 shall be provided for the purpose of expanding the program to include Las Vegas, Nevada, to allow, among other purposes, for the placement of six new agents in this area, with $1,120,000 being reimbursed from the Treasury Forfeiture Fund;"

On page 11, line 18, strike "diction Initiative."

BAUCUS AMENDMENT NO. 1206

Mr. DORGAN (for Mr. BAUCUS) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 98, insert between lines 4 and 5 the following:

SEC. 636. (a) This section may be cited as the "Post Office Community Partnership Act of 1999".

(b) Section 404 of title 39, United States Code, is amended by striking subsection (b) and inserting the following:

"(b)(1) Before making a determination under subsection (a)(3) as to the necessity for the relocation, closing, consolidation, or construction of any post office, the Postal Service shall provide adequate notice to persons served by that post office of the intention of the Postal Service to relocate, close, consolidate, or construct that post office not later than 60 days before the final determination is made to relocate, close, consolidate, or construct.

"(2)(A) The notification under paragraph (1) shall be in writing, hand delivered or delivered by mail to persons served by that post office, and published in 1 or more newspapers of general circulation within the zip codes served by that post office.

"(B) The notification under paragraph (1) shall include—

"(i) an identification of the relocation, closing, consolidation, or construction of the post office involved;

"(ii) a summary of the reasons for the relocation, closing, consolidation, or construction;

"(iii) the proposed date for the relocation, closing, consolidation, or construction;

"(iv) notice of the opportunity of a hearing, if requested; and

"(v) notice of the opportunity for public comment, including suggestions.

"(3) Any person served by the post office that is the subject of a notification under paragraph (1) may offer an alternative relocation, closing, consolidation, or construction proposal during the 60-day period beginning on the date on which the notice is provided under paragraph (1).

"(4)(A) At the end of the period specified in paragraph (3), the Postal Service shall make a determination under subsection (a)(3). Before making a final determination, the Postal Service shall conduct a hearing, if requested by persons served by the post office that is the subject of a notice under paragraph (1). If a hearing is held under this paragraph, the persons served by such post office may present oral or written testimony with respect to the relocation, closing, consolidation, or construction of the post office.

"(B) In making a determination as to whether or not to relocate, close, consolidate, or construct a post office, the Postal Service shall consider—

"(i) the extent to which the post office is part of a core downtown business area;

"(ii) any potential effect of the relocation, closing, consolidation, or construction on the community served by the post office:

"(iii) whether the community served by the post office opposes a relocation, closing, consolidation, or construction;

"(iv) any potential effect of the relocation, closing, consolidation, or construction on employees of the Postal Service employed at the post office;

"(v) whether the relocation, closing, consolidation, or construction of the post office is consistent with the policy of the Government under section 101(b) that requires the Postal Service to provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns in which post offices are not self-sustaining;

"(vi) the quantified long-term economic saving to the Postal Service resulting from the relocation, closing, consolidation, or construction;

"(vii)(I) the adequacy of the existing post office; and

"(II) whether all reasonable alternatives to relocation, closing, consolidation, or construction have been explored; and

"(viii) any other factor that the Postal Service determines to be necessary for making a determination whether to relocate, close, consolidate, or construct that post office.

"(C) In making a determination as to whether or not to relocate, close, consolidate, or construct a post office, the Postal Service may not consider compliance with any provision of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

"(5)(A) Any determination of the Postal Service to relocate, close, consolidate, or construct a post office shall be in writing and shall include the findings of the Postal Service with respect to the considerations required to be made under paragraph (4).

"(B) The Postal Service shall respond to all of the alternative proposals described in paragraph (3) in a consolidated report that includes—

"(i) the determination and findings under subparagraph (A); and

"(ii) each alternative proposal and a response by the Postal Service.

"(C) The Postal Service shall make available to the public a copy of the report prepared under subparagraph (B) at the post office that is the subject of the report.

"(6)(A) The Postal Service shall take no action to relocate, close, consolidate, or construct a post office until the applicable date described in subparagraph (B).

"(B) The applicable date specified in this subparagraph is—

"(i) if no appeal is made under paragraph (7), the end of the 30-day period specified in that paragraph; or

"(ii) if an appeal is made under paragraph (7), the date on which a determination is made by the Commission under paragraph 7(A), but not later than 120 days after the date on which the appeal is made.

"(7)(A) A determination of the Postal Service to relocate, close, consolidate, or construct any post office may be appealed by any person served by that post office to the Postal Rate Commission during the 30-day period beginning on the date on which the report is made available under paragraph (5). The Commission shall review the determination on the basis of the record before the Postal Service in the making of the determination. The Commission shall make a determination based on that review not later than 120 days after appeal is made under this paragraph.

"(B) The Commission shall set aside any determination, findings, and conclusions of the Postal Service that the Commission finds to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law;

"(ii) without observance of procedure required by law; or

"(iii) unsupported by substantial evidence on the record.

"(C) The Commission may affirm the determination of the Postal Service that is the subject of an appeal under subparagraph (A) or order that the entire matter that is the subject of that appeal be returned for further consideration, but the Commission may not modify the determination of the Postal Service. The Commission may suspend the effectiveness of the determination of the Postal Service until the final disposition of the appeal.

"(D) The provisions of sections 556 and 557, and chapter 7 of title 5 shall not apply to any review carried out by the Commission under this paragraph.

"(E) A determination made by the Commission shall not be subject to judicial review.

"(8) In any case in which a community has in effect procedures to address the relocation, closing, consolidation, or construction of buildings in the community, and the public participation requirements of those procedures are more stringent than those provided in this subsection, the Postal Service shall apply those procedures to the relocation, closing, consolidation, or construction of a post office in that community in lieu of applying the procedures established in this subsection.

"(9) In making a determination to relocate, close, consolidate, or construct any post office, the Postal Service shall comply with any applicable zoning, planning, or land use laws (including building codes and other related laws of State or local public entities, including any zoning authority with jurisdiction over the area in which the post office is located).

"(10) The relocation, closing, consolidation, or construction of any post office under this subsection shall be conducted in accordance with the National Historic Preservation Act (16 U.S.C. 470h-2).

"(11) Nothing in this subsection shall be construed to apply to a temporary customer service facility to be used by the Postal Service for a period of less than 60 days.

"(12)(A) For purposes of this paragraph the term 'emergency' means any occurrence that forces an immediate relocation from an existing facility, including natural disasters, fire, health and safety factors, and lease terminations.

"(B) If the Postmaster General makes a determination that an emergency exists relating to a post office, the Postmaster General may suspend the application of the provisions of this subsection for a period not to exceed 180 days with respect to such post office.

"(C) The Postmaster General may exercise the suspension authority under subparagraph (A) once with respect to a single emergency for any specific post office.".

SCHUMER AMENDMENT NO. 1207

Mr. DORGAN (for Mr. SCHUMER) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 98, insert between lines 4 and 5 the following:

SEC. 636. ITEMIZED INCOME TAX RECEIPT.

(a) In General.—Not later than April 15, 2000, the Secretary of the Treasury shall establish an interactive program on an Internet website where any taxpayer may generate an itemized receipt showing a proportionate allocation (in money terms) of the taxpayer's total tax payments among the major expenditure categories.

(b) Information Necessary To Generate Receipt.—For purposes of generating an itemized receipt under subsection (a), the interactive program—

(1) shall only require the input of the taxpayer's total tax payments, and

(2) shall not require any identifying information relating to the taxpayer.

(c) Total Tax Payments.—For purposes of this section, total tax payments of an individual for any taxable year are—

(1) the tax imposed by subtitle A of the Internal Revenue Code of 1986 for such taxable year (as shown on his return), and

(2) the tax imposed by section 3101 of such Code on wages received during such taxable year.

(d) Content of Tax Receipt.—

(1) Major expenditure categories.—For purposes of subsection (a), the major expenditure categories are:

(A) National defense.

(B) International affairs.

(C) Medicaid.

(D) Medicare.

(E) Means-tested entitlements.

(F) Domestic discretionary.

(G) Social Security.

(H) Interest payments.

(I) All other.

(2) Other items on receipt.—

(A) In general.—In addition, the tax receipt shall include selected examples of more specific expenditure items, including the items listed in subparagraph (B), either at the budget function, subfunction, or program, project, or activity levels, along with any other information deemed appropriate by the Secretary of the Treasury and the Director of the Office of Management and Budget to enhance taxpayer understanding of the Federal budget.

(B) Listed items.—The expenditure items listed in this subparagraph are as follows:

(i) Public schools funding programs.

(ii) Student loans and college aid.

(iii) Low-income housing programs.

(iv) Food stamp and welfare programs.

(v) Law enforcement, including the Federal Bureau of Investigation, law enforcement grants to the States, and other Federal law enforcement personnel.

(vi) Infrastructure, including roads, bridges, and mass transit.

(vii) Farm subsidies.

(viii) Congressional Member and staff salaries.

(ix) Health research programs.

(x) Aid to the disabled.

(xi) Veterans health care and pension programs.

(xii) Space programs.

(xiii) Environmental cleanup programs.

(xiv) United States embassies.

(xv) Military salaries.

(xvi) Foreign aid.

(xvii) Contributions to the North Atlantic Treaty Organization.

(xviii) Amtrak.

(xix) United States Postal Service.

(e) Cost.—No charge shall be imposed to cover any cost associated with the production or distribution of the tax receipt.

(f) Regulations.—The Secretary of the Treasury may prescribe such regulations as may be necessary to carry out this section.

MOYNIHAN (AND SCHUMER) AMENDMENT NO. 1208

Mr. CAMPBELL (for Mr. MOYNIHAN (for himself and Mr. SCHUMER)) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 56, line 3, after "and", insert the following: "$5,870,000 shall be available for repairs to and alterations of the Federal courthouse at 40 Centre Street, New York, New York, and".

HARKIN AMENDMENT NO. 1209

Mr. DORGAN (for Mr. HARKIN (for himself and Mr. EDWARDS)) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 47, strike lines 9 through 11 and insert in lieu thereof the following: "Area Program, $205,277,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which $10,000,000 shall be used for methamphetamine programs above the sums allocated in fiscal year 1999 and otherwise provided for in this legislation with no less than half of the $10,000,000 going to areas solely dedicated to fighting methamphetamine usage, of which"

Amend page 53, line 3 by reducing the dollar figure by $17,000,000;

Amend page 51, line 15 by reducing the first dollar figure by $17,000,000.

SCHUMER AMENDMENT NO. 1210

Mr. DORGAN (for Mr. SCHUMER) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, insert the following:

SEC. . TARGETED GUN DEALER ENFORCEMENT ACT OF 1999.

(a) Short Title.—This section may be cited as the "Targeted Gun Dealer Enforcement Act of 1999".

(b) Regulation of Licensed Dealers.—

(1) Prohibition on straw purchases.—

(A) In general.—Section 922(a)(6) of title 18, United States Code, is amended by inserting ", or with respect to the identity of the person in fact purchasing or attempting to purchase such firearm or ammunition," before "under the".

(B) Penalties.—Section 924(a)(3) of title 18, United States Code, is amended by adding at the end the following: "Notwithstanding the preceding sentence, a violation in relation to section 922(a)(6) or 922(d) by a licensed dealer, licensed importer, licensed manufacturer, or licensed collector shall be subject to the penalties under paragraph (2) of this subsection.".

(2) Notification of state law regarding carrying concealed firearms.—Section 922 of title 18, United States Code, is amended by inserting after subsection (y) the following:

"(z) Notification of State Requirements.—It shall be unlawful for a licensed dealer to transfer a firearm to any person, unless the dealer notifies that person whether applicable State law requires persons to be licensed to carry concealed firearms in the State, or prohibits the carrying of concealed firearms in the State.".

(3) Revocation or suspension of license; civil penalties.—Section 923 of title 18, United States Code, is amended by striking subsections (e) and (f) and inserting the following:

"(e) Revocation or Suspension of License; Civil Penalties.—

"(1) In general.—The Secretary may, after notice and opportunity for hearing—

"(A) suspend or revoke any license issued under this section, if the holder of such license—

"(i) willfully violates any provision of this chapter or any rule or regulation prescribed by the Secretary under this chapter; or

"(ii) fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the licensed dealer shall not be considered to be in violation of the requirement to make available such a device);

"(B) suspend or revoke the license issued under this section to a dealer who willfully transfers armor piercing ammunition; and

"(C) assess and collect a civil penalty of not more than $10,000 per violation against any holder of a license, if the Secretary is authorized to suspend or revoke the license of that holder under subparagraph (A) or (B).

"(2) Liability.—The Secretary may at any time compromise, mitigate, or remit the liability with respect to any willful violation of this subsection or any rule or regulation prescribed by the Secretary under this subsection.

"(3) Review.—An action of the Secretary under this subsection may be reviewed only as provided in subsection (f).

"(4) Notification requirement.—Not less than once every 6 months, the Secretary shall notify each licensed manufacturer and each licensed dealer of the name, address, and license number of each dealer whose license was suspended or revoked under this section during the preceding 6-month period.

"(f) Rights of Applicants and Licensees.—

"(1) In general.—If the Secretary denies an application for, or revokes or suspends a license, or assesses a civil penalty under this section, the Secretary shall provide written notice of such denial, revocation, suspension, or assessment to the affected party, stating specifically the grounds upon which the application was denied, the license was suspended or revoked, or the civil penalty was assessed. Any notice of a revocation or suspension of a license under this paragraph shall be given to the holder of such license before the effective date of the revocation or suspension, as applicable.

"(2) Appeal Process.—

"(A) Hearing.—If the Secretary denies an application for, or revokes or suspends a license, or assesses a civil penalty under this section, the Secretary shall, upon request of the aggrieved party, promptly hold a hearing to review the denial, revocation, suspension, or assessment. A hearing under this subparagraph shall be held at a location convenient to the aggrieved party.

"(B) Notice of decision; appeal.—If, after a hearing held under subparagraph (A), the Secretary decides not to reverse the decision of the Secretary to deny the application, revoke or suspend the license, or assess the civil penalty, as applicable—

"(i) the Secretary shall provide notice of the decision of the Secretary to the aggrieved party;

"(ii) during the 60-day period beginning on the date on which the aggrieved party receives a notice under clause (i), the aggrieved party may file a petition with the district court of the United States for the judicial district in which the aggrieved party resides or has a principal place of business for a de novo judicial review of such denial, revocation, suspension, or assessment;

"(iii) in any judicial proceeding pursuant to a petition under clause (ii)—

"(I) the court may consider any evidence submitted by the parties to the proceeding, regardless of whether or not such evidence was considered at the hearing held under subparagraph (A); and

"(II) if the court decides that the Secretary was not authorized to make such denial, revocation, suspension, or assessment, the court shall order the Secretary to take such actions as may be necessary to comply with the judgment of the court.

"(3) Stay pending appeal.—If the Secretary suspends or revokes a license under this section, upon the request of the holder of the license, the Secretary shall stay the effective date of the revocation, suspension, or assessment.".

(4) Effect of conviction.—Section 925(b) of title 18, United States Code, is amended by striking "until any conviction pursuant to the indictment becomes final" and inserting "until the date of any conviction pursuant to the indictment".

(5) Regulation of high-volume crime gun dealers.—Section 923(g) of title 18, United States Code, is amended by adding at the end the following:

"(8) High-volume crime gun dealers.—

"(A) Definition.—In this paragraph, the term 'high-volume crime gun dealer' means any licensed dealer with respect to which a designation under subparagraph (B)(i) is in effect, as provided in subparagraph (B)(ii).

"(B) Designation of high-volume crime gun dealers.—

"(i) In general.—The Secretary shall designate a licensed dealer as a high-volume crime gun dealer—

"(I) as soon as practicable, if the Secretary determines that the licensed dealer sold, delivered, or otherwise transferred to 1 or more persons not licensed under this chapter not less than 25 firearms that, during the preceding calendar year, were used during the commission or attempted commission of a criminal offense under Federal, State, or local law, or were possessed in violation of Federal, State, or local law; or

"(II) immediately upon the expiration date of a suspension of the license of that dealer for a willful violation of this chapter, if such violation involved 1 or more firearms that were subsequently used during the commission or attempted commission of a criminal offense under Federal, State, or local law.

"(ii) Effective period of designation.—A designation under clause (i) shall remain in effect during the period beginning on the date on which the designation is made and ending on the later of—

"(I) the expiration of the 18-month period beginning on that date; or

"(II) the date on which the license issued to that dealer under this section expires.

"(C) Notification requirement.—Upon the designation of a licensed dealer as a high-volume crime gun dealer under subparagraph (B), the Secretary shall notify the appropriate United States attorney's office, the appropriate State and local law enforcement agencies (including the district attorney's offices and the police or sheriff's departments), and each State and local agency responsible for the issuance of business licenses in the jurisdiction in which the high-volume crime gun dealer is located of such designation.

"(D) Reporting and recordkeeping requirements.—Notwithstanding any other provision of this paragraph—

"(i) not later than 10 days after the date on which a handgun is sold, delivered, or otherwise transferred by a high-volume crime gun dealer to a person not licensed under this chapter, the high-volume crime gun dealer shall submit to the Secretary and to the department of State police or State law enforcement agency of the State or local jurisdiction in which the sale, delivery, or transfer took place, on a form prescribed by the Secretary, a report of the sale, delivery, or transfer, which report shall include—

"(I) the manufacturer or importer of the handgun;

"(II) the model, type, caliber, gauge, and serial number of the handgun; and

"(III) the name, address, date of birth, and height and weight of the purchaser or transferee, as applicable;

"(ii) each high-volume crime gun dealer shall submit to the Secretary, on a form prescribed by the Secretary, a monthly report of each firearm received and each firearm disposed of by the dealer during that month, which report shall include only the name of the manufacturer or importer and the model, type, caliber, gauge, serial number, date of receipt, and date of disposition of each such firearm, except that the initial report submitted by a dealer under this clause shall include such information with respect to the entire inventory of the high-volume crime gun dealer; and

"(iii) a high-volume crime gun dealer may not destroy any record required to be maintained under paragraph (1)(A).

"(E) Inspection.—Notwithstanding paragraph (1), the Secretary may inspect or examine the inventory and records of a high-volume crime gun dealer at any time without a showing of reasonable cause or a warrant for purposes of determining compliance with the requirements of this chapter.

"(F) Recordkeeping by local police departments.—Notwithstanding paragraph (3)(B), a State or local law enforcement agency that receives a report under subparagraph (D)(i) may retain a copy of that record for not more than 5 years.

"(G) License renewal.—Notwithstanding subsection (d)(2), the Secretary shall approve or deny an application for a license submitted by a high-volume crime gun dealer before the expiration of the 120-day period beginning on the date on which the application is received.

"(H) Effect of failure to comply.—

"(i) In general.—Notwithstanding subsection (e), the Secretary shall, after notice and an opportunity for a hearing—

"(I) suspend for not less than 90 days any license issued under this section to a high-volume crime gun dealer who willfully violates any provision of this section (including any requirement of this paragraph);

"(II) revoke any license issued under this section to a high-volume crime gun dealer who willfully violates any provision of this section (including any requirement of this paragraph) and who has committed a prior willful violation of any provision of this section (including any requirement of this paragraph); and

"(III) revoke any license issued under this section to a high-volume crime gun dealer who willfully violates any provision of section 922 or 924.

"(ii) STAY PENDING APPEAL.—Notwithstanding subsection (f)(3), the Secretary may not stay the effective date of a suspension or revocation under this subparagraph pending an appeal.".

(c) ENHANCED ABILITY TO TRACE FIREARMS.—

(1) VOLUNTARY SUBMISSION OF DEALER'S RECORDS.—Section 923(g)(4) of title 18, United States Code, is amended to read as follows:

"(4) VOLUNTARY SUBMISSION OF DEALER'S RECORDS.—

"(A) BUSINESS DISCONTINUED.—

"(i) SUCCESSOR.—When a firearms or ammunition business is discontinued and succeeded by a new licensee, the records required to be kept by this chapter shall appropriately reflect that fact and shall be delivered to the successor. Upon receipt of those records, the successor licensee may retain the records of the discontinued business or submit the discontinued business records to the Secretary.

"(ii) NO SUCCESSOR.—When a firearms or ammunition business is discontinued without a successor, records required to be kept by this chapter shall be delivered to the Secretary within 30 days after the business is discontinued.

"(B) OLD RECORDS.—A licensee maintaining a firearms business may voluntarily submit the records required to be kept by this chapter to the Secretary if such records are at least 20 years old.

"(C) STATE OR LOCAL REQUIREMENTS.—If State law or local ordinance requires the delivery of records regulated by this paragraph to another responsible authority, the Secretary may arrange for the delivery of records to such other responsible authority."

(2) CENTRALIZATION AND MAINTENANCE OF RECORDS.—Section 923(g) of title 18, United States Code, is amended by adding at the end the following:

"(9) CENTRALIZATION AND MAINTENANCE OF RECORDS BY SECRETARY.—Notwithstanding any other provision of law, the Secretary—

"(A) may receive and centralize any information or records submitted to the Secretary under this chapter and maintain such information or records in whatever manner will enable their most efficient use in law enforcement investigations; and

"(B) shall retain a record of each firearms trace conducted by the Secretary, unless the Secretary determines that there is a valid law enforcement reason not to retain the record.".

(3) LICENSEE REPORTS OF SECONDHAND FIREARMS.—Section 923(g) of title 18, United States Code, is amended by adding at the end the following:

"(10) LICENSEE REPORTS OF SECONDHAND FIREARMS.—A licensed importer, licensed manufacturer, and licensed dealer shall submit to the Secretary, on a form prescribed by the Secretary, a monthly report of each firearm received from a person not licensed under this chapter during that month, which report shall not include any identifying information relating to the transferor or any subsequent purchaser.".

(d) GENERAL REGULATION OF FIREARMS TRANSFERS.—

(1) TRANSFERS OF CRIME GUNS.—Section 924(h) of title 18, United States Code, is amended by inserting "or having reasonable cause to believe" after "knowing".

(2) INCREASED PENALTIES FOR TRAFFICKING IN FIREARMS WITH OBLITERATED SERIAL NUMBERS.—Section 924(a) of title 18, United States Code, is amended—

(A) in paragraph (1)(B), by striking "(k),"; and

(B) in paragraph (2), by inserting "(k)," after "(j),".

(e) AMENDMENT OF FEDERAL SENTENCING GUIDELINES.—The United States Sentencing Commission shall amend the Federal sentencing guidelines to reflect the amendments made by this section.

LANDRIEU (AND JEFFORDS) AMENDMENT NO. 1211

Mr. DORGAN (for Mrs. LANDRIEU (for herself, and Mr. JEFFORDS)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, add the following:

TITLE —CHILD CARE CENTERS IN FEDERAL FACILITIES

SECTION 1. SHORT TITLE.

This title may be cited as the "Federal Employees Child Care Act".

SEC. 2. DEFINITIONS.

In this title (except as otherwise provided in section 4):

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) EXECUTIVE AGENCY.—The term "Executive agency" has the meaning given the term in section 105 of title 5, United States Code, except that the term—

(A) does not include the Department of Defense and the Coast Guard; and

(B) includes the General Services Administration, with respect to the administration of a facility described in paragraph (3)(B).

(3) EXECUTIVE FACILITY.—The term "executive facility"—

(A) means a facility that is owned or leased by an Executive agency; and

(B) includes a facility that is owned or leased by the General Services Administration on behalf of a judicial office.

(4) JUDICIAL FACILITY.—The term "judicial facility" means a facility that is owned or leased by a judicial office (other than a facility that is also a facility described in paragraph (3)(B)).

(5) JUDICIAL OFFICE.—The term "judicial office" means an entity of the judicial branch of the Federal Government.

(6) LEGISLATIVE FACILITY.—The term "legislative facility" means a facility that is owned or leased by a legislative office.

(7) LEGISLATIVE OFFICE.—The term "legislative office" means an entity of the legislative branch of the Federal Government.

SEC. 3. FEDERAL CHILD CARE EVALUATION.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator and the Director of the Office of Personnel Management shall jointly prepare and submit to Congress a report that evaluates child care provided by entities sponsoring child care facilities in executive facilities, legislative facilities, or judicial facilities.

(b) CONTENTS.—The evaluation shall contain, at a minimum—

(1) information on the number of children receiving child care described in subsection (a), analyzed by age, including information on the number of those children who are age 6 through 12;

(2) information on the number of families not using child care described in subsection (a) because of the cost of the child care; and

(3) recommendations for improving the quality and cost effectiveness of child care described in subsection (a), including recommendations of options for creating an optimal organizational structure and using best practices for the delivery of the child care.

SEC. 4. CHILD CARE SERVICES FOR FEDERAL EMPLOYEES.

(a) IN GENERAL.—In addition to services authorized to be provided by an agency of the United States pursuant to section 616 of the Act of December 22, 1987 (40 U.S.C. 490b), an Executive agency that provides or proposes to provide child care services for Federal employees may use agency funds to provide the child care services, in a facility that is owned or leased by an Executive agency, or through a contractor, for civilian employees of the agency.

(b) AFFORDABILITY.—Funds so used with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by the facility or contractor.

(c) REGULATIONS.—The Administrator after consultation with the Director of the Office of Personnel Management, shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) DEFINITION.—For purposes of this section, the term "Executive agency" has the meaning given the term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

SEC. 5. MISCELLANEOUS PROVISIONS RELATING TO CHILD CARE PROVIDED BY FEDERAL AGENCIES.

(a) AVAILABILITY OF FEDERAL CHILD CARE CENTERS FOR ONSITE CONTRACTORS; PERCENTAGE GOAL.—Section 616 of the Act of December 22, 1987 (40 U.S.C. 490b) is amended—

(1) in subsection (a)—

(A) by striking "officer or agency of the United States" and inserting "Federal agency or officer of a Federal agency"; and

(B) by striking paragraphs (2) and (3) and inserting the following:

"(2) the officer or agency determines that the space will be used to provide child care and related services to—

"(A) children of Federal employees or onsite Federal contractors; or

"(B) dependent children who live with Federal employees or onsite Federal contractors; and

"(3) the officer or agency determines that the individual or entity will give priority for available child care and related services in the space to Federal employees and onsite Federal contractors."; and

(2) by adding at the end the following:

"(e)(1)(A) The Administrator of General Services shall confirm that at least 50 percent of aggregate enrollment in Federal child care centers governmentwide are children of Federal employees or onsite Federal contractors, or dependent children who live with Federal employees or onsite Federal contractors.

"(B) Each provider of child care services at an individual Federal child care center shall maintain 50 percent of the enrollment at the center of children described under subparagraph (A) as a goal for enrollment at the center.

"(C)(i) If enrollment at a center does not meet the percentage goal under subparagraph (B), the provider shall develop and implement a business plan with the sponsoring Federal agency to achieve the goal within a reasonable timeframe.

"(ii) The plan shall be approved by the Administrator of General Services based on—

"(I) compliance of the plan with standards established by the Administrator; and

"(II) the effect of the plan on achieving the aggregate Federal enrollment percentage goal.

"(2) The Administrator of General Services Administration may enter into public-private partnerships or contracts with nongovernmental entities to increase the capacity, quality, affordability, or range of child care and related services and may, on a demonstration basis, waive subsection (a)(3) and paragraph (1) of this subsection.".

(b) PAYMENT OF COSTS OF TRAINING PROGRAMS.—Section 616(b)(3) of such Act (40 U.S.C. 490b(b)(3)) is amended to read as follows:

"(3) If a Federal agency has a child care facility in a Federal space, or is a sponsoring agency for a child care facility in a Federal space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited. Any Federal agency that provides or proposes to provide child care services for children referred to in subsection (a)(2), may reimburse any Federal employee or any person employed to provide the services for the costs of training programs, conferences, and meetings and related travel, transportation, and subsistence expenses incurred in connection with those activities. Any per diem allowance made under this section shall not exceed the rate specified in regulations prescribed under section 5707 of title 5, United States Code.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 616(c) of such Act (40 U.S.C. 490b(c)) is amended—

(1) by inserting "Federal" before "child care centers"; and

(2) by striking "Federal workers" and inserting "Federal employees".

(d) PROVISION OF CHILD CARE BY PRIVATE ENTITIES.—Section 616(d) of such Act (40 U.S.C. 490b(d)) is amended to read as follows:

"(d)(1) If a Federal agency has a child care facility in a Federal space, or is a sponsoring agency for a child care facility in a Federal space, the agency, the child care center board of directors, or the General Services Administration may enter into an agreement with 1 or more private entities under which the private entities would assist in defraying the general operating expenses of the child care providers including salaries and tuition assistance programs at the facility.

"(2)(A) Notwithstanding any other provision of law, if a Federal agency does not have a child care program, or if the Administrator of General Services has identified a need for child care for Federal employees at a Federal agency providing child care services that do not meet the requirements of subsection (a), the agency or the Administrator may enter into an agreement with a non-Federal, licensed, and accredited child care facility, or a planned child care facility that will become licensed and accredited, for the provision of child care services for children of Federal employees.

"(B) Before entering into an agreement, the head of the Federal agency shall determine that child care services to be provided through the agreement are more cost effectively provided through the arrangement than through establishment of a Federal child care facility.

"(C) The Federal agency may provide any of the services described in subsection (b)(3) if, in exchange for the services, the facility reserves child care spaces for children referred to in subsection (a)(2), as agreed to by the parties. The cost of any such services provided by a Federal agency to a Federal child care facility on behalf of another Federal agency shall be reimbursed by the receiving agency.

"(3) This subsection does not apply to residential child care programs.".

(e) PILOT PROJECTS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(f)(1) Upon approval of the agency head, a Federal agency may conduct a pilot project not otherwise authorized by law for no more than 2 years to test innovative approaches to providing alternative forms of quality child care assistance for Federal employees. A Federal agency head may extend a pilot project for an additional 2-year period. Before any pilot project may be implemented, a determination shall be made by the agency head that initiating the pilot project would be more cost-effective than establishing a new Federal child care facility. Costs of any pilot project shall be paid solely by the agency conducting the pilot project.

"(2) The Administrator of General Services shall serve as an information clearinghouse for pilot projects initiated by other Federal agencies to disseminate information concerning the pilot projects to the other Federal agencies.

"(3) Within 6 months after completion of the initial 2-year pilot project period, a Federal agency conducting a pilot project under this subsection shall provide for an evaluation of the impact of the project on the delivery of child care services to Federal employees, and shall submit the results of the evaluation to the Administrator of General Services. The Administrator shall share the results with other Federal agencies.".

(f) BACKGROUND CHECK.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(g) Each Federal child care center located in a Federal space shall ensure that each employee of the center (including any employee whose employment began before the date of enactment of this subsection) shall undergo a criminal history background check consistent with section 231 of the Crime Control Act of 1990 (42 U.S.C. 13041).".

(g) DEFINITIONS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(h) In this section:

"(1) The term 'Federal agency' has the meaning given the term 'Executive agency' in section ___2 of the Federal Employees Child Care Act.

"(2) The terms 'Federal building' and 'Federal space' have the meanings given the term 'executive facility' in such section ___2.

"(3) The term 'Federal child care center' means a child care center in an executive facility, as defined in such section ___2.

"(4) The terms 'Federal contractor' and 'Federal employee' mean a contractor and an employee, respectively, of an Executive agency, as defined in such section ___2.".

WELLSTONE AMENDMENT NO. 1212

Mr. DORGAN (for Mr. WELLSTONE) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. EVALUATION OF OUTCOME OF WELFARE REFORM AND FORMULA FOR BONUSES TO HIGH PERFORMANCE STATES.

(a) ADDITIONAL MEASURES OF STATE PERFORMANCE.—Section 403(a)(4)(C) of the Social Security Act (42 U.S.C. 603(a)(4)(C)) is amended—

(1) by striking "Not later" and inserting the following:

"(i) IN GENERAL.—Not later";

(2) by inserting "The formula shall provide for the awarding of grants under this paragraph based on criteria contained in clause (ii) and in accordance with clauses (iii), (iv), and (v)." after the period; and

(3) by adding at the end the following:

"(ii) FORMULA CRITERIA.—The grants awarded under this paragraph shall be based on—

"(I) employment-related measures, including work force entries, job retention, and increases in household income of current recipients of assistance under the State program funded under this title;

"(II) the percentage of former recipients of such assistance (who have ceased to receive such assistance for not more than 6 months) who receive subsidized child care;

"(III) the improvement since 1995 in the proportion of children in working poor families eligible for food stamps that receive food stamps to the total number of children in the State and

"(IV) the percentage of members of families which are former recipients of assistance under the State program funded under this title (which have ceased to receive such assistance for not more than 6 months) who currently receive medical assistance under the State plan approved under title XIX or the child health assistance under title XXI.

For purposes of subclause (III), the term 'working poor families' means families which receives earnings equal to at least the comparable amount which would be received by an individual working a half-time position for minimum wage.

"(iii) EMPLOYMENT RELATED MEASURES.—Not less than $100,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(I) and the criteria described in clause (ii)(II) with respect employed former recipients.

"(iv) FOOD STAMP MEASURES.—Not less than $50,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(III).

"(v) MEDICAID AND SCHIP CRITERIA.—Not less than $50,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(IV).".

(b) DATA COLLECTION AND REPORTING.—Section 411(a) of the Social Security Act (42 U.S.C. 611(a)) is amended by adding at the end the following:

"(8) REPORT ON OUTCOME OF WELFARE REFORM FOR STATES NOT PARTICIPATING IN BONUS GRANTS UNDER SECTION 403(a)(4).—

"(A) IN GENERAL.—In the case of a State which does not participate in the procedure for awarding grants under section 403(a)(4) pursuant to regulations prescribed by the Secretary, the report required by paragraph

(1) for a fiscal quarter shall include data regarding the characteristics and well-being of former recipients of assistance under the State program funded under this title for an appropriate period of time after such recipient has ceased receiving such assistance.

"(B) Contents.—The data required under subparagraph (A) shall consist of information regarding former recipients, including—

"(i) employment status;

"(ii) job retention;

"(iii) poverty status;

"(iv) receipt of food stamps, medical assistance under the State plan approved under title XIX or child health assistance under title XXI, or subsidized child care;

"(v) accessibility of child care and child care cost; and

"(vi) measures of hardship, including lack of medical insurance and difficulty purchasing food.

"(C) Sampling.—A State may comply with this paragraph by using a scientifically acceptable sampling method approved by the Secretary.

"(D) Regulations.—The Secretary shall prescribe such regulations as may be necessary to ensure that—

"(i) data reported under this paragraph is in such a form as to promote comparison of data among States; and

"(ii) a State reports, for each measure, changes in data over time and comparisons in data between such former recipients and comparable groups of current recipients.".

(c) Report of Currently Collected Data.—Not later than July 1, 2000, the Secretary of Health and Human Services shall transmit to Congress a report regarding earnings and employment characteristics of former recipients of assistance under the State program funded under this part, based on information currently being received from States. Such report shall consist of a longitudinal record for a sample of States, which represents at least 80 percent of the population of each State, including a separate record for each of fiscal years 1997 through 2000 for—

(1) earnings of a sample of former recipients using unemployment insurance data;

(2) earnings of a sample of food stamp recipients using unemployment insurance data and

(3) earnings of a sample of current recipient of assistance using unemployment insurance data.

(d) Effective Dates.—

(1) The amendment made by subsection (a) applies to each of fiscal years 2000 through 2003.

(2) The amendment made by subsection (b) applies to reports in fiscal years beginning in fiscal year 2000.

TORRICELLI (AND OTHERS) AMENDMENT NO. 1213

Mr. DORGAN (for Mr. Torricelli (for himself, Mr. Lieberman, Mr. Dodd, and Mr. Lautenberg)) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 98, insert between lines 4 and 5 the following:

SEC. 636. PROHIBITION ON IMPOSITION OF DISCRIMINATORY COMMUTER TAXES BY POLITICAL SUBDIVISIONS OF STATES.

(a) In General.—Chapter 4 of title 4, United States Code, is amended by adding at the end the following:

"§ 116. Prohibition on imposition of discriminatory commuter taxes by political subdivisions of States

"A political subdivision of a State may not impose a tax on income earned within such political subdivision by nonresidents of the political subdivision unless the effective rate of such tax imposed on such nonresidents who are residents of such State is not less than such rate imposed on such nonresidents who are not residents of such State.".

(b) Conforming Amendment.—The table of sections for chapter 4 of title 4, United States Code, is amended by adding at the end the following:

"116. Prohibition on imposition of discriminatory commuter taxes by political subdivisions of States.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 1214

Mr. DORGAN (for Mr. Lautenberg (for himself and Mrs. Hutchison, Mr. Byrd, Mr. Hollings, Mr. Harkin, and Mr. Johnson)) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place, insert the following:

SEC. . INCLUSION OF ALCOHOL ABUSE BY MINORS IN NATIONAL ANTI-DRUG MEDIA CAMPAIGN.

(a) In General.—The Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277) is amended—

(1) in section 101(h) of division A (the Treasury Department Appropriations Act, 1999), in title III under the heading "FEDERAL DRUG CONTROL PROGRAMS—SPECIAL FORFEITURE FUND (INCLUDING TRANSFER OF FUNDS)", by inserting "(including the use of alcohol by individuals who have not attained 21 years of age)" after "drug use among young Americans";

(b) Office of National Drug Control Policy Reauthorization Act of 1998.—Section 704(b) of the Office of National Drug Control Policy Reauthorization Act of 1998 (title VII of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277)) is amended—

(1) in paragraph (14), by striking "and" after the semicolon;

(2) in paragraph (15), by striking the period and inserting "; and", and by adding at the end the following:

"(16) shall conduct a national media campaign in accordance with the Drug-Free Media Campaign Act of 1998 (including with respect to the use of alcohol by individuals who have not attained 21 years of age).".

(c) Drug-Free Media Campaign Act of 1998.—The Drug-Free Media Campaign Act of 1998 (subtitle A of title I of division D of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277)) is amended—

(1) in section 102(a), by inserting before the period the following: ", and use of alcohol by individuals in the United States who have not attained 21 years of age"; and

(2) in section 103(a)(1)(H), by inserting after "antidrug messages" the following: "and messages discouraging underage alcohol consumption,".

GRAHAM AMENDMENTS NOS. 1215–1216

Mr. DORGAN (for Mr. Graham) proposed two amendments to the bill, S. 1282, supra; as follows:

Amendment No. 1215

At the appropriate place, insert the following:

Sec. . Amounts provided for the Office of National Drug Control Policy in this Act are hereby increased by $2,500,000, to be available for the funding for law enforcement in the High Intensity Drug Trafficking Area associated with Jacksonville, Florida. Amounts provided for General Services Administration building operations in this Act are reduced by $2,500,000.

Amendment No. 1216

On page 15, line 2, after the colon, insert the following: "*Provided further*, That the number of Customs Service personnel assigned to Customs facilities in Florida or along the United States-Mexico border shall not be reduced below the number of such personnel assigned to such facilities for fiscal year 1999, if the reduction or diversion of personnel from those facilities would be detrimental to the drug enforcement or investigative operations of the Customs Service, or to the ability of the Customs Service to process international passengers, vessels, or cargo:".

COCHRAN AMENDMENT NO. 1217

Mr. DORGAN (for Mr. Cochran) proposed an amendment to the bill, S. 1282, supra; as follows:

At the appropriate place in the bill insert the following new section:

"Section 1122 of the National Defense Authorization Act for Fiscal Year 1994 is hereby repealed".

CAMPBELL AMENDMENTS NOS. 1218–1219

Mr. CAMPBELL proposed two amendments to the bill, S. 1282, supra; as follows:

Amendment No. 1218

On page 62, line 8, after "building operations" insert "*Provided*, That the amounts provided above under this heading for rental of space, building operations and in aggregate amount for the Federal Buildings Fund, are reduced accordingly".

Amendment No. 1219

At the appropriate place, at the end of the General Services Administration, General Provisions insert the following new sections:

Sec. 411. Notwithstanding 31 U.S.C. 1346, funds made available for fiscal year 2000 by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP salaries and administrative costs.

Sec. 412. The Administrator of General Services may provide from governmentwide credit card rebates, up to $3,000,000 in support of the Joint Financial Management Improvement Program as approved by the Chief Financial Officers Council.

SCHUMER AMENDMENT NO. 1220

Mr. CAMPBELL (for Mr. Schumer) proposed an amendment to the bill, S. 1282, supra; as follows:

On page 98, insert between lines 4 and 5 the following:

SEC. 636. ITEMIZED INCOME TAX RECEIPT.

(a) In General.—Not later than April 15, 2000, the Secretary of the Treasury shall establish an interactive program on an Internet website where any taxpayer may generate an itemized receipt showing a proportionate allocation (in money terms) of the taxpayer's total tax payments among the major expenditure categories.

(b) Information Necessary To Generate Receipt.—For purposes of generating an itemized receipt under subsection (a), the interactive program—

(1) shall only require the input of the taxpayer's total tax payments, and

(2) shall not require any identifying information relating to the taxpayer.

(c) Total Tax Payments.—For purposes of this section, total tax payments of an individual for any taxable year are—

(1) the tax imposed by subtitle A of the Internal Revenue Code of 1986 for such taxable year (as shown on his return), and

(2) the tax imposed by section 3101 of such Code on wages received during such taxable year.

(d) Content of Tax Receipt.—

(1) Major expenditure categories.—For purposes of subsection (a), the major expenditure categories are:

(A) National defense.

(B) International affairs.

(C) Medicaid.

(D) Medicare.

(E) Means-tested entitlements.

(F) Domestic discretionary.

(G) Social Security.

(H) Interest payments.

(I) All other.

(2) Other items on receipt.—

(A) In general.—In addition, the tax receipt shall include selected examples of more specific expenditure items, including the items listed in subparagraph (B), either at the budget function, subfunction, or program, project, or activity levels, along with any other information deemed appropriate by the Secretary of the Treasury and the Director of the Office of Management and Budget to enhance taxpayer understanding of the Federal budget.

(B) Listed items.—The expenditure items listed in this subparagraph are as follows:

(i) Public schools funding programs.

(ii) Student loans and college aid.

(iii) Low-income housing programs.

(iv) Food stamp and welfare programs.

(v) Law enforcement, including the Federal Bureau of Investigation, law enforcement grants to the States, and other Federal law enforcement personnel.

(vi) Infrastructure, including roads, bridges, and mass transit.

(vii) Farm subsidies.

(viii) Congressional Member and staff salaries.

(ix) Health research programs.

(x) Aid to the disabled.

(xi) Veterans health care and pension programs.

(xii) Space programs.

(xiii) Environmental cleanup programs.

(xiv) United States embassies.

(xv) Military salaries.

(xvi) Foreign aid.

(xvii) Contributions to the North Atlantic Treaty Organization.

(xviii) Amtrak.

(xix) United States Postal Service.

(e) Cost.—No charge shall be imposed to cover any cost associated with the production or distribution of the tax receipt.

(f) Regulations.—The Secretary of the Treasury may prescribe such regulations as may be necessary to carry out this section.

OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF INTERNATIONAL TELECOMMUNICATIONS ACT

BURNS AMENDMENT NO. 1221

Mr. BURNS proposed an amendment to the bill (S. 376) to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes; as follows:

Section 4 of S. 376 (as amended by the "ORBIT" substitute) is amended by striking proposed Section 603 of the Communications Satellite Act and inserting the following new section:

SEC. 603. RESTRICTIONS PENDING PRIVATIZATION.

(a) INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to carriers (other than the United States signatory) or end users in the United States until July 1, 2001 or until INTELSAT achieves a pro-competitive privatization pursuant to section 613(a) if privatization occurs earlier.

(b) Notwithstanding subsection (a), INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to any foreign signatory, or affiliate thereof, and no carrier, other than the United States signatory, nor any end user, shall be permitted to invest directly in INTELSAT.

(c) Pending INTELSAT's privatization, the Commission shall ensure that the United States signatory is compensated by direct access users for the costs it incurs in fulfilling its obligations under this Act.

(d) The provisions of subsections (b) and (c) shall remain in effect only until INTELSAT achieves a pro-competitive privatization pursuant to section 613(a)."

On line 21, page 32, Section 612(b), insert "subsection" after the word "under".

On line 21, page 32, Section 612(b), replace "consider" with "determine whether".

On line 23, page 32, Section 612(b), insert "exist" after the word "connections".

On line 9, page 33, Section 612(b)(4), after "ownership", insert "and whether the affiliate is independent of IGO signatories or former signatories who control telecommunications market access in their home territories."

On line 19, page 35, section 613(c)(1), after "taxation", insert "and does not unfairly benefit from ownership by former signatories who control telecommunications market access to their home territories."

On line 13, page 37, Section 613(d), replace "consider" with "determine".

On line 14, page 37, Section 613(d), insert "and Immarsat" after "Intelsat".

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

COVERDELL AND ASHCROFT AMENDMENT NO. 1222

Mr. COVERDELL (for himself and Mr. Ashcroft) proposed an amendment to the bill (S. 1283) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2000, and for other purposes; as follows:

At the appropriate place, insert the following'

Sec. . None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug, or for any payment to any individual or entity who carries out any such program.

DASCHLE AMENDMENT NO. 1223

Mr. DASCHLE proposed an amendment to the bill, S. 1283, supra; as follows:

On page 53, between lines 11 and 12, insert the following:

Sec. 1 .—Wireless Communications.—

(a) In General.—Notwithstanding any other provision of law, not later than 7 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—

(1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and

(2) expend such sums as are necessary to carry out paragraph (1).

(b) Antenna Applications.—

(1) In general.—Not later than 90 days after the date of enactment of this Act, a Federal agency that receives an application to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.

(2) Guidance.—In making a decision concerning wireless service in the District of Columbia or surrounding area, a Federal agency described in paragraph (1) may consider, but shall not be bound by, any decision or recommendation of—

(A) the National Capital Planning Commission; or

(B) any other area commission or authority.

DURBIN AMENDMENT NO. 1224

Mr. DURBIN proposed an amendment to the bill, S. 1283, surpa; as follows:

On page 5, strike beginning with line 17 through page 6, line 4.

On page 11, line 1, after the semicolon insert "up to".

On page 11, line 2, after "resident" insert "college".

CITY OF SISTERS, OREGON, SEWAGE TREATMENT FACILITY LEGISLATION

SMITH (AND WYDEN) AMENDMENT NO. 1225

Mr. GORTON (for Mr. Smith of Oregon (for himself and Mr. Wyden)) proposed an amendment to the bill (S. 416) to direct the Secretary of Agriculture to convey the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility; as follows:

On page 3, line 12, strike the quotation marks.

On page 3, line 14, strike "the following".

At the end, add the following:

"(e) Authority To Acquire Land in Substitution.—Subject to the availability of appropriations, the Secretary shall acquire land within Oregon, and within or in the vicinity of the Deschutes National Forest, of an acreage equivalent to that of the land conveyed under subsection (a). Any lands acquired shall be added to and administered as part of the Deschutes National Forest.".

MILITARY AND EXTRATERRITORIAL JURISDICTION ACT OF 1999

SESSIONS (AND OTHERS) AMENDMENT NO. 1226

Mr. GORTON (for Mr. Sessions (for himself, Mr. Leahy, and Mr. DeWine)) proposed an amendment to the bill (S. 768) to establish court-martial jurisdiction over civilian serving with the Armed Forces during contingency operations. and to establish Federal jurisdiction over crimes committed outside the United States by former members of the Armed Forces and civilians accompanying the Armed Forces outside the United States; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military and Extraterritorial Jurisdiction Act of 1999".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Civilian employees of the Department of Defense, and civilian employees of Department of Defense contractors, provide critical support to the Armed Forces of the United States that are deployed during a contingency operation.

(2) Misconduct by such persons undermines good order and discipline in the Armed Forces, and jeopardizes the mission of the contingency operation.

(3) Military commanders need the legal tools to address adequately misconduct by civilians serving with Armed Forces during a contingency operation.

(4) In its present state, military law does not permit military commanders to address adequately misconduct by civilians serving with Armed Forces, except in time of a congressionally declared war.

(5) To address this need, the Uniform Code of Military Justice should be amended to provide for court-martial jurisdiction over civilians serving with Armed Forces in places designated by the Secretary of Defense during a "contingency operation" expressly designated as such by the Secretary of Defense.

(6) This limited extension of court-martial jurisdiction over civilians is dictated by military necessity, is within the constitutional powers of Congress to make rules for the government of the Armed Forces, and, therefore, is consistent with the Constitution of the United States and United States public policy.

(7) Many thousand civilian employees of the Department of Defense, civilian employees of Department of Defense contractors, and civilian dependents accompany the Armed Forces to installations in foreign countries.

(8) Misconduct among such civilians has been a longstanding problem for military commanders and other United States officials in foreign countries, and threatens United States citizens, United States property, and United States relations with host countries.

(9) Federal criminal law does not apply to many offenses committed outside of the United States by such civilians and, because host countries often do not prosecute such offenses, serious crimes often go unpunished and,to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such civilians outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

(10) Federal law does not apply to many crimes committed outside the United States by members of the Armed Forces who separate from the Armed Forces before they can be identified, thus escaping court-martial jurisdiction and, to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such persons outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

SEC. 3. COURT-MARTIAL JURISDICTION.

(a) Jurisdiction During Contingency Operations.—Section 802(a) of title 10, United States Code (article 2(a) of the Uniform Code of Military Justice), is amended by inserting after paragraph (12) the following:

"(13) To the extent not covered by paragraphs (10) and (11), persons not members of the armed forces who, in support of a contingency operation described in section 101(a)(13)(B) of this title, are serving with and accompanying an armed force in a place or places outside the United States specified by the Secretary of Defense, as follows:

"(A) Employees of the Department of Defense.

"(B) Employees of any Department of Defense contractor who are so serving in connection with the performance of a Department of Defense contract.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and apply with respect to acts or omissions occurring on or after that date.

SEC. 4. FEDERAL JURISDICTION.

(a) Criminal Offenses Committed Outside the United States.—Title 18, United States Code, is amended by inserting after chapter 211 the following:

"CHAPTER 212—CRIMINAL OFFENSES COMMITTED OUTSIDE THE UNITED STATES

"Sec.

"3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States.

"3262. Delivery to authorities of foreign countries.

"3263. Regulations.

"3264. Definitions.

"§ 3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States

"(a) In General.—Whoever, while serving with, employed by, or accompanying the Armed Forces outside of the United States, engages in conduct that would constitute an offense punishable by imprisonment for more than 1 year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, shall be guilty of a like offense and subject to a like punishment.

"(b) Concurrent Jurisdiction.—Nothing in this chapter may be construed to deprive a court-martial, military commission, provost court, or other military tribunal of concurrent jurisdiction with respect to offenders or offenses that by statute or by the law of war may be tried by a court-martial, military commission, provost court, or other military tribunal.

"(c) Action by Foreign Government.—No prosecution may be commenced against a person under this section if a foreign government, in accordance with jurisdiction recognized by the United States, has prosecuted or is prosecuting such person for the conduct constituting such offense, except upon the approval of the Attorney General or the Deputy Attorney General (or a person acting in either such capacity), which function of approval shall not be delegated.

"(d) Arrests.—

"(1) Law enforcement personnel.—The Secretary of Defense may designate and authorize any person serving in a law enforcement position in the Department of Defense to arrest, in accordance with applicable international agreements, outside of the United States any person described in subsection (a) if there is probable cause to believe that such person engaged in conduct that constitutes a criminal offense under subsection (a).

"(2) Release to civilian law enforcement.—A person arrested under paragraph (1) shall be released to the custody of civilian law enforcement authorities of the United States for removal to the United States for judicial proceedings in relation to conduct referred to in such paragraph unless—

"(A) such person is delivered to authorities of a foreign country under section 3262; or

"(B) such person has had charges brought against him or her under chapter 47 of title 10 for such conduct.

"§ 3262. Delivery to authorities of foreign countries

"(a) In General.—Any person designated and authorized under section 3261(d) may deliver a person described in section 3261(a) to the appropriate authorities of a foreign country in which such person is alleged to have engaged in conduct described in section 3261(a) of this section if—

"(1) the appropriate authorities of that country request the delivery of the person to such country for trial for such conduct as an offense under the laws of that country; and

"(2) the delivery of such person to that country is authorized by a treaty or other international agreement to which the United States is a party.

"(b) Determination by the Secretary.—The Secretary of Defense, in consultation with the Secretary of State, shall determine which officials of a foreign country constitute appropriate authorities for purposes of this section.

"§ 3263. Regulations

"(a) In General.—The Secretary of Defense, after consultation with the Secretary of State and the Attorney General, shall issue regulations governing the apprehension, detention, and removal of persons under this chapter. Such regulations shall be uniform throughout the Department of Defense.

"(b) Notice to Third Party Nationals.—

"(1) In general.—The Secretary of Defense, after consultation with the Secretary of State, shall issue regulations requiring that, to the maximum extent practicable, notice shall be provided to any person serving with, employed by, or accompanying the Armed Forces outside the United States who is not a national of the United States that such person is potentially subject to the criminal jurisdiction of the United States under this chapter.

"(2) Failure to provide notice.—The failure to provide notice as prescribed in the regulations issued under paragraph (1) shall not defeat the jurisdiction of a court of the United States or provide a defense in any judicial proceeding arising under this chapter.

"§ 3264. Definitions

"In this chapter—

"(1) a person is 'accompanying the Armed Forces outside of the United States' if the person—

"(A) is a dependent of—

"(i) a member of the Armed Forces;

"(ii) a civilian employee of a military department or of the Department of Defense; or

"(iii) a Department of Defense contractor or an employee of a Department of Defense contractor;

"(B) is residing with such member, civilian employee, contractor, or contractor employee outside the United States; and

"(C) is not a national of or ordinarily resident in the host nation;

"(2) the term 'Armed Forces' has the same meaning as in section 101(a)(4) of title 10; and

"(3) a person is 'employed by the Armed Forces outside of the United States' if the person—

"(A) is employed as a civilian employee of the Department of Defense, as a Department of Defense contractor, or as an employee of a Department of Defense contractor;

"(B) is present or residing outside of the United States in connection with such employment; and

"(C) is not a national of or ordinarily resident in the host nation.".

(b) Clerical Amendment.—The table of chapters at the beginning of part II of title 18, United States Code, is amended by inserting after the item relating to chapter 211 the following:

"212. Criminal Offenses Committed Outside the United States .... 3621".

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

DURBIN AMENDMENT NO. 1227

Mr. DURBIN proposed an amendment to the bill, S. 1283, supra; as follows:

At the appropriate place, insert the following:

Sec. (a) Findings.—The Senate finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376 of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including 2 charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with 1 exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) Sense of the Senate.—It is the sense of the Senate that in considering the District of Columbia's fiscal year 2001 budget, the Senate will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

HUTCHISON AMENDMENT NO. 1228

Mrs. HUTCHISON proposed an amendment to the bill, S. 1283, supra; as follows:

At the appropriate place, insert the following:

Sec. . The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

EDWARDS AMENDMENT NO. 1229

Mrs. HUTCHISON (for Mr. Edwards) proposed an amendment to the bill, S. 1283, supra; as follows:

On page 13, line 17, insert the following: ": *Provided further*, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina".

DORGAN AMENDMENTS NOS. 1230-1231

Mrs. HUTCHISON (for Mr. Dorgan) proposed two amendments to the bill, S. 1283, supra; as follows:

Amendment No. 1230

At the appropriate place, insert the following:

SEC. ___. GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM.

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of the District of Columbia, in order to identify the components most in need of additional resources, including financial, personnel, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

Amendment No. 1231

At the appropriate place, insert the following:

SEC. ___. TERMINATION OF PAROLE FOR ILLEGAL DRUG USE.

(a) Arrest for Violation of Parole.—Section 205 of title 24 of the District of Columbia Code is amended—

(1) in the first sentence, by striking "If the" and inserting the following:

"(a) If the"; and

(2) by adding at the end the following:

"(b) Notwithstanding subsection (a), with respect to a prisoner who is convicted of a crime of violence (as defined in § 23-1331) and who is released on parole at any time during the term or terms of the prisoner's sentence for that offense, the Board of Parole shall issue a warrant for the retaking of the prisoner in accordance with this section, if the Board, or any member thereof, has reliable information (including positive drug test results) that the prisoner has illegally used a controlled substance (as defined in § 33-501) at any time during the term or terms of the prisoner's sentence.".

(b) Hearing After Arrest; Termination of Parole.—Section 206 of title 24 of the District of Columbia Code is amended by adding at the end the following:

"(c) Notwithstanding any other provision of this section, with respect to a prisoner with respect to whom a warrant is issued under section 205(b), if, after a hearing under this section, the Board of Parole determines that the prisoner has illegally used a controlled substance (as defined in §33-501) at any time during the term or terms of the prisoner's sentence, the Board shall terminate the parole of that prisoner.".

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a joint oversight hearing has been scheduled before the Committee on Energy and Natural Resources and the Committee on Indian Affairs.

The hearing will take place on Wednesday, July 14, beginning at 9:30 a.m. in Room SH-216 of the Hart Senate Office Building.

The purpose of this hearing is to receive testimony on the Report of the General Accounting Office (GAO) on the Interior Department's Planned Trust Fund Reform.

For further information, please contact the Committee on Indian Affairs at 202-224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Thursday, July 1, 1999, in open session, to receive testimony on military operations regarding Kosovo.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 1, 1999 at 10:30 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, July 1, 1999 at 9:30 a.m. to conduct a hearing on legislation to create an American Indian Education Foundation. The hearing will be held in room 485 of the Russell Senate Office Building

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for an executive business meeting, during the session of the Senate on Thursday, July 1, 1999, at 10:00 a.m. in Senate Dirksen, Room 628.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 1, 1999 at 2:00 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs be authorized to meet during the session of the Senate on Thursday, July 1, 1999 at 2:00 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EMPLOYMENT, SAFETY, AND TRAINING

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Employment, Safety, and Training be authorized to meet for a hearing on "The Workforce Investment Act: Job Training" during the session of the Senate on Thursday, July 1, 1999, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND TRANSPORTATION

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Transportation of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, July 1, 1999, to conduct a hearing on "The HUD Section 8 Opt-Outs Crisis."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia be permitted to meet on Thursday, July 1, 1999 at 10:00 a.m. for a hearing on Egg Safety: Are There Cracks in the Federal Food Safety System?

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

DOMESTICALLY MANUFACTURED FIREARMS AND CONSUMER SAFETY

• Mr. LEVIN. Mr. President, in 1972, Congress established the Consumer Product Safety Commission (CPSC), an independent regulatory agency, designed to "protect the public from unreasonable risks of injuries and deaths associated with consumer products." Since 1972, CPSC has worked to accomplish that goal by developing uniform safety standards, obtaining the recall of dangerous products, and researching, informing and educating consumers about product related hazards. CPSC has jurisdiction over thousands categories of products, from furniture to sporting equipment, appliances, clothing and toys.

Although almost all categories of consumer products are reviewed for safety, there are millions of dangerous products in the United States that go untested. These products, which are among the leading cause of death in the United States, are exempted from oversight by the Consumer Product Safety Commission. They are not subject to any quality and safety standards, nor are their manufacturers required to provide warnings to consumers about their hazards. These products are firearms, and despite the fact that they kill some 35,000 people each year, they are exempt from oversight by the federal agency that provides Americans with lifesaving information.

The fact that guns are one of the only categories of products not subject to regulation is another example of a loophole in our federal firearms law. In the 1968 Gun Control Act, Congress set quality and safety standards for imported guns, yet failed to impose such criteria on domestically manufactured weapons. As a result, many of the guns manufactured today lack even the most basic kind of safety devices.

Gun manufacturers have the ability to include basic safety mechanisms in their firearms that would substantially reduce firearm related deaths. Yet most gun manufacturers have refused to implement even the most basic technology in their products. It would surprise most Americans to know that firearms manufactured in the United States are not required to pass a "drop test," a series of tests and measurements to ensure that guns will not accidentally fire if dropped. Nor are they required to include simple features on firearms, such as load indicators which tell the user the gun is loaded. Many firearms also lack a magazine disconnect safety, a small safety improvement that costs approximately 50 cents, and could save the lives of hundreds of children who die from unintentional shootings. In addition, there are no requirements that firearms are manufactured with internal locking devices or combination locks. These are simple solutions for safety, but until guns are regulated as a consumer product, they are unlikely to be implemented by domestic manufacturers.

Manufacturers should also pursue technology to develop "smart" or "personalized" guns. Although there is no such working weapon that uses this technology now, there are plans by some manufacturers to explore the development of smart guns that recognize their owners through fingerprints, radio emissions or skin conductivity. The NRA and other gun manufacturers, such as Berretta U.S.A. Corp, are opposed to the development of smart gun technology, because they believe it would lead to mandatory safety standards. Yet, personalization concepts that allow only the authorized user access to his firearm, are sure to decrease the number of fatal unintentional injuries, homicides and suicides.

The Consumer Product Safety Commission is capable of monitoring firearms, just as they review baby cribs, hair dryers, basketballs, even toy guns, and the thousands of other products manufactured in the United States. But until Congress amends the Consumer Product Safety Act and revokes this special privilege given to firearms manufacturers, guns manufactured in the United States are unlikely to include even basic safety mechanisms.●

SUPPORTING S. 1010—THE MEDICAL INNOVATION TAX CREDIT

● Mr. ABRAHAM. Mr. President, today I would like to give my support to the Medical Innovation Tax Credit Act, sponsored by my good friend, Senator JEFFORDS.

Our medical schools and teaching hospitals are the backbone for innovation in American medicine. As sites for vital human clinical trials, these medical institutions provide a superior training ground for our nation's health care professionals, functioning as centers for the development of innovative medical technologies, treatments and medicines.

Yet, Mr. President, there has been an alarming decline in the utilization of these superior medical facilities for clinical trials. Due to changes within the health care marketplace, our medical facilities have come under increasing cost pressures, driving up the costs associated with conducting clinical trials at these facilities. Currently, it is more expensive for companies to perform clinical trials at teaching hospitals than at commercial research organizations.

Mr. President, the Medical Innovation Tax Credit Act is integral to the continued success of our nation's status as a world leader in the development of medical advances. This legislation would enhance the flow of private-sector funds into our non-profit medical institutions by providing incentives for companies to perform more clinical trials at these institutions. The 20 percent medical innovation tax credit would help level the current cost differential and the resulting influx of funds would ease some of the financial pressures our medical institutions are experiencing.

I urge all of my colleagues to send a strong message to our nation's medical institutions and health care professionals, that we will continue working to find ways to enhance and strengthen our valuable research program. To this end, it is essential that the Senate support the Medical Innovation Tax Credit Act.●

PIONEER MEMORIAL HOSPITAL

● Mr. JOHNSON. Mr. President, I rise today to express my warmest congratulations to Pioneer Memorial Hospital in Viborg, SD.

Pioneer Memorial Hospital is celebrating 40 years of dedicated service to the residents of Viborg and the surrounding area. It is an outstanding example of continued excellence in the delivery of health care services to rural South Dakota.

In an era when the high cost of medical care has driven a wedge between the patient and the provider, small, rural hospitals like Pioneer Memorial Hospital remind us of the true ethic of medical care; compassion, commitment and dedication to those in need. There is no reward great enough for the hard work and long hours that the staff at Pioneer Memorial Hospital have sacrificed on the behalf of others. They have brought into the world the newborn babies of friends and neighbors and cared for those who have lived long and noble lives. Perhaps most importantly, they should be recognized for the hand that they extended to those whom they did not know but reached out to in times of need.

Therefore, it is with great honor that I recognize Pioneer Memorial Hospital for its dedication to service and excellence in providing quality medical care to Viborg and the surrounding area. I applaud the efforts of every individual involved with the hospital throughout the years and offer my best wishes for another 40 years of service and excellence.●

TRIBUTE TO PHIL PETRIK

● Mr. BURNS. Mr. President, I rise today to bring recognition to a special Montanan, Phil Petrik. Phil is a commercial pilot in Sidney, Montana. One afternoon, Phil overheard another pilot talking to someone at the Williston, North Dakota airport on the radio. Apparently, the pilot was above the clouds and could not find a hole to make it through to land.

The pilot stated that he would fly on to the Watford City airport and see if he could land there. Later in the day, Petrik once again heard the pilot calling the Eilliston airport, requesting information about landing.

Unfortunately, the conditions had not changed. Phil then contacted the Williston airport to inquire if there was someone there who could guide the pilot down. He was informed that there was not. Phil got into his own plane and flew to approximately where the plane in distress should be and he finally found him. The other pilot told Phil he had about 30 minutes of fuel left. Phil had the FAA clear the airspace and they started down through the clouds. The two planes were in the clouds for about 90 seconds. Petrik guided the other plane to the airport and returned home.

Upon his arrival in Sidney, Phil found out that the pilot had actually only one minute and 20 seconds of fuel left when he made it to the ground. Phil has already been recognized by the Federal Aviation Association for his valiant act of selflessness. His peers in Montana have all told me that this is an example of the type of man Mr. Petrik is. It is a great honor for me to share this story of valor and compassion. One man willing to risk his life for another. Please join me in offering congratulations and thanks to Phil Petrik.●

THE NATIONWIDE COMPANIES

● Mr. CLELAND. Mr. President, I rise today to recognize an exceptional company based in Atlanta, Georgia. The Nationwide Companies proudly established its national headquarters in Atlanta just seven years ago, and through the progressive leadership of its founder and president, Bill Case, it has succeeded in the American marketplace.

As you well know, success earns recognition, and Money Maker's Monthly recently awarded this growing company the distinction of "The Company of the Month" in the United States. The front-page feature, appropriately titled, "The Nationwide Miracle," describes the progress of Nationwide, and applauds Mr. Case for his leadership and integrity. Perhaps the most telling description of Nationwide as a uniquely American business is the conclusion in the feature that Bill Case and his company are "revolutionizing the way the American public earns and saves money."

The Money Maker's Monthly feature is a tribute to a man's vision and the ability to transfer dreams into reality. In order that others may celebrate this wonderful award and perhaps be inspired by its description of Mr. Case's realization of the "American dream," Mr. President, I ask you to join me in saluting the many successes of Bill Case and the Nationwide Companies, and ask that the Money Maker's Monthly article be printed in the RECORD.

The article follows.

[From Money Maker's Monthly, Mar. 1999]

THE NATIONWIDE MIRACLE

Bill Case dreamed for many years of a business where people could enjoy financial freedom. He already knew that network marketing was the wave of the future, but concluded that the industry had complications that disillusioned many able and talented people. He wanted to find the simplest way that a home-based entrepreneur could earn impressively through network marketing without spending hard-earned money on things like inventory and also avoid obstacles like unproductive downlines. In other words, could you build a business where financial freedom was obtainable through good, honest work?

After carefully researching other network marketing companies and interviewing a cross-section of successful networking entrepreneurs throughout the country, Case found the answer. The result became The Nationwide Companies, his seven-year-old business that is viewed by many observers as a miracle in the network marketplace.

"Instead of selling marked-up merchandise, we sell a benefits package which gives the owner the right to purchase popular items like cars, boats, furniture and health insurance with the same group buying power and low prices enjoyed by Fortune 500 Companies." Case emphasizes that the Nationwide Benefits Package is "a hot item because of value in savings." Case says his network marketing business, which is headquartered in Atlanta, is revolutionizing the way the American public earns and saves money. Skeptics are few and far between as Case and his company gladly showcase a growing number of success stories from California to Florida who are earning six-figure incomes. Nationwide networkers, called Independent Marketing Directors (IMDs), publicly and rather proudly state that they are enjoying genuine financial freedom as associates of Case's "Team Nationwide."

With evangelical drive, Case welcomes everyone to visit under the umbrella of The Nationwide Companies. "We are truly one of a kind among network marketing companies," observes Case. "We have a quality product that stands on its own in the marketplace because it allows purchasers to obtain items of genuine values." He emphasizes that the Nationwide Benefits Package can be purchased by anyone. It is a retail item in the truest sense of the word. The Benefits Package allows the owner, according to Case, to buy or lease cars, trucks, RVs, boats, along with furniture, eye care, health insurance, and even exotic vacations. "Our Benefits Package saves consumers substantial amounts of good, hard dollars. The benefits are from recognizable Fortune 500 companies like "the big three" automakers, General Electric, United Parcel Service, Hertz and LensCrafters, just to name a few," says Case, adding that the Package is "one of the best bargains in the country!"

WITHOUT BURDENS

Like other network marketing businesses, Nationwide operates through its IMDs from Hawaii to New York. From the company's Atlanta headquarters, Case's fast-growing enterprise provides marketing and sales information, computer support and state-of-the-art, easily accessible training for its IMDs. When asked what makes Nationwide different from other network marketers, Case, breaking into a wide grin, responds, "Our IMDs don't have to buy or keep any inventory. There's no quota of any kind, no penalties, no competition and no levels of unpaid production." Case adds that Nationwide's system "pays to infinity." "You get paid what you are worth with Nationwide, and you only have to make two sales each year. We believe that our IMDs should earn good money without unnecessary difficulty," he says.

Case describes Nationwide's management as "hands-on." "We have a totally supportive attitude regarding our people. They expect value and great service, and that's what we deliver. It's critical that our IMDs are able to explain the Nationwide miracle and the wonderful savings and earnings opportunities which they can do if we give them the effective tools." Support from Case means closeness and intimacy. From company headquarters, every significant development regarding all aspects of Nationwide's operation are updated daily. The information is as available as a telephone call, fax machine or computer will permit. More importantly, Case still believes in the value of the human voice. "Support training and customer service is at the top of the list. People want to hear answers from a warm human voice when they have a question. It's my job to see that they get this."

THE NATIONWIDE TEAM

Case sees Nationwide's remarkable success much like an accomplished football coach who is closing in on his lifetime goal of winning the Superbowl. He built his winning team around Jack Hendryx, Nationwide's vice president. "I recruited Jack because he is one of the country's networking geniuses," says Case. Hendryx personable, well dressed and self-confident, reflects Case's trust, "I came on board because Nationwide eliminated all of the shenanigans that plague the direct marketing business. Hendryx says he and Case implemented a training program that helps the home-based entrepreneur succeed. "This country needs an honest company where the chance to earn substantial money is real, and Nationwide is that company!"

Hendryx, with unconditional backing from Case, formulated a new millennium training program for IMDs which combines proven sales assistance with intensive and continuing marketing education. He supervises customized and very effective grass-roots seminars throughout the country and is an almost constant presence at regular regional meetings. Importantly, Hendryx has stayed abreast of 21st century training strategies, and the result is high morale and enthusiasm among the rank and file IMD's. "We want our men and women to earn money now, not later. Our training program is designed to get them into substantial income production immediately."

Interviews with a sampling of Nationwide's IMDs confirmed positive results from the training program. Many IMDs have worked for five or even more network marketing companies prior to Nationwide only to see them go out of business for myriad reasons, mostly bad ones. They blamed the failures on poor products and Neanderthal to non-existent training. "Visit any of our workshops," says Hendryx, "and you'll know that we are as different from the failed companies as day is from night. Nationwide works because it's designed and managed by people like Lynda Davis." Davis, according to Hendryx, is the National Sales Training Coordinator for Nationwide who has created the lion's share of the effective marketing tools used in the company's training program. "Lynda is a crown jewel," says Hendryx. "Her training expertise gives our IMDs the head start they need in earning good, solid money as quickly as possible."

One of the key players on Nationwide's team is Dick Loehr, president of Loehr's Auto Consultants in Ft. Lauderdale, Fla. who operates the benefits company for Nationwide. Loehr, who once owned nine automobile franchises, ranging from Porsche to Chrysler, has vast experience in the national automobile marketplace. A protégé of Lee Iococca (Loehr was an advisor to Iococca at Chrysler and still wears the lapel pin award given for his service to Iococca and Chrysler), Loehr is a virtual encyclopedia of knowledge of the automobile industry, including the complicated areas of financing and leasing. Nationwide recently produced a video interview with Loehr, which is a reservoir of vital information that any consumer would need to know before buying or leasing an automobile.

Loehr's joining Nationwide meant coming out of retirement. "When I heard about Nationwide, I did my own investigation and knew this company was a winner," says Loehr. With Loehr's auto industry skills, Nationwide continues to be able to make popular items like automobiles available to its associates through the same group buying power enjoyed by Fortune 500 companies. Also, Loehr's heralded experience in the car market is invaluable to Nationwide."I understand pricing of automobiles and trucks, and financing and leasing is almost secondhand to me," says Loehr, who is not bragging, but stating fact.

One of the most recent benefits available to Nationwide associates is the availability of Program cars, which became possible through Loehr's esoteric knowledge of the automobile industry. Loehr says this makes the Benefits Package even more valuable. "A Program car is a recent model, low mileage auto in top shape from a fleet program which we obtain for sale or lease. These are incredible bargains available to anyone owning the Nationwide Benefits Package."

TRIBUTE FROM THE TRENCHES

Case describes his national network of IMD's as "my field generals." "I'm proud of the quality and high character of every one," he says. Robert and Donna Fason of Mount Vernon, Ark. are Nationwide's National Sales Directors who earned their lofty title through impressive success. "Every day is a vacation to us," says Robert, adding, "We are making more money than ever and our IMD's are truly excited about even greater earnings as we work together for financial freedom."

Two key Team Nationwide Associates, says Case are Ruby and Ray Riedel of Yakima, Wash. Both are successful veteran network marketers who left one of the big names in the industry for Nationwide. Their story is a fascinating, personal endorsement of Case's network business dream. "Unlike our previous company, we now have absolutely no inventory, monthly quotas or penalties," stated Ruby Riedel. "How refreshing to be part of a genuine network company and to be free of all overhead, competition and no levels of unpaid production!" In place of these obstacles, Ruby says that IMD's now have "value with rewards." "We and all others are paid what we're worth without limitations, under an amazing income system that pays to infinity." She hastens to add that Nationwide's regular trading program deserves accolades. "The intensive and effective support given to every IMD by people like Jack Hendryx and Lynda Davis keeps all of us going upward with our earnings. This training may be the very best in the network marketing industry."

NOTED AUTHOR LAUDS NATIONWIDE

Perhaps no higher praise for Nationwide has been given than the observation of internationally respected and widely read author Alfred Huang. A Maui, Hawaii resident and Nationwide IMD, Huang says he became an associate of Case's team not solely because of its proven earnings and savings, but particularly because the system "helps people to live a better life." "The true spirit and value of Nationwide is caring of people." Huang is a best-selling author whose next book, "The Century of the Dragan—Creating Your Success and Prosperity In The Next Century," is due for publication later this year. He is convinced that network marketing will soon be the mainstream solution for financial wellness.

"Nationwide," Huang says, "is the best network marketing [company] I have ever known." A native of China, who was imprisoned for 13 years after being wrongly convicted and sentenced as an American spy (his conviction was overturned), plans to write a book about Nationwide. "I want to tell people how to change their attitude and build their self-confidence by sharing the beauty of Nationwide, its philosophy, its system, its opportunity and its loving and caring of people."

INCOME TESTIMONIALS

Nationwide, according to Case, is a 100 percent debt-free company that parallels the American Dream of entrepreneurial success. "Just look at Jack Hendryx," says Case. "No man in America could, I believe, exceed his professional marketing ability and wonderful reputation for honesty." As a matter of fact, one of Hendryx's presentations, which he gives live in regional meetings, and is recorded on one of Nationwide's video programs. concludes with Hendryx's advice to everyone, "The Benefits Package will sell itself. All you have to do is tell the truth, the whole truth, and nothing but the truth. The rest is easy."

Case's expectations for 1999 and into the next millennium are high. "We turned the corner sometime back and this year and the next will see us explode with new sales. My projection is to have tens of thousands more IMD's on board, spread evenly throughout the geographical areas of America with resulting growth in sales of the Benefits Package." Case revealed that new benefits are schedule to be added to the package soon, and as they are added, they will be placed retroactively into Benefits Packages already owned. "Remember, we are family and we share," says Case, with his engaging smile and twinkling eyes.

Every great American business pioneer has said, in one way or another, that a company is measured by the accomplishments of its people. Perhaps no better measure of Nationwide's enviable position in America's network marketplace can be found than in the successes of its IMDs. Many companies, for whatever reason, are reluctant to disclose individuals with verifiable earnings, but not Nationwide. "We want people who are looking for the best earnings opportunity in America today to contact our folks and ask them questions," Case says. "They are going to hear revelations from our people whose lives have been transformed because of the Nationwide miracle. And, I might add, I am talking about genuinely impressive earnings."

Joyce Ross, along with her husband Marvin, is a Nationwide Regional Director in Malden, Mo. She revealed an upward transformation in income during her first year with Nationwide. "For 26 years, we owned a combination barber and beauty shop in a lovely small town, but worked ourselves nearly to death with an accumulation of bills and not enough money for the work we were doing. Then came Nationwide," says Joyce. "It would have taken me ten years to earn as a hairdresser what I have earned with Nationwide in less than two years."

Similarly, Don Garrison of Lampe, Mo. discloses that he earned over $300,000 in the first year. "This is the only way I want to live and work, as a free American citizen!" David Hervey mirrors Garrison's success by revealing that he, too, earned beyond $300,000 during the past year as an associate of Team Nationwide. Hervey, it should be added, is a Nationwide Regional Director in Jackson, Miss. Lamar Adams, a Regional Director in Madison, Miss., earned over $100,000, he says ". . . in just my first six months as a Nationwide IMD!"

Jack Hendryx, speaking from Nationwide's Atlanta headquarters, confirms that there are "large numbers of similar testimonials that we are delighted to share with anyone, anytime, who has a genuine interest in bettering their lives and the lives of their families." Hendryx has an abundance of examples. "All of our Regional Directors have their own earnings success stories. Jack and Becky Hearrell, Fred and Betty Swindel, and Shelby Langston deserve special recognition, as does Bob and Judi Montgomery. The team is built upon Regional Directors' shoulders.

THE TEAM NATIONWIDE FAMILY

Case is inseparable from his wife, Carol. It is more than symbolic that he includes Carol in as many Nationwide activities as her time and schedule will permit. "Carol was instrumental in providing me with some of the central ideas that made Nationwide possible," Case says. "She, in an admirable way, has marketing and public relations talents that go well beyond what you might expect to find on Madison Avenue or even here on Peachtree Street in Atlanta. Plus, we believe in husbands and wives, along with their families, being the core of Team Nationwide."

The IMD Honor Roll of Nationwide bears out Case's "family" vision. The Regional Directors are almost invariably in husband and wife pairs. IMD's everywhere, pictured on his large conference room walls, are there with their respective husbands and wives and occasionally, other family members. Dick Loehr and his wife, Mary Lou are mainstays in the Nationwide miracle; likewise, Jack and Heide Hendryx. "What a wonderful country this will continue to be if we have more businesses like Nationwide," says Case, "where the preservation and betterment of the family unit is not only encouraged, but made possible through the miracle of financial freedom!"

Nationwide's story is the embodiment of the American dream. Case believes that Nationwide is just beginning its revolution in the network marketplace. During 1999 and well beyond, he is committed to making Nationwide the national exemplar of true financial freedom. He and his key team players like Hendryx, Loehr and Davis are driven toward their goal of financial freedom for everyone who is willing to work for it. Every bit of evidence, out in the national field and within their own business data in Atlanta indicates that they must be taken seriously.

Nationwide is on solid ground in the precarious minefield we call the marketplace. Leadership, from Bill Case on down through the chain of command, is top-notch. The determination to grow and expand, based upon time-honored business methods, is evidenced dramatically by its affiliation with Superior Bank. The respected financial institution provides consumer loans and mortgages as one of Nationwide's benefits. Standing on its own, this banking relationship is a network industry original that merits applause.

Case lives his dream everyday, only now it's real for others as well. His IMDs are earning handsomely through the Nationwide miracle because Case has blended the magic business ingredients of planning, managing, and training with honesty and integrity, and combined it with a valuable, unprecedented Benefits Package.

Case and his team are telling America that a dream becomes a reality through hard work. The road to financial freedom took some effort to locate, but they found it and have it available today. It's a very rewarding journey.●

NOEL WIEN—ALASKA AVIATION PIONEER

● Mr. MURKOWSKI. Mr. President, on July 6, 1924, the first non-stop flight between Anchorage and Fairbanks, Alaska occurred. The flight was made in an old water-cooled Hissopowered Standard J–1 open-cock-pit biplane and was flown by Noel Wien and Bill Yunker.

The Wein name is synonymous with Alaska aviation. It is said that Noel Wien's flight between Anchorage and Fairbanks was the start of Wein Air Alaska. I will quote for the RECORD an account of the early days as told by Noel Wein.

The change has been great both in aviation and the city of Fairbanks since that memorable day, July 6, 1924, when, sitting behind an old water-cooled Hisso powered Standard J–1 open-cockpit biplane, Bill Yunker and I landed here after flying non-stop from Anchorage.

We had flown up at night, thus taking advantage of the smoother air. The smoke was very thick for the last 80 miles and kept us guessing all the time. It was even difficult to follow the railroad tracks from Nenana on in.

There was intrigue about the stillness of the air and the frontier atmosphere of Fairbanks, which made me like the north from that first day.

For two weeks we couldn't find our way cross-country due to the forest fire smoke, but when it cleared up we were busy. People her took to the air quickly. They were of the hardy type, willing to take a gamble. Ben Eielson had made a number of flights that spring, before I arrived. He had also started a company the year before, in the summer of 1923, and had brought in an old reliable OX-5 Curtis Jenny JN–4D open cockpit World War I training plane.

Due to the interest created by Eielson's earlier pioneering, we had little trouble getting flying business to the outlying mining camps. Livengood, located 60 miles northwest of here, was one of the best of the gold producing camps. The first season in 1924, we made 34 flights to Livengood, and in the summer of 1925, 43 flights.

All went smoothly until mid-summer of 1925. We had purchased a supposedly major overhauled plane from Lincoln, Nebraska, one of the Hisso Standard build-up headquarters. The engine worked fine on the flight over to Livengood, but on the return trip something happened. All of a sudden the water from the cooling system of the engine gave us a shower bath. I knew that because of the loss of water the engine would get so hot it would stop running. We were about half-way back to Fairbanks, near Wickersham Dome. I spotted a shelf to one side of the dome which seemed like the only possible chance to get down without breaking up or going over on our back. We were cruising lower than the 2,500 foot shelf, so we had to use power to get up to it. The old engine was steaming plenty when we got to a landing approach. It turned out to be a fair landing place and we stayed right side up and landed without breaking anything. It turned out that the water pump had broken in flight, which in turn had thrown the water out.

The two passengers and myself walked in to Olnes, on the Chatanika River, over the tussuk covered trail. One passenger, an old Sourdough, had no trouble walking out. The other passenger, an insurance adjuster, had flown over on both business and pleasure. This passenger, I would say, was my first tourist, and possibly the first flying tourist passenger in Alaska. He had on oxford shoes and was about to give up before we arrived at the Chatanika River.

It is not my intent in these articles to be writing of my experiences, but instead to give some idea of the progress made in aviation and the change of times in the north.

Having had to discontinue flying in the fall of 1924 because of the open cockpit of the old Hisso Standard, a decision was made to try to get a cabin plane with an air cooled motor for use in wintertime. Because I was going "outside" for the winter to visit my folks in Minnesota, it worked out well for me to make a tour of the states to see what was being built. I found that about all that was being built was a very small number of open cockpit planes with old XO-5 and Hisso motors. One exception was the Huff Deland company which was building planes with an open front seat for two passengers and a pilot seat in the rear. This plane had an early model Wright air cooled engine of about 200 horsepower, but we had decided not to settle for anything but a cabin plane.

Both the Wright company and the Curtiss company did their best to locate the type of plane we wanted, but their efforts were unsuccessful. We finally had to settle on a Dutch built Fokker F-111 or F-3, a six-place monoplane which K.L.M. and early German airlines had already been using on some kind of schedule service in Europe. This plane had been built in 1921 and it was already the spring of 1925. There still were no cabin planes being built in the United States.

The Atlantic Aircraft Company, a dealer for Fokker, had three ships available. We bought one of them that had been used some, for $9,500. We shipped it all the way to Fairbanks via the Panama Canal. It had a German 6 cylinder engine of 235 horsepower. The cabin was very plush with curtains and all the trimmings. This ship proved conclusively that a cabin airplane was the type to use in Alaska even though we could not use it through the winter of 1925–26 because it had no brakes except for a tail skid which helped to stop it. It had a rather streamlined monoplane wing and took a minimum of 1,000 feet to stop after the three points were firmly on the ground. We had some close shaves on sand bars and fields 1,000 or under, during the summers of 1925–26. Our flying out of Fairbanks was the only cross-country flying in the Territory at that time. There was one other airline at Ketchikan where Roy Jones was doing some flying with an old two-place navy training flying boat. We were successful with the flying of the Fokker F-111 and made the first commercial flight to Nome, carrying 4 passengers and 500 pounds of baggage, a 1,200 pound load. We flew non-stop back here in 6 hours and 55 minutes. That's all for now. Noel.—Originally published in the "Wien Alaska Arctic Liner" August 1956.

On July 6, 1999, the 75th anniversary of the first non-stop flight, the sons of Noel Wien, Richard and Merrill, will pay homage to their late father's legacy. In commemoration, they will retrace the journey in a refurbished Boeing Stearman biplane, which was built in 1943. This type of plane was used to train pilots in World War II. They will leave from the Delaney Park Strip in Anchorage, which is now a public park, and land at Fairbanks International Airport. The original landing site in Fairbanks, Weeks Field, has since been developed and houses the Noel Wien Public Library.

After all his years of flying, Richard gained a whole new respect for his father's flying ability when he and his son, Michael, flew the refurbished biplane from Seattle. They made the trip in early May and encountered winter conditions during the flight. It did not take long to realize that they weren't within the confines of a closed, heated cabin.

Both Richard and Merrill continued in their father's footsteps. They are both commercially rated pilots with thousands of flying hours between them. They were both involved with Wien Air Alaska and then when the family sold it, the brothers opened up a helicopter business. Although Richard and Merrill are no longer involved in the commercial side of aviation, it's in the blood.

Organizing this event was a labor of love for Richard Wien. He also credits his major sponsor the Alaska Airmen's Association for helping to make it happen in addition to other individuals and organizations. He is embarking on this trip to honor his father and also the 75th anniversary of the first airmail run made by Ben Eielson.

My heartiest congratulations to Richard and Merrill Wien for organizing this wonderful tribute to their father and also for keeping the pioneering aviation spirit alive through this commemorative flight.●

HAPPY BIRTHDAY CAPTAIN CURTIS J. ZANE

● Mr. STEVENS. Mr. President, on the occasion of his 80th birthday this coming 4th of July, I would like to join my Alaskan colleague in the other body in extending warm birthday wishes to Captain Curtis J. Zane, United States Navy Retired. "Casey" Zane, as he is affectionately known, is one of that generation of American heroes who rose to defend our nation and our freedom during the darkest days of WWII. He saw action over a wide area of the South Pacific during 1942, 1943 and 1944 including service with the fabled "Black Cat" PBY squadron 101. To this day he remembers dear friends who died in that conflict. In mid 1944 through the war's end Casey instructed young pilots in B–24s at Hutchinson Kansas.

The balance of his 27 year career in Naval Aviation spanned the early years of the Cold War, the Cuban Missile Crisis, and the transition to the Nuclear Navy. During that time Casey Zane served in the Guam, Tinian and Saipan areas of the post war Pacific. Later he was aboard ships of the fleet including the carrier USS Leyte and then took Command of anti-submarine warfare squadron VP 18. He served at the Command Post CinCLantFleet and as Commanding Officer U.S. Naval Communications Stations, Londonderry Northern Ireland and Thurso Scotland. He did his last tour at the Pentagon in Navy's Bureau of Personnel and retired as a Captain in November 1968.

Among the several types of special schooling and training he received, Casey is a graduate of the Army's Command & General Staff College and the Naval War College. He holds the American Defense Service Medal; American Campaign Medal; Air Medal; Asiatic-Pacific Campaign Medal (3 Stars); World War II Victory Medal; National Defense Service Medal (1 Star).

After the Navy, Casey and his wife Dorothy started their second careers becoming successful real estate brokers and agents in the Northern Virginia area. Despite his tender age of 80, Casey continues to be an active and productive member of our society. He is a model for those who believe in being "forever young," both in spirit and enthusiasm for living. I wish to extend a hearty "many happy returns" to a great American Veteran, Captain Curtis J. "Casey" Zane on his upcoming 80th birthday, July 4, 1999. Mr. President, as this Century closes it is indeed fitting that the advent of a National World War II Memorial is close at hand. As our numbers fade slowly and inexorably from our midst, perhaps the best birthday present we can give WWII Veterans like Casey Zane is the knowledge that our nation will never forget their sacrifice.●

THE MARRIAGE OF LISA MAXWELL AND GEORGE NEWALL

● Mr. MOYNIHAN. Mr. President, this Saturday, a most blessed event will occur on Shelter Island: the wedding of two of my constituents, Lisa Maxwell and George Newall. Martin Luther remarked, "There is no more lovely, friendly and charming relationship, communion or company than a good marriage." I must say that I agree, having just celebrated my 45th wedding anniversary a few weeks ago. Marriage—as the Book of Common Prayer tells us—is intended by God for "mutual joy; for the help and comfort given one another in prosperity and adversity." A wonderful institution, to be treated reverently.

My hope for Lisa and George is that their love for each other—so obvious to anyone who knows them—is, and will always remain, a seal upon their hearts,

For stern as death is love,
relentless as the nether world is devotion;
its flames are a blazing fire.
Deep waters cannot quench love,
nor floods sweep it away.
Were one to offer all he owns to purchase love,
he would be roundly mocked.—Song of Solomon, 8:6–7

I wish them all the best as they begin their life together.•

IN RECOGNITION OF DR. EUGENE OLIVERI

• Mr. LEVIN. Mr. President, I rise today to recognize a physician from my home state of Michigan, Dr. Eugene Oliveri, who will be named the new President of the American Osteopathic Association (AOA) at the Association's annual meeting in July.

Dr. Oliveri practices at two outstanding medical facilities in Metropolitan Detroit. He is a senior member of the Department of Internal Medicine at Botsford Hospital in Farmington Hills, Michigan, where he also serves as Chairman of the Department of Gastroenterology and as Director of the Gastroenterology Fellowship Program. Dr. Oliveri is also affiliated with Huron Valley Hospital in Milford, Michigan.

Dr. Oliveri has established himself as a national leader in the osteopathic profession. He serves on a number of professional boards, is sought after as a visiting lecturer, and is committed to training and inspiring the next generation of osteopathic physicians. In fact, there are two osteopaths in the Oliveri family, and I know it is a point of pride for Dr. Eugene Oliveri that his daughter, Lisa, chose to pursue the profession to which he has dedicated so much of his life.

The state of Michigan is a leader in the practice of osteopathy. One hundred and two years ago, Michigan was the fourth state in the nation to legalize the practice of osteopathy. Today's osteopathic physicians and surgeons integrate standard medical practices with the body's natural systems for regulating and healing itself, especially with the largest of these systems, the musculoskeletal system. Dr. Oliveri follows in the tradition of the thousands of skilled and dedicated osteopathic doctors who have practiced medicine in Michigan for more than a century.

Mr. President, Dr. Eugene Oliveri has distinguished himself as a physician, as a teacher and as a leader of his profession. It is fitting that Dr. Oliveri, who practices medicine in a state which has such a longstanding commitment to osteopathic medicine, will be elected President of the American Osteopathic Association. I know my colleagues join me in congratulating Dr. Oliveri on his achievements and in wishing him well during his tenure as President of the AOA.•

TRIBUTE TO HIS HOLINESS KAREKIN I, CATHOLICOS OF ALL ARMENIANS

• Mr. KENNEDY. Mr. President, I would like to pay tribute to an extraordinary man and religious leader, His Holiness Karekin I, Catholicos of All Armenians, who passed away on June 29.

I was proud to call His Holiness my friend. He was an inspiration to all who knew him. He was loved and respected by the Armenian people the world over, and his courage, intelligence, wisdom, and compassion were renowned in international religious circles.

His Holiness dedicated his life to the Armenian people. He worked skillfully for Armenia's freedom, and had the noble distinction of being the first Catholicos of the Armenian people elected in the newly independent Republic of Armenia. In this era, he has worked tirelessly and effectively for the spiritual revival of the Armenian Apostolic Church in Armenia.

He was also a warm and humble man, gifted with wit and humor, who related easily with people from all backgrounds and from all walks of life.

His extraordinary life began in the village of Kessab in Syria in 1932. He studied at a seminary in Lebanon in the late 1940s, and entered the celibate order of the Church in 1952. A gifted student, he went on to study theology at Oxford University. Recognized for his leadership qualities, he quickly rose through the clerical ranks, leading church dioceses in Iran and the United States. In 1977 he was elected Catholicos of the Catholicosate of Cilicia, based in Antelias, Lebanon. In 1995, he was elected Supreme Catholicos of the Armenian people, based in Holy Etchmiadzin, Armenia.

From July 6 to July 8, Armenia will be holding a period of national mourning in honor of this great man of faith. The Armenian people throughout the world are mourning his death and paying tribute to his extraordinary life. His remarkable legacy will endure for generations to come.•

S. 1234, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2000

The text of S. 1234, passed by the Senate on June 30, 1999, follows:

S. 1234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided,* That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $785,000,000 to remain available until September 30, 2003: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That such sums shall remain available until 2018 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2000, 2001, 2002 and 2003: *Provided further,* That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: *Provided further,* That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $25,000 for official reception and representation expenses for members of the Board of Directors, $55,000,000: *Provided,* That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2000.

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $31,500,000: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $24,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961 to be derived by transfer from the Overseas Private Investment Corporation noncredit account: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 2000 and 2001: *Provided further*, That such sums shall remain available through fiscal year 2008 for the disbursement of direct and guaranteed loans obligated in fiscal year 2000, and through fiscal year 2009 for the disbursement of direct and guaranteed loans obligated in fiscal year 2001: *Provided further*, That in addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $43,000,000, to remain available until September 30, 2001: *Provided*, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 2001, for necessary expenses under this paragraph: *Provided further*, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1999, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106, section 301, and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96–533) and the provisions of section 401 of the Foreign Assistance Act of 1969, $1,928,500,000, to remain available until September 30, 2001: *Provided*, That of the amount appropriated under this heading, funds may be made available for the Inter-American Foundation (IAF): *Provided further*, That funds made available for the IAF shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the amount appropriated under this heading, up to $12,500,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: *Provided further*, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the President of the Foundation: *Provided further*, That interest earned shall be used only for the purposes for which the grant was made: *Provided further*, That this authority applies to interest earned both prior to and following enactment of this provision: *Provided further*, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: *Provided further*, That the Foundation shall provide a report to the Committees on Appropriations before each time such waiver authority is exercised: *Provided further*, That of the funds appropriated under this heading, not less than $225,000,000 shall be made available for programs for the prevention, treatment, and control of, and research on, infectious diseases in developing countries, of which amount not less than $150,000,000 shall be made available for such programs for HIV/AIDS including not less than $5,000,000 which shall be made available to support a United States Government strategy to develop microbicides as a means for combating HIV/AIDS and including up to $5,500,000 which may be made available to establish an International Health Center at Morehouse School of Medicine: *Provided further*, That of the funds made available under this heading, not less than $50,000,000 should be made available for activities addressing the health and nutrition needs of pregnant women and mothers: *Provided further*, That of the funds appropriated under this heading, not less than $105,000,000 shall be made available for the United Nations Children's Fund: *Provided further*, That not less than $425,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of section 104(b) of the Foreign Assistance Act of 1961: *Provided further*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading in this Act, and of the unobligated balances of funds previously appropriated under this heading, $2,500,000 shall be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD): *Provided further*, That of the aggregate amount of the funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961 and the Support for Eastern European Democracy Act of 1989, $305,000,000 should be made available for agriculture and rural development programs including international agriculture research programs: *Provided further*, That the proportion of funds appropriated under this heading that are made available for biodiversity activities should be at least the same as the proportion of funds that were made available for such activities from funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (P.L. 103–306) to carry out sections 103 through 106 and chapter 10 of part I of the Foreign Assistance Act of 1961: *Provided further*, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: *Provided further*, That of the funds appropriated under this heading not less than $250,000 shall be available for the International Law Institute: *Provided further*, That of the funds appropriated under this heading, not less than $15,000,000 shall be made available for the American Schools and Hospitals Abroad Program: *Provided further*, That of the funds appropriated under this heading not less than $500,000 shall be made available for support of the United States Telecommunications Training Institute: *Provided further*, That, of the funds appropriated under this heading and "New Independent States of the former Soviet Union", not less than $7,000,000 shall be made available for Carelift International to collect and provide medical supplies, equipment and training:

Provided further, That, of the funds appropriated by this Act for the Microenterprise Initiative (including any local currencies made available for the purposes of the Initiative), not less than one-half shall be made available for programs providing loans of less than $300 to very poor people, particularly women, or for institutional support of organizations primarily engaged in making such loans.

CYPRUS

Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than $15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

LEBANON

Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than $15,000,000 shall be made available for Lebanon to be used, among other programs, for scholarships and direct support of the American educational institutions in Lebanon.

BURMA

Of the funds appropriated under the heading "Economic Support Fund" and "Development Assistance", not less than $6,500,000 shall be made available to support democracy activities in Burma, democracy and humanitarian activities along the Burma-Thailand border, and for Burmese student groups and other organizations located outside Burma: *Provided*, That of the funds made available under this heading, not less than $800,000 shall be made available for newspapers, media, publications and related training to promote democracy in and related to Burma: *Provided further*, That the funds made available under this heading shall be provided subject to consultation and guidelines provided by the leadership of the Burmese government elected in 1990: *Provided further*, That funds made available for Burma-related activities under this heading may be made available notwithstanding any other provision of law: *Provided further*, That the provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.

CAMBODIA

None of the funds appropriated by this Act may be made available for activities or programs for the Central Government of Cambodia until the Secretary of State determines and reports to the Committee on Appropriations and the Committee on Foreign Relations that the Government of Cambodia has established a tribunal consistent with the requirements of international law and justice and including the participation of international jurists and prosecutors for the trial of those who committed genocide or crimes against humanity and that the Government of Cambodia is making significant progress in establishing an independent and accountable judicial system, a professional military subordinate to civilian control, and a neutral and accountable police force: *Provided*, That the restriction on funds made available under this paragraph shall not apply to demining or other humanitarian programs.

INDONESIA

Of the funds appropriated under the headings "Economic Support Fund" and "Development Assistance", not less than $70,000,000 shall be made available for assistance for Indonesia.

CONSERVATION FUND

Of the funds made available under the headings "Economic Support Fund" and "Development Assistance", not less than $500,000 shall be made available for the Charles Darwin Research Station and the Charles Darwin Foundation to support research, conservation, training and other activities necessary to protect the Province of the Galapagos Islands, Ecuador.

CONFLICT RESOLUTION

Of the funds appropriated under the headings "Development Assistance", "Economic Support Fund" and "Assistance for Eastern Europe and the Baltic States", $1,000,000 shall be made available to support conflict resolution programs involving teenagers of different ethnic, religious, and political backgrounds from the Middle East and other regions of conflict.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $175,000,000, to remain available until expended.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That section 108(i)(2)(C) of the Foreign Assistance Act of 1961 is amended to read as follows: "(C) No guarantee of any loan may guarantee more than 50 percent of the principal amount of any such loan, except guarantees of loans in support of microenterprise activites may guarantee up to 70 percent of the principal amount of any such loan.". In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That funds made available under this heading shall remain available until September 30, 2001.

URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $1,500,000, to remain available until expended: *Provided*, That these funds are available to subsidize loan principal, 100 per centum of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, $4,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the Administrator of the Agency for International Development may, on a case-by-case basis, waive the restriction contained in this paragraph, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $43,837,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $495,000,000, to remain available until September 30, 2001: *Provided*, That of the amounts appropriated under this heading, $1,500,000 shall be made available to Habitat for Humanity International for the purchase of 14 acres of land on behalf of Tibetan refugees living in northern India, and the construction of a multi-unit development.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $25,000,000, to remain available until September 30, 2001, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,195,000,000, to remain available until September 30, 2001: *Provided*, That of the funds appropriated under this heading, not less than $960,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1999, whichever is later: *Provided further*, That not less than $735,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country: *Provided further*, That of the funds appropriated under this heading, not less than $150,000,000 shall be made available for assistance for Jordan:

Provided further, That notwithstanding any other provision of law, not to exceed $11,000,000 may be used to support victims of and programs related to the Holocaust: *Provided further*, That notwithstanding any other provision of law, of the funds appropriated under this heading, $10,000,000 shall be made available for political, economic, humanitarian, and associated support activities for Iraqi opposition groups designated under the Iraqi Liberation Act (Public Law 105–338): *Provided further*, That not less than 15 days prior to the obligation of these funds, the Secretary shall inform the Committees on Appropriations of the purpose and amount of the proposed obligation of funds under this provision: *Provided further*, That none of the funds made available under this heading may be made available to the Korean Peninsula Energy Development Organization.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $535,000,000, to remain available until September 30, 2001, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: *Provided*, That of the funds appropriated under this heading: not less than $150,000,000 shall be made available for assistance for Kosova of which $20,000,000 shall be available for training and equipping a Kosova security force: not less than $85,000,000 shall be made available for assistance for Albania; not less than $60,000,000 shall be made available for assistance for Romania; not less than $55,000,000 shall be made available for assistance for Macedonia; not less than $45,000,000 shall be made available for assistance for Bulgaria; not less than $35,000,000 shall be available for assistance for Montenegro: *Provided further*, That of the funds made available under this heading and the headings "International Narcotics and Law Enforcement" and "Economic Support Fund", not to exceed $130,000,000 shall be made available for Bosnia and Herzegovina.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) With regard to funds appropriated or otherwise made available under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program)—

(1) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee; and

(2) the provisions of section 533 of this Act shall apply.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the New Independent States of the former Soviet Union and for related programs, $780,000,000, to remain available until September 30, 2001: *Provided*, That the provisions of such chapter shall apply to funds appropriated by this paragraph: *Provided further*, That such sums as may be necessary may be transferred to the Export-Import Bank of the United States for the cost of any financing under the Export-Import Bank Act of 1945 for activities for the New Independent States: *Provided further*, That of the amount appropriated under this heading, not to exceed $200,000 shall be available only for the REAP International School Linkage Program: *Provided further*, That of the amount appropriated under this heading, not to exceed $2,000,000 shall be available for grants to nongovernmental organizations that work with orphans who are transitioning out of institutions to teach life skills and job skills: *Provided further*, That of the amount available under the heading "Assistance for Eastern Europe and the Baltic States" for Romania, $4,400,000 shall be provided solely to the Romanian Department of Child Protection for activities of such Department to provide emergency aid for the child victims of the present economic crisis in Romania, including activities relating to supplemental food support and maintenance, support for in-home foster care, and supplemental support for special needs residential care.

(b) Of the funds appropriated under this heading, not less than $210,000,000 shall be made available for assistance for Ukraine: *Provided*, That 50 percent of the amount made available in this subsection, exclusive of funds made available for nuclear safety, law enforcement reforms or the business incubator program, shall be withheld from obligation and expenditure until the Secretary of State reports to the Committees on Appropriations that the Government of Ukraine has undertaken significant economic reforms additional to those achieved in fiscal year 1999, including taking effective measures to end corruption by government officials: *Provided further*, That the report in the previous proviso shall be provided 120 days after the date of enactment of this Act: *Provided further*, That of the funds made available for Ukraine, not less than $25,000,000 shall be made available for nuclear reactor safety programs: *Provided further*, That of the funds made available for Ukraine, not less than $5,000,000 shall be made available to support the expansion of the technology business incubator program to include new cities: *Provided further*, That of the funds made available for Ukraine, $3,500,000 shall be made available for the destruction of stockpiles of anti-personnel landmines in Ukraine.

(c) Of the funds appropriated under this heading, not less than $95,000,000 shall be made available for assistance for Georgia: *Provided*, That of the funds made available under this subsection, not less than $8,000,000 shall be made available for judicial reform and law enforcement training.

(d) Of the funds appropriated under this heading, not less than $90,000,000 shall be made available for assistance for Armenia: *Provided*, That of the funds made available for Armenia, $15,000,000 shall be available for earthquake rehabilitation and reconstruction.

(e) Funds made available under this Act or any other Act may not be provided for assistance to the Government of Azerbaijan until the President determines, and so reports to the Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno-Karabakh: *Provided*, That the restriction of this subsection and section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of the "National Defense Authorization Act for Fiscal Year 1997";

(2) any insurance, reinsurance, guarantee, or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(3) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(4) any financing provided under the Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.);

(5) any activity carried out by a member of the Foreign Commercial Service while acting within his or her official capacity; or

(6) humanitarian assistance.

(f) Of the funds made available under this heading for nuclear safety activities, not to exceed 9 percent of the funds provided for any single project may be used to pay for management costs incurred by a United States national lab in administering said project.

(g) Of the funds appropriated under title II of this Act, including funds appropriated under this heading, not less than $12,000,000 shall be made available for assistance for Mongolia: *Provided*, That funds made available for assistance for Mongolia may be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.

(h) Of the funds appropriated under this heading that are allocated for assistance for the Central Government of Russia, 50 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability.

(i) None of the funds appropriated under this heading may be made available for the Government of Russia, until the Secretary of State certifies to the Committees on Appropriations that: (1) Russian armed and peacekeeping forces deployed in Kosova have not established a separate zone of operational control; and (2) any Russian armed and peacekeeping forces deployed in Kosova are fully integrated under NATO unified command and control arrangements.

INDEPENDENT AGENCY

PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat.

612), $220,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2001.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $215,000,000: *Provided*, That of this amount not less than $10,000,000 shall be made available for Law Enforcement Training and Demand Reduction: *Provided further*, That of the funds made available under this heading, in addition to any funds previously appropriated for the International Law Enforcement Academy for the Western Hemisphere, not less than $5,000,000 shall be made available to establish and operate the International Law Enforcement Academy for the Western Hemisphere at the deBremmond Training Center in Roswell, New Mexico: *Provided further*, That of the funds made available under this heading, not less than $10,000,000 shall be made available to continue mycoherbicide counter drug research and development.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $610,000,000: *Provided*, That not more than $13,500,000 shall be available for administrative expenses: *Provided further*, That not less than $60,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $20,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $175,000,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, clearance of unexploded ordnance, and related activities notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO): *Provided*, That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: *Provided further*, That such funds may also be used for countries other than the New Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the funds appropriated under this heading, $35,000,000 should be made available for demining, clearance of unexploded ordnance, and related activities: *Provided further*, That of the funds made available for demining and related activities, not to exceed $500,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program: *Provided further*, That of the funds appropriated under this heading up to $40,000,000 may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That notwithstanding any other provision of law, not to exceed $40,000,000 may be made available to the Korean Peninsula Energy Development Organization only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework: *Provided further*, That such funds may be obligated to KEDO only if, thirty days prior to such obligation of funds, the President certifies and so reports to Congress that: (1)(A) the parties to the Agreed Framework are taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with all provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors; (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which it was not intended; (4) North Korea is not actively pursuing the acquisition or development of a nuclear capability (other than the light-water reactors provided for by the 1994 Agreed Framework Between the United States and North Korea); and (5) North Korea is not providing ballistic missiles or ballistic missile technology to a country the government of which the Secretary of State has determined is a terrorist government for the purposes of section 40(d) of the Arms Export Control Act or any other comparable provision of law: *Provided further*, That the President may waive the certification requirements of the preceding proviso if the President determines that it is vital to the national security interests of the United States: *Provided further*, That no funds may be obligated for KEDO until 30 days after submission to Congress of the waiver permitted under the preceding proviso: *Provided further*, That the obligation of any funds for KEDO shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That the Secretary of State shall submit to the appropriate congressional committees an annual report (to be submitted with the annual presentation for appropriations) providing a full and detailed accounting of the fiscal year request for the United States contribution to KEDO, the expected operating budget of the Korean Peninsula Energy Development Organization, to include unpaid debt, proposed annual costs associated with heavy fuel oil purchases, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities: *Provided further*, That the Director of Central Intelligence will provide for review and consideration by the House Permanent Select Committee on Intelligence, House International Relations Committee, House National Security Committee, Senate Appropriations Committee, Senate Select Committee on Intelligence, Senate Foreign Relations Committee and Senate Armed Services Committee all relevant intelligence bearing on North Korea's compliance with the provisions of this proviso: *Provided further*, That such provision shall occur not less than 45 days prior to the President's certification as provided for under this heading: *Provided further*, That for the purposes of this heading, the term intelligence includes National Intelligence Estimates, Intelligence Memoranda, Findings and other intelligence reports based on multiple sources or including the assessment of more than one member of the Intelligence Community.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out section 129 of the Foreign Assistance Act of 1961, relating to the Department of the Treasury technical assistance program, $1,500,000, to remain available until expended, which shall be available notwithstanding any other provision of law.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct or indirect loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, including necessary expenses for the administration of activities carried out under these parts, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954 as amended and concessional loans, guarantees and credit agreements with any country in sub-Saharan Africa, as authorized under section 572 of the Foreign Operations, Export Financing and Related Programs Act, 1989 (Public Law 100–461); $43,000,000, to remain available until expended: *Provided*, That any limitation of subsection (e) of section 411 of the Agricultural

Trade Development and Assistance Act of 1954 to the extent that limitation applies to sub-Saharan African countries shall not apply to funds appropriated hereunder or previously appropriated.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, **$50,000,000**, of which no less than **$1,000,000** shall be available for the Defense Institute of International Studies to enhance its mission, functioning and performance by providing for its fixed costs of operation: *Provided*, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Guatemala may only be available for expanded international military education and training.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, **$3,410,000,000**: *Provided*, That of the funds appropriated under this heading, not less than **$1,920,000,000** shall be available for grants only for Israel, and not less than **$1,300,000,000** shall be made available for grants only for Egypt: *Provided further*, That the funds appropriated by this paragraph for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1999, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than 26.5 percent shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That of the funds appropriated by this paragraph, not less than **$75,000,000** shall be available for assistance for Jordan: *Provided further*, That of the funds appropriated by this paragraph, not less than **$10,000,000** shall be made available for assistance for Tunisia: *Provided further*, That during fiscal year 2000, the President is authorized to, and shall, direct the drawdowns of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of an aggregate value of not less than **$6,000,000** under the authority of this proviso for Tunisia for the purposes of part II of the Foreign Assistance Act of 1961: *Provided further*, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That none of the funds appropriated under this heading shall be available for assistance for Sudan and Liberia: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That none of the funds under this heading shall be available for assistance for Guatemala: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That not more than **$30,000,000** of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than **$330,000,000** of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2000 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the amount appropriated under this heading, **$5,000,000** shall be available only for the Philippines.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, **$80,000,000**: *Provided*, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, **$776,600,000**, to remain available until expended.

CONTRIBUTION TO THE GLOBAL ENVIRONMENT FACILITY

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility, **$25,000,000** to remain available until expended, for contributions previously due.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, **$10,000,000** for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed **$50,000,000**.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, **$25,610,667**.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed **$1,503,718,910**.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, **$13,728,263**, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed **$672,745,205**.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asia Development Bank Act, as amended, **$50,000,000**, to remain available until expended, for contributions previously due.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, **$5,100,000** for the United States paid in share of the increase in capital stock, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, **$35,778,717**, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $123,237,803.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $170,000,000: *Provided*, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further*, That of the funds appropriated under this heading, not less than $25,000,000 shall be made available for the United Nations Fund for Population Activities (UNFPA): *Provided further*, That none of the funds appropriated under this heading that are made available to UNFPA shall be made available for activities in the People's Republic of China: *Provided further*, That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds: *Provided further*, That not less than $5,000,000 shall be made available to the World Food Program: *Provided further*, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA).

TITLE V—GENERAL PROVISIONS

OBLIGATIONS OF FUNDS

Sec. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

Sec. 502. Notwithstanding section 614 of the Foreign Assistance Act of 1961, none of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

Sec. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

Sec. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

Sec. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed $2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

Sec. 506. None of the funds appropriated or made available (other than funds for "Nonproliferation, Antiterrorism, Demining and Related Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

Sec. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

Sec. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

Sec. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

DEOBLIGATION/REOBLIGATION AUTHORITY

Sec. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 2000, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: *Provided*, That the authority of this subsection may not be used in fiscal year 2000.

AVAILABILITY OF FUNDS

Sec. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8, and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

Sec. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

Sec. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purpose of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Development Assistance", "Debt restructuring", "International organizations and programs", "Trade and Development Agency", "International narcotics control and law enforcement", "Assistance for Eastern Europe and the Baltic States", "Assistance for the New Independent States of the Former Soviet Union", "Economic Support Fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Nonproliferation, anti-terrorism, demining and related programs", "Foreign Military Financing Program", "International military education and training", the Inter-American Foundation, the African Development Foundation, "Peace Corps", "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2001.

STINGERS IN THE PERSIAN GULF REGION

SEC. 517. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of Part II of the Foreign Assistance Act of 1961.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided*, That none of the funds made available under this Act may be used to lobby for or against abortion.

FUNDING FOR FAMILY PLANNING

SEC. 519. In determining eligibility for assistance from funds appropriated to carry out section 104 of the Foreign Assistance Act of 1961, non-governmental and multilateral organizations shall not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance.

EL SALVADOR REPORT

SEC. 520. Not later than 45 days after the date of enactment of this Act, the Attorney General shall provide a report to the Committees on Appropriations describing in detail the circumstances under which individuals involved in the December 2, 1980 murders or cover-up of the murders of four American churchwomen in El Salvador obtained residence in the United States.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 521. None of the funds appropriated in this Act shall be obligated or expended for Colombia, India, Haiti, Liberia, Pakistan, Serbia, Sudan, or the Democratic Republic of Congo except as provided through the regular notification procedures of the Committee on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 522. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL, AIDS, AND OTHER ACTIVITIES

SEC. 523. Up to $10,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, environment, basic education and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival, environment, and basic education and health activities, including activities relating to research on, and the prevention, treatment and control of acquired immune deficiency syndrome or other diseases in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 524. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

DESIGNATION OF SERBIA AS A TERRORIST STATE

SEC. 525. (a) HUMAN RIGHTS VIOLATIONS.—

(1) CONGRESSIONAL DETERMINATION.—Congress determines that the Government of the Federal Republic of Yugoslavia is engaged in a consistent pattern of gross violations of internationally recognized human rights.

(2) FULL ENFORCEMENT OF SANCTIONS.—All provisions of law that impose sanctions against a country whose government is engaged in a consistent pattern of gross violations of internationally recognized human rights shall be fully enforced against the Federal Republic of Yugoslavia (other than Montenegro and Kosova).

(b) SUPPORT FOR TERRORISM.—

(1) IN GENERAL.—

(A) CONGRESSIONAL DETERMINATION.—Congress determines that the Federal Republic of Yugoslavia (other than Montenegro and Kosova) is a country which has repeatedly engaged in acts of terrorism, a country which grants sanctuary from prosecution to individuals or groups which have committed an act of terrorism, and a country which otherwise supports terrorism.

(B) FULL ENFORCEMENT OF SANCTIONS.—The provisions of law specified in paragraph (2) and all other provisions of law that impose sanctions against a country which has repeatedly provided support for acts of terrorists, which grants sanctuary from prosecution to an individual or group which grants sanctuary from prosecution to an individual or group which has committed an act of terrorism, or which otherwise supports terrorism shall be fully enforced against the Federal Republic of Yugoslavia (other than Montenegro and Kosova).

(2) SANCTION LAWS SPECIFIED.—The provisions of law referred to in paragraph (1) are—

(A) section 40 of the Arms Export Control Act (22 U.S.C. 2780);

(B) section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371);

(C) section 528 of this Act (and the corresponding sections of predecessor foreign operations appropriations Acts);

(D) section 555 of the International Security and Development Cooperation Act of 1985; and

(E) section 6(j) of the Export Administration Act of 1979 (50 U.S.C. app. 2405(j)).

(c) MULTILATERAL COOPERATION.—Congress calls on the President to seek multilateral cooperation—

(1) to deny dangerous technologies to the Federal Republic of Yugoslavia (other than Montenegro and Kosova);

(2) to induce the Government of the Federal Republic of Yugoslavia to respect internationally recognized human rights (other than Montenegro and Kosova); and

(3) to induce the Government of the Federal Republic of Yugoslavia to allow appropriate international humanitarian and human rights organizations to have access to the Federal Republic of Yugoslavia (other than Montenegro and Kosova).

(d) FEDERAL REPUBLIC OF YUGOSLAVIA DEFINED.—The term "Federal Republic of Yugoslavia" does not include Montenegro and Kosova.

(e) This section would become null and void should the Federal Republic of Yugoslavia (other than Montenegro and Kosova) complete a democratic reform process that brings about a newly elected government that respects the rights of ethnic minorities, is committed to the rule of law and respects the sovereignty of its neighbor states.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 526. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 527. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 528. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 529. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 530. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

DISTINGUISHED DEVELOPMENT SERVICE AWARD

SEC. 531. (a) AUTHORITY TO AWARD.—The Chairman of the Senate Appropriations Subcommittee on Foreign Operations, Export Financing, and Related Programs, in consultation with the Ranking Minority Member of the Subcommittee and the Administrator of the United States Agency for International Development, may authorize the payment of a cash award to, and incur necessary expense for the honorary recognition of, a career or non-career employee of the Agency who through extraordinary efforts makes a significant contribution to assisting developing countries to meet the basic needs of their people.

(b) SELECTION CRITERIA.—The Chairman of the Senate Appropriations Subcommittee on Foreign Operations, Export Financing, and Related Programs, in consultation with the Ranking Minority Member of the Subcommittee and the Administrator, shall prescribe the procedures for identifying and considering persons eligible for the Distinguished Development Service Award, and for selecting the recipient of the award, consistent with the provisions of this section. Individuals who are non-career members of the Senior Executive Service or the Senior Foreign Service, or who are appointed under the authority of section 624 of this Act, are not eligible for the award authorized by this section.

(c) NATURE OF CASH AWARD.—A cash award under this section—

(1) shall be in the amount of $10,000, and

(2) shall be in addition to the pay and allowances of the recipient.

(d) AWARD IN THE EVENT OF DEATH.—If a person selected for an award under this section dies before being presented the award, the award may be made to the person's family or to the person's representative, as designated by the Administrator.

(e) FUNDING.—Awards to, and expenses for the honorary recognition of, employees of the Agency under this section may be paid from funds administered by the Agency that are made available to carry out the provisions of this Act.

DEBT-FOR-DEVELOPMENT

SEC. 532. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 533. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing, or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) REPORTING REQUIREMENT.—The Administrator of the Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 534. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 535. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 536. Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under contracts under section 22(d) of the Arms Export Control Act. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

AUTHORITIES FOR THE PEACE CORPS, INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 537. (a) Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

(b) Unless expressly provided to the contrary, limitations on the availability of funds for "International Organizations and Programs" in this or any other Act, including prior appropriations Acts, shall not be construed to be applicable to the International Fund for Agricultural Development.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 538. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

OPIC MARITIME FUND

SEC. 539. (a) Section 6001 of Public Law 106–31 is repealed.

(b) The Overseas Private Investment Corporation shall establish a $200,000,000 Maritime Fund within six months from the date of enactment of this Act: *Provided*, That the Maritime Fund shall leverage United States commercial maritime expertise to support international maritime projects.

SPECIAL AUTHORITIES

SEC. 540. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Kosova, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and, subject to the regular notification procedures of the Committees on Appropriations, energy programs aimed at reducing greenhouse gas emissions: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 541. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said county;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 542. Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 543. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, and 11 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States": *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 2000, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to the government of a country that violate internationally recognized human rights.

EARMARKS

SEC. 544. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 545. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 546. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: *Provided*, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 547. (a) To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

(b) It is the sense of the Congress that, to the greatest extent practicable, all agriculture commodities, equipment and products purchased with funds made available in this Act should be American-made.

(c) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (b) by the Congress.

(d) The Secretary of the Treasury shall report to Congress annually on the efforts of the heads of each Federal agency and the United States directors of international financial institutions (as referenced in section 514) in complying with this sense of Congress.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 548. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

CONSULTING SERVICES

SEC. 549. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 550. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 551. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 552. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 per centum of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 553. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 554. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to $30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That sixty days after the date of enactment of this Act, and every one hundred eighty days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia: *Provided further*, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: *Provided further*, That funds made available for tribunals other than Yugoslavia or Rwanda shall be made available subject to the regular notification procedures of the Committees on Appropriations.

LANDMINES

SEC. 555. DEMINING EQUIPMENT.—Notwithstanding any other provision of law, demining equipment available to the Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 556. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 557. None of the funds appropriated or otherwise made available by this Act under the heading "International Military Education and Training" or "Foreign Military Financing Program" for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 558. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;

(2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation for a Latin American country, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89–808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95–501).

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief ad referendum agreements, commonly referred to as "Paris Club Agreed Minutes".

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.

(c) Conditions.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

(d) Availability of Funds.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt restructuring".

(e) Certain Prohibitions Inapplicable.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

Sec. 559. (a) Loans Eligible for Sale, Reduction, or Cancellation.—

(1) Authority to sell, reduce, or cancel certain loans.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 per centum of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) Terms and conditions.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) Administration.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) Limitation.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) Deposit of Proceeds.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) Eligible Purchasers.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) Debtor Consultations.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) Availability of Funds.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt restructuring".

ASSISTANCE FOR HAITI

Sec. 560. (a) Sense of Congress.—It is the sense of Congress that, in providing assistance to Haiti, the President should place a priority on the following areas:

(1) aggressive action to support the institution of the Haitian National Police, including support for efforts by the leadership and the Inspector General to purge corrupt and politicized elements from the Haitian National Police;

(2) steps to ensure that any elections undertaken in Haiti with United States assistance are full, free, fair, transparent, and democratic;

(3) a program designed to develop the indigenous human rights monitoring capacity;

(4) steps to facilitate the continued privatization of state-owned enterprises; and

(5) a sustained agricultural development program.

(b) Report.—Beginning six months after the date of enactment of this Act, and six months thereafter, the President shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives with regard to—

(1) the status of each of the governmental institutions envisioned in the 1987 Haitian Constitution, including an assessment of whether or not these institutions and officials hold positions on the basis of a regular, constitutional process;

(2) the status of the privatization (or placement under long-term private management or concession) of the major public entities, including a detailed assessment of whether or not the Government of Haiti has completed all required incorporating documents, the transfer of assets, and the eviction of unauthorized occupants of the land or facility;

(3) the status of efforts to re-sign and implement the lapsed bilateral Repatriation Agreement and an assessment of whether or not the Government of Haiti has been cooperating with the United States in halting illegal emigration from Haiti;

(4) the status of the Government of Haiti's efforts to conduct thorough investigations of extrajudicial and political killings and—

(A) an assessment of whether or not substantial progress has been made in bringing to justice the persons responsible for these extrajudicial or political killings in Haiti, and

(B) an assessment of whether or not the Government of Haiti is cooperating with United States authorities and with United States-funded technical advisors to the Haitian National Police in such investigations;

(5) an assessment of whether or not the Government of Haiti has taken action to remove and maintain the separation from the Haitian National Police, national palace and residential guard, ministerial guard, and any other public security entity or unit of Haiti those individuals who are credibly alleged to have engaged in or conspired to conceal gross violations of internationally recognized human rights;

(6) the status of steps being taken to secure the ratification of the maritime counter-narcotics agreements signed in October 1997;

(7) an assessment of the degree to which domestic capacity to conduct free, fair, democratic, and administratively sound elections has been developed in Haiti; and

(8) an assessment of whether or not Haiti's Minister of Justice has demonstrated a commitment to the professionalism of judicial personnel by consistently placing students graduated by the Judicial School in appropriate judicial positions and has made a commitment to share program costs associated with the Judicial School, and is achieving progress in making the judicial branch in Haiti independent from the executive branch.

REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

Sec. 561. (a) Foreign Aid Reporting Requirement.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in fiscal year 1998.

(b) United States Assistance.—For purposes of this section, the term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

HAITI

Sec. 562. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard: *Provided*, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON ASSISTANCE TO SECURITY FORCES

Sec. 563. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence to believe such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: *Provided*, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: *Provided further*, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

CAMBODIA

SEC. 564. The Secretary of the Treasury shall instruct the United States Executive Directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Government of Cambodia, except loans to support basic human needs, unless the Secretary of State has determined and reported to the Committees on Appropriations, the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House, that Cambodia has held free and fair elections in which all political candidates were permitted freedom of speech, assembly and equal access to the media and the Central Election Commission was comprised of representatives from all parties; and the Government has established a panel and begun the prosecution of Khmer Rouge leaders including Ta Mok, Khieu Sampan, Nuon Chea, Ieng Sary, Ke Pauk, and Duch.

LIMITATIONS ON TRANSFER OF MILITARY EQUIPMENT TO EAST TIMOR

SEC. 565. In any agreement for the sale, transfer, or licensing of any lethal equipment or helicopter for Indonesia entered into by the United States pursuant to the authority of this Act or any other Act, the agreement shall state that the items will not be used in East Timor.

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 566. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section the term "United States person" refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

RESTRICTIONS ON ASSISTANCE TO COUNTRIES, ENTITIES, AND COMMUNITIES IN THE FORMER YUGOSLAVIA PROVIDING SANCTUARY TO PUBLICLY INDICTED WAR CRIMINALS

SEC. 567. (a) POLICY.—It shall be the policy of the United States to use bilateral and multilateral assistance to promote peace and respect for internationally recognized human rights by encouraging countries, entities, and communities in the territory of the former Yugoslavia to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia—

(1) by apprehending publicly indicted war criminals and transferring custody of those individuals to the Tribunal to stand trial; and

(2) by assisting the Tribunal in the investigation and prosecution of crimes subject to its jurisdiction.

(b) SANCTIONED COUNTRY, ENTITY, OR COMMUNITY.—

(1) IN GENERAL.—A sanctioned country, entity, or community described in this section is one in which there is present a publicly indicted war criminal or in which the Tribunal has been hindered in efforts to investigate crimes subject to its jurisdiction.

(2) SPECIAL RULE.—Subject to subsection (f), subsections (c) and (d) shall not apply to the provision of assistance to an entity that is not a sanctioned entity within a sanctioned country, or to a community that is not a sanctioned community within a sanctioned country or sanctioned entity, if the Secretary of State determines and so reports to the appropriate congressional committees that providing such assistance would further the policy of subsection (a).

(c) BILATERAL ASSISTANCE.—

(1) PROHIBITION.—None of the funds made available by this or any prior Act making appropriations for foreign operations, export financing and related programs may be provided for any country, entity, or community described in subsection (b).

(2) NOTIFICATION.—Not less than 15 days before any assistance described in this subsection is disbursed to any country, entity, or community described in subsection (b), the Secretary of State, in consultation with the Administrator of the Agency for International Development, shall publish in the Federal Register a written justification for the proposed assistance, including a description of the location of the proposed assistance program or project by municipality, its purpose, and the intended recipient of the assistance, including the names of individuals, companies and their boards of directors, and shareholders with controlling or substantial financial interest in the program or project.

(d) MULTILATERAL ASSISTANCE.—

(1) PROHIBITION.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to any country or entity described in subsection (b).

(2) NOTIFICATION.—Not less than 15 days before any vote in an international financial institution regarding the extension of financial or technical assistance or grants to any country or community described in subsection (b), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the appropriate Congressional committees a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries, including the names of individuals with a controlling or substantial financial interest in the project.

(e) EXCEPTIONS.—Subject to subsection (f), subsections (c) and (d) shall not apply to the provision of—

(1) humanitarian assistance;

(2) assistance to nongovernmental organizations that promote democracy and respect for human rights; and

(3) assistance for cross border physical infrastructure projects involving activities in both a sanctioned country, entity, or community and a nonsanctioned contiguous country, entity, or community, if the project is primarily located in and primarily benefits the nonsanctioned country, entity, or community and if the portion of the project located in the sanctioned country, entity, or community is necessary only to complete the project.

(f) FURTHER LIMITATIONS.—

(1) PROHIBITION ON DIRECT ASSISTANCE TO PUBLICLY INDICTED WAR CRIMINALS AND OTHER PERSONS.—Notwithstanding subsection (e) or subsection (g), no assistance may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs, in any country, entity, or community described in subsection (b), for any financial or technical assistance, grant, or loan that would directly benefit a publicly indicted war criminal, any person who aids or abets a publicly indicted war criminal to evade apprehension, or any person who otherwise obstructs the work of the Tribunal.

(2) CERTIFICATION.—At the end of each fiscal year, the President shall certify to the appropriate congressional committees that no assistance described in paragraph (1) directly benefited any person described in that paragraph during the preceding 12-month period.

(g) WAIVER.—The Secretary of State may waive the application of subsection (c) with respect to specified United States projects, or subsection (d) with respect to specified international financial institution programs or projects, in a sanctioned country or entity upon providing a written determination to the appropriate congressional committees that the government of the country or entity is doing everything within its power and authority to apprehend or aid in the apprehension of publicly indicted war criminals and is fully cooperating in the investigation and prosecution of war crimes.

(h) CURRENT RECORD OF WAR CRIMINALS AND SANCTIONED COUNTRIES, ENTITIES, AND COMMUNITIES.—

(1) IN GENERAL.—The Secretary of State, acting through the Ambassador at Large for War Crimes Issues, and after consultation with the Director of Central Intelligence and the Secretary of Defense, shall establish and maintain a current record of the location, including the community, if known, of publicly indicted war criminals and of sanctioned countries, entities, and communities.

(2) REPORT.—Beginning 30 days after the date of enactment of this Act, and not later than September 1 each year thereafter, the Secretary of State shall submit a report in classified and unclassified form to the appropriate congressional committees on the location, including the community, if known, of publicly indicted war criminals and the identity of countries, entities, and communities that are failing to cooperate fully with the Tribunal.

(3) INFORMATION TO CONGRESS.—Upon the request of the chairman or ranking minority member of any of the appropriate congressional committees, the Secretary of State shall make available to that committee the information recorded under paragraph (1) in a report submitted to the committee in classified and unclassified form.

(j) DEFINITIONS.—As used in this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(2) CANTON.—The term "canton" means the administrative units in Bosnia and Herzegovina.

(3) COMMUNITY.—The term "community" means any canton, district, opstina, city, town, or village.

(4) COUNTRY.—The term "country" means Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia (Serbia-Montenegro), the Former Yugoslav Republic of Macedonia, and Slovenia.

(5) DAYTON AGREEMENT.—The term "Dayton Agreement" means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(6) ENTITY.—The term "entity" refers to the Federation of Bosnia and Herzegovina, the Republika Srpska, Brcko in Bosnia, Serbia, Montenegro, and Kosova.

(7) INTERNATIONAL FINANCIAL INSTITUTION.—The term "international financial institution" includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(8) PUBLICLY INDICTED WAR CRIMINALS.—The term "publicly indicted war criminals" means persons indicted by the Tribunal for crimes subject to the jurisdiction of the Tribunal.

(9) TRIBUNAL OR INTERNATIONAL CRIMINAL TRIBUNAL FOR THE FORMER YUGOSLAVIA.—The term "Tribunal" or the term "International Criminal Tribunal for the Former Yugoslavia" means the International Tribunal for the prosecution of persons responsible for serious violations of international humanitarian law committed in the Territory of the Former Yugoslavia since 1991, as established by United Nations Security Council Resolution 827 of May 25, 1993.

EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES

SEC. 568. Section 105 of Public Law 104–164 (110 Stat. 1427) is amended by striking "1996 and 1997" and inserting "1999 and 2000".

ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 569. (a) VALUE OF ADDITIONS TO STOCKPILES.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by striking the following: "$50,000,000 for each of the fiscal years 1996 and 1997, $60,000,000 for fiscal year 1998, and" and inserting in lieu thereof before the period at the end, the following: "and $60,000,000 for fiscal year 2000".

(b) REQUIREMENTS RELATING TO THE REPUBLIC OF KOREA AND THAILAND.—Section 514(b)(2)(B) of such Act (22 U.S.C. 2321h(b)(2)(B)) is amended by striking the following: "Of the amount specified in subparagraph (A) for each of the fiscal years 1996 and 1997, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $10,000,000 may be made available for stockpiles in Thailand. Of the amount specified in subparagraph (A) for fiscal year 1998, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $20,000,000 may be made available for stockpiles in Thailand."; and at the end inserting the following sentence: "Of the amount specified in subparagraph (A) for fiscal year 2000, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $20,000,000 may be made available for stockpiles in Thailand.".

TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

SEC. 570. (a) None of the funds appropriated under this Act may be made available for the Government of Russian Federation, after 180 days from the date of enactment of this Act, unless the President determines and certifies in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

GREENHOUSE GAS EMISSIONS

SEC. 571. (a) Funds made available in this Act to support programs or activities promoting or assisting country participation in the Kyoto Protocol to the Framework Convention on Climate Change (FCCC) shall only be made available subject to the regular notification procedures of the Committees on Appropriations.

(b) The President shall provide a detailed account of all Federal agency obligations and expenditures for climate change programs and activities, domestic and international obligations for such activities in fiscal year 2000, and any plan for programs thereafter related to the implementation or the furtherance of protocols pursuant to, or related to negotiations to amend the FCCC in conjunction with the President's submission of the Budget of the United States Government for Fiscal Year 2001: *Provided*, That such report shall include an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix.

AID TO THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF CONGO

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be provided to the Central Government of the Democratic Republic of Congo.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 573. Not to exceed 5 per centum of any appropriation other than for administrative expenses made available for fiscal year 2000 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 per centum by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 574. (a) None of the funds appropriated under the heading "Assistance for the New Independent States of the Former Soviet Union" shall be made available for assistance for a Government of the New Independent States of the former Soviet Union—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading "Assistance for the New Independent States of the Former Soviet Union" shall be made available for assistance for a Government of the New Independent States of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in the Helsinki Final Act: *Provided*, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading "Assistance for the New Independent States of the Former Soviet Union" shall be made available for any state to enhance its military capability: *Provided*, That this restriction does not apply to demilitarization, demining or nonproliferation programs.

(d) Funds appropriated under the heading "Assistance for the New Independent States of the Former Soviet Union" shall be subject to the regular notification procedures of the Committees on Appropriations.

(e) Funds made available in this Act for assistance to the New Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(f) Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the New Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading "Assistance for the New Independent States of the Former Soviet Union" for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

CUSTOMS ASSISTANCE

Sec. 575. Section 660(b) of the Foreign Assistance Act of 1961 is amended by—

(1) striking the period at the end of paragraph (6) and in lieu thereof inserting a semicolon; and

(2) adding the following new paragraph:

"(7) with respect to assistance provided to customs authorities and personnel, including training, technical assistance and equipment, for customs law enforcement and the improvement of customs laws, systems and procedures.".

VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Sec. 576. (a) Definitions.—For the purposes of this section—

(1) the term "agency" means the United States Agency for International Development;

(2) the term "Administrator" means the Administrator, United States Agency for International Development; and

(3) the term "employee" means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(C) an employee who is to be separated involuntarily for misconduct or unacceptable performance, and to whom specific notice has been given with respect to that separation;

(D) an employee who has previously received any voluntary separation incentive payment by the Government of the United States under this section or any other authority and has not repaid such payment;

(E) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(F) any employee who, during the 24-month period preceding the date of separation, received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the 12-month period preceding the date of separation, received a retention allowance under section 5754 of such title 5.

(b) Agency Strategic Plan.—

(1) In general.—The Administrator, before obligating any resources for voluntary separation incentive payments under this section, shall submit to the Office of Management and Budget a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) Contents.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered;

(C) a description of how the agency will operate without the eliminated positions and functions; and

(D) the time period during which incentives may be paid.

(3) Approval.—The Director of the Office of Management and Budget shall review the agency's plan and approve or disapprove the plan and may make appropriate modifications in the plan with respect to the coverage of incentives as described under paragraph (2)(A), and with respect to the matters described in paragraphs (2) (B) through (D).

(c) Authority To Provide Voluntary Separation Incentive Payments.—

(1) In general.—A voluntary separation incentive payment under this section may be paid by the agency to employees of such agency and only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) Amount and treatment of payments.—A voluntary separation incentive payment under this section—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or

(ii) an amount determined by the agency head not to exceed $25,000;

(D) may not be made except in the case of any employee who voluntarily separates (whether by retirement or resignation) on or before December 31, 2000;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) Additional Agency Contributions to the Retirement Fund.—

(1) In general.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) Definition.—For the purpose of paragraph (1), the term "final basic pay", with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) Effect of Subsequent Employment With the Government.—

(1) An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the Government of the United States through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(2) If the employment under paragraph (1) is with an Executive agency (as defined by section 105 of title 5, United States Code), the United States Postal Service, or the Postal Rate Commission, the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(3) If the employment under paragraph (1) is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(4) If the employment under paragraph (1) is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant for the position.

(f) Reduction of Agency Employment Levels.—

(1) In general.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) Enforcement.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) Regulations.—The Office of Personnel Management may prescribe such regulations as may be necessary to implement this section.

UNITED STATES ASSISTANCE TO THE PALESTINIAN AUTHORITY

Sec. 577. (a) GAO Certification.—Not more than 30 days prior to the obligation of funds made available by this Act for assistance for the Palestinian Authority, the Comptroller General of the United States shall certify that the Palestinian Authority—

(1) has adopted an acceptable accounting system to ensure that such funds will be used for their intended assistance purposes; and

(2) has cooperated with the Comptroller General in the certification process under this paragraph.

(b) GAO Audits.—Six months after the date of enactment of this Act, the Comptroller General of the United States shall conduct an audit to determine the extent to which the Palestinian Authority is implementing an acceptable accounting system in tracking the use of funds made available by this Act for assistance for the Palestinian Authority.

SANCTIONS AGAINST SERBIA

Sec. 578. (a) Continuation of Executive Branch Sanctions.—The sanctions listed in subsection (b) shall remain in effect until January 1, 2001, unless the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations of the House of Representatives a certification described in subsection (c).

(b) APPLICABLE SANCTIONS.—

(1) The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to the government of Serbia-Montenegro.

(2) The Secretary of State should instruct the United States Ambassador to the Organization for Security and Cooperation in Europe (OSCE) to block any consensus to allow the participation of Serbia-Montenegro in the OSCE or any organization affiliated with the OSCE.

(3) The Secretary of State should instruct the United States Representative to the United Nations to vote against any resolution in the United Nations Security Council to admit Serbia-Montenegro to the United Nations or any organization affiliated with the United Nations, to veto any resolution to allow Serbia-Montenegro to assume the United Nations' membership of the former Socialist Federal Republic of Yugoslavia, and to take action to prevent Serbia-Montenegro from assuming the seat formerly occupied by the Socialist Federal Republic of Yugoslavia.

(4) The Secretary of State should instruct the United States Permanent Representative on the Council of the North Atlantic Treaty Organization to oppose the extension of the Partnership for Peace program or any other organization affiliated with NATO to Serbia-Montenegro.

(5) The Secretary of State should instruct the United States Representatives to the Southeast European Cooperative Initiative (SECI) to oppose and to work to prevent the extension of SECI membership to Serbia-Montenegro.

(c) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) the representatives of the successor states to the Socialist Federal Republic of Yugoslavia have successfully negotiated the division of assets and liabilities and all other succession issues following the dissolution of the Socialist Federal Republic of Yugoslavia;

(2) the government of Serbia-Montenegro is fully complying with its obligations as a signatory to the General Framework Agreement for Peace in Bosnia and Herzegovina;

(3) the government of Serbia-Montenegro is fully cooperating with and providing unrestricted access to the International Criminal Tribunal for the former Yugoslavia, including surrendering persons indicted for war crimes who are within the jurisdiction of the territory of Serbia-Montenegro, and with the investigations concerning the commission of war crimes and crimes against humanity in Kosova;

(4) the government of Serbia-Montenegro is implementing internal democratic reforms; and

(5) Serbian, Serbian-Montenegrin federal governmental officials, and representatives of the ethnic Albanian community in Kosova have agreed on, signed, and begun implementation of a negotiated settlement on the future status of Kosova.

(d) STATEMENT OF POLICY.—It is the sense of the Congress that the United States should not restore full diplomatic relations with Serbia-Montenegro until the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations in the House of Representatives the certification described in subsection (c).

(e) EXEMPTION OF MONTENEGRO.—The sanctions described in subsection (b)(1) should not apply to the government of Montenegro or Kosova.

(f) DEFINITION.—The term "international financial institution" includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(g) WAIVER AUTHORITY.—

(1) The President may waive the application in whole or in part, of any sanction described in subsection (b) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Kosova that is acceptable to the parties.

(2) Such a wavier may only be effective upon certification by the President to Congress that the United States has transferred and will continue to transfer (subject to adequate protection of intelligence sources and methods) to the International Criminal Tribunal for the former Yugoslavia all information it has collected in support of an indictment and trial of President Slobodan Milosevic for war crimes, crimes against humanity, or genocide.

(3) In the event of a waiver, within seven days the President must report the basis upon which the waiver was made to the Select Committee on Intelligence and the Committee on Foreign Relations in the Senate, and the Permanent Select Committee on Intelligence and the Committee on International Relations in the House of Representatives.

CLEAN COAL TECHNOLOGY

SEC. 579. (a) FINDINGS.—The Congress finds as follows:

(1) The United States is the world leader in the development of environmental technologies, particularly clean coal technology.

(2) Severe pollution problems affecting people in developing countries, and the serious health problems that result from such pollution, can be effectively addressed through the application of United States technology.

(3) During the next century, developing countries, particularly countries in Asia such as China and India, will dramatically increase their consumption of electricity, and low quality coal will be a major source of fuel for power generation.

(4) Without the use of modern clean coal technology, the resultant pollution will cause enormous health and environmental problems leading to diminished economic growth in developing countries and, thus, diminished United States exports to those growing markets.

(b) STATEMENT OF POLICY.—It is the policy of the United States to promote the export of United States clean coal technology. In furtherance of that policy, the Secretary of State, the Secretary of the Treasury (acting through the United States executive directors to international financial institutions), the Secretary of Energy, and the Administrator of the United States Agency for International Development (USAID) should, as appropriate, vigorously promote the use of United States clean coal technology in environmental and energy infrastructure programs, projects and activities. Programs, projects and activities for which the use of such technology should be considered include reconstruction assistance for the Balkans, activities carried out by the Global Environmental Facility, and activities funded from USAID's Development Credit Authority.

SENSE OF CONGRESS ON MANAGEMENT OF UNITED STATES INTERESTS IN UKRAINE

SEC. 580. (a) FINDINGS.—Congress makes the following findings:

(1) Ukraine is a major European nation as it has the second largest territory and sixth largest population of all the States of Europe.

(2) Ukraine has important geopolitical and economic roles to play within Central and Eastern Europe.

(3) A strong, stable, and secure Ukraine serves the interests of peace and stability in all of Europe, which are important national security interests of the United States.

(4) Ukraine is a member State of the Council of Europe, the Organization on Security and Cooperation in Europe, the Central European Initiative, and the Euro-Atlantic Partnership Conference, is a participant in the Partnership for Peace program of the North Atlantic Treaty Organization, and has entered into a Partnership and Cooperation Agreement with the European Union.

(5) The Government of Ukraine has clearly articulated its country's aspirations to become fully integrated into European and transatlantic institutions, and, in pursuit of the attainment of that aspiration, the government of Ukraine has requested associate membership in the European Union with the intent of eventually becoming a full member of the European Union.

(6) It is the policy of the United States to support the aspiration of Ukraine to assume its rightful place among the European and transatlantic community of democratic States and in European and transatlantic institutions.

(7) In the United States Government, the responsibility for management of United States interests in Ukraine would be most effectively performed by the officials who perform the responsibility for management of United States interests in Europe, and a designation of those officials to do so would strongly underscore and most effectively support attainment of the United States objective to build a Europe whole and free.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of State should designate the Assistant Secretary of State for European Affairs to perform, through the Bureau of European Affairs of the Department of State, the responsibilities of the Department of State for the management of United States interests in Ukraine.

CONGRESSIONAL NOTIFICATION WITH RESPECT TO ACQUISITION OF USAID FACILITIES

SEC. 581. (a) Funds appropriated under the heading "OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT" may be made available for acquisition of office space exceeding $5,000,000 of the United States Agency for International Development only if the appropriate congressional committees are notified at least 15 days in advance in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(b) As used in this section, the term "acquisition" shall have the same meaning as in the Foreign Service Building Act of 1926.

RESTRICTION ON UNITED STATES ASSISTANCE FOR CERTAIN RECONSTRUCTION EFFORTS IN THE BALKANS REGION.

SEC. 582. (a) PROHIBITION.—Except as provided in subsection (b), none of the funds appropriated or otherwise made available by this Act for United States assistance for reconstruction efforts in the Federal Republic of Yugoslavia or any contiguous country may be used for the procurement of, any article produced outside the United States, the recipient country, or least developed countries, or any service provided by a foreign person.

(b) Exception.—Subsection (a) shall not apply if—

(1) the provision of such assistance requires articles of a type that are produced in and services that are available for purchase in the United States, the recipient country, or least developed countries, or if the cost of articles and services produced in or available from the United States and such other countries is significantly more expensive, including the cost of transportation, than the cost from other sources; or

(2) the President determines that the application of subsection (a) will impair the ability of the United States to maximize the use of United States articles and services in such reconstruction efforts of other donor countries, or if the President otherwise determines that subsection (a) will impair United States foreign assistance objectives.

(c) Definitions.—In this section:

(1) Article.—The term "article" means any agricultural commodity, steel, communications equipment, farm machinery, or petrochemical refinery equipment.

(2) Federal Republic of Yugoslavia.—The term "Federal Republic of Yugoslavia" means the Federal Republic of Yugoslavia (Serbia and Montenegro) and includes Kosova.

(3) Foreign person.—The term "foreign person" means any foreign national, exclusive of any national of the recipient country or least developed countries, including any foreign corporation, partnership, other legal entity, organization, or association that is beneficially owned by foreign persons or controlled in fact by foreign persons.

(4) Produced.—The term "produced", with respect to an item, includes any item mined, manufactured, made, assembled, grown, or extracted.

(5) Service.—The term "service" means any engineering, construction or telecommunications.

(6) Steel.—The term "steel" includes the following categories of steel products: semifinished, plates, sheets and strips, wire rods, wire and wire products, rail type products, bars, structural shapes and units, pipes and tubes, iron ore, and coke products.

ALLOCATION OF FUNDS FOR THE IRAQ FOUNDATION.

Sec. 583. Of the funds made available by this Act for activities of Iraqi opposition groups designated under the Iraqi Liberation Act (Public Law 105-338), $250,000 shall be made available for the Iraq Foundation.

SELF-DETERMINATION IN EAST TIMOR

Sec. 584. (a) The President, the Secretary of State, the Secretary of Defense, and the Secretary of the Treasury (acting through United States executive directors to international financial institutions) should immediately intensify their efforts to prevail upon the Indonesian Government and military to—

(1) disarm and disband anti-independence militias in East Timor;

(2) grant full access to East Timor by international human rights monitors, humanitarian organizations, and the press;

(3) allow Timorese who have been living in exile to return to East Timor to campaign for and participate in the ballot; and

(4) release all political prisoners.

(b) The President shall submit a report to Congress not later than 15 days after passage of this Act, containing a description of the Administration's efforts and his assessment of efforts made by the Indonesian Government and military to fulfill the steps described in paragraph (a).

(c) The Secretary of the Treasury shall direct the United States executive directors to international financial institutions to take into account the extent of efforts made by the Indonesian Government and military to fulfill the steps described in paragraph (a), in determining their vote on any loan or financial assistance to Indonesia.

SENSE OF THE SENATE ON THE CITIZENS DEMOCRACY CORPS

Sec. 585. It is the sense of the Senate that with regard to promoting economic development and open, democratic countries in the former Soviet Union and Central Eastern Europe, the Committee commends the work of the Citizens Democracy Corps (CDC), which utilizes senior-level United States business volunteers to assist enterprises, institutions, and local governments abroad. Their work demonstrates the significant impact that United States Agency for International Development (USAID) support of a United States nongovernmental organization (NGO) program can have on the key United States foreign policy priorities of promoting broad-based, stable economic growth and open, market-oriented economies in transitioning economies. By drawing upon the skills and voluntary spirit of United States businessmen and women to introduce companies, CDC furthers the goals of the Freedom of Support Act (NIS) and Support for Eastern European Democracy (SEED), forging positive, lasting connections between the United States and these countries. The Committee endorses CDC's very cost-effective programs and believes they should be supported and expanded not only in the former Soviet Union and Eastern Europe, but in transitioning and developing economies throughout the world.

ASSISTANCE TO PROMOTE DEMOCRACY AND CIVIL SOCIETY IN YUGOSLAVIA

Sec. 586. (a) Assistance.—

(1) Purpose of assistance.—The purpose of assistance under this subsection is to promote and strengthen institutions of democratic government and the growth of an independent civil society in Yugoslavia, including ethnic tolerance and respect for internationally recognized human rights.

(2) Authorization for assistance.—The President is authorized to furnish assistance and other support for individuals and independent nongovernmental organizations to carry out the purpose of paragraph (1) through support for the activities described in paragraph (3).

(3) Activities supported.—Activities that may be supported by assistance under paragraph (2) include the following:

(A) Democracy building.

(B) The development of nongovernmental organizations.

(C) The development of independent media.

(D) The development of the rule of law, a strong, independent judiciary, and transparency in political practices.

(E) International exchanges and advanced professional training programs in skill areas central to the development of civil society and a market economy.

(F) The development of all elements of the democratic process, including political parties and the ability to administer free and fair elections.

(G) The development of local governance.

(H) The development of a free-market economy.

(4) Authorization of appropriations.—

(A) In general.—There is authorized to be appropriated to the President $100,000,000 for the period beginning October 1, 1999, and ending September 30, 2001, to carry out this subsection.

(B) Availability of funds.—Amounts appropriated pursuant to subparagraph (a) are authorized to remain available until expended.

(b) Prohibition on Assistance to Government of Serbia.—In carrying out subsection (a), the President shall take all necessary steps to ensure that no funds or other assistance is provided to the Government of Yugoslavia or to the Government of Serbia.

(c) Assistance to Government of Montenegro.—In carrying out subsection (a), the President is authorized to provide assistance to the Government of Montenegro, if the President determines, and so reports to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate, that the Government of Montenegro is committed to, and is taking steps to promote, democratic principles, the rule of law, and respect for internationally recognized human rights.

FOREIGN MILITARY TRAINING REPORT

Sec. 587. (a) The Secretary of Defense and the Secretary of State shall jointly provide to the Congress by January 31, 2000 a report on all military training provided to foreign military personnel (excluding sales) administered by the Department of Defense and the Department of State during fiscal years 1999 and 2000, including those proposed for fiscal year 2000. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate.

(b) For purposes of this section a report to Congress shall be deemed to mean a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House of Representatives.

CONTROL AND ELIMINATE THE INTERNATIONAL PROBLEM OF TUBERCULOSIS

Sec. 588. (a) Findings.—The Congress finds that:

(1) Since the development of antibiotics in the 1950's, tuberculosis has been largely controlled in the United States and the Western World.

(2) Due to societal factors, including growing urban decay, inadequate health care systems, persistent poverty, overcrowding, and malnutrition, as well as medical factors, including the HIV/AIDS epidemic and the emergence of multi-drug resistant strains of tuberculosis, tuberculosis has again become a leading and growing cause of adult deaths in the developing world.

(3) According to the World Health Organization—

(A) in 1998, about 1,860,000 people worldwide died of tuberculosis-related illnesses;

(B) one-third of the world's total population is infected with tuberculosis; and

(C) tuberculosis is the world's leading killer of women between 15 and 44 years old and is a leading cause of children becoming orphans.

(4) Because of the ease of transmission of tuberculosis, its international persistence and growth pose a direct public health threat to those nations that had previously largely controlled the disease. This is complicated in the United States by the growth of the homeless population, the rate of incarceration, international travel, immigration, and HIV/AIDS.

(5) With nearly 40 percent of the tuberculosis cases in the United States attributable to foreign-born persons, tuberculosis will never be eliminated in the United States until it is controlled abroad.

(6) The means exist to control tuberculosis through screening, diagnosis, treatment, patient compliance, monitoring, and ongoing review of outcomes.

(7) Efforts to control tuberculosis are complicated by several barriers, including—

(A) the labor intensive and lengthy process involved in screening, detecting, and treating the disease;

(B) a lack of funding, trained personnel, and medicine in virtually every nation with a high rate of the disease; and

(C) the unique circumstances in each country, which requires the development and implementation of country-specific programs.

(8) Eliminating the barriers to the international control of tuberculosis through a well-structured, comprehensive, and coordinated worldwide effort would be a significant step in dealing with the increasing public health problem posed by the disease.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that if the total allocation for this Act is higher than the level passed by the Senate, a top priority for the additional funds should be to increase the funding to combat infectious diseases, especially tuberculosis.

TO PROMOTE AN INTERNATIONAL ARMS TRANSFERS REGIME

SEC. 589. (a) EFFORTS.—The President shall continue and expand efforts through the United Nations and other international fora, including the Wassenaar Arrangement, to limit arms transfers worldwide. The President shall take the necessary steps to begin multilateral negotiations within 180 days after the date of the enactment of this Act, for the purpose of establishing a permanent multilateral regime to govern the transfer of conventional arms, particularly transfers to countries—

(1) that engage in persistent violations of human rights, engage in acts of armed aggression in violation of international law, and do not fully participate in the United Nations Register of Conventional Arms; and

(2) in regions in which arms transfers would exacerbate regional arms races or international tensions that present a danger to international peace and stability.

(b) REPORT TO CONGRESS.—Not later than 6 months after the commencement of the negotiations under subsection (a), and not later than the end of every 6-month period thereafter until an agreement described in subsection (a) is concluded, the President shall report to the appropriate committees of the Congress on the progress made during these negotiations.

EXPANDED THREAT REDUCTION INITIATIVE

SEC. 590. It is the sense of the Senate that the programs contained in the Expanded Threat Reduction Initiative are vital to the national security of the United States and that funding for those programs should be restored in conference to the levels requested in the President's budget.

SENSE OF THE SENATE REGARDING UNITED STATES COMMITMENTS UNDER THE UNITED STATES-NORTH KOREAN AGREED FRAMEWORK

SEC. 591. It is the sense of the Senate that, as long as North Korea meets its obligations under the United States-North Korean Nuclear Agreed Framework of 1994, the United States should meet its commitments under the Agreed Framework, including required deliveries of heavy fuel oil to North Korea and support of the Korean Peninsula Energy Development Organization (KEDO).

EXPANDED THREAT REDUCTION INITIATIVE

SEC. 592. The Senate finds that:

(1) The proposed programs under the Expanded Threat Reduction Initiative (ETRI) are critical and essential to preserving United States national security.

(2) The Department of State programs under the ETRI be funded at or near the full request of $250,000,000 in the Foreign Operations Appropriations Act for Fiscal Year 2000 prior to final passage.

SENSE OF THE SENATE REGARDING AN INTERNATIONAL CONFERENCE ON THE BALKANS.

SEC. 593. (a) FINDINGS.—The Senate makes the following findings:

(1) The United States and its allies in the North Atlantic Treaty Organization (NATO) conducted large-scale military operations against the Federal Republic of Yugoslavia.

(2) At the conclusion of 78 days of these hostilities, the United States and its NATO allies suspended military operations against the Federal Republic of Yugoslavia based upon credible assurances by the latter that it would fulfill the following conditions as laid down by the so called Group of Eight (G-8):

(A) An immediate and verifiable end of violence and repression in Kosova.

(B) Staged withdrawal of all Yugoslav military, police, and paramilitary forces from Kosova.

(C) Deployment in Kosova of effective international and security presences, endorsed and adopted by the United Nations Security Council, and capable of guaranteeing the achievement of the agreed objectives.

(D) Establishment of an interim administration for Kosova, to be decided by the United Nations Security Council which will seek to ensure conditions for a peaceful and normal life for all inhabitants in Kosova.

(E) Provision for the safe and free return of all refugees and displaced persons from Kosova and an unimpeded access to Kosova by humanitarian aid organizations.

(3) These objectives appear to have been fulfilled, or to be in the process of being fulfilled, which has led the United States and its NATO allies to terminate military operations against the Federal Republic of Yugoslavia.

(4) The G-8 also called for a comprehensive approach to the economic development and stabilization of the crisis region, and the European Union has announced plans for $1,500,000,000 over the next 3 years for the reconstruction of Kosova, for the convening in July of an international donors' conference for Kosova aid, and for subsequent provision of reconstruction aid to the other countries in the region affected by the recent hostilities followed by reconstruction aid directed at the Balkans region as a whole.

(5) The United States and some of its NATO allies oppose the provision of any aid, other than limited humanitarian assistance, to Serbia until Yugoslav President Slobodan Milosevic is out of office.

(6) The policy of providing reconstruction aid to Kosova and other countries in the region affected by the recent hostilities while withholding such aid for Serbia presents a number of practical problems, including the absence in Kosova of financial and other institutions independent of Yugoslavia, the difficulty in drawing clear and enforceable distinctions between humanitarian and reconstruction assistance, and the difficulty in reconstructing Montenegro in the absence of similar efforts in Serbia.

(7) In any case, the achievement of effective and durable economic reconstruction and revitalization in the countries of the Balkans is unlikely until a political settlement is reached as to the final status of Kosova and Yugoslavia.

(8) The G-8 proposed a political process towards the establishment of an interim political framework agreement for a substantial self-government for Kosova, taking into full account the final Interim Agreement for Peace and Self-Government in Kosova, also known as the Rambouillet Accords, and the principles of sovereignty and territorial integrity of the Federal Republic of Yugoslavia and the other countries of the region, and the demilitarization of the UCK (Kosova Liberation Army).

(9) The G-8 proposal contains no guidance as to a final political settlement for Kosova and Yugoslavia, while the original position of the United States and the other participants in the so-called Contact Group on this matter, as reflected in the Rambouillet Accords, called for the convening of an international conference, after 3 years, to determine a mechanism for a final settlement of Kosova status based on the will of the people, opinions of relevant authorities, each Party's efforts regarding the implementation of the agreement and the provisions of the Helsinki Final Act.

(10) The current position of the United States and its NATO allies as to the final status of Kosova and Yugoslavia calls for an autonomous, multiethnic, democratic Kosova which would remain as part of Serbia, and such an outcome is not supported by any of the Parties directly involved, including the governments of Yugoslavia and Serbia, representatives of the Kosovar Albanians, and the people of Yugoslavia, Serbia and Kosova.

(11) There has been no final political settlement in Bosnia-Herzegovina, where the Armed Forces of the United States, its NATO allies, and other non-Balkan nations have been enforcing an uneasy peace since 1996, at a cost to the United States alone of over $10,000,000,000, with no clear end in sight to such enforcement.

(12) The trend throughout the Balkans since 1990 has been in the direction of ethnically based particularism, as exemplified by the 1991 declarations of independence from Yugoslavia by Slovenia and Croatia, and the country in the Balkans which currently comes the closest to the goal of a democratic government which respects the human rights of its citizens is the nation of Slovenia, which was the first portion of the former Federal Republic of Yugoslavia to secede and is also the nation in the region with the greatest ethnic homogeneity, with a population which is 91 percent Slovene.

(13) The boundaries of the various national and sub-national divisions in the Balkans have been altered repeatedly throughout history, and international conferences have frequently played the decisive role in fixing

such boundaries in the modern era, including the Berlin Congress of 1878, the London Conference of 1913, and the Paris Peace Conference of 1919.

(14) The development of an effective exit strategy for the withdrawal from the Balkans of foreign military forces, including the armed forces of the United States, its NATO allies, Russia, and any other nation from outside the Balkans which has such forces in the Balkans is in the best interests of all such nations.

(15) The ultimate withdrawal of foreign military forces, accompanied by the establishment of durable and peaceful relations among all of the nations and peoples of the Balkans is in the best interests of those nations and peoples.

(16) An effective exit strategy for the withdrawal from the Balkans of foreign military forces is contingent upon the achievement of a lasting political settlement for the region, and that only such a settlement, acceptable to all parties involved, can ensure the fundamental goals of the United States of peace, stability, and human rights in the Balkans;

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) the United States should call immediately for the convening of an international conference on the Balkans, under the auspices of the United Nations, and based upon the principles of the Rambouillet Accords for a final settlement of Kosova status, namely that such a settlement should be based on the will of the people, opinions of relevant authorities, each Party's efforts regarding the implementation of the agreement and the provisions of the Helsinki Final Act;

(2) the international conference on the Balkans should also be empowered to seek a final settlement for Bosnia-Herzegovina based on the same principles as specified for Kosova in the Rambouillet Accords; and

(3) in order to produce a lasting political settlement in the Balkans acceptable to all parties, which can lead to the departure from the Balkans in timely fashion of all foreign military forces, including those of the United States, the international conference should have the authority to consider any and all of the following: political boundaries; humanitarian and reconstruction assistance for all nations in the Balkans; stationing of United Nations peacekeeping forces along international boundaries; security arrangements and guarantees for all of the nations of the Balkans; and tangible, enforceable and verifiable human rights guarantees for the individuals and peoples of the Balkans.

INTERNATIONAL DISASTER ASSISTANCE FOR OPPOSITION-CONTROLLED AREAS OF SUDAN

Sec. 594. Notwithstanding any other provision of law, of the funds made available under chapter 9 of part I of the Foreign Assistance Act of 1961 (relating to international disaster assistance) for fiscal year 2000, up to $4,000,000 should be made available for rehabilitation and economic recovery in opposition-controlled areas of Sudan. Such funds are to be used to improve economic governance, primary education, agriculture, and other locally-determined priorities. Such funds are to be programmed and implemented jointly by the United States Agency for International Development and the Department of Agriculture, and may be utilized for activities which can be implemented for a period of up to two years.

HUMANITARIAN ASSISTANCE FOR SUDANESE INDIGENOUS GROUPS

Sec. 595. The President, acting through the appropriate Federal agencies, is authorized to provide humanitarian assistance, including food, directly to the National Democratic Alliance participants and the Sudanese People's Liberation Movement operating outside of the Operation Lifeline Sudan structure.

DEVELOPMENT ASSISTANCE FOR OPPOSITION-CONTROLLED AREAS OF SUDAN

Sec. 596. (a) Increase in Development Assistance.—The President, acting through the United States Agency for International Development, is authorized to increase substantially the amount of development assistance for capacity building, democracy promotion, civil administration, judiciary, and infrastructure support in opposition-controlled areas of Sudan.

(b) Quarterly Report.—The President shall submit a report on a quarterly basis to the Congress on progress made in carrying out subsection (a).

SENSE OF THE SENATE REGARDING COLOMBIA

Sec. 597. (a) Findings.—Congress makes the following findings:

(1) Colombia is a democratic country fighting multiple wars—

(A) a war against the Colombian Revolutionary Armed Forces (FARC);

(B) a war against the National Liberation Army (ELN);

(C) a war against paramilitary organizations; and

(D) a war against drug lords who traffic in deadly cocaine and heroin.

(2) Colombia is the world's third most dangerous country in terms of political violence with 34 percent of world terrorist acts committed there.

(3) Colombia is the world's kidnaping capital of the world with 2,609 kidnapings reported in 1998 and 513 reported in the first three months of 1999.

(4) In 1998 alone, 308,000 Colombians were internally displaced in Colombia. Over the last decade, 35,000 Colombians have been killed.

(5) The FARC and ELN are the two main guerrilla groups which have waged the longest-running antigovernment insurgency in Latin America.

(6) The Colombian rebels have a combined strength of 10,000 to 20,000 full-time guerrillas; they have initiated armed action in nearly 700 of the country's 1073 municipalities, and control or influence roughly 60 percent of rural Colombia including a demilitarized zone using their armed stranglehold to abuse Colombian citizens.

(7) Although the Colombian Army has 122,000 soldiers, there are roughly only 20,000 soldiers available for offensive combat operations.

(8) Colombia faces the threat of the armed paramilitaries, 5,000 strong, who are constantly driving a wedge in the peace process by their insistence in participating in the peace talks.

(9) More than 75 percent of the world's cocaine HCL and 75 percent of the heroin seized in the northeast United States is of Colombian origin.

(10) The conflicts in Colombia are creating spillovers to the border countries of Venezuela, Panama and Ecuador: Venezuela has sent 30,000 troops to its border and Ecuador is sending 10,000 troops to its border.

(11) Venezuela is our number one supplier of oil.

(12) By the end of 1999, all United States military troops will have departed from Panama, leaving the Panama Canal unprotected.

(13) In 1998, two-way trade between the United States and Colombia was more than $11,000,000,000, making the United States Colombia's number one trading partner and Colombia the fifth largest market for United States exports in the region.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) the United States should recognize the crisis in Colombia and play a more proactive role in its resolution;

(2) the United States should mobilize the international community to proactively engage in resolving Colombian wars; and

(3) the United States should pledge our political support to help Colombia with the peace process.

ACCOUNTABILITY OF SADDAM HUSSEIN

Sec. 598. It is the sense of the Senate that the President and the Secretary of State should—

(1) raise the need for accountability of Saddam Hussein and several key members of his regime at the International Criminal Court Preparatory Commission, which will meet in New York on July 26, 1999, through August 13, 1999;

(2) continue to push for the creation of a commission under the auspices of the United Nations to establish an international record of the criminal culpability of Saddam Hussein and other Iraqi officials;

(3) continue to push for the United Nations to form an international criminal tribunal for the purpose of indicting, prosecuting, and imprisoning Saddam Hussein and any other Iraqi officials who may be found responsible for crimes against humanity, genocide, and other violations of international humanitarian law; and

(4) upon the creation of a commission and international criminal tribunal, take steps necessary, including the reprogramming of funds, to ensure United States support for efforts to bring Saddam Hussein and other Iraqi officials to justice.

SENSE OF THE SENATE REGARDING ASSISTANCE PROVIDED TO LITHUANIA, LATVIA, AND ESTONIA

Sec. 599. It is the sense of the Senate that nothing in this Act, or Senate Report Number 106–81, relating to assistance provided to Lithuania, Latvia, and Estonia under the Foreign Military Financing Program, should be interpreted as expressing the will of the Senate to accelerate membership of those nations into the North Atlantic Treaty Organization (NATO).

CONSULTATIONS ON ARMS SALES TO TAIWAN

Sec. 599A. Consistent with the intent of Congress expressed in the enactment of section 3(b) of the Taiwan Relations Act, the Secretary of State shall consult with the appropriate committees and leadership of Congress to devise a mechanism to provide for congressional input prior to making any determination on the nature or quantity of defense articles and services to be made available to Taiwan.

SENSE OF THE SENATE REGARDING ASSISTANCE UNDER THE CAMP DAVID ACCORDS.

Sec. 599B. (a) Findings.—The Senate makes the following findings:

(1) Egypt and Israel together negotiated the Camp David Accords, an historic breakthrough in beginning the process of bringing peace to the Middle East.

(2) As part of the Camp David Accords, a concept was reached regarding the ratio of United States foreign assistance between Egypt and Israel, a formula which has been followed since the signing of the Accords.

(3) The United States is reducing economic assistance to Egypt and Israel, with the agreement of those nations.

(4) The United States is committed to maintaining proportionality between Egypt and Israel in United States foreign assistance programs.

(5) Egypt has consistently fulfilled an historic role of peacemaker in the context of the Arab-Israeli disputes.

(6) The recent elections in Israel offer fresh hope of resolving the remaining issues of dispute in the region.

(b) Sense of the Senate.—It is the sense of the Senate that the United States should provide Egypt access to an interest bearing account as part of the United States foreign assistance program pursuant to the principles of proportionality which underlie the Camp David Accords.

AUTHORIZATIONS

Sec. 599C. The Secretary of the Treasury may, to fulfill commitments of the United States, (1) effect the United States participation in the fifth general capital increase of the African Development Bank, the first general capital increase of the Multilateral Investment Guarantee Agency, and the first general capital increase of the Inter-American Investment Corporation; (2) contribute on behalf of the United States to the eighth replenishment of the resources of the African Development Fund and the twelfth replenishment of the International Development Association. The following amounts are authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: $40,847,011 for paid-in capital, and $639,932,485 for callable capital, of the African Development Bank; $29,870,087 for paid-in capital, and $139,365,533 for callable capital, of the Multilateral Investment Guarantee Agency; $125,180,000 for paid-in capital of the Inter-American Investment Corporation; $300,000,000 for the African Development Fund; and $2,410,000,000 for the International Development Association.

WORKING CAPITAL FUND

Sec. 599D. Section 635 of the Foreign Assistance Act of 1961 (22 U.S.C. 2395) is amended by adding a new subsection (l) as follows:

"(l)(1) There is hereby established a working capital fund for the United States Agency for International Development which shall be available without fiscal year limitation for the expenses of personal and nonpersonal services, equipment and supplies for: (A) International Cooperative Administrative Support Services; (B) central information technology, library, audiovisual and administrative support services; (C) medical and health care of participants and others; and (D) such other functions which the Administrator of such agency, with the approval of the Office of Management and Budget, determines may be provided more advantageously and economically as central services.

"(2) The Capital of the fund shall consist of the fair and reasonable value of such supplies, equipment and other assets pertaining to the functions of the fund as the Administrator determines and any appropriations made available for the purpose of providing capital, less related liabilities.

"(3) The fund shall be reimbursed or credited with advance payments for services, equipment or supplies provided from the fund from applicable appropriations and funds of the agency, other Federal agencies and other sources authorized by section 607 of this Act at rates that will recover total expenses of operation, including accrual of annual leave and depreciation. Receipts from the disposal of, or payments for the loss or damage to, property held in the fund, rebates, reimbursements, refunds and other credits applicable to the operation of the fund may be deposited in the fund.

"(4) The agency shall transfer to the Treasury as miscellaneous receipts as of the close of the fiscal year such amounts which the Administrator determines to be in excess of the needs of the fund.

"(5) The fund may be charged with the current value of supplies and equipment returned to the working capital of the fund by a post, activity or agency and the proceeds shall be credited to current applicable appropriations.".

DEVELOPMENT CREDIT AUTHORITY PROGRAM ACCOUNT

Sec. 599E. For the cost of direct loans and loan guarantees, up to $7,500,000 to be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, as amended, and funds appropriated by this Act under the heading, "ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES", to remain available until expended, as authorized by section 635 of the Foreign Assistance Act of 1961: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That for administrative expenses to carry out the direct and guaranteed loan programs, up to $500,000 of this amount may be transferred to and merged with the appropriation for "Operating Expenses of the Agency for International Development": *Provided further*, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading.

SILK ROAD STRATEGY ACT OF 1999.

Sec. 599F. (a) Short Title.—This section may be cited as the "Silk Road Strategy Act of 1999".

(b) Amendment of the Foreign Assistance Act of 1961.—Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new chapter:

"CHAPTER 12—SUPPORT FOR THE ECONOMIC AND POLITICAL INDEPENDENCE OF THE COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA

"SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE RECONCILIATION AND RECOVERY FROM REGIONAL CONFLICTS.

"(a) Purpose of Assistance.—The purposes of assistance under this section include—

"(1) the creation of the basis for reconciliation between belligerents;

"(2) the promotion of economic development in areas of the countries of the South Caucasus and Central Asia impacted by civil conflict and war; and

"(3) the encouragement of broad regional cooperation among countries of the South Caucasus and Central Asia that have been destabilized by internal conflicts.

"(b) Authorization for Assistance.—

"(1) In general.—To carry out the purposes of subsection (a), the President is authorized to provide humanitarian assistance and economic reconstruction assistance for the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

"(2) Definition of humanitarian assistance.—In this subsection, the term 'humanitarian assistance' means assistance to meet humanitarian needs, including needs for food, medicine, medical supplies and equipment, education, and clothing.

"(c) Activities Supported.—Activities that may be supported by assistance under subsection (b) include—

"(1) providing for the humanitarian needs of victims of the conflicts;

"(2) facilitating the return of refugees and internally displaced persons to their homes; and

"(3) assisting in the reconstruction of residential and economic infrastructure destroyed by war.

"SEC. 499A. ECONOMIC ASSISTANCE.

"(a) Purpose of Assistance.—The purpose of assistance under this section is to foster economic growth and development, including the conditions necessary for regional economic cooperation, in the South Caucasus and Central Asia.

"(b) Authorization for Assistance.—To carry out the purpose of subsection (a), the President is authorized to provide assistance for the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

"(c) Activities Supported.—In addition to the activities described in section 498, activities supported by assistance under subsection (b) should support the development of the structures and means necessary for the growth of private sector economies based upon market principles.

"SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.

"(a) Purpose of Programs.—The purposes of programs under this section include—

"(1) to develop the physical infrastructure necessary for regional cooperation among the countries of the South Caucasus and Central Asia; and

"(2) to encourage closer economic relations and to facilitate the removal of impediments to cross-border commerce among those countries and the United States and other developed nations.

"(b) Authorization for Programs.—To carry out the purposes of subsection (a), the following types of programs for the countries of the South Caucasus and Central Asia may be used to support the activities described in subsection (c):

"(1) Activities by the Export-Import Bank to complete the review process for eligibility for financing under the Export-Import Bank Act of 1945.

"(2) The provision of insurance, reinsurance, financing, or other assistance by the Overseas Private Investment Corporation.

"(3) Assistance under section 661 of this Act (relating to the Trade and Development Agency).

"(c) Activities Supported.—Activities that may be supported by programs under subsection (b) include promoting actively the participation of United States companies and investors in the planning, financing, and construction of infrastructure for communications, transportation, including air transportation, and energy and trade including highways, railroads, port facilities, shipping, banking, insurance, telecommunications networks, and gas and oil pipelines.

"SEC. 499C. BORDER CONTROL ASSISTANCE.

"(a) Purpose of Assistance.—The purpose of assistance under this section includes the assistance of the countries of the South Caucasus and Central Asia to secure their borders and implement effective controls necessary to prevent the trafficking of illegal narcotics and the proliferation of technology and materials related to weapons of mass destruction (as defined in section 2332a(c)(2) of title 18, United States Code), and to contain and inhibit transnational organized criminal activities.

"(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide assistance to the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include assisting those countries of the South Caucasus and Central Asia in developing capabilities to maintain national border guards, coast guard, and customs controls.

"SEC. 499D. STRENGTHENING DEMOCRACY, TOLERANCE, AND THE DEVELOPMENT OF CIVIL SOCIETY.

"(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to promote institutions of democratic government and to create the conditions for the growth of pluralistic societies, including religious tolerance and respect for internationally recognized human rights.

"(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide the following types of assistance to the countries of the South Caucasus and Central Asia:

"(1) Assistance for democracy building, including programs to strengthen parliamentary institutions and practices.

"(2) Assistance for the development of nongovernmental organizations.

"(3) Assistance for development of independent media.

"(4) Assistance for the development of the rule of law, a strong independent judiciary, and transparency in political practice and commercial transactions.

"(5) International exchanges and advanced professional training programs in skill areas central to the development of civil society.

"(6) Assistance to promote increased adherence to civil and political rights under section 116(e) of this Act.

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include activities that are designed to advance progress toward the development of democracy.

"SEC. 499E. ADMINISTRATIVE AUTHORITIES.

"(a) ASSISTANCE THROUGH GOVERNMENTS AND NONGOVERNMENTAL ORGANIZATIONS.—Assistance under this chapter may be provided to governments or through nongovernmental organizations.

"(b) USE OF ECONOMIC SUPPORT FUNDS.—Except as otherwise provided, any funds that have been allocated under chapter 4 of part II for assistance for the independent states of the former Soviet Union may be used in accordance with the provisions of this chapter.

"(c) TERMS AND CONDITIONS.—Assistance under this chapter shall be provided on such terms and conditions as the President may determine.

"(d) AVAILABLE AUTHORITIES.—The authority in this chapter to provide assistance for the countries of the South Caucasus and Central Asia is in addition to the authority to provide such assistance under the FREEDOM Support Act (22 U.S.C. 5801 et seq.) or any other Act, and the authorities applicable to the provision of assistance under chapter 11 may be used to provide assistance under this chapter.

"SEC. 499F. DEFINITIONS.

"In this chapter:

"(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

"(2) COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA.—The term 'countries of the South Caucasus and Central Asia' means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.".

(c) CONFORMING AMENDMENTS.—Section 102(a) of the FREEDOM Support Act (Public Law 102–511) is amended in paragraphs (2) and (4) by striking each place it appears "this Act)" and inserting "this Act and chapter 12 of part I of the Foreign Assistance Act of 1961)".

(d) ANNUAL REPORT.—Section 104 of the FREEDOM Support Act (22 U.S.C. 5814) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) with respect to the countries of the South Caucasus and Central Asia—

"(A) an identification of the progress made by the United States in accomplishing the policy described in section 3 of the Silk Road Strategy Act of 1999;

"(B) an evaluation of the degree to which the assistance authorized by chapter 12 of part I of the Foreign Assistance Act of 1961 has accomplished the purposes identified in that chapter;

"(C) a description of the progress being made by the United States to negotiate a bilateral agreement relating to the protection of United States direct investment in, and other business interests with, each country; and

"(D) recommendations of any additional initiatives that should be undertaken by the United States to implement the policy and purposes contained in the Silk Road Strategy Act of 1999.".

TITLE VI—INTERNATIONAL TRAFFICKING OF WOMEN AND CHILDREN VICTIM PROTECTION

SHORT TITLE

SEC. 601. This title may be cited as the "International Trafficking of Women and Children Victim Reporting Act of 1999".

PURPOSES

SEC. 602. The purposes of this title are to condemn and combat the international crime of trafficking in women and children and to assist the victims of this crime by requiring an annual report including the identification of foreign governments that tolerate or participate in trafficking and fail to cooperate with international efforts to prosecute perpetrators.

DEFINITIONS

SEC. 603. In this title:

(1) TRAFFICKING.—The term "trafficking" means the use of deception, coercion, debt bondage, the threat of force, or the abuse of authority to recruit, transport within or across borders, purchase, sell, transfer, receive, or harbor a person for the purpose of placing or holding such person, whether for pay or not, in involuntary servitude, or slavery or slavery-like conditions, or in forced, bonded, or coerced labor.

(2) VICTIM OF TRAFFICKING.—The term "victim of trafficking" means any person subjected to the treatment described in paragraph (2).

ANNUAL REPORT TO CONGRESS

SEC. 604. (a) REPORT.—Not later than March 1, 2000, the Secretary of State shall submit a report to Congress describing the status of international trafficking, including—

(1) a list of foreign states where trafficking originates, passes through, or is a destination; and

(2) an assessment of the efforts by the governments described in paragraph (1) to combat trafficking. Such an assessment shall address—

(A) whether governmental authorities tolerate or are involved in trafficking activities;

(B) which governmental authorities are involved in anti-trafficking activities;

(C) what steps the government has taken toward ending the participation of its officials in trafficking;

(D) what steps the government has taken to prosecute and investigate those officials found to be involved in trafficking;

(E) what steps the government has taken to prohibit other individuals from participating in trafficking, including the investigation, prosecution, and conviction of individuals involved in trafficking, the criminal and civil penalties for trafficking, and the efficacy of those penalties on reducing or ending trafficking;

(F) what steps the government has taken to assist trafficking victims, including efforts to prevent victims from being further victimized by police, traffickers, or others, grants of stays of deportation, and provision of humanitarian relief, including provision of mental and physical health care and shelter;

(G) whether the government is cooperating with governments of other countries to extradite traffickers when requested;

(H) whether the government is assisting in international investigations of transnational trafficking networks; and

(I) whether the government—

(i) refrains from prosecuting trafficking victims or refrains from other discriminatory treatment towards trafficking victims due to such victims having been trafficked, or the nature of their work, or their having left the country illegally; and

(ii) recognizes the rights of victims and ensures their access to justice.

(b) CONTACTS WITH NONGOVERNMENTAL ORGANIZATIONS.—In compiling data and assessing trafficking for the State Department's Annual Human Rights Report and the report referred to in subsection (a), United States mission personnel shall consult with human rights and other appropriate nongovernmental organizations, including receiving reports and updates from such organizations, and, when appropriate, investigating such reports.

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000".

AUTHORITY FOR COMMITTEES TO FILE LEGISLATIVE MATTERS

Mr. GORTON. Mr. President, I ask unanimous consent that notwithstanding the adjournment of the Senate, committees have from 11 a.m. until 1 p.m. on Thursday, July 8, in order to file legislative matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE READ THE FIRST TIME—H.R. 1218

Mr. GORTON: Mr. President, I understand that H.R. 1218 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1218) to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

Mr. GORTON. I now ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, who consulted with the Speaker of the House of Representatives and the minority leaders of the Senate and the House, and pursuant to Public Law 105-277, announces the designation of Allan H. Meltzer, of Pennsylvania, as the Chairman of the International Financial Institution Advisory Commission.

S. 416, S. 700, S. 776, S. 323 AND S. 1027, EN BLOC

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration en bloc of the following bills reported by the Energy Committee: S. 416, calendar No. 130; S. 700, calendar No. 135; S. 776, calendar No. 136; S. 323, calendar No. 140; and S. 1027, calendar No. 178.

I ask unanimous consent that an amendment No. 1225 to S. 416 be agreed to, any committee amendments where applicable be agreed to, the bills then be considered read a third time and passed, as amended, if amended, any title amendments be agreed to, the motions to reconsider be laid upon the table, and that any statements relating to any of these bills be printed in the RECORD, with the above occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEWAGE TREATMENT FACILITY IN SISTERS, OREGON

The Senate proceeded to consider the bill (S. 416) to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility, which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds that—

(1) the city of Sisters, Oregon, faces a public health threat from a major outbreak of infectious diseases due to the lack of a sewer system;

(2) the lack of a sewer system also threatens groundwater and surface water resources in the area;

(3) the city is surrounded by Forest Service land and has no reasonable access to non-Federal parcels of land large enough, and with the proper soil conditions, for the development of a sewage treatment facility;

(4) the Forest Service currently must operate, maintain, and replace 11 separate septic systems to serve existing Forest Service facilities in the city of Sisters; and

(5) the Forest Service currently administers 77 acres of land within the city limits that would increase in value as a result of construction of a sewer system.

SEC. 2. CONVEYANCE.

(a) IN GENERAL.—**[**Not later than 1 year**]** *As soon as practicable and upon completion of any documents or analysis required by any environmental law, but not later than 180 days* after the date of enactment of this Act, the Secretary of Agriculture shall convey to the city of Sisters, Oregon, at no cost to the city except the cost of preparation of any documents required by any environmental law in connection with the **[**conveyance, the parcel of land described in subsection (b).

[(b) LAND DESCRIPTION.—The land described in this subsection is the parcel of land located in—**]**

conveyance, an amount of land that is not more than is reasonably necessary for a sewage treatment facility and for the disposal of treated effluent consistent with subsection (c).

"(b) LAND DESCRIPTION.—The amount of land conveyed under subsection (a) shall be not less than 160 acres and not more than 240 acres from within the following—

(1) the SE quarter of section 09, township 15 south, range 10 west, W.M., Deschutes, Oregon, and the portion of the SW quarter of section 09, township 15 south, range 10 west, W.M., Deschutes, Oregon, that lies east of Three Creeks Lake Road, but not including the westernmost 500 feet of that portion; and

(2) the portion of the SW quarter of section 09, township 15 south, range 10 west, W.M., Deschutes County, Oregon, lying easterly of Three Creeks Lake Road.

(c) CONDITION.—The conveyance under subsection (a) shall be made on the condition that the city agree to conduct a public process before the final determination is made regarding land use for the disposition of treated effluent.

[(d) SPECIAL USE PERMIT.—Not later than 120 days after the date of enactment of this Act, in compliance with applicable environmental laws (including regulations), the Secretary shall issue a special use permit for the land conveyed under subsection (a) that allows the city access to the land for the purpose of commencing construction of the sewage treatment plant.

[(e)**]** *(d)* USE OF LAND.—

(1) IN GENERAL.—The land conveyed under subsection (a) shall be used by the city for a sewage treatment facility and for the disposal of treated effluent.

(2) OPTIONAL REVERTER.—If at any time the land conveyed under subsection (a) ceases to be used for a purpose described in paragraph (1), at the option of the United States, title to the land shall revert to the United States.

[SEC. 3. SALE OF ADMINISTRATIVE LAND.

[(a) IN GENERAL.—Not later than 3 years after the date of enactment of the Act, and notwithstanding any other provision of law, the Secretary shall sell, at fair market value, not less than a total of 6 acres of unimproved land in the city that is currently designated for administrative use. There are authorized to be appropriated such sums as are necessary to prepare the sale.

[(b) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the proceeds of a sale under subsection (a) in the fund established by Public Law 90-171 (commonly known as the "Sisk Act") (16 U.S.C. 484a).

[(c) USE OF PROCEEDS.—

[(1) IN GENERAL.—Funds deposited under subsection (b) shall be available for expenditure, without further Act of appropriation, as follows:

[(A) Not more than 25 percent shall be available for administrative improvements at the Sisters Ranger District.

[(B) The remainder shall be available for purposes that are directly related to improving the long-term condition of the watershed of Squaw Creek, a tributary of the Deschutes River, Oregon.

[(2) METHOD OF EXPENDITURE.—The supervisor of the Deschutes National Forest may expend funds deposited under subsection (b) directly or may provide the funds in the form of grants to local watershed councils, including the Working Group (as defined in section 1025(a) of division I of the Omnibus Parks and Public Lands Management Act of 1996 (110 Stat. 4226)).**]**

The committee amendments were agreed to.

AMENDMENT NO. 1225

(Purpose: To authorize the acquisition of replacement lands)

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for Mr. SMITH of Oregon, for himself and Mr. WYDEN, proposes an amendment numbered 1225.

The amendment (No. 1225) was agreed to, as follows:

On page 3, line 12, strike the quotation marks.

On page 3, line 14, strike "the following".

At the end, add the following:

"(e) AUTHORITY TO ACQUIRE LAND IN SUBSTITUTION.—Subject to the availability of appropriations, the Secretary shall acquire land within Oregon, and within or in the vicinity of the Deschutes National Forest of an acreage equivalent to that of the land conveyed under subsection (a). Any lands acquired shall be added to and administered as part of the Deschutes National Forest.".

The bill (S. 426), as amended, was considered read the third time and passed, as follows:

S. 416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds that—

(1) the city of Sisters, Oregon, faces a public health threat from a major outbreak of infectious diseases due to the lack of a sewer system;

(2) the lack of a sewer system also threatens groundwater and surface water resources in the area;

(3) the city is surrounded by Forest Service land and has no reasonable access to non-Federal parcels of land large enough, and with the proper soil conditions, for the development of a sewage treatment facility;

(4) the Forest Service currently must operate, maintain, and replace 11 separate septic systems to serve existing Forest Service facilities in the city of Sisters; and

(5) the Forest Service currently administers 77 acres of land within the city limits that would increase in value as a result of construction of a sewer system.

SEC. 2. CONVEYANCE.

(a) IN GENERAL.—As soon as practicable and upon completion of any documents or analysis required by any environmental law, but not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall convey to the city of Sisters, Oregon, at no cost to the city except the cost of preparation of any documents required by any environmental law in connection with the conveyance, an amount of land that is not more than is reasonably necessary for a sewage treatment facility and for the disposal of treated effluent consistent with subsection (c).

(b) LAND DESCRIPTION.—The amount of land conveyed under subsection (a) shall be not less than 160 acres and not more than 240 acres from within—

(1) the SE quarter of section 09, township 15 south, range 10 west, W.M., Deschutes, Oregon, and the portion of the SW quarter of section 09, township 15 south, range 10 west, W.M., Deschutes, Oregon, that lies east of Three Creeks Lake Road, but not including the westernmost 500 feet of that portion; and

(2) the portion of the SW quarter of section 09, township 15 south, range 10 west, W.M., Deschutes County, Oregon, lying easterly of Three Creeks Lake Road.

(c) CONDITION.—The conveyance under subsection (a) shall be made on the condition that the city agree to conduct a public process before the final determination is made regarding land use for the disposition of treated effluent.

(d) USE OF LAND.—

(1) IN GENERAL.—The land conveyed under subsection (a) shall be used by the city for a sewage treatment facility and for the disposal of treated effluent.

(2) OPTIONAL REVERTER.—If at any time the land conveyed under subsection (a) ceases to be used for a purpose described in paragraph (1), at the option of the United States, title to the land shall revert to the United States.

(e) AUTHORITY TO ACQUIRE LAND IN SUBSTITUTION.—Subject to the availability of appropriations, the Secretary shall acquire land within Oregon, and within or in the vicinity of the Deschutes National Forest, of an acreage equivalent to that of the land conveyed under subsection (a). Any lands acquired shall be added to and administered as part of the Deschutes National Forest.

ALA KAHAKAI NATIONAL HISTORIC TRAIL ACT

The Senate proceeded to consider the bill (S. 700) to amend the National Trails System Act to designate the Ala Kahakai Trail as a National Historic Trail, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill or joint resolution intended to be inserted are shown in italic)

S. 700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ala Kahakai National Historic Trail Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Ala Kahakai (Trail by the Sea) is an important part of the ancient trail known as the "Ala Loa" (the long trail), which circumscribes the island of Hawaii;

(2) the Ala Loa was the major land route connecting 600 or more communities of the island kingdom of Hawaii from 1400 to 1700;

(3) the trail is associated with many prehistoric and historic housing areas of the island of Hawaii, nearly all the royal centers, and most of the major temples of the island;

(4) the use of the Ala Loa is also associated with many rulers of the kingdom of Hawaii, with battlefields and the movement of armies during their reigns, and with annual taxation;

(5) the use of the trail played a significant part in events that affected Hawaiian history and culture, including—

(A) Captain Cook's landing and subsequent death in 1779;

(B) Kamehameha I's rise to power and consolidation of the Hawaiian Islands under monarchical rule; and

(C) the death of Kamehameha in 1819, followed by the overthrow of the ancient religious system, the Kapu, and the arrival of the first western missionaries in 1820; and

(6) the trail—

(A) was used throughout the 19th and 20th centuries and continues in use today; and

(B) contains a variety of significant cultural and natural resources.

SEC. 3. AUTHORIZATION AND ADMINISTRATION.

Section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)) is amended—

(1) by designating the paragraphs relating to the California National Historic Trail, the Pony Express National Historic Trail, and the Selma to Montgomery National Historic Trail as paragraphs (18), (19), and (20), respectively; and

(2) by adding at the end the following:

"(21) ALA KAHAKAI NATIONAL HISTORIC TRAIL.—

"(A) IN GENERAL.—The Ala Kahakai National Historic Trail (the Trail by the Sea), a 175 mile long trail extending from **[**Upolu**]** *'Upolu* Point on the north tip of Hawaii Island down the west coast of the Island around Ka Lae to the east boundary of Hawaii Volcanoes National Park at the ancient shoreline temple known as **[**'Wahaulu'**]** *'Waha'ula'*, as generally depicted on the map entitled 'Ala Kahakai Trail', contained in the report prepared pursuant to subsection (b) entitled 'Ala Kahakai National Trail Study and Environmental Impact Statement', dated January 1998.

"(B) MAP.—A map generally depicting the trail shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior.

"(C) ADMINISTRATION.—The trail shall be administered by the Secretary of the Interior.

"(D) LAND ACQUISITION.—No land or interest in land outside the exterior boundaries of any federally administered area may be acquired by the United States for the trail except with the consent of the owner of the land or interest in land.

"(E) PUBLIC PARTICIPATION; CONSULTATION.—The Secretary of the Interior shall—

"(i) encourage communities and owners of land along the trail, native Hawaiians, and volunteer trail groups to participate in the planning, development, and maintenance of the trail; and

"(ii) consult with affected Federal, State, and local agencies, native Hawaiian groups, and landowners in the administration of the trail.".

The committee amendments were agreed to.

The bill (S. 700), as amended, was considered read the third time and passed, as follows:

S. 700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ala Kahakai National Historic Trail Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Ala Kahakai (Trail by the Sea) is an important part of the ancient trail known as the "Ala Loa" (the long trail), which circumscribes the island of Hawaii;

(2) the Ala Loa was the major land route connecting 600 or more communities of the island kingdom of Hawaii from 1400 to 1700;

(3) the trail is associated with many prehistoric and historic housing areas of the island of Hawaii, nearly all the royal centers, and most of the major temples of the island;

(4) the use of the Ala Loa is also associated with many rulers of the kingdom of Hawaii, with battlefields and the movement of armies during their reigns, and with annual taxation;

(5) the use of the trail played a significant part in events that affected Hawaiian history and culture, including—

(A) Captain Cook's landing and subsequent death in 1779;

(B) Kamehameha I's rise to power and consolidation of the Hawaiian Islands under monarchical rule; and

(C) the death of Kamehameha in 1819, followed by the overthrow of the ancient religious system, the Kapu, and the arrival of the first western missionaries in 1820; and

(6) the trail—

(A) was used throughout the 19th and 20th centuries and continues in use today; and

(B) contains a variety of significant cultural and natural resources.

SEC. 3. AUTHORIZATION AND ADMINISTRATION.

Section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)) is amended—

(1) by designating the paragraphs relating to the California National Historic Trail, the Pony Express National Historic Trail, and the Selma to Montgomery National Historic Trail as paragraphs (18), (19), and (20), respectively; and

(2) by adding at the end the following:

"(21) ALA KAHAKAI NATIONAL HISTORIC TRAIL.—

"(A) IN GENERAL.—The Ala Kahakai National Historic Trail (the Trail by the Sea), a 175 mile long trail extending from 'Upolu Point on the north tip of Hawaii Island down the west coast of the Island around Ka Lae to the east boundary of Hawaii Volcanoes National Park at the ancient shoreline temple known as 'Waha'ula', as generally depicted on the map entitled 'Ala Kahakai Trail', contained in the report prepared pursuant to subsection (b) entitled 'Ala Kahakai National Trail Study and Environmental Impact Statement', dated January 1998.

"(B) MAP.—A map generally depicting the trail shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior.

"(C) ADMINISTRATION.—The trail shall be administered by the Secretary of the Interior.

"(D) LAND ACQUISITION.—No land or interest in land outside the exterior boundaries of any federally administered area may be acquired by the United States for the trail except with the consent of the owner of the land or interest in land.

"(E) PUBLIC PARTICIPATION; CONSULTATION.—The Secretary of the Interior shall—

"(i) encourage communities and owners of land along the trail, native Hawaiians, and volunteer trail groups to participate in the planning, development, and maintenance of the trail; and

"(ii) consult with affected Federal, State, and local agencies, native Hawaiian groups, and landowners in the administration of the trail.".

LOESS HILLS PRESERVATION STUDY ACT OF 1999

The Senate proceeded to consider the bill (S. 776) to authorize the National Park Service to conduct a feasibility study for the preservation of the Loess Hills in western Iowa, which had been reported from the Committee on Energy and Natural Resources, with amendments as follows:

(The parts of the bill intended to be inserted are shown in italic.)

S. 776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Loess Hills Preservation Study Act of 1999".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the Loess Hills encompasses 600,000 acres in western Iowa, having been formed by ancient glaciers and hundreds of centuries of westerly winds blowing soil across the Missouri River, which were then deposited in Iowa;

(2) this area is the largest Loess formation in the United States, and one of the two largest in the world, supporting several species of rare native prairie grasses;

(3) portions of the Loess Hills remain undeveloped and provide an important opportunity to protect and preserve an historic, rare and unique natural resource;

(4) a program to study the Loess Hills can only be successfully implemented with the cooperation and participation of affected local governments and landowners;

(5) in 1986, the Loess Hills area was designated as a National Natural Landmark in recognition of the area's nationally significant natural resources;

(6) although significant natural resources remain in the area, increasing development in the area has threatened the future stability and integrity of the Loess Hills area; and

(7) the Loess Hills area merits further study by the National Park Service, in cooperation with the State of Iowa, local governments, and affected landowners, to determine appropriate means to better protect, preserve, and interpret the significant resources in the area.

(b) PURPOSE.—The purpose of this Act is to authorize the Secretary of the Interior to conduct a *suitability and* feasibility study to determine what measures should be taken to preserve the Loess Hills in western Iowa.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) the term "Loess Hills" means the natural geological formation of soils in the State of Iowa located between Waubansie State Park and Stone Park, and which includes Plymouth, Woodbury, Monona, Harrison, Pottawattamie, Mills, and Fremont counties;

(2) the term "Secretary" means the Secretary of the Interior; and

(3) the term "State" means the State of Iowa.

SEC. 4. LOESS HILLS STUDY.

(a) The Secretary shall undertake a study of the Loess Hills area to review options for the protection and interpretation of the area's natural, cultural, and historical resources. The study shall include, but need not be limited to, an analysis of the suitability and feasibility of designating the area as—

(1) a unit of the National Park System;

(2) a National Heritage Area or Heritage Corridor; or

(3) such other designation as may be appropriate.

(b) The study shall examine the appropriateness and feasibility of cooperative protection and interpretive efforts between the United States, the State, its political subdivisions, and non-profit groups or other interested parties.

(c) The Secretary shall consult in the preparation of the study with State and local governmental entities, affected landowners, and other interested public and private organizations and individuals.

(d) The study shall be completed within one year after the date funds are made available. No later than 30 days after its completion, the Secretary shall transmit a report of the study, along with any recommendations, to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act *not to exceed* $275,000.

The committee amendments were agreed to.

The bill (S. 776), as amended, was considered read the third time and passed, as follows:

S. 776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Loess Hills Preservation Study Act of 1999".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the Loess Hills encompasses 600,000 acres in western Iowa, having been formed by ancient glaciers and hundreds of centuries of westerly winds blowing soil across the Missouri River, which were then deposited in Iowa;

(2) this area is the largest Loess formation in the United States, and one of the two largest in the world, supporting several species of rare native prairie grasses;

(3) portions of the Loess Hills remain undeveloped and provide an important opportunity to protect and preserve an historic, rare and unique natural resource;

(4) a program to study the Loess Hills can only be successfully implemented with the cooperation and participation of affected local governments and landowners;

(5) in 1986, the Loess Hills area was designated as a National Natural Landmark in recognition of the area's nationally significant natural resources;

(6) although significant natural resources remain in the area, increasing development in the area has threatened the future stability and integrity of the Loess Hills area; and

(7) the Loess Hills area merits further study by the National Park Service, in cooperation with the State of Iowa, local governments, and affected landowners, to determine appropriate means to better protect, preserve, and interpret the significant resources in the area.

(b) PURPOSE.—The purpose of this Act is to authorize the Secretary of the Interior to conduct a suitability and feasibility study to determine what measures should be taken to preserve the Loess Hills in western Iowa.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) the term "Loess Hills" means the natural geological formation of soils in the State of Iowa located between Waubansie State Park and Stone Park, and which includes Plymouth, Woodbury, Monona, Harrison, Pottawattamie, Mills, and Fremont counties;

(2) the term "Secretary" means the Secretary of the Interior; and

(3) the term "State" means the State of Iowa.

SEC. 4. LOESS HILLS STUDY.

(a) The Secretary shall undertake a study of the Loess Hills area to review options for the protection and interpretation of the area's natural, cultural, and historical resources. The study shall include, but need not be limited to, an analysis of the suitability and feasibility of designating the area as—

(1) a unit of the National Park System;

(2) a National Heritage Area or Heritage Corridor; or

(3) such other designation as may be appropriate.

(b) The study shall examine the appropriateness and feasibility of cooperative protection and interpretive efforts between the United States, the State, its political subdivisions, and non-profit groups or other interested parties.

(c) The Secretary shall consult in the preparation of the study with State and local governmental entities, affected landowners, and other interested public and private organizations and individuals.

(d) The study shall be completed within one year after the date funds are made available. No later than 30 days after its completion, the Secretary shall transmit a report of the study, along with any recommendations, to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act not to exceed $275,000.

BLACK CANYON NATIONAL PARK AND GUNNISON GORGE NATIONAL CONSERVATION AREA ACT OF 1999

The Senate proceeded to consider the bill (S. 323) to redesignate the Black

Canyon of the Gunnison National Monument as a national park and establish the Gunnison Gorge National Conservation Area, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999".

SEC. 2. FINDINGS.

Congress finds that—

(1) Black Canyon of the Gunnison National Monument was established for the preservation of its spectacular gorges and additional features of scenic, scientific, and educational interest;

(2) the Black Canyon of the Gunnison and adjacent upland include a variety of unique ecological, geological, scenic, historical, and wildlife components enhanced by the serenity and rural western setting of the area;

(3) the Black Canyon of the Gunnison and adjacent land provide extensive opportunities for educational and recreational activities, and are publicly used for hiking, camping, and fishing, and for wilderness value, including solitude;

(4) adjacent public land downstream of the Black Canyon of the Gunnison National Monument has wilderness value and offers unique geological, paleontological, scientific, educational, and recreational resources;

(5) public land adjacent to the Black Canyon of the Gunnison National Monument contributes to the protection of the wildlife, viewshed, and scenic qualities of the Black Canyon;

(6) some private land adjacent to the Black Canyon of the Gunnison National Monument has exceptional natural and scenic value that would be threatened by future development pressures;

(7) the benefits of designating public and private land surrounding the national monument as a national park include greater long-term protection of the resources and expanded visitor use opportunities; and

(8) land in and adjacent to the Black Canyon of the Gunnison Gorge is—

(A) recognized for offering exceptional multiple use opportunities;

(B) recognized for offering natural, cultural, scenic, wilderness, and recreational resources; and

(C) worthy of additional protection as a national conservation area, and with respect to the Gunnison Gorge itself, as a component of the national wilderness system.

SEC. 3. DEFINITIONS.

In this Act:

(1) Conservation area.—The term "Conservation Area" means the Gunnison Gorge National Conservation Area, consisting of approximately 57,725 acres surrounding the Gunnison Gorge as depicted on the Map.

(2) Map.—The term "Map" means the map entitled "Black Canyon of the Gunnison National Park and Gunnison Gorge NCA—1/22/99". The map shall be on file and available for public inspection in the offices of the Department of the Interior.

(3) Park.—The term "Park" means the Black Canyon of the Gunnison National Park established under section 4 and depicted on the Map.

(4) Secretary.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. ESTABLISHMENT OF BLACK CANYON OF THE GUNNISON NATIONAL PARK.

(a) Establishment.—There is hereby established the Black Canyon of the Gunnison National Park in the State of Colorado as generally depicted on the map identified in section 3. The Black Canyon of the Gunnison National Monument is hereby abolished as such, the lands and interests therein are incorporated within and made part of the new Black Canyon of the Gunnison National Park, and any funds available for purposes of the monument shall be available for purposes of the park.

(b) Administration.—Upon enactment of this title, the Secretary shall transfer the lands under the jurisdiction of the Bureau of Land Management which are identified on the map for inclusion in the park to the administrative jurisdiction of the National Park Service. The Secretary shall administer the park in accordance with this Act and laws generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1, 2–4), and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes, approved August 21, 1935 (16 U.S.C. 461 et seq.).

(c) Maps and Legal Description.—As soon as practicable after the date of enactment of this Act, the Secretary shall file maps and a legal description of the park with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives. Such maps and legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in such legals description and maps. The maps and legal description shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(d) Withdrawal.—Subject to valid existing rights, all Federal lands within the park are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; from location, entry, and patent under the mining laws; and from disposition under all laws relating to mineral and geothermal leasing, and all amendments thereto.

(e) Grazing.—(1)(A) Consistent with the requirements of this subsection, including the limitation in paragraph (3), the Secretary shall allow the grazing of livestock within the park to continue where authorized under permits or leases in existence as of the date of enactment of this Act. Grazing shall be at no more than the current level, and subject to applicable laws and National Park Service regulations.

(B) Nothing in this subsection shall be construed as extending grazing privileges for any party or their assignee in any area of the park where, prior to the date of enactment of this Act, such use was scheduled to expire according to the terms of a settlement by the U.S. Claims Court affecting property incorporated into the boundary of the Black Canyon of the Gunnison National Monument.

(C) Nothing in this subsection shall prohibit the Secretary from accepting the voluntary termination of leases or permits for grazing within the park.

(2) Within areas of the park designated as wilderness, the grazing of livestock, where authorized under permits in existence as of the date of enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary deems necessary, consistent with this Act, the Wilderness Act, and other applicable laws and National Park Service regulations.

(3) With respect to the grazing permits and leases referenced in this subsection, the Secretary shall allow grazing to continue, subject to periodic renewal, for a period equal to the lifetime of the holder of the grazing permit or lease as of the date of enactment of this Act.

SEC. 5. ACQUISITION OF PROPERTY AND MINOR BOUNDARY ADJUSTMENTS.

(a) Additional Acquisitions.—

(1) In general.—The Secretary may acquire land or interests in land depicted on the Map as proposed additions.

(2) Method of acquisition.—

(A) In general.—Land or interests in land may be acquired by—

(i) donation;

(ii) transfer;

(iii) purchase with donated or appropriated funds; or

(iv) exchange.

(B) Consent.—No land or interest in land may be acquired without the consent of the owner of the land.

(b) Boundary Revision.—After acquiring land for the Park, the Secretary shall—

(1) revise the boundary of the Park to include newly-acquired land within the boundary; and

(2) administer newly-acquired land subject to applicable laws (including regulations).

(c) Boundary Survey.—As soon as practicable and subject to the availability of funds the Secretary shall complete an official boundary survey of the Park.

(d) Hunting on Privately Owned Lands.—

(1) In general.—The Secretary may permit hunting on privately owned land added to the Park under this Act, subject to limitations, conditions, or regulations that may be prescribed by the Secretary.

(2) Termination of authority.—On the date that the Secretary acquires fee ownership of any privately owned land added to the Park under this Act, the authority under paragraph (1) shall terminate with respect to the privately owned land acquired.

SEC. 6. EXPANSION OF THE BLACK CANYON OF THE GUNNISON WILDERNESS.

(a) Expansion of Black Canyon of the Gunnison Wilderness.—The Black Canyon of the Gunnison Wilderness, as established by subsection (b) of the first section of Public Law 94-567 (90 Stat. 2692), is expanded to include the parcel of land depicted on the Map as "Tract A" and consisting of approximately 4,419 acres.

(b) Administration.—The Black Canyon of the Gunnison Wilderness shall be administered as a component of the Park.

SEC. 7. ESTABLISHMENT OF THE GUNNISON GORGE NATIONAL CONSERVATION AREA.

(a) In General.—There is established the Gunnison Gorge National Conservation Area, consisting of approximately 57,725 acres as generally depicted on the Map.

(b) Management of Conservation Area.—The Secretary, acting through the Director of the Bureau of Land Management, shall manage the Conservation Area to protect the resources of the Conservation Area in accordance with—

(1) this Act;

(2) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

(3) other applicable provisions of law.

(c) Withdrawal.—Subject to valid existing rights, all Federal lands within the Conservation Area are hereby withdrawn from all forms of entry, appropriation or disposal under the public land laws; from location, entry, and patent under the mining laws; and from disposition under all laws relating to mineral and geothermal leasing, and all amendments thereto.

(d) Hunting, Trapping and Fishing.—

(1) In general.—The Secretary shall permit hunting, trapping, and fishing within the Conservation Area in accordance with applicable laws (including regulations) of the United States and the State of Colorado.

(2) Exception.—The Secretary, after consultation with the Colorado Division of Wildlife,

may issue regulations designating zones where and establishing periods when no hunting or trapping shall be permitted for reasons concerning—

(A) public safety;

(B) administration; or

(C) public use and enjoyment.

(e) USE OF MOTORIZED VEHICLES.—In addition to the use of motorized vehicles on established roadways, the use of motorized vehicles in the Conservation Area shall be allowed—

(1) to the extent the use is compatible with off-highway vehicle designations as described in the management plan in effect on the date of enactment of this Act; or

(2) to the extent the use is practicable under a management plan prepared under this Act.

(f) CONSERVATION AREA MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 4 years after the date of enactment of this Act, the Secretary shall—

(A) develop a comprehensive plan for the long-range protection and management of the Conservation Area; and

(B) transmit the plan to—

(i) the Committee on Energy and Natural Resources of the Senate; and

(ii) the Committee on Resources of the House of Representatives.

(2) CONTENTS OF PLAN.—The plan—

(A) shall describe the appropriate uses and management of the Conservation Area in accordance with this Act;

(B) may incorporate appropriate decisions contained in any management or activity plan for the area completed prior to the date of enactment of this Act;

(C) may incorporate appropriate wildlife habitat management plans or other plans prepared for the land within or adjacent to the Conservation Area prior to the date of enactment of this Act;

(D) shall be prepared in close consultation with appropriate Federal, State, county, and local agencies; and

(E) may use information developed prior to the date of enactment of this Act in studies of the land within or adjacent to the Conservation Area.

(g) BOUNDARY REVISIONS.—The Secretary may make revisions to the boundary of the Conservation Area following acquisition of land necessary to accomplish the purposes for which the Conservation Area was designated.

SEC. 8. DESIGNATION OF WILDERNESS WITHIN THE CONSERVATION AREA.

(a) GUNNISON GORGE WILDERNESS.—

(1) IN GENERAL.—Within the Conservation Area, there is designated as wilderness, and as a component of the National Wilderness Preservation System, the Gunnison Gorge Wilderness, consisting of approximately 17,700 acres, as generally depicted on the Map.

(2) ADMINISTRATION.—

(A) WILDERNESS STUDY AREA EXEMPTION.—The approximately 300-acre portion of the wilderness study area depicted on the Map for release from section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782) shall not be subject to section 603(c) of that Act.

(B) INCORPORATION INTO NATIONAL CONSERVATION AREA.—The portion of the wilderness study area described in subparagraph (A) shall be incorporated into the Conservation Area.

(b) ADMINISTRATION.—Subject to valid rights in existence on the date of enactment of this Act, the wilderness areas designated under this Act shall be administered by the Secretary in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

(c) STATE RESPONSIBILITY.—As provided in section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this Act or in the Wilderness Act shall affect the jurisdiction or responsibilities of the State of Colorado with respect to wildlife and fish on the public land located in that State.

(d) MAPS AND LEGAL DESCRIPTIONS.—As soon as practicable after the date of enactment of this section, the Secretary of the Interior shall file a map and a legal description of the Gunnison Gorge Wilderness with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives. This map and description shall have the same force and effect as if included in this Act. The Secretary of the Interior may correct clerical and typographical errors in the map and legal description. The map and legal description shall be on file and available in the office of the Director of the BLM.

SEC. 9. WITHDRAWAL.

Subject to valid existing rights, the Federal lands identified on the Map as "BLM Withdrawal (Tract B)" (comprising approximately 1,154 acres) are hereby withdrawn from all forms of entry, appropriation or disposal under the public land laws; from location, entry, and patent under the mining laws; and from disposition under all laws relating to mineral and geothermal leasing, and all amendments thereto.

SEC. 10. WATER RIGHTS.

(a) EFFECT ON WATER RIGHTS.—Nothing in this Act shall—

(1) constitute an express or implied reservation of water for any purpose; or

(2) affect any water rights in existence prior to the date of enactment of this Act, including any water rights held by the United States.

(b) ADDITIONAL WATER RIGHTS.—Any new water right that the Secretary determines is necessary for the purposes of this Act shall be established in accordance with the procedural and substantive requirements of the laws of the State of Colorado.

SEC. 11. STUDY OF LANDS WITHIN AND ADJACENT TO CURECANTI NATIONAL RECREATION AREA.

(a) IN GENERAL.—Not later than 3 years after the date of enactment of this Act, the Secretary, acting through the Director of the National Park Service, shall conduct a study concerning land protection and open space within and adjacent to the area administered as the Curecanti National Recreation Area.

(b) PURPOSE OF STUDY.—The study required to be completed under subsection (a) shall—

(1) assess the natural, cultural, recreational and scenic resource value and character of the land within and surrounding the Curecanti National Recreation Area (including open vistas, wildlife habitat, and other public benefits);

(2) identify practicable alternatives that protect the resource value and character of the land within and surrounding the Curecanti National Recreation Area;

(3) recommend a variety of economically feasible and viable tools to achieve the purposes described in paragraphs (1) and (2); and

(4) estimate the costs of implementing the approaches recommended by the study.

(c) SUBMISSION OF REPORT.—Not later than 3 years from the date of enactment of this Act, the Secretary shall submit a report to Congress that—

(1) contains the findings of the study required by subsection (a);

(2) makes recommendations to Congress with respect to the findings of the study required by subsection (a); and

(3) makes recommendations to Congress regarding action that may be taken with respect to the land described in the report.

(d) ACQUISITION OF ADDITIONAL LAND AND INTERESTS IN LAND.—

(1) IN GENERAL.—Prior to the completion of the study required by subsection (a), the Secretary may acquire certain private land or interests in land as depicted on the Map entitled 'Proposed Additions to the Curecanti National Recreation Area,' dated 01/25/99, totaling approximately 1,065 acres and entitled 'Hall and Fitti properties'.

(2) METHOD OF ACQUISITION.—

(A) IN GENERAL.—Land or an interest in land under paragraph (1) may be acquired by—

(i) donation;

(ii) purchase with donated or appropriated funds; or

(iii) exchange.

(B) CONSENT.—No land or interest in land may be acquired without the consent of the owner of the land.

(C) BOUNDARY REVISIONS FOLLOWING ACQUISITION.—Following the acquisition of land under paragraph (1), the Secretary shall—

(i) revise the boundary of the Curecanti National Recreation Area to include newly-acquired land; and

(ii) administer newly-acquired land according to applicable laws (including regulations).

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The committee amendment was agreed to.

The bill (S. 323), as amended, was considered; read the third time and passed.

DESCHUTES RESOURCES CONSERVANCY REAUTHORIZATION ACT OF 1999

A bill (S. 1027) to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

The bill (S. 1027) was considered; read the third time and passed, as follows:

S. 1027

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deschutes Resources Conservancy Reauthorization Act of 1999".

SEC. 2. EXTENSION OF PARTICIPATION OF BUREAU OF RECLAMATION IN DESCHUTES RESOURCES CONSERVANCY.

Section 301 of the Oregon Resource Conservation Act of 1996 (division B of Public Law 104-208; 110 Stat. 3009-534) is amended—

(1) in subsection (b)(3), by inserting before the period at the end the following: ", and up to a total amount of $2,000,000 during each of fiscal years 2002 through 2006"; and

(2) in subsection (h), by inserting before the period at the end the following: "and $2,000,000 for each of fiscal years 2002 through 2006".

NATIONAL ISLAMIC FRONT GOVERNMENT IN SUDAN

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of calendar No. 184, S. Res. 109.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 109) relating to the activities of the National Islamic Front government in Sudan.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GORTON. I ask unanimous consent that the committee amendments be agreed to, the resolution, as amended, be agreed to, the committee amendment to the preamble be agreed to, and the preamble, as amended, be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The resolution (S. Res. 109), as amended, was agreed to.

The committee amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

(The resolution will be printed in a future edition of the RECORD.)

EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO UNITED NATIONS GENERAL ASSEMBLY RESOLUTION ES-10/6

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of calendar No. 185, S. Res. 119.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 119) expressing the sense of the Senate with respect to United Nations General Assembly Resolution ES-10/6.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GORTON. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 119) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 119

Whereas in an Emergency Special Session, the United Nations General Assembly voted on February 9, 1999, to pass Resolution ES-10/6, "Illegal Israeli Actions In Occupied East Jerusalem And The Rest Of The Occupied Palestinian Territory", to convene for the first time in 50 years the parties of the Fourth Geneva Conference for the Protection of Civilians in Time of War;

Whereas such resolution unfairly places full blame for the deterioration of the Middle East Peace Process on Israel and dangerously politicizes the Geneva Convention, which was established to deal with critical humanitarian crises; and

Whereas such vote is intended to prejudge direct negotiations, put additional and undue pressure on Israel to influence the results of those negotiations, and single out Israel for unprecedented enforcement proceedings which have never been invoked against governments with records of massive violations of the Geneva Convention: Now, therefore, be it

Resolved, That the Senate—

(1) commends the Department of State for the vote of the United States against United Nations General Assembly Resolution ES-10/6 affirming that the text of such resolution politicizes the Fourth Geneva Convention which was primarily humanitarian in nature;

(2) urges the Department of State to continue its efforts against convening the conference; and

(3) urges the Swiss government, as the depositary of the Geneva Convention, not to convene a meeting of the Fourth Geneva Convention.

CONDEMNING PALESTINIAN EFFORTS TO REVIVE THE ORIGINAL PALESTINE PARTITION PLAN

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of calendar No. 186, S. Con. Res. 36.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 36) condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. GORTON. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Con. Res. 36) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. CON. RES. 36

Whereas United Nations General Assembly Resolution 181, which called for the partition of the British-ruled Palestine Mandate into a Jewish state and an Arab state, was declared null and void on November 29, 1947, by the Arab states and the Palestinians, who included the rejection of Resolution 181 as a formal justification for the May, 1948, invasion of the newly declared State of Israel by the armies of five Arab states;

Whereas the armistice agreements between Israel and Egypt, Lebanon, Syria, and Transjordan in 1949 made no mention of United Nations General Assembly Resolution 181, and the United Nations Security Council made no reference to United Nations General Assembly Resolution 181 in its Resolution 73 of August 11, 1949, which endorsed the armistice;

Whereas in 1967 and 1973 the United Nations adopted Security Council Resolutions 242 and 338, respectively, which call for the withdrawal of Israel from territory occupied in 1967 and 1973 in exchange for the creation of secure and recognized boundaries for Israel and for political recognition of Israel's sovereignty;

Whereas Security Council Resolutions 242 and 338 have served as the framework for all negotiations between Israel, Palestinian representatives, and Arab states for 30 years, including the 1991 Madrid Peace Conference and the ongoing Oslo peace process, and serve as the agreed basis for impending Final Status Negotiations;

Whereas senior Palestinian officials have recently resurrected United Nations General Assembly Resolution 181 through official statements and a March 25, 1999, letter from the Palestine Liberation Organization Permanent Observer to the United Nations Secretary-General contending that the State of Israel must withdraw to the borders outlined in United Nations General Assembly Resolution 181, and accept Jerusalem as a "corpus separatum" to be placed under United Nations control as outlined in United Nations General Assembly Resolution 181; and

Whereas in its April 27, 1999, resolution, the United Nations Commission on Human Rights asserted that Israeli-Palestinian peace negotiations be based on United Nations General Assembly Resolution 181: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) condemns Palestinian efforts to circumvent United Nations Security Council Resolutions 242 and 338, as well as violate the Oslo peace process, by attempting to revive United Nations General Assembly Resolution 181, thereby placing the entire Israeli-Palestinian peace process at risk;

(2) condemns the United Nations Commission on Human Rights for voting to formally endorse United Nations General Assembly Resolution 181 as the basis for the future of Palestinian self-determination;

(3) reiterates that any just and final peace agreement regarding the final status of the territory controlled by the Palestinians can only be determined through direct negotiations and agreement between the State of Israel and the Palestinian Liberation Organization;

(4) reiterates its continued unequivocal support for the security and well-being of the State of Israel, and of the Oslo peace process based on United Nations Security Council Resolutions 242 and 338; and

(5) calls for the President of the United States to declare that—

(A) it is the policy of the United States that United Nations General Assembly Resolution 181 of 1947 is null and void;

(B) all negotiations between Israel and the Palestinians must be based on United Nations Security Council Resolutions 242 and 338; and

(C) the United States regards any attempt by the Palestinians, the United Nations, or any entity to resurrect United Nations General Assembly Resolution 181 as a basis for negotiations, or for any international decision, as an attempt to sabotage the prospects for a successful peace agreement in the Middle East.

CONGRATULATING THE STATE OF QATAR

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 188, H. Con. Res. 35.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 35) congratulating the State of Qatar and its citizens for their commitment to democratic ideals and women's suffrage on the occasion of Qatar's historic elections of a central municipal council on March 8, 1999.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (H. Con. Res. 35) was agreed to.

The preamble was agreed to.

DIGITAL THEFT DETERRENCE AND COPYRIGHT DAMAGES IMPROVEMENT ACT OF 1999

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 193, S. 1257.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1257) to amend statutory damages provisions of title 17, United States Code.

There being no objection, the Senate proceeded to consider the bill.

Mr. HATCH. Mr. President, today the Senate is considering four very important intellectual property related "high-tech" bills that Senator LEAHY and I have introduced to promote the continued growth of vital sectors of the American economy and to protect the interests and investment of the entrepreneurs, authors, and innovators who fuel their growth. These bills were reported by unanimous consent earlier today by the Judiciary Committee.

Technology is the driving force in the American economy today, and American technology is setting new standards for the global economy, from semiconductor chip technology, to computer software, Internet and telecommunications technology, to leading pharmaceutical and genetic research. In my own state of Utah, these information technology industries contribute in excess of $7 billion each year to the State's economy and pay wages that average 66 percent higher than the state average. Their performance has placed Utah among the world's top ten technology centers according to Newsweek Magazine. Similar success is seen in areas across the country, with the U.S. being home to seven of the world's top ten technology centers and with American creative industries now surpassing all other export sectors in foreign sales and exports.

Underlying all of these technologies are the intellectual property rights that serve to promote creativity and innovation by safeguarding the investment, effort, and goodwill of those who venture into these fast-placed and volatile fields. Strong intellectual property protections are particularly critical in the global high-tech environment where electronic piracy is so easy, so cheap, and yet so potentially devastating to intellectual property owners—many of which are small entrepreneurial enterprises. In Utah, 65 percent of these companies have fewer than 25 employees, and a majority have annual revenues of less than $1 million. Intellectual property is the lifeblood of these companies, and even a single instance of piracy could drive them out of business. What's more, without adequate international protection, these companies would simply be unable to compete in the global marketplace.

That is why we enacted a number of measures last year to provide enhanced protection for intellectual property in the new global, high-tech environment. For example, the Digital Millennium Copyright Act (DMCA) implemented two new World Intellectual Property Organization Treaties setting new global standards for copyright protection in the digital environment. We also paved the way for new growth in online commerce by providing a copyright framework in which the Internet and other new technologies can flourish.

This year, Senator LEAHY and I are continuing to focus our attention on important high-tech and intellectual property legislation. The bills we are considering today will build upon existing protections, including last year's measures to deter digital piracy, by raising the Copyright Act's limit on statutory damages to make it more costly to engage in cyber-piracy and copyright theft. They will also make technical "clean-up" amendments to the DMCA and other Copyright Act provisions to make them clearer and more user-friendly. On the trademark side, these bills will make the protection of famous marks easier and more efficient and provide recourse for trademark owners against the federal government for trademark infringement. Finally, these bills will allow the Patent and Trademark Office to better serve its customers—America's innovators and trademark owners—through the collection and retention of fees.

Each of these bills is noncontroversial and enjoys widespread support. I want to thank Senator LEAHY for his assistance, cooperation, and leadership in this process, and I look forward to the Senate swiftly passing these bills today.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1257) was considered read the third time and passed, as follows:

S. 1257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Digital Theft Deterrence and Copyright Damages Improvement Act of 1999".

SEC. 2. STATUTORY DAMAGES ENHANCEMENT.

Section 504(c) of title 17, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "$500" and inserting "$750"; and

(B) by striking "$20,000" and inserting "$30,000"; and

(2) in paragraph (2)—

(A) by inserting "(A)" after "(2)";

(B) by striking "$100,000" and inserting "$150,000";

(C) by inserting after the second sentence the following:

"(B) In a case where the copyright owner demonstrates that the infringement was part of a repeated pattern or practice of willful infringement, the court may increase the award of statutory damages to a sum of not more than $250,000 per work."; and

(D) by striking "The court shall remit statutory damages" and inserting the following:

"(C) The court shall remit statutory damages".

PATENT FEE INTEGRITY AND INNOVATION PROTECTION ACT OF 1999

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 193, S. 1258.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1258) to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes.

There being no objection, Senate proceeded to consider the bill.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1258) was considered read the third time and passed, as follows:

S. 1258

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Patent Fee Integrity and Innovation Protection Act of 1999".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be made available for the payment of salaries and necessary expenses of the Patent and Trademark Office in fiscal year 2000, $116,000,000 from fees collected in fiscal year 1999 and such fees as are collected in fiscal year 2000 pursuant to title 35, United States Code, and the Trademark Act of 1946 (15 U.S.C. 1051 et seq.), except that the Commissioner is not authorized to charge and collect fees to cover the accrued indirect personnel costs associated with post-retirement health and life insurance of officers and employees of the Patent and Trademark Office other than those charged and collected pursuant to title 35, United States Code, and the Trademark Act of 1946.

SEC. 3. EFFECTIVE DATE.

This Act shall take effect on October 1, 1999.

TRADEMARK AMENDMENTS ACT OF 1999

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 195, S. 1259.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1259) to amend the Trademark Act of 1946 relating to the dilution of famous marks, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1259) was considered read the third time and passed, as follows:

S. 1259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trademark Amendments Act of 1999".

SEC. 2. DILUTION AS A GROUNDS FOR OPPOSITION AND CANCELLATION.

(a) Registrable Marks.—Section 2 of the Act entitled "An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes" (in this Act referred to as the "Trademark Act of 1946") (15 U.S.C. 1052) is amended by adding at the end the following flush sentences: "A mark which when used would cause dilution under section 43(c) may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which when used would cause dilution under section 43(c) may be canceled pursuant to a proceeding brought under either section 14 or section 24.".

(b) Opposition.—Section 13(a) of the Trademark Act of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence by inserting ", including as a result of dilution under section 43(c)," after "principal register".

(c) Petitions To Cancel Registrations.—Section 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is amended in the matter preceding paragraph (1) by inserting ", including as a result of dilution under section 43(c)," after "damaged".

(d) Cancellation.—Section 24 of the Trademark Act of 1946 (15 U.S.C. 1092) is amended in the second sentence by inserting ", including as a result of dilution under section 43(c)," after "register".

(e) Effective Date and Application.—The amendments made by this section shall take effect on the date of enactment of this Act and shall apply only to any application for registration filed on or after January 16, 1996.

SEC. 3. REMEDIES IN CASES OF DILUTION OF FAMOUS MARKS.

(a) Injunctions.—(1) Section 34(a) of the Trademark Act of 1946 (15 U.S.C. 1116(a)) is amended in the first sentence by striking "section 43(a)" and inserting "subsection (a) or (c) of section 43".

(2) Section 43(c)(2) of the Trademark Act of 1946 (15 U.S.C. 1125(c)(2)) is amended in the first sentence by inserting "as set forth in section 34" after "relief".

(b) Damages.—Section 35(a) of the Trademark Act of 1946 (15 U.S.C. 1117(a)) is amended in the first sentence by striking "or a violation under section 43(a)," and inserting "a violation under section 43(a), or a willful violation under section 43(c),".

(c) Destruction of Articles.—Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended in the first sentence—

(1) by striking "or a violation under section 43(a)," and inserting "a violation under section 43(a), or a willful violation under section 43(c),"; and

(2) by inserting after "in the case of a violation of section 43(a)" the following: "or a willful violation under section 43(c)".

(d) Effective Date and Application.—The amendments made by this section shall take effect on the date of enactment of this Act and shall not apply to any civil action pending on such date of enactment.

SEC. 4. LIABILITY OF GOVERNMENTS FOR TRADEMARK INFRINGEMENT AND DILUTION.

(a) Civil Actions.—Section 32 of the Trademark Act of 1946 (15 U.S.C. 1114) is amended in the last undesignated paragraph in paragraph (1)—

(1) in the first sentence by inserting after "includes" the following: "the United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, or other persons acting for the United States and with the authorization and consent of the United States, and"; and

(2) in the second sentence by striking "Any" and inserting "The United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, other persons acting for the United States and with the authorization and consent of the United States, and any".

(b) Waiver of Sovereign Immunity.—Section 40 of the Trademark Act of 1946 (15 U.S.C. 1122) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking "Sec. 40. (a) Any State" and inserting the following:

"Sec. 40. (a) Waiver of Sovereign Immunity by the United States.—The United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, other persons acting for the United States and with the authorization and consent of the United States, shall not be immune from suit in Federal or State court by any person, including any governmental or nongovernmental entity, for any violation under this Act.

"(b) Waiver of Sovereign Immunity by States.—Any State"; and

(3) in the first sentence of subsection (c), as so redesignated—

(A) by striking "subsection (a) for a violation described in that subsection" and inserting "subsection (a) or (b) for a violation described therein"; and

(B) by inserting after "other than" the following: "the United States or any agency or instrumentality thereof, or any individual, firm, corporation, or other person acting for the United States and with authorization and consent of the United States, or".

(c) Definition.—Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by inserting between the 2 paragraphs relating to the definition of "person" the following:

"The term 'person' also includes the United States, any agency or instrumentality thereof, or any individual, firm, or corporation acting for the United States and with the authorization and consent of the United States. The United States, any agency or instrumentality thereof, and any individual, firm, or corporation acting for the United States and with the authorization and consent of the United States, shall be subject to the provisions of this Act in the same manner and to the same extent as any nongovernmental entity.".

SEC. 5. CIVIL ACTIONS FOR TRADE DRESS INFRINGEMENT.

Section 43(a) of the Trademark Act of 1946 (15 U.S.C. 1125(a)) is amended by adding at the end the following:

"(3) In a civil action for trade dress infringement under this Act for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.".

SEC. 6. TECHNICAL AMENDMENTS.

(a) Assignment of Marks.—Section 10 of the Trademark Act of 1946 (15 U.S.C. 1060) is amended—

(1) by striking "subsequent purchase" in the second to last sentence and inserting "assignment";

(2) in the first sentence by striking "mark," and inserting "mark."; and

(3) in the third sentence by striking the second period at the end.

(b) Additional Clerical Amendments.—The text and title of the Trademark Act of 1946 are amended by striking "trade-marks" each place it appears and inserting "trademarks".

TECHNICAL CORRECTIONS IN TITLE 17, UNITED STATES CODE

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 196, (S. 1260).

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1260) to make technical corrections in title 17, United States Code, and other laws.

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1260) was considered read the third time and passed, as follows:

S. 1260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TECHNICAL CORRECTIONS TO TITLE 17, UNITED STATES CODE.

(a) Exemption of Certain Performances and Displays on Exclusive Rights.—Section 110(5) of title 17, United States Code, is amended—

(1) by striking "(A) a direct charge" and inserting "(i) a direct charge"; and

(2) by striking "(B) the transmission" and inserting "(ii) the transmission".

(b) Ephemeral Recordings.—Section 112(e) of title 17, United States Code, is amended—

(1) by redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively;

(2) in paragraph (3), as so redesignated, by striking "(2)" and inserting "(1)";

(3) in paragraph (4), as so redesignated—

(A) by striking "(3)" and inserting "(2)";

(B) by striking "(4)" and inserting "(3)";

(C) by striking "(6)" and inserting "(5)"; and

(D) by striking "(3) and (4)" and inserting "(2) and (3)"; and

(4) in paragraph (6), as so redesignated—

(A) by striking "(4)" each place it appears and inserting "(3)"; and

(B) by striking "(5)" each place it appears and inserting "(4)".

(c) Determination of Reasonable License Fees for Individual Proprietors.—Chapter 5 of title 17, United States Code, is amended—

(1) by redesignating the section 512 entitled "**Determination of reasonable license fees for individual proprietors**" as section 513 and placing such section after the section 512 entitled "**Limitations on liability relating to material online**"; and

(2) in the table of sections at the beginning of that chapter by striking

"512. Determination of reasonable license fees for individual proprietors."

and inserting

"513. Determination of reasonable license fees for individual proprietors."

and placing that item after the item entitled

"512. Limitations on liability relating to material online.".

(d) Online Copyright Infringement Liability.—Section 512 of title 17, United States Code, is amended—

(1) in subsection (e)—

(A) by amending the caption to read as follows:

"(e) Limitation on Liability of Nonprofit Educational Institutions.—"; and

(B) in paragraph (2), by striking "Injunctions.—"; and

(2) in paragraph (3) of subsection (j), by amending the caption to read as follows:

"(3) Notice and ex parte orders.—".

(e) Integrity of Copyright Management Information.—Section 1202(e)(2)(B) of title 17, United States Code, is amended by striking "category or works" and inserting "category of works".

(f) Protection of Designs.—(1) Section 1302(5) of title 17, United States Code, is amended by striking "1 year" and inserting "2 years".

(2) Section 1320(c) of title 17, United States Code, is amended in the subsection caption by striking "Acknowledgement" and inserting "Acknowledgment".

(g) Miscellaneous Clerical Amendments.—

(1) Section 101 of title 17, United States Code, is amended—

(A) by transferring and inserting the definition of "United States work" after the definition of "United States"; and

(B) in the definition of "proprietor", by striking "A 'proprietor'" and inserting "For purposes of section 513, a 'proprietor'".

(2) Section 106 of title 17, United States Code, is amended by striking "120" and inserting "121".

(3) Section 118(e) of title 17, United States Code, is amended—

(A) by striking "subsection (b)." and all that follows through "Owners" and inserting "subsection (b). Owners"; and

(B) by striking paragraph (2).

(4) Section 119(a)(8)(C)(ii) of title 17, United States Code, is amended by striking "network's station" and inserting "network station's".

(5) Section 501(a) of title 17, United States Code, is amended by striking "118" and inserting "121".

(6) Section 511(a) of title 17, United States Code, is amended by striking "119" and inserting "121".

SEC. 2. OTHER TECHNICAL CORRECTIONS.

(a) Clerical Amendment to Title 28, U.S.C.—The section heading for section 1400 of title 28, United States Code, is amended to read as follows:

"§1400. Patents and copyrights, mask works, and designs".

(b) Elimination of Conflicting Provision.—Section 5316 of title 5, United States Code, is amended by striking "Commissioner of Patents, Department of Commerce.".

(c) Clerical Correction to Title 35, U.S.C.—Section 3(d) of title 35, United States Code, is amended by striking ", United States Code".

DESIGNATING JULY 2, 1999 AND JULY 2, 2000, AS "NATIONAL LITERACY DAY"

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 197, S. Res. 59.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 59) designating both July 2, 1999, and July 2, 2000, as "National Literacy Day".

There being no objection, the Senate proceeded to consider the resolution.

Mr. GORTON. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 59) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res 59

Whereas 44,000,000 people living in the United States read at a level lower than is required to fully function in society and to earn a living wage;

Whereas approximately 22 percent of adults in the United States cannot read, leaving valuable resources untapped, and depriving those adults of the opportunity to make a meaningful contribution to society;

Whereas people who have the lowest literacy skills are closely connected to social problems such as poverty, crime, welfare, and unemployment.

Whereas 43 percent of all adults functioning at the lowest literacy levels live in poverty;

Whereas prisons hold the highest concentration of illiterate adults, with 7 of 10 prisoners functioning at the lowest literacy levels;

Whereas the likelihood of receiving welfare assistance increases as the level of literacy decreases;

Whereas 3 of 4 food stamp recipients function at the lowest literacy levels;

Whereas millions of Americans are unable to hold a job or fully function in the workplace because they cannot read well enough to perform routine uncomplicated tasks;

Whereas almost 38 percent of African Americans and approximately 56 percent of Hispanics are illiterate, compared to only 14 percent of the Caucasian population, with such a disparity resulting in increased social and economic discrimination against those minorities;

Whereas 35 percent of older Americans operate at the lowest literacy levels, making it difficult to read basic medical instructions, thus prolonging illnesses and risking the occurrence of emergency medical conditions;

Whereas the cycle of illiteracy continues because children of illiterate parents are often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have been able to reach fewer than 10 percent of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the illiteracy problem and the detrimental effects of illiteracy on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is necessary to recognize and thank the thousands of volunteers and organizations, like Focus on Literacy, Inc., that work to promote literacy and provide support to the millions of illiterate persons needing assistance: Now, therefore, be it

Resolved, That the Senate—

(1) designates both July 2, 1999, and July 2, 2000, as "National Literacy Day"; and

(2) requests that the President issue a proclamation calling on the people of the United States to observe "National Literacy Day" with appropriate ceremonies and activities.

RELIEF FOR GLOBAL EXPLORATION AND DEVELOPMENT CORPORATION, KERR-MCGEE CORPORATION, AND KERR-MCGEE CHEMICAL, LLC

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 144, S. 606.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 606) for the relief of Global Exploration and Development Corporation, Kerr-

McGee Corporation, and Kerr-McGee Chemical, LLC (successor to Kerr-McGee Chemical Corporation), and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment as follows:

(The part of the bill intended to be inserted is shown in italic.)

S. 606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SATISFACTION OF CLAIMS AGAINST THE UNITED STATES.

(a) Payment of Claims.—The Secretary of the Treasury shall pay, out of money not otherwise appropriated—

(1) to the Global Exploration and Development Corporation, a Florida corporation incorporated in Delaware, $9,500,000;

(2) to Kerr-McGee Corporation, an Oklahoma corporation incorporated in Delaware, $10,000,000; and

(3) to Kerr-McGee Chemical, LLC, a limited liability company organized under the laws of Delaware, $0.

(b) Condition of Payment.—

(1) Global exploration and development corporation.—The payment authorized by subsection (a)(1) is in settlement and compromise of all claims of Global Exploration and Development Corporation, as described in the recommendations of the United States Court of Federal Claims set forth in 36 Fed. Cl. 776.

(2) Kerr-mcgee corporation and kerr-mcgee chemical, llc.—The payment authorized by subsections (a)(2) and (a)(3) are in settlement and compromise of all claims of Kerr-McGee Corporation and Kerr-McGee Chemical, LLC, as described in the recommendations of the United States Court of Federal Claims set forth in 36 Fed. Cl. 776.

SEC. 2. CRIMINAL PROHIBITION ON THE DISTRIBUTION OF CERTAIN INFORMATION RELATING TO EXPLOSIVES, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION.

(a) Unlawful Conduct.—Section 842 of title 18, United States Code, is amended by adding at the end the following:

"(p) Distribution of Information Relating to Explosives, Destructive Devices, and Weapons of Mass Destruction.—

"(1) Definitions.—In this subsection—

"(A) the term 'destructive device' has the same meaning as in section 921(a)(4);

"(B) the term 'explosive' has the same meaning as in section 844(j); and

"(C) the term 'weapon of mass destruction' has the same meaning as in section 2332a(c)(2).

"(2) Prohibition.—It shall be unlawful for any person—

"(A) to teach or demonstrate the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, with the intent that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal crime of violence; or

"(B) to teach or demonstrate to any person the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal crime of violence.".

(b) Penalties.—Section 844 of title 18, United States Code, is amended—

(1) in subsection (a), by striking "person who violates any of subsections" and inserting the following: "person who—

"(1) violates any of subsections";

(2) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(2) violates subsection (p)(2) of section 842, shall be fined under this title, imprisoned not more than 20 years, or both."; and

(4) in subsection (j), by striking "and (i)" and inserting "(i), and (p)".

SEC. . SETTLEMENT OF CLAIMS OF MENOMINEE INDIAN TRIBE OF WISCONSIN.

(a) Payment.—The Secretary of the Treasury shall pay to the Menominee Indian Tribe of Wisconsin, out of any funds in the Treasury of the United States not otherwise appropriated, $32,052,547 for damages sustained by the Menominee Indian Tribe of Wisconsin by reason of—

(1) the enactment and implementation of the Act entitled "An Act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction", approved June 17, 1954 (68 Stat. 250 et seq., chapter 303); and

(2) the mismanagement by the United States of assets of the Menominee Indian Tribe held in trust by the United States before April 30, 1961, the effective date of termination of Federal supervision of the Menominee Indian Tribe of Wisconsin.

(b) Effect of Payment.—Payment of the amount referred to in subsection (a) shall be in full satisfaction of any claims that the Menominee Indian Tribe of Wisconsin may have against the United States with respect to the damages referred to in that subsection.

(c) Requirements for Payment.—The payment to the Menominee Indian Tribe of Wisconsin under subsection (a) shall—

(1) have the status of a judgment of the United States Court of Federal Claims for the purposes of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.); and

(2) be made in accordance with the requirements of that Act on the condition that, of the amounts remaining after payment of attorney fees and litigation expenses—

(A) at least 30 percent shall be distributed on a per capita basis; and

(B) the balance shall be set aside and programmed to serve tribal needs, including funding for—

(i) educational, economic development, and health care programs; and

(ii) such other programs as the circumstances of the Menominee Indian Tribe of Wisconsin may justify.

Mr. FEINGOLD. Mr. President, I rise in support of the amendment to S. 606, a bill for the Relief of Global Exploration and Development Corporation, Kerr-McGee and Kerr-McGee Chemical, offered by my colleague from Wisconsin, Senator Kohl. In 1954, Congress enacted "termination" legislation eliminating the Menominee Indian Tribe of Wisconsin's federal trust status. At that time, the Menominee Tribe was ill-prepared to function outside of the federal trust system. The Tribe's lack of readiness became quickly apparent when, upon termination, the Tribe was plunged into years of severe impoverishment and community turmoil. Today, with this amendment, we seek to provide redress for some of that severe turmoil, and the mismanagement of tribal resources in the period following the enactment of termination legislation.

I am pleased that this issue is finally being resolved, in part. This Menominee Settlement claim has been an active issue throughout my tenure in the Senate. In the five years since the original legislative reference was referred by the Senate to the Court of Claims, the tribe and the federal government have engaged in extensive litigation and negotiation. Following documentation and negotiations by both sides, the United States, represented by the Department of Justice, and the Menominee Indian Tribe of Wisconsin agreed upon a settlement of the claims of the Tribe for a sum of $32,052,547, subject to passage of the necessary legislation by Congress. This amendment will legislatively complete that settlement.

This settlement cannot undo the suffering of the Menominee people. The reservation, the boundaries of which are entirely co-terminous with the boundaries of Menominee County, is acknowledged to be still experiencing some of the most significant levels of poverty and economic dislocation in my entire state. The compensation for the lack of management of forestry and other reservation resources provided in this settlement, though it cannot undo the past, can help the Menominee Nation to seek a bright future. I know the Menominee Nation looks forward to assisting its people and the surrounding communities through the use of these funds.

In conclusion, I also want to acknowledge the leadership of my colleague from Wisconsin on this issue. He has taken on significant responsibility in seeking to right this wrong and I commend him for it. Thank you.

Mr. GORTON. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (S. 606), as amended, was considered read the third time, and passed.

S. 606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SATISFACTION OF CLAIMS AGAINST THE UNITED STATES.

(a) Payment of Claims.—The Secretary of the Treasury shall pay, out of money not otherwise appropriated—

(1) to the Global Exploration and Development Corporation, a Florida corporation incorporated in Delaware, $9,500,000;

(2) to Kerr-McGee Corporation, an Oklahoma corporation incorporated in Delaware, $10,000,000; and

(3) to Kerr-McGee Chemical, LLC, a limited liability company organized under the laws of Delaware, $0.

(b) Condition of Payment.—

(1) Global exploration and development corporation.—The payment authorized by subsection (a)(1) is in settlement and compromise of all claims of Global Exploration and Development Corporation, as described in the recommendations of the United States Court of Federal Claims set forth in 36 Fed. Cl. 776.

(2) Kerr-mcgee corporation and kerr-mcgee chemical, llc.—The payment authorized by subsections (a)(2) and (a)(3) are in settlement and compromise of all claims of Kerr-McGee Corporation and Kerr-McGee Chemical, LLC, as described in the recommendations of the United States Court of Federal Claims set forth in 36 Fed. Cl. 776.

SEC. 2. CRIMINAL PROHIBITION ON THE DISTRIBUTION OF CERTAIN INFORMATION RELATING TO EXPLOSIVES, DESTRUCTIVE DEVICES, AND WEAPONS OF MASS DESTRUCTION.

(a) Unlawful Conduct.—Section 842 of title 18, United States Code, is amended by adding at the end the following:

"(p) Distribution of Information Relating to Explosives, Destructive Devices, and Weapons of Mass Destruction.—

"(1) Definitions.—In this subsection—

"(A) the term 'destructive device' has the same meaning as in section 921(a)(4);

"(B) the term 'explosive' has the same meaning as in section 844(j); and

"(C) the term 'weapon of mass destruction' has the same meaning as in section 2332a(c)(2).

"(2) Prohibition.—It shall be unlawful for any person—

"(A) to teach or demonstrate the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, with the intent that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal crime of violence; or

"(B) to teach or demonstrate to any person the making or use of an explosive, a destructive device, or a weapon of mass destruction, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of an explosive, destructive device, or weapon of mass destruction, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal crime of violence.".

(b) Penalties.—Section 844 of title 18, United States Code, is amended—

(1) in subsection (a), by striking "person who violates any of subsections" and inserting the following: "person who—

"(1) violates any of subsections";

(2) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(2) violates subsection (p)(2) of section 842, shall be fined under this title, imprisoned not more than 20 years, or both."; and

(4) in subsection (j), by striking "and (i)" and inserting "(i), and (p)".

SEC. 3. SETTLEMENT OF CLAIMS OF MENOMINEE INDIAN TRIBE OF WISCONSIN.

(a) Payment.—The Secretary of the Treasury shall pay to the Menominee Indian Tribe of Wisconsin, out of any funds in the Treasury of the United States not otherwise appropriated, $32,052,547 for damages sustained by the Menominee Indian Tribe of Wisconsin by reason of—

(1) the enactment and implementation of the Act entitled "An Act to provide for a per capita distribution of Menominee tribal funds and authorize the withdrawal of the Menominee Tribe from Federal jurisdiction", approved June 17, 1954 (68 Stat. 250 et seq., chapter 303); and

(2) the mismanagement by the United States of assets of the Menominee Indian Tribe held in trust by the United States before April 30, 1961, the effective date of termination of Federal supervision of the Menominee Indian Tribe of Wisconsin.

(b) Effect of Payment.—Payment of the amount referred to in subsection (a) shall be in full satisfaction of any claims that the Menominee Indian Tribe of Wisconsin may have against the United States with respect to the damages referred to in that subsection.

(c) Requirements for Payment.—The payment to the Menominee Indian Tribe of Wisconsin under subsection (a) shall—

(1) have the status of a judgment of the United States Court of Federal Claims for the purposes of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1401 et seq.); and

(2) be made in accordance with the requirements of that Act on the condition that, of the amounts remaining after payment of attorney fees and litigation expenses—

(A) at least 30 percent shall be distributed on a per capita basis; and

(B) the balance shall be set aside and programmed to serve tribal needs, including funding for—

(i) educational, economic development, and health care programs; and

(ii) such other programs as the circumstances of the Menominee Indian Tribe of Wisconsin may justify.

MILITARY AND EXTRATERRITORIAL JURISDICTION ACT OF 1999

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 167, S. 768.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 768) to establish court-martial jurisdiction over civilians serving in the Armed Forces during contingency operations, and to establish Federal jurisdiction over crimes committed outside of the United States by former members of the Armed Forces and civilians accompanying the Armed Forces outside the United States.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military and Extraterritorial Jurisdiction Act of 1999".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Civilian employees of the Department of Defense, and civilian employees of Department of Defense contractors, provide critical support to the Armed Forces of the United States that are deployed during a contingency operation.

(2) Misconduct by such persons undermines good order and discipline in the Armed Forces, and jeopardizes the mission of the contingency operation.

(3) Military commanders need the legal tools to address adequately misconduct by civilians serving with Armed Forces during a contingency operation.

(4) In its present state, military law does not permit military commanders to address adequately misconduct by civilians serving with Armed Forces, except in time of a congressionally declared war.

(5) To address this need, the Uniform Code of Military Justice should be amended to provide for court-martial jurisdiction over civilians serving with Armed Forces in places designated by the Secretary of Defense during a "contingency operation" expressly designated as such by the Secretary of Defense.

(6) This limited extension of court-martial jurisdiction over civilians is dictated by military necessity, is within the constitutional powers of Congress to make rules for the government of the Armed Forces, and, therefore, is consistent with the Constitution of the United States and United States public policy.

(7) Many thousand civilian employees of the Department of Defense, civilian employees of Department of Defense contractors, and civilian dependents accompany the Armed Forces to installations in foreign countries.

(8) Misconduct among such civilians has been a longstanding problem for military commanders and other United States officials in foreign countries, and threatens United States citizens, United States property, and United States relations with host countries.

(9) Federal criminal law does not apply to many offenses committed outside of the United States by such civilians and, because host countries often do not prosecute such offenses, serious crimes often go unpunished and, to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such civilians outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

(10) Federal law does not apply to many crimes committed outside the United States by members of the Armed Forces who separate from the Armed Forces before they can be identified, thus escaping court-martial jurisdiction and, to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such persons outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

SEC. 3. COURT-MARTIAL JURISDICTION.

(a) Jurisdiction During Contingency Operations.—Section 802(a) of title 10, United States Code (article 2(a) of the Uniform Code of Military Justice), is amended by inserting after paragraph (12) the following:

"(13) To the extent not covered by paragraphs (10) and (11), persons not members of the armed forces who, in support of a contingency operation described in section 101(a)(13)(B) of this title, are serving with and accompanying an armed force in a place or places outside the United States specified by the Secretary of Defense, as follows:

"(A) Employees of the Department of Defense.

"(B) Employees of any Department of Defense contractor who are so serving in connection with the performance of a Department of Defense contract.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and apply with respect to acts or omissions occurring on or after that date.

SEC. 4. FEDERAL JURISDICTION.

(a) CRIMINAL OFFENSES COMMITTED OUTSIDE THE UNITED STATES.—Title 18, United States Code, is amended by inserting after chapter 211 the following:

"CHAPTER 212—CRIMINAL OFFENSES COMMITTED OUTSIDE THE UNITED STATES

"Sec.
"3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States.
"3262. Delivery to authorities of foreign countries.
"3263. Regulations.
"3264. Definitions.

"§3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States

"(a) IN GENERAL.—Whoever, while serving with, employed by, or accompanying the Armed Forces outside of the United States, engages in conduct that would constitute an offense punishable by imprisonment for more than 1 year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, shall be guilty of a like offense and subject to a like punishment.

"(b) CONCURRENT JURISDICTION.—Nothing in this chapter may be construed to deprive a court-martial, military commission, provost court, or other military tribunal of concurrent jurisdiction with respect to offenders or offenses that by statute or by the law of war may be tried by a court-martial, military commission, provost court, or other military tribunal.

"(c) ACTION BY FOREIGN GOVERNMENT.—No prosecution may be commenced against a person under this section if a foreign government, in accordance with jurisdiction recognized by the United States, has prosecuted or is prosecuting such person for the conduct constituting such offense, except upon the approval of the Attorney General or the Deputy Attorney General (or a person acting in either such capacity), which function of approval shall not be delegated.

"(d) ARRESTS.—

"(1) LAW ENFORCEMENT PERSONNEL.—The Secretary of Defense may designate and authorize any person serving in a law enforcement position in the Department of Defense to arrest outside of the United States any person described in subsection (a) if there is probable cause to believe that such person engaged in conduct that constitutes a criminal offense under subsection (a).

"(2) RELEASE TO CIVILIAN LAW ENFORCEMENT.—A person arrested under paragraph (1) shall be released to the custody of civilian law enforcement authorities of the United States for removal to the United States for judicial proceedings in relation to conduct referred to in such paragraph unless—

"(A) such person is delivered to authorities of a foreign country under section 3262; or

"(B) such person has had charges brought against him or her under chapter 47 of title 10 for such conduct.

"§3262. Delivery to authorities of foreign countries

"(a) IN GENERAL.—Any person designated and authorized under section 3261(d) may deliver a person described in section 3261(a) to the appropriate authorities of a foreign country in which such person is alleged to have engaged in conduct described in section 3261(a) of this section if—

"(1) the appropriate authorities of that country request the delivery of the person to such country for trial for such conduct as an offense under the laws of that country; and

"(2) the delivery of such person to that country is authorized by a treaty or other international agreement to which the United States is a party.

"(b) DETERMINATION BY THE SECRETARY.—The Secretary of Defense, in consultation with the Secretary of State, shall determine which officials of a foreign country constitute appropriate authorities for purposes of this section.

"§3263. Regulations

"The Secretary of Defense shall issue regulations governing the apprehension, detention, and removal of persons under this chapter. Such regulations shall be uniform throughout the Department of Defense.

"§3264. Definitions

"In this chapter—

"(1) a person is 'accompanying the Armed Forces outside of the United States' if the person—

"(A) is a dependent of—

"(i) a member of the Armed Forces;

"(ii) a civilian employee of a military department or of the Department of Defense; or

"(iii) a Department of Defense contractor or an employee of a Department of Defense contractor;

"(B) is residing with such member, civilian employee, contractor, or contractor employee outside the United States; and

"(C) is not a national of or ordinarily resident in the host nation;

"(2) the term 'Armed Forces' has the same meaning as in section 101(a)(4) of title 10; and

"(3) a person is 'employed by the Armed Forces outside of the United States' if the person—

"(A) is employed as a civilian employee of the Department of Defense, as a Department of Defense contractor, or as an employee of a Department of Defense contractor;

"(B) is present or residing outside of the United States in connection with such employment; and

"(C) is not a national of or ordinarily resident in the host nation.".

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part II of title 18, United States Code, is amended by inserting after the item relating to chapter 211 the following:

"212. Criminal Offenses Committed Outside the United States .... 3621".

AMENDMENT NO. 1226

(Purpose: To provide a complete substitute)

Mr. GORTON. Mr. President, I send an amendment to the desk on behalf of Mr. DEWINE and Mr. LEAHY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for Mr. SESSIONS, for himself, Mr. LEAHY, and Mr. DEWINE, proposes an amendment numbered 1226.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military and Extraterritorial Jurisdiction Act of 1999".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Civilian employees of the Department of Defense, and civilian employees of Department of Defense contractors, provide critical support to the Armed Forces of the United States that are deployed during a contingency operation.

(2) Misconduct by such persons undermines good order and discipline in the Armed Forces, and jeopardizes the mission of the contingency operation.

(3) Military commanders need the legal tools to address adequately misconduct by civilians serving with Armed Forces during a contingency operation.

(4) In its present state, military law does not permit military commanders to address adequately misconduct by civilians serving with Armed Forces, except in time of a congressionally declared war.

(5) To address this need, the Uniform Code of Military Justice should be amended to provide for court-martial jurisdiction over civilians serving with Armed Forces in places designated by the Secretary of Defense during a "contingency operation" expressly designated as such by the Secretary of Defense.

(6) This limited extension of court-martial jurisdiction over civilians is dictated by military necessity, is within the constitutional powers of Congress to make rules for the government of the Armed Forces, and, therefore, is consistent with the Constitution of the United States and United States public policy.

(7) Many thousand civilian employees of the Department of Defense, civilian employees of Department of Defense contractors, and civilian dependents accompany the Armed Forces to installations in foreign countries.

(8) Misconduct among such civilians has been a longstanding problem for military commanders and other United States officials in foreign countries, and threatens United States citizens, United States property, and United States relations with host countries.

(9) Federal criminal law does not apply to many offenses committed outside of the United States by such civilians and, because host countries often do not prosecute such offenses, serious crimes often go unpunished and,to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such civilians outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

(10) Federal law does not apply to many crimes committed outside the United States by members of the Armed Forces who separate from the Armed Forces before they can be identified, thus escaping court-martial jurisdiction and, to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such persons outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

SEC. 3. COURT-MARTIAL JURISDICTION.

(a) JURISDICTION DURING CONTINGENCY OPERATIONS.—Section 802(a) of title 10, United States Code (article 2(a) of the Uniform Code of Military Justice), is amended by inserting after paragraph (12) the following:

"(13) To the extent not covered by paragraphs (10) and (11), persons not members of the armed forces who, in support of a contingency operation described in section 101(a)(13)(B) of this title, are serving with and accompanying an armed force in a place or places outside the United States specified by the Secretary of Defense, as follows:

"(A) Employees of the Department of Defense.

"(B) Employees of any Department of Defense contractor who are so serving in connection with the performance of a Department of Defense contract.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and apply with respect to acts or omissions occurring on or after that date.

SEC. 4. FEDERAL JURISDICTION.

(a) Criminal Offenses Committed Outside the United States.—Title 18, United States Code, is amended by inserting after chapter 211 the following:

"CHAPTER 212—CRIMINAL OFFENSES COMMITTED OUTSIDE THE UNITED STATES

"Sec.
"3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States.
"3262. Delivery to authorities of foreign countries.
"3263. Regulations.
"3264. Definitions.

"§ 3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States

"(a) In General.—Whoever, while serving with, employed by, or accompanying the Armed Forces outside of the United States, engages in conduct that would constitute an offense punishable by imprisonment for more than 1 year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, shall be guilty of a like offense and subject to a like punishment.

"(b) Concurrent Jurisdiction.—Nothing in this chapter may be construed to deprive a court-martial, military commission, provost court, or other military tribunal of concurrent jurisdiction with respect to offenders or offenses that by statute or by the law of war may be tried by a court-martial, military commission, provost court, or other military tribunal.

"(c) Action by Foreign Government.—No prosecution may be commenced against a person under this section if a foreign government, in accordance with jurisdiction recognized by the United States, has prosecuted or is prosecuting such person for the conduct constituting such offense, except upon the approval of the Attorney General or the Deputy Attorney General (or a person acting in either such capacity), which function of approval shall not be delegated.

"(d) Arrests.—

"(1) Law enforcement personnel.—The Secretary of Defense may designate and authorize any person serving in a law enforcement position in the Department of Defense to arrest, in accordance with applicable international agreements, outside of the United States any person described in subsection (a) if there is probable cause to believe that such person engaged in conduct that constitutes a criminal offense under subsection (a).

"(2) Release to civilian law enforcement.—A person arrested under paragraph (1) shall be released to the custody of civilian law enforcement authorities of the United States for removal to the United States for judicial proceedings in relation to conduct referred to in such paragraph unless—

"(A) such person is delivered to authorities of a foreign country under section 3262; or

"(B) such person has had charges brought against him or her under chapter 47 of title 10 for such conduct.

"§ 3262. Delivery to authorities of foreign countries

"(a) In General.—Any person designated and authorized under section 3261(d) may deliver a person described in section 3261(a) to the appropriate authorities of a foreign country in which such person is alleged to have engaged in conduct described in section 3261(a) of this section if—

"(1) the appropriate authorities of that country request the delivery of the person to such country for trial for such conduct as an offense under the laws of that country; and

"(2) the delivery of such person to that country is authorized by a treaty or other international agreement to which the United States is a party.

"(b) Determination by the Secretary.—The Secretary of Defense, in consultation with the Secretary of State, shall determine which officials of a foreign country constitute appropriate authorities for purposes of this section.

"§ 3263. Regulations

"(a) In General.—The Secretary of Defense, after consultation with the Secretary of State and the Attorney General, shall issue regulations governing the apprehension, detention, and removal of persons under this chapter. Such regulations shall be uniform throughout the Department of Defense.

"(b) Notice to Third Party Nationals.—

"(1) In general.—The Secretary of Defense, after consultation with the Secretary of State, shall issue regulations requiring that, to the maximum extent practicable, notice shall be provided to any person serving with, employed by, or accompanying the Armed Forces outside the United States who is not a national of the United States that such person is potentially subject to the criminal jurisdiction of the United States under this chapter.

"(2) Failure to provide notice.—The failure to provide notice as prescribed in the regulations issued under paragraph (1) shall not defeat the jurisdiction of a court of the United States or provide a defense in any judicial proceeding arising under this chapter.

"§ 3264. Definitions

"In this chapter—

"(1) a person is 'accompanying the Armed Forces outside of the United States' if the person—

"(A) is a dependent of—

"(i) a member of the Armed Forces;

"(ii) a civilian employee of a military department or of the Department of Defense; or

"(iii) a Department of Defense contractor or an employee of a Department of Defense contractor;

"(B) is residing with such member, civilian employee, contractor, or contractor employee outside the United States; and

"(C) is not a national of or ordinarily resident in the host nation;

"(2) the term 'Armed Forces' has the same meaning as in section 101(a)(4) of title 10; and

"(3) a person is 'employed by the Armed Forces outside of the United States' if the person—

"(A) is employed as a civilian employee of the Department of Defense, as a Department of Defense contractor, or as an employee of a Department of Defense contractor;

"(B) is present or residing outside of the United States in connection with such employment; and

"(C) is not a national of or ordinarily resident in the host nation.".

(b) Clerical Amendment.—The table of chapters at the beginning of part II of title 18, United States Code, is amended by inserting after the item relating to chapter 211 the following:

"212. Criminal Offenses Committed Outside the United States .... 3621".

Mr. LEAHY. Mr. President, I support S. 768, which was significantly improved during the Judiciary Committee mark up with a substitute amendment that I cosponsored with Senators Sessions and DeWine. This important legislation will close a gap in Federal law that has existed for many years. S. 768 establishes authority for Federal jurisdiction over crimes committed by individuals accompanying our military overseas and court-marital jurisdiction over Department of Defense employees and contractors accompanying the Armed Forces on contingency missions outside the United States during times of war or national emergency declared by the President or the Congress.

Civilians accompanying the Armed Forces have been subject to court-martial jurisdiction when "accompanying or serving with the armies of the United States in the field" since the Revolutionary War. See *McCune* v. *Kilpatrick*, 53 F. Supp. 80, 84 (E.D. Va. 1943) It is only since the start of the cold war that American troops, accompanied by civilian dependents and employees, have been stationed overseas in peace time. Provisions of the Uniform Code of Military Justice provide for the court-martial of civilians accused of crimes while accompanying the armed forces in times of peace or war. The provisions allowing for peace time court-martial of civilians were found unconstitutional by a series of Supreme Court cases beginning with *Reid* v. *Covert*, 354 U.S. 1 (1957). With foreign nations often not interested in prosecuting crimes against Americans, particularly when committed by an American, the result is a jurisdictional "gap" that allows some civilians to literally get away with murder.

A report by the Overseas Jurisdiction Advisory Committee submitted to Congress in 1997, cited cases in which host countries declined to prosecute serious crimes committed by civilians accompanying our Armed Forces. These cases involved the sexual molestation of dependent girls, the stabbing of a serviceman and drug trafficking to soldiers. The individuals who committed these crimes against service men and women or their dependents were not prosecuted in the host country and were free to return to the United States and continue their lives as if the incidents had never occurred. The victims of these awful crimes are left with no redress for the suffering they endured.

This inability to exercise Federal jurisdiction over individuals accompanying our armed forces overseas has caused problems. During the Vietnam War, Federal jurisdiction over civilians was not permissible since war was never declared by the Congress. Maj. Gen. George S. Prugh said, in his text on legal issues arising during the Vietnam war, that the inability to discipline civilians "became a cause for major concern to the U.S. command."

More recently, Operation Desert Storm involved the deployment of 4.500 Department of Defense civilians and at least 3,000 contractor employees. Similarly large deployments of civilians have been repeated in contingency operations in Somalia, Haiti, Kuwait, and Rwanda. Although crime by civilians accompanying our armed forces in Operation Desert Storm was rare, the Department of Defense did report that four of its civilian employees were involved insignificant criminal misconduct ranging from transportation of illegal firearms to larceny and receiving stolen property. One of these civilians was suspended without pay for 30 days while no action was taken on the remaining three.

Due to the lack of Federal jurisdiction over civilians in a foreign country, administrative remedies such as dismissal from the job, banishment from the base, suspension without pay, or returning the person to the United States are often the only remedies available to military authorities to deal with civilian offenders. The inadequacy of these remedies to address the criminal activity of civilians accompanying our Armed Forces overseas results in a lack of deterrence and an inequity due to the harsher sanctions imposed upon military personnel who committed the same crimes as civilians.

I expect the deployment of civilians in Kosovo and elsewhere will be relatively crime free, but regardless of the frequency of its use, the gap that allows individuals accompanying our military personnel overseas to go unpunished for heinous crimes must be closed. Our service men and women and those accompanying them deserve justice when they are victims of crime. That is why I introduced this provision as part of the Safe Schools, Safe Streets and Secure Borders Act with other Democratic Members, both last year as S. 2484 and again on January 19 of this year, as S. 9.

I had some concerns with certain aspects of S. 768 that were not included in my version of this legislation, and I am pleased that we were able to address those concerns in the Sessions-Leahy-DeWine substitute. For example, the original bill would have extended court-martial jurisdiction over DOD employees and contractors accompanying our Armed Forces overseas. The Supreme Court in *Reid* v. *Covert*, 354 U.S. 1 (1957), *Kinsella* v. *Singleton*, 361 U.S. 234 (1960) and *Toth* v. *Quarles*, 350 U.S. 11 (1955), has made clear that court-martial jurisdiction may not be constitutionally applied to crimes committed in peacetime by persons accompanying the armed forces overseas, or to crimes committed by a former member of the armed services.

The substitute makes clear that this extension of court-martial jurisdiction applies only in times when the armed forces are engaged in a "contingency operation" involving a war or national emergency declared by the Congress or the President. I believe this comports with the Supreme Court rulings on this issue and cures any constitutional infirmity with the original language.

In addition, the original bill would have deemed any delay in bringing a person before a magistrate due to transporting the person back to the United States from overseas as "justifiable." I was concerned that this provision could end up excusing lengthy and unreasonable delays in getting a civilian, who was arrested overseas, before a U.S. Magistrate, and thereby raise yet other constitutional concerns.

The Sessions-Leahy-DeWine substitute cures that potential problem by removing the problematic provision and relying instead on rule 5 of the Federal Rules of Criminal Procedure. This rule requires that an arrested person be brought before a magistrate to answer charges without unnecessary delays, and will apply to the removal of a civilian from overseas to answer charges in the United States.

Finally, S. 768 as introduced authorized the Department of Defense to determine which foreign officials constitute the appropriate authorities to whom an arrested civilian should be delivered. In my proposal for this legislation I required that DOD make this determination in consultation with the Department of State. I felt this would help avoid international faux pax. I am pleased that the Sessions-Leahy substitute adopted my approach to this issue and requires consultation with the Department of State.

I am glad the legislation which I and other Democratic Members of the Judiciary Committee originally introduced both last year and again on January 19 of this year, is finally being considered, and I urge its prompt passage.

Mr. GORTON. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendment be agreed to, as amended, the bill be read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1226) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (S. 768), as amended, was read the third time, and passed.

S. 768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military and Extraterritorial Jurisdiction Act of 1999".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Civilian employees of the Department of Defense, and civilian employees of Department of Defense contractors, provide critical support to the Armed Forces of the United States that are deployed during a contingency operation.

(2) Misconduct by such persons undermines good order and discipline in the Armed Forces, and jeopardizes the mission of the contingency operation.

(3) Military commanders need the legal tools to address adequately misconduct by civilians serving with Armed Forces during a contingency operation.

(4) In its present state, military law does not permit military commanders to address adequately misconduct by civilians serving with Armed Forces, except in time of a congressionally declared war.

(5) To address this need, the Uniform Code of Military Justice should be amended to provide for court-martial jurisdiction over civilians serving with Armed Forces in places designated by the Secretary of Defense during a "contingency operation" expressly designated as such by the Secretary of Defense.

(6) This limited extension of court-martial jurisdiction over civilians is dictated by military necessity, is within the constitutional powers of Congress to make rules for the government of the Armed Forces, and, therefore, is consistent with the Constitution of the United States and United States public policy.

(7) Many thousand civilian employees of the Department of Defense, civilian employees of Department of Defense contractors, and civilian dependents accompany the Armed Forces to installations in foreign countries.

(8) Misconduct among such civilians has been a longstanding problem for military commanders and other United States officials in foreign countries, and threatens United States citizens, United States property, and United States relations with host countries.

(9) Federal criminal law does not apply to many offenses committed outside of the United States by such civilians and, because host countries often do not prosecute such offenses, serious crimes often go unpunished and.to address this jurisdictional gap, Federal law should be amended to punish serious offenses committed by such civilians outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

(10) Federal law does not apply to many crimes committed outside the United States by members of the Armed Forces who separate from the Armed Forces before they can be identified, thus escaping court-martial jurisdiction and, to address this jurisdictional

gap, Federal law should be amended to punish serious offenses committed by such persons outside the United States, to the same extent as if those offenses were committed within the special maritime and territorial jurisdiction of the United States.

SEC. 3. COURT-MARTIAL JURISDICTION.

(a) Jurisdiction During Contingency Operations.—Section 802(a) of title 10, United States Code (article 2(a) of the Uniform Code of Military Justice), is amended by inserting after paragraph (12) the following:

"(13) To the extent not covered by paragraphs (10) and (11), persons not members of the armed forces who, in support of a contingency operation described in section 101(a)(13)(B) of this title, are serving with and accompanying an armed force in a place or places outside the United States specified by the Secretary of Defense, as follows:

"(A) Employees of the Department of Defense.

"(B) Employees of any Department of Defense contractor who are so serving in connection with the performance of a Department of Defense contract.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and apply with respect to acts or omissions occurring on or after that date.

SEC. 4. FEDERAL JURISDICTION.

(a) Criminal Offenses Committed Outside the United States.—Title 18, United States Code, is amended by inserting after chapter 211 the following:

"CHAPTER 212—CRIMINAL OFFENSES COMMITTED OUTSIDE THE UNITED STATES

"Sec.
"3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States.
"3262. Delivery to authorities of foreign countries.
"3263. Regulations.
"3264. Definitions.

"§ 3261. Criminal offenses committed by persons formerly serving with, or presently employed by or accompanying, the Armed Forces outside the United States

"(a) In General.—Whoever, while serving with, employed by, or accompanying the Armed Forces outside of the United States, engages in conduct that would constitute an offense punishable by imprisonment for more than 1 year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, shall be guilty of a like offense and subject to a like punishment.

"(b) Concurrent Jurisdiction.—Nothing in this chapter may be construed to deprive a court-martial, military commission, provost court, or other military tribunal of concurrent jurisdiction with respect to offenders or offenses that by statute or by the law of war may be tried by a court-martial, military commission, provost court, or other military tribunal.

"(c) Action by Foreign Government.—No prosecution may be commenced against a person under this section if a foreign government, in accordance with jurisdiction recognized by the United States, has prosecuted or is prosecuting such person for the conduct constituting such offense, except upon the approval of the Attorney General or the Deputy Attorney General (or a person acting in either such capacity), which function of approval shall not be delegated.

"(d) Arrests.—

"(1) Law enforcement personnel.—The Secretary of Defense may designate and authorize any person serving in a law enforcement position in the Department of Defense to arrest, in accordance with applicable international agreements, outside of the United States any person described in subsection (a) if there is probable cause to believe that such person engaged in conduct that constitutes a criminal offense under subsection (a).

"(2) Release to civilian law enforcement.—A person arrested under paragraph (1) shall be released to the custody of civilian law enforcement authorities of the United States for removal to the United States for judicial proceedings in relation to conduct referred to in such paragraph unless—

"(A) such person is delivered to authorities of a foreign country under section 3262; or

"(B) such person has had charges brought against him or her under chapter 47 of title 10 for such conduct.

"§ 3262. Delivery to authorities of foreign countries

"(a) In General.—Any person designated and authorized under section 3261(d) may deliver a person described in section 3261(a) to the appropriate authorities of a foreign country in which such person is alleged to have engaged in conduct described in section 3261(a) of this section if—

"(1) the appropriate authorities of that country request the delivery of the person to such country for trial for such conduct as an offense under the laws of that country; and

"(2) the delivery of such person to that country is authorized by a treaty or other international agreement to which the United States is a party.

"(b) Determination by the Secretary.—The Secretary of Defense, in consultation with the Secretary of State, shall determine which officials of a foreign country constitute appropriate authorities for purposes of this section.

"§ 3263. Regulations

"(a) In General.—The Secretary of Defense, after consultation with the Secretary of State and the Attorney General, shall issue regulations governing the apprehension, detention, and removal of persons under this chapter. Such regulations shall be uniform throughout the Department of Defense.

"(b) Notice to Third Party Nationals.—

"(1) In general.—The Secretary of Defense, after consultation with the Secretary of State, shall issue regulations requiring that, to the maximum extent practicable, notice shall be provided to any person serving with, employed by, or accompanying the Armed Forces outside the United States who is not a national of the United States that such person is potentially subject to the criminal jurisdiction of the United States under this chapter.

"(2) Failure to provide notice.—The failure to provide notice as prescribed in the regulations issued under paragraph (1) shall not defeat the jurisdiction of a court of the United States or provide a defense in any judicial proceeding arising under this chapter.

"§ 3264. Definitions

"In this chapter—

"(1) a person is 'accompanying the Armed Forces outside of the United States' if the person—

"(A) is a dependent of—

"(i) a member of the Armed Forces;

"(ii) a civilian employee of a military department or of the Department of Defense; or

"(iii) a Department of Defense contractor or an employee of a Department of Defense contractor;

"(B) is residing with such member, civilian employee, contractor, or contractor employee outside the United States; and

"(C) is not a national of or ordinarily resident in the host nation;

"(2) the term 'Armed Forces' has the same meaning as in section 101(a)(4) of title 10; and

"(3) a person is 'employed by the Armed Forces outside of the United States' if the person—

"(A) is employed as a civilian employee of the Department of Defense, as a Department of Defense contractor, or as an employee of a Department of Defense contractor;

"(B) is present or residing outside of the United States in connection with such employment; and

"(C) is not a national of or ordinarily resident in the host nation.".

(b) Clerical Amendment.—The table of chapters at the beginning of part II of title 18, United States Code, is amended by inserting after the item relating to chapter 211 the following:

"212. Criminal Offenses Committed Outside the United States .... 3621".

CONDEMNING ACTS OF ARSON AT SACRAMENTO, CA, SYNAGOGUES

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 136, introduced earlier today by Senators Boxer and Feinstein.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 136) condemning the acts of arson at three Sacramento, CA, synagogues on June 18, 1999, and calling on all Americans to categorically reject crimes of hate and intolerance.

There being no objection, the Senate proceeded to consider the resolution.

Mrs. FEINSTEIN. Mr. President, I rise today to join my friend and colleague, Senator Barbara Boxer, to introduce a Sense of the Senate Resolution condemning the acts of arson at three Sacramento, California synagogues on June 18, 1999. The resolution also calls on all Americans to categorically reject crimes of hate and intolerance.

I believe this measure is important not only to the Sacramento community but also to all Americans who abhor intolerance.

I was shocked and saddened when I first heard the news that three synagogues in Sacramento had been targeted by arsonists. Committed just a few hours before dawn, this heinous attack was carried out over a 45 minute time span signaling to us that this was deliberate and premeditated act.

In that time, $1.2 million in damage was done to the Congregation B'nai Israel, Congregation Beth Shalom and the Kenessett Israel Torah Center. While the damage to the property was severe, no dollar amount can reflect the true damage done when hateful crimes such as these strike at the heart of a community.

Mr. President, I believe it is tragic that even though we have made significant progress to increase tolerance in this nation that such vicious hate crimes continue to be committed.

This resolution expresses our resolve to ensure that such acts of ignorance and bigotry will not be tolerated in this nation and those who commit them will face swift justice. While the resolution condemns these specific acts of arson in the Sacramento area, it also declares our collective abhorrence to all crimes of intolerance.

The resolution also says that the Senate is committed to using Federal law enforcement personnel and resources to identify the persons who committed these heinous acts and brings them to justice in a swift and deliberate manner. It also recognizes and applauds the residents of Sacramento area who have so quickly joined together to lend support and assistance to the victims of these despicable crimes, and remains committed to preserving the freedom of religion of all members of the community.

I believe that one of the most sacred rights we have as Americans is the freedom of religion. This country came to be because people wanted to be able to choose how they worshiped. I hope that in the wake of this sorrowful event, we are all reminded of the importance of this freedom.

Whatever the motive in these arsons, all people of faith in the Sacramento community and this nation must stand together to fight such hatred. The bottom line is that hatred, bigotry and racism all come from the same place—ignorance.

California's modern heritage is one in which diversity is to be respected, not scorned. As long as hate crimes continue to counter that heritage, we must work together to denounce intolerance and the protect the rights of all.

Mr. President, while we have made progress to increase tolerance in this nation, tragic events like these in Sacramento prove that we still need to do more. Together, we must send the strongest possible message that hate crimes will not be tolerated.

Mr. **ABRAHAM**. Mr. President, I join today with my colleagues, Senators BOXER and FEINSTEIN to introduce a resolution condemning the acts of arson against the three Jewish synagogues in Sacramento, California.

Our history is blessed with courageous acts of men and women who have refused to accept, and united against, ignorance, oppression and discrimination. It was their selflessness which, in large part, secured and protected the same freedoms and liberties so many Americans take for granted today.

On June 18th, 1999, in Sacramento, California, the Congregation B'nai Israel, Congregation Beth Shalom and Knesset Israel Torah Center were victims of malicious and cowardly acts of arson. Mr. President, these acts of intolerance and malice are a direct attack against all Americans and the ideals which are integral to a free and democratic society. The very liberties that allow America to prosper are directly undermined by such acts of blatant hatred and intolerance.

Mr. President, the United States owes much of its strength and greatness to the special uniqueness and diversity of its people. It is imperative that we unite, upholding our responsibility to honor and protect the basic, inalienable right to live without fear and violence. We must send a message to those individuals who would undermine our free and democratic society, that their acts, and any similar actions, will not be tolerated.

Mr. President, I would also like to take this time to commend the residents of Sacramento, and the larger California community, who have joined in solidarity with the Jewish congregations, demonstrating their continued commitment to preserving the freedom of all members of the community.

Mr. **GORTON**. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table and any statements be printed in the RECORD.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The resolution (S. Res. 136) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 136

Whereas on the evening of June 18, 1999, in Sacramento, California, the Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center were victims of malicious and cowardly acts of arson;

Whereas such crimes against our institutions of faith are crimes against us all;

Whereas we have celebrated since our Nation's birth the rich and colorful diversity of its people, and the sanctity of a free and democratic society;

Whereas the liberties Americans enjoy are attributed in large part to the courage and determination of visionaries who made great strides in overcoming the barriers of oppression, intolerance, and discrimination in order to ensure fair and equal treatment for every American by every American;

Whereas this type of unacceptable behavior is a direct assault upon the fundamental rights of all Americans who cherish their freedom of religion; and

Whereas every Member of Congress serves in part as a role model and bears a responsibility to protect and honor the multitude of cultural institutions and traditions we enjoy in the United States of America: Now, therefore, be it *Resolved*, That the Senate—

(1) condemns the crimes that occurred in Sacramento, California, at Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center on the evening of June 18, 1999;

(2) rejects such acts of intolerance and malice in our society and interprets such attacks on cultural and religious institutions as an attack on all Americans;

(3) in the strongest terms possible, is committed to using Federal law enforcement personnel and resources pursuant to existing federal authority to identify the persons who committed these heinous acts and bring them to justice in a swift and deliberate manner;

(4) recognizes and applauds the residents of the Sacramento, California, area who have so quickly joined together to lend support and assistance to the victims of these despicable crimes, and remain committed to preserving the freedom of religion of all members of the community; and

(5) calls upon all Americans to categorically reject similar acts of hate and intolerance.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. **GORTON**. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations en bloc on the Executive Calendar: Nos. 15, 35, 70, 75, 97, 100 through 103, 131, 132, 134, 138, 139, 141 through 156, and all nominations on the Secretary's desk in the Foreign Service.

I finally ask unanimous consent that the nominations be confirmed, en bloc, the motion to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, that the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

ENVIRONMENTAL PROTECTION AGENCY

Gary S. Guzy, of the District of Columbia, to be an Assistant Administrator of the Environmental Protection Agency.

DEPARTMENT OF STATE

Diane Edith Watson, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal States of Micronesia.

DEPARTMENT OF ENERGY

Carolyn L. Huntoon, of Virginia, to be an Assistant Secretary of Energy (Environmental Management).

EXECUTIVE OFFICE OF THE PRESIDENT

John T. Spotila, of New Jersey, to be Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Albert S. Jacquez, of California, to be Administrator of the Saint Lawrence Seaway Development Corporation for a term of seven years.

CONSUMER PROTECTION SAFETY COMMISSION

Mary Sheila Gall, of Virginia, to be a Commissioner of the Consumer Product Safety Commission for a term of seven years from October 27, 1998.

Ann Brown, of Florida, to be a Commissioner of the Consumer Product Safety Commission for a term of seven years from October 27, 1999.

Ann Brown, of Florida, to be Chairman of the Consumer Product Safety Commission.

DEPARTMENT OF VETERANS AFFAIRS

John T. Hanson, of Virginia, to be an Assistant Secretary of Veterans Affairs (Public and Intergovernmental Affairs).

ENVIRONMENTAL PROTECTION AGENCY

Timothy Fields, Jr., of Virginia, to be Assistant Administrator, Office of Solid Waste, Environmental Protection Agency.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Melvin E. Clark, Jr., of the District of Columbia, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1999.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Donald Lee Pressley, of Virginia, to be an assistant Administrator of the Agency for International Development.

DEPARTMENT OF STATE

Donald W. Keyser, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for Rank of Ambassador during tenure of service as Special Representative of the Secretary of State for Nagorno-Karabakh and New Independent States Regional Conflicts.

Larry C. Napper, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for Rank of Ambassador during tenure of service as Coordinator of the Support for East European Democracy (SEED) Program.

Frank Almaguer, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

John R. Hamilton, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Peru.

Gwen C. Clare, of South Carolina, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador.

Oliver P. Garza, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua.

Joyce E. Leader, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

David B. Dunn, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia.

M. Michael Einik, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to The Former Yugoslav Republic of Macedonia.

Mark Wylea Erwin, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mauritius, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Islamic Republic of the Comoros and as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Christopher E. Goldthwait, of Florida, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Joseph Limprecht, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Albania.

Prudence Bushnell, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

Donald Keith Bandler, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

Johnnie Carson, of Illinois, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya.

Thomas J. Miller, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bosnia and Herzegovina.

Bismarck Myrick, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia.

Michael D. Metelits, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE FOREIGN SERVICE

Foreign Service nomination of Peter S. Wood, which was received by the Senate and appeared in the Congressional Record of January 19, 1999.

Foreign Service nominations beginning Constance A. Carrino, and ending Ruth H. Vanheuven, which nominations were received by the Senate and appeared in the Congressional Record of February 23, 1999.

Foreign Service nominations beginning Brian E. Carlson, and ending Leonardo M. Williams, which nominations were received by the Senate and appeared in the Congressional Record of March 24, 1999.

Foreign Service nominations beginning Dale V. Slaght, and ending Eric R. Weaver, which nominations were received by the Senate and appeared in the Congressional Record of March 24, 1999.

Foreign Service nominations beginning Johnny E. Brown, and ending Mee Ja Yu, which nominations were received by the Senate and appeared in the Congressional Record of April 12, 1999.

Foreign Service nominations beginning Jay M. Bergman, and ending Robin Lane White, which nominations were received by the Senate and appeared in the Congressional Record of May 11, 1999.

Foreign Service nomination of Stephen A. Dodson, which was received by the Senate and appeared in the Congressional Record of May 18, 1999.

Foreign Service nominations beginning Karen Aguilar, and ending Lauri M. Kassman, which nominations were received by the Senate and appeared in the Congressional Record of May 26, 1999.

NOMINATION OF TIMOTHY FIELDS, JR.

Mr,. WARNER. Mr. President, I am pleased to support the nomination of a fellow Virginian, Timothy Fields, Jr., to be the Assistant Administrator of the Environmental Protection Agency (EPA). When I look back over Mr. Fields' dedication to public service including 28 years at the EPA as well as the strong educational background he received at one of our nation's most selective colleges and a great source of pride for my home state of Virginia, Virginia Tech University, I say to myself, the President and the EPA Administrator selected wisely.

We are fortunate that a man of this caliber and distinction is willing to devote himself to public service. Rarely have we had a nominee come before the Environment and Public Works Committee, on which I am privileged to serve, with so much direct experience to qualify himself for the job. Mr. Fields comes before us not from a political background but from the field of engineering.

Here are some highlights: upon graduating from Virginia Tech, Mr. Fields received a masters degree from George Washington University and has studied at Ohio State University. His lifetime of service at EPA began in 1971. Most recently, on February 17, 1997, Mr. Fields was appointed Acting Assistant Administrator for the Office of Solid Waste and Emergency Response (OSWER). Prior to this, Mr. Fields served for three years as Principal Deputy Administrator for OSWER where he was responsible for Superfund and solid waste under RCRA, Director of EPA's Superfund office for over two years and serving in that office for five years, and Director of EPA's Emergency Response Division for four and a half years and Deputy Director of the Hazardous Site Control Division for a year and a half.

Even more remarkable is his list of achievements. He received the highest award for civil servants, the Presidential Rank Award for Distinguished Executive Service—not once but four times. He was recommended twice under President George Bush and twice under President Bill Clinton. He is the only EPA employee to be so honored.

According to a report issued by the General Accounting Office, by the end of this fiscal year, all cleanup remedies will have been selected for over 1,100 sites. About 31,000 sites have been removed from the Superfund inventory of potential waste sites to help promote the economic redevelopment of these priorities. I think it is fair to say that Mr. Fields deserves part of the credit.

Mr. Fields' career at EPA is one of great distinction and is a model for Virginians interested in a life in public service. I am very proud to offer my support for Mr. Fields.

THANKS TO THE MAJORITY LEADER

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his willingness to have a session on tomorrow in order that I and other Senators might make speeches which we have not had an opportunity to give during the previous busy days of this week. But I thought it better, if it could be done, that we complete our speeches today and not cause the Senate to have to be in session on tomorrow.

I did want to thank the majority leader for his willingness to have the Senate come in.

Mr. President, I thank those who have stayed to listen, and may God bless all the Members of this body and all the staff people who work to help us to serve our constituents. May he continue to bless this great country, and may we as Americans never forget that this country has been a favorite in God's masterful design. God bless America.

I yield the floor.

ACCESS TO NETWORK STATIONS VIA SATELLITE TELEVISION

Mr. BYRD. Mr. President, I rise to urge a speedy resolution to the conference the House- and Senate-passed versions of H.R. 1554, the Satellite Home Viewer Improvement Act. I hope that the conferees will meet soon, and that the Congress can take final action on this matter.

This is a much needed measure to enhance the satellite television industry's ability to compete with cable television. Currently, cable has a commanding 85 percent share of the multichannel video programming distribution market. Satellite serves only 12.1 percent of the market. The 1988 Satellite Home Viewer Act enacted in 1988 put in place certain impediments to satellite carriers being truly competitive with cable. This measure alleviates those roadblocks and will promote real competition. This is good news for consumers. Prices should come down, and the diversity of programming offered should increase.

The Senate version of H.R. 1554 would remove the 90-day waiting period for receipt of broadcast network signals that consumers currently face when switching from cable to satellite television reception. It would authorize satellite carriers to offer local television station broadcasts to their customers. This provision would go a long way toward leveling the playing field between cable and satellite television. One of the major deterrents to purchasing satellite television has been the inability to watch local broadcast programming. The bill also contains a "must carry" provision, meaning that all local stations must be carried by the satellite carriers by January 1, 2002.

But, Mr. President, the aspect of this legislation that my constituents are most immediately concerned about is their current access to distant network signals through their satellite television systems. As I drive through the mountains of West Virginia, I am awed by their beauty and majesty. West Virginia truly is an amazing state in which to live, sometimes described as "all ups and downs." Flattened out as you would a crumpled piece of paper, a topographic map of West Virginia would move up the ranks from one of the smaller states in the Union to one of the largest. This awe-inspiring geography presents unique challenges to my constituents. One of those challenges is the ability to receive over-the-air broadcast signals. Many of my constituents, through no fault of their own, are having those signals terminated. While they may live in an area that is supposed to get a signal from the local broadcast station, many times geography and other factors result in a picture that is not acceptable. Under current law, if a household should be able to receive broadcast network signals with an antenna, that household is ineligible to receive distant network signals from their satellite provider. This leaves many West Virginians with little recourse. Their street address or zip code indicates that they should be able to receive local stations with a rooftop antenna, but the steep hillsides that form their backyards make that impossible.

In an effort to address this issue, under the Senate-passed version of H.R. 1554, customers who were receiving a distant network signal before July 11, 1998, would receive those signals until December 31, 1999. After that date, the affiliate network signals of customers residing within the Grade A contours, the areas closest to the broadcast station, would be cut off. This bill will allow satellite subscribers outside of the grade A contour, but within the grade B contour, to continue to receive their distant network signals after December 31, 1999, subject to an FCC rulemaking. I believe this is a fair way to deal with subscribers who, through no fault of their own, would otherwise have distant network signals terminated.

I am a strong supporter of local broadcasters, and I believe that they perform an important function for local communities. The local news and emergency services broadcasters provide are invaluable and should be protected. While I understand the concerns expressed by local broadcasters, I am not convinced that the grandfathering provision included in the Senate bill will constitute significant harm to their livelihoods.

I urge the conferees to complete action so that Congress can quickly enact this legislation to provide relief to the many people throughout West Virginia and the Nation.

I apologize to all officers, Senators's aides and Members of the staff for the late hour, but I think that is perhaps better than being in session tomorrow.

INDEPENDENCE DAY

Mr. BYRD. Mr. President, I take this time to call the attention of our colleagues and our viewing audience to the forthcoming Independence Day, July 4.

What is July 4 all about? The Declaration of Independence in U.S. history was a document that proclaimed the freedom of the Thirteen Colonies from British rule. It was the first formal pronouncement by an organized body of people of the right to govern by choice.

On July 2, 1776, the Second Continental Congress, meeting in Philadelphia, approved Richard Henry Lee's motion for independence, and on July 4—which later came to be celebrated as Independence Day—it approved the declaration. Signing of the declaration took place over the course of several months, beginning August 2. Ultimately, the signatories numbered 56.

The Declaration of Independence, written primarily by Thomas Jefferson, and modeled largely on the theories of John Locke, have affirmed the national rights of man and the doctrine of government by contract, which Congress insisted had been repeatedly violated by King George III.

Specific grievances were listed in support of the contention that the Colonies had the right and the duty to revoke. The declaration was paid little attention to at the time, but it proved influential in the 19th century, and in the United States has enjoyed an esteem second only to the Federal Constitution.

Mr. President, all across the United States and in U.S. embassies around the world, lawns are being mowed and outdoor furniture is being hosed off as Americans prepare to celebrate our biggest open air holiday, Independence Day. The fireworks stands have been doing brisk business selling everything from smoky uncoiling snakes to dazzling sparklers to rockets and fountains that shriek and pop as they dispense multicolored bursts of flame and sparks.

The one great constant in our national lexicon, it seems, is the Fourth of July. With some variations in the side dishes, the core menu reliably consists of juicy hamburgers and crisp-skinned hotdogs slathered in ketchup and mustard, served with creamy potato and macaroni salads, potato chips, onions, sweet corn on the cob dripping with butter, and icy, icy, icy, icy watermelon wedges that provide the ammunition for seed spitting contests. How great it is.

Whether eating with friends or family at a picnic site, in one's backyard, or tailgate style, the feasts are followed by games to fill the endless wait until the skies darken and become a fitting backdrop for the big show of the day—the fireworks displays.

The sight of fireworks, those great blossoming stars of sparks that burst and then fall like rain from the sky, never fails to remind me of the words of the Star Spangled Banner, written by Francis Scott Key after witnessing the artillery bombardment of Fort McHenry during the War of 1812: ". . . and the rockets red glare, the bombs bursting in air, gave proof through the night that our flag was still there. . . ." Francis Scott Key was being held by the British, having sailed out to their fleet, staged off Baltimore, in an attempt to free a local doctor taken hostage earlier. The British officers did finally agree to free the doctor, but decided that Key and his companions had seen too much to be released before the attack began.

The beauty and excitement of the fireworks that many of us will see this weekend, therefore, evoke for me the great battles that were fought to make our Nation free and to defend her from harm in those dangerous early years of the republic. It is when I see fireworks that I most fully appreciate the great risks hazarded by our forefathers when they declared independence from the Crown. They risked everything—their lives, their fortunes, their lands, their families, their sacred honor.

I recall Nathan Hale, who responded to the call of George Washington, the commander of the armies at Valley Forge. George Washington wanted someone to volunteer to go behind the British lines and draw pictures of the breastworks and bring them back to him, George Washington. It was a dangerous undertaking. It meant risking one's life. And so Nathan Hale, who was a schoolteacher, volunteered. He went behind the British lines. He succeeded in what he had gone there to do, but the night before he planned to return to the American lines he was discovered and the papers were discovered on him, and the next morning he was brought before the scaffold. The British officer, whose name was Cunningham, and who denied Nathan Hale's last wish, his wish for a Bible, said to him: Have you anything to say?

Well, there at the foot of the scaffold, Nathan Hale could see the rough-hewn wooden coffin in which his body would soon lie. He said, "I only regret that I have but one life to lose for my country." Think of that. "I only regret that I have but one life to lose for my country."

That is the kind of patriot who gave this country its independence, and many of us can't even give our country one vote on election day. What a pitiful example we sometimes set as a people on election day when we don't bother to go to the polls. Whether we are Democrats or Republicans or Independents, we should owe that much, that much to our country and to the memory of Nathan Hale.

I talk to our young pages here and sometimes I borrow a history book from those who are here when they are attending school. I want to see what kind of history books they are reading in this day and time. When I was talking with these young pages a few days ago, I said, Who was Nathan Hale? Who here knows, who can tell me about Nathan Hale?

Well, sorrowfully, many of the history books today don't even mention Nathan Hale's name. Those are not history books. They are social science textbooks. Nathan Hale; and so he said, "I only regret that I have but one life to lose for my country."

Those men and women risked everything, as I say—their lives, their fortunes, their lands, their families, their sacred honor, even the populations in the States they represented—when they boldly inked their names on the Declaration of Independence.

In the percussive thuds and whistling screams of today's fireworks I can hear—Can you hear?—the distant thunder of cannons and the crack of flintlocks as the first major land battle of the Revolutionary War was pitched at Point Pleasant, West Virginia. When I see the great fireworks displays put on here in the Nation's capital, I see the shadows of the Capitol dome consumed in flames, as it was in August 1814. If I look out on the wide Potomac dotted with pleasure craft bobbing gently at anchor as still more people enjoy the fireworks, I can easily imagine General George Washington and his ragged Army struggling to cross the Delaware River for their daring Christmas day raid in the bitter cold of December 1776. And when I catch the scent of black powder drifting by as the night sky grows cloudy with the smoke from the explosions, I get the tingling sensation of fear and nerves that must have accompanied every soldier awaiting advancing Redcoats at Lexington and Concord.

What courage and what bravery were displayed by the people of this fledgling Nation, when first they undertook to break away from Great Britain. What great good fortune I, and everyone else who is listening, have, to be able to enjoy the fruits of their boldness, their courage, their willingness to give their lives. From coast to coast this weekend, we are able to freely gather, to celebrate, to rejoice, and, yes, to watch fireworks in a peaceful imitation of those perilous days over twenty decades ago. In this great land and its marvelously balanced Constitution, we have inherited a treasure beyond price. It is a treasure that we honor with our service and which we defend with our blood if need be.

So, while I enjoy the parades and picnics and fireworks of this happy holiday, I will also be offering my thanks to all those through the years who are responsible for struggling and winning the battles to secure our more perfect union, that we might be free to pursue health, happiness, and the blessings of liberty. My thanks also go to those men and women who today guard our freedom and who offer hope to others who fear the loss of their liberty, their lives, and their families.

I thank Nathan Hale who died on September 22, 1776, and who willingly would have died many times for his country.

We are a great and prosperous nation. We ought to thank God for his watchfulness over us, for the blessings he has showered upon our great country from its beginning, even before the Republic was instituted.

Just this week we have learned anew how prosperous we are, as the administration heralded new long-term estimates that paint a very bright economic picture of rising surpluses and falling debt. I must confess I am pretty wary of economic estimates. That is a science even far less exact than weather forecasting or even, it seems, astrology. It does seem clear that for the near term, at least, we may expect a small on-budget surplus that was not previously anticipated. I urge that we Senators support an effort to designate a substantial portion of these newly found resources to the Department of Veterans Affairs in order to support veterans health care. I have talked to my good friend and colleague, Mr. STEVENS, the chairman of the Appropriations Committee, and we are in agreement. But the fact that we are in agreement does not mean that the matter is settled. We have a tough uphill battle before us.

Veterans health care, a promise of lifetime care made to everyone who serves faithfully and well in the defense of our Nation, faces a funding crisis that threatens the quality and continuity of the health care that these men and women have come to depend upon. Veterans service organizations and others knowledgeable about the needs of America's veterans have pointed out that the fiscal year 2000 budget request for veterans health care is far below what is needed to meet demand and to allow the Veterans Administration to respond to new requirements levied by Congress. The budget resolution conference report adopted by the Congress earlier this year made a commitment to provide additional funds for veterans health care, but a budget resolution is a nonbinding document. Platitudes, good intentions, and fireworks do not pay doctor's bills. The funding caps passed by Congress have left the Appropriations Committee hamstrung, unable to provide more funding for this and other worthy causes. But now, if additional surpluses not associated with Social Security become available, I believe that we should try hard to honor our commitment made in the budget resolution, and honor our debt to the veterans who, in the spirit of those patriots of the Revolution, dared much, risked much, and sacrificed much that we might enjoy the blessings of freedom. They treasure our country and honor it with their service and their blood. I feel certain that my colleagues share with me a commitment to our Nation's veterans that is stronger and deeper than any allegiance to an arbitrary budget figure or cap that is based on a very different set of economic assumptions.

Mr. President, I have been fortunate to have traveled across the globe. I have seen many other lovely and ancient places, from Rome to Cairo to London to Tokyo to Moscow to that great crossroads of east and west that is Istanbul. I met warm and charming people in all these places and more. But, like Americans who will gather in far flung outposts around the globe next Monday to toast their homeland, and on Sunday to fly that flag in front of our homes, I am always glad to come home. No spot on earth calls to me like the mountains of my home, West Virginia, where the ground rises to meet my feet and the trees spread dappled umbrellas to shade me from the Sun; where glittering rivulets of clear, cold water flash like gems set in a verdant tapestry of ferns; and where birdsongs chime the hours away. In a gentle eternal symphony, raindrops hitting leaves provide the timpani and wind through the tossing branches serves as strings. The woodwind notes of mourning doves gently welcome the Sun each morning and whippoorwills pipe its setting in the evening. It is music for the heart as well as for the ears.

Nowhere are the people more dear to me than in West Virginia, where church doors are always ready to welcome the traveler and where in grocery stores there are clerks who still greet me by name and ask about my family. West Virginians are a proud people, proud of their heritage, proud of their home State. Wherever you may find them around the world—and I have found them in Afghanistan, in India, all across the globe—they are always proud to proclaim themselves Mountaineers.

I close with a favorite poem of mine by Henry van Dyke, "America for Me":

'Tis fine to see the Old World, and travel up and down
Among the famous palaces and cities of renown,
To admire the crumbly castles and the statues of the kings,—
But now I think I've had enough of antiquated things.
So it's home again, and home again, America for me!
My heart is turning home again, and there I long to be,
In the land of youth and freedom beyond the ocean bars,
Where the air is full of sunlight and the flag is full of stars.
Oh, London is a man's town, there's power in the air;
And Paris is a woman's town, with flowers in her hair;
And it's sweet to dream in Venice, and it's great to study in Rome
But when it comes to living there is just no place like home.
I like the German fir-woods, in green battalions drilled;
I like the gardens of Versailles with flashing fountains filled;
But, oh, to take your hand, my dear, and ramble for a day
In the friendly western woodland where Nature has her way!
I know that Europe's wonderful, yet something seems to lack;
The Past is too much with her, and the people looking back.
But the glory of the Present is to make the Future free,—
We love our land for what she is and what she is to be.
Oh, it's home again, and home again, America for me!
I want a ship that's westward bound to plough the rolling sea,
To the blessed Land of Room Enough beyond the ocean bars,
Where the air is full of sunlight and the flag is full of stars.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR MONDAY, JULY 12, 1999

Mr. GORTON. Mr. President, I ask unanimous consent that when the Senate completes its business, it stand in adjournment until 12 noon on Monday, July 12. I further ask that on Monday, following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then proceed to a period of morning business until 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GORTON. Mr. President, for the information of all Senators, the Senate will reconvene at 12 noon on Monday, July 12, and will immediately proceed to a period of morning business until 1 p.m.

By previous consent, the Patients' Bill of Rights will be the pending business at 1 p.m. Amendments to that legislation are possible.

Any votes ordered, however, will not take place until Tuesday, July 13, at a time to be determined by the two leaders.

As previously announced by the majority leader, there will be a cloture vote on the pending lockbox amendment to S. 557 on Friday, July 16.

ORDER FOR ADJOURNMENT

Mr. GORTON. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the provisions of Senate Concurrent Resolution No. 43, following the remarks of my distinguished and extremely patient colleague, Senator BYRD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from West Virginia is recognized.

ADJOURNMENT UNTIL MONDAY, JULY 12, 1999

The PRESIDING OFFICER. The Senate now stands adjourned until noon on Monday, July 12.

Thereupon, the Senate, at 10:24 p.m., adjourned until Monday, July 12, 1999, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate July 1, 1999:

DEPARTMENT OF ENERGY

CURT HEBERT, JR., OF MISSISSIPPI, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE TERM EXPIRING JUNE 30, 2004. (REAPPOINTMENT)

DEPARTMENT OF THE INTERIOR

EARL E. DEVANEY, OF MASSACHUSETTS, TO BE INSPECTOR GENERAL, DEPARTMENT OF THE INTERIOR, VICE ELJAY B. BOWRON, RESIGNED.

DEPARTMENT OF STATE

LAWRENCE H. SUMMERS, OF MARYLAND, TO BE UNITED STATES GOVERNOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE INTER-AMERICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE AFRICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE ASIAN DEVELOPMENT BANK; UNITED STATES GOVERNOR OF THE AFRICAN DEVELOPMENT FUND; UNITED STATES GOVERNOR OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT.

JAMES B. CUNNINGHAM, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

HARRIET L. ELAM, OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SENEGAL.

J. RICHARD FREDERICKS, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PRINCIPALITY OF LIECHTENSTEIN.

BARBARA J. GRIFFITHS, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ICELAND.

GREGORY LEE JOHNSON, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SWAZILAND.

JIMMY J. KOLKER, OF MISSOURI, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BURKINA FASO.

SYLVIA GAYE STANFIELD, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BRUNEI DARUSSALAM.

FOREIGN SERVICE

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS ONE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

SUSAN HERTHUM GARRISON, OF FLORIDA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS TWO, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF COMMERCE

BERYL C. BLECHER, OF FLORIDA
DAVID L. GOSSACK, OF WASHINGTON
JOSEPH B. KAESSHAEFER, JR., OF FLORIDA
AMER M. KAYANI, OF CALIFORNIA
RONALD L. SORIANO, OF CONNECTICUT

DEPARTMENT OF STATE

PAUL A. FOLMSBEE, OF TEXAS

UNITED STATES INFORMATION AGENCY

EDWARD J. KULAKOWSKI, OF VIRGINIA
CONRAD WILLIAM TURNER, OF THE DISTRICT OF COLUMBIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS THREE, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF AGRICULTURE

MARTIN G. PATTERSON, OF VIRGINIA

DEPARTMENT OF COMMERCE

STEPHEN E. ALLEY, OF TENNESSEE
ROBERT D. BANNERMAN, OF FLORIDA
JOEL N. FISCHL, OF NEW HAMPSHIRE
GWEN B. LYLE, OF TEXAS
MICHAEL L. MCGEE, OF TENNESSEE

UNITED STATES INFORMATION AGENCY

MARY K. OLIVER, OF ARKANSAS
JOHN ROBERT POST, OF WASHINGTON
JO ANN ELAINE SCANDOLA, OF THE DISTRICT OF COLUMBIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF CLASS FOUR, CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF COMMERCE

HELEN D. LEE, OF VIRGINIA
KAREN S. PILMANIS, OF COLORADO
HARRY L. TYNER, OF VIRGINIA

DEPARTMENT OF STATE

MARY EMMA ARNOLD, OF VIRGINIA
JOSEPH ALEXANDER BOSTON III, OF MARYLAND
PAUL DAVID BURKHEAD, OF NEW YORK
BART DAVID COBBS, OF CALIFORNIA
MICHELE ONDAKO CONNELL, OF OHIO
JULIE DAVIS FISHER, OF CALIFORNIA
ELLEN JACQUELINE GERMAIN, OF NEW YORK
TODD C. HOLMSTROM, OF MICHIGAN
WILLIAM M. HOWE, OF ALASKA
BRYAN DAVID HUNT, OF VIRGINIA
SANDRA JEAN INGRAM, OF OHIO
HENRY VICTOR JARDINE, OF VIRGINIA
DAVID ALLAN KATZ, OF CALIFORNIA
JAMES L. LOI, OF CONNECTICUT
VALERIE LYNN, OF COLORADO
MANUEL P. MICALLER, JR., OF CALIFORNIA
KATHERINE ELIZABETH MONAHAN, OF CALIFORNIA
MARK D. MOODY, OF MISSOURI
GEOFFREY PETER NYHART, OF FLORIDA
DANIEL W. PETERS, OF ILLINOIS
CHRISTOPHER TODD ROBINSON, OF PENNSYLVANIA
LORI A. SHOEMAKER, OF TENNESSEE
MICHELE MARIE SIDERS, OF CALIFORNIA
SHAWN KRISTEN THORNE, OF TEXAS
MICHAEL CARL TRULSON, OF CALIFORNIA
GRAHAM L. WEBSTER, OF FLORIDA
BRUCE C. WILSON, OF CALIFORNIA
DAVID JONATHAN WOLFF, OF FLORIDA

UNITED STATES INFORMATION AGENCY

COLLETTE N. CHRISTIAN, OF OREGON
CAROLYN B. GLASSMAN, OF NEVADA
MAUREEN MATTER HOWARD, OF WASHINGTON
PATRICIA KOZLIK KABRA, OF CALIFORNIA
MARYANN MCKAY, OF CALIFORNIA
JEAN T. OLSON, OF FLORIDA
LAURA BAIN PRAMUK, OF COLORADO
ANN N. ROUBACHEWSKY, OF MARYLAND
EDWINA SAGITTO, OF MISSOURI

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENTS OF COMMERCE AND STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

MARTIN J. AVERSA, OF VIRGINIA
TODD B. AVERY, OF FLORIDA
JOSEPH R. BABB, OF CALIFORNIA
REBECCA M. BALOGH, OF VIRGINIA
ANTHONY THOMAS BEAVER, OF OHIO
MEGAN BEECHAM, OF MARYLAND
LOUIS LAWRENCE BONO, OF NEW YORK
KIRSTEN AILSA LESLIE BROOKS, OF FLORIDA
CHARLES R. BROOME, OF VIRGINIA
EMILY BRUNO, OF PENNSYLVANIA
MICHELLE A. BURTON, OF NORTH DAKOTA
ROBIN BUSSE, OF VIRGINIA
SIGRID NELSON CALANDRA, OF VIRGINIA
MATTHEW VICTOR CASSETTA, OF VIRGINIA
STEVEN M. CORLESS, OF WASHINGTON
WENDY GRACE CROOK, OF OREGON
PHILIP MARTIN CUMMINGS, OF CALIFORNIA
RICK A. DELAMBERT, OF CALIFORNIA
GENE J. DEL BIANCO, OF MASSACHUSETTS
STEVEN E. DE VORE, OF ILLINOIS
JASON ANTHONY DONOVAN, OF TEXAS
WILLIAM ERSKINE DUFF III, OF VIRGINIA
ROBERT NICHOLS FARQUHAR JR., OF OREGON
TERRENCE ROBERT FLYNN, OF MINNESOTA
DANA JANET FRANCIS, OF MASSACHUSETTS
DAN O. FULWILER, OF WASHINGTON
MATTHEW E. GOSHKO, OF MARYLAND
BRIAN EDWARD GREANEY, OF NEW HAMPSHIRE
SARA WHITE HAMILTON, OF MARYLAND
DANIEL ORDWAY HASTINGS, OF CALIFORNIA
ROBERT A. HEM, OF VIRGINIA
MELISSA PRESTON HORWITZ, OF NEW YORK
DAE B. KIM, OF CALIFORNIA
GENE L. KLINE, OF VIRGINIA
GARY KONOP, OF PENNSYLVANIA
JUDY HAIGUANG KUO, OF CALIFORNIA
WENDY RENEE LAURITZEN, OF VIRGINIA
HARVEY W. LAWHORNE, OF VIRGINIA
ANDREA MICHELLE LEWIS, OF FLORIDA
JEFFREY P. LODINSKY, OF NEW YORK
JENNIFER L. LUKAS, OF VIRGINIA
JOHN H. MCCORMICK, OF MARYLAND
PATRICK T. MCNEIL, OF ILLINOIS
SANDRA D. MIED, OF VIRGINIA
MICHELLE BERGET MILLS, OF VIRGINIA
DAVID GEORGE MOSBY, OF ILLINOIS
ANDREW HUANG NISSEN, OF VIRGINIA
LAWRENCE D. OWEN, OF MICHIGAN
NICHOLAS PAPP III, OF FLORIDA
JOSEPH ANTHONY PARENTE, OF NEVADA
BRADLEY SCOTT PARKER, OF CALIFORNIA
ROY ALBERT PERRIN III, OF LOUISIANA
MARCO GLEN PROUTY, OF WASHINGTON
BHASKAR KOLIPAKKAM RAJAH, OF ILLINOIS
ERICA RENEW, OF TEXAS
BENJAMIN A. ROCKWELL, OF ILLINOIS
KENNETH T. ROGERS, OF THE DISTRICT OF COLUMBIA
SUSANNE C. ROSE, OF THE DISTRICT OF COLUMBIA
ELISABETH N. ROSENSTOCK, OF NEW YORK
JOSE K. SANTACANA, OF MASSACHUSETTS
GREGORY P. SEGAS, OF VIRGINIA
PHILIP FRANZ D. SEITZ, OF VIRGINIA
DENISE SHIPMAN, OF PENNSYLVANIA
ALISON MOIRA SHORTER-LAWRENCE, OF VIRGINIA
DANIEL E. SLAVEN, OF ARIZONA
EDITH ARLENE SPRUILL, OF NEW YORK
RHETT D. TAYLOR, OF TEXAS
ANNE MARIE THOMAS, OF VIRGINIA
STACY R. TOWNSLEY, OF VIRGINIA
MICHAEL T. TROJE, OF FLORIDA
MARKO G. VELIKONJA, OF WASHINGTON
JEROME B. WEINFIELD, JR., OF MARYLAND
EDWARD A. WHITE, OF GEORGIA
YVETTA J. WOODBURY, OF VIRGINIA
RICHARD TSUTOMU YONEOKA, OF NEW YORK

EXECUTIVE OFFICE OF THE PRESIDENT

SALLY KATZEN, OF THE DISTRICT OF COLUMBIA, TO BE DEPUTY DIRECTOR FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET, VICE G. EDWARD DESEVE.

DEPARTMENT OF COMMERCE

Q. TODD DICKENSON, OF PENNSYLVANIA, TO BE COMMISSIONER OF PATENTS AND TRADEMARKS, VICE BRUCE A. LEHMAN, RESIGNED.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

CLIFFORD GREGORY STEWART, OF NEW JERSEY, TO BE GENERAL COUNSEL OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM OF FOUR YEARS. (REAPPOINTMENT)

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

ANTHONY MUSICK, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, VICE DONN HOLT CUNNINGHAME, RESIGNED.

DEPARTMENT OF EDUCATION

MICHAEL COHEN, OF MARYLAND, TO BE ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION, VICE GERALD N. TIROZZI, RESIGNED.

MISSISSIPPI RIVER COMMISSION

MAJOR GENERAL PHILLIP R. ANDERSON, UNITED STATES ARMY, TO BE A MEMBER AND PRESIDENT OF THE MISSISSIPPI RIVER COMMISSION, UNDER THE PROVISIONS OF SECTION 2 OF AN ACT OF CONGRESS, APPROVED JUNE 1879 (21 STAT. 37) (33 USC 642).

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AND ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be lieutenant colonel

MILTON C ABBOTT, 7250
LARRY N. ADAIR, 2261
DONNELL E. ADAMS, 2461
MICHAEL E. ADAMS, 7110
JOE V. ALDAZ, JR., 8011
BRUCE C. ALEXANDER, 2460
DAVID L. ALEXANDER, 2150
FRANK ALI, 5435
BRUCE A. ALLEN, 3155
COURT C. ALLEN, 9839
ROBERT C. ALLEN, JR., 1646
MERRIL J. ALLIGOOD, JR., 3807
JOHN C. ALLISON, 1629
MARK L. ALLRED, 3058
DAVID W. ALLVIN, 9319
MARK B. ALSID, 7727
STEPHEN G. ALSING, 4613
MARK D. ALTENBURG, 5987
ROBERT L. ALTMAN, 5649
DONATO J. ALTOBELLI, JR., 7786
STEVEN L. AMATO, 3340
CURTIS R. AMBLE, 4842
JOHN M. AMIDON, 6371
TRACY A. AMOS, 5047
HUGH A. AMUNDSON, 4244
KELLY E. ANDERSEN, 3642
E WEST ANDERSON, 8549
GARY D. ANDERSON, 9283
JOHN EDWARD ANDERSON, 4926
LYNDON S. ANDERSON, 2593
ROBERT A. ANDRES, 8491
PHILIP R. ANDREWS, 9039
TALENTINO C. ANGELOSANTE, 0233
BILLIE J. ANTES, 9254
CHRISTOPHER M. APPLEBY, 3290
JAMES H. APPLEYARD, JR., 9278
MICHAEL P. ARCENEAUX, 3997
LEE J. ARCHAMBAULT, 4010
GARY B. ARNOLD, 5916
RICHARD W. ARNOLD, 7959
STEVEN J. ARQUIETTE, 9025
WILLIAM W. ARRASMITH, 2855
HUGH W. ARSENAULT, 5265
EDNA E. ARTIS, 7989
HOWARD L. ASHFORD, 2910
BRADLEY K. ASHLEY, 5092
MARK R. ASHPOLE, 2139
VIRGINIA B. ASHPOLE, 0990
ROBERT P. ASHTON, 4760
DAVID C. ASSELIN, 9451
MARK A. AVERY, 0974
JAMES R. AYERS, 1612
BRADLEY E. BABB, 9667
PHILLIP P. BACA, 8072
JEFFREY L. BACHMANN, 4174
DONALD J. BACON, 8241
VALENTINO BAGNANI III, 4635
RICHARD J. BAGNELL, 0351
DAVID L. BAKER, 8302
DAVID T. BAKER, 2540
NORMAN J. BALCHUNAS, JR., 5013
LYNNE E. BALDRIGHI, 1216
JEFFREY K. BALL, 2894
JOE G. BALLARD, 9467
DANIEL F. BALTRUSAITIS, 4010
LENNIE M. BANE, 7278
CARL D. BANER, 2687
RICHARD T. BANKS II, 0634
ROBERT G. BARLOW, 6158
JUDY D. BARNES, 1900
PATRICK BARNES, 4076
RUSSELL C. BARNES, 9162
KEVIN D. BARON, 2198
JAMES A. BARR, 1443
MICHAEL J. BARRETT III, 5009
GARY S. BARRON, 4356
ROBERT K. BARRY, 8980
CHARLES J. BARTLETT, 4800
PAUL K. BARTLETT, JR., 9118
BURT A. BARTLEY, 2827
PETER P. BARTOS, 8558
WILLIAM H. BATEMAN, 9043
THOMAS B. BAUCKMAN, 7263
FRANKLIN W. BAUGH, 5508
BRIAN T. BAXLEY, 5217
KRISTIN D. BEASLEY, 1667
LAWRENCE A. BECKER, 3501
ROBIN E. BECKER, 0713
THOMAS J. BEDNAREK, 4865
KEVIN A. BEEBE, 2935
TERRI C. BEELERSAUCEDO, 3896
SUZANNE M. BEERS, 5387
BENJAMIN W. BEESON, 7878
PAUL T. BEISSER III, 2100
PAUL G. BELL, 4388
HOWARD D. BELOTE, 1905
LISA M. BELUE, 1861
CHRISTOPHER J. BENCE, 5024
NANNETTE BENITEZ, 4754
PAUL V. BENNETT, 5650
RICKEY B. BENNETT, 8354
TERRY R. BENTLEY, 0303
DONALD H. BERCHOFF, 5643
PAUL D. BERG, 1303
THOMAS C. BERG, 2464
WAYNE F. BERG, JR., 7743
WILLIAM J. BERG, 8328
KEITH BERGERON, 7496
THOMAS A. BERGHOFF, 2631
JOHN C. BERRY, 5402
WARREN D. BERRY, 1635
KEVIN T. BETZ, 7346
JAMES BIERSTINE, JR., 5580
DONALD F. BILLARD, 7551
BRUCE S. BISHOP, 1826
JUDITH D. BITTICK, 2431
MARK C. BIWER, 2872
BRIAN M. BJORNSON, 1255
DALE A. BLACKBURN, 5388
RICHARD E. BLACKBURN, 8487
LESLIE A. BLACKHAM, 4530
DANIEL C. BLAETTLER, 9750
HARRY H. BLANKE III, 3937
THOMAS L. BLASE, 4799
MARY A. BLAZEK, 5368
VIRGINIA V. BLAZICKO, 3090
CARL H. BLOCK, 7059
MAX J. BLOOD, 8839
MATHIAS C. BODDICKER, II, 8680
LANCE E. BODINE, 3995
TODD A. BOESDORFER, 6065

MICHAEL F. BONADONNA, 7104
ROBERT G. BONO, 3933
JOHN K. BORLAND, 7201
DANA H. BORN, 3051
KARL S. BOSWORTH, 2772
MICHAEL N. BOUCHER, 3009
ROBERT H. BOULWARE, 2647
JEFFREY B. BOWLES, 2201
HUGH D. BOWMAN, 8129
JAMES C. BOYD, 0442
MARCUS G. BOYETTE, 4058
WILLIAM J. BRANDT, 3736
CHRISTOPHER N BRANTLEY, 6295
DONALD D. BRATTON, JR., 6315
SHAWN P. BRAUE, 4241
PAUL A. BRAUNBECK, JR, 3452
ANNE E. BRELAND, 7900
ERIC R. BRENKERT, 0038
*ERIN S. BRETT, 2129
MICHAEL D. BRICE, 3724
ELIZABETH J. BRIDGES, 9722
AARON C. BRIDGEWATER, 5191
ROBERT T. BRIGANTIC, 1824
JACK L. BRIGGS, II, 7145
DANIEL C. BRINK, 1509
HARRIS L. BRISBON, 1283
SALLEE A. BRITTON, 4669
JAMES S. BROADWAY, 3515
MONTY L. BROCK, 6695
GREGORY N. BRODMAN, 1910
EDWARD M. BROLIN, 8523
BUD L. BROOKS, 6136
CHRISTOPHER K. BROOKS, 9207
KAREN D. BROOKS, 4638
JAMES L. BROOME, III, 0285
PAUL. B. BROTEN, 7270
FRANCIS M. BROWN, 9788
MARY E. BROWN, 4391
STEVEN M. BROWN, 6405
VIRGINIA G. BROWN, 5653
RAYMOND J. BROYHILL, 8616
RICHARD M.C. BRUBAKER, 5287
SANDRA L. BRUCE, 7495
DANIEL K. BRUNSKOLE, 9197
MICHAEL P. BRYANT, 1663
MARK A. BUCCIGROSSI, 6562
DAVID J. BUCK, 2598
KEVIN W. BUCKLEY, 3900
JOHN G. BULICK, JR. 8538
BRENDA R. BULLARD, 6524
CASSINE JAY P. BULLOCK, 6493
EDWARD J. BURBOL, 8741
ISMAEL BURGOS, JR., 2465
RICHARD J. BURKE, 8775
ROBERTA B. BURKE, 4212
LEE C. BURKETT, 6711
MICHAEL D. BURNES, 6832
DAVID M. BURNS, 9661
DENISE L. BURTON, 7095
PETER L. BUSSA, 8812
ROBERT F. BUSSIAN, 6224
LUIS E. BUSTAMANTE, JR, 2955
JAMES W. BUTTS, 8082
RUDOLPH T. BYRNE, 8378
ANDREW S. CAIN, 1541
SEAN P. CAIN, 3531
LARRY E. CAISON, 2121
LISA C. CAMP, 0102
CRAIG F. CAMPBELL, 0165
RICKY L. CAMPISE, 4160
ROBERT A. CANFIELD, 7431
JOHN E. CANNADAY, III, 8357
LOUIS A. CAPORICCI, 2043
LORRIE J. CAPPELLINO, 7384
ZYNA C. CAPTAIN, 0782
DAVID L. CARLON, 9009
BRIAN L. CARLSEN, 1596
CARL R. CARLSON, 0599
GRANT E. CARLSON, 8715
THOMAS L. CARLSON, 1014
TODD L. CARNAHAN, 9102
DAVID L. CARRAWAY, 2770
RICHARD J. CARRIER, 1102
JAMES J. CARROLL, 0493
GREGORY W. CARSON, 8697
DONALD C. CARTER, 0152
JESSE D. CARTER, 9982
SUE B. CARTER, 2387
THOMAS C. CARTER, 8368
ALLAN R. CASSADY, 7686
PETER H. CASTOR, 1764
RONALD J. CELENTANO, 3645
JAMES J. CHAMBERS, JR, 2540
DAVID W. CHANDLER, 9911
VONDA F. CHANEY, 3006
DENNIS W. CHENEY, 0971
JULIE A. CHESLEY, 2899
BARRY R.J. CHEYNE, 5992
KEVIN T. CHRISTENSEN, 5719
FRANCIS K. CHUN, 7431
STEPHEN A. CILEA, 6401
PETER A. CIPPERLY, 1113
DAN L. CLARK, 9879
JASON L. CLARK, 4520
RICHARD M. CLARK, 5701
WESLEY J. CLARK, 4387
JOHN G. CLARKE, 7572
MARGARET A. CLAYTOR, 9418
KAREN A. CLEARY, 9670
JAMES D. CLIFTON, 0839
WILLARD E. CLITES III, 2926
MARK A. COAN, 6703
WILLARD D. COBLE, 4624
RICHARD J. COCCIE, 0753
WALTER E. COCHRAN, 6773
JAMES M. COHEN, 2920
TRACY W. COLBURN, 8627
LINDA R. COLE, 2713
RAYMOND E. COLLINS, 4196
THERESA L. COLLINS, 3701
JOHN C. COLOMBO, 9112
THOMAS R. COMER, 2388
MAVIS E. COMPAGNO, 3469
JOHN H. COMTOIS, 7538
KATHLEEN O. CONCANNON, 5140
CURTIS C. CONNELL, 0477
MICHAEL P. CONNER, 0094
MICHAEL F. CONNOLLY, 7827
SUSAN B. CONNOR, 3580
JEFFREY P. CONNORS, 3649
KATHLEEN C. CONRAD, 1370
ROBERT S. COOK, 6531
WILLIAM T. COOK, JR., 6914
KENNETH C. COONS, JR., 5973
CHARLES E. COOPER, 8968
PAUL S. COPELAND, 2316
RAYMOND C. CORCORAN, 9894
REBECA F. CORDINGLY, 1407
CHARLES P. CORLEY, 5364
JOAN H. CORNUET, 2101
CHARLES D. CORPMAN, 4247
JOHN F. CORRIGAN, 7649
COLIN B. COSGROVE, JR., 9864
JOHN F. COSTA, JR., 3604
GERALD R. COSTELLO, 4607
FRANCIS COX, 1298
KEVIN S. COX, 2847
KIMBERLY S. COX, 0269
SUSAN A. COX, 0809
MATTHEW L. CRABBE, 0771
PHYLLIS KAY CRAFT, 0570
ROBERT L. CRAIG, 0334
RODNEY L. CROSLEN, 4041
THOMAS G. CROSSAN, JR., 1456
MICHAEL P. CROWLEY, 6093
SHANNON B. CROWLEY, 2456
CRAIG A. CROXTON, 1424
JESSE K. CRUMP, 2187
ROBERT E. CRUZ, 6890
MICHAEL T. CULHANE, 9403
ROBERT J. CULHANE, 6132
PATRICK E. CUMMINS, 5355
JENNIFER D. CUNNINGHAM, 5330
GERALD D. CURRY, 6009
JAMES M. CURTIS, 0036
RANDY K. CURTIS, 6661
ROBERT L. CUSHING, JR., 1984
BRIAN P. CUTTS, 0486
WALTER CYKTICH, JR., 4663
TERRI J. CZENKUS, 6974
MARK R. DAGGITT, 5954
LINDA J. DAHL, 1136
DENNIS E. DALEY, 6087
DOUGLAS H. DALSOGLIO, 1354
RAYMOND T. DALY, JR., 1934
KEVIN B. DAMATO, 8094
DONNA L. DANIELSON, 2079
JAMES R. DARBY III, 9237
DOUGLAS W. DAUER, 7078
THOMAS P. DAVENPORT, 1112
KENNETH J. DAVID, 6007
PETER D. DAVIDSON, 4024
WILLIAM T. DAVIDSON, 2858
DONNIE G. DAVIS, JR., 3467
KIMBERLY A. DAVIS, 1661
MARK L. DAVIS, 7723
MICHAEL D. DAVIS, 8463
ROBIN DAVIS, 1867
SHUGATO S. DAVIS, 8294
STEVEN TODD DAVIS, 5893
LILI D. DAWIDOWICZ, 3853
STEVEN O. DAWSON, 6400
KATHYRN A. DAY, 6046
RONALD J. DEAK, 7778
JAMES W. DEAN, 4798
JOHN F. DEAN, JR., 5424
MARY K. DEATHERAGE, 9732
MICHAEL V. DEATON, 7031
LAURIE A. DEGARMO, 8009
KEVIN D. DEGNAN, 6736
MICHAEL P. DEGREEF, 1940
GUS W. DEIBNER, 2278
MARKUS R. DEITERS, 7458
WILLIAM G. DEKEMPER, 2144
DENIS P. DELANEY, 1631
WILLIAM P. DELANEY, 8746
THOMAS DELAROSA, 9759
STEPHEN J. DELLIES, 6418
ANNE C. DEMENT, 9895
SCOTT L. DENNIS, 8071
PAUL DENNO, 4518
DAVID M. DENOFRIO, 9174
LEE K. DEPALO, 5908
LEE E. DEREMER, 5574
JAMES L. DEW, JR, 3722
DEBRA A. DEXTER, 6523
KIRK R. DICKENSON, 0331
JAMES R. DICKERSON, 3113
MICHAEL R. DICKEY, 7524
MARK C. DILLON, 8154
JON C. DITTMER, 1029
KATHLEEN T. DOBY, 0286
GREG R. DODSON, 5421
ELAINE R. DOHERTY, 6569
ARDEN L. DOHMAN, 6158
THOMAS J. DOLNEY, 7764
ROBERT A. DOMINGUEZ, 4561
JOHN T. DONESKI, 1504
JOHN F. DONNELLY, 8710
CHRIS E. DONOVAN, 5319
JOHN A. DORIAN, 9654
CHARLES S. DORSEY, 4834
EDWARD K. DOSKOCZ, 6262
JOHN W. DOUCETTE, 1645
SAMUEL R. DOUGLAS, 7736
PAUL E. DOWDEN, 9848
MARIA J. DOWLING, 6703
BENJAMIN H. DOWNING, 2611
*KONNIE M. DOYLE, 5731
GREGORY F. DRAGOO, 9495
JOHN D. DRIESSNACK, 1058
WILLIAM A. DRUSCHEL, 6422
SCOTT C. DUDLEY, 2442
SEAN P. DUFFY, 1426
DENISE DUMAS, 4027
MARY E. DUNCAN, 5955
RONALD L. DUNIC, 5138
DIEP N. DUONG, 8067
THEOPHILE DUPLECHAIN, JR, 2508
THOMAS L. DUQUETTE, 2430
JON A. DURESKY, 3882
DARREN P. DURKEE, 5258
DAVID J. DUVALL, 5741
MICHAEL S. DUVALL, 1594
GREGORY M. DZOBA, 1758
THOMAS J. EANNARINO, 0170
ERIC M. EARNEST, 5165
DAVID J. EASTMAN, 2588
LINDA L. EBLING, 2898
ROBERT J. EGBERT, 2176
GERARD W. EGEL, 6353
RANDY D. EIDE, 4023
CRAIG A. EIDMAN, 1664
ANGELO B. EILAND, 3103
RICHARD C. EINSTMAN, 8796
ASHLEY S. ELDER, 5662
JAMES M. ELDRIDGE, JR, 9294
NEIL R. ELTON, 0861
BRUCE C. EMIG, 2707
RANDALL M. EMMERT, JR, 0171
MARK D. ENGEMAN, 2868
JON L. ENGLE, 3704
ROBERT S. ENGLEHART, 4928
CHARLES M. ENNIS, JR, 8734
DAVID ENNIS, 4261
ARNEL B. ENRIQUEZ, 5790
DAVID A. ERCHINGER, 9385
LESLIE D. ERICKSON, 3710
MARK S. ERICKSON, 4138
TERESE A. ERICKSON, 2852
KAREN G. EVERS, 8670
DEBORAH Y. EVES, 4722
WALTER G. FARRAR, III, 8838
VINCENT M. FARRELL, 5787
DONALD G. FARRIS, 2673
MICHAEL A. FATONE, 0156
DANIEL C. FAVORITE, 9385
JAMES V. FAVRET, 6077
DAVID A. FEEHS, 9861
RICHARD W. FEESER, 2373
DOUGLAS H. FEHRMANN, 6813
JOSEPH B. FENTRESS, 7471
DANIEL R. FERNANDEZ, 7880
KENNETH H. FIELDING, 6718
FRANK E. FIELDS, 7280
EDWARD A. FIENGA, 8302
DANIEL L. FIGUEROA, 9873
DAVID A. FILIPPINI, 3318
HERBERT J. FINCH, 2899
KENNETH J. FISCHER, 5955
CRAIG H. FISHER, 7535
EDWARD L. FISHER, 5251
GREGORY L. FISHER, 6576
STEPHEN M. FISHER, 5935
TIMOTHY E. FISK, 5362
CLIFFORD B. FITTS, 3232
JOHN H. FLETCHER, 7434
DIANA R. FLORES, 7225
STEVEN W. FLOWERS, 8181
DAVID J. FOELKER, 3605
DANIEL T. FOGARTY, 0130
BRIAN R. FOLEY, 9424
CHARLES M. FOLSOM, 7540
DOUGLAS C. FORBES, 7646
NORMAN J. FORBES, 8033
MARK S. FORESTER, 9683
JAMES F. FORREST, 8978
JOHN K. FORSYTHE, JR., 1162
DEBORAH A. FORT, 9389
CINDY L. FOSSUM, 3158
JOSEPH FOSTER, 9270
BOBBY G. FOWLER, JR., 4705
KEVIN J. FOWLER, 9661
TIMOTHY J. FOWLER, 8923
DEAN G. FOX, 0084
ERIC EDWARD FOX, 9711
BRUCE D. FRANK, 5831
DONALD A. FRANKENBERRY, 7417
HOLLY R. FRANZ, 8488
JOHN H. FRANZ, 4269
MARK C. FRASSINELLI, 9720
DAVID C. FRAZEE, 2904
KEITH D. FREDE, 3414
BARRY A. FREDERICK, 6277
TIM B. FREEMAN, 6686
PATRICIA ANN FREEMANFORD, 4144
KARL L. FREERKS, 2365
GERALD J. FRISBEE, 7219
JACKIE D. FRISBYGRIFFIN, 2013
PATRICK E. FROST, 0314
ROY H. FUKUOKA, 4756
CLAUDE V. FULLER, JR., 8072
DONALD J. GALE, 8205
BRYAN J. GALLAGHER, 7657
MARK A. GALLAGHER, 5571
RONALD J. GARAN, JR., 9409
SCOTT R. GARDNER, 5133
WONZIE L. GARDNER, JR., 5452
ROBERT F. GASS, 8341
DANIEL J. GATES II, 5448
RICHARD W. GATES, 3367
SANDRA E. GATEWOOD, 4649
KERMIT J. GETZ, 6301
JAMES F. GEURTS, 5867
DAVID C. GEUTING, 4018
DAVID S. GIBSON, 3502
RANDY L. GIBSON, 4000
JAMES M. GIESKEN, 5387
ROBERT C. GIFT, 8867
DENISE L. GILLEN, 3574
WILLIAM S. GILLEY, 7074
DAVID S. GILMORE, 1174
THERESA GIORLANDO, 4025
FREDERICK M. GIRBERT, 5124
ALAN G. GLODOWSKI, 2959
DAVID M. GLOGOWSKI, 5731
JOHN E. GOCHENAUR, 9744
RICHARD A. GODDARD, 9545
JAMES D. GODWIN, 5824
THOMAS W. GOFFUS, 4627
TERRY L. GOLD, 0411
LIESEL A. GOLDEN, 6789
FRANCINE P. GOODE, 6209
JOHN T. GOODE, 2910
GERALD S. GORMAN, 8077
MARK N. GOSE, 0768
PATRICK A. GOULD, 9799
WAYNE E. GRACHEK, JR., 7040
LARRY M. GRANT, 1126
MARION R. GRAVELY III, 6800
DAVID L. GRAVES, 1982
MICHAEL R. GRAY, 1315
WILLIAM R. GRAY III, 9824
THOMAS A. GREALISH, 5261
DANIEL J. GREEN, 1864
TIMOTHY S. GREEN, 2100
SOCRATES L. GREENE, 1669
JAMES M. GREER, JR., 2585
AMY M. GRIESE, 6983
JOYCE L. GRIM, 7330
DANIEL G. GROESCHEN, 3158
VIRGIL A. GROGEAN II, 3670
HARRY N. GROSS, 2529
PAUL A. GROVEN, 5199
ELIZABETH M. GRUDZINSKI, 4471
TIMOTHY A. GUIDEN, 2654
MICHAEL J. GUIDRY, 1268
JAMES P. GUINAN, 8732
DANA L. GUNTER, 5053
ERIC V. GUNZINGER, 1769
RANDALL H. GUPTON, 2843
MICK R. GUTHALS, 0143
GARY M. GUTOWSKY, 3462
ROBERT L. HAASE, JR., 8298
DANIEL V. HACKMAN, 5293
MICHAEL D. HAEFNER, 5741
JEFF L. HAGENS, 8687
DEAH T. HAGMAIER, 2185
JAMES C. HAHN, 9374
CHRIS E. HAIR, 5875
MARVIN C. HAIRE, 6869
KATHRYN E. HALL, 3098
PAMELA J. HALL, 9722
SUSAN R. HALL, 2695
THOMAS J. HALL, II, 1805
DAVID C. HAM, 3065
JOHN J. HAMBEL, 1159
STEVEN E. HAMMOCK, 7152
BRUCE A. HANESSIAN, 4243
JERROLD J. HANNA, 2323
JAMES L. HANNON, 2658
THOMAS M. HARKENRIDER, 4178
BRUCE F. HARMON, 4810
JOSEPH F. HARMON, JR, 3554
JOSEPH H. HARRELL, 0422
BRIAN D. HARRIETT, 9950
JEFFREY L. HARRIGIAN, 4567
CHARLES H. HARRIS, JR, 3099
DAVID A. HARRIS, 3197
JACKSON S. HARRIS, JR, 3726
JERRY D. HARRIS, JR, 1987
JOHN D. HARRIS, 9984
RAY P. HARRIS, 5356
ROBERT HARRIS, 8744
WILLIAM S. HARRIS, 2868
JOHN C. HARRISON, 7265
JAMES A. HARROLD, 3064
JACQUELINE C. R. HARRY, 6346
DAVID E. HARSHMAN, 2563
EDWARD R. HARTMAN, 8392
PAUL G. HARTMAN, 4262
RICHARD W. HARTMAN, 3367
ROBERT J. HARTNETT, JR, 3911
*MICHAEL C. HARTZELL, 8292
TINA M. HARVEY, 9646
ROGER A. HARVILLE, 0621
MARK R. HASARA, 9249
MICHAEL R. HASS, 9594
ARTHUR G. HATCHER, JR, 4963
BRENDA A. HAVEN, 0249
ANGELO T. HAYGOOD, 8892
ROBERT L. HEAD, JR, 9756
THOMAS Y. HEADEN, 6559
LAURIE S. HEALY, 6625
SEAN V. HEATHERMAN, 4100
JOEL C. HECK, 5714
KEITH L. HEDGEPETH, 7338
BART H. HEDLEY, 7506
MARK A. HEDMAN, 7136
WARD E. HEINKE, 3497
JULIE A. HEITZMAN, 9391
LENORE M. HEMINGWAY, 9313
MICHAEL G. HEMLER, 4253
ANTHONY L. HENDERSON, 6443
DAVID E. HENDERSON, 9315
JAMES L. HENDERSON, 6872
SCOTT A. HENDERSON, 4789
GEORGE M. HENKEL, 2456
KIRSCHBAUM JOANNE HENKENIUS, 9942
PAUL R. HENNING, 7683
EUGENE H. HENRY, 0413
KEVIN M. HENRY, 1290
MICHAEL W. HENRY, 5919
JOHN J. HEPNER, 8184
SHARON M. HERMAN, 2702
MICHAEL F. HERMSEN, 9501
BRADLEY P. HERREMANS, 6915
SHERRY A. HERRERA, 3961
MARK S. HERSHMAN, 8602
GARY D. HETLAND, 2425
BRUCE E. HEYLMUN, 8995
ROLLINS G. HICKMAN, 7443
KYLE E. HICKS, 7519
MANUEL A. HIDALGO, 3425
MELISSA A. HIGGINBOTHAM, 2829
JOHN R. HIGGS, JR, 9708
DOUGLAS D. HIGH, 5702
JOHN T. HILDEN, 7933
CHRISTINE O. HILL, 0003
DOUGLAS E. HILL, 3491
JOEL H. HILL, 2908
NORAH H. HILL, 8295
RAYMOND R. HILL, JR, 9225
ROBERT L. HINKLE, 1629
DONALD P. HINKSON, 8434
DONALD W. HINTON, 6695
GREGORY H. HINTON, 3513
SUSAN E. HIRST, 4828
MICKIE S. HO, 2037
CLEOPHAS S. HOCKADAY, JR, 5491
RICHARD E. HOEFERKAMP, 8539
JEFFREY A. HOFFER, 4694
GREGORY J. HOFFMAN, 3997
ROBERT K. HOFFMANN, 4011
KENNETH E. HOGAN, 9505
WILLIAM E. HOGAN, 8411
RICHARD A. HOLCOMB, 5384
MELVIN A. HOLLAND, III, 8922
KIRBY R. HOLMES, 2772
*BARBARA J. HOLMSTEDTMARK, 1155
DAVID L. HOLT, 0302
MICHAEL A. HOMAN, 5201
GARY L. HOPPER, 0911
STEVEN L. HOPPER, 2943
LELAND R. HOPSON, 8738
DANIEL J. HORACK, 0094
GEORGE S. HORAN, 3619
ANNE T. HOUSEAL, 2776
MICHAEL J. HOUSEHOLDER, 1437
RICHARD K. HOUSTON, 4040
RALPH D. HOWARD, 6579
MARILYN H. HOWE, 2797
JAMES E. HUBBARD, 1604
JEFFREY A. HUBBARD, 2459
JAMES A. HUBERT, 6690
LINDA K. HUGGLER, 7924
BRIAN D. HUIZENGA, 2191
BENJAMIN J. HULSEY III, 2093
JEFFERY A. HUNT, 0055
ERIC C. HUPPERT, 6269
DAVID M. HUSBAND, 0689
STEPHEN L. HUTCHENS, 0329
OTTIS L. HUTCHINSON, JR., 6544
JAMES M. HUTTO, 2816
JEFFREY J. INGALLS, 3009
JOHN R. INGHAM, 9468
KAREN A. INSKEEP, 6221
DON C. IRWIN, 7213
TROY V. IRWIN, 4476
STEVEN M. ISENHOUR, 8447
EILEEN M. ISOLA, 5904
MARK E. ISRAELITT, 2322
ARMAND G. IZZO, 8163
KEVIN E. JACKSON, 4269
TIMOTHY M. JACOBS, 4777
JAY A. JACOBSON, 5786
THOMAS E. JACOBSON, 5531
WILLIAM J. JACOBY, III, 1867
DAVID R. JACQUES, 7433
LISA A. JACQUES, 4128
THOMAS A. JAEGER, 9284
*MICHAEL JAENSCH, 4952
RONALD J. JAKOVAC, 1967
ALLEN J. JAMERSON, 5167
DEREK D. JAQUISH, 0368
*DEWEY W. JENKINS, JR., 8501
ERIC R. JENKINS, 2615
GEORGE R. JENKINS, 7185
ROBERT Q. JENKINS, 8229
STEVEN S. JENKINS, 6187
MARK L. JENNER, 1115
THOMAS W. JENSEN, 4899
JAMES W. JERNIGAN, 3624
HERMAN O. JETT, 6235
DAVID D. JIVIDEN, 8756
DAVID L. JOHANSEN, 6470
BRENT A. JOHNSON, 0237
BRIAN L. JOHNSON, 5575
EUGENE O. JOHNSON, JR., 1598
GREGORY GENE JOHNSON, 0683
GREGORY H. JOHNSON, 5217
JON E. JOHNSON, 7853
KARL B. JOHNSON, 7513
MILTON W. JOHNSON, 4375
RICHARD T. JOHNSON, 8846
SUSAN J. JOHNSON, 6476
TERRY L. JOHNSON, 4862
DOUGLAS L. JOHNSTON, 1175
CHRISTOPHER A. JONES, 3748
DAVID L. JONES, 6334
DRUSSELL B. JONES, 0229
FRANK E. JONES, 7071
JACK L. JONES, 5982
NATHAN H. JONES, 7065
STEPHEN R. JONES, 8405
THOMAS A. JONES, 0617
MICHAEL JOY, 4087
PAUL R. JOYCE, 1739
SETH M. JUNKINS, 4505
BRIAN J. JURKOVAC, 0555
KURT J. KAISLER, 6939
THOMAS A. KALDENBERG, 6004
JAMES D. KANABAY, JR., 2066
GERARD F. KANE, 8537
REBECCA A. KANTER, 1869
BYRON J. KAPPES, 0428
LAURA M. KARANOVICH, 0230
JAMES R. KASMER, 0243
ROBERT A. KAUCIC, JR., 8520
EDWARD KEEGAN, 9529
ROBERT L. KEITH, 8844
STEVEN E. KEITH, 4571
JULIE I R. KELLER, 4441
RICHARD C. KELLOGG, 2221

ERIC D. KELLY, 5872
JAMES M. KELLY, 8986
FRED C. KELSEY, 1021
DOUGLAS L. KENDALL, 0039
JAMES M. KENDLER, 4763
MICHAEL W. KENNEDY, 0682
VAN D. KEPLEY, JR., 2379
JERRY D. KERBY, 8977
BART R. KESSLER, 2362
THOMAS R. KETTLER, 7245
KENNETH V. KIBURIS, 8914
*JOHN A. KILDEW, 6860
MICAH E. KILLION, 4484
MAURICE L. KILPATRICK, JR., 3625
STEVEN A. KIMBRELL, 5939
ANITA M KING, 7133
EDMUND T. KING II, 7906
EDWARD R. KING, 8239
ROBERT W. KING, 3247
KAREN J. KINLIN, 1459
SHEILA M. KINTY, 2017
KEVIN R. KIRKPATRICK, 9525
MICHAEL R. KIRPES, 6397
ANTHONY T. KITT, 8820
DENNIS K. KITTERMAN, 3601
ERIC A. KIVI, 6864
GARY W. KLABUNDE, 7600
TERRY D. KLINE, 7553
EDWARD J. KLINENBERG, 4987
STEPHEN S. KMIECIK, 5253
RICHARD P. KOEPKE, 3879
BETH Y. KOHSIN, 9234
WILLIAM A. KOLAKOWSKI, 1656
KEITH E. KOLEKOFSKI, JR., 1372
JEFFREY A. KOONZ, 7125
PHILIP L. KOPPA, 8738
JOHN M. KORLASKE, 3171
RICHARD A. KOSANKE, 8711
STEVEN T. KOTAN, 5395
DIANE L. KOVACH, 7107
STEWART J. KOWALL, 3052
MARK D. KRAMER, 9638
PAUL A. KRAUSE, 6393
MICHAEL V. KRAUT, 8104
JOHN H. KRESEK, JR., 9658
WOLFGANG K. KRESSIN, 2968
THOMAS W. KRISE, 9990
MARK S. KROSS, 6501
JOHN C. KRUEGER, 8418
DANA C. KUECKER, 0821
DAVID E. KUGLER, 3779
KARL W. KUSCHNER, 8519
GARY R. KUWASHIMA, 7194
KURT R. KUZNICZCI, 1331
ROBBY A. KYROUAC, 4254
THOMAS P. LACOMBE, 4625
THOMAS M. LAFFEY, 4018
ANDREW D. LAGRONE, 0498
ROBERT A. LALA, 7900
JOHN D. LALUMIA, 9059
RAYMOND E. LAMARCHE, JR., 0944
MICHAEL A. LAMBERT, 2634
SCOTT V. LANDIS, 6849
PHILLIP T. LANMAN, 0564
WILSON DAVIS LANNOM, JR., 4588
FRANK H. LARA, 0130
MARK J. LAROSE, 4826
BRUCE A. LARSEN, 4828
DAVID M. LARSON, 3653
DEBORAH L. LARY, 8239
STEPHEN LATCHFORD, 0353
ANITA E. LATIN, 4483
STUART T. LATTA, 9342
JOHN W. LAVIOLETTE, 0077
THOMAS J. LAWHEAD, JR., 0699
NAOMI T. LAWLESS, 1775
ROBERT G. LAWS, 1913
GREGORY E. LAXTON, 6637
PETER C. LEAHY, 0816
TIMOTHY J. LEAHY, 8014
PATRICK G. LEE, 6483
RONALD A. LEE, 9980
JOHN D. LEEZER, 8950
RANDY J. LEFEVRE, 5251
SCOTT J. LEMPE, 4193
BABETTE M. LENFANT, 2813
MARIACRISTINA C. LEONE, 5445
NATHAN A. LEPPER, 2910
MARK W. LEVSKY, 3683
JEFFREY L. LEWIS, 4461
PAULA A. LEWIS, 7388
THEODORE P. LEWIS, 4292
DARCY L. LILLEY, 1219
SOLEDAD LINDOMOON, 3245
MARK W. LINDSEY, 5220
LANCE J. LINDSLEY, 2406
PETER E. LINNEMANN, 1832
JOHN LIPINSKI, 0062
RAUL A. LIRA, JR., 5892
SCOTT C. LOCKARD, 6333
RANDALL L. LONG, 9669
WAYNE D. LOOSBROCK, 0872
ADELAIDA LOPEZ, 1589
MARK J. LORENZ, 3751
JOHN E. LOSCHIAVO, 2782
JAMES A. LOTT, 9280
MICHAEL G. LOUGHLIN, 1023
CATHERINE T. LOVELADY, 2862
WYLIE E. LOVELADY III, 7194
ANDRE L. LOVETT, 5775
RAY DON LOWE II, 0164
JEFFREY D. LOWERY, 8047
RONALD P. LOWTHER, 0040
EDWARD W. LOXTERKAMP, 1208
JOSEPH R. LUBIC, 3178
DAVID E. LUCIA, 7043
LOUISE M. LUNDVAA, 1708
ROALD F. LUTZ, 2229
STEPHEN P. LUXION, 2045
CHRISTOPHER H. LYONS, 6383
DOUGLAS J. LYPEK, 2817
BRIAN D. MAAS, 5502
ROBERT J. MACDONALD, 5246
PATRIVA V. MACK, 5840
S. THOMPSON MACKENZIE, 5303
KRISTIAN G. MACKEY, 6078
KEMMIT C. MACLEAN, 2194
BARRY S. MACNEILL, 7119
BRIAN MAGAZU, 7078
DONALD J. MAGEE, 1121
WILLIAM J. MAHONY, JR., 8636
ROBERT W. MAHOOD, 8411
KARL B. MAJOR, 1743
MYRON V. MAJORS, 9384
JERALD T. MALLERNEE, 7404
RICHARD L. MALLICK, 3134
CHRISTOPHER R. MALOY, 7137
FILEMON S. MANANSALA, 0487
KATHRYN S. MANCHESTER, 9512
MARK A. MANEELY, 6116
JAMES E. MANKER, JR., 1962
MARK T. MANNEY, 6298
CHARLES A. MANSHIP II, 6931
WALTER B. MANWILL, 0597
HOWARD K. MARDIS, 9065
JAMES R. MARRS, 9957
NATHAN W. MARTENS, 6410
JAMES F. MARTIN, JR., 3909
LAWRENCE M. MARTIN, JR., 3752
LESLIE C. MARTIN, 8492
RONALD G. MARTIN, 2649
STEVEN W. MARTIN, 2153
DAVID W. MARTINEZ, 6413
GLEN S. MARUMOTO, 2838
JAMES K. MASON, 7547
SHARI L. MASSENGALE, 0955
STEPHEN M. MATECHIK, 2386
ERIC S. MATHEWSON, 7288
DONALD F. MATTNER, JR., 9804
JUAN M. MAURTUA, 6443
KATHY L. MAXWELL, 0702
DANITA C. MCALLISTER, 0961
EVERETT B. MCALLISTER, 7507
GARY D. MCALUM, 2492
PATRICK W. MCANDREWS, 2228
PETER M. MCCABE, 1957
JOHN M. MCCAIN, 6556
RANDY MCCANNE, 3119
MICHAEL J. MCCARTHY, 2100
JAMES E. MCCLAIN, 7589
JOSEPH S. MCCLAIN, 3540
DAVID B. MCCORMICK, 0294
TIMOTHY R. MCCORMICK, 0996
CLEVELAND R. MCCRAY, 8139
CARLOS L. MCDADE, 2591
CARL E. MCDANIEL, JR., 2951
LOUIS N. MCDONALD III, 4321
GUY W. MCGEE, 5773
MICHAEL B. MCGEE, JR., 1982
TERESA M. MCGONAGILL, 4903
DONALD A. MCGOUGH, JR., 9962
MAURA THERESA MCGOWAN, 7519
JOSEPH H. MCGUGAN, 6825
LAWRENCE J. MCGUIN, 0368
TIMOTHY J. MCILHENNY, [illegible]
FRANCIS L. MCILWAIN, JR., 6180
BRIAN K. MCINTOSH, 5042
JANET E. MCINTOSH, 5309
PAUL D. MCINTOSH, 0199
STEPHEN M. MCINTYRE, 2606
TIMOTHY P. MCINTYRE, 0293
MICHAEL V. MCKELVEY, 4890
MATTHEW P. MCKEON, 4528
CHRISTOPHER M. MCLAUGHLIN, 9574
JOHN A. MCLAUGHLIN, JR., 1870
MONTE C. MCMEANS, 2196
*SARAH P. MCMENAMIN, 2736
ROY D. MCMICKELL, JR., 2936
ROBERT H. MCMILLAN III, 0428
ROBERT D. MCMURRY, JR., 4300
SEAN T. MCNAMARA, 7238
RICHARD G. MCSPADDEN, JR., 8766
WILSON G. MCWHIRTER III, 8679
LINDA R. MEDLER, 9295
SCOTT D. MEISINGER, 7761
STEPHAN J. MELITZ, 0806
GREGORY L. MELTON, 6536
MARK A. MELVILLE, 3224
MICHAEL R. MENDONCA, 5108
ANN E. MERCER, 7698
STEVEN J. MERRILL, 0088
DONALD C. MERTZ, JR., 4090
DARRYL C. METZ, 9337
DANIEL D. MEYER, 2880
EDWARD F. MEYER, 1820
JEFFREY W. MEYER, 3945
RICHARD E. MEYER, 1161
RONALD J. MIKRUT, 4816
JAMES D. MILBURN, 6293
CHARLES B. MILLER, 8367
CYNTHIA L. MILLER, 2403
DOUGLAS W. MILLER, 9985
JAMES C. MILLER, 5917
MIKEL M. MILLER, 3058
RANDOLPH P. MILLER, 4327
RICHARD C. MILLER, 7375
THOMAS J. MILLER, 0901
MICHAEL K.J. MILLIGAN, 7260
ARTHUR G. MILLS, 8230
DIANE M. MILLS, 3421
ROBERT F. MILLS, 7813
ERNEST M. MILTON, 5779
EDWARD M. MINAHAN, 4745
STEPHEN L. MITCHELL, 5823
SUSAN E. MITCHELL, 5711
WILLIAM L. MITCHELL, 6990
ZANE W. MITCHELL, JR., 2939
EUGENE W. MITTUCH, 0438
MATTHEW H. MOLLOY, 5555
JEFFREY M. MOODY, 6305
JAMES M. MOORE, 7752
LARRY B. MOORE, 4655
SCOTT W. MOORE, 0904
STEVEN G. MOORE, 0553
TIMOTHY S. MOORE, 1305
WILLIAM A. MOORE, 9174
LUIS F. MORALES, 6754
ROBERT E. MORIARTY, 9371
DANIEL P. MORIN, 6627
ANNE R. MORRIS, 2193
KAREN P. MORRIS, 8159
MICHAEL F. MORRIS, 3611
GARY P. MORRISON, 9410
DAVID L. MORROW, 8238
PATRICIA G. MOSELEY, 1300
WILLIAM A. MOSS, 4641
URSULA P. MOUL, 1377
JAMES C. MOULTON, 2302
MARK W. MOUW, 0039
PATRICK O. MOYLAN, 8061
RONALD J. MOZZILLO, 3341
MICHAEL R. MUELLER, 4494
MARK D. MULLEN, 6710
BARRY E. MULLINS, 7828
RICHARD F. MUNSELL, 3209
TRACY M. MURAKAMI, 7637
KEVIN M. MURPHY, 8409
TIMOTHY W. MURPHY, 8556
BRIAN K. MURRAY, 5336
JEFFREY M. MURRAY, 4047
PATRICK H. MURRAY, 4123
EDEN J. MURRIE, 3050
BARBARA L. MYERS, 3394
BROOKS A. MYERS, 5717
RICHARD R. NEEL, 9579
MICHAEL L. NEELEY, 6068
THERESE M. NEELY, 4956
JAMES B. NEES, 6678
GEORGE J. NELSON, JR., [illegible]
JULIA E. NELSON, 1283
MARY S. NELSON, 9966
JEFFREY L. NEUBERGER, 9471
VISHNU V. NEVREKAR, 0494
JOHN F. NEWELL III, 4484
MATTHEW P. NEWMAN, 6913
JOSEPH W. NICHOLS, 5351
STUART O. NICHOLS, 8152
PHILIP G. NICHOLSON, 1481
DAVID A. NICKELS, 5805
CLARA L. NIELSEN, 1614
STEPHEN J. NIEMANTSVERDRIET, 9509
LAWRENCE J. NIKOLAUS, 2746
WESLEY L. NOLDEN II, 5388
BRIAN S. NORMAN, 7704
CYNTHIA L.A. NORMAN, 8167
JON A. NORMAN, 5805
CLETUS G. NORRIS, 5461
JAN A. NORTH, 3440
KEVIN W. NORTON, 3744
JAMES R. NORWOOD, 2247
STEVEN R. NOTTOLI, 1050
MARK C. NOWLAND, 7372
KEVIN W. OATLEY, 0121
CHARLES E. O'BRIEN, 6724
EDWARD P. O'CONNELL, 4780
MAURICE T. O'DONNELL, 9298
DONALD E. OFFILL, 1928
JAMES H. OGDEN, 7252
TERENCE N. OHERON, 0645
PAUL M. OLDE, 2949
ROBERT I. OLSON, 7604
TIMOTHY A. OLSON, 9533
ROBERT C. O'NEAL, 4435
ELAINE ORABONA, 9807
VIRGINIA A. ORR, 8559
ROBERT L. ORWIG, JR., 0179
PHILLIP L. OSBORNE, 8548
TERRENCE J. O'SHAUGHNESSY, JR., 3181
BRADLEY D. OSWALT, 4364
WILLIAM F. OVERBEY, JR., 8760
KELLY J. OWENS, 5625
MARC E. OWENS, 7587
JOSEPH G. PACHECO, 8999
DUANE A. PADRICK, 7240
LEON D. PAGE, SR., 8754
WILLIAM J. PALIWODA, 9957
NORMAN H. PALLISTER, 7056
MARGUERITE J. PALMER, 3679
ROBERT C. PALMER, 8554
GUY M. PALUMBO, 2854
ROBERT E. PANNONE, JR., 0897
RONALD B. PANTING, 6684
GLEN J. PAPPAS, 8776
ORLANDO J. PAPUCCI, 8352
JAMES E. PARKER, 9392
MICHAEL K. PARKER, 7008
MONTE R. PARKER, 0444
VICTOR F. PARKER, 2875
JOHN B. PARKES III, 8241
ANTHONY T. PARLATI, 6102
DAVID R. PATTERSON, 9635
JACK D. PATTERSON, 9193
SPENCER H. PATTERSON, JR., 6477
ERIC M. PAULSON, 5371
GEORGE L. PAVELKO, JR., 5512
JONATHON S. PAYNE, 3326
DAVID W. PEAIRE, 4791
BRADLEY J. PEARSON, 8593
ALEX S. PEAT, 5658
MICHAEL W. PEEL, 0116
PATRICK E. PENCE, 0240
DAVID C. PENNY, 8847
PHILIP E. PEPPERL, 9432
JOHN J. PERICAS, 7629
GREGORY M. PERKINSON, 5001
GARY R. PERRY, 6478
JENNIFER HANSELL PERRY, 4221
LAWRENCE J. PETER, 0117
EUGENE G. PETERSON, JR., 0104
MARK R. PETERSON, 1696
DAVID PETRILLO, 0140
HANS J. PETRY, 2520
WILLIAM G. PFEIFFER, JR., 1578
KURT P. PFITZNER, 2624
DAVID D. PHILLIPS, JR., 2898
DON E. PHILLIPS, 3997
GARY E. PHILLIPS, JR., 2921
RONALD B. PHIPPS, 2993
RONALD H. PICKETT, 6859
CHARLES K. PIGG, 8784
ALAN J. PINEAULT, 8592
JOHN P. PINO, 9708
CURTIS O. PIONTKOWSKY, 3065
*GARY F. PIPER, 4797
STEVE E. PITCHER, 0972
LEE PLOWDEN, 4231
MARK A. POHLMEIER, 4272
TODD J. POLLARD, 3382
JOHN D. POLLEY, 6848
CHRISTOPHER J. POOCK, 1329
TIMOTHY G. POOLE, 6190
PATRICIA L. POPPINO, 5154
CHARLES E. POTTER, 8351
RONALD K. POWELL, JR., 8821
DONNA L. POWERS, 5367
WINSTON D. POWERS, 4717
MARK R. PRICE, 5843
PAUL A. PRICE, 5152
PHILIP J. PRICE, 6496
JOSEPH J. PRIDOTKAS, 7751
ELEGEAR J. PRIMUS, 0260
MICHAEL E. PRIVETTE, 4629
DENISE M. PROCTOR, 5638
JOSEPH F. PUGLIESE, 6813
PETER PUHEK, 8271
JAMES R. PULLIAM, 4952
SCOTT T. PURDIE, 2624
ROBERT A. PURKHISER, 4425
STEVEN O. PURTLE, 6909
JOHN C. PYRYT, 2811
WILLIAM P. QUINONES, 0866
MICKEY L. QUINTRALL, 0831
SUZANNE T. QUIRAO, 7190
RICHARD J. RAGALLER, 8632
JEFFREY A. RALSTON, 1041
ANTHONY RAMOS, 5103
FRANKLIN D. RAND, 9866
TAMRA L. RANK, 8168
KEVIN D. RASMUSSEN, 6391
GREGORY J. RATTRAY, 2247
JEFFREY RATTRAY, 5389
BRIAN S. RAY, 9380
GREGORY MARK RAY, 1839
JOEL D. RAY, 8044
TIMOTHY M. RAY, 0981
ANTHONY P. REARDON, 6013
ANDREW M. REDMOND, 5920
HERRIE L. REED, JR., 9513
RICHARD A. REED, 2461
RODNEY E. REED, 4662
SCOTT A. REED, 6654
JOEL S. REESE, 7182
KENNETH W. REESE, 6843
MATTHEW F. REESE, 3775
HOWARD A. REID, 9230
MARGARET A. REILLY, 9727
BRADFORD M. REINERT, SR., 0132
BRADY R. REITZ, 7711
DAVID REMENDOWSKI, 8981
DAVID RESENDEZ, 7003
TERRI J. REUSCH, 5637
CHRISTOPHER J. REVIS, 2245
DAVID L. REYNOLDS, 2536
GEORGE F. RHAME, 0390
ALBERT N. RHODES III, 6605
CLIFTON D. RHODES, 1946
DANIEL J. RICHARD, 3236
MARC D. RICHARD, 8361
NANCY S. RICHARDS, 6402
DANNY B. RICHARDSON, 4986
BRENT A. RICHERT, 8775
BRET G. RIDER, 0052
GILBERTO G. RIOS, 0392
JOSE RIVERA, 6097
ROBERT J. RIZZA, 2357
SCOTT M. ROBERTS, 6032
DAVID D. ROBERTSON, 7133
DAVID M. ROBERTSON, 9676
BRENDA M. ROBINSON, 0221
JAMES T. ROBINSON, 1093
JOHN B. ROBINSON, 7972
LOUIS J. ROBINSON, JR., 4119
RANDALL L. ROBINSON, 5185
EVELYN A. ROCKWELL, 6528
JEFFREY A. ROCKWELL, 0387
DAVID A. RODRIGUEZ, 3128
WILLIAM RODRIGUEZ, 5437
JOHN C. ROELOFS, III, 3893
ANDY D. ROGERS, 4091
LANE T. ROGERS, 8730
PETER T. ROGERS, 0984
JOACHIM A. ROGL, 4988
EDWARD H. ROHLK, 8848
MICHAEL S. ROMEO, 8259
NYDIA A. ROSADO, 6274
ALLEN E. ROSE, 9258
RANDY E. ROSE, 2750
CHARLES W. ROSS, 8784
HUBERT A. ROSS, 2863
KEVIN D. ROSS, 2996
TERRY L. ROSS, 1545
FRANK J. ROSSI, JR, 0051
CONSTANCE M. ROTHER, 2336
MAX R. ROTHMAN, 8298
MARIANNE C. ROWE, 4324
JONATHAN D. RUDMAN, 4610
BRUCE A. RUSCIO, 3911
FLOYD RUSSELL III, 6759
HOWARD R. RUSSELL, 2380
MARK A. RUSSELL, 2431
PATRICK E. RYAN, 6302
TIMOTHY L. SAFFOLD, 0162
CASSANDRA R. SALVATORE, 0339
BRIJ B. SANDILL, 6764
CRAIG A. SANDS, 1445
ROBERT A. SANFORD, 3097
MARK B. SANSOUCI, 9953
MARC A. SARCHET, 8216
CLAIRE M. SAUCIER, 7124
EDWARD G. SAUVAGEAU, 8186
NORMAN P. SCHAFFER, 2711
JUDITH SCHAFFER, 0497
KURT W. SCHAKE, 8450
MARGARET E. SCHALCH, 4622
RANDALL A. SCHERMERHORN, 1826
GREGORY J. SCHMIDT, 3489
JEFFREY E. SCHMIDT, 5100
MARCEL T. SCHMIDT, 6257
MARK J. SCHMITZ, 8267
FREDERICK W.D. SCHMOKEL, 9025
EUGENE H. SCHNIPKE, 1595
ERIC J. SCHNITZER, 0543
JOHN H. SCHOENEWOLF, 1223
HEATHER W. SCHOLAN, 5070
PAUL R. SCHOMBER, 5132
THORNTON C. SCHULTZ, 0523
PETER H. SCHWARZ, 5216
SUSAN L. SCHWEISS, 6920
PETER W. SCHWEYHER, 0121
JAMIE C. SCOTLAND, 9954
LYNN R. SCOTT, 6995
THOMAS A. SCOTT, 3937
JOHN C. SELL, 4229
PHILIP M. SENNA, 8061
PATRICIA L. SEROKA, 7892
HUGH G. SEVERS, 4381
WARD W. SEVERTS, 7893
DANIEL B. SHAFFER, 2414
MICHAEL R. SHANAHAN, 7423
ANN D. SHANE, 1943
JOSEPH R. SHANNAHAN, 2994
SCOTT T. SHARP, 5939
MICHAEL R. SHAW, 2365
CURTIS L. SHELDON, 8503
FREDERICK L. SHEPHERD III, 2561
SCOTT F. SHEPHERD, 7622
STEVEN M. SHEPRO, 9400
IVAN L. SHERARD, 4247
DANIEL R. SHERRED, 3967
BRIAN D. SHIMEL, 7250
HENRY H. SHIN, 0357
LUKE A. SHINGLEDECKER, 0745
STEVEN E. SHINKLE, 9126
JOYCE M. SHIVELY, 6143
GREGORY A. SHOALES, 0912
KEITH A. SHOMPER, 8799
BILLY R. SHRADER, 3105
STEPHEN D. SICKING, 7530
KIMBERLY B. SIEVERS, 5666
SCOTT A. SILLIMAN, 3365
JAY B. SILVERIA, 0618
BRIAN J. SIMES, 2415
VERNON N. SIMMONS, 9663
MARK A. SIMON, 7882
PHILIP S. SIMONSEN, 7298
GARY J. SINGLER, 4501
JAMES C. SINWELL, 6419
JAMES L. SISSON, 7578
DEBRA S. SITES, 2006
KERRY L. SITLER, 6188
DANIEL R. SITTERLY, 5943
MICHAEL A. W. SIZOO, 4128
JOHN P. SKINNER, 1930
DAVID A. SLADE, 1287
PAUL A. SMILEY, 1594
ANTHONY J. SMITH, 9929
ARTHUR C. SMITH, 2913
BILLY R. SMITH, 8896
BRADLEY J. SMITH, 3893
BRIAN K. SMITH, 3939
DALE R. SMITH, 0083
DOUGLAS D. SMITH, 6089
ERNEST P. SMITH, 6669
GARLAND D. SMITH, 4808
GREGORY A. SMITH, 7396
KEVIN C. SMITH, 6096
KYLE J. SMITH, 1935
LANI M. SMITH, 0521
NEIL F. SMITH, 9344
PATRICK J. SMITH, 0851
RICARD K. SMITH, 4624
SANDRA M. SMITH, 6760
THOMAS H. SMITH, JR., 1409
THOMAS J. SMITH, 6157
TIMOTHY S. SMITH, 7476
CURT D. SMOLINSKY, 9432
CHAPMAN JAMILYN J. SMYSER, 9445
CRAIG H. SMYSER, JR., 2775
JOHN W. SNODGRASS, 4129
RICHARD W. SNYDER, 1386
JAMES T. SOHAN, 6717
LORI L. SOUTH, 6934
STEPHEN F. SOVAIKO, 6514

VIC A. SOWERS, 8420
BRADLEY D. SPACY, 7278
WILLIAM L. SPACY II, 5135
THOMAS P. SPELLMAN, 3765
GEORGE E. SPENCER III, 6094
LOUIS R. SPINA, 4694
HAROLD L. SPRINGS, JR., 9951
BRIAN S. SQUYRES, 3451
JOHN R. STAFFORD, 4890
MICHAEL C. STANLEY, 5602
MICHAEL B. STARK, 9120
WILLIAM C. STARR, 6056
CYNTHIA S. STAUFFER, 4593
CAROL E. STDENIS, 0274
ANTHONY L. STEADMAN, 7303
GOODWIN LINDA STEEL, 3249
JOHN H. STEENKEN, JR., 6037
KENNETH T. STEFANEK, 7057
JEFFREY L. STEPHENSON, 3238
PAUL R. STEPHENSON, 8506
BARRY E. STERLING, 2507
DOUBLAS E. STEWART, 3712
NOYES C. STICKNEY III, 6260
JOHN W. STIERWALT, 3862
CHARLES B. STILL, 3924
JOHN G. STIZZA, 5320
TIMOTHY A STOCKING, 7191
DANIEL W. STOCKTON, 0544
KATHERINE E. STODDARD, 8543
DANIEL J. STOEHR, 8300
RICHARD B. STONESTREET, 0163
STEPHAN G. STRINGHAM, 5686
DIANE K. STRUCK, 0631
RICHARD M. STUCKEY, 2766
CHARLIE R. STUTTS, 6478
JOHN E. STUWE, 7158
TERRENCE L. SUNNARBORG, 2606
STANLEY B. SUPINSKI, 4977
RICHARD A. SUPPES, 7345
DANIEL A. SUROWITZ, 8260
JOSEPH C. SUSSINGHAM, 8002
ROLAND O. W. SUTTON, 2949
CARL J. SWANSON, 6979
MATTHEW D. SWANSON, 7356
JOHN T. SWINSON, 5783
ROBERT W. SWISHER, 3795
JOHN K. SWITZER, 0552
CARLA S. SYLVESTER, 0254
JERRY R. S. TACKETT, 4177
WENDEL H. TAKENAKA, 2690
ANTHONY G. TALIANCICH, 7460
MICHAEL E. TALLENT 8641
MARK S. TALLEY, 0515
DEAN C. TANO, 6557
HALBERT F. TAYLOR, JR., 8661
LUCILLE P. TAYLOR, 3312
MICHAEL D. TAYLOR, 7099
NANCI M. TAYLOR, 0146
WILLIAM D. TAYLOR, 9876
ROGER W. TEAGUE, 5696
DONALD D. THARP, 6129
MICHAEL T. THAYNE, 9267
ERIC E. THEISEN, 1418
SUSAN E. THIBODEAU, 6606
DENNIS R. THOMAS, 8796
LAWRENCE D. THOMAS, 8359
MICHAEL L. THOMAS, 0614
ROBERT D. THOMAS, 6917
WILBERT J. THOMAS, JR., 4038
MARY C. THOMASSON, 3476
ANGELA L. THOMPSON, 0339
DAVID D. THOMPSON, 7608
JEROME B. THOMPSON, 3416
KEITH A. THOMPSON, 5498
FRANK B. THORNBURG, III, 2640
MICHAEL H. THORNTON, 8234
DEAN W. THORSON, 8054
MICHAEL W. THYSSEN, 5317
JOHN J. TILLIE, 0143
DAVID L. TIMM, 2520
GREGORY S. TIMS, 4399
KENNETH R. TINGMAN, 6074
JAMES E. TINSLER, JR., 9037
MARK S. TISSI, 7320
DAVID M. TOBIN, 1095
DANIEL R. TODD, 8952
JAMES H. TOLER, 8876
KIMBERLY K. TONEY, 4711
TERRI L. TOPPIN, 9197
MARK E. TORRES, 8076
CHRISTOPHER M. TOSTE, 8451
STEPHEN M. TOURANGEAU, 6327
HENRY TOUSSAINT, 1751
ANDREW C. TRACEY, 2676
HAU T. TRAN, 0470
DARRYL G. TREAT, 5871
JOHN E. TRIMMER, JR., 6709
JAMES A. TRIPP, 9040
MICHAEL W. TRUNDY, 5488
ALLAN T. TUCKER, JR., 7071
KATHERINE K. TUCKER, 3480
MONA LISA D. TUCKER, 1195
DWAYNE R. TURMELLE, 3320
GAYLENE B. UJCIK, 8586
CHARLES L. ULLESTAD, 0410
TERRY A. ULRICH, 0575
WILLIAM A. ULRICH, 3386
DONALE M. UTCHEL, 4545
DAVID R. UZZELL, 7829
DANIEL M. VADNAIS, 2594
JAMES P. VAKOS, 8978
FLORENCE A. VALLEY, 1672
BUSKIRK DAVID J. VAN, 7668
SCOTT C. VANBLARCUM, 1386
SCOTT A. VANDERHAMM, 6801
JOHN W. VANDERHOVEN, 8932
STAN L. VANDERWERF, 8518
KENNETH J. VANTIGER, 3476
MICHAEL E. VANVALKENBURG, 2336
PETER M. VANWIRT, 3043
EMILIO VARCARCEL, 7646
JAMES W. VAUGHT, JR., 5450
RENNIE VAZQUEZ, 2723
KATIE D. VEAZIE, 5811
TIMOTHY A. VEEDER, 3077
DAVID VEGA, 0854
RAMON G. VEGA, JR., 2656
ROBERT J. VERICA, JR., 6162
NANCY R. VETERE, 6958
ROSE M. VICKERY, 7264
THELMA D. VINCENT, 8896
WYNE B. WALDRON, 1166
MICHELLE L. WALDROND, 7001
JEFFREY K. WALKER, 6665
RICHARD F. WALKER, 2440
ROY E. WALKER, JR., 6411
STEVEN J. WALKER, 6932
JEAN A. WALLACE, 1676
JOHN E. WALLIN, 1845
JUDSON E. WALLS, 7592
JOSEPH T. WALDROND, 2885
ROSS E. WALTON, 4538
MARK D. WARD, 8843
SCOTT F. WARDELL, 3923
STEVEN E. WARE, 3132
JEFFERY J. WARNEMENT, 0844
FRED L. WARREN, III, 8769
JONATHAN E. WASCHE, 7345
LESLEE E. WASHER, 9377
JEFFREY W. WATSON, 4905
REGINA A. WATSON, 7368
MICHAEL L. WAYSON, 7145
CHARLES L. WEBB, III, 7311
MARSHALL B. WEBB, 5567
EDWARD V. WEBER, 7361
JAMES M. WEBER, 9367
BRADLEY N. WEBSTER, 7015
THOMAS M. WEBSTER, JR., 0096
CHARLES D. WEEKES, 8236
ROBERT M. WEESNER, 4575
CHRISTOPHER P. WEGGEMAN, 3344
GEORGE E. WEIL, 2052
ROBERT J. WEILAND, JR., 7114
JAMES R. WEIMER, 0554
JAMES W. WEISSMANN, 2073
DAVID L. WEISZ, 1249
MICHAEL F. WELCH, 7246
MICHAEL R. WELDON, 7178
BILL C. WELLS, 4800
GEOFFREY M. WELLS, 2851
MARK A. WELLS, 4185
TIMOTHY S. WELLS, 6512
JAMES E. WELTER, 7009
JON S. WENDELL, 8259
JOSEPH C. WENDLBERGER, 9617
TRACY L. WENTWORTH, 0351
MICHAEL J. WERMUTH, 1910
DAVID C. WESLEY, 7672
BRUCE A. WEST, 2260
ROBERT J. WEST, 9538
MARK W. WESTERGREN, 6525
EDWARD B. WESTERMANN, 4593
TODD C. WESTHAUSER, 2267
KEITH R. WEYENBERG, 7785
MARY E. WHISENHUNT, 7113
DONALD J. WHITE, 6144
JEFFREY D. WHITE, 3252
JOHN W. WHITE, 5956
THOMAS P. WHITE, 4589
MARY K. WHITTENBURG, 8055
CHARLES L. WICHLAC, 2373
RONALD C. WIEGAND, 3085
MARVIN W. WIERENGA, JR., 8028
WILLIAM WIGNALL, 2790
PHYLLIS T. WILCOX, 9015
TIMOTHY G. WILEY, 5351
WILLIAM P. WILHELM, 3397
DONALD R. WILHITE, 5415
AARON L. WILKINS, 7574
ANTHONY R. WILLIAMS, 8592
CHARLES KEITH WILLIAMS, 6898
CLIFFORD V. WILLIAMS, 0073
DONALS S. WILLIAMS, 1348
FREDERICK L. WILLIAMS, 2799
JACK G. WILLIAMS, 1048
RICHARD J. WILLIAMS, 0725
THOMAS L. WILLIAMS, 1290
CRAIG J. WILLITS, 0013
JAMES R. WILLSIE, 8763
DARRELL R. WILSON, 8147
GARY L. WILSON, 1377
KELLY W. WILSON, 8383
MICHAEL G. WILSON, 2439
SCOTT A. WILSON, 1167
CRAIG S. WINDORF, 1356
KELLY A. WING, 6915
DAVID R. WINKLER, 6340
STEVEN W. WINTERS, 4182
VANESSA WISE, 8488
EDWARD W. WITHERSPOON, 8358
CLAYTON E. WITTMAN, 1382
JAMES S. WOLCOTT, 4121
GARY A. WOLVER, 1989
HOWARD L. WONG, 7241
EMMETT G. WOOD, 1788
ROBERT R. WOODLEY, 7783
COENNIE F. WOODS, 8871
DAVID S. WOODS, 3798
PENNY D. WOODSON, 8640
DAVID W. WOODWARD, 1264
RUDI D. WOODWARD, 6476
DANIEL WOOLEVER, 9123
MATTHEW F. WOOLLEN, 2150
MICHAEL S. WOOLLEY, 3880
DAVID J. WORLEY, 1099
GEORGE J. WORLEY, 3695
CAMERON H.G. WRIGHT, 4404
DANNY C. WRIGHT, 7381
DAVID L. WRIGHT, JR., 8892
MARCUS D. WROTNY, 2882
LEE O. WYATT, 5119
FRANCIS V. XAVIER, 0147
ROBERT A. YAHN, JR., 6518
DENNIS D. YATES, 9194
BRIAN D. YOLITZ, 5559
BRADFORD P. YOUNG, 1719
CHARLIE R. YOUNG, 0944
DAVID M. YOUNG, 5788
JUDY A. YOUNG, 7959
BARR D. YOUNKER, JR., 9819
DEBORAH L. ZAMORASOON, 0628
RAYMOND B. ZAUN, 9060
DAVID F. ZEHR, 8968
MARK D. ZETTLEMOYER, 8790
DANIEL B. ZIEGLER, 1101
CAROL A. ZIENERT, 2030
ANDREW G. ZINY, 5042
SCOTT J. ZOBRIST, 2205

CONFIRMATIONS

Executive nominations confirmed by the Senate July 1, 1999:

ENVIRONMENTAL PROTECTION AGENCY

GARY S. GUZY, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

DEPARTMENT OF STATE

DIANE EDITH WATSON, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL STATES OF MICRONESIA.

DEPARTMENT OF ENERGY

CAROLYN L. HUNTOON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF ENERGY (ENVIRONMENTAL MANAGEMENT).

EXECUTIVE OFFICE OF THE PRESIDENT

JOHN T. SPOTILA, OF NEW JERSEY, TO BE ADMINISTRATOR OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS, OFFICE OF MANAGEMENT AND BUDGET.

DEPARTMENT OF THE TREASURY

LAWRENCE H. SUMMERS, OF MARYLAND, TO BE SECRETARY OF THE TREASURY.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

ALBERT S. JACQUEZ, OF CALIFORNIA, TO BE ADMINISTRATOR OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION FOR A TERM OF SEVEN YEARS.

CONSUMER PRODUCT SAFETY COMMISSION

MARY SHEILA GALL, OF VIRGINIA, TO BE A COMMISSIONER OF THE CONSUMER PRODUCT SAFETY COMMISSION FOR A TERM OF SEVEN YEARS FROM OCTOBER 27, 1998.

ANN BROWN, OF FLORIDA, TO BE A COMMISSIONER OF THE CONSUMER PRODUCT SAFETY COMMISSION FOR A TERM OF SEVEN YEARS FROM OCTOBER 27, 1999.

ANN BROWN, OF FLORIDA, TO BE CHAIRMAN OF THE CONSUMER PRODUCT SAFETY COMMISSION.

DEPARTMENT OF VETERANS AFFAIRS

JOHN T. HANSON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (PUBLIC AND INTERGOVERNMENTAL AFFAIRS).

ENVIRONMENTAL PROTECTION AGENCY

TIMOTHY FIELDS, JR., OF VIRGINIA, TO BE ASSISTANT ADMINISTRATOR, OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

MELVIN E. CLARK, JR., OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1999.

DONALD LEE PRESSLEY, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

DEPARTMENT OF STATE

DONALD W. KEYSER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR RANK OF AMBASSADOR DURING TENURE OF SERVICE AS SPECIAL REPRESENTATIVE OF THE SECRETARY OF STATE FOR NAGORNO-KARABAKH AND NEW INDEPENDENT STATES REGIONAL CONFLICTS.

LARRY C. NAPPER, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR RANK OF AMBASSADOR DURING TENURE OF SERVICE AS COORDINATOR OF THE SUPPORT FOR EAST EUROPEAN DEMOCRACY (SEED) PROGRAM.

FRANK ALMAGUER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HONDURAS.

JOHN R. HAMILTON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PERU.

GWEN C. CLARE, OF SOUTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ECUADOR.

OLIVER P. GARZA, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NICARAGUA.

JOYCE E. LEADER, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA.

DAVID B. DUNN, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZAMBIA.

M. MICHAEL EINIK, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA.

MARK WYLEA ERWIN, OF NORTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MAURITIUS, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL ISLAMIC REPUBLIC OF THE COMOROS AND AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SEYCHELLES.

CHRISTOPHER E. GOLDTHWAIT, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHAD.

JOSEPH LIMPRECHT, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ALBANIA.

PRUDENCE BUSHNELL, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUATEMALA.

DONALD KEITH BANDLER, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CYPRUS.

JOHNNIE CARSON, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KENYA.

THOMAS J. MILLER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BOSNIA AND HERZEGOVINA.

BISMARCK MYRICK, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LIBERIA.

MICHAEL D. METELITS, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CAPE VERDE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

PETER S. WOOD, OF CALIFORNIA

FOREIGN SERVICE NOMINATIONS BEGINNING CONSTANCE A. CARRINO, AND ENDING RUTH H. VANHEUVEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 23, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING BRIAN E. CARLSON, AND ENDING LEONARDO M. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 24, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING DALE V. SLAGHT, AND ENDING ERIC R. WEAVER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 24, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING JOHNNY E. BROWN, AND ENDING MEE JA YU, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 12, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING JAY M. BERGMAN, AND ENDING ROBIN LANE WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 11, 1999.

THE FOLLOWING-NAMED PERSON OF THE AGENCY INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF THE CLASS STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH: FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS FOUR, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

STEPHEN A. DODSON, OF TEXAS

FOREIGN SERVICE NOMINATIONS BEGINNING KAREN AGUILAR, AND ENDING LAURIE M. KASSMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 26, 1999.

WITHDRAWAL

Executive message transmitted by the President to the Senate on July 1, 1999, withdrawing from further Senate consideration the following nomination:

EXECUTIVE OFFICE OF THE PRESIDENT

G. EDWARD DESEVE, OF PENNSYLVANIA, TO BE DEPUTY DIRECTOR FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET, VICE JOHN A. KOSKINEN, WHICH WAS SENT TO THE SENATE ON FEBRUARY 12, 1999.

ENVIRONMENTAL PROTECTION AGENCY

TIMOTHY FIELDS, JR., OF VIRGINIA, TO BE ASSISTANT ADMINISTRATOR, OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

MELVIN E. CLARK, JR., OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1999.

DONALD LEE PRESSLEY, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

DEPARTMENT OF STATE

DONALD W. KEYSER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR RANK OF AMBASSADOR DURING TENURE OF SERVICE AS SPECIAL REPRESENTATIVE OF THE SECRETARY OF STATE FOR NAGORNO-KARABAKH AND NEW INDEPENDENT STATES REGIONAL CONFLICTS.

LARRY C. NAPPER, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR RANK OF AMBASSADOR DURING TENURE OF SERVICE AS COORDINATOR OF THE SUPPORT FOR EAST EUROPEAN DEMOCRACY (SEED) PROGRAM.

FRANK ALMAGUER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HONDURAS.

JOHN R. HAMILTON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PERU.

GWEN C. CLARE, OF SOUTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ECUADOR.

OLIVER P. GARZA, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NICARAGUA.

JOYCE E. LEADER, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA.

DAVID B. DUNN, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZAMBIA.

M. MICHAEL EINIK, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA.

MARK WYLEA ERWIN, OF NORTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MAURITIUS, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL ISLAMIC REPUBLIC OF THE COMOROS AND AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SEYCHELLES.

CHRISTOPHER E. GOLDTHWAIT, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHAD.

JOSEPH LIMPRECHT, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ALBANIA.

PRUDENCE BUSHNELL, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUATEMALA.

DONALD KEITH BANDLER, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CYPRUS.

JOHNNIE CARSON, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KENYA.

THOMAS J. MILLER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BOSNIA AND HERZEGOVINA.

BISMARCK MYRICK, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LIBERIA.

MICHAEL D. METELITS, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CAPE VERDE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

PETER S. WOOD, OF CALIFORNIA

FOREIGN SERVICE NOMINATIONS BEGINNING CONSTANCE A. CARRINO, AND ENDING RUTH H. VANHEUVEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 23, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING BRIAN E. CARLSON, AND ENDING LEONARDO M. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 24, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING DALE V. SLAGHT, AND ENDING ERIC R. WEAVER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 24, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING JOHNNY E. BROWN, AND ENDING MEE JA YU, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 12, 1999.

FOREIGN SERVICE NOMINATIONS BEGINNING JAY M. BERGMAN, AND ENDING ROBIN LANE WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 11, 1999.

THE FOLLOWING-NAMED PERSON OF THE AGENCY INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF THE CLASS STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH: FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS FOUR, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

DEPARTMENT OF STATE

STEPHEN A. DODSON, OF TEXAS

FOREIGN SERVICE NOMINATIONS BEGINNING KAREN AGUILAR, AND ENDING LAURIE M. KASSMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 26, 1999.

WITHDRAWAL

Executive message transmitted by the President to the Senate on July 1, 1999, withdrawing from further Senate consideration the following nomination:

EXECUTIVE OFFICE OF THE PRESIDENT

G. EDWARD DESEVE, OF PENNSYLVANIA, TO BE DEPUTY DIRECTOR FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET, VICE JOHN A. KOSKINEN, WHICH WAS SENT TO THE SENATE ON FEBRUARY 12, 1999.

EXTENSIONS OF REMARKS

ESTABLISHING PEACEFUL AND STABLE RELATIONS ACROSS THE TAIWAN STRAIT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. GILMAN. Mr. Speaker, permit me to take this opportunity to commend the members of the Straits Exchange Foundation and its distinguished Chairman Dr. Koo Chen-fu for their great efforts toward establishing peaceful and stable relations across the Taiwan Strait.

I would like to draw the attention of my colleagues to the following address given by Dr. Koo at the Meeting of the International Press Institute World Congress and 48th General Assembly on May 18, 1999 regarding future relations between Taiwan and the People's Republic of China. I request that Dr. Koo's remarks as well as two reports describing Taiwan's contribution of $300 million in aid to Kosovar refugees be inserted at this point in the RECORD:

ESTABLISHING PEACEFUL AND STABLE RELATIONS ACROSS THE TAIWAN STRAIT

(Dr. Koo Chen-fu, Chairman)

Honorable Public Opinion Leaders from Both at Home and Abroad, Distinguished Guests, Ladies, and Gentleman: I feel greatly honored to be invited to participate in the annual conference of the International Press Institute held in the Republic of China. This year marks the first occasion that the IPI has held an annual conference of such magnitude in Taipei. Your meeting here is an affirmation of and encouragement by the IPI for the ROC government's efforts in promoting freedom of press over the past two decades and for the entire press of our nation, which has worked diligently to pursue the consistent advancement of the news industry.

I would like to take this opportunity to discuss a major issue that is currently confronting our general public: the problem of having too much information, rather than too little. I believe all of the people responsible for Taiwan's media and communication sectors present today are proud to have contributed to this hard-to-achieve status.

On my way to the conference, I was wondering why the prestigious sponsors of the conference invited me to deliver a speech on this occasion. Knowing that a host of prominent personages from all sectors around the world are participating in this grand event, I felt even more apprehensive, until I thought of a privilege I have over all of you: seniority. I am 82 years old and in a society, such as ours, that attaches great respect to elderly people, my age, I suspect, was my ticket to attend this magnificent conference.

The topic I will speak to you about today is unquestionably quite serious, but it is the subject specifically requested by the sponsoring unit of this conference. I promise that I will do my best to be concise and clear about a complex matter.

As you all know, the Republic of China was founded by Dr. Sun Yat-sen in 1912, after the overthrow of the Ching imperial dynasty. Then in 1949, the People's Republic of China was established with Chairman Mao Tz Tung as its leader. Thereafter, China has been ruled separately, with the Chinese communists exercising jurisdiction on the mainland; while ROC government exercising jurisdiction in Taiwan, Penghu, Kinmen, and Matsu. China has not been united for the past half century, and our situation resembles that of North and South Korea. This is a very simple political reality, known and accepted around the world.

Beijing's claim that "there is only one China and Taiwan is part of China, and one China means the People's Republic of China," or "Taiwan is a renegade province of PRC" not only deviates from reality, but completely negates the truth. It is my view that China is now divided, and both Taiwan and the mainland are parts of China and the two sides of the Taiwan Strait are ruled by two distinct political entities, with neither subordinate to the other. What is important is that both sides do not exclude the possibility of future unification of China through the process of peace and democracy, when time and conditions are mature.

At the current stage of development of cross-strait relations, the Straits Exchange Foundation (SEF), under the authorization of the government, has from the very beginning, stressed several key points. We have insisted on conditions that respect historic facts and the status quo, safeguard the well-being of the people on Taiwan, and normalize cross-strait relations. For humanitarian reasons, the ROC government in 1987 began to allow our people to visit relatives on the mainland and worked effectively to increase mutual understanding and exchanges between the people on both sides of the Taiwan Strait.

Then again in 1991, we terminated the Period of National Mobilization for Suppression of the Communist Rebellion, clearly manifesting our government's sincerity not to resolve cross-strait problems by force. It was a pragmatic move, as our government took the first step and demonstrated our goodwill to acknowledge the existence of the communist authorities. To help raise the living standards on the Chinese mainland and develop its economy, Taiwan's business sector has invested as much as US$25 billion across the strait over the last ten plus years, creating a great number of job opportunities for the people on the mainland and contributing remarkably to the expeditious accumulation of foreign exchange reserves for the Chinese mainland over the recent years.

In order to show the sincerity of the ROC government in promoting peaceful and stable cross-strait relations, President Lee Teng-hui made a six-point proposal on normalizing cross-strait relations in April 1995. These points are: 1. use Chinese culture as a base to strengthen exchanges between the two sides; 2. enhance economic ties and develop reciprocal and complementary cross-strait relations; 3. participate in international organizations on an equal-footing, thus allowing meetings of leaders from the two sides in appropriate situations; 4. assert peaceful solutions for any disputes which arise; 5. combine the efforts of both sides to maintain the prosperity of Hong Kong and Macau and enhance democracy in these two areas; 6. pursue future national unification while respecting that China is currently divided and ruled by different political entities.

President Lee's understanding and perspective have provided direction to SEF's tasks. We hope to establish a peaceful and stable cross-strait relationship step by step, as follows:

First of all, we have made all necessary preparations for the coming of Mr. Wang Dao han, the senior chairman of the Association for Relations Across the Taiwan Strait (ARATS). I address him as "senior" because he is eighty-three years old, and I'm a year younger that he is. I am expecting Mr. Wang's visit as one which will renew the channel of constructive discourse we first established during my trip to mainland last October. The SEF will make arrangements for Mr. Wang's "getting to know Taiwan" trip safe and comfortable, so the mainland's leading persons will have a better understanding and knowledge of Taiwan. And, for the above mentioned reasons, I look forward to the Taipei meeting with Mr. Wang, which will be held this autumn, so we can work together to frame a peaceful and mutually beneficial relationship for both sides of the strait.

In addition, we will try to persuade the Beijing authorities to reopen the institutionalized consultations established during the Singapore round of the Koo-Wang talks in April 1993. Regarding substantive issues, which most concern the rights of the people, such as repatriating mainland stowaways and hijackers, solving fishing disputes, and dealing with illegal activities cooperatively, we hope that interim agreements will be signed as soon as possible. These agreements will form a basis from which to expand step by step the content gained from future consolations or important issues concerning both sides.

I am well aware that there are people on the Beijing side who anxiously promote political negotiations and dialogue between the two sides. In fact, just as in the Shanghai meeting last October, I would like to broaden the range of subjects during the talk with Mr. Wang in the upcoming Taipei meeting on whatever issues are of concern. If the meeting is restricted only to talks about issues in a particular area, it will minimize the effect of the agreement we may make. This will not be beneficial for improving relations between the two sides.

The 1993 Singapore agreement was the first agreement which was officially authorized for signature by both governments and was approved by respective elected bodies after separation on each side of the strait. If either of the two parties was not willing to abide by the agreement, then the confidence level for the signing of future agreements will certainly be negatively affected. Over time, we will attain more agreements concerning the people's rights and interests. Thus, we can build mutual confidence

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

through the accumulation of interim agreements. This method gives us the ground work for a solid foundation for peaceful and stable cross-strait relations.

Third, the two sides should gradually develop a confidence building measure (CBM), in order to insure the peace of the Taiwan Strait and the security of the Asia-Pacific region. Beginning in 1991, the two sides set up the Straits Exchange Foundation and the Association for Relations Across the Taiwan Straits, respectively, to be the institutionalized communication mechanism between the two sides. This is the accepted communication channel under the informalized relation between the two sides.

For years, these two organizations have exchanged phone calls and letters to conduct necessary contacts and communication. In 1996, however, the Chinese mainland unexpectedly launched a military threat against Taiwan and unilaterally suspended the functions of the two organizations for more than three years. It is a situation we deeply regret.

Under the influence of democracy and freedom, Taiwan is becoming increasingly liberalized and advanced. Such an environment has exerted a direct impact on the SEF to be more flexible and open, when holding consultations with ARATS. Let me assure you that the ROC government is fully confident and sincere in resolving any political differences between the two sides via consultations. Even so, we will not hold talks with the Chinese mainland under such unfriendly conditions as political inequality, diplomatic interference, and military threat. National security and dignity are what I myself and the SEF personnel constantly must bear in mind, when we exchange contacts with the Chinese mainland. I believe that these two criterias are also the two foremost concerns of the people of Taiwan.

In recent years, I have observed that Beijing has been withdrawing from the position that "we can talk about anything" toward a parochial mentality that "we can only talk about political issues." This confuses us.

I would like to take this opportunity to call on Beijing to return to the consultation table as soon as possible, to establish mutual trust between the two sides through consultations, and to adopt necessary and positive measures to insure the peace and stability of the Taiwan Strait.

Fourth, the two sides should expand items and the scope of exchanges and cooperations and treat each other with sincerity through reciprocity, in order to ultimately normalize bilateral relations. During the past 50 years, the two sides have accumulated individual experiences of development that can be exchanged to assist each other. In the past, we have proposed that the two sides conduct exchanges and cooperate in the areas of agriculture, scientific technology, economic development, and rule by law. We have also suggested the two sides deal with the Asian financial crisis together, in order to jointly contribute to the prosperity and stability of the Asia-Pacific region.

Unfortunately, we have not had any positive response from Beijing, to date. In the future, we will continue to encourage and persuade the Chinese mainland to pragmatically respond to our constructive proposals. We will also unfold various cooperation plans with Beijing to increase mutual trust, achieve consensus, and ultimately attain the goal of establishing normalized relations between the two sides.

Ladies and gentlemen, during the past four decades, the ROC has managed to create miracles in economic development and political democratization, under unfavorable natural environments and conditions. Naturally, we wish to achieve more, and it is our hope that we can bridge the gap of the Taiwan Strait in economic and political developments by appropriate interaction and constructive dialogue between the both sides of the Taiwan Strait. This will help us to realize the natural reunification of both sides in a peaceful and democratic way.

At the threshold of the twenty-first century, with the Cold War era ended, I sincerely hope that the Chinese mainland will discard the remnants of the Cold War "zero-sum" thinking and expand their horizons to join us in building a peaceful and stable relationship for both sides of the Taiwan Strait, under conditions which respect the political status quo of both sides.

As time is pressing, let me finish my speech here. Thank you very much. And I wish all the distinguished participants of this conference health and confirmed success.

PRESIDENTIAL STATEMENT REGARDING ASSISTANCE TO KOSOVAR REFUGEES

The huge number of Kosovar casualties and refugees from the Kosovo area resulting from the NATO-Yugoslavia conflict in the Balkans have captured close world-wide attention. From the very outset, the government of the ROC has been deeply concerned and we are carefully monitoring the situation's development.

We in the Republic of China were pleased to learn last week that Yugoslavia President Slobodan Milosevic has accepted the peace plan for the Kosovo crisis proposed by the Group of Eight countries, for which specific peace agreements are being worked out.

The Republic of China wholeheartedly looks forward to the dawning of peace in the Balkans. For more than two months, we have been concerned about the plight of the hundreds of thousands of Kosovar refugees who were forced to flee to other countries, particularly from the vantage point of our emphasis on protecting human rights. We thereby organized a Republic of China aid mission to Kosovo. Carrying essential relief items, the mission made a special trip to the refugee camps in Macedonia to lend a helping hand.

Today, as we anticipate a critical moment of forth-coming peace, I hereby make the following statement to the international community on behalf of all the nationals of the Republic of China:

As a member of the world community committed to protecting and promoting human rights, the Republic of China would like to develop further the spirit of humanitarian concern for the Kosovar refugees living in exile as well as for the war-torn areas in dire need of reconstruction. We will provide a grant aid equivalent to about US $300 million. The aid will consist of the following:

1. Emergency support for food, shelters, medical care, and education, etc. for the Kosovar refugees, living in exile in neighboring countries.

2. Short-term accommodations for some of the refugees in Taiwan, with opportunities of job training in order for them to be better equipped for the restoration of their homeland upon their return.

3. Furthermore, support the rehabilitation of the Kosovo area in coordination with international long-term recovery programs when the peace plan is implemented.

We earnestly hope that the above-mentioned aid will contribute to the promotion of the peace plan for Kosovo. I wish all the refugees an early return to their safe and peaceful homes.

ROC TO DONATE US$300 MILLION TO HELP KOSOVAR REFUGEES

Taipei, June 7 (CNA) President Lee Teng-hui announced Monday that the Republic of China will donate US$300 million to help Kosovar refugees rebuild their homes.

Lee made the announcement at a news conference held after chairing a meeting on the Kosovo problems. The meeting was attended by Vice President Lien Chan, Premier Vincent Siew, Foreign Minister Jason Hu, and Ying Chung-wen, secretary-general of the National Security Council.

Lee said the ROC, as a member of the international community, has consistently been concerned about world affairs and problems. "We want to play an active role in the world arena and work together with other members of the world society in maintaining world peace," Lee said, adding that the aid to displaced Kosovar refugees is purely based on humanitarianism.

Asked about his view on possible backlash from mainland China, Lee said humanitarian aid to Kosovar refugees is a common goal of all civilized countries.

"Since the two sides of the Taiwan Strait co-exist in the international community, we should make joint efforts to promote international peace and stability," Lee said.

The president urged mainland China to throw support behind the ROC's aid drive, adding that he hopes mainland China will also take concrete steps to assist hundreds of thousands of displaced Kosovar refugees.

Lee's announcement came a day after Macedonian Prime Minister Ljubco Georgievski arrived in Taipei on Sunday for a six-day official visit.

This is the 33-year-old Macedonian prime minister's first trip to the ROC since the two countries forged formal diplomatic ties in January this year.

Macedonia has been burdened by a large number of ethnic Albanian refugees from the neighboring Yugoslav province of Kosovo. (By Sofia Wu)

WOMEN'S SOCCER

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. COBLE. Mr. Speaker, as we watch the U.S. Women's Soccer Team advance to the final rounds of the World Cup, we are reminded of two teams from our district, High Point Central High School and Ragsdale High School, which both are 1999 North Carolina High School Soccer Champions.

High Point Central captured the 1A/2A North Carolina High School Athletic Association (NCHSSA) Women's Soccer Championship. The Bison ended their season with an outstanding record of 19–3–3. We congratulate Mandi Tinsley, Katie Copeland, Jenny Thomas, Jenni Tensley, Lee Culp, Lindsay Holbrook, Tina Tinsley, Graham Magill, Andrea Brown, Lindsay Husted, Leigh Spencer, Lemeh Horace, Jessica Harrison, Erica Bell, Jennifer Applegate, Sarah Bencini, Jrily White, Krystion Obie. A few people who helped lead them along the way were Head Coach David

Upchurch, Assistant Coach Pete Chumbley, and managers Scott Salter and Robert White. Central's Athletic Director is Gary Whitman.

Ragsdale High School won the NCHSSA Women's 3A State Championship. The Tigers ended their impressive season with a record of 22–2–4. We congratulate Cindy Mullinix, Julia Deaton, Danielle Brown, Jamie Davis, Jordan Allison, Erin Beeson, Brooke Dewitt, Lydia Gibson, Holly Walker, Jen Ryback, Michele Andrejco, Stacy Hopkins, KK Dalrymple, Michelle Pizzurro, Alysha Hall, Laura Stafford, Kellie Dixon, Emily Foster, and manager Sandra Simoes. Contributing to Ragsdale's win was Coach Brian Braswell, Trainer Josh Beaumont and Athletic Director is Mike Raybon.

The Sixth District of North Carolina is proud of both these teams for all their hard work and dedication. Congratulations to the girls at High Point Central and Ragsdale. Now let's hope that the U.S. Women's Team can win the World Cup!

THE DRUG-FREE SCHOOL ZONE ENFORCEMENT ACT

HON. JAMES E. ROGAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. ROGAN. Mr. Speaker, as you know, our nation's schools have become playgrounds for drug dealers. Every day, thousands of children get hooked on drugs in and around our local schools. Meanwhile, our local communities struggle to hold back the rising tide of drug crime. Sadly, local efforts to protect our nation's school zones have received little direct federal support.

As a former gang murder prosecutor in Los Angeles County, who prosecuted drug dealers who got children hooked on drugs, I know the limitations our local governments face in their war on drugs. That is why I am introducing the bipartisan Drug-Free School Zone Enforcement Act.

The Drug-Free School Zone Enforcement Act will provide $150 million of the Safe and Drug Free Schools money appropriated each year to local governments, so that they may take steps to reduce drug crimes within a one-mile radius of any school. In addition, this bill will allow communities to hire additional law enforcement agents and prosecutors, and coordinate drug enforcement efforts with state and federal agencies. Finally, this bill will require that 95 percent of these funds must go to local communities.

Mr. Speaker, now is the time to show that Congress means business in fighting the drug war on a local level. As we begin to focus on our priorities on education and keeping drugs away from our children, I urge that Members join me in supporting the Drug-Free School Zone Enforcement Act.

BILL AND AVA SIMMONS CELEBRATE THEIR 72ND WEDDING ANNIVERSARY

HON. DAVID D. PHELPS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. PHELPS. Mr. Speaker, I rise today to pay tribute to Bill and Ava Simmons of West Frankfort, IL. On June 18th of this year, Ava and Bill celebrated their 72nd wedding anniversary. The Simmons have been residents of the beautiful city of West Frankfort since the early 1900's and are long time members of the First Baptist Church in West Frankfort. Mr. Simmons recently retired as owner of the Stone Funeral Home, when he was 92 years young. His wife was a stenographer for an attorney from Benton and worked for the State of Illinois during the Depression.

Mr. Speaker, I wanted to take the time to let all of my fellow Members of Congress and the nation know of this most impressive and momentous occasion. On the floor of this Congress we always hear Members describing the decline of family values and personal responsibility in this country; this is why I am so pleased to share the news of the Simmons 72nd anniversary. Their 72-year commitment to each other proves that there are many good and decent Americans in this country, who like the Simmons, are committed to their families, values, and their marriages. I would like to wish the Simmons a very joyful anniversary and a happy and healthy future.

TRIBUTE TO THE HON. MARGARET DOUD

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. STUPAK. Mr. Speaker, I rise today to call your attention and that of my House colleagues to an important historical milestone in my northern Michigan congressional district. This month the City of Mackinac Island, a unique blend of state park and local municipality and a special mix of important archaeological sites and impressive tourist attractions, celebrates its centennial. Tonight the city council of Mackinac Island will both formally acknowledge this milestone and honor a remarkable public servant, island resident Margaret M. Doud, who has served as mayor for 25 of the city's 100-year history.

The community that Margaret Doud both leads and serves is not just unique in my 1st Congressional District. It is an important national resource with a rich history as a spiritual home and meeting place of Native American tribes, a way-station in the European exploration of the Upper Midwest, an important military site during America's two wars with England, a resource center for fur and fish trade, and now a temperate haven for tourists in the heat of summer.

Mackinac Island is the home of memorable fudge and the majestic Grand Hotel. It is circled and criss-crossed by rural lanes that in summer are used by residents and visitors on foot, bicycle, or horse and buggy—but nor cars, not since motorized vehicles were banned in 1898. It has served as summer home for Michigan's governor, the site of numerous business and political conferences, and the backdrop for movie cameras in the romantic Christopher Reeve and Jane Seymour movie, Somewhere in Time. For the everyday cameras of tourists, the island's backdrop includes the magnificent span of the Mackinac Bridge. The island is a fair destination for sailors who race up Lake Michigan in the Chicago-to-Mackinac race and up Lake Huron in the Port Huron-to-Mackinac event.

The island takes its name from the Native American word "Michilimackinac," which means "Land of the Giant Turtle," a reference to the island's humped shape, like a turtle rising from the northern end of the Lake Huron. In Indian lore, the island was the first land to appear above water after the Great Flood, and a place of origin for native peoples.

You can see, Mr. Speaker, that while it's true Margaret Doud may serve as mayor over a small population of about 500 permanent residents, she also guides a community that must constantly address a host of intensely conflicting land use demands. The effort to accommodate tourists from all over the world must be balanced against limited resources and the need to protect its unique historic and archaeological sites. This means that each question of housing for seasonal workers, for additional accommodations and for marina expansion is posed against the question of protecting what is truly a national treasure.

Mayor Doud has served the island well in addressing these questions, Mr. Speaker. I ask my House colleagues to join me in recognizing her efforts and offering our sincerest appreciation for her dedication and efforts in guiding this island community into the next millennium. Under Margaret's guidance, and with the advice and assistance of the island's city council, I know the island is well prepared for its next 100 years.

CENTURY 21 ROBINSON REALTY, INC. ACHIEVES THE QUALITY SERVICE PINNACLE AWARD

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. DUNCAN. Mr. Speaker, I would like to take this opportunity to congratulate a business in my District for its outstanding customer service. Recently, Century 21 Robinson Realty, Inc. was honored by the Century 21 Real Estate Corporation with its Quality Service Pinnacle Award.

The Pinnacle Award is given only to those Century 21 offices that deliver the best in consistent quality service at the highest level. Century 21 Robinson Realty, Inc. certainly fits this criteria.

Additionally, on June 29, 1999, the Daily Post-Athenian announced that Century 21 Robinson Realty was named as the "Best Real Estate Firm" in its "People's Choice" survey. This survey was placed in the DPA for readers to choose their favorite in a number of different categories.

Charles Robinson, founder and principal broker of Robinson Realty, has been involved in the real estate industry for over 30 years. He is a respected businessman in the Athens community and has helped countless families realize the "American Dream" of homeownership.

Robinson Realty affiliated with the Century 21 Real Estate Corporation in 1977, and has been recognized with numerous awards over the years.

Mr. Speaker, Century 21 Robinson Realty, Inc. is truly a family business. Charles and Linda Robinson work together with their son, General Manager Mike Robinson and daughter, Office Coordinator Paula Robinson Scarbrough. The Robinson family in Athens is synonymous with the real estate business.

I am especially proud customer service is the number one priority at Century 21 Robinson Realty. For the past six years, Robinson Realty has earned the prestigious Quality Service Award. This fact says a great deal about the professional real estate agents that make up Robinson Realty.

Robinson Realty has combined real estate experience totalling almost 200 years. There are not many businesses that can offer their customers so much experience.

Mr. Speaker, I would like to congratulate the Robinson Family on this important occasion. I would also like to congratulate the professional agents that make up the Robinson Realty "Gold Team." They are: Barbara Reed, Peggy Hallenberg, Charlie Simpson, LuAnne Vaughan, Diana Girand, Phyllis Maxwell-Day, Alma Sliger, Emma Lee Tennyson, Judy Keen, Sarah Pointer, LaVerne Tuell and Vickie Peeler. Charles Robinson would be the first to tell you that without these professionals, Robinson Realty would not be successful. I am proud to have such a fine business as a part of my District.

Mr. Speaker, I have included a copy of a story that ran in the Daily Post-Athenian that honors Century 21 Robinson Realty and would like to call it to the attention of my fellow members and other readers of the RECORD.

LOCAL REAL ESTATE FIRM HONORED BY CENTURY 21

Century 21 Real Estate Corporation, franchiser of the world's largest residential real estate organization, has announced that Century 21 Robinson Realty, Inc., is the recipient of the Quality Service Pinnacle Award.

The Quality Service Pinnacle Award recognizes Century 21 offices that deliver the best in consistent quality service at the highest level. To qualify, an office must earn a Quality Service Award in the current year, return a minimum of 50 completed Quality Service surveys during the past two years and meet or exceed the minimum Quality Service Index on the number of surveys returned during the last two years.

"We are thrilled to recognize the work of Century 21 Robinson Realty, Inc., for this significant achievement," said Van Davis, senior vice president, Franchise and Field Services, Century 21 Real Estate Corporation. The Century 21 system commended the dedication, professionalism and commitment to quality service exemplified by Century 21 Robinson Realty, Inc., a news release stated.

Also recognized at the annual awards banquet were several sales associates for their yearly sales commission totals in the Top Producer category. This year's winners were Diana Girand, Peggy Hallenberg, Judy Keen and Charlie Simpson. The Century 21 Robinson Realty office was also awarded the Top Producing office in the Chattanooga marketing area for units sold and commissions received.

Century 21 Robinson Realty, Inc., has more than 30 years of experience in the real estate industry and has been affiliated with the Century 21 system for 23 years.

A TRIBUTE TO THE LATE TOLLYE WAYNE TITTSWORTH

HON. ZACH WAMP

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. WAMP. Mr. Speaker, today I wish to honor the memory of a fine resident of the Sequatchie Valley and the 3rd District of Tennessee who left this life last May 2. Tollye Wayne Tittsworth died at age 60. For his family and the many friends who admired his work as a radio broadcaster and citizen, his death came far, far too soon.

Tollye Wayne, as he was called throughout the Sequatchie Valley, knew from the time he was still in his teen years that radio would be his life's work and his life's love. While still in high school, he began working part time at a radio station in McMinnville where he was born and grew up.

Like all people who excel at what they do, Tollye Wayne did not regard his career in radio and the news business as just "a job." He lived—and enjoyed—his work 24-hours-a-day. He worked at a series of stations in Tennessee, including serving as general manager of WJLE in Smithville, general manager of WAKI in McMinnville and operations manager of WBMC–WTRZ in McMinnville and owner and general manager of WSMT AM–FM in Sparta from 1975 through 1980.

At 6 a.m. on July 14, 1986, Tollye Wayne signed on the air at WSDQ in Dunlap. He was a powerful voice—and a personality—known throughout the Sequatchie Valley. He took an interest in folks from all walks of life. It did not matter to Tollye Wayne whether the person he was speaking with was a hard working employee at a convenience store or just happened to be Vice President of the United States. Tollye Wayne was interested in what he or she had to say.

To those of us who have the honor of representing the Sequatchie Valley, a visit with Tollye Wayne was on our "must do" list anytime we were in the Dunlap area. Not only did we get a chance to communicate with folks throughout the valley through radio station WSDQ, but—just as importantly—we got a chance to pick Tollye Wayne's brain about what was going on in the Valley. It is not very much of an exaggeration to say that Tollye Wayne knew just about everything that was happening in the valley.

Tollye Wayne did not simply cover his community. He worked to make it better, serving as a member of a number of civic clubs and community boards, including the Sequatchie Valley Health Council, the Sequatchie County Hospital Board, The Sequatchie Valley Planning Commission and the American Legion Harvey Merriman Post 190. He was also instrumental in establishing the Dunlap Chamber of Commerce. And he was a past president of the Dunlap Lions Club. He also quietly helped folks who needed it.

I know that Tollye Wayne would take comfort in the fact that what he built at WSDQ is being carried on by his family. I also want to express my most profound sympathy to his wife, Ruth Myers Tittsworth; his son Stephen Wayne Tittsworth; step-daughter, Teresa Ann Hennessee; his mother, Willie Cantrell Tittsworth; brother James Gary Tittsworth and his sister, Rita Poncina.

All of us who knew Tollye Wayne are grateful that we had the chance to work with him and sincerely mourn his passing. Tollye Wayne, God-Speed in the Better World where you are now. And thanks for the good you did for all of us.

CRISIS IN KOSOVO (ITEM NO. 14), REMARKS BY ALISTAIR MILLAR OF THE FOURTH FREEDOM FORUM

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. KUCINICH. Mr. Speaker, on June 24, 1999, I joined with Representative CYNTHIA A. MCKINNEY, Representative BARBARA LEE, and Representative JOHN CONYERS in hosting the sixth in a series of Congressional Teach-In sessions on the Crisis in Kosovo. If a lasting peace is to be achieved in the region, it is essential that we cultivate a consciousness of peace and actively search for creative solutions. We must construct a foundation for peace through negotiation, mediation, and diplomacy.

Part of the dynamic of peace is a willingness to engage in meaningful dialogue, to listen to one another openly and to share our views in a constructive manner. I hope that these Teach-In sessions will contribute to this process by providing a forum for Members of Congress and the public to explore options for a peaceful resolutions. We will hear from a variety of speakers on different sides of the Kosovo situation. I will be introducing into the CONGRESSIONAL RECORD transcipts of their remarks and essays that shed light on the many dimensions of the crisis.

This presentation is by Alistair Millar, program director and Washington Office Director of the Fourth Freedom Forum, an independent research organization that sponsors scholarly conferences, cultural programs and research fellowships to promote awareness of peace and security issues. Before joining the Forum, Mr. Millar was a Senior Analyst at the British American Security Information Council. He is a British citizen and has a Masters Degree in International Studies from the University of Leeds.

PRESENTATION

(By Alistair Millar and David Cortright)

A peace settlement, no matter how tenuous, has been reached and the war in Yugoslavia over Kosovo is now over. NATO's bombing campaign is being sold as a success, but the problems in the region—in part created by the destruction resulting from allied bombing raids—are far from over. The process of reconstruction, repatriation and rehabilitation is just beginning and will be hugely expensive.

First we must be clear that this is a problem that does not only affect Kosovo and Serbia. The entire Euro-Atlantic region will suffer the consequences of this conflict for years to come. Regarding the Balkans area suffering the most acute impact of the war, the International Monetary Fund has identified a core group of six countries (Albania, Bosnia-Herzegovina, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia and Romania). In a recent analysis the Fund projected that in the best case scenario the total IMF financing for the region will cost $1.3 billion. The breakdown of the costs involved are detailed in the IMF study which looked at two scenarios. Economic output in the region has been reduced by an estimated five percent. This, in turn, will lead to a large trade imbalance—estimated at nearly $2 billion. The IMF study along with the United Nations interagency cost projections for the remainder of this calendar year are now available on the internet. http://www.worldbank.org/

In Europe, the European Commission has estimated that the reconstruction of Kosovo alone will cost $18 billion. At the G–8 Summit in Cologne, European delegates were hinting strongly that the United States—which currently has a large budget surplus—should bear the brunt. The United States was responsible for 85 percent of the war damage, and it should pay a commensurate share of the reconstruction effort. Incidentally, EU countries have paid 60 percent of the reconstruction costs in Bosnia.

As for the United States, President Clinton has noted that Washington did its share in providing two-thirds of the aircraft and all the cruise missiles for NATO's 78-day air war. At about $100 million a day, that comes to more than $7 billion. In a foreign aid bill approved last Thursday by the US Senate Appropraitions Committee, about $535 million is targeted for the Balkan region but none of it has been allocated for Serbia.

It is vital that an agreement about who will pay is reached as soon as possible. Responsibility on the part of the United States for the destruction of Yugoslavia's infrastructure as a result of the US-led bombing campaign is an important first step. Considering the costs in human terms, rather than just purely as numbers would also help to focus attention on the severity of this problem. If you make a mess and don't have to clean it up, you aren't likely to think much about the consequences of making another mess in the future.

Even while the initial assessments are being made, it is almost certain that the costs, not least the costs of maintaining an armed military or peace enforcement presence in the region, are going to increase sharply over short periods of time. One major additional expense will be the peacekeeping operation itself, both military and civilian.

Given the extended period for which peace enforcement troops are likely to remain in place, some analysts argue that peacekeeping could prove even more expensive than the war. For example, the Royal Institute of International Affairs in London has calculated that, with a projected K-For presence of about 50,000 troops, the bill could amount to as much as $25 billion a year.

Increases in the costs of enforcing the Dayton peace accords and repatriating displaced refugees affected by the war in Bosnia also provides us with a relevant and recent example of the extent of the problem in Kosovo. The post-Dayton pricetag has increased enormously since 1995, and the enforcement of the civilian provisions of the accord has fallen woefully short of its stated goals, creating a multiethnic peaceful society.

Currently, the Stabilization Force, or SFOR is still made up of 30,000 Troops; 6,900 are Americans. According to the record of the Military Operations in the Federal Republic of Yugoslavia Limitation Act of 1999:

The deployment of United States ground forces to participate in the peacekeeping operation in Bosnia, which has resulted in the expenditure of approximately $10,000,000,000 by United States taxpayers to date, which has already been extended past two previous withdrawal dates established by the Administration, and which shows no sign of ending in the near future, clearly argues that the costs and duration of a deployment of United States ground forces to the Federal Republic of Yugoslavia to halt the conflict and maintain the peace in the province of Kosovo will be much heavier and much longer than initially foreseen.

As Senator Kay Bailey Hutchison recently pointed out "We have tried an experimental Balkan policy in Bosnia. It is not workable. Thousands of American troops are there with no end in sight. The head of the international observer group has fired elected officials and canceled sessions of parliament because opposition parties oppose what we are doing in Kosovo. People vote in elections and then cannot stay and serve where they are elected."

Unfortunately the history of the war in Bosnia is repeating itself in Kosovo. NATO officials are interpreting their defeat of Slobodan Milosevic as an important example for the future. The lesson they are drawing is that military force can effectively serve humanitarian purposes, and that NATO must be prepared to use its military might again. A new "Clinton Doctrine" is reportedly being developed in Washington to emphasize this point. Bombing and military force are being justified as legitimate means of preventing genocide and human rights abuse. The ground is thus being prepared for future bombing campaigns and military interventions, as NATO increasingly assumes the role of global policeman.

There is another way. The use of military force was not necessary to resolve the crisis in Kosovo, and it need not serve as a primary basis for securing global peace in the future. More effective and less destructive means exist for exerting pressure on wrongdoers and encouraging international cooperation. The key to securing the peace in Kosovo and beyond is not military might but economic power. Through the judicious application of economic sanctions and incentives, coupled with support for early monitoring to prevent conflict from escalating into wars, the United States and its partners can more effectively enforce civilized standards of behavior and lay the foundations for cooperation and security, not only in Yugoslavia but around the world.

History teaches that the greatest force on earth is not military might but economic power. Civilizations rise or fall more on the basis of their economic and social vitality than their military prowess. The Soviet Union was a military superpower but an economic weakling. When the underlying economic and social rot caught up with the military-political superstructure, the Potemkin village of Soviet power collapsed. The greatest strength of the United States lies not in bombers and missiles but in the extraordinary dynamism and creativity of its economy. Over the long run the power to give or withhold economic benefits is the most effective and creative way to influence human behavior. The use of economic power—providing inducements for cooperation, and applying sanctions against wrongdoing—offers the best hope for advancing the goals of peace, democracy, and human rights.

Sanctions are often dismissed as ineffective, but a closer look reveals that they have been successful on a number of occasions, including in the Balkans. During the 1992–95 crisis in Bosnia, the U.N. Security Council imposed economic sanctions against Yugoslavia to encourage Serbian support for a negotiated settlement. An extensive system of sanctions monitoring and enforcement was established in cooperation with neighboring European states. These U.N. sanctions were described in a report from the Organization for Security and Cooperation in Europe as "the single-most important reason for the government of Belgrade changing its policies and accepting a negotiated peace agreement." Military analyst Edward Luttwak has written that "sanctions moderated the conduct of Belgrade's most immoderate leadership." While other factors contributed to the Dayton peace accords, including the Croatian-Bosnian military offensive of August/September 1995, U.N. sanctions played a role in bringing the parties to the bargaining table.

U.N. sanctions were employed again at the beginning of the Kosovo crisis, but the effort was half-hearted. In March 1998, as fighting in Kosovo intensified, the Security Council imposed an arms embargo on Yugoslavia. No effort was made to enforce the embargo, however, and no further steps were taken to increase sanctions pressure. Nor were efforts made to develop the kind of elaborate monitoring and enforcement machinery that was so effectively employed by the European community during the earlier episode.

Sanctions could yet contribute to a resolution of the Kosovo crisis, as part of a package of inducements and coercive measures designed to enforce the terms of the peace agreement. Working through the U.N., the United States and its partners should bring to the table a credible package of sanctions and incentives to persuade the Serbs and Albanians to begin to resolve their differences and strive toward cooperation and reconciliation.

The sanctions part of the package might include the threat to go beyond the present arms embargo to impose targeted sanctions against those who renege on their obligations under the peace settlement. Among the selective measures that might be applied are aviation and travel bans, the freezing of financial assets, and the blocking of government and leadership financial transactions. The prospect of a selective oil embargo, targeted against refined petroleum products, might also be part of a sanctions package.

The incentives package might include the progressive lifting of sanctions, the encouragement of investment and trade, and a massive aid and reconstruction program for the region's battered infrastructure and crippled economy. Huge levels of humanitarian assistance will be needed for returning Kosovar refugees and vulnerable populations in Yugoslavia and surrounding countries. The delivery of economic assistance and development aid should be used to encourage compliance with the peace settlement and a greater commitment to democratization. Aid should be targeted to those constituencies and sectors which have a demonstrated commitment to democracy and human rights and which are most likely to support a long term process of conflict resolution and multi-ethnic cooperation. The delivery of aid should be conditioned on compliance with the peace settlement and should be delayed or suspended if the recipient groups balk or refuse to cooperate with one another in creating a new, more cooperative society.

The promise of economic prosperity is a powerful incentive for encouraging democracy, human rights, and respect for the rule of law. The desire for participation in the European system of economic development and political cooperation is an especially strong inducement for many people in the Balkans. Even in Serbia political leaders have voiced a desire to be part of the European community. Some argue that the decision to exclude Yugoslavia from Europe in the late 1980s contributed to the breakup of the country and the consequent armed conflicts. Offering now to integrate the countries of the Balkans into the European system of prosperity and cooperative development could be an effective inducement for conflict resolution and prevention. This is the concept of "association-exclusion," as opposed to the traditional "compellence-deterrence" approach embodied in NATO military policy. The greatest hope for a more cooperative future lies not in the power to punish, but in the creative use of association as a means of rewarding those who abide by civilized standards of behavior while excluding those who do not.

Because the conflicts in the Balkans are interconnected, and the economies of the region were once closely linked, it is important to view the region as an integrated whole, and to develop an aid program that applies to the entire region. Economic assistance should be designed not only to rebuild war-related damage but to lay the foundations for future economic development and interdependence. Economic assistance should be offered not only to Kosovo but to Serbia, Albania, and all the republics of the region. By making an extra effort now to raise the economic and social standards of the entire region, the United States and its European partners can help to establish the conditions for cooperation in the future and thereby reduce the likelihood of renewed warfare. This in turn will hasten the day when NATO forces can safely leave the region.

The United States and its allies have made an enormous military commitment to the region. Now they must make an even larger economic commitment to create the conditions for a lasting peace. The centerpiece of an economic strategy for peace should be a massive reconstruction and economic development program for the Balkans. The proposed assistance program should be on the scale of the Marshall Plan. At the end of World War II the victorious allies invested massively in rebuilding war-torn Europe and helped their former enemies recover economically and become functioning democracies. The strategy was a brilliant success that laid the foundation for European prosperity and cooperation and that has helped to secure the peace in Western Europe for more than 50 years.

No less an effort is needed now to bring prosperity and security to Southeast Europe. The guiding vision of U.S. and European strategy should be to create prosperous, democratic, economically interdependent states throughout the Balkans—to build societies where people trade rather than invade, where commerce, communication, and interdependence gradually break down the animosities that have so often fueled armed conflict in the region.

The price of a massive multi-year economic assistance and incentives package for the Balkans will be huge, but it is far less than the costs of indefinite military occupation or the losses that would occur in future wars and armed conflicts. The price of peace is surely less than the cost of war.

Only through a long-term program of economic assistance and political engagement can the United States and its partners ensure that the war for human rights has truly been won.

WELCOMING HOSNI MUBARAK

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. CONDIT. Mr. Speaker, today we were honored to welcome Hosni Mubarak, the President of the Arab Republic of Egypt, to Capitol Hill. A leader in the Arab world, President Mubarak is considered by many of us to be a friend and trusted ally.

President Mubarak was awarded an honorary degree of laws by George Washington University during his Washington visit. In his remarks at the University's ceremony, President Mubarak stressed the importance of economic progress in Egypt. Under Mubarak's leadership, Egypt has implemented significant economic reforms, including economic privatization, revival of the stock exchange, and IMF and World Bank reform programs. President Mubarak also discussed the crucial role Egypt continues to play in the Middle East region as the first Arab country to make peace with Israel. As many of my colleagues know, Egypt has long been a strong ally of the U.S. and a force for stability in a volatile region of the world. President Mubarak was optimistic about the prospects for the peace process with the new Government in Israel.

I would like to share with my colleagues President Mubarak's June 29, 1999, address to a crowded assembly at George Washington University.

SPEECH OF H.E. PRESIDENT MOHAMED HOSNY MUBARAK ON THE OCCASION OF THE AWARDING OF A DOCTORATE HONORIS CAUSA, GEORGE WASHINGTON UNIVERSITY, JUNE 29, 1999

President Trachtenberg, Faculty Members and Students of George Washington University, Ladies and Gentlemen, it is a great privilege to be with you today to receive this honorary degree, from one of the leading centers of learning and excellence of this great nation.

For many years your institution has been dedicated to the shaping of minds, the building of character through knowledge, through study and the pursuit of truth. In this, it has contributed to building a better world. But most importantly it has helped in building the future; as each mind, strong in its knowledge, richer in its humanity and confident in its powers, reaches for its ambitions, to build a better tomorrow of peace and well-being.

In the Middle East we also seek a future of prosperity. Over the years Egypt has strived to build a sustainable peace. And for over twenty years, it showed the way. Throughout we forged a path to conquer decades of enmity, of wars, of grief, and wasted lives. On this path of trust, of commitment to a just and lasting peace, we sought the respect of the rights of all to legitimacy, to security and to the pursuit of a prosperous future.

The road ahead is still long and the obstacles many, but we have seen the birth of a new hope. A new government in Israel has come to power. It holds the promise of better days for the peoples of Israel and Palestine.

For over two decades, the United States and Egypt have worked together. We have drawn from the deepest recesses of our rich pasts, our cultures of peace, our traditions of tolerance and commitment to prosperity to make a lasting future happen.

We built on the friendship that binds our two nations, to bring together enemies, bridge suspicions, draft compromises, and build the foundations of a lasting dialogue. And over the years we have shown that the partnership that unites us, the trust we have in each other can be the catalyst that will, one day, one day soon, bring back tranquility to this holy land.

In Egypt, over twenty years ago, we turned the page on a long history of wars. We turned our energies towards rebuilding the Egypt that we have known throughout the centuries. An Egypt that is strong and prosperous. One that holds the promise that its sons and daughters are entitled to. We rebuilt the infrastructure: the bridges, the roads, the power, the water, the ports and the cities. We recreated our society to seek progress in stability and in freedom, in growth and most of all in peace.

In the early nineties, we restored the financial balances that will usher us into the twenty-first century. A strong economy, open to the world, liberal, market driven and caring for the welfare of all its people. We built the institutions, drafted the laws, and trained the people so that we may join the world in its prosperity. We have come a long way, and look forward, with confidence, to a longer way still, to reach a society that is equal to the challenges ahead.

We worked to integrate the world economy, join its ranks, seek its rules and abide by them. We opened our markets, and freed our trade. We welcomed investment and shared our resources. We are building our economy to the scale of global competition.

But the challenges ahead have changed in the last few years. A world economy of closeness, of open borders and of shared prosperity has given way to instability and hardship. In country after country, long years of development have vanished when investor sentiments changed in far away markets. The global economy of the twenty first century will bring us closer together, but it can also push us further apart. Now more than ever before global prosperity has come to rely on the welfare of each one of us. But can this really be so? Can we really build our world on a culture of cooperation?

Doubt has seeped in many a mind. Can we really rely on each other for our common prosperity? Will this global economy be an economy of shared responsibility, of common purpose and common means? This last year has seen efforts to change our global institutions to better our dialogue and to join efforts in development. A few weeks ago, the group of eight industrial nations agreed to share the burden of debt of the poorest countries. Will it also agree to share its affluence with them? We have all embraced market forces as the guide of our development. But we must harness them to serve our common purpose. The global economy stands at a crossroads between a polar world of rich and poor and a true partnership for a common future.

Let our children say one day that when we had to choose, we chose the difficult path but we chose well and most of all, we chose together.

But our reforms must not be just economic, they must reach deep into our societies. They must reach into our civil institutions, our political structures, our human capital and our intellectual regeneration.

Economic reform and the gradual liberalization of markets all over the world reduced the role of governments. They also opened up unlimited prospects and frontiers for both the private and the voluntary sectors. Each of them is now a full partner with the government in setting policies and in implementing them. In Egypt, we have encouraged this partnership for the benefit of all citizens.

Today our private sector stands at the forefront of our efforts to modernize and grow. Egypt's spirit of private initiative has been revived. And this spirit is allowing people to pursue their dreams, to realize their full potential and to play an active part in building their future.

The Egyptian Government has learned, through hard experience, that its role is that of a regulatory, a facilitator, a guarantor of basic rights, and a provider of urgent help for those who are in need during the difficult period of transition. Above all, it is responsible for encouraging and protecting an environment in which the private sector can create jobs, wealth, goods and services. With these, come stability, security, and a sense of shared responsibility that is the essence of human society.

And at the forefront of the institutions of civil society, stand political participation and the extension of democracy and accountable government.

The road to democracy is a long one, and we travel it with confidence. We have not turned back under the most difficult conditions, economic hardships, social pressure, malicious terrorism and narrow-minded intolerance. And we will not turn back, nor will our belief in the rule of law be shaken. We will work towards consolidating our democracy gradually, steadily, and in the spirit of tolerance and cooperation that is known of the Egyptian people.

But civil society is about much more than parliamentary democracy. It is about complementing good government and creating communities with shared values. For many centuries, the voluntary sector in Egypt played a crucial role in binding our society together, even during some of the hardest times. The spirit of charity and compassion advocated by Christianity since the Holy Family's journey in ancient Egypt, and the strong message of sharing carried forward by Islam fourteen centuries ago, have both endowed our society with a deep sense of civil responsibility. Today, as a result of falling boundaries all over the world, a global agenda for social development is being put forward. Our voluntary sector must be involved in the setting of such agenda and in playing an active part in its implementation.

Our success in redirecting our economy and reviving our civil institutions is real. It is tangible and we build on it. But what is the value of success if it is not based on human dignity? Indeed, can there be any success if the human being is neglected?

The only long term guarantee of sustainable development, the main source of value and competitiveness, is investment in human capital. Egypt's history and ancient civilization taught us this reality. For thousands of years, investment in human capital was the cornerstone of every success. It allowed pyramids to be built, rivers to be tamed, innovations to be discovered, and art to flourish.

Our investment in human capital has been in all fields. It covers education, health and basic services. It aims at preserving the environment, encouraging creative thinking and maintaining family values. It is conscious and respectful of human rights in the most comprehensive sense. Human rights which include every individual's right to freedom of speech, of expression and intellectual fulfillment, the right to a happy childhood, to a productive life and a peaceful retirement, to a decent environment, basic services, shelter, and food. Moreover, it aims at building cultural bridges with people throughout the world.

But beyond this, the key to our basic development is the status and role of women in our society. For this we have used every means to improve women's share in education, in health services, in job opportunities, and in leading a fulfilling life as members of a family, a community and a country.

But the true essence of Egypt's endurance and prosperity over the centuries, is the sense of belonging to one community. One nation founded on equal worth and equal rights for every individual. Throughout the centuries, Egypt sheltered people from every origin, background, creed and race. Their traditions and cultures, their habits and customs have melted to form one people. This is a country where all are equal in law, in practice and in spirit, men and women, peasants and urban dwellers, rich and poor, regardless of their creed or beliefs.

Since the dawn of time, Egypt's position in the world, its natural resources and cultural diversity have allowed her to be at the crossroads of civilization. The same is true today. We have built a country of the twenty-first century that has bridged millennia of history with a boundless future, the traditions of old and the energy of youth. We have blended economic reform and social balance, western progress and eastern values. A haven between a prosperous North and a South full of promise. We seek to modernize by embracing change and not defying it, centered around human nature selfless and self-interested, cooperative and competitive all at once.

We are a country that has found its balance. We will share it in friendship with all.

In this place of learning, in this place of excellence, you foster sharing, understanding, and tolerance. You bring forth the future like we do in reform. And in the end we must join hands, for the many lives we change, will one day, shape the century to come in the image of our dreams.

Thank you very much.

SWOYERSVILLE ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. KANJORSKI. Mr. Speaker, I rise today to bring to the attention of my colleagues the Centennial Anniversary of Swoyersville Borough in Northeastern Pennsylvania. The Borough will celebrate at a banquet on July 3. I am pleased and proud to have been asked to participate in this event.

Originally part of Kingston Township, Swoyersville first sought incorporation as a borough in 1888, but the action was challenged in court. Eleven years later, the Superior Court of Pennsylvania sustained the incorporation and the Borough was officially born.

Named for coal baron John Henry Swoyer, mining was the major industry in the Borough at the time. Swoyersville was broken up into sections, such as Shomemaker's Patch and Maltby, with several smaller sub-divisions within the sections. The patches were groups of company homes owned by the coal companies. Today, coal mining is just a part of Swoyersville's history, as are the garment and clothing factories which replaced that industry.

In 1972, when Tropical Storm Agnes caused the Susquehanna River to overflow her banks, eighty percent of the town was inundated. Like all residents of the Wyoming Valley, the townspeople pulled together during the summer of 1972, shoveled mud out of their homes, and began to rebuild. Today, Swoyersville flourishes as a beautiful residential area.

Mr. Speaker, I am proud to join with the community in recognizing this milestone anniversary of the Borough Charter. I send my sincere best wishes to the people of Swoyersville as they gather for their Centennial Celebration.

VERMILLION COUNTY'S 175TH BIRTHDAY

HON. STEPHEN E. BUYER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. BUYER. Mr. Speaker, I rise to honor the 175th birthday of Vermillion County, Indiana. Nearly two centuries of proud history and tradition encompass an area only seven miles wide and 37 miles long. The county's unusual shape was formed in order to better govern and patrol the area when it was still a frontier on the Wabash River.

Vermillion County gained its name from a French translation of a Miami Indian word meaning "red earth," or clay. For years, clay provided a major business for this county. Now businesses such as Eli Lilly, Inland Container, Public Service Indiana, Peabody Coal, and the Newport Army Ammunition Depot are the major employers that exist in this "red earth" county.

Even though Vermillion County is small in size, many notable figures have called it home. Henry Washburn, a Newport lawyer, was appointed Lieutenant Colonel of the 18th Indiana Volunteer Infantry Regiment during the Civil War. Washburn and his regiment served heroically in several battles such as Pea Ridge, Ulysses S. Grant's Vicksburg campaign, and Sheridan's Shenandoah Valley campaign. After the Civil War, Washburn was elected to the U.S. House of Representatives where he contributed to the creation of Yellowstone National Park.

Born on a farm near Dana was yet another historic figure, the famous World War II correspondent Ernie Pyle. Pyle accompanied American serivcemen in both the European and Pacific theaters. Pyle's work portrayed the grim aspects of war and also the lighter moments between the chaos. His writing was, and still is, seen as some of the best journalism of the twentieth century.

Besides historical figures, Vermillion County has also been home to entertainment personalities as well. The actor Ken Kercheval was born in Wolcottville. One of his most notable acting jobs was on the hit television series "Dallas." Kercheval has even had a guest appearance on "ER." Another Vermillion native is Jill Marie Landis. Landis is a nationally best-selling author. She has written 13 award winning books. Landis claims that her childhood in Clinton, Indiana, helped to inspire her stories.

I congratulate all of the residents of Vermillion County who are taking part in the 175th birthday celebrations.

IN REMEMBRANCE OF HIS HOLINESS KAREKIN I

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. BONIOR. Mr. Speaker, today in Armenia, the spiritual leader of the Armenian Apostolic Church passed away after a serious illness. I was saddened to learn of the death of His Holiness Karekin I, the Catholicos of the Armenian Church.

Elected as the 131st leader of the Armenian Church following the death of Vazgen I in 1995, Karekin I called for a peaceful solution in Nagorno Karabagh.

Karekin I, who led the church for 4 years, spent much of his time visiting with the faithful, who live in many different areas of the world. Prior to rising to become the Catholicos, His Holiness was educated at Oxford, England, and he served the church in Lebanon, Iran and New York.

His Holiness was an important world figure. He was among the most prominent spiritual leaders—a man who was important not only to Armenians but to people of all faiths. He was a well-respected figure throughout America. Not only did Karekin I serve the church in New York, but he also visited communities throughout the United States frequently.

As millions of Armenians mourn his passing, we will all feel a deep loss. He stood for peace and justice. He was known as an eloquent and passionate orator. He worked with other religious leaders to strengthen the ties and understanding between people of different faiths.

Karekin I led a church whose history dates back to 301 A.D., when King Trdat III proclaimed Christianity as the state religion of Armenia. For much of the past fifteen centuries, the Armenian Church and its spiritual leaders have been the embodiment of the national aspirations of the Armenian people.

As the people of Armenia move forward towards peace and prosperity, it is important to remember those who have helped lead the way. The commitment of Karekin I to the faith and to the Armenian people will not be forgotten.

DOING GOOD FOR HUD

HON. CHAKA FATTAH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. FATTAH. Mr. Speaker, I commend the following article to my colleagues from The Philadelphia Inquirer on the Department of Housing and Urban Development's activities in Philadelphia.

[From the Philadelphia Inquirer, June 22, 1999]

DOING GOOD FOR HUD

FOR A BUREAUCRACY, IT'S A STARTLING MOVE: SENDING SKILLED PROFESSIONALS OUT OF THEIR OFFICES WITH SWEEPING ORDERS TO HELP PEOPLE. THEY ARE "COMMUNITY BUILDERS" IN WHAT HUD SECRETARY ANDREW CUOMO CALLS "AN URBAN PEACE CORPS."

(By Maida Odom)

John Carpenter drives past rubbish-filled lots in Philadelphia, wondering if there's some way to get them into the hands of owners who would clean them up.

Cynthia Jetter solves problems and investigates complaints from advocates for the disabled—the same people who last month protested outside her employer, the U.S. Office of Housing and Urban Development in Washington.

And Michael Levine, a career Washington bureaucrat now in Philadelphia, is getting to see some of the social programs he helped design. "When you come in and meet people in a situation, you realize no program in itself is going to solve the problem," he says.

They are executives who have left their offices—"outsiders" with connections, insiders now on the street.

They are HUD employees, members of a unique group of two-year "fellows" called community builders. Handpicked from inside and outside HUD, these special workers—about 900 at 81 offices nationwide, and 26 in Pennsylvania—have an extremely broad mandate: Do good.

Jetter was a HUD employee who left to work at the Philadelphia Housing Authority and then returned. Carpenter formerly headed a Community Development Corp. Both are assigned to the Philadelphia office, as is Levine.

HUD Secretary Andrew Cuomo, who announced the program in March of 1998, dubbed these "fellows" an "urban Peace Corps"—knowledgeable professionals from private industry, social services, other branches of government and elsewhere temporarily added to a HUD talent pool that has been winnowed through years of budget cuts.

Karen Miller, who heads HUD's mid-Atlantic region, which is based here, helped write the "community builders" job description.

"What has been expected of HUD's staff was schizophrenic," she said. HUD bureaucrats were the "cops" who guarded public dollars, she said, while at the same time they were expected to offer technical assistance to the people being monitored.

"The Secretary [Cuomo] separated the two roles," she said. "The great majority [of HUD employees] are still defenders of public dollars," involved in awarding grants, moving applications through the system and monitoring spending.

"Community builders are the ones who go out and work with the community and help them do what they want and need to do."

In almost two decades as a Washington-based bureaucrat, Levine saw himself getting further away from his personal career goal "to go out and help communities develop."

As a HUD executive he was writing programs and evaluating projects. Eventually, there were few fact-finding trips into the field to see firsthand what he was planning and administering.

About half the community builders are like Levine, people who had worked inside HUD and are now getting a chance to see their work in action.

Being in the area of welfare-to-work for about a year has been eye-opening, he said. Over that period, Levine has arranged for more than 700 people—public-housing managers and tenant leaders—to get special briefings explaining the new welfare-reform laws.

In Washington, he had administered and written a program offering public-housing tenant councils $100,000 grants to develop job opportunities. "They didn't want to spend the money for fear of getting into trouble," Levine said.

Now, as a community builder, he's helping bring together public and private sources to create computer centers at public housing developments. "A computer center is a place where children can go after school, where adults can get the literacy they need," he said.

"When I ran that program in Washington I didn't see the money being used that way. You get a different perspective. You don't realize the nuances.

"It's not like I learned any big new things to shock me. But things are much clearer now."

Before she met Jetter, Nancy Salandra, project coordinator for the Pennsylvania Action Coalition for Disability Rights in Housing, generally found herself fighting to get HUD to listen.

Jetter has been "a terrific person to work with," Salandra said. "What she says she's going to do, she does.

"She has the knowledge; she has the understanding of housing; she has the understanding about HUD; and she understands how the system overwhelms people."

In addition to meeting with groups that usually come to HUD with complaints. Jetter is bringing together people who work on housing for veterans and disabled and homeless people. She also is trying to organize a tracking method to keep up with who needs services and who's receiving them.

"We need to track the impact of programs [and] track housing, and we can better address the needs of the population."

Jetter worked for HUD for 14 years before taking over as head of resident services at the Philadelphia Housing Authority. She left there for a research project at the Manpower Demonstration Research Corp. in New York. Last fall, she rejoined HUD as a community builder. When Jetter left HUD, she thought she'd never go back. For most of her years with the agency, she felt it was growing farther away from the people it served.

People "were numbers," she said. "This is a big step for HUD to take people in from the outside. And the response has been overwhelming. P.R. for HUD is a big part of it. We go to every meeting we can, try to be a visible as possible. After a meeting, people are almost knocking you down to get your card.

"We used to be the ones who said 'Gotcha!' Now people can talk to us before they get into trouble."

Carpenter, who formerly headed the New Kensington Community Development Corp., where he won praise for clearing and reusing vacant lots, joined HUD last summer. In this job he's been able to pull together people he could not have assembled in his old job.

For example, a group of American Street area residents and representatives of a community development corporation there were working together earlier this year, hoping to obtain funding to design projects for property acquisition and housing preservation.

Carpenter, according to Santiago Burgos, director of the American Street Empowerment Zone in North Philadelphia, was able to help people working in the area "think through to design a project to consolidate those goals." Carpenter helped them see that they needed money for pre-development and environmental testing. Their improving planning made it easier to identify and get funding, Burgos said.

In addition, Carpenter brought in the right people as advisers and consultants, Burgos said, and "shortened the learning curve" for the community people, moving things forward faster.

Such projects are close to Carpenter's heart.

"Frankly, it's one of Philadelphia's biggest disgraces—what happens to vacant land once the building is torn down. The city essentially abdicates responsibility. They do not clean it, they do not maintain it, they do not cite the owners for not maintaining it.

"For a developer driving by here, the first gut-recoiling reaction is, 'Why would I even build here if the people who live here tolerate this? What would they do to my store? What would they do to my business?' "

Although the problem is vast, Carpenter said—in the city there are about 40,000 vacant buildings and 30,000 vacant lots, most privately owned—he thinks it can be tackled.

"Having the HUD seal of approval gets people to listen to me," he said.

PERSONAL EXPLANATION

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. WATTS of Oklahoma. Mr. Speaker, I was granted a leave of absence for Monday, June 29, 1999. Following are the Suspension votes I missed and how I would have voted:

On Passage of H. Con. Res. 94: On rollcall vote No. 259, I would have voted "yea."

On Passage of H. Res. 226: On rollcall vote No. 258, I would have voted "yea."

On Passage of H.R. 2280: On rollcall vote No. 257, I would have voted "yea."

Lastly, I would have voted "yea" for H.J. Res. 34; H.R. 1568; H.R. 2014 and H.R. 1327 all passed by voice vote.

IN RECOGNITION OF COACH RAY SMOOT ON THE OCCASION OF HIS RETIREMENT AFTER 41 YEARS AS A TEACHER, COACH AND PRINCIPAL

HON. BOB RILEY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. RILEY. Mr. Speaker, I rise today to recognize Coach Ray Smoot on the occasion of his retirement from a teaching career that has spanned 41 years.

Ray Smoot has served children from kindergarten through high school. He has been a teacher, a coach and a principal. Today, he will retire as Principal of Talladega High School in Talladega, AL.

Ray Smoot had to work hard for his education, and he has always promoted the importance of education. He might have chosen another field, but he wanted to teach. Now he can take pride in knowing that he has made a difference in the lives of so many people, helping them to see the value of education and recognize their potential.

I salute Ray Smoot on his outstanding career.

IN HONOR OF VINCENZO MELENZIO

HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. RYAN of Wisconsin. Mr. Speaker, I rise today to honor Vincenzo Melenzio for his assistance to the United States forces during World War II.

Mr. Melenzio, or "Enzo," was an Italian navy radioman who after the Germans had taken over the Italian Government, defected and volunteered for action against the Germans with the Office of Strategic Services (OSS).

Mr. Melenzio was employed by the OSS for four months in the winter of 1945 as a behind-the-lines radio operator. He served with the OSS 2677th Regiment along with approximately 750 Italian partisan led by 9–10 Americans.

On May 11, 1945, Mr. Melenzio received a certificate of appreciation for his services from Col. Russell D. Livermore, commander of all Special Operations Units in the Mediterranean area. Furthermore, the United States Army, in a memo to the Italian Navy, recommended Mr. Melenzio for the bronze medal.

It is appropriate that Mr. Melenzio be recognized for his bravery, and for his service to both the United States, and to the international community at large.

THE HOLOCAUST ASSETS COMMISSION EXTENSION ACT

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. LAZIO. Mr. Speaker, as we approach the new millennium, it is right and proper that we look forward to the bright future before us. Yet mileposts like these, like old photographs, evoke reflection on the past, not just of our triumphs but also our tragedies. Today I want to draw our attention back to the past, back to one of the most tragic chapters in all of human history, to the Holocaust and its aftermath.

The horrors of the Holocaust are well known: six million Jews murdered, along with millions of others deemed "undesirable" by Adolf Hitler and his followers. It is often overlooked, however, that the Holocaust was not only one of the largest mass murders in history, but also the largest organized theft in history. The Nazis stole, plundered, and looted billions of dollars of assets. A half-century later we still lack a full accounting.

One year ago, Congress passed and the President signed legislation creating the Presidential Advisory Commission on Holocaust Assets in the United States. The Commission has two goals. The first is to conduct original historical research into the question of what happened to the assets of Holocaust victims that came into the "possession or control" of the Federal Government. This research will also include a review of work done by others looking into the matter of assets that passed into non-Federal hands, commodities that included gold, non-gold financial assets, and art and cultural property. The second is to recommend to the President the appropriate future action necessary to bring closure to this issue.

As a member of the Commission, I feel compelled to address the question, "why now?" Why, as we look forward to the new millennium, are the resources of the United States and 17 other nations being devoted to learning the truth about the treatment of Holocaust victims half a century ago?

The answer is simple. Holocaust survivors are aging—and dying. If we are ever to do justice to them, and the memory of the six million Jews and millions of other victims who perished, we must act quickly. The intransigence of the Swiss and others has inflamed passions and energized advocates throughout the world. Justice delayed is justice denied. And with the end of the Cold War, we have the opportunity to look at the immediate post-World War II period with a fresh perspective.

Even if the world were so inclined, it is now impossible to pretend that justice was done. We know too much. We know that in Europe banks sat on dormant accounts for five decades; that insurance companies evaded their responsibilities to honor policies held by victims; that unscrupulous art dealers sold paintings that wee extorted from Jews who feared for their lives; and that gold from Holocaust victims was resmelted, often becoming the basis for financial dealings between large corporate entities.

The Holocaust Commission Act assumes a sunset date of December 1999. Because of the delay in starting a new enterprise from scratch and because of the enormous volume of archival and other resources that need to be examined, it is clear that the commission must have more time and more funding to accomplish its mission.

Therefore, in acknowledgment of this need, I am introducing the Holocaust Commission Extension Act. This act will do two things: extend the sunset date of the Commission to

December 2000 and authorize the Commission to receive additional funding. I am joined today by my colleagues on the Commission: Chairman BEN GILMAN, JIM MALONEY and BRAD SHERMAN, as well as JOHN LAFALCE of the House Banking Committee, and Banking Committee Chairman JIM LEACH, who has led the way on this issue. The effort to create the Commission has been bipartisan and will remain so. Honoring the memories of the victims and the pursuit of justice in their names cannot be sullied by politics as usual. I invite my colleagues on both ends of the aisle to cosponsor and support this bill.

We are all familiar with George Santayana's famous quote—"Those who cannot remember the past are condemned to repeat it." With this quote comes the unspoken prerequisite: the truth must be established and acknowledged before it can be remembered. The United States, along with every other nation, must therefore remember the Holocaust as both history and as an unfolding of human tragedy. I am confident that the Commission's efforts will demonstrate that as Americans we are willing to confront our own past, and in so doing, we will demonstrate our leadership in the international effort to obtain justice for the victims of the Holocaust and their families.

NAFTA-TAA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. RANGEL. Mr. Speaker, the authorizations for the Trade Adjustment Assistance (TAA) program and the NAFTA Trade Adjustment Assistance (NAFTA-TAA) program expire today, June 30, 1999. Accordingly, I am introducing legislation to reauthorize the programs through fiscal year 2001. There should be no gap in the authorizations for these vitally important programs, which have long enjoyed bipartisan support.

Efforts to increase the participation of the United States in global trade are essential to the continued growth of our economy. However, when increased trade is a cause of dislocation for some U.S. workers and firms, we must be prepared to respond. The TAA programs are the cornerstone of our longstanding efforts to cushion the impact of the blow for employees and businesses who have been harmed by imports. Most important, TAA provides retraining and technical assistance so these workers and firms can thrive in the new economy.

A number of reforms in the TAA programs have been proposed recently. The legislation that I am introducing today is intended to continue these programs as their Congressional authorization is set to expire. However, the bill is not meant to preclude important discussions of broader, systemic changes.

CELEBRATING THE FIFTH ANNIVERSARY OF THE WEST ANGELES COMMUNITY DEVELOPMENT CORPORATION

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. DIXON. Mr. Speaker, I am pleased to commemorate the fifth anniversary of the West Angeles Community Development Corporation (CDC). This thriving community development organization was founded in 1994 as an outreach program of the West Angeles Church of God in Christ, a 15,000 member congregation in the Crenshaw area, located in my Congressional District. The West Angeles CDC is dedicated to economic empowerment, social justice, and community transformation for its surrounding South Los Angeles area.

The West Angeles CDC has achieved success in developing a school-based training program in peer mediation named PeaceMakers, launching a job placement assistance program, providing renters' assistance and case management services to families displaced from housing, and providing emergency food assistance to those in need. In addition, the CDC recently built the West A Homes, a 44-unit apartment complex for large low-income families.

In recognizing the significant outreach ministry of the West Angeles CDC, I must highlight the outstanding leadership of the organization's distinguished Board of Directors: Bishop Charles E. Blake, Pastor of the West Angeles Church; Lula Ballton, Esq., Executive Director of the CDC; Dr. Desiree Tillman-Jones, Chairperson of the Board; Mrs. Belinda Ann Bakkar; Mrs. Jueline Bleavins; Mr. Mack Bruins; Ms. Stasia Cato; Mrs. Nancy Harris; Mr. Harold T. Hutchison; Mrs. Janet Johnson-Welch; Ms. Nathalie Page; Ms. Sandra McBeth-Reynolds; Rev. Donald T. Paredes; Mr. Maurice Perry; Mr. Mark J. Robertson; Mr. Roy Sadakane; Mr. Paul H. Turner; and attorneys Patricia S. Cannon, Anne C. Myles-Smith, and Wyndell J. Wright. These dedicated individuals have selflessly fulfilled the vision of the West Angeles CDC by bringing compassion, hope, and healing to the Crenshaw community they serve.

The West Angeles CDC's contributions to the South Los Angeles community have been invaluable. I congratulate them on their outstanding work and offer my best wishes for their continued success. With construction underway of a beautiful new West Angeles Cathedral, I am confident the West Angeles Church of God in Christ and the West Angeles Community Development Corporation can look forward to a long and prosperous future.

H.R. 2373, THE START-UP SUCCESS ACCOUNTS ACT OF 1999

HON. BRIAN BAIRD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. BAIRD. Mr. Speaker, I rise today to join my colleague from South Carolina in the introduction of legislation that will give owners of newly formed small businesses a new way to channel capital into the growth of those businesses.

I am very excited to join my colleague, Mr. DEMINT, in this effort. I'm pleased to serve alongside Mr. DEMINT on the Small Business Committee and have found that we see eye-to-eye on so many issues of critical importance to small businesses in our respective states. I believe that we share a common interest of helping small businesses thrive in our nation, and this legislation is a step in that direction.

Mr. Speaker, Small businesses are the economic foundation of southwest Washington. As my colleague mentioned, they account for nearly all new jobs in our economy. However, a majority of those new small businesses fail in the first few years of existence—largely due to lack of capital.

As currently structured, the tax system seems to penalize capital retention. Certainly, it provides disincentives for small businesses to save, which I believe is misguided policy.

As one who grew up with small business owners, I am aware of the struggles that one goes through in trying to build a business. My folks owned a small clothing store as I was growing up, and went on to run a small ice-cream and sandwich shop. They certainly had their good years, and their bad and tried desperately to make ends meet during those less profitable years.

Mr. Speaker, this legislation, the Start-Up Success Accounts Act of 1999, would help our small businesses save for those rainy days; and it would allow them to take a more careful, considered approach to investing in the growth of their business. By allowing business owners to set aside up to 20 percent of their profits in more successful years and defer tax on those profits until later years, this bill would put another instrument in the toolbelt of new small business owners, who need all the help that we can provide.

Giving small businesses a fighting chance to succeed isn't a Democratic issue or a Republican issue—it's an American issue. It's the common sense thing to do, and I am proud to join with my colleague in drafting and introducing this bill. I think that this straight-forward legislation will appeal to our colleagues on both sides of the aisle who see the simple benefits of promoting savings.

CIVIL ASSET FORFEITURE REFORM ACT

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 24, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1658) to provide a more just and uniform procedure for Federal civil forfeitures, and for other purposes:

Mrs. MINK of Hawaii. Mr. Chairman, I rise in strong support of H.R. 1658, the Civil Asset Forfeiture Reform Act.

The Constitution is the foundation of our great nation. From an early age we are taught that we are entitled to basic rights and liberties, and we cherish these rights and protections afforded under our Constitution. When these rights are violated, we are quick to demand action and correction.

This is a time when we must demand action and correction. The current civil asset forfeiture laws abuse individual rights by denying basic due process.

Under current law, there are two kinds of forfeiture—criminal asset forfeiture and civil asset forfeiture. Under criminal asset forfeiture, if you are indicted and convicted of a crime, the government may seize your property if your property was used, however indirectly, in facilitating the crime for which you have been convicted.

I have no problem with that law. Not only is it a good deterrent against a number of crimes, but it does not deny anyone their Constitutional rights.

However, under civil asset forfeiture, the government can seize your property, regardless of the guilt or innocence of the property owner. The government can seize property merely by showing there is probable cause to believe that these assets have been part of some illegal activity. This means that even if there is no related criminal charge or conviction against the individual, the government may confiscate his or her property.

And property can be anything—your car, your home, your business. The government can take anything and everything premised on the weakest of criminal charges—probable cause.

Moreover, the current law gives little consideration to whether the forfeiture of the property results in a mere inconvenience to the owner, or jeopardizes the owner's business or livelihood.

To reclaim this property, no matter the inconvenience, the property owner must jump through a number of hoops.

First of which, the owner must pay a 10 percent cost bond or $5,000, whichever is less. For low-income people or for people who have been made poor by this civil asset seizure, coming up with the money for this bond may be extremely difficult or impossible. This bond serves to discourage people from contesting the seizure.

If a property owner can come up with this money, he still has the burden of proof.

The government should have this burden. We are still "innocent until proven guilty." And under criminal law, that is the way it is. If someone is charged with a crime, the government has the burden to prove that the person is guilty.

However, under civil asset forfeiture, it is the exact opposite. The owner must prove, by a preponderance of the evidence, that either the property was not connected to any wrongdoing or the owner did not know and did not consent to the property's illegal use.

And to top it off, if the owner succeeds in reclaiming his property, the government owes him nothing for his trouble—not even an apology.

H.R. 1658 calls for reforms that protect the rights of innocent citizens while still allowing the government to pursue criminals and their property. First, H.R. 1658 puts the burden of proof, by clear and convincing evidence, onto the government, where it should be. Second, it gives the judge the flexibility to release the property, pending the final disposition, if the confiscation of the property imposes a substantial hardship on the owner.

Under H.R. 1658, Judges also would be able to appoint counsel in civil forfeiture proceedings for our poorest citizens to ensure that they are protected from the government's exercise of power. Furthermore, property owners would no longer have to file a bond, and could sue if their property is damaged while in the government's possession.

In our haste to punish drug traffickers, Congress failed to adequately protect the rights of our citizens.

H.R. 1658 restores these protections and returns law enforcement in drug crimes to the basic tenets of criminal jurisprudence.

LEGISLATION TO OPEN PARTICIPATION IN PRESIDENTIAL DEBATES

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to open participation in presidential debates to all qualified candidates. I urge my colleagues to support this legislation.

My bill amends the Federal Election Champaign Act of 1971 to organizations staging a presidential debate to invite all candidates that meet the following criteria: the candidate must meet all Constitutional requirements for being President (e.g., at least 35 years of age, born in the United States), the candidate must have qualified for the ballot in enough states such that the candidate has a mathematical chance of receiving the minimum number of electoral votes necessary for election, and the candidate must qualify to be eligible for matching payments from the Presidential Election Campaign Fund.

This legislation will ensure that in a presidential election campaign the American people get an opportunity to see and hear from all of the qualified candidates for presidential. Staging organizations should not be given the subjective authority to bar a qualified candidate from participation in a presidential debate simply because a subjective judgement has been made the candidate does not have a reasonable chance of winning the election.

The American people should be given the opportunity to decide for themselves whether or not a candidate has a chance to be elected president. So much is at stake in a presidential election. A presidential election isn't just a contest between individual candidates. It is a contest between different ideas, policies and ideologies. At a time when our country is facing many complex problems, the American people should have the opportunity to be exposed to as many ideas, policies and proposals as possible in a presidential election campaign. My bill will ensure that this happens. It will give the American people an opportunity to hear new and different ideas and proposals on how to address the problems facing our nation. I have confidence that the American people are wise enough to make a sound decision.

Some of the basic principles America was founded on was freedom of speech and freedom of ideas. I was deeply disappointed that in the 1996 presidential campaign, the ideas of qualified candidates for president were not allowed to be heard by the American people during the presidential debates. It is my hope that Congress will pass my legislation and ensure that the un-American practice of silencing qualified for candidates for president is permanently put to a stop. Once again, I urge my colleagues to support this legislation.

TRIBUTE TO THEODORE "TED" JAMES

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. McINNIS. Mr. Speaker, it is with a great deal of sadness that I take a moment to recognize the remarkable life and significant achievements of one of Larimer County's leading businessmen, Theodore "Ted" James. An entrepreneur and developer of Grand Lake Lodge and Hidden Valley Ski Area, Mr. James died at his home on June 8 in Estes Park, CO. While family, friends and colleagues remember the truly exceptional life of Mr. James, I too would like to pay tribute to this remarkable man.

Mr. James was a resident of Estes Park for 46 years; moving to Larimer County in 1953 to run sightseeing buses, two lodges, and a store in Rocky Mountain National Park. During his time in Estes Park, Ted was the president and manager of the Hidden Valley Ski Area, Trail Ridge Store, Grand Lake Lodge, and the Estes Park Inn.

A graduate from Greeley High School, Ted attended the University of Nebraska at Lincoln. During his college career, Mr. James received numerous football awards and was selected by Knute Rockne for the All-West football team. Upon graduating college, with a bachelor's degree in business, Ted played football for the Frankford, PA., Yellowjackets, now known as the Philadelphia Eagles of the National Football League. Many years later, Mr. James was inducted to the Nebraska Hall of Fame at Memorial Stadium.

In 1947, Mr. James was instrumental in merging the Burlington Bus Co. and American Bus Lines to create American Bus Lines in Chicago. With previous experience as the manager of the Greeley Transportation Co., Ted was immediately offered a job as the president and general manager of American Bus Lines Chicago branch.

In 1953, Mr. James was given the opportunity to develop Hidden Valley Ski Area by the Larimer County Park Service. He was a park concessionaire for Hidden Valley, Grand Lake Lodge, and the Trail Ridge Store, as well as operating the Estes Park Chalet.

Mr. James was a member of the Sigma Phi Epsilon fraternity, Scottish Rite and Estes Park Knights of the Belt Buckle. He was commissioner of the Boy Scouts of America in Denver, president of Ski Country USA, and member and director of Denver Country Club.

Although his professional accomplishments will long be remembered and admired, most who knew him well will remember Ted James as a hard working, dedicated, and compassionate man. I would like to extend my deepest sympathy to the family and friends of Mr. James for their profound loss.

ISSUES FACING OUR YOUNG PEOPLE TODAY

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SANDERS. Mr. Speaker, I would like to submit for the RECORD these statements by high school students from my home State of Vermont, who were speaking at my recent town meeting on issues facing young people today.

CHILD CARE IN VERMONT

(On behalf of Jody Foster, David Verge, Alicia Norris and Bobby Collone)

David Verge: Our issue is about child care in Vermont, and with the young people because a lot of the younger people are having kids now. According to child care funds in Vermont, a family could not afford care in 75 percent of the homes or any center. Vermont child care subsidy is at too low of a rate, only $83.70 for field time centers, and $67.45 for full-time care and home care. People of low income levels cannot afford even $50 to make up the difference that the state does not pay.

If they want to come and encourage people to work or go to school, then they need to make it worthwhile. If you are working and your whole paycheck is going to the cost of day care, then what is the point of working? Youth Build needs a day care, because 11 people out of, I'd say, about 33, 30 people have kids already, and we would like if we could try to open child care round Vermont so people can get their educations, and for the people that drop out of high school, because they don't have the money to pay for child care. We would like to see more people graduate than drop out, because we have the lowest dropout rate, from what I understand, and we are just trying to fix it, because a lot of us want to become something so our kids will not look down on us and can think something of us. You know, a lot of us are just not willing to work with it, because we have no money to pay for all the child care, plus other things that we need for essential needs for babies, us, and it is really hard.

Congressman Sanders: You are doing great, Dave.

Alicia Norris: I think a lot of it is, we are all students and we all either have children or are having children. Two of us have kids already, and our whole paycheck from Youth Build goes straight to day care. I mean, we have no money for expenses, for diapers or anything else like that. And it is hard to find good day care when it is $150 a week, and that is really expensive. That makes it really hard, because we want to go to school. And I think a lot of it is, students don't get the help they need so they can go back to school, because they are trying to better their lives and make their lives better for them and their children.

Jody Foster: Some of our changes would include maybe a special subsidy for parents that are going back to school or working, and base it better on income levels, on a higher income level for state help for child care.

Alicia Norris: And just employers helping out their employees, to give them day care, or to either provide day care, like the hospital does, or to help with the funds for it.

Congressman Sanders: Well, you guys have touched on an enormously important subject, and you have done a great job making that presentation.

DEMOCRACY AND CHILD LABOR

(On behalf of Matt Sheldon and Emily Webster)

Matt Sheldon: My presentation is on democracy in the United States.

The U.S. system of government is not as fair as it could be. There is an elite ruling class who have too much control in the way things are run. People in the lower classes have no power. They remain in the lower class because of a concentration of power and wealth within a small area of the population.

The type of political system that the U.S. has is a representative democracy. The people elect officials to "represent" them in decision-making. These elected officials are very often corrupt and become politicians only because they have a hunger for authority.

The election process doesn't allow everyone to be represented. It costs a great deal of money for a politician to campaign. Therefore, most people in government come from the upper classes. Many of them raise funds illegally. An honest person with good ideas for change may not be able to get their voice heard because of a lack of campaign funds.

The mass media also makes it difficult for many people, because it suppresses anything that seems too radical. When a news organization decides whose campaign to cover, they may essentially be helping to decide the electee. The public only has access to certain orthodox views, so naturally, they vote for those certain people.

Many people on the left figure that a liberal leader is better than a conservative, so they vote for the liberal. But the liberals are often just as bad. They're hypocritical in many ways. Their opinions and actions are determined by the status quo. Our current president, Bill Clinton, is becoming more conservative, in that he wants to increase military spending. People like him do not really want to make the country a good place, they just crave power and fame.

Liberals are often too afraid of offending people. They are slightly critical of capitalism and make some attempts to make it better by tax reform or supporting higher wages and improved working conditions in general, but the fact remains, capitalism is a system that rests on the exploitation of humans by other humans. And the same can be said about government: As long as there is an elitist state, there will be division of classes and limited opportunity. Nonhierarchical collectivism is the only way for true liberty.

Emily Webster: I will be presenting on child labor.

Child labor is alive and well today, despite efforts by the government and the people to control and regulate it. The efforts made show that the issue of exploitative child labor has been recognized in the United States and steps have been taken to eliminate it, for progress is not being made fast enough and it is not effective enough.

Exploitative child labor has been in existence for far too long. Even though it occurs less often in this country, it is mainly the United States-based companies that commit this abusive act. Nike is a multibillion dollar U.S.-based company. If this is so, why aren't the majority of Nike factories in this country? In order for Nike to bring in the profit that it does, the goods need to be manufactured at a very low cost. By setting up companies in other countries, mainly Third World countries, the company brings in more profits than it would if manufacturing was done in the United States.

Disney is another huge U.S.-based company. The products made by Disney are aimed for young children, and in most cases are made by young children overseas. These countries don't enforce labor laws or don't have a minimum wage, so workers don't have enough money to live even on a poverty level. In addition, the workers are abused in the factories. Oftentimes, the abuse is even sexual. If the workers try to help themselves and report their abuse, they can be fired and even blacklisted.

The U.S. is aware that Nike and Disney commit illegal acts outside this country, so why don't we act upon it? These children are not only abused, but they are denied schooling, something American children take for granted.

The most brutal of child labor is called bonded child labor. In a lot of places, the need for money is so great, the parents literally sell their children, or their children are kidnapped by companies who put them to work. They receive extremely low wages.

Though child labor is still going on, there has been a lot of progress in reducing these terrible condition. Global Fashions, a clothing company, took its first step in improving conditions when it was discovered that exploitative child labor was being used. Global Fashions then agreed to voluntary codes of conduct to improve working conditions.

Another example of success is the Bonded Child Labor Elimination Act, sponsored by Bernie Sanders. It amends the Tariff Act, which says the products made by prisoners or adult bonded labor cannot be imported into the United States, by including products made by forced or indentured child labor.

Exploitative child labor is not only an issue about wages. It goes deeper, to the point where it turns into a life-threatening situation for many children around the world. Many people are in such desperate need for whatever money they can get that any conditions are tolerable, as long as they are getting paid. That needs to change. People everywhere deserve to be rewarded for the work they do. Children should be able to go to school and have the opportunities that most American children have. Major corporations must stop treating people as machines, but as people who have needs. Until this country can put the welfare of people all over the world before money, exploitation of children in other countries will prevail.

A TRIBUTE TO FRATERNITAS

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor a Fraternitas, an organization that exemplifies the proud American tradition of helping those who most need help.

In February, 1986, a group of friends in the small Abruzzi village of Castelfrentano, Italy gathered to discuss how they could best help the senior citizens of their community. Since they are not blessed to have many of the same services we Americans take for granted, they decided to construct a facility to care for low income handicapped and elderly residents. The project was developing slowly when, in 1990, Mr. Camillo Micolucci, himself a son of the village, visited the town on vacation.

Having been told of this worthwhile project, Mr. Micolucci returned to my great city of Philadelphia and launched a non-profit fund raising organization called "Fraternitas," which is Italian for brotherhood. Being a resident of the City of Brotherly Love, Mr. Micolucci threw himself wholeheartedly into the project. He was aided in his efforts by his late mother, Maria, and other fine Americans like Nick and Carla Travaglini, Roseann Cugini, Sam and Leandro Andelucci and attorney James Bucci. They contacted Mr. Campitello of Washington, DC who donated the staggering sum of $250,000 to this effort. By continuing the nationwide fund raising effort, the committee was able to raise all the needed funds to go to construction on this much needed building.

Mr. Speaker, Fraternitas, a 50 bed facility will open its doors on July 3, 1999. I am proud to honor this wonderful group of volunteers, who are shining examples of the best of the American spirit of reaching back to help the less fortunate.

HONORING CLAYTON EZELL

HON. VAN HILLEARY

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. HILLEARY. Mr. Speaker, I rise today to honor a great Tennessean, Clayton Ezell of Lawrenceburg.

For the last four years, Clayton Ezell proudly and ably served with distinction as the Mayor of Lawrenceburg. It happened to be a time when Mother Nature did not look very kindly upon Lawrenceburg, but Mayor Ezell heroically led the city and its residents through floods, tornadoes and every other challenge they encountered.

Prior to serving as Mayor, Clayton Ezell served for 25 years as Lawrenceburg's Superintendent of the Gas, Water and Sewer Department. But, Mr. Speaker, Clayton is much more than a public servant.

Clayton Ezell is a proud native of Lawrence County and the oldest of ten children. He's a Navy veteran of World War II and a husband of 55 years. He is a father of two and grandfather of four. Clayton Ezell is an American who gave of himself to get involved in his community and help lead its citizens into a better future.

Mr. Speaker, at a time when fewer people take active roles in their community, we should point to Clayton Ezell as somebody who got personally involved to make his community a better place to live and raise a family.

INCREASING THE SUPPLY OF ORGANS AVAILABLE FOR TRANSPLANTATION JULY 1, 1999

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BILIRAKIS. Mr. Speaker, today, I am pleased to introduce the "Organ Procurement and Transplantation Network Amendments of 1999." This important bill reauthorizes the National Organ Transplantation Act and promotes efforts to increase the supply of organs available for transplantation. I have been joined by two of my Commerce Committee colleagues, Rep. GENE GREEN and Rep. FRANK PALLONE, in sponsoring this bipartisan measure.

Our legislation addresses a serious national health concern. Quite simply, we do not have enough organs to satisfy the demand for those in need of a transplant.

By even the most optimistic estimates, anticipated increases in organ supply are not projected to meet demand. This year, 20,000 people will receive organ transplants—but 40,000 will not. In the last decade alone, the waiting list for transplants grew by over 300 percent. This is literally a matter of life and death for tens of thousands of Americans each year.

To address this problem, our bill directs the Secretary of Health and Human Services to carry out a program to educate the public with respect to organ donation, in particular, the need for additional organs for transplantation. In addition, it authorizes grants to cover the costs of travel and subsistence expenses for individuals who make living donations of their organs.

The bill specifically recognizes the generous contribution made by each living individual who has donated an organ to save a life. It also acknowledges the advances in medical technology that have enabled transplantation of organs donated by living individuals to become a viable treatment option for an increasing number of patients.

The bill also reauthorizes the National Open Transplant Act, which was enacted to provide for the establishment and operation of an Organ Procurement and Transplantation Network. It clarifies that the Network is responsible for developing, establishing and maintaining medical criteria and standards for organ procurement and transplantation. This will ensure that organs are distributed based on sound scientific principles—without regard to the economic status or political influence of a recipient.

Given the enormity of the issues involved, Members of Congress must work together to address these concerns on a bipartisan basis. To that end, I urge all of my colleagues to support our effort to increase organ donation by cosponsoring the "Organ Procurement and Transplantation Network Amendments of 1999."

MS. CAROL KREIS RECEIVES TEACHER RECOGNITION AWARD

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mrs. WILSON. Mr. Speaker, I wish to bring to your attention the outstanding work of Carol Kreis. Ms. Kreis teaches at La Cueva High School in Albuquerque, New Mexico and was recently recognized nationally for helping her students to understand the U.S. economy better. The Security Industry Foundation honored her with a Teacher Recognition Award.

Ms. Kreis and her students took part in The Stock Market Game, the nation's largest Wall Street educational simulation. Her students gained valuable economic experience and improved their math, writing, and social studies skills because of her. Ms. Kreis received a subscription to the Wall Street Journal Interactive Edition and the Classroom Edition to support the continuation of teaching finance, entrepreneurship and business.

Mr. Speaker, we often hear that America's students are falling behind in competitive skills they need going into the next century. Carol Kreis' hard work will benefit students in our community now and into their future. Let us give her our recognition and thanks today.

HONORING HEROLD HEIN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize and honor Mr. Herold Hein of Durango, Colorado. After 59 years of remarkable dedication and hard work, Mr. Hein has retired as one of Colorado's most talented craftsman. As the last working certified master watchmaker in Durango, Herold has spent nearly 20 years perfecting his craft while devoting his time and skill to creating a successful business.

Mr. Hein began repairing watches in 1942 when he joined the Navy. Stationed at Pearl Harbor, he worked with five other men, repairing various clocks around the base. In 1944, Herold was transferred to Midway Island in the Pacific Ocean where he worked on submarine stopwatches. He then left the Navy in 1945 with three years of extensive training and practice in watch and clock repair.

In 1980, Mr. Hein settled in Durango where he repaired jewelry and watches for several years. Ten years later, he opened his own repair shop, where he fixed everything from dime store clocks to Rolex's. Herold soon established himself as one of Durango's finest craftsman.

Mr. Hein's dedication to his craft and to his community have earned him the respect and admiration of those who have been fortunate enough to know him. I would like to congratulate him on his accomplishments and wish him the best of luck in all of his future endeavors.

TO PROTECT AND PRESERVE SOCIAL SECURITY

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SANDERS. Mr. Speaker, I rise today to call the attention of my colleagues to a resolution on Social Security. The following was agreed upon by both houses of the Vermont General Assembly on the 13th of May, 1999.

I call the attention of my colleagues to this resolution and submit the resolution to the CONGRESSIONAL RECORD for their benefit.

J.R.H. 113

JOINT RESOLUTION REQUESTING CONGRESS TO PROTECT AND PRESERVE SOCIAL SECURITY

Offered by: Representatives Corren of Burlington, Aswad of Burlington, Bouricius of Burlington, Darrow of Newfane, Darrow of Dummerston, Hingtgen of Burlington, Jordan of Middlesex, Keenan of St. Albans City, Kreitzer of Rutland City, Nuovo of Middlebury, Smith of Sudbury, Sullivan of Burlington, Sweetser of Essex, Valsangiacomo of Barre City, Vinton of Colchester, Wheeler of Burlington and Zuckerman of Burlington.

Whereas, the purpose of Social Security is to provide a strong, simple and efficient form of basic insurance against the adversities of old age, disability and dependency, and

Whereas, for 60 years Social Security has provided a stable platform of retirement, disability and survivor annuity benefits to protect working Americans and their dependents, and

Whereas, the costs to administer Social Security are less than one percent of the benefits delivered, and

Whereas, the American and world economies continue to encounter periods of high uncertainty and volatility that make it as important as ever to preserve a basic and continuing safety net of protections guaranteed by our society's largest guarantor of risk, the federal government, and

Whereas, Social Security affords protections to rich and poor alike and no citizen, no matter how well-off today, can foretell tomorrow's adversities, and

Whereas, average life expectancies are increasing and people are commonly living into their 80's and 90's, making it more important than ever that each of us be fully protected by defined retirement benefits, and

Whereas, medical scientists are continually developing new ways to maintain and enhance the lives of people with severe disabilities, thus making it more important that each of us to be protected against the risk of dependency, institutionalization and impoverishment, and

Whereas, the lives of wage earners and their spouses are seldom coterminous; one often outlives the other by decades, making it crucial to preserve a secure base of protection for children and other family members dependent on a wage earner who may die or become disabled, and

Whereas, Social Security, in current form, reinforces family cohesiveness and enhances the value of work in our society, and

Whereas, Congress currently has proposals to shift a portion of Social Security contributions from insurance to personal investment accounts for each wage earner, and

Whereas, Social Security, our largest and most fundamental insurance system, cannot fulfill its protective function if it is splintered into individualized stock accounts and must create and manage millions of small risk-bearing investments out of a stream of contributions intended as insurance, and

Whereas, private accounts cannot be substituted for Social Security without eroding basic protections for working families, since such protections, to be strong, must be insulated from economic uncertainty and be backed by the entity best capable of spreading risk, the federal government, and

Whereas, the diversion of contributions to private investment accounts would dramatically increase financial shortfalls to the Social Security trust fund and require major reductions in the defined benefits upon which millions of Americans depend; and

Whereas, to administer 150 million separate investment accounts would require a larger bureaucracy, and the resulting expense and the cost of converting each account to an annuity upon retirement would consume much of the profit or exacerbate the loss realized by each participant, and

Whereas, the question of whether part of the Social Security Trust Fund should be diversified into investments other than government bonds so that, while still invested collectively at low expense, returns may be increased, thus enhancing the capacity of the fund to meet its obligations to pay benefits while spreading the risk across the entire spectrum of Social Security participants, is entirely different from that of splintering its millions of accounts, and

Whereas, creating an array of winners and losers would be contrary to the basic principles of insurance and risk distribution, thus defeating the purpose of this part of our retirement system, and

Whereas, Congress amended the Internal Revenue Code to provide a full menu of provisions that enables working Americans and their employers to voluntarily contribute to tax-sheltered accounts that are open to the opportunities and exposed to the risks of investment markets, diverting Social Security contributions to private accounts duplicates existing programs, and

Whereas, such recently created systems now cover half of American families, now therefore be it

Resolved, by the Senate and House of Representatives:

That the General Assembly respectfully and strongly urges Congress not to enact laws that might tend to diminish or undermine a unified and stable Social Security system, and be it further

Resolved: That laws to encourage workers and their employers to save or invest for retirement should supplement and not substitute for the basic benefits of Social Security insurance that are vital to American working families, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the President of the United States Senate, the Speaker of the House of Representatives of the United States and each member of the Vermont Congressional Delegation.

A TRIBUTE TO THE GRANHAN PLAYGROUND WOLFPACK

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor a great Philadelphia sports program, the Granhan Playground Wolfpack. The Wolfpack is the latest in a long time of Philadelphia champions. My city is the proud home of many former, and future champs: people like Joe Frazier, the 76ers, the Flyers, the Phillies and the Eagles. And now, we can add the Wolfpack to that long list.

This year, Granhan Playground is not only the home of the 12 year old and under hockey champs, it also produced the 15 years old and under championship team. Mr. Speaker, this record breaking season could not have happened without the determination of kids who gave their all to bring glory to their neighborhood. The 12 and under team won with a talented roster featuring Mike and Kevin Cassidy; Kevin Lowthert; George Bochanski; Dan Devine; Mike Devine; Joe Walsh; Chris Porter; Mike McLaughlin; Chris Porter; Jason Mardinly and Rich Canfield. They also benefited from the skills of goalie Sean Rodgers, this year's Vezina award winner.

The 15 and older squad, anchored by fellow Vezina trophy winner, Julie Bochanski and playoff mvp, R.J. Carrido; featured Joe Walsh; Joe Grajek; Tom August; Jay Bailey; Brain DiTomo; Jim Dougherty; Josh Mills and Tom Kay, proved to be equally fierce competitors. They did their neighborhood proud in their march to victory.

But none of this would have been possible without the support and involvement of Wolfpack parents, family, and community volunteers. I am proud of them and all they do to help these kids grow into healthy and productive adults. And I have a special pride in one young man who works with the "Pack." I want to salute Robert F. Brady, my son, who is Recreation Leader at Granhan Playground. I love him and am proud of all the work he does.

Mr. Speaker, I urge all my colleagues to join me in saluting the Granhan Wolfpack on this successful season and wish them many more.

CONGRATULATING ROSALINA FREEMAN FOR IMPROVING COMMUNITY HEALTH IN EAST TENNESSEE

HON. VAN HILLEARY

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. HILLEARY. Mr. Speaker, I rise today to congratulate Ms. Rosalina Freeman, who was recently named one of ten outstanding individuals from around the country to receive a $100,000 award from the Robert Wood Johnson Foundation's Community Health Leadership Program (CHLP).

Ms. Freeman is the founder and executive director of Reachout, Inc., which provides rural health education and services for East Tennessee's Hispanic factory and farm workers. Reachout works with other rural health care providers to offer mammograms, cancer prevention education, HIV/AIDS prevention, lead and pesticide education and post-natal education. In additional to these rural health services, Ms. Freeman's Reachout also offers GED programs and translation services.

Thanks to Ms. Freeman's leadership, dedication and caring spirit, the translation and referral services have reached more than 3,000 people in eight rural East Tennessee counties. More than 2,000 high school students have received Reachout's AIDS/HIV education program.

Ms. Freeman herself overcame great odds before helping improve rural health care for others in East Tennessee. Born in Puerto Rico, she has lived in Cocke County for the past 29 years. She earned an undergraduate degree in sociology in 1990, then went back to earn a Masters in health education in 1996. She even had to overcome her own illnesses stemming from a rare muscle condition.

Mr. Speaker, at a time when rural health care has been under direct assault from Washington, it is refreshing to see a private citizen take it upon herself to try to solve the problems she sees in her community. Ms. Freeman probably said it best when she said, "We believe in letting communities be the biggest part of the solution to addressing and solving their problems * * * I am committed to helping provide the tools to my community so it can help itself."

I agree completely, and I want to once again thank and congratulate Rosie Freeman for everything she has done to improve rural health care in East Tennessee. There is still much to do before rural health care receives the kind of attention it deserves, but with caring people like Ms. Freeman on the job, the situation looks a little brighter.

PRESERVING HEALTH CARE CHOICES FOR SENIORS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BILIRAKIS. Mr. Speaker, today, I am proud to introduce legislation that will help millions of Medicare beneficiaries whose health coverage is in jeopardy. My Florida colleague, PETER DEUTSCH, has joined me in sponsoring this bipartisan measure. Our bill—the "Medicare+Choice Risk Adjustment Amendments of 1999"—will help to preserve and expand health care choices for seniors who participate in Medicare managed care plans.

The Medicare+Choice program was created as part of the 1997 Balanced Budget Act to increase health care options for Medicare beneficiaries. While the majority of beneficiaries remain in traditional fee-for-service Medicare, enrollment in managed care plans has grown rapidly in recent years. Many seniors now depend on the additional benefits (such as prescription drug coverage) available through plans under the Medicare+Choice program. However, a serious crisis threatens this vital program.

Last year, nearly 100 Medicare managed care plans did not renew their Medicare contracts or reduced their geographic areas of service. This year, many more plans have announced their intent to leave the Medicare+Choice program, raising serious concerns about its continued availability as an option for Medicare beneficiaries. Many plans cite inadequate reimbursement as a major factor in their decision.

Unless Congress takes action to correct this problem, the consequences will be devastating for Medicare beneficiaries, especially low-income seniors. Many will lose the option of participating in a Medicare managed care plan altogether. Others will face increased out-of-pocket costs or a reduction in benefits.

This situation is largely due to a decision by the Health Care Financing Administration (HCFA) to disregard the intent of Congress in establishing the Medicare+Choice program. The 1997 Balanced Budget Act required HCFA to establish a process for "adjusting" Medicare+Choice payments based on the likelihood or the "risk" that enrollees will use health care services.

Congress anticipated that this new "risk adjustment" process would provide Medicare+Choice plans with higher payments for patients who are chronically ill and lower payments for those who are generally healthy. We did not intend to decrease overall Medicare+Choice spending through this process. Instead, we were simply trying to make sure that Medicare+Choice funds would be distributed based on the health status of Medicare+Choice enrollees.

However, HCFA has completely disregarded the intent of Congress on this critical issue. The agency is using its authority to establish a "risk adjustment" process as an excuse to try to impose deep spending cuts in the Medicare+Choice program. HCFA's ill-advised decision threatens to seriously underfund the Medicare+Choice program. Estimates indicate as much as $11 billion may be drained from Medicare+Choice over the next five years, if HCFA is allowed to go forward with its plan.

At the time the 1997 Balanced Budget Act was considered, the Congressional Budget Office (CBO) estimated no savings from the risk adjuster. CBO's analysis assumed that the risk adjuster would simply shift funds within Medicare+Choice. By contrast, HCFA's approach would drain billions of dollars from the program.

The "Medicare+Choice Risk Adjustment Amendments of 1999" would address this problem in two ways. First, it would require HCFA to implement its risk adjustment process on a budget neutral basis—as Congress intended. Second, the bill would repeal a provision of current law that automatically requires the annual increase in Medicare fee-for-service payments.

Millions of seniors rely on Medicare+Choice for greater flexibility in meeting their health care needs. My legislation will help to stabilize this vital program and guarantee continued health care choices for Medicare beneficiaries. I urge my colleagues to join me in protecting seniors' health care choices by cosponsoring the "Medicare+Choice Risk Adjustment Amendments of 1999."

A TRIBUTE TO JOE VIVIAN

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mrs. WILSON. Mr. Speaker, I wish to bring to your attention the 35 years of service Mr. Joe Vivian has given to our community of Albuquerque as a coach, mentor and leader.

Mr. Vivian coached wrestling for 35 years at six city high schools. He began his wrestling career in the eighth grade when a coach reached out to him and helped him turn his life around. Through his coaching Mr. Vivian mentored many young athletes. Mr. Vivian provided important lessons in staying physically fit, being part of a team, setting and achieving goals and community involvement. People who worked with Joe Vivian describe him as dedicated and committed to the wrestlers he worked with. He coached teams to three state titles and holds over 300 career dual victories.

In addition to coaching, Joe Vivian volunteers with Meals on Wheels, Special Olympics and the Fellowship of Christian Athletes.

Mr. Joe Vivian retired from coaching this year. Please join me in thanking him for the positive influence he is in our community and wish him the best in retirement.

CLINTON HYPOCRISY ON LAND MINES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GEORGE MILLER of California. Mr. Speaker, the Contra Costa Times, my hometown newspaper in the East Bay of San Francisco, got it right today when they took the President to task on the issue of land mines. "Hypocrisy on Land Mines," an editorial, points out that while President Clinton is now giving his compassion and his warnings of safety to returning Kosovar refugees because their homeland is wired full of land mines, it was the same President Clinton who refused to sign the international treaty to ban land mines two years ago. Over 100 other nations signed the treaty and the United States should have taken the lead to see this treaty enacted and enforced. Instead, all the United States can do now is hope that not too many Kosovar refugees have their limbs blown off as they venture home after the war.

Tens of thousands of civilians are killed by land mines around the world every year. The world needs America's leadership to bring an end to this cruel form of warfare where the main victims, in fact, are civilians. I commend the editorial below to my colleagues and to my President.

[From Contra Costa Times, July 1, 1999]

HYPOCRISY ON LAND MINES

President Clinton gave good advise when he warned Kosovar Albanians to delay their return to Kosovo because of the many land mines still scattered about the countryside and in towns. But there must have been much gnashing of teeth at the office of the International Campaign to Ban Landmines, whose members watched two years ago as Clinton and the United States refused to sign a treaty that would have banned land mines around the world. Why they must have wondered is it all right for Angolan and Cambodian children to be exposed to these deadly weapons, but not Kosovars?

Clinton was in full "caring" mode as he spoke with refugees in Macedonia last week. "I know a lot of people are anxious to go home," he said. "But you know there are still a lot of land mines in the ground, on the routes into Kosovo and in many of the communities. You have suffered enough. I don't want any child hurt. I don't want anyone else to lose a leg or an arm or a child because of a land mine."

The president neglected to mention that while the retreating Serb army left many of those land mines, much of the danger to returning civilians comes from unexploded "bomblets" from cluster bombs dropped by NATO planes.

Unexploded ordnance dropped by NATO aircraft floods the province. Two NATO soldiers died trying to deactivate some of it, and some children died when they tried to play with it. Cluster bombs contain 202 of the bomblets that scatter over a wide area.

The bomblets' purpose is to kill enemy troops. But of course, as with land mines, it is civilians who pay the price.

None of this is new. There are more than 100 million land mines in the ground around the world, many of them in unmarked fields where even the soldiers who put them there cannot find them. Most were sown during regional conflicts, such as the decades-long Angolan Civil War. Afghanistan and Angola have roughly 9 million land mines each. The mines kill or maim some 26,000 civilians yearly.

Despite full knowledge of these obscene numbers, Clinton refused to sign the land mines treaty two years ago, even though 100 other nations did sign it. Now here he is in Macedonia warning civilians and their children about land mines, the spread of which he did nothing to stop, and cluster bomblets, which NATO deposited on Kosovar land.

It is heartening to see the president of the United States acknowledging the danger of land mines. Perhaps now he will turn his attention to halting their further proliferation.

TRIBUTE TO J.B. WHITTEMORE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. McINNIS. Mr. Speaker, it is with a great deal of sadness that I wish to recognize the remarkable life and spirit of Mr. J.B. Whittemore of Pueblo, Colorado. With this, I would like to take a moment to pay tribute to Mr. Whittemore who embodied and exemplified hard work, dedication, and compassion. For more than half of a century, he dedicated his energy to ensuring the happiness of thousands of Pueblo children, never letting a lack of money keep children from enjoying the ride.

J.B. Whittemore was born in Pueblo, Colorado in 1914, the same year in which the City Park carousel was manufactured. With nickels earned by milking cows, Mr. Whittemore escaped the world by riding the carousel.

On March 1, 1943, he joined the City Parks Department staff—a job which became a career spanning 33 years. While working for the City Parks Department, Mr. Whittemore also worked nights, Sundays and holidays as the maintenance man and operator of the City Park carousel. Just as Mr. Whittemore cared about the happiness of children, he also cared about his family. He loved and appreciated his family and shared his light with all.

Mr. Whittemore was a man of kindness and generosity. Through his involvement in the community, he touched the lives of many. His smile, his devotion, and his zest for life will long be remembered and admired. Those who have come to know J.B. Whittemore will miss him greatly. I am confident however, that in spite of this profound loss, the family and friends of Mr. Whittemore can take comfort in the knowledge that he made a significant impact on the quality of life of the citizens of Pueblo.

SIKH LEADER'S LETTER EXPOSES CONFLICT IN KASHMIR

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. DOOLITTLE. Mr. Speaker, India has recently undertaken a military effort to eliminate the freedom movement in Kashmir. Supporters of freedom for all the nations of South Asia, especially neighboring Punjab, Khalistan, are concerned that if this conflict spreads, it could be a threat to other nations inside India's borders.

Recently, Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, wrote a letter to the *Washington Times* which I am sure will be of interest to my colleagues. He pointed out that the air attacks are really an attack on the Kashmiri freedom fighters. "India has not yet learned that people struggling for freedom cannot be suppressed by force forever," he wrote.

Dr. Aulakh wrote that "the reason for these conflicts is the denial of self-determination by the country that proclaims itself 'the world's largest democracy.'" This is the cause not only of the conflict in Kargil, but many of the political problems in South Asia. India spends its money to build nuclear weapons and forcibly maintain its unstable, polyglot country while half its people live below the international poverty line. To make it worse, India convened a meeting last month with China, Cuba, Serbia, and other enemies of our country "to stop the U.S." Why are the overstressed taxpayers of America supporting this kind of government?

Only when free and fair plebiscites on independence are held in those regions that are seeking their freedom can India legitimately claim that it is a democratic power. India promised the people of Kashmir a plebiscite in 1948. It promised the Sikhs of Punjab, Khalistan, that they would have autonomy. India claims it is democratic and that there is no support for independence in these places or in Nagaland or any of the other lands it occupies. Then why not simply have a vote?

The conflict at Kargil shows that India is unstable. It is falling apart in front of our eyes. We should get on the right side of history and support the freedom movements by cutting off aid to India and by calling for free and fair plebiscites for those seeking freedom.

I insert the Council of Khalistan's letter into the RECORD.

THE WASHINGTON TIMES,
June 8, 1999.

India's recent air attacks on Kashmir are really a war on the Kashmiri freedom movement. Everything India has tried to put down the freedom movement has failed, so now it has resorted to an air war against the Kashmiris. Sikhs are concerned that neighboring Punjab or Khalistan could be next.

This war is designed to suppress the freedom fighters in Kashmir. India has not yet learned that people struggling for freedom cannot be suppressed by force forever. This is why more than 500,000 Indian soldiers are stationed in Kashmir. Another 500,000 are stationed in Punjab to suppress the movement to free Khalistan. India has already lost two Russian-made MiG fighters and two helicopter gunships.

To suppress the freedom struggle, the Indian government has killed more than 250,000 Sikhs since 1984, more than 200,000 Christians in Nagaland since 1948, more than 60,000 Muslims in Kashmir since 1988 and tens of thousands of others.

The reason for these conflicts is the denial of self-determination by the country that proclaims itself "the world's largest democracy." America periodically conducts democratic votes on the status of Puerto Rico, with independence as an option. Canada does the same for Quebec, and Great Britain recently allowed Scotland and Wales to elect their own parliaments, moving them one step closer to a vote on independence. If self-determination is good enough for them, why shouldn't the Sikhs of Khalistan, the Muslims of Kashmir, the Christians of Nagaland and others seeking their freedom from India enjoy the same rights?

The United States, Canada and Great Britain are major world powers. Not only is a free and fair plebiscite the democratic way to settle these issues, it is how great powers conduct themselves. India claims that there is no support for Khalistan. Then why not hold a free and fair vote? If India wants to be a world power and if it claims that it is democratic, then it should allow the people of Khalistan, Kashmir, Nagaland and the others seeking their freedom to hold a plebiscite under international supervision on the question of independence so that this issue can be settled in a free and fair vote.

The war against the people of Kashmir shows the inherent weakness of the Indian government. Now is the best time for the people and nations of South Asia to claim their freedom. America can support this by cutting off aid to India until it lets people live in freedom and by declaring its open support for the freedom movements of South Asia.

GURMIT SIGNH AULAKH,
President,
Council of Khalistan.

IN MEMORY AND TRIBUTE TO JAMES J. "JIMMY" CREAMER

HON. ROBERT A. WEYGAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. WEYGAND. Mr. Speaker, I rise today to pay solemn tribute to a distinguished colleague and dear friend, James J. "Jimmy" Creamer. I must confess that I can hardly believe that this man, so full of life and love, is no longer with us. Just last week, I ran into Jimmy in the halls of the Rhode Island State House. We had a typical conversation, laughing at Jimmy's stories and humorous insights into Rhode Island politics, and then he passed away suddenly the next day. I mourn the passing of this wonderful man, but I also stand today in appreciation of the conversation I had with him on Monday, and countless others like it, and in celebration of a life lived to the fullest and to the benefit of all who knew him.

Jimmy Creamer was a lifelong resident of Providence, Rhode Island. He started his career in public service by enlisting in the United States Marine Corps out of high school. After serving for three years in the military, he became a member of the Providence Fire Department and retired as Lieutenant after 20 years and with a Commendation for Devotion to Duty and Meritorious Services. He also found the time, while working and raising his young family, to pursue higher education and return to Providence College and earn both his Bachelor of Arts and Master of Arts degrees.

After retiring from the Fire Department Jimmy began his career in Rhode Island politics, holding several different positions before being appointed Chief of Staff for the Speaker of the Rhode Island House of Representatives. He held that position for 19 years, under the leadership of three different speakers, and became an invaluable resource to the members of the State legislature and the people of Rhode Island. He brought both institutional knowledge and political insight to his work, as well as a tremendous sense of dedication, loyalty, and integrity.

In addition to his professional work at the State House, he lent his expertise to the Democratic party in Rhode Island as chairman of the 8th Ward Democratic Committee in Providence and as a well-respected member of the Democratic State Committee. He also found the time to continue his involvement with the Providence Fire Department, to serve as a substitute teacher in the Providence school system, to help organize youth hockey in the area, and to coach a Little League baseball team. As his colleagues in the Rhode Island House of Representatives stated in a recent House Resolution, "Anyone could plainly see that his heart belonged to children. The look of joy on his face was evident every time he taught a child to swing a bat or stand up on skates. . . . Jimmy loved children." What an incredible testament to the legacy this man has left behind him.

I first met Jimmy when I was elected to the Rhode Island House of Representatives in 1984, and he quickly became a close friend and trusted adviser. I could always depend on Jimmy for sound and honest advice, and perhaps even more importantly, for a smile and a few words of wit or encouragement. I am proud to have called this man my friend, and feel that the entire Rhode Island State Legislature is a better institution for his 19 years there.

Jimmy's life was dedicated to his family and then to the people and State of Rhode Island. He is survived by his wife, Patricia, his two sons, James and Patrick, two grandchildren, and a brother and three sisters. He was a devoted husband, father, grandfather, and brother, and I offer my deepest sympathies to his family as they mourn the loss of this special and generous man. He will be sorely missed by all who had the pleasure to know him.

A TRIBUTE TO THE RECIPIENTS OF THE 1999 "TRAIL BLAZING FOR CHILDREN" AWARDS WEEKEND AND THE RASHEED A. WALLACE FOUNDATION

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise today to honor both the Rasheed A. Wallace Foundation, host of the 1999 "Trail Blazing for Children" Award, and the recipients of the named award. Both the recipients and the Rasheed A. Wallace Foundation have been instrumental in improving the lives of children throughout Philadelphia. In addition, I would also like to extend congratulations to the Police Athletic League of Philadelphia and Mr. Sonny Hill of the Sonny Hill Basketball League on their outstanding accomplishments to youth in the Philadelphia community.

Central to the focus of the Rasheed A. Wallace Foundation has been "Enhancing the Quality of Life for All People." The commitment of the foundation is seen each year during its Annual Coat Drive for the Homeless and a series of contributions targeting youth recreation programs in the area. Such charitable efforts have been seen throughout his professional basketball career.

The Rasheed A. Wallace Foundation is truly blazing trails for young people and the less fortunate in Philadelphia. I salute Rasheed on his charitable contributions to our great city and give my best wishes for continued success to both the foundation and the award recipients.

NEW REVELATIONS ON GENERAL PINOCHET AND THE UNITED STATES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GEORGE MILLER of California. Mr. Speaker, as my colleagues will recall, I have worked for several years now, along with Mr. CONYERS of Michigan and others here, to have the United States declassify documents concerning Gen. Augusto Pinochet's 1973 military coup in Chile and its aftermath and what the United States knew about Pinochet's connection to human rights violations and acts of terrorism both in Chile and abroad.

A Spanish court is trying to extradite General Pinochet to stand trial in Spain for international human rights violations. The documents held by the United States are expected to shed important light on Pinochet's activities that will help clarify his personal role in this bloody period of history.

Yesterday, the first significant release of documents took place. I commend to my colleagues the articles below, from the New York Times and the Washington Post concerning the 5,800 documents released at the National Archives. As you will note from the articles below, it is suspected that there are still many more relevant documents that have not been released, particularly from the Central Intelligence Agency, which only contributed 490 documents to yesterday's release. I applaud the Administration for releasing yesterday's documents but I strongly urge them to continue to release documents on a timely basis from all branches of the Administration, including the CIA.

The search for the truth is important not only for the historic case against General Pinochet, but for Americans too who wish to know what role their government may have played in a violent period of history and how we may avoid playing such a role in the future.

The New York Times notes also that not only will the documents help Spain, but that Spain has already helped provide information to the United States that might help the Justice Department complete its still open case against those responsible for the assassination of Chilean exile Orlando Letelier and his American assistant Ronnie Karpen Moffitt in Washington, D.C. in 1976. It is widely believed, but has not yet been proven, that General Pinochet personally ordered Letelier's execution.

The documents released yesterday further demonstrate that the United States was well aware of atrocities taking place during and after the coup and that despite this knowledge the Nixon Administration sought to maintain close ties to General Pinochet.

"U.S. Releases Files on Abuses in Pinochet Era," The New York Times, July 1, 1999, Page A11.

"Documents Show U.S. Knew Pinochet Planned Crackdown in '73," The Washington Post, July 1, 1999, Page A23.

[From the New York Times, July 1, 1999]

U.S. RELEASES FILES ON ABUSES IN PINOCHET ERA

(By Philip Shenon)

WASHINGTON, June 30—The C.I.A. and other Government agencies had detailed reports of widespread human rights abuses by the Chilean military, including the killings and torture of leftist dissidents, almost immediately after a 1973 right-wing coup that the United States supported, according to once-secret Government documents released today.

The 5,800 documents which the Clinton Administration decided last year to declassify and make public could provide evidence to support the prosecution of Gen. Augusto Pinochet, who seized power in the coup and was arrested in Britain last October. Spain is seeking his extradition, charging that his junta had kidnapped, tortured and killed Spanish citizens.

The documents were released as Clinton Administration officials confirmed that the Justice Department has been conferring with Spanish authorities, in part to exchange information about General Pinochet, including his possible involvement in the 1976 car-bomb assassination in Washington of the Chilean Ambassador to the United States, Orlando Letelier, and a colleague, Ronni Moffitt, of the Institute for Policy Studies. Because the Justice Department considers the Letelier investigation to be ongoing, the Government withheld documents related to the murders, officials said today.

Historians and human rights advocates, who were busily trying to sort through the nearly 20,000 pages released today by the National Archives, agreed that the documents did not offer startling revelations about American ties to the Chilean junta under General Pinochet.

Instead, they said, the documents provide rich new detail to support the long-held view that the United States knew during and after the coup about the Chilean military's murderous crackdown on leftists.

On Sept. 21, 1973, 10 days after the coup, one C.I.A. report said: "The prevailing mood among the Chilean military is to use the current opportunity to stamp out all vestiges of Communism in Chile for good. Severe repression is planned. The military is rounding up large numbers of people, including students and leftists of all descriptions, and interning them."

The report noted that "300 students were killed in the technical university when they refused to surrender" in Santiago, the capital, and that the military was considering a plan to kill "50 leftists" for every leftist sniper still operating.

In a summary of the situation in Chile a month after the coup, a C.I.A. report dated Oct. 12 found that "security considerations still have first priority with the junta."

"The line between people killed during attacks on security forces and those captured and executed immediately has become increasingly blurred," the report continued. It said the junta "has launched a campaign to improve its international image; the regime shows no sign of relenting in its determination to deal swiftly and decisively with dissidents, however, and the bloodshed goes on."

However, a C.I.A. report dated March 21, 1974, insisted that "the junta has not been bloodthirsty."

"The Government has been the target of numerous charges related to alleged violations of human rights," it said. "Many of the accusations are merely politically inspired falsehoods or gross exaggerations."

An estimated 5,000 people were killed in the coup, including Chile's democratically elected President, Salvador Allende, whose body was recovered from the bombed remains of the Presidential Palace, which had been attacked by military jets.

Thousands more died or were tortured at the hands of the military during General Pinochet's 17-year rule. Last week, the Chilean College of Medicine reported that at least 200,000 people had been tortured by Government forces at the time.

Under the Nixon Administration, the Central Intelligence Agency mounted a full-tilt covert operation to keep Dr. Allende from taking office and, when that failed, undertook subtler efforts to undermine him. The C.I.A.'s director of operations at the time, Thomas Karamessines, later told Senate investigators that those efforts "never really ended."

The C.I.A. has never provided a full explanation of what it knew about human rights abuses carried out by the Chilean military during and after the coup. But internal Government documents released since have shown that the agency's knowledge of the violence was extensive.

The Clinton Administration announced last December that, as a result of the arrest of General Pinochet, it would declassify some of the documents.

The Administration described the move as an attempt at Government accountability, and it was the first sign that the United States intended to cooperate in the criminal case being built against General Pinochet.

The vast majority of the documents released today—5,000 of the 5,800—came from the files of the State Department. The C.I.A. released 490 documents, the Federal Bureau of Investigation, 100, and the Pentagon, 60.

Human rights groups said they were surprised by the paucity of documents declassified by the C.I.A.

"The C.I.A. has the most to offer but also the most to hide," said Peter Kornbluh of the National Security Archive, a public-interest clearing-house for declassified documents. The documents that were released today, he said, "show that the C.I.A. was well-apprised of the vicious nature of the Chilean regime."

The public affairs office at the C.I.A. did not respond to phone calls early this evening.

The documents released today date from 1973 to 1978, "the period of the most flagrant human rights abuses in Chile," said James Foley, a State Department spokesman.

The White House said in a statement that "a limited number of documents have not been released at this time, primarily because they relate to an ongoing Justice Department investigation" of the murder of Mr. Letelier and Ms. Moffitt.

Administration officials, speaking on condition that they not be identified, said that the inquiry was active, in part as a result of information available to the United States from Spanish prosecutors seeking to try General Pinochet.

In April, they said, a senior criminal prosecutor from the Justice Department, Mark Richard, traveled to Spain to meet with Spanish authorities to discuss whether Washington and Madrid could swap information in their investigations. Prosecutors here have long been interested in whether there is evidence that General Pinochet or his deputies ordered the murders in Washington because Mr. Letelier was an opponent of the Pinochet regime.

The killings here are believed to have been part of an orchestrated campaign of violence known within the Pinochet Government as Operation Condor, in which opponents of the junta were targeted for assassination in and out of Chile.

A State Department document dated Aug. 18, 1976, only a month before Mr. Letelier's murder, shows that Secretary of State Henry A. Kissinger and other senior department officials were warned of "rumors" that Operation Condor might "include plans for the assassination of subversives, politicians and prominent figures both within the national borders of certain Southern Cone countries and abroad."

Reed Brody of Human Rights Watch, who unearthed the document, said it "shows the United States was very aware of the terrorist activities that General Pinochet and his colleagues were engaging in there, as well as abroad."

[From the Washington Post, July 1, 1999]

DOCUMENTS SHOW U.S. KNEW PINOCHET PLANNED CRACKDOWN IN '73

(By Karen DeYoung and Vernon Loeb)

Days after the bloody 1973 coup that overthrew Chilean President Salvador Allende, the CIA mission in Chile reported to Washington that the new government of Gen. Augusto Pinochet planned "severe repression" against its opponents. A month later, the agency noted that "the line between people killed during attacks on security forces and those captured and executed immediately has become increasingly blurred."

The CIA cables are among nearly 6,000 newly declassified government documents released yesterday related to human rights and political violence in Chile during the first five years of Pinochet's rule.

In addition to indications that the CIA and the U.S. Embassy in Santiago had detailed information on the extent of repression and rights abuses there soon after the coup, the documents provide new insights into disagreements within President Richard M. Nixon's administration over policy toward Pinochet's Chile.

The Clinton administration agreed to review and release selected documents from the State and Defense departments, the CIA and the FBI after Pinochet was arrested last October in London in response to a Spanish extradition request on charges of alleged human rights violations committed during his 17-year rule. The extradition trial is scheduled for September.

The redacted documents made public yesterday cover the years of the worst excesses of the Chilean military government, from 1973 to 1978, when at least 3,000 people were killed or "disappeared" at the hands of government forces. Additional documents—including some from 1968 to 1973 covering the election of Allende, a Marxist, as president and the events leading up to the coup and his death—are scheduled for later release.

The documents are primarily status overviews and intelligence reports on the situation inside Chile, and add little of substance to scholarly and congressional reviews of the period, as well as investigations conducted by the democratically elected Chilean governments that followed Pinochet. Nor are the documents likely to be useful in the Pinochet extradition case.

For example, information concerning the 1976 car bomb assassination in Washington of former Chilean diplomat and Pinochet opponent Orlando Letelier and his assistant Ronni Karpen Moffitt were left out, the State Department said, because aspects of the case are still being investigated by the Justice Department.

Human rights organizations commended the Clinton administration for the release but expressed disappointment at its selective nature. Peter Kornbluh of the National Security Archives, who is compiling information for a book about Pinochet, said of the released documents: "The CIA has much to offer here, and much to hide. They clearly are continuing to hide this history."

Embassy reporting from Santiago reflected the Nixon administration's support of the 1973 coup, although the administration consistently denied helping to plan or carry it out. In late September that year, the embassy reported, the new Pinochet government appealed for American advisers to help to set up detention camps for the thousands of Chileans it had arrested.

Worried about the "obvious political problems" such assistance might cause, the embassy suggested in a cable to the State Department that it instead "may wish to consider feasibility of material assistance in form of tents, blankets, etc. which need not be publicly and specifically earmarked for prisoners."

Ambassador David H. Popper wrote the State Department in early 1974 that in conversations with the new government "I have invariably taken the line that the U.S. government is in sympathy with, and supports, the Government of Chile, but that our ability to be helpful . . . is hampered by [U.S] Congressional and media concerns . . . with respect to alleged violations of human rights here."

In a December 1974 secret cable, the agency reported on information it had received concerning a briefing in which Chile's interior minister and the head of the Directorate of National Intelligence noted that the junta had detained 30,568 people, of whom more than 8,000 still were being held. The two also agreed that an unspecified number of people were being secretly held because "they are part of sensitive, ongoing security investigations."

The Pinochet government never publicly acknowledged secret detentions. According to Chilean government reports in 1991 and 1996, a total of 2,095 extrajudicial executions and death under torture took place during the military regime, and 1,102 people disappeared at the hands of government forces and are presumed dead.

By July 1977, U.S. policy under the new Carter administration had turned sharply against Pinochet. Yet the embassy expressed irritation over being asked to write "still another human rights report" on Chile and noted the "strong and varied views" inside the mission.

In its own report, the embassy military group complained: "We [the United States] do not appear to be visionary enough to see the total picture; we focus only upon the relatively few violation cases which occur and continue to hound the government about past events while shrugging off demonstrated improvements."

WARTIME VIOLATION OF ITALIAN AMERICAN CIVIL LIBERTIES ACT

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. LAZIO. Mr. Speaker, late in the night of December 7, 1941, only hours after the Japanese attack on Pearl Harbor, Filippo Molinari heard noises outside his San Jose home. When Molinari went to investigate, he found three policemen at his front door. They told him that by order of President Roosevelt, he must come with them.

Molinari had served in the Italian army during World War I, fighting alongside American troops. He was well-known within his community as a door-to-door salesman for the Italian language newspaper L'Italia. He was the founding member of the San Francisco Sons of Italy. And now, he was under arrest. Shortly thereafter, Molinari would be shipped to a government detention center in Fort Missoula, Montana.

Filippo Molinari's story is not unique. He was one of hundreds of Italian Americans arrested in the first days of the war and sent to internment centers or excluded from California. In 1942 over ten thousand Italian Americans across the nation were forcibly evacuated from their homes and relocated away from coastal areas and military bases. Additionally, some 600,000 Italian nationals, most of whom had lived in the United States for decades, were deemed "enemy aliens" and subject to strict travel restrictions, curfews, and seizures of personal property.

These so-called "enemy aliens" were required to carry photo-bearing ID booklets at all times, forbidden to travel beyond a five mile radius of their homes, and required to turn in any shortwave radios, cameras, flashlights and firearms in their possession. In California 52,000 Italian residents were subjected to a curfew. In Monterey, Boston, and elsewhere Italian American fishermen were grounded. Many fishermen who were naturalized citizens had their boats impounded by the navy—all this while half a million Italian Americans were serving, fighting, and dying in the U.S. armed forces during World War II.

It has long been a historical misconception that President Roosevelt's infamous Executive Order 9066 applied only to Japanese and Japanese-Americans living in the western states. Clearly this was not the case. There is another chapter to this sad story, "Una Storia Segreta"—a secret story. The bill I am introducing today is an attempt to start setting the record straight.

The Wartime Violation of Italian American Civil Liberties Act calls on the Department of Justice to prepare and publish a comprehensive report detailing the government's unjust policies and practices during this time period. A part of this report would include an examination of ways in which civil liberties can be safeguarded during future national emergencies.

This legislation would also encourage relevant federal agencies to support projects such as exhibitions and documentaries that would heighten public awareness of this unfortunate episode. Further, it recommends the formation of an advisory committee to assist in the compilation of relevant information regarding this matter and related public policy matters.

Finally, the Wartime Violation of Italian American Civil Liberties Act calls upon the President to acknowledge formally our government's systematic denial of civil liberties to what was then the largest foreign-born ethnic group in the United States.

I am pleased to say that I am joined today in introducing this important piece of legislation by 62 of my colleagues from both sides of the aisle, including fellow-New York Representative ELIOT ENGEL, who has led the way on this issue. The diversity of this list of original cosponsors, is indicative of both the national scope of the injustices that took place and the widespread interest—interest across ethnic and geographic lines—that justice is finally done. We owe it to the Italian American community and the American public to find out and publicize exactly what happened. A complete understanding of the ethnic persecution that took place in this sad chapter of American history is the best guarantee that it will never happen again.

"A NOTE OF THANKS TO THE 'GREATEST'"

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. McINNIS. Mr. Speaker, looking forward toward July 4th, Independence Day, I believe it is absolutely appropriate that this country reflect on the sacrifices made to keep this country independent. Towards that goal, I would like to submit for the RECORD an essay by Philip Burgess which most eloquently makes the point.

A NOTE OF THANKS TO THE "GREATEST"

A few days ago I received an e-mail from a friend, an attorney who reads a lot and is thoughtful about what he reads. He had a good idea for Memorial Day.

"Like many other Americans," he began, "I have been reading Tom Brokaw's *The Greatest Generation*. As you know, it is a book of short stories about how ordinary Americans (farmers, factory workers and store clerks) came of age during the Great Depression and the Second World War and, in Brokaw's words, 'went on to build modern America—men and women whose everyday lives of duty, honor, achievement and courage gave us the world we have today.' They sought no praise or glory; they simply did a job they had to do."

He continued, "Today, I had an interesting experience. I attended a family gathering of a new Naval Academy graduate. His grandfather was there. As a young man, the grandfather had fought in the Pacific during WW II. Here I was, face-to-face with a member of the 'greatest generation.' As I visited with him, I was moved by my increasing awareness of how much he and his peers had contributed to democracy and other values I hold dear. I was also moved by the realization, that on an individual basis, I had never thanked a WW II veteran for what he or she had done for me and my family and the freedom and opportunities we now enjoy and too often take for granted.

"So, during a lull in the conversation, I approached the grandfather. I looked him in the eye and I told him that I'd been reading about and reflecting on what he and others like him had done for me and for the country during WW II. And then I said: 'Thank you for what you did.'

"As he looked at me, the grandfather's eyes began to water and he said: 'No one has ever thanked me for that before.' He then reached up and put his arm around my shoulders and said: 'Thank you. That means a lot to me.' We embraced, and then, with a tear in my own eye, I turned around and walked away."

My friend's idea: "As this Memorial Day approaches, I encourage you to think of WW II veterans (or any other war veteran) you know and communicate to them your personal thanks for what they did during that great war. WW II veterans are in the twilight of their lives. They will not be around forever to receive your thanks."

I was moved by this note. I decided to start with a letter to my relatives who were part of "the greatest generation." Uncle Bud served in the Pacific and would have been part of a Japan invasion force, but was delivered from that fate by President Truman's decision to use the atomic bomb rather than more American blood to end the war in the Pacific. Uncle Walt was a B-24 bomber pilot and a flight instructor. Aunt Betty was an Army nurse who accompanied the first infantry units in the liberation of the concentration camp at Dachau and returned with pictures and other mementos that document that many horrors that occurred there.

I have talked with them many times about their wartime experiences. But I have never thanked them for answering their call to duty nor for their many subsequent achievements, the fruits of which I enjoy today. I intend to fix that before the week is over. I've already started the letters, and with the first words last night, I began to realize that it's my spirit that will be enriched by writing these letters—at least as much as theirs will be lifted by receiving them.

A heart-felt "thank-you" always seems to work that way, but it's their spirit and their achievements that we need to remember this Memorial Day.

SIKH JOURNALIST'S MAIL IS BEING INTERCEPTED

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. DOOLITTLE. Mr. Speaker, it has come to my attention that journalist Sukhbir Singh Osan, proprietor of *Burning Punjab* and a writer for several Indian newspapers, is once again being harassed by the Indian government. After he came to North America to cover the big Sikh marches in Washington, New York, and Toronto and made a speech in the United Kingdom on the human rights situation in India, he was grilled for 45 minutes by Indian intelligence officers. Now, Indian postal authorities are intercepting his mail.

In a letter to the Chief Postmaster of Chandigarh, which was brought to my attention by Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, Mr. Osan noted that postal officials were handling his mail over to police constables. Several important documents were found lying on the desk of a Deputy Inspector General of Police. Mr. Osan, who is a law graduate as well as a journalist, pointed out that this action violates the Indian constitution and violates a ruling by the Indian Supreme Court in 1995.

This is not the first time Mr. Osan has run afoul of the Indian state. His mail has been diverted before and he has received telephone threats for his reporting on corruption and human rights violations.

Here is Indian democracy in action. If you criticize the government, your mail is seized, the government grills you, and you are threatened. In spite of all this, Mr. Osan goes on providing information about the situation in Punjab, Khalistan on his website and in his articles. His courage deserves our respect.

This abuse of Mr. Osan's rights is just the latest Indian violation of the basic liberties of Sikhs in Punjab, Khalistan. In light of this pattern of tyranny, America should help bring liberty to the people living under Indian rule.

Let us use our influence constructively to bring freedom, peace, and stability to this troubled region before it turns into another Kosovo. If that happens, it could pose a serious danger to the entire world, given India and Pakistan's possession of nuclear weapons and India's alleged use of chemical weapons in the Kargil conflict. We must act now to keep this from happening.

IN RECOGNITION OF CHRIS CAHOON

HON. ROBERT A. WEYGAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. WEYGAND. Mr. Speaker, I rise today to laud the courageous efforts of Chris Cahoon, a resident of Warwick, Rhode Island, who recently came to the rescue of a choking child. Chris, a sixteen year-old volunteer at the Washington Fire Department in Coventry, Rhode Island, was spending Father's Day with his family at a local restaurant when he notices some commotion at another table. A father was slapping his son on the back, trying to assist his choking ten year-old. Using the quick thinking and first aid training he had learned as a Fire Scout, Chris leapt from his seat and deftly administered the Heimlich maneuver to the child, who, after being examined by the local rescue team, was able to resume his meal. For his decisive action, Chris earned the respect and gratitude of the child, his family, and the assembled emergency medical technicians.

Such mature behavior may seem uncharacteristic of a sixteen year-old, though Chris's family and acquaintances have known of his dedication to helping others since his earliest days. Like many young children, Chris once told everyone within earshot that he wanted to grow up to be a firefighter. However, unlike other youths, Chris followed his dream and joined the Washington Fire Department's Fire Scout Program at the early age of thirteen, a full two years before the standard admission age. Bill Hall, director of the program, recognized Chris's enthusiasm and ability and thus waived the minimum age requirement for the young protege. Chris did not disappoint, excelling in all aspect of the training, from pulling lines to dressing hydrants, and perhaps most importantly, first aid. Not surprisingly, Chris is considered one of the most adept alumni of the program, and wishes to continue his training after high school by pursuing a career in firefighting. Given his previous accomplishments, Chris Cahoon will have shining career in public service ahead of him.

Not only does Chris's heroic action give us reason to recognize a commendable young man, it also provides proof that America's youth are still learning important values such as self-improvement, service to others, and selflessness. Chris had a childhood dream—a noble dream—and he was encouraged to pursue this path by the community around him, most notably by his parents, Debbie and Gene Cahoon. Mr. Speaker, I am proud of Chris and hold him as an example of what our children may accomplish if they are provided with nurturing surroundings. Furthermore, I salute him personally for his heroism and kindness.

HONORING DWAIN HAMMONS UPON HIS RETIREMENT

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BLUNT. Mr. Speaker, I rise to honor Dwain Hammons who retires this week from Hammons Products Company in Stockton, Missouri, as the chief executive officer. Hammons Products Company known at one time as "Missouri Dandy," has for the past 53 years bought, shelled, and sold Eastern Black Walnuts. In just a little over half a century, Hammons Products Company has become the world's foremost supplier of the Eastern Black Walnut. This becomes even more significant when you realize they created a market that at the time was virtually non-existent in the sale of Eastern Black Walnuts.

Hammons Products Company began as a dream of Dwain's father, Ralph, in 1946, when he was a local grocery store owner in Stockton. Ralph's dream eventually became a reality that Dwain has never lost sight of as he has continued building their business year after year. Dwain has led his family and the business through the changing of the times in the past 50 years. Although Dwain deserves much of the credit for the success of the business, he rarely accepts it. Instead he gives the credit to his father, Ralph, who urged him to always be willing to advance and modernize the company. He also credits the employees, who he will tell you have been a steadfast example of the company's mission statement, "To lead and grow the Black Walnut nut industry, and to excel in providing quality nut products and superior service with strong business integrity enhancing the economic well being and quality of life for owners, employees, customers, suppliers, and our communities." An example he is quick to give is how they helped to invent the companies first walnut shucking machine.

For everyone who knows Dwain and has worked with him, they will quickly tell you he is an example of the mission statement and deserves recognition as he has worked consistently year after year to ensure the Black Walnut will be here for years to come. It is in that effort he has established the Tree Research and Management division to study the Black Walnut tree. Dwain is also a conscious conservationist and has allowed nothing to be wasted when it comes to the walnut itself. After the walnut is shucked, it is then ground into six different sizes where it can be used as a cleansing and polishing agent for jet engines, electronic circuit boards, and jewelry. It is also used in oil well drilling, water filtration systems, soaps, cosmetic and dental cleansers.

Dwain is more than just a successful businessman. He is a servant to his community, State, and Nation in many different roles. In the community of Stockton, he served on the Board of Alderman for six years and as town mayor for four. He is a life member of the Stockton Lions Club and has served as their president. He is also a member at the United Methodist Church in Stockton where he has been a member of the choir for over 40 years and served as its director for over 20. He has been active in the Boy Scouts at the local, district, and council levels. In the State of Missouri, he has served on the Governor's Task Force on Rural Economic Development, a member for six years on the Missouri State Chamber of Commerce, Executive Board and on the Advisory Board of the University of Missouri School of Forestry, Fisheries and Wildlife. These are just to name a few. At the national level he was awarded the Meritorious Service Award from the National Walnut Council and is also a lifetime member. The National Association of Marketing Officials awarded him the National Marketing Award. In 1992 he was awarded by President George

Bush and this body the Teddy Roosevelt Conservationist Award. And, while it is most important to recognize his achievement in those areas, I would be remiss not to note how he has always been devoted to his family first. I think it shows as his son Brian is ready to take the reins of the business and lead it into the twenty-first century.

Although Dwain will be missed on a daily basis at Hammons Products Company, we all know he will not be far away because his love for the Eastern Black Walnut will keep him close by. So remember, the next time you enjoy the rich, distinctive flavor of the Eastern Black Walnut that you did not have to crack yourself, to be sure to thank Dwain and know he will be thanking you. Thank you, Dwain, for your commitment to your family, the business, and being so willing to give of your time and talents to your community, State, and Nation. Your involvement and self-sacrifice is an example we can all follow and live our lives by.

A TRIBUTE TO JARED MARKGRAF: FOR HIS PROMOTION TO THE RANK OF EAGLE SCOUT

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GONZALEZ. Mr. Speaker, I rise today to offer my sincerest congratulations to Jared Markgraf, Boy Scout, from San Antonio, TX, upon the notification of his advancement to the rank of Eagle Scout.

Boy Scouts are awarded the prestigious rank of Eagle Scout based on their faith and obedience to the Scout Oath. The Scout Oath requires members to live with honor, loyalty, courage, cheerfulness, and an obligation to service.

In addition the rank of Eagle Scout is only bestowed once a Boy Scout satisfies duties including, the completion of 21 merit badges, performing a service project of significant value to the community, and additional requirements listed in the Scout Handbook.

In receiving this special recognition, I believe that Eagle Scout Jared Markgraf will guide and inspire his peers, toward the beliefs of the Scout Oath. I am proud to offer my congratulations to Jared on this respected accomplishment.

TRIBUTE TO STEVE BAUER

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to congratulate Steve Bauer on his acceptance into the prestigious Illinois Mathematics and Science Academy in Aurora. Steve is a 15 year-old freshman at Southwestern High School. When the principal of Southwestern, Lynne Chism, was asked abut his acceptance she replied, "It's a great honor for Steve and our school." When Steve was asked about his acceptance he said, "It's a great opportunity in my life to study at one of the best math and science schools in the country."

Steve's parents, Pamela and David Bauer of Brighton are proud of their son but they are going to miss him. "We'll be baking a lot of cookies to send to Steve at school," said his grandmother Betty Wright. Bauer wishes to maybe study engineering or medicine, but whatever he chooses to do in life I'm sure he will be successful.

HONORING THE MEN AND WOMEN WHO HAVE SERVED THEIR COUNTRY AT THE EL TORO AND TUSTIN AIR STATIONS

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. COX. Mr. Speaker, I rise today to commemorate the July 2, 1999 closing of United States Marine Corps Air Stations Tustin and El Toro, and to pay respect to the many thousands of dedicated Marines and Orange County civilians who served their country at these two military facilities over the past 50 years.

Commissioned in 1942 as a U.S. Naval Lighter-Than-Air Base, MCAS Tustin was originally home to a fleet of helium-filled airships which conducted anti-submarine patrols off the Southern California coast. The site was decommissioned in 1949 but reactivated in May 1951 with the onset of the Korean War. The facility subsequently became a helicopter base, and in 1970 the facility was annexed by the City of Tustin and renamed Marine Corps Air Station Tustin. From World War II through the Persian Gulf War, the Marines at MCAS Tustin have played a critical role in protecting our national security. From 1962 to 1971, elements of Tustin's Marine Aircraft Group 16 were deployed to South Vietnam and Thailand, becoming the largest Aircraft Group in the history of the Corps. In August 1990, MAG–16 began deploying what eventually became five squadrons to Saudi Arabia for participation in Operations Desert Shield and Desert Storm. In all, MAG–16 flew over 11,000 sorties and 24,000 flight hours in support of the liberation of Kuwait.

Commissioned in 1943, MCAS El Toro was originally established as a training field for Marine pilots as part of the escalating war in the Pacific theater of World War II. In 1955, the Third Marine Aircraft Wing was moved to El Toro from Florida. Between 1968 and 1974, MCAS El Toro served as President Nixon's arrival and departure point to his "Western White House" in San Clemente. In 1975, the air station made history as part of "Operation New Arrival" by serving as the initial point of arrival into the U.S. for 50,000 refugees fleeing the repressive communist government of Vietnam. During Operations Desert Shield and Desert Storm, the Third Marine Air Wing flew more than 18,000 sorties and delivered approximately 30 million pounds of ordnance against enemy targets. El Toro Marines also participated in Operation Sea Angel in Bangladesh in 1991, Operation Restore Hope in Somalia in 1992, and Operation Nobel Response in Kenya in 1998.

It has been an honor to represent these fine Marine bases during my career in Congress. The Marines stationed at El Toro and Tustin have been the best of neighbors. Their service to the Orange County community has been an invaluable asset to a wide variety of groups including needy children and the homeless. Their annual air show raised funds for many outstanding local charities and provided a wonderful outreach to millions of people from throughout Southern California.

Most of all, the Marines' service to our country from these bases has helped to ensure freedom and liberty for all Americans.

I know my colleagues will join with me in marking the close of an era, and in honoring the outstanding men and women of El Toro and Tustin for their half-century of dedication and commitment to safeguarding our nation's security.

A TRIBUTE TO HUGH ROBINSON

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BLUNT. Mr. Speaker, I rise to pay tribute to an aviation pioneer and the community in Newton County, Missouri where he grew up. From Neosho, Missouri, Hugh Robinson entered the annals of aviation history, especially as it relates to the military. He is credited with making the third successful aircraft flight in 1907.

From there he created a series of first flights that may be unequaled in history. He was the first pilot to execute a right turn. Prior to this, it was believed that a plane would be torn apart by the force of such a maneuver. In 1911 he made the first authorized air mail flight; the first medical flight by carrying a doctor to a sick patient by airplane; the first to fly a hydroplane and the first pilot of a monoplane. He also helped design and build the first commercial airplane. Robinson trained the first military test pilots for the United States, as well.

Perhaps he is best known as the inventor of a simple device that still makes even the modern wing of the U.S. Navy possible—the tailhook.

Hugh Robinson wasn't satisfied though. He created his own career in the circus. He developed the "Globe of Death" where he rode, first a bicycle, and later a motorcycle at 60 miles per hour inside a giant globe. His death-defying act, developed in Neosho, made him the highest paid circus act in America.

This 4th of July weekend was chosen as the appropriate time to pay tribute to Robinson and his contributions to aviation and his service to country. The Neosho Municipal Airport will be named in honor of Robinson in ceremonies this weekend.

The Neosho Hugh Robinson Airport as it will be known has just finished several important improvements. The approaches to the runway had obstacles that left several hundred feet of the 5,000 foot surface unusable. Those obstacles have been removed, with crucial aid from federal sources, and now the airport can accommodate larger aircraft for a local firm that overhauls jet engines.

The road leading to the airport was relocated as part of the improvements. It will be named for Neosho Police Officer Terry Johnson who was killed earlier this year in a flying accident at the airport.

The celebration in Neosho will be marked by hot air balloons, a Civil War living history display, an air show, ground displays of the Confederate Air Force and military aircraft, and, naturally, fireworks. Music, crafts and lots of friendly Ozarks people should make this a wonderful weekend to visit Neosho and to honor the work of Hugh Robinson. (1882–1963)

PERSONAL EXPLANATION

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. HOEFFEL. Mr. Speaker, on rollcall vote No. 259, H. Con. Res. 94, I erroneously voted "aye." My vote should have been in the negative.

COMMEMORATION OF THE VICTORY OF FREEDOM IN THE COLD WAR ACT

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. LAZIO. Mr. Speaker, I come to the floor of the House today to introduce the Commemoration of the Victory of Freedom in the Cold War Act, a bill to recognize the accomplishments of the American people in winning the Cold War.

On September 26th, 1996, this House debated and approved without dissent, House Concurrent Resolution 181, which I offered to begin the process of national recognition for the tens of millions of citizen-patriots, who had participated in our 46 year Cold War struggle.

In 1997, both Houses of Congress amended the President's proposed fiscal year 1998 National Defense Authorization Act to authorize a Cold War Certificate of Recognition to honor the more than 22 million veterans of the Cold War. In that act, we established the date for the start of the Cold War as September 2d 1945, to coincide with the signing of the Peace Treaty with Japan, thus ending World War II and our alliance with the Soviet Union. In that act, we also established the date for the end of the Cold War as December 26th, 1991, to coincide with the end of the Union of Soviet Socialists Republics and the birth of the Commonwealth of Independent States.

The people of the United States of America should recognize and celebrate the grandeur of this historic accomplishment:

Four hundred million people in Europe and Asia were liberated from Soviet communism; Germany was united peacefully; the states of western Europe buried their historic animosities and started creating a peaceful European Union; struggles, which boiled over into conflicts all around the world, from Korea and Vietnam to Afghanistan and El Salvador, and threatened the nuclear annihilation of the entire human race ended without that horrible outcome; the potential for a truly global economy where the potential of the entire human race is available for the first time in the history of mankind was opened; and the American people and economy, long tied to the costs and commitments of defending the Free World, were unleashed resulting in the second longest period of uninterrupted growth in U.S. history.

During the Cold War, there were moments of great fear. We all remember the sealing of the western sector of Berlin and the threat of starving an entire city; the launching of Sputnik with the realization that the Soviet Union was a determined, resourceful foe; and the Cuban Missile Crisis which led us to the brink of war.

There were also moments of great stress and despair in our own nation. We went to battle for our beliefs. In the war in Korea, we lost more than 50,000 Americans. The war in Vietnam tested America's resolve. Our nation was torn apart so badly that some scars have yet to heal.

But there were also moments of pure magnificence. The Berlin Airlift and Inchon were great military successes and added to the honors of Armed Forces. Americans landing on the moon, the first safe return of the Space Shuttle, and the creation of the Internet are symbolic of an explosion in the development of useful technology.

Now, it is time to demonstrate our great respect for men and women who actually carried the burden of the policy of the United States during this Cold War. This bill, which would authorize the creation of a Department of Defense Cold War Victory Medal and create a Commission to plan for our celebration, is designed to do just that.

This recognition is long overdue. Last week, in Hauppauge, New York, at the annual ceremony which commemorates the beginning of the Korean War, Korean Americans and representatives of the Korean government spent 90 minutes thanking Americans for what they sacrificed for their people and their nation. While some Americans may not realize the significance of their accomplishments, the people of Korea do. So have the people of Berlin and the people of the Federal Republic of Germany who thanked America for saving Berlin just a few months ago at a ceremony at Ronald Reagan Airport.

As the tenth anniversary of the fall of the Berlin Wall approaches, and as we begin a series of tenth anniversaries of critical events which led to the final end of the Cold War, it is appropriate that we act now to thank those generations of Americans who gave the world peace. And there is an urgency! Many who served during the last days of World War II have already departed for a better place. We need to move on this quickly to ensure that this nation extends its thanks to as many patriots as possible.

A TRIBUTE TO KIRK THOMAS BUECHNER; FOR HIS PROMOTION TO THE RANK OF EAGLE SCOUT

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GONZALEZ. Mr. Speaker, I rise today to offer my sincerest congratulations to Kirk Thomas Buechner, Boy Scout, from San Antonio, TX, upon the notification of his advancement to the rank of Eagle Scout.

Boy Scouts are awarded the prestigious rank of Eagle Scout based on their faith and obedience to the Scout Oath. The Scout Oath requires members to live with honor, loyalty, courage, cheerfulness, and an obligation to service.

In addition the rank of Eagle Scout is only bestowed once a Boy Scout satisfies duties including, the completion of 21 merit badges, performing a service project of significant value to the community, and additional requirements listed in the Scout Handbook.

In receiving this special recognition, I believe that Eagle Scout Kirk Thomas Buechner will guide and inspire his peers, toward the beliefs of the Scout Oath. I am proud to offer my congratulations to Kirk on this respected accomplishment.

EDEN UNITED CHURCH OF CHRIST

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to commend the Eden United Church of Christ in Edwardsville, IL for their unparalleled contributions to the community. The church has joined hands with Habitat For Humanity to form the Vacation Bible school who's mission is to build a better foundation for life by learning the lessons of the Bible. Children join together to build toolboxes, picnic tables and other odds and ends to grace homes built by Habitat For Humanity.

Cory Luttrell, a 7-year-old participant in the school, is having a great time. "It gives people a place to put their tools after they build houses. They worked hard, so we should be helping them," Cory said. There are currently 1,700 Habitat For Humanity affiliates in 62 countries and they are responsible for the construction of more than 100,000 homes. The cooperation of Eden United Church of Christ and Habitat For Humanity is a great example of how organizations can come together so that they can better serve the community.

REPEALING THE ANTI-CALIFORNIA PROVISION OF THE CLEAN AIR ACT

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. COX. Mr. Speaker, currently, California is arbitrarily limited to no more than 10% of the funds under the Clean Air Act's section 105 grant program. (Nationally, that program will provide $115 million in state and local clean air grants in 1999.) Yet our state represents more than 12% of the nation's population and pays more than 12% of total federal taxes. What's more, our state is home to the only "extreme" clean air designation in the country—the Los Angeles basin.

Today, I am introducing legislation to end this inequity, under which California generally, and Los Angeles specifically, are significantly underfunded by Clean Air Act air pollution planning formulas. The bill eliminates the 10% maximum level of funding for any one state under the section 105 state and local clean air grant program.

The bill does not authorize or compel more funds to be appropriated under the section 105 grant program. It simply states that California should be able to receive its fair share of those funds that Congress does choose to appropriate.

This legislation is supported by the South Coast Air Quality Management District, who recently came to Washington to speak to members of our state's delegation about the need to end this arbitrary statutory limit, which directly injures California.

CONGRATULATIONS TO KELLY PHIPPS

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. REGULA. Mr. Speaker, the United States Institute of Peace held its twelfth annual National Peace Essay Contest and I am proud to announce that Ms. Kelly Phipps of my district won first place in Ohio. Ms. Phipps is a student at Jackson High School in Massillon, Ohio. Students are asked to write about the different measures that can be taken to prevent international conflicts.

The Peace Essay Contest is designed to encourage young people to think about international conflict management and resolution. Ms. Phipps wrote her essay on "Economics in Preventive Diplomacy: The Treaty of Versailles vs. The Marshall Plan."

I include a copy of her essay for my colleagues to review:

ECONOMICS IN PREVENTATIVE DIPLOMACY: THE TREATY OF VERSAILLES VS. THE MARSHALL PLAN

When desire for revenge clouds rational policy making, the results are disastrous. A comparison between the Treaty of Versailles and the Marshall Plan demonstrates effects of vengeance in foreign affairs and the need for nurturing economic policies to prevent conflict. After World War I, the harsh measures imposed upon Germany through the Treaty of Versailles not only failed to prevent future conflicts, but fueled the rise of the Third Reich. Under similar circumstances, the Marshall Plan created after World War II successfully rebuilt Western Europe, deterring threats on two fronts and proving that measures to strengthen economies are crucial to prevent hostility.

After an armistice was reached on November 11, 1918, Lloyd George of Great Britain, Georges Clemenceau of France, and Woodrow Wilson of the United States led the Peace Conference in Paris ending World WAr I (A.A.I.R. 3, Goodspeed 269). Because of Germany's 1914 declarations of war on Russia and France, fear of further German aggression guided the conference (A.A.I.R. 3, Goodspeed 270). To prevent another widespread conflict, the conference produced the punitive Treaty of Versailles and created the League of Nations for enforcement.

The treaty signed on June 28, 1919, devastated the German Empire. Articles 118 and 119 stripped Germany of all overseas possessions, turning them over to the Allied and Associated Powers (A.A.I.R 84). Based on declarations of war on France and Russia in 1914, Articles 231 and 232 held Germany independently accountable for the war and forced compensation for all damages in foreign territories (A.A.I.R. 123). The Treaty required Germany to pay 20 billion gold marks as an initial installment (Goodspeed 273). The total cost of reparations was 132 billion marks, to be paid over 35 years (Watt 503).

"It does much to intensify and nothing to heal the old and ugly dissensions between political nationalism and social democracy," warned the editors of the *New Republic*, claiming the Treaty was "bound to provoke the ultimate explosion of irreconcilable warfare ("Peace at Any Price" 184). As the value of the mark plummeted under austère economic penalties, desperation and resentment spread among the German people, setting the stage for the conflict between ultranationalists and democratic Western Europe. By 1923, the mark devalued to 5 million for every American dollar (Goodspeed 278–79). Devastating inflation consumed the saving of the German workers, creating disillusionment in Weimar Germany and a base of support for Nazism within the middle class (Pennock and Smith 562). A few months before the Treaty of Versailles was adopted, nationalistic parties accounted for a mere 15% of the German vote. By 1924, inflation had skyrocketed and nearly 39% of Germans were voting Nationalist (Pennock and Smith 567).

In 1924, the United States funded the Dawes Plan, offering limited loans to Germany (Goodspeed 286). The Dawes Plan both reduced the harshness of the Treaty of Versailles and eased Germany's nationalistic tendencies. After 1924, support for these parties decreased from 39% to 30%, illustrating the ties between economics and militant nationalism (Pennock and Smith 567). However, the withdrawal of German nationalism was only temporary; at the onslaught of the great Depression, the festering humiliation from the early 1920's resurged without restraint (Goodspeed 287).

The German elections of 1930 revealed increasing Nazi support. Party membership grew from 400,000 to 900,000, and Nazis claimed over a third of the seats in the Reichstag (Goodspeed 295). Nazi leaders such as Hitler used the humiliation and hardship caused by the Treaty of Versailles as a flash point for inciting German supremacy and desire for revenge among the German people (Goodspeed 273). The Nazi Secret Service offered employment to the nearly 6 million unemployed Germans who were turning to Nazism as a more secure alternative to the status quo (Goodspeed 295). Finally, the Enabling Act of 1933 passed in the Reichstag, giving Hitler absolute power for four years. With the entire nation under his whim, the Fuhrer could enact his dreams of a master race and German expansionism (Goodspeed 297).

While vengeance motivated the Treaty, moral concerns prevented the absolute destruction of Germany. Incidentally, it may have been this compromise that allowed Germany to reemerge as a global threat. As Machiavelli explains to Lorenzo De' Medici in *The Prince*, "Whoever becomes the master of a city accustomed to freedom and does not destroy it may expect to be destroyed himself . . . In republics there is more life, more hatred, a greater desire for revenge; the memory of their ancient liberty does not and cannot let them rest . . ." (48–49; ch. VI). The Treaty was enough to spark indignation in Germany, but not strong enough to prevent revenge. While annihilation of an enemy may be key to retaining power, reducing the humiliation of the enemy through reconstruction is morally superior and can ensure lasting peace.

After World War II, the Third Reich was disbanded, leaving the German in the hands of the Allies for the remainder of the year (Shirer 1139–40). The situation resembled the period following WWI, with the addition of threats of Communist aggression from the newly empowered Soviet Union. Reconstruction was necessary, but U.S. funds were scattered among the International Monetary Fund (IMF), the Export-Import Bank and the United Nations. Two years and $9 billion later, exports were still down 41 percent from 1938 levels (Hogan 29–30).

In 1947, Secretary of State George C. Marshall introduced a plan "directed not against any country or doctrine, but against hunger, poverty, desperation and chaos . . ." (Marshall 23). In his speech, Marshall explained that lasting peace required a cohesive aid program to solve the economic roots of conflict (Marshall 23–24). The Marshall Plan was intended to avoid another German nationalist backlash and to create a stable democratic Europe to deter Soviet expansion (Hogan 27). Both objectives were well-founded in history. First, as a proven by the reduction of militarism in Germany after the Dawes Plan, economic stability checks the threat of militant nationalism. Also, just as German aggression in WWII occurred while Europe suffered from depression, economically weak nations are more likely to be attacked. Finally, Marshall aid would create confidence in capitalism, countering Soviet influence (Mee 248). With the intentions of Marshall Plan logically devised, economic success was all that was needed for the prevention of conflict.

The Foreign Assistance Act of 1948 began U.S. action on Marshall's recommendations (Hogan 89). The Economic Endorsement Act made an international economic infrastructure a prerequisite for American aid; so the Committee for European Economic Cooperation was formed to develop a plan for European self-sufficiency (Hogan 124). Discussion in the 16-nation panel included the agriculture, mining, energy and transportation sectors of the economy, as well as recommendations for a more permenant regulatory body (Hogan 60–61). The resulting Organization for European Economic Cooperation (OEEC) included all Western European nations except Germany and directed the use of U.S. aid (Hogan 125–126).

Under OEEC, the United States poured aid dollars into Europe while increasing international trade through most-favored-nation agreements. The U.S. spent over $13 billion on aid—1.2 percent of the U.S. GNP (Mee 258, Wexler 249). Efficient use of funds made economic improvements drastic and swift. Between 1947 and 1951, Western Europe's GNP increased by nearly $40 billion, a 32 percent increase, and industrial production grew 40 percent above 1938 levels (Wexler 250–51). With Western Europe fortified, aid could safely be extended to Germany (Mee 239).

In addition to combating nationalism, German reconstruction created a buffer to communist East Germany and added industrial resources to the European economy. Still scarred from past invasions, France refused to allow Germany to sign the OEEC protocol in April 1948. Later, with U.S. pressure, Germany has included in trade and was given funds, making German reintegration a common goal (Hogan 129–130). By the fall of 1948, many issue shad been resolved and the Allies began to draft a framework for an independent, democratic West Germany. By 1964, Marshall aid increased foreign trade by 100 percent, boosted industrial production by 600% and reduced unemployment to a mere 0.4%. In Germany, the Marshall Plan had become more than just an aid package; it had jump-started production, preventing the conditions that spawned the Third Reich after W.W.I (Mee 256–57).

Today, American preventive action largely consists of sanctions to debilitate enemies or diluted aid policies that rely on handouts alone. The current situations of America's Cold War adversaries demonstrate the inadequacies of both policies. Like the Treaty of Versailles, America's continuing vendetta against Fidel Castro has produced decades of embargoes and hardship, but no signs of capitalist reform (Leeden 24). In the economically unstable Russia, current policies of IMF aid may seem similar to the Marshall Plan, but missing components will allow the ruble to continually devalue. Increased trade and regulatory body could permanently stimulate production, but dumping aid into a faulty infrastructure is temporary and wasteful ("Other Marshall Plan" 29).

While the iron first of the Treaty of Versailles dragged the world into a second World War, the Marshall Plan broke the cycle of German aggression. Additionally, the reconstructed nations created a power balance that helped keep the Cold War from igniting a full-blown conflict. While they may intimidate some countries, harsh economic measures punish innocent civilians and will always pose the risk of a backlash. Nourishing free-trade policies address the root causes of many conflicts, promoting more permanent peace. History demonstrates the need to remove vengeance from preventative diplomacy and address the world's problems with a more wholistic, stabilizing approach.

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PERSONAL EXPLANATION

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. NEY. Mr. Speaker, on June 8, 1999, the House voted on the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies FY 2000 Appropriations Act. More specifically, when the vote on the Chabot amendment (rollcall No. 174) took place, I was unavoidably detained. The Chabot amendment would have sought to prohibit funding for Market Access Program allocations. If I was present, I would have voted "no."

SUMTER, SOUTH CAROLINA ROTARY CLUB DEVELOPS "CART" FUND

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SPRATT. Mr. Speaker, every day Alzheimer's disease claims more victims. Over four million Americans suffer from this dread disease, and scientists predict that unless cures are found, the number of victims will grow to fourteen million within the next twenty-five years. More people are also experiencing the tragedy second-hand as family members or friends of someone afflicted with Alzheimer's. They too feel helpless in the face of this awful illness. Options for treatment are limited, and care for the victim can be difficult and demanding. Family and friends become frustrated, not knowing what they can do.

The members of the Rotary Club in Sumter, South Carolina have found that there is something we can do. They have devised a technique to raise money for research, a technique so successful that I would like to share it with Congress and call attention to it, because what Rotarians have started in Sumter deserves to be copied across America.

There is hope on the horizon for Alzheimer's disease. Research teams are making progress in our understanding the disease. In 1995, scientists identified the gene believed to cause the most aggressive form of the disease. But no cause or cure has been found yet, and future research will require millions of dollars.

To help support the search for a cure, the Sumter Rotary Club developed what it calls the "CART" fund—Coins for Alzheimer's Research Trust. At each club meeting, Rotarians are asked to empty their pockets of loose change—a small gesture that has generated large results. In a nine-month period, the 155 members of the Sumter Rotary Club raised over $4,200 in this manner. Their success led them to share their idea with District 7770, which consists of 71 Rotary clubs with some 5,000 members. District 7770 adopted the project in 1996, and made Roger Ackerman Chairman and Dr. Jack Bevan and General Howard Davis (Retired) Co-Chairmen. District 7770 is driving forward with two major goals—awarding a $100,000 grant to a medical institution on the cutting edge of Alzheimer's research and encouraging other Rotary districts to start a CART campaign. The other Rotary district in South Carolina, District 7750, plans to launch the project next month, and by next summer, the team hopes to add ten more districts. their ultimate goal: to have Rotary International to adopt the project.

I am proud to represent these enterprising Rotarians. I commend them for spearheading this worthy project and encourage others across America to follow their example.

BRIGHTON HERITAGE MUSEUM

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to commend the residents of Brighton, IL as well as the Brighton Heritage Museum for the great strides they have taken to educate children about the past. "Maybe if people knew what happened before it would help them to decide some things in the future," June Wilderman, curator of the museum said. The museum displays numerous artifacts and stories from American history that have been donated by residents. There is even a piece of stone taken from the site of the Washington Monument when it was being built.

I am pleased to see the community coming together to help educate its young people and trying to create a deep sense of patriotism in their children and grandchildren. Educating our youth about the past is an essential part of creating a positive future.

HONORING THE 20TH ANNIVERSARY OF THE NORTHWEST MICHIGAN HORTICULTURE RESEARCH STATION

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Ms. STABENOW. Mr. Speaker, Tuesday, July 6 marks the 20th anniversary of the Northwest Michigan Horticulture Research Station.

In 1979, cherry farmers, Michigan State University horticulture and Extension faculty, Michigan Department of Agriculture, USDA and fruit industry representatives banded together, sharing information and resources, to form a research station in the hopes of keeping themselves on the cutting edge of agriculture techniques.

Today all of the partners in the Northwest Michigan Horticulture Research Station can reflect with pride at what they have accomplished. Northwest Michigan's cheery farming industry is stronger than ever. The research station has helped northwestern farmers address unique cherry farming issues. Farmers have increased their crop yields by using innovative, field-tested agriculture techniques. Faculty have had a real life laboratory to experiment with farming techniques, and Michigan State University horticulture students have benefited from a facility to apply their classroom knowledge.

The Northwest Michigan Horticulture Research Station has brought Michigan growers the latest information on the most successful agriculture methods through a broad-based, grassroots network of farmers.

Today I would like to recognize the efforts of the Northwest Michigan Horticulture Research Station and thank the station for its continuing to help Michigan agriculture address the challenges of the next century. Through the cooperative efforts of the Northwest Michigan Horticulture Research Station, northwestern Michigan will remain the "Cherry Capital of the World."

ONE HUNDREDTH ANNIVERSARY OF WYANDOT COUNTY COURTHOUSE

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. OXLEY. Mr. Speaker, it is my honor to acknowledge the one hundredth anniversary of the Wyandot County Courthouse in Upper Sandusky, OH, in this year of its renovation and rededication.

Established in February of 1845, Wyandot County used as its first official meeting place the old Council House of the Wyandotte Indians. The sale of land in and around present-day Upper Sandusky provided the funds for the first permanent courthouse, which was used until close to the turn of the century. Construction of the current courthouse started in 1897 and was a completed in June of 1900.

At the original dedication of the Courthouse in August of 1900, it was described as a "magnificent public edifice, combining the classical beauties of Grecian, Doric, and Romanesque architecture" that was declared "one of the finest structures of its kind in the State of Ohio." With its majestic dome dominating the city's skyline, the Courthouse remains an equally magnificent sight to this day.

Perhaps the most noteworthy aspects of the Courthouse, though, are the murals that adorn the courtroom and dome. Sandy Bee of Centerville, OH, took painstaking care to restore the paintings of Mercy, Truth, Justice, and Law that tell the history of the Wyandotte Indians. She also hand-painted new murals for the dome area that depict Spring, Summer, Fall, and Winter in the farming community. In addition, pictures taken by Harry E. Kinley and used during the celebration of Wyandot County's sesquicentennial now adorn the Courthouse hallways.

I salute the Wyandot County Commissioners, Sandy Bee, and other officials, workers, and citizens of Wyandot County whose hard work has made this centennial renovation and rededication a success.

DR. GLORIA SHATTO

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BARR of Georgia. Mr. Speaker, from time to time we are blessed with rare individuals who possess a vision with the power to transform a community, or skills that fundamentally reshape and revitalize an institution. Dr. Gloria Shatto, who recently passed away in Rome, GA, was one of those rare people.

When Dr. Shatto was named to the presidency of Berry College in Rome, in 1980, she became the first woman ever selected to serve as president of a Georgia college or university. During her tenure, Gloria Shatto returned Berry College to a sound fiscal footing, and firmly established its reputation as one of America's top liberal arts schools.

During her career, Dr. Shatto made tremendous contributions to education on the faculties of the University of Houston, the Georgia Institute of Technology, and Trinity University. In government, her contributions were no less significant when she served on the Georgia Forestry Commission, the Georgia Commission on Economy and Efficiency, and the U.S. Treasury Small Business Advisory Committee. Finally, in the corporate sphere, she made similar contributions, serving on the boards of directors for the Southern Company, Georgia Power, Texas Instruments, and Becton Dickinson and Co.

The thousands of students whose lives Dr. Shatto touched join me in praising her for living her life to the fullest, and making tremendous contributions to her associates, Berry College, and the Rome community. Although she will be sorely missed, we can take comfort in the knowledge that she left behind a tremendous legacy.

CONGRATULATING DEBORAH HEART AND LUNG CENTER ON ITS 77TH ANNIVERSARY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate the Deborah Heart and Lung Center on its 77th anniversary of providing care to the residents of New Jersey. This hospital has been a leader in its field for generations, saving the lives of thousands of individuals through the dedication of its staff and volunteers. Its physicians have pioneered breakthrough developments in the treatment of heart and lung disease and its administrators have seen that no one—no matter how poor—is turned away for lack of ability to pay. Deborah is a unique facility and we count ourselves lucky to have it in our state.

Heart disease in the No. 1 killer in America today. But in the early part of this century, that dubious distinction belonged to tuberculosis. By the 1920's, with one of every seven Americans being killed by the debilitating and highly contagious disease, prevention and cure of TB had become a national obsession.

Horrified by the sickness and suffering she witnessed in New York City, wealthy philanthropist Dora Moness Shapiro decided to open a sanitarium where indigent TB patients could receive treatment. In 1922, Mrs. Shapiro purchased an existing 32-bed sanitarium in Browns Mills, NJ, and arranged for its previous owner, Dr. Marcus Newcomb, to stay on as consulting physician. Mrs. Shapiro also organized the Deborah Jewish Consumptive Relief Society to raise funds for operation of the facility, taking the name Deborah from the Hebrew prophet who rallied the Israelites in their struggle against the Canaanites. Mrs. Shapiro became the society's first president.

By 1930, the sanitarium was well established and construction began on a brick, five-story building to replace the three original wooden cottages. Dr. Henry Barenblatt was hired as the first resident physician. The 1940's were a time of growth, with the addition of a surgical operating room and additional buildings. Deborah worked closely with Dr. Charles Bailey, a Philadelphia surgeon who pioneered treatment for TB, and with the increasing chemical therapies for the disease. By the early 1950's, the medical community's success in combating the disease had made Deborah and other TB sanitariums obsolete.

Rather than closing its doors, Deborah restructured itself as a hospital for heart and lung diseases beyond TB. Deborah provided support for research conducted by Dr. Bailey and arranged to provide post-operative care for heart patients who underwent surgery at Hahnemann Hospital in Philadelphia. Dr. Bailey conducted the first on-site heart surgery at Deborah in 1958 and a series of milestones followed in quick succession, including the opening of a cardiac catheterization laboratory, Deborah's first cardiac catheterization surgery and the hospital's first surgery to implant a pacemaker.

Throughout the 1960's and 1970's, Deborah grew rapidly into a world-class heart and lung center, attracting recognized experts to practice and teach and encouraging research among its own medical staff. New facilities were opened, including a dedicated pediatric unit, and the scope of services was expanded to include emphysema and occupational lung diseases.

Today, Deborah is a world-renowned center for cardiac and pulmonary care. Its physicians have traveled around the world to perform surgery on children and teach their skills to colleagues. A number of new treatments have been pioneered at Deborah and in 1994 it was rated No. 1 in the nation for the lowest number of deaths among Medicare patients. The 161-bed teaching hospital provides state-of-the-art diagnosis and treatment to adults and children with heart, lung and vascular diseases, including treatment of heart defects in newborns, infants and children. More than 5,000 patients are treated each year.

True to Mrs. Shapiro's motto, "There should be no price tag on life," Deborah continues to accept patients regardless of their ability to pay and has never issued a patient a bill. Chairman Gertrude Bonatti Zotta, who has been involved with Deborah for more than 50 years, and President Spero Margeotes are proudly carrying Mrs. Shapiro's compassion and concern into the 21st century.

All of this has been made possible by thousands of volunteers who have given of their time and energy and helped find the necessary financial support. Regional chapters from Florida to New England coordinate efforts ranging from high school fund-raisers to professional golf tournaments to raise funds for the institution.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in congratulating Deborah Heart and Lung Center on 77 years of dedicated service. A hospital is more than just a building filled with beds and medical supplies. A hospital's true spirit lies in the men and women who dedicate their own lives to improving—often literally saving—the lives of others. These include most obviously the doctors, nurses and other medical professionals, but also the administrators, support staff, board members, volunteers and visionaries like Dora Moness Shapiro. They all deserve our deepest thanks.

WHAT WILL BE

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. DUNCAN. Mr. Speaker, the most respected living Tennessean is former Senator Howard Baker.

He had a very distinguished career in the Senate, having served 18 years. He also served 2 years as President Ronald Reagan's Chief of Staff.

He is a very successful lawyer in private practice in both Knoxville, TN, and Washington, DC.

Mr. Speaker, recently Senator Baker was asked to give the commencement address at the University of Virginia. I have attached a copy of his remarks that I would like to call to the attention of my colleagues and other readers of the RECORD.

"WHAT WILL BE"

It is a great honor to have been asked to be here today for what may be the most important day of your lives thus far. I congratulate you on your academic success. I commend the administration and faculty of this great university for educating you so splendidly. And I rejoice with your parents in their newly found economic freedom.

Recognizing that I am all that stands between you and your diplomas, I promise first of all to follow Winston Churchill's famous advice on public speaking: "Be sincere. Be brief. Be seated."

In thinking about these remarks, two books I read recently came to mind—one about the past and the other about the future.

Robert Lacey's The Year 1000 tells about life in England at the turn of the last millennium.

In those ancient days, life was different. It was a silent world, free of the noise of machinery or media and pungent with the aromas of nature. People worked hard, with their hands, and solved riddles for amusement. Theirs was a world of small villages and few people, and last names were just beginning to be used to distinguish one John or Elizabeth from another.

They spoke Englisc, a precursor to our own English language, which had already proven its remarkable adaptability, simplicity and poetry. (In this age of Jerry Springer, it is interesting to note that there were no curse words in Englisc. One could swear to something but not at anyone.)

They put hot lances on sores, and they used leeeches to draw disease from their bodies in deadly torrents of blood. Their scholarship consisted of copying the ancient texts of Greece and Rome. They clung to some of the pagan superstitions of their recent ancestors, but they had converted thoroughly to Christianity, and they kept faith with the one true church in Rome.

They knew they were living at the end of the first millennium, and this knowledge filled them with dread. This had nothing to do with Y1K computer glitches. The people of tenth-century "Engla-lond" were sure that the Devil was about to be released upon the earth after a thousand years of confinement, as the Bible's Book of Revelation foretold.

They worried, more generally, about the future itself. A tenth-century Old English poem, entitled "The Fortunes of Men," offers a variety of possible fates but leaves open the question of how each life will evolve. For the young men and women at the end of the 10th century, as of the 20th, the question of "what will be" dominated all others.

And just as the first millennium was about to pass, there appeared on the scene a remarkable invention. It was the abacus, the tenth century's version of a computer, and it would change everything in the next thousand years.

The centrality of such ingenious tools to human progress is the thesis of another book that came to mind in preparation for today. It is a remarkable little volume called The Sun, The Genome and The Internet, in which the author, Freeman J. Dyson of Princeton, argues that three new practical tools will yield similarly extraordinary changes in the life you will live in decades to come.

Dr. Dyson suggests that solar power perhaps, will finally end our dependence on the thermodynamic cycle.

He predicts that the mapping of the human genome, now well underway, will yield medical knowledge and practices so sophisticated as to make our present-day surgeries seem as barbaric as leeching and hot lances seem to us today.

And he sees in the Internet the ultimate democracy of knowledge, spreading inexorably to the remotest village on Earth with stunning consequences for us all.

If what Dyson foresees is true, you may look back fifty years from now on your world of 1999 as impossibly quaint and primitive, at least technologically. But if he is wrong, you may long for the world you see around you on this golden Virginia day.

What will be?

Will you save the world from environmental degradation, or will global warming wash you away?

Will you thrive in a professional world that rewards enterprise and courage, or will you be ground down in a working world that consumes all your time and steals your soul?

Will you live in a social world that truly values the content of one's character over the color of one's skin, or will you be mired in an unhappy world of grievance and anger?

Will you live in a political world that prizes civility and common achievement, or in a world where the quest for ideological purity or partisan advantage renders public service intolerable?

Will you live in a moral world that recognizes and honors clear standards of right and wrong, or in the swamp of situational ethics?

Or will you, like every generation before you, muddle through between these extremes as best you can?

The temptation will be strong in your lives to be mesmerized by the extraordinary things that will happen in your external world.

Most of you will live a very long time. If the demographers and scientists are right, many of you will live to be a 100 years old.

In the span of my life, we have gone from Lindbergh's solo flight across the Atlantic to putting men on the moon. We have gone from crude crystal radio sets to television to the internet. We have gone from summers filled with fear of contracting polio to the eradication of that scourge and many other diseases from the face of the earth.

Your generation will do a great deal more. You may ultimately consider space travel routine. Colonies on the moon are will within your reach. And there will be much more progress, many more practical tools, in your time than any generation, more than can even be imagined.

But I would urge you not to neglect the internal like—the life of the mind, the heart, the soul—that is the ultimate standard for measuring human progress. Each of you has an opportunity—and, I would suggest, a responsibility—to improve our culture, expand our knowledge, enrich our economy, strengthen our family, care for the outcast, comfort the afflicted, and fulfill the promise of humanity touched with divinity.

By these measures, we find ourselves today in some ways exactly where we were at the beginning of this century, if not this millennium. Now, as in the early 1900s, we are worried about Serbia. Now, as then, we are concerned about senseless acts of violence. Now, as with the people in the English village in the year 1000, we are helpless against the awesome force of nature.

Progress is inevitable, but problems, particularly problems between people—can be stubborn, intractable things. On this wonderful spring day, you will be excused for only seeing clear blue skies and limitless possibilities. As it happens, this year marks the fiftieth anniversary of my own graduation from the University of Tennessee, in the State next door.

In those years, I suffered defeat and frustration in generous measure before success began to smile on me. The world in which I lived experienced economic depression, a world war, a Cold War, racial hatred and violence, terrorism and all manner of evils on its way to the prosperity, peach and social progress that embrace you today.

In my lifetime, it has often seemed as though the devil really was let loose on the world, and our job was to chain him up again.

My point is this: hopeful as you are today, as full of promise and potential and learning and achievement as you are today, life has a way of mocking your hopes and frustrating your dreams. The secret to success in life is not giving up when this happens, as it inevitably will.

The great glory of the American people is not that we have prospered without challenge, but that we have prospered through challenge. That is your heritage, and this is the sturdy foundation on which you stand today.

You are promising young men and women who have made your parents, your siblings your friends, and even the faculty of this great university enormously proud of you.

An extraordinary new world beckons you, and a few ancient miseries still beg you for relief. You are like Mr. Jefferson's Crops of Discovery, a small intrepid band venturing into the unknown, as well prepared as you can be but with no reliable map to guide you through the undiscovered country that is the future.

Congratulations, and may you live of success, service, and grace.

God bless you all.

TRIBUTE TO THOMAS S. HOUGH

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to recognize the outstanding work of Thomas S. Hough and his son Thomas W. Hough of Carrollton, IL for their role as longtime pillars of their community. The father and son team have worked together for years to create both a prosperous present and future for Carrollton Bank and the community it serves. When asked about his favorite part of his job the father stated, "The customers become your friends, that's one of the best things about the business."

The father son team has always found time to be involved in the community. The father has served on the Carrollton Park Board, the Presbyterian church in Carrollton and the Thomas H. Boyd Memorial Hospital board, among others. The son is also actively involved with the community serving on the board for the District 1 Foundation which provides scholarships for local students as well as many other educational and civic groups. The residents of Carrollton and other communities throughout Illinois look forward to their continual dedication to community banking and the neighborhoods they serve.

HONORING BESHAR SAIDI ON HIS RETURN TO THE UNITED STATES

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Ms. STABENOW. Mr. Speaker, I rise today to offer a warm welcome home to Beshar Saidi, an American citizen returning to the United States after being held captive for over a year. His story has touched people across the country, and he has remained in the thoughts and prayers of all those who have had the pleasure of knowing him. I would like to recognize Mr. Saidi for his courage in the darkest of moments.

On June 25, 1999, Beshar Saidi finally was released. I wish him Godspeed as he reunites with his wife and newborn son and am thankful for the happy ending to this tragic situation.

DR. CAMILIO RICORDI AND DR. NORMA KENYON DISCOVER A POTENTIAL CURE FOR DIABETES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Ms. ROS-LEHTINEN. Mr. Speaker, today I am honored to commend Dr. Camilo Ricordi and Dr. Norma Kenyon for their exceptional work in the field of medical research. Through ongoing study at the University of Miami, these two doctors have brought the medical world one step closer to finding a cure for diabetes.

Dr. Ricordi and Dr. Kenyon recently reported on the experiments which they have been conducting involving anti-CD154. This artificially made antibody has succeeded in curing monkeys from potentially fatal cases of diabetes. Such drugs will replace the more harmful and less successful versions which are presently being used. This will allow patients with the most dangerous forms of diabetes to lead a normal, healthy life without depending on needles and insulin.

It is only through their hard work and dedication to improving the lives of diabetics that Dr. Ricordi and Dr. Kenyon's have made such strides in finding a cure to a debilitating disease. The full report is expected to be published later this year in the Proceedings of the National Academy of Sciences.

I ask that my Congressional colleagues join me in congratulating the incredible achievement in medical research of Dr. Ricordi and Dr. Kenyon of the University of Miami.

IN RECOGNITION OF THE DEDICATION OF THE CARL MACKLEY APARTMENT COMPLEX

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BORSKI. Mr. Speaker, I rise today to recognize the official dedication of the Carl Mackley Apartments. I was proud to join the people of Philadelphia and AFL–CIO President John J. Sweeney to christen the development.

The Carl Mackley Apartments opened in 1935 and were developed by the Philadelphia based American Federation of Hosiery Workers. The development was the first to be funded by President Franklin D. Roosevelt's Public Works Administration, and was a unique example of union-sponsored housing. Despite its focus on providing low-rent housing, the complex had many amenities, including a nursery school, pool, bakery, candy shop, and barber and tailor. Its design fostered a community spirit and the residents contributed to the complex and each others lives.

After two decades of neglect the complex was suffering from decay and became a source of blight in the neighborhood. In 1998 Canus Corp. of Manayunk and Altman General Corp. of Glenside took over the buildings and did a gut renovation, completely rehabilitating the complex. Half of the apartments are government subsidized and the others are reserved for low-income families, they expect them to be fully occupied by the end of July.

Mr. Speaker, I would especially like to recognize the exceptional work of a member of my staff, Rosemary Farnon. As a former resident of the complex, Rosemary had a great interest in its revival. Through her role as President of the Juniata Park Civic Association, Rosemary worked with the developers and the community to facilitate dialog between the two parties. She made sure that the voices of local residents were heard, and that they were informed about the rehabilitation of the community and the opportunities that it would offer. I commend her hard work and dedication to the neighborhood, and I am proud to have her as a member of my staff.

The Carl Mackley Apartments are a great example of community spirit and cooperation. The change in the neighborhood has been dramatic, and it has provided a place to live for people that need temporary assistance as well as those working families who need affordable housing. After being placed on the National Register of Historical Places and undergoing a $20 million renovation, the buildings were dedicated on Monday. I was extremely proud to be a part of the dedication ceremony and look forward to seeing Carl Mackleys' precedent of community spirit continue on. I would also like to insert for the RECORD an article from the Philadelphia Inquirer regarding this historical landmark.

[From the Philadelphia Inquirer, June 25, 1999]

(By Julie Stoiber)

In January 1935, when the Carl Mackley Houses opened, thousands of people converged on Juniata Park to tour the new apartment complex.

The four handsome, low-rise buildings took up a full city block at M and Bristol Streets, and were separated by greens and walkways that lent a campus-like air.

Considering the amenities the Mackley apartments offered in Depression-era America, it was no wonder there was a waiting list. Residents of the 284 units could take a dip in the apartment's in-ground swimming pool and clean their clothes in rooftop laundries equipped with electric washers. "From our point of view, it was an ideal situation," said William Rafsky, a resident from 1946 to 1954.

One other thing made it stand out: It was affordable.

Contrary to what its amenities would suggest, Carl Mackley was designed for the working-class. Its owner and developer was the American Federation of Hosiery Workers, a Philadelphia-based union that saw low-rent apartments as a way to help the many hosiery workers who were losing their jobs and homes.

This rare example of union-sponsored housing also had the distinction of being the first low-rent development funded by President Franklin D. Roosevelt's Public Works Administration. Six decades later, the Carl Mackley complex is again in the spotlight. After years of private ownership and neglect, the complex, which is on the National Register of Historic Places, has undergone a $20 million renovation and on Monday will be rededicated.

Again, a labor union is playing a major role. Again, the butterscotch-brick buildings will be home to those in need of affordable housing. And although the pool is gone and the airy laundries are sealed, the community building, the pool is gone and the airy laundries are sealed, the community building, where residents once gathered to watch movies, take classes and participate in the management of the complex, will again be a center of activity.

"This was exciting work, about as good as it gets," said Noel Eisenstat, head of the Philadelphia Redevelopment Authority, which has been helping to engineer the apartment's revival for more than five years—wresting the property from the owner through HUD foreclosure and then bankruptcy, selecting a private developer and courting the AFL–CIO's Housing Investment Trust, which loaned more than $26 million in union pension funds for construction and rent subsidies.

"The alternative was a sheriff's sale," Eisenstat said, "where they sell it to a developer, but without the resources to develop it."

The apartment building's place in history was a prime motivator for both Eisenstat and Stephen Coyle, head of the Housing Investment Trust, but there was another force at work: The once-esteemed complex—praised by the New Deal president himself—was, in its decayed state, dragging down the stable rowhouse neighborhood that had grown up around it.

"Every once in a while a project comes by that gives you that extra sense of purpose and meaning," Coyle said. "Everyone wanted this to happen."

"Of all the things we've done, this will stand out," he said. "It rekindled people's interest in affordable housing. There's a lore about this project."

It was in 1933 that John Edelman, secretary of the hosiery union, became interested in easing the housing crisis for union members.

"They were a very progressive group," said Rafsky, who was a union official before joining city government.

Edelman formed a core of supporters who shared his vision, including Oskar Stonorov and Alfred Kastner, two emigre architects with experience in designing European worker-style housing, and William Jeanes, a wealthy Quaker and well-known champion of low-cost housing who was the complex's first manager.

Philadelphia Mayor Hampton Moore branded the idea communistic and tried to block its construction. Edelman prevailed.

The buildings Stonorov and Kastner designed were early American examples of the sleek, unadorned International Style of architecture (the PSFS tower at 12th and Market Streets is another). The complex was called "daringly contemporary" and although it was not universally acclaimed, it was featured in The Architectural Record.

To add to the allure, the development was named for a local labor hero, Carl Mackley, a 22-year-old hosiery worker from Kensington who was shot to death by non-union workers during a strike in 1930 and whose funeral in McPherson Square, according to news reports, attracted 25,000 people.

The apartments were tiny, in part to foster community spirit by pushing people into the common areas. Rafsky remembers that in warm weather, people would drag their beach chairs out to the lawns. With a nursery school, library, grocery store, candy shop, bakery, barber and tailor on site, residents had many of life's necessities at hand.

A one-bedroom apartment rented for $22.50 a month. Hosiery workers lived in many of the units, but the complex was also open to others. In the late 1960s, with the hosiery union in decline, the Carl Mackley complex was sold.

It became the Greenway Court Apartments. A botched roofing job in the 1980s created a serious mildew problem in the complex. Occupancy declined, rents rose and the last owner's finances crashed.

Rosemary Farnon, a 20-year resident of Juniata Park and head of its civic association, remembers how distraught neighbors were as they watched the complex deteriorate through the '80s and early '90s.

Trash piled up on balconies, laundry was draped over railings, screens fell out and weren't replaced, there were bedsheets instead of curtains in some of the windows, and it seemed the police were always responding to disturbances there.

On several occasions, Farnon remembered, tenants blocked traffic to get the landlord's attention when their heat went off in winter.

"It was a grand place, and it really fell into deplorable condition," said Farnon, who lived in the complex in the late '70s and now owns a home in the neighborhood. "The last straw was they had a boiler explosion there and things really seemed to move forward."

In February 1998, neighbors watched with interest as the new owners—the Canus Corp of Manayunk and Altman General Corp. of Glenside—began the renovation, relocating tenants as one building was finished and another begun.

"We did what we call a gut-rehab," said Susan Rabinovitch, president of Canus. "We knocked things down and made things bigger."

The number of apartments was reduced from 284 to 184. The old units, Rabinovitch said, "were functionally obsolete" because of their small size and lack of closet space. "In the '30s, people lived very differently."

Three-bedroom apartments used to be 675 square feet. Now, the smallest apartment in the complex is 721 square feet, the largest 1,200 square feet.

"I lived in a three-bedroom that now is a one-bedroom," said Patricia Harris, a former resident of the complex and its manager for the last six years.

She recalled the old days: "Forget closet space, forget even putting a bureau in your bedroom."

Half the units in the complex are government-subsidized, and all of those are taken, Harris said. The rest are reserved for people of low to moderate income; a family of four, for example, can't have household income over $33,360.

"We're expecting to be fully occupied by the end of July," Harris said.

The change in the neighborhood is dramatic, said Farnon. "You know how when you get dressed up you feel good? That's how I see the Mackley."

On Monday, at the dedication, AFL–CIO President John J. Sweeney will speak, and the development will be officially christened Carl Mackley Apartments.

Once the complex is fully occupied, Farnon plans to go in and encourage residents to organize a community association.

A spirit of community, she said, is the best way to ensure that the bad part of the complex's intriguing history does not repeat itself.

IN TRIBUTE TO CHARLES W. GILCHRIST

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. WOLF. Mr. Speaker, I want to bring to our colleagues' attention a remarkable public servant who lost a heroic battle with cancer on June 24. Charles W. Gilchrist, a Democrat, served as the county executive in Montgomery County, MD, from 1978 to 1986.

I never knew Charlie Gilchrist, but I followed his career because just by chance, we happened to be on the same train to New York City after Election Day in 1978. He was celebrating that day his victory as the new Montgomery County executive. I was getting away for a few days with my wife after having lost the election to be the representative for Virginia's 10th Congressional District.

I never spoke to him on the train, but I saw his joy and followed his career from my vantage point across the river in Virginia. And what impressed me the most about this courageous politician is that in 1986 he walked away from elected office to a higher calling. There was no doubt this popular man would have been reelected and probably could have gone on to other elected positions. But when his second term ended, he announced he would leave and study for the priesthood.

And for the rest of his life cut short by cancer, he served God. He worked in the inner city Chicago helping recovering alcoholics and drug addicts. Most recently, he devoted his energy to working on public housing problems in central Baltimore.

I would like to share with our colleagues two articles from the June 26, 1999, edition of The Washington Post which give more insight into the life and work of this unique man.

[From The Washington Post, June 26, 1999]

THE MIRACLE OF CHARLIE GILCHRIST

A HUMBLE MAN, HE TURNED FROM POLITICS TO THE MINISTRY

(By Frank Ahrens)

In 1984, Charlie Gilchrist—halfway through his second term as Montgomery County executive and seemingly poised to run for governor—shocked everyone around him by announcing that he was training to become an Episcopal priest. Once ordained, he lived in the lost neighborhoods of Chicago and Baltimore, ministering to the wretched, walking streets that had no trees but plenty of guns and drugs. He was so happy in the Lord's service, he was sometimes described as "beatific."

Over the past 35 years, Gilchrist transformed himself from a tax lawyer into a politician, then from a politician into a priest. Over the past few months, he was trying to become a recovering cancer patient.

He didn't quite make it.

On Thursday night, at around 11, Gilchrist lay in a bed at Johns Hopkins Hospital in Baltimore and quietly exhaled one final time. He was 62. Phoebe, his wife of 37 years, was at his bedside, along with his sister, Janet.

No one was kidding himself—everyone knew Gilchrist was terminal when he was diagnosed with pancreatic cancer in February. He was so weak that doctors suggested hospice care for the dying cleric. Since then, though, Gilchrist had responded well to weekly chemotherapy treatments, which bought him some time and comfort.

But last week, death accelerated toward Gilchrist with a shuddering velocity.

I last saw Gilchrist 10 days ago, when a Post photographer and I visited his new art studio, inside a sturdy brick building in a south Baltimore neighborhood called Pigtown. A dynamic St. Alban's high school art teacher had unlocked young Charlie's talent for painting. Now, he had rented this high-ceilinged, plank-floored space and was preparing to paint again. He hoped to render the children of Sandtown, the neighborhood where he and Phoebe had lived and ministered for the past three years.

We began to climb the stairs to Gilchrist's second-floor studio. Without saying so, we all wanted him to go first, so we could back him up. But he was having none of it.

He propped himself against the door jam and shooed us past. One foot was in the alley outside; the other was on the door sill, a good 12 inches higher.

"Go on, go on," he said, in a soft, weary voice. "I can make it."

We filed past—first me, then the photographer, then Phoebe; all of us reluctant to leave him.

"Charlie . . ." his wife began.

He was getting impatient now.

"Go on!"

"Okay," Phoebe said, with a practiced combination of cheer and exasperation. "Do what you want."

Up we went. Toward the top of the dark stairs, I turned and looked down at Gilchrist, a silver-thin silhouette backlighted in a shadowy doorway. He was rocking back and forth, readying to vault himself up into the door. He was all angles and lines and fierce concentration.

I turned away, unable to watch, and kept climbing. I flashed back to a similar scene a couple of weeks earlier in the same stairwell.

Coming down the stairs that day, Gilchrist's left foot had overshot the last tread and lunged through empty space. The next two seconds were an agonizing eternity. Before anyone could reach for him, he was headed for the floor. The air rushed from Phoebe. Though he had not strength to stop himself, he contained the fall and landed on all fours.

"Damn!" he cursed, under his breath.

"Oh, Charlie!" Phoebe blurted.

"I'm all right," he said, still down.

I reached down to pull him up, putting one hand under each armpit. I felt: The corduroy of his tan jacket. And ribs. Nothing else. I lifted him as if he were a papier-mache man.

This time, though, he made it up the stairs without help. At first, he was probably proud that he'd made it by himself, then immediately furious that his life had been reduced to such tiny victories. This was a man who jogged during his lunch hour; who was personable and charming but exited lazy conversations that had no point. His whole life had been about "do"; now, he could not.

One wall of the studio was filled with his artwork—ink drawings of street scenes in Chicago and Baltimore, charcoal sketches from a drawing class, an acrylic self-portrait of a sober-looking Charlie.

"You look so happy," Phoebe teased.

He smiled.

Their marriage was about quiet smiles. They had locked eyes across a Harvard Christmas party when Gilchrist was in law school. "Who's that?" he asked his buddies. On the other side of the room, she was asking the same thing. More than once, Phoebe was asked how she put up with all of Gilchrist's career changes, all the moves, the ever-declining income. When you get annoyed with someone, she said, you remember what brought you together in the first place.

Once, Gilchrist was as tall, sturdy and handsome as a Shaker highboy. Now, so thin, so frail. His glasses, even, too big for his face. Phoebe Gilchrist saw the desiccation, but she saw more. What was it, she was asked, that attracted you to Charlie? "Well," she said, smiling. She looked across a cafe table at him and saw the face she saw four decades ago. "You can look at him."

When his friends looked at him, they saw this:

"A good man." That was the first thing everyone said about Gilchrist.

They also called him a private man who shunned publicity. I went with Gilchrist to his church in Sandtown and to the National Gallery. I watched them pump poison into a valve in his chest during a chemo treatment. Friends wondered why he was giving a reporter so much access during such a difficult time. So I asked him.

"I guess I just want people to know that 'cancer' doesn't mean the end of everything," he said, smiling. "That you can still be productive."

Gilchrist lived the last months of his life the way he lived most of the years before—by constantly questioning his own behavior. Sometimes, friends considered it self-flagellation.

"Charlie would always say, 'If they say I'm guilty, I must be guilty,'" recalled Montgomery Circuit Court judge and longtime friend Paul McGuckian. "He was always lashing himself on the back for something he had never done."

More than a lot of people, Charlie understood damning hubris—the inability of humans to humble themselves before others and God. Through intelligence and will, Charlie had transformed himself many times. He had accepted that he would soon die. Any other thought would have been arrogant.

I prodded Gilchrist once. Why don't you shake your fist at God? Is this the thanks you get for turning your life over to Him?

Gilchrist refused to take the bait. If he was made at God, he would not tell.

He once said, "I've never seen a miracle." He did not expect one for himself.

Instead, he simply shrugged his shoulders.

"People say to me, 'Why you?'" Gilchrist said.

"I say, 'Why not me?'"

[From the Washington Post, June 26, 1999]

Montgomery Prototype Charles Gilchrist Dies

COUNTY EXECUTIVE LEFT POLITICS FOR THE PRIESTHOOD

(By Claudia Levy)

Charles W. Gilchrist, 62, a popular Democrat who was county executive of Montgomery County for eight years and then left politics to administer to the urban poor as an Episcopal priest, died of pancreatic cancer June 24 at John Hopkins Hospital in Baltimore.

The former tax lawyer and Maryland state senator succeeded Republican James P. Gleason, who first held the post after Montgomery changed its style of governance in the early 1970s. But it was Gilchrist who came to be regarded by many as the model for top elected officials in the affluent county.

Gilchrist "set the standard for good government" in Montgomery's executive branch, said his friend and follow Democratic activist Lou D'Ovidio, a County Council aide.

In an administration that began in 1978 and ended in 1986, Gilchrist plowed money into social services such as programs for the mentally ill, a foreshadowing of his work in church. He also worked to build housing for the elderly poor and to unclog commuter roads.

At the same time, "he was opposed to government growing out of control," D'Ovidio said. "He was very, very careful to make sure that government was doing its job with only the resources it needed. . . . He was not your big government kind of guy."

It was a period of significant growth in county population, and Gilchrist went head to head with an adversarial County Council over establishing controls over an annual budget that had grown to more than $1 billion.

One effect of his efforts to control spending was that key departments were not expanded. His successor, Democrat Sidney Kramer, had to find ways to pay for additions to the county payroll.

At his own inauguration, Kramer praised Gilchrist for his "decency and humanity . . . strong leadership and competence," saying that he had headed one of the county's "most effective and popular governments."

The current county executive, Democrat Douglas M. Duncan, called Gilchrist a mentor and role model who had presided over "a period of tremendous change and progress" in the county. He credited Gilchrist with being "largely responsible for having established Montgomery County as one of the top high-technology centers in the world." He said he had left "an exceptional legacy of vision, service and caring."

Gilchrist once said in an interview that he had liked the public service aspects of the county executive's job, but otherwise found it "difficult, frustrating and often thankless."

His first administration temporarily was bogged down in allegations that aides had breached county personnel rules. The accusations centered on their having pressed for the appointment of a candidate close to the county executive as deputy director of the county liquor department.

Gilchrist also was faulted for permitting a former Schenley liquor salesman who was working in the liquor control department to buy liquor from his old employer.

After an 18-month controversy, dubbed by the media as "Liquorgate," Gilchrist was exonerated by an independent investigation. The affair came to be regarded largely as a tempest in a teapot. But at the time, it took its toll on Gilchrist, who briefly considered not seeking reelection.

He was easily returned to office for a second term, however, and began aggressively seeking more money for road and school construction.

Gilchrist had first come to office as a moratorium on land development was easing and growth was exploding. Tax-cutting fervor was gripping neighboring Prince George's County, and an initiative called TRIM threatened to do the same in Gilchrist's county.

Gilchrist tightened his reins on the government, firing several Gleason appointees and establishing the first county office of management and budget.

He used the increased tax revenue that was the product of the county's explosive growth to help encourage high-tech research firms to flock to Montgomery.

He got the state to increase its reimbursement to the county for public building projects. He expanded his office's influence over crucial development decisions, through state legislation granting the executive the right to appoint two of the five members of the independent county planning board. The county council previously had appointed all of the board's members.

The measure Gilchrist sponsored and the legislature passed also gave the county executive veto power over mast plans, the basic planning tool used to map growth.

During his tenure, the annual budget for family resources more than doubled, to about $14 million. Programs were established for child care, and the number of shelter beds for the homeless increased dramatically.

Gilchrist's family resources director, Charles L. Short, said in an interview that the county executive's first order to him was to "keep people from freezing and starving . . . and he never wavered.

"When we were sued or took heat over a shelter, he never called me in and said, 'Well, can we find another site?' "

Short said Gilchrist's administration was distinguished by his strong feeling that all people should have an opportunity to share in the affluence of Montgomery, one of the country's wealthiest counties.

When he left office at age 50, Gilchrist had endowed the county executive job with unprecedented political powers. He left a multimillion-dollar legacy of social services and public works projects.

The man he had defeated for the job in 1978, Republican Richmond M. Keeney, said Gilchrist had operated as a lightning rod for the county.

Gilchrist said in an interview with Washington Post staff writer R.H. Melton that he had accomplished nearly all that he had hoped for.

Melton wrote, "In many ways, Gilchrist's eight-year odyssey from his time as an insecure, even fumbling first-term executive to his recent ascension as Montgomery's leading Democratic power broker is as much a story of the county's profound changes as it is about the maturing of the man."

Considered a shoo-in for re-election in 1986, Gilchrist was expected to dominate county politics for decades. He was being touted for Congress or state office when he suddenly announced in 1984 that he planned to abandon politics.

He said that when his second term was up in 1986, he would study for the priesthood.

His years at the helm of the county had taken their toll, he said. Relationships with the seven members of the County Council were frequently adversarial, so much so that both branches of government hired lobbyists to advocate before the state legislature.

"One of the clues to Charlie's personality is that he takes any criticism of the government personally," council member and Gilchrist antagonist Esther P. Gelman said at the time.

More distressing than his relationship with the council, however, was the illness of his son Donald, who spent two years battling a brain tumor. After he recovered, Gilchrist said the illness had helped him turn in a more spiritual direction.

He wasn't rejecting the political scene, he added,but substituting one form of public service for another.

Charles Waters Gilchrist, the grandson of a Baptists minister, was tall and craggy, and his biographers delighted in describing him as looking like a churchman out of Dickens.

He was raised in Washington, where he attended St. Albans School for Boys and became involved in religious activities. After graduating magna cum laude from William College and receiving a law degree from Harvard University, he returned to the Washington-Baltimore area to practice tax law. He soon became involved in Democratic politics.

In the mid-1970s, he resigned as partner of a medium-sized law firm in Washington to run successfully for the state Senate.

After Gilchrist left politics, his wife, Phoebe, took a full-time job as a corporate librarian to help put him through Virginia Theological Seminary in Alexandria.

His first church assignment was at St. Margaret's Episcopal Church in Washington, where he worked with homeless people in the Hispanic community and helped immigrants deal with the government. He also helped raise money for St. Luke's House Inc., a mental health facility in Montgomery County that he had assisted as county executive.

His story, of a shift in career to a relatively low-paying profession, fascinated the media, and he was often interviewed about the change in his life.

In 1990, he told an interviewer: "People who have known me will see the collar and that says something to them, that I am a servant of God. They may not understand why I did it, but the fact is, I did.

"It's a very full life, I am happy and I have no regrets. I am very much doing what I should be doing, and what I want to be doing."

He and his wife sold their large Victorian home of 25 years in Rockville and moved to a grimy neighborhood on the West Side of Chicago, where he took over as manager of the Cathedral Shelter for recovering drug addicts and alcoholics.

The religious committee that picked Gilchrist regarded him as having the potential to be a bishop or head of a large parish, one member told a Chicago newspaper at the time. But Gilchrist said he was more interested in curing inner city ills.

He returned to the Washington-Baltimore region in the mid-1990s to work on housing problems in the Sandtown neighborhood of central Baltimore, where he resettled. He had lived in that city early in his law career while working for the firm of Venable, Baetjer and Howard.

He was director of operations for New Song ministry, which runs a Habitat for Humanity housing rehabilitation program and a church, school, health center and children's choir.

In 1997, Gilchrist was named to oversee a court settlement designed to move more than 2,000 black Baltimore public housing residents to mostly white, middle-class neighborhoods. U.S. District Judge Marvin J. Garbis appointed him a special master in the suit brought by the American Civil Liberties Union of Maryland against Baltimore and the U.S. Department of Housing and Urban Development.

In addition to his wife, of Baltimore, Gilchrist is survived by three children, Donald Gilchrist of Rockville, James Gilchrist of Pinos Altos, N.M.; a sister, Janet Dickey of Reston; and two grandchildren.

TRIBUTE TO JOE SANDOVAL

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BERMAN. Mr. Speaker, I rise to pay tribute to my dear friend, Joe Sandoval, who is leaving the city of San Fernando after 11 years to start a new business venture with his family in New Mexico. While I wish the very best for Joe, his wife, Anni, and their young son, Steven, his departure is a huge loss for the Northeast San Fernando Valley. As President of the San Fernando Chamber of Commerce, a successful businessman and outstanding leader, Joe has left an indelible mark on the community. He will be sorely missed.

In 1988, Joe arrived in San Fernando and went to work as Branch Manager for the Hanford Group. Since then, he has held many important positions, including Director of Marketing at Mission Community Hospital in Panorama City, Community Relations Liaison for Medi-Ride, and President and Chief Executive Officer for the San Fernando Chamber of Commerce.

In his 15-month tenure as Chamber President, Joe compiled a very impressive list of accomplishments. He has helped make the San Fernando Chamber of Commerce one of the most important business organizations in the Northeast San Fernando Valley. His considerable charm and business acumen enabled Joe to increase the membership of the Chamber and give it a visibility well beyond the city limits.

Joe has given unstintingly of his time and resources to the City of San Fernando, not only as Chamber President, but also as Chairperson of the Miss San Fernando Pageant, First Vice President of the Kiwanis Club of San Fernando, Vice President of the Holy Cross Medical Center Century Club and a member of the board of Directors of the San Fernando Police Advisory Council.

His distinguished service has been recognized by the presentation of many awards from the City of San Fernando, United Chambers of Commerce and the Sunland-Tujunga Chamber of Commerce. Joe was named the J. Leo Flynn citizen of the Year in San Fernando for 1991, and Business Person of the Year by the San Fernando High School Business Academy.

I ask my colleagues to help me bid a very fond farewell to Joe Sandoval, whose personality, intellect and integrity have made him much beloved by his many friends in California. I wish Joe and his family the best in their new home.

CHILD CUSTODY PROTECTION ACT

SPEECH OF

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Mr. PAUL. Mr. Speaker, in the name of a truly laudable cause (preventing abortions and protecting parental rights), today the Congress could potentially move our nation one step closer to a national police state by further expanding the list of federal crimes and usurping power from the states to adequately address the issue of parental rights and family law. Of course, it is much easier to ride the current wave of criminally federalizing all human malfeasance in the name of saving the world from some evil than to uphold a Constitutional oath which prescribes a procedural structure by which the nation is protected from what is perhaps the worst evil, totalitarianism carried out by a centralized government. Who, after all, wants to be amongst those members of Congress who are portrayed as trampling parental rights or supporting the transportation of minor females across state lines for ignoble purposes.

As an obstetrician of more than thirty years, I have personally delivered more than 4,000 children. During such time, I have not performed a single abortion. On the contrary, I have spoken and written extensively and publicly condemning this "medical" procedure. At the same time, I have remained committed to upholding the Constitutional procedural protections which leave the police power decentralized and in control of the states. In the name of protecting states' rights, this bill usurps states' rights by creating yet another federal crime.

Our federal government is, constitutionally, a government of limited powers. Article one, Section eight, enumerates the legislative areas for which the U.S. Congress is allowed to act or enact legislation. For every other issue, the federal government lacks any authority or consent of the governed and only the state governments, their designees, or the people in their private market actions enjoy such rights to governance. The tenth amendment is brutally clear in stating "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." Our nation's history makes clear that the U.S. Constitution is a document intended to limit the power of central government. No serious reading of historical events surrounding the creation of the Constitution could reasonably portray it differently.

Nevertheless, rather than abide by our constitutional limits, Congress today will likely pass H.R. 1218. H.R. 1218 amends title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions. Should parents be involved in decisions regarding the health of their children?? Absolutely. Should the law respect parents rights to not have their children taken across state lines for contemptible purposes?? Absolutely. Can a state pass an enforceable statute to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions?? Absolutely. But when asked if there exists constitutional authority for the federal criminalizing of just such an action the answer is absolutely not.

This federalizing may have the effect of nationalizing a law with criminal penalties which may be less than those desired by some states. To the extent the federal and state laws could co-exist, the necessity for a federal law is undermined and an important bill of rights protection is virtually obliterated. Concurrent jurisdiction crimes erode the right of citizens to be free of double jeopardy. The fifth amendment to the U.S. Constitution specifies that no "person be subject for the same offense to be twice put in jeopardy of life or limb . . ." In other words, no person shall be tried twice for the same offense. However, in United States v. Lanza, the high court in 1922 sustained a ruling that being tried by both the federal government and a state government for the same offense did not offend the doctrine of double jeopardy. One danger of the unconstitutionally expanding the federal criminal justice code is that it seriously increases the danger that one will be subject to being tried twice for the same offense. Despite the various pleas for federal correction of societal wrongs, a national police force is neither prudent nor constitutional.

Most recently, we have been reminded by both Chief Justice William H. Rehnquist and former U.S. Attorney General Ed Meese that more federal crimes, while they make politicians feel good, are neither constitutionally sound nor prudent. Rehnquist stated in his year-end report "The trend to federalize crimes that traditionally have been handled in state courts . . . threatens to change entirely the nature of our federal system." Meese stated that Congress' tendency in recent decades to make federal crimes out of offenses that have historically been state matters has dangerous implications both for the fair administration of justice and for the principle that states are something more than mere administrative districts of a nation governed mainly from Washington.

The argument which springs from the criticism of a federalized criminal code and a federal police force is that states may be less effective than a centralized federal government in dealing with those who leave one state jurisdiction for another. Fortunately, the Constitution provides for the procedural means for preserving the integrity of state sovereignty over those issues delegated to it via the tenth amendment. The privilege and immunities clause as well as full faith and credit clause allow states to exact judgments from those who violate their state laws. The Constitution even allows the federal government to legislatively preserve the procedural mechanisms which allow states to enforce their substantive laws without the federal government imposing its substantive edicts on the states. Article IV, Section 2, Clause 2 makes provision for the rendition of fugitives from one state to another. While not self-enacting, in 1783 Congress passed an act which did exactly this. There is, of course, a cost imposed upon states in working with one another rather than relying on a national, unified police force. At the same time, there is a greater cost to centralization of police power.

It is important to be reminded of the benefits of federalism as well as the costs. There are sound reasons to maintain a system of smaller, independent jurisdictions. An inadequate federal law, or an "adequate" federal law improperly interpreted by the Supreme Court, preempts states' rights to adequately address public health concerns. Roe v. Wade should serve as a sad reminder of the danger of making matters worse in all states by federalizing an issue.

It is my erstwhile hope that parents will become more involved in vigilantly monitoring the activities of their own children rather than shifting parental responsibility further upon the federal government. There was a time when a popular bumper sticker read "It's ten o'clock; do you know where your children are?" I suppose we have devolved to point where it reads "It's ten o'clock; does the federal government know where your children are." Further socializing and burden-shifting of the responsibilities of parenthood upon the federal government is simply not creating the proper incentive for parents to be more involved.

For each of these reasons, among others, I must oppose the further and unconstitutional centralization of police powers in the national government and, accordingly, H.R. 1218.

TAIWAN'S ANNOUNCEMENT OF ASSISTANCE FOR THE KOSOVAR REFUGEES

HON. OWEN B. PICKETT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. PICKETT. Mr. Speaker, on Monday, June 7, 1999, President Lee Teng-hui of Taiwan made the following statement regarding assistance to Kosovar refugees:

"The huge numbers of Kosovar casualties and refugees from the Kosovo area resulting from the NATO-Yugoslavia conflict in the Balkans have captured close world-wide attention. From the very outset, the government of the ROC has been deeply concerned and we are carefully monitoring the situation's development.

"We in the Republic of China were pleased to learn last week that Yugoslavia President Slobodan Milosevic has accepted the peace plan for the Kosovo crisis proposed by the Group of Eight countries, for which specific peace agreements are being worked out.

"The Republic of China wholeheartedly looks forward to the dawning of peace on the Balkans. For more than two months, we have been concerned about the plight of the hundreds of thousands of Kosovar refugees who were forced to flee to other countries, particularly from the vantage point of our emphasis on protecting human rights. We thereby organized a Republic of China aid mission to Kosovo. Carrying essential relief items, the mission made a special trip to the refugee camps in Macedonia to lend a helping hand.

"Today, as we anticipate a critical moment of forth-coming peace, I hereby make the following statement to the international community on behalf of all the nationals of the Republic of China:

"As a member of world community committed to protecting and promoting human rights, the Republic of China would like to develop further the spirit of humanitarian concern for the Kosovar refugees living in exile as well as for the war-torn areas in dire need of reconstruction. We will provide a grant aid equivalent to about US $300 million. The aid will consist of the following:

1. Emergency support for food, shelters, medical care, and education, etc. for the Kosovar refugees, living in exile in neighboring countries.

2. Short-term accommodations for some of the refugees in Taiwan, with opportunities of job training in order for them to be better equipped for the restoration of their homeland upon their return.

3. Furthermore, support the rehabilitation of the Kosovo area in coordination with international long-term recovery programs when the peace plan is implemented.

"We earnestly hope that the above-mentioned aid will contribute to the promotion of the peace plan for Kosovo. I wish all the refugees an early return to their safe and peaceful Kosovo homes."

This important announcement demonstrates the dedication of democratic Taiwan to the promotion of peace in the Balkan region and to the return of the Kosovo refugees. I am pleased that Taiwan has chosen to assume such an active and praiseworthy role in issues of concern to the international community.

CONSTITUTIONAL AMENDMENT AUTHORIZING CONGRESS TO PROHIBIT THE PHYSICAL DESECRATION OF THE FLAG OF THE UNITED STATES OF AMERICA

SPEECH OF

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 24, 1999

Mr. BISHOP. Mr. Speaker, to an overwhelming majority of the American people, the flag has almost a sacred meaning that words cannot adequately define—something that stands for the country's most fundamental principles of justice and opportunity and for the millions of men and women who have made freedom possible by defending these principles.

Opponents of our amendment believe flag desecration should be allowed as a right of free expression. While I understand their position, I strongly disagree with it.

Preventing someone from burning and multilating the flag in public does not diminish the values on which the country is founded, including free expression. Instead, by protecting the flag, I believe we uphold these values, we honor them, we strengthen them.

Throughout history, in fact, our country has recognized certain limitations on freedom of expression, including libel and slander laws, laws protecting the nation's security, and laws to keep tax returns confidential. Until 1990, when the Supreme Court issued its ruling in a close 5–4 vote, anti-flag descration laws were considered a legitimate exception by the court.

By passing this amendment, we can restore the historic respect that we pay to the country's ideals and to the service and sacrifice that it has taken to keep them secure.

WARTIME VIOLATION OF ITALIAN AMERICAN CIVIL LIBERTIES ACT

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. ENGEL. Mr. Speaker, I rise today with my colleague from New York, Congressman LAZIO, to introduce the Wartime Violation of Italian American Civil Liberties Act. This legislation brings to light a tragic episode in our nation's history when Italian Americans were considered enemy aliens. The civil liberty abuses that Italian Americans suffered during this time period are not well documented and are not well known, but they did occur and the truth about this story, Una Storia Segreta—the Secret Story, must be told.

December 7, 1941 is a date that is very well known, it is the day that the Japanese bombed Pearl Harbor. What is not so well known is that on that day Italian Americans became enemy aliens. FBI agents, military personnel, and local police began rounding up Italians labeled subversive and dangerous. Ironically, some of those labeled dangerous aliens had fought alongside the United States Armed Forces during World War I. Even more ironic is the fact that many Italians deemed enemy aliens had sons in the United States Armed Services fighting to protect the freedoms that were being taken away from their parents. Such is the case with Joe Ardent. Joe entered the service and did not know until he returned home that his father had been restricted, fired from his job, and considered an enemy alien.

Mr. Speaker, during World War II, 600,000 Italian Americans were classified as enemy aliens, more than 10,000 were forcibly evicted from their homes, 52,000 were subject to strict curfew regulations and hundreds were shipped to internment camps without due process. These civil liberty abuses stretched from coast to coast as California fishermen had their fishing boats confiscated and were either interned or forced to relocate, while on the east coast, Ellis Island, the world renowned symbol of freedom and democracy, became a detention center for enemy aliens. No Italian was exempt from these injustices. Ezio Pinza, the star of "South Pacific" and the singer of the signature hit "Some Enchanted Evening" was detained at Ellis Island. Pinza was accused of altering the tempo of his voice in order to send messages to the Italian government. Although these charges were clearly ludicrous, it took several high powered attorneys and two hearings to prevent him from being interned.

We must ensure that these terrible events will never be perpetrated again. We must safeguard the individual rights of all Americans from arbitrary persecution or no American will ever be secure. The least our government can do is try to right this terrible wrong by acknowledging the fact that these events did occur. To that end, this legislation calls on the Department of Justice to prepare a comprehensive report detailing the government's unjust policies and practices during this time period. Included in the report will be an examination of ways in which civil liberties can be safeguarded during times of national emergencies. This report is essential in order to ensure that our history is well documented as those who do not learn from history are doomed to repeat it.

Mr. Speaker, this legislation also calls on the President, on behalf of the United States government, to formally acknowledge our government's systematic denial of basic human rights and freedoms to one of the largest ethnic communities in the United States. As we begin our Fourth of July recess, let us take this opportunity to reflect upon the debt we owe the Italian American community and ensure that the American public recognizes these injustices of the past in order to prevent them in the future. Sixty two of my colleagues have joined me in cosponsoring this bill, and I ask you Mr. Speaker, and the rest of my colleagues to support this important legislation.

INTRODUCTION OF THE ARCTIC TUNDRA HABITAT CONSERVATION ACT

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SAXTON. Mr. Speaker, I am pleased to introduce the Arctic Tundra Habitat Emergency Conservation Act. This legislation will address the devastating impact that an exploding population of light geese is having on the fragile Canadian Arctic tundra.

The U.S. Fish and Wildlife Service has been monitoring light geese populations for over 50 years. During that time, the population that migrates in the Mid-Continent region has increased from 800,000 birds in 1969 to more than 5 million geese today. This population is projected to increase more than five percent each year and, in the absence of new wildlife management actions, there will be more than 6.8 million breeding light geese in three years.

While these geese are fully protected under the Migratory Bird Treaty Act of 1918, this unprecedented population explosion is creating serious problems. The geese's appetite for Arctic coastal tundra has created a strip of desert stretching 2,000 miles in Canada. These birds are world-class foragers, and their favorite foods are found in the 135,000 acres that comprise the Hudson Bay Lowland Salt Marsh ecosystem. In fact, they like this vegetation so much they are eating it much faster than its ability to regrow. These geese are literally eating themselves out of house and home and, in the process, destroying thousands of acres of essential, irreplaceable nesting habitat. These wetlands are critical to the survival of not only light geese but hundreds of other migratory species including brants, black ducks, mallards, and dozens of songbirds.

According to various scientists, one-third of the lowlands habitat has been destroyed, one-third is on the brink of devastation, and the remaining one-third is overgrazed.

In response to this growing crisis, representatives from the U.S. Fish and Wildlife Service, Canadian Wildlife Service, various State fish and game agencies, and nongovernmental organizations including Ducks Unlimited and the National Audubon Society formed the Arctic Goose Habitat Working Group. This ad hoc group met over a period of many months, and the results of their deliberations were incorporated within a report entitled "Arctic Ecosystem in Peril". While this report issued in 1997 contained a number of recommendations, its clear conclusion was that the population of light geese must be immediately reduced by at least 5 to 15 percent each year. This report stated: "This habitat damage is increasing in extent and will not be corrected or reversed by any known natural phenomenon. We cannot forecast how long it will be before most of the finite supply of habitat that is available for nesting by tundra and coastal-breeding birds will be permanently degraded or destroyed."

On November 9, 1998, the U.S. Fish and Wildlife Service issued two proposed rules to reduce the ever-expanding population of light geese. These rules did not embrace all of the recommendations of the Arctic Goose Habitat Working Group. In fact, they were a modest effort to increase the harvest of light geese by authorizing the use of electronic goose calls, unplugged shotguns, and allowing certain States to authorize hunting outside of the traditional hunting season which normally runs from September 1st to March 10th. At the time, the Director of the U.S. Fish and Wildlife Service stated "Too many light geese are descending each year on nesting areas that simply cannot support them all. If we do not take steps now, these fragile ecosystems will continue to deteriorate to the point that they can no longer support light geese or the many other species of wildlife that share this Arctic habitat. The steps proposed by the U.S. Fish and Wildlife Service are strongly supported by the Canadian Wildlife Service."

After issuing these proposed regulations, the Service received over 1,100 comments from diverse interests representing State wildlife agencies, Flyway Councils, private and native organizations, and private citizens. A majority of the comments strongly supported the proposed actions by the U.S. Fish and Wildlife Service, which has conducted a thorough environmental assessment of the various regulatory options to reduce the population.

On April 15, 1999, the Subcommittee on Fisheries Conservation, Wildlife and Oceans, which I chair, conducted its second oversight hearing on Mid-Continent light geese. At that hearing, the U.S. Fish and Wildlife Service testified that "virtually every credible wildlife biologist in both countries, believes that the Mid-Continent light geese populations has exceeded the carrying capacity of its breeding habitat and that the population must be reduced to avoid long-term damage to an ecosystem important to many other wildlife species in addition to snow geese."

In addition, a representative of the National Audubon Society testified that "these burgeoning numbers of Mid-Continent lesser snow geese have caused widespread and potentially irreversible devastation to two-thirds of the habitat that otherwise would be mostly pristine tundra west of Hudson Bay in Canada. If we do not act, nature will not 'take its course' in the short time needed to halt devastation of the tundra."

Finally, the Chairman of the Arctic Goose Habitat Working Group, who is also the Chief Biologist of Ducks Unlimited, stated that "the finite amount of suitable goose breeding habitat is rapidly being consumed and eventually will be lost. Every technical, administrative, legal and political delay just adds to the problem. There is real urgency here as we may not be far from the point where the only choice is to record the aftermath of the crash of goose numbers with the related ecosystem destruction with all the other species that live there with the geese."

At the same hearing, the Humane Society of the United States argued that a "do nothing" approach to the management of light geese was the preferred option. While the easy answer might be to let nature run its course, after all some have argued this is a Canadian problem, to sit idly by and allow this environmental catastrophe to continue to occur is simply irresponsible. Furthermore, man created this problem by providing these geese with an almost endless supply of food. In Arkansas, Louisiana, and Texas alone, there are more than 2.25 million acres of rice farms that have become a buffet bar for these birds. As a nation, we have also created dozens of National Wildlife Refuges that have become sanctuaries for these birds. As a result, these geese are living longer, are healthier, and are reproducing at an alarming rate. We have already altered the course of nature and that is why the U.S. Fish and Wildlife Service, the Canadian Wildlife Service, the International Association of Fish and Wildlife Agencies, the Flyway Councils, and almost every well-known wildlife biologist has flatly rejected to "do nothing" approach. It is wrong and it will cause irreparable harm to the Arctic tundra habitat.

I want to personally commend the Director of the U.S. Fish and Wildlife Service, Ms. Jamie Clark, for her tireless leadership and courage on this difficult issue. The Service went to extraordinary lengths to carefully evaluate each of the various management options, obtain the views of each of the affected stakeholders, and to do what was best for the species and its habitat. The regulations it issued were a responsible step in the right direction and they were fully consistent with the recommendation of the Arctic Goose Habitat Working Group.

Sadly, in response to a legal challenge filed in U.S. District Court by the Humane Society of the United States, the U.S. Fish and Wildlife Service withdrew these two regulations on June 17th. While the judge did not rule on the merits of the regulations, the Service was instructed to complete an environmental impact statement. This process will take between 12 and 18 months to complete and during that time, the tundra will continue to be systematically destroyed an acre at a time. This is an unacceptable situation.

Since I refuse to simply do nothing, I am today introducing the Arctic Tundra Habitat Emergency Conservation Act. This is a simple bill. It will legislatively enact the two regulations, already carefully evaluated and approved by the U.S. Fish and Wildlife Service. What this means is that States would have the flexibility to allow the use of normally prohibited electronic goose calls and unplugged shotguns during the regular hunting season provided that other waterfowl and crane seasons have been closed. In addition, the 24 affected States are given the authority to implement conservation orders under the Migratory Bird Treaty Act that would allow hunters to take Mid-Continent light geese outside of the traditional hunting framework. Both of these rules will give States a better opportunity to increase their light goose harvest.

My bill legislatively enacts these regulations in their identical form. In addition, the bill sunsets when the Service has completed both its environmental impact statement and a new regulatory rule on Mid-Continent light geese. This rule could be the same of different from those originally proposed in November of last year. My bill is an interim solution to a very serious and growing environmental problem.

As Director Clark so eloquently state, "For years, the United States has inadvertently contributed to the growth of this problem through changes in agricultural and wetland management. Now we can begin to say we are part of the solution. If we do not take action, we risk not only the health of the Arctic breeding grounds but also the future of many of America's migratory bird populations."

I wholeheartedly agree with that statement and urge my colleagues to join with me in trying to stop this environmental catastrophe by supporting the Arctic Tundra Habitat Emergency Conservation Act.

I am pleased that a number of our distinguished colleagues, including DON YOUNG, JOHN DINGELL, SAXBY CHAMBLISS, COLLIN PETERSON, CHIP PICKERING, DUNCAN HUNTER, DUKE CUNNINGHAM, and JOHN TANNER have agreed to join with me in this effort.

VA/DOD LEGISLATION INTRODUCED: USING ACCURACY TO ADJUST THE GEOGRAPHIC INEQUITY IN THE AAPCC

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. McDERMOTT. Mr. Speaker, today I am introducing legislation to use accuracy as one way to address the geographic inequity of Medicare's adjusted average per capita cost (AAPCC) rate by ensuring that Medicare-eligible veterans are calculated in AAPCC updates.

Until BBA 97, AAPCC rates were determined based on five year's worth of historical per-capita Medicare fee-for-service spending. Medicare AAPCC rates also included provisions for medical education payments and Medicare disproportionate share payments.

BBA 97 de-linked AAPCC updates from local FFS spending and set a minimum 1998 AAPCC "floor" rate of $367. It also made a number of changes to guarantee minimum annual rate increases of 2%. BAA 97 also carved out the medical education component from the AAPCC over 5 years. Unfortunately, these changes do not address the fundamental inequity in the AAPCC calculations that Washington faces.

The trouble with the AAPCC methodology is that it punishes cost-efficient communities with low AAPCC increases while higher-priced inefficient markets receive increases well above average. In 1997, WA state health plans had an average payment rate increase of 3.8% while the national per capita cost rate increase was 5.9% Counties in other state across the nation had increases as high as 8.9%.

Currently every Washington State County AAPCC is below the national average.

USE ACCURACY AS A PARTIAL FIX

A simplified explanation of the new AAPCC calculation is that all fee-for-service costs in a given county are divided by all Medicare beneficiaries in that county to derive the payment rate.

Medicare beneficiaries who are eligible for both Medicare and military Medicare coverage sometimes receive care at military (VA & DoD) facilities. With the creation Medicare Subvention Demonstration sights, this will occur more often.

The computation of the AAPCC includes all Medicare beneficiaries in the denominator. However, since the facilities providing care to military eligible beneficiaries do not report Medicare costs to HCFA, the numerator of the AAPCC excludes any costs Medicare beneficiaries received in these facilities. This results in an understatement of the AAPCC wherever there are military health care facilities. States or counties with a significant military medical presence receive disproportionately low rates due to this methodology lapse.

While the national average military AAPCC understatement is 3%, in King County it is 4.3% and Pierce County it's 22.6%.

My legislation will revise the methodology to include both the Medicare beneficiaries and the costs for all their Medicare services—including those received in fee-for-service and at military facilities—in the AAPCC calculations.

Using accuracy as a means to boost AAPCC rates is both a policy-justified and a politically defensible way to begin addressing the geographic inequity in the Medicare system.

TRIBUTE TO LINDA MITCHELL

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BECERRA. Mr. Speaker, I rise today to pay a heartfelt tribute to Linda Mitchell, a dear friend and tireless fighter for justice and equality. Linda died Tuesday, June 22, 1999 at her home in Pasadena, California. She was 52.

Linda Mitchell was born and raised in the State of Ohio. The third of five children, she received her Bachelor of Science Degree in Home Economics from Ohio State University. After completing her education, she moved to California, first living in San Diego and then in Los Angeles.

Linda was an individual with deep compassion and conviction. She used every bit of her energy and time to fight for the rights of all people, regardless of race, creed, or economic circumstances. She was respected and admired for her work on behalf of those less fortunate, in particular immigrants to the United States of America.

She always employed her expertise in public relations and communications to champion the causes of others. Linda chose her avenues of involvement carefully, working for many of the nation's most worthy organizations, including the Mexican American Legal Defense and Education Fund, United Way of Greater Los Angeles, Coalition for Humane Immigrant Rights of Los Angeles, Dolores Mission Women's Cooperative, and the International Institute. In her quest for justice, she served as a Board Member for the American Civil Liberties Union. Understanding the importance of the press in this country, she was a member of Fairness and Accuracy in Reporting.

Though small in size, Linda Mitchell was big of heart. When she walked into a room, you might not see her right away, but you could feel her presence because she exuded warmth and love for her fellow human being. She helped set up parenting classes for refugees from the former Soviet Union and a support center for Alzheimer's disease victims and their families.

With health a constant challenge, Linda never let physical limitations prevent her from doing anything. She traveled beyond her hemisphere to Europe and to China. She wanted to learn as much as possible about the world so she could change it.

I have never met a person more grounded on the value of human dignity nor more dedicated to promoting its survival. Linda always had a way of extracting that extra effort from me to maximize my service to the public. She has been a partner in work, a counsel in policy and a model in ethics.

Linda is remembered by friends and colleagues for her selflessness, generosity, and integrity—a woman who was dedicated to the pursuit of justice and equality. She is also remembered for her love of children, her wonderful cats, and her scrumptious desserts.

A Memorial Service will be held on Thursday, July 1, 1999 at 3:00 p.m. at the Throop Unitarian Universalist Church in Pasadena, California. There will also be a Memorial Service in Marion, Ohio where Linda will be buried on July 10, 1999.

Linda is survived by her father and mother, Ted and Elaine Mitchell; two sisters Judy LaMusga and Karen Mitchell; one brother Alan Mitchell; two nieces Cindy and Katie Mitchell; and two nephews Rob and Michael Mitchell. Her brother Bob Mitchell is deceased.

Mr. Speaker, Linda Mitchell left us too soon, with so much to do and so much to teach. She epitomized all that is good about America. I feel deeply privileged to have known her. I will forever remember her fondly. It is with great pride, yet profound sorrow, that I ask my colleagues to join me today in saluting this exceptional human being.

INTEREST ALLOCATION REFORM ACT

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. PORTMAN. Mr. Speaker, on June 17, 1999, joined by Mr. MATSUI of California, I introduced H.R. 2270, a bill to correct a fundamental distortion in the U.S. tax law that results in double taxation of U.S. taxpayers that have operations abroad.

The United States taxes U.S. persons on their worldwide income, but allows a foreign tax credit against the U.S. tax on foreign-source income. The foreign tax credit limitation applies so that foreign tax credits may be used to offset only the U.S. tax on foreign-source income and not the U.S. tax on U.S.-source income. In order to compute the foreign tax credit limitation, the taxpayer must determine its taxable income from foreign sources. This determination requires the allocation of deductions between U.S.-source gross income and foreign-source gross income.

Special rules enacted as part of the Tax Reform Act of 1986 apply for purposes of the allocation of interest expense. These rules generally require that interest expense incurred by the U.S. members of an affiliated group of corporations must be allocated based on the aggregate of all the U.S. and foreign assets of the U.S. members of the group.

The interest allocation rules purport to reflect a principle of fungibility of money, with interest expense treated as attributable to all the activities and property of the U.S. members of a group regardless of the specific purpose for which the debt is incurred. However, the present-law rules enacted with the 1986 Act do not accurately reflect the fungibility principle because they apply fungibility only in one direction. Accordingly, the interest expense incurred by the U.S. members of an affiliated group is treated as funding all the activities and assets of such group, including the activities and assets of the foreign members of the group. However, in this calculation, the interest expense actually incurred by the foreign members of the group is ignored and thus is not recognized as funding either their own activities and assets or any of the activities and assets of other group members. This "one-way-street" approach to fungibility is a gross economic distortion.

By disregarding the interest expense of the foreign members of a group, the approach reflected in the present-law interest allocation rules causes a disproportionate amount of U.S. interest expense to be allocated to the foreign assets of the group. This over-allocation of U.S. interest expense to foreign assets has the effect of reducing the amount of the group's income that is treated as foreign-source income for U.S. tax purposes, which in turn reduces the group's foreign tax credit limitation. The present-law interest allocation rules thus prevent the group from fully utilizing its available foreign tax credits, and lead to double taxation of the foreign income earned by the U.S. multinational group.

This double taxation of the income that U.S. multinational corporations earn abroad is contrary to fundamental principles of international taxation and imposes on U.S. multinational corporations a significant cost that is not borne by their foreign competitors. The present-law interest allocation rules thus impose a burden on U.S.-based multinationals that hinders their ability to compete against their foreign counterparts. Indeed, the distortions caused by the interest allocation rules impose a substantial cost that affects the ability of U.S.-based multinationals to compete against their foreign counterparts both with respect to foreign operations and with respect to their operations in the United States.

H.R. 2270 will reform the interest allocation rules to eliminate the distortions caused by the present-law approach. The elimination of these distortions will reflect the fundamental tax policy goal of avoiding double taxation and will eliminate the competitive disadvantage at which the present-law interest allocation rules place U.S.-based multinationals. A detailed technical explanation of the provisions of H.R. 2270 follows.

TECHNICAL EXPLANATION OF H.R. 2270

IN GENERAL

The bill would modify the present-law interest allocation rules of section 864(c) that were enacted by the Tax Reform Act of 1986. The bill embodies the provisions that were passed by the Senate in connection with the 1986 Act. Under the bill's modifications, interest expense generally would be allocated by applying the principle of fungibility to the taxpayer's worldwide affiliated group (rather than to just the U.S. affiliated group). In addition, under special rules, interest expense incurred by a lower-tier U.S. member of an affiliated group could be allocated by applying the principle of fungibility to the subgroup consisting of the borrower and its direct and indirect subsidiaries. The bill also allows members engaged in the active conduct of a financial services business to be treated as a separate group; this provision reflects an expansion of the present-law bank group rule to other financial services firms which is similar to the expansion that was proposed in the Foreign Income Tax Rationalization and Simplification bill introduced in 1992 by Representatives Rostenkowski and Gradison. Finally, the bill would provide specific regulatory authority for the direct allocation of interest expense in other circumstances where such tracing is appropriate.

Under the bill, a taxpayer would be able to make a one-time election to apply either the interest allocation rules currently contained in section 864(e) or the modified rules reflected in the bill. Such election would be required to the made for the taxpayer's first taxable year to which the bill is applicable and for which it is a member of an affiliated group, and could be revoked only with IRS consent. Such election, if made, would apply to all the members of the affiliated group.

The bill generally is not intended to modify the interpretive guidance contained in the regulations under the present-law interest allocation rules that is relevant to the rules reflected in the bill, and such guidance is intended to continue to be applicable.

WORLDWIDE FUNGIBILITY

Under the bill, the taxable income of an affiliated group from sources outside the United States generally would be determined by allocating and apportioning all interest expense of the worldwide affiliated group on a group-wide basis. For this purpose, the worldwide affiliated group would include not only the U.S. members of the affiliated group, but also the foreign corporations that would be eligible to be included in a consolidated return if they were not foreign. Both the interest expense and the assets of all members of the worldwide affiliated group would be taken into account for purposes of the allocation and apportionment of interest expense. Accordingly, interest expense incurred by a foreign subsidiary would be taken into account in determining the initial allocation and apportionment of interest expense to foreign-source income. The interest expense incurred by the foreign subsidiaries would not be deductible on the U.S. consolidated return. Accordingly, the amount of interest expense allocated to foreign-source income on the U.S. consolidated return would then be reduced (but not below zero) by the amount of interest expense incurred by the foreign members of the worldwide group, to the extent that such interest would be allocated to foreign sources if these rules were applied separately to a group consisting of just the foreign members of the worldwide affiliated group. As under the present-law rules for affiliated groups, debt between members of the worldwide affiliated group, and stockholdings in group members, would be eliminated for purposes of determining total interest expense of the worldwide affiliated group, computing asset ratios, and computing the reduction in the allocation to foreign-source income for interest expense incurred by a foreign member.

As under the present-law rules, taxpayers would be required to allocate and apportion interest expense on the basis of assets (rather than gross income). Because foreign members would be included in the worldwide affiliated group, the computation would take into account the assets of such foreign members (rather than the stock in such foreign members). For purposes of applying this asset method, as under the present-law rules, if members of the worldwide affiliated group hold at least 10 percent (by vote) of the stock of a corporation (U.S. or foreign) that is not a member of such group, the adjusted basis in such stock would be increased by the earnings and profits that are attributable to such stock and that are accumulated during the period that the members hold such stock. Similarly, the adjusted basis in such stock would be reduced by any deficit in earnings and profits that is attributable to such stock and that arose during such period. However, unlike under the present-law rules, these basis adjustment rules would not be applicable to the stock of the foreign members of the expanded affiliated group (because such members would be included in the group for interest allocation purposes).

Under the bill, interest expense would be allocated and apportioned based on the assets of the expanded affiliated group. For interest allocation purposes, the affiliated group would be determined under section 1504 but would include life insurance companies without regard to whether such companies are covered by an election under section 1504(c)(2) to include them in the affiliated group under section 1504. This definition of affiliated group would be the starting point for the expanded affiliated group. In addition, the expanded affiliated group would include section 936 companies (which are included in the group for interest allocation purposes under present law). The expanded affiliated group also would include foreign corporations that would be included in the affiliated group under section 1504 if they were domestic corporations; consistent with the present-law exclusion of DISCs from the affiliated groups, FSCs would not be included in the expanded affiliated group.

SUBGROUP ELECTION

The bill also provides a special method for the allocation and apportionment of interest expense with respect to certain debt incurred by members of an affiliated group below the top tier. Under this method, interest expense attributable to qualified debt incurred by a U.S. member of an affiliated group could be allocated and apportioned by looking just to the subgroup consisting of the borrower and its direct and indirect subsidiaries (including foreign subsidiaries). Debt would quality for this purpose if it is a borrowing from an unrelated person that is not guaranteed or otherwise directly supported by any other corporation within the worldwide affiliated group (other than another member of such subgroup). Debt that does not qualify because of such a guarantee (or other direct supply) would be treated as debt of the guarantor (or, if the guarantor is not in the same chain of corporations as the borrower, as debt of the common parent of the guarantor and the borrower). If this subgroup method is elected by any member of an affiliated group, it would be required to be applied to the interest expense attributable to all qualified debt of all U.S. members of the group.

When this subgroup method is used, certain transfers from one U.S. member of the affiliated group to another would be treated as reducing the amount of qualified debt. If a U.S. member with qualified debt makes dividend or other distributions in a taxable year to another member of the affiliated group that exceed the greater of its average annual dividend (as a percentage of current earnings and profits) during the five preceding years or 25 percent of its average annual earnings and profits for such period, an amount of its qualified debt equal to such excess would be recharacterized as non-qualified. A similar rule would apply to the extent that a U.S. member with qualified debt deals with a related party on a basis that is not arm's length. Interest attributable to any debt that is recharacterized as non-qualified would be allocated and apportioned by looking to the entire worldwide affiliated group (rather than to the subgroup).

If this subgroup method is used, an equalization rule would apply to the allocation and apportionment of interest expense of members of the affiliated group that is attributable to non-qualified debt. Such interest expense would be allocated and apportioned first to foreign sources to the extent necessary to achieve (to the extent possible) the allocation and apportionment that would have resulted had the subgroup method not been applied.

FINANCIAL SERVICES GROUP ELECTION

Under the bill, a modified and expanded version of the special bank group rule of present law would apply. Under this election, the allocation and apportionment of interest expense could be determined separately for the subgroup of the expanded affiliated group that consists solely of members that are predominantly engaged in the active conduct of a banking, insurance, financing or similar business. For this purpose, the determination of whether a member is predominantly so engaged would be made under rules similar to the rules of section 904(d)(2)(C) and the regulations thereunder (relating to the determination of income in the financial services basket for foreign tax credit purposes). Accordingly, a member would be considered to be predominantly engaged in the active conduct of a banking, insurance, financing, or similar business if at least 80 percent of its gross income is active financing income as described in Treas. Reg. sec. 1.904-4(e)(2). As under the subgroup rule, certain transfers of funds from a U.S. member of the financial services group to another member of the affiliated group that is not a member of the financial services group would reduce the interest expense that is allocated and apportioned based on the financial services group. Also as under the subgroup rule, if elected, this rule would apply to all members that are considered to be predominantly engaged in the active conduct of a banking, insurance, financing, or similar business.

EFFECTIVE DATE

The bill would be effective for taxable years ending after December 31, 1999.

IN MEMORY OF BETTY SUR GUERRERO

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. UNDERWOOD. Mr. Speaker, the island of Guam bids farewell to an esteemed resident. Betty Sur Guerrero, a colleague in the field of education and public administration, was called to her eternal rest last Monday, June 28, 1999.

The daughter of Chai Kuen and Bok Soo Sur, Betty was born in Honolulu, Hawaii, on June 25, 1926. Having graduated from St. Francis Convent High School in Hawaii, she went on to attend Graceland Junior College in Lamoni, Iowa—earning an A.A. Degree in 1946. Later, in 1948, the Iowa Teachers College in Cedar Falls, Iowa, awarded her a B.S. Degree in Social Sciences. In 1949, she was conferred an M.A. Degree in Social Sciences from the Colorado State College in Greely, Colorado.

Betty went on to become active in Guam's political, civic, and community affairs. Having married an island-resident, Joe Castro Guerrero, Betty moved to Guam in the 1950's. From 1951 to 1960, she worked as a teacher in the Guam public school system. Between 1954 and 1957, she also worked as a part-time instructor at the University of Guam. In 1960, prior to being hired as a budget and management analyst for the Government of Guam's Bureau of Budget and Management, she made a move from teaching to school administration. In 1968, she was named director of the Head Start program for the University of Guam and, in 1969, she became the assistant to the President of the University.

From 1969 to 1976, Betty administered the Comprehensive Health Planning Program while, at the same time, serving as Executive Director to the Territorial Planning Council. She worked as a consultant for the Guam Legislature's Committee on Territorial-Federal Affairs from 1977 until 1979, when she was named Director of the Bureau of Planning. She served under this capacity until 1983. In 1984, she resumed work with the Department of Education as an opportunity room teacher. She worked for this program designed to help troubled students until 1987.

Although she might have taken it slow after her Department of Education job, Betty never really retired. She kept herself occupied with a wide range of activities. She was always willing to impart and share her expertise, enthusiasm, and energies to deserving activities and projects. We have been blessed to have her choose to be part of our community. The legacy she leaves behind includes almost five decades of government and community service. She will be greatly missed by all of us on Guam.

On behalf of the people of Guam, I join her children, Leonard, Clarice, and Stephen, who, together with her grandchildren, Nicole, Ashley, Kathleen, Mason, and Stephen II, in celebrating her life and mourning the loss of a mother, a grandmother, and fellow educator. Adios, Betty.

CONSTITUTIONAL AMENDMENT AUTHORIZING CONGRESS TO PROHIBIT THE PHYSICAL DESECRATION OF THE FLAG OF THE UNITED STATES

SPEECH OF

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 24, 1999

Mr. HOYER. Mr. Speaker, I rise today in opposition to H.J. Res. 33, the proposed constitutional amendment to prohibit the physical desecration of our flag. And, in this respect, I take no pleasure in doing so: Like the vast majority of Americans, I too condemn those malcontents who would desecrate our flag—a universal symbol for democracy, freedom and liberty—to grab attention for themselves and inflame the passions of patriotic Americans.

Further, I fully appreciate and respect the motivations of those who offer and support this amendment, particularly the patriotic men and women who so faithfully served this Nation in our armed services and in other capacities. Their strong feelings on this issue should neither be questioned nor underestimated. They deserve our respect.

However, I respectfully disagree with them and will oppose this amendment for the reasons so eloquently articulated by Senator Mitch McConnell of Kentucky. In opposing a similar amendment a few years ago, Senator McConnell stated that it "rips the fabric of our Constitution at its very center: the First Amendment." He added, "Our respect and reverence for the flag should not provoke us to damage our Constitution, even in the name of patriotism."

Those of us who oppose this amendment do so not to countenance the actions of a few misfits, but because we believe the question before us today is how we—the United States of America—are to deal with individuals who dishonor our Nation in this manner.

I submit, Mr. Speaker, that a constitutional amendment is neither the appropriate nor best method for dealing with these malcontents. As the late Justice Brennan wrote for the Supreme Court in *Texas v. Johnson*: "The way to preserve the flag's special role is not to punish those who feel differently about these matters. It is to persuade them that they are wrong. . . . We can imagine no more appropriate response to burning a flag than waving one's own."

Furthermore, it troubles me that this amendment, if approved, would ensconce the vile actions of a few provocateurs into the very document that guarantees freedom of speech, freedom of religion, freedom of the press, freedom of assembly, and freedom to petition the government. That document, of course, is our Constitution.

In more than 200 years, our Constitution has been amended only 27 times, and nearly all of those amendments guarantee or expand rights, liberties and freedoms. Only one amendment—prohibition—constricted freedoms and soon was repealed.

I simply do not believe that our traditions, our values, our democratic principles—all embodied in our Constitution and the Bill of Rights—should be overridden to prohibit this particular manner of speech, even though I completely disagree with it.

Free speech is often a double-edged sword. However, if we value the freedoms that define us as Americans, we should refrain from amending the Constitution to limit those same freedoms to avoid being offended.

Finally, while even one act of flag burning is one too many, I do not believe that flag desecration is rampant in our Nation or so harms the Republic that nothing short of a constitutional amendment is needed.

I remind my colleagues that if we approve this amendment, we put our great Nation in the company of the oppressive regimes in China, Iran, and Cuba—all of whom have similar laws protecting their flags. Needless to say, when it comes to free speech, the United States of America is the world's leader. It does not follow China, Iran or Cuba.

Our flag is far more than a piece of cloth, a few stripes, 50 stars. Our flag is a universal symbol for freedom, liberty, human rights and decency that is recognized throughout the world. The inflammatory actions of a few misfits cannot extinguish those ideals. We can only do that ourselves. And I submit that a constitutional amendment to restrict speech—even speech such as this—is the surest way to stoke the embers of those who will push for even more restrictions.

HONORING THE 150TH ANNIVERSARY OF THE VILLAGE OF CASEYVILLE

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. COSTELLO. Mr. Speaker, I rise today in honor of the 150th Anniversary of the Village of Caseyville.

The Village of Caseyville first began to be settled in the 1840's. While today the area is well known for its small town charm, it was recognized in the 19th century as a coal-mining community.

Coal was not only a source of fuel and economic prosperity, but it influenced the further development of the community as well as regional transportation. Indeed, one of the first railroads in St. Clair County began in Caseyville, sponsored by the Illinois Coal Company.

Caseyville has also long been recognized as a quiet force in Illinois politics. The namesake of the town, Zadok Casey, served in the Illinois State Assembly as both a State Representative, State Senator, and Lieutenant Governor. He eventually served in the U.S. Congress before returning to the Illinois Assembly to serve in the State House and State Senate again.

Today, I am proud to represent Caseyville, a close community of churches, civic groups, and businesses. This weekend as the Nation celebrates the anniversary of our country's independence, Caseyville residents will also proudly remember their own place in American History.

Mr. Speaker, I ask my colleagues to join me in recognizing the Village of Caseyville in commemoration of its 150th Anniversary.

THE GENETIC NONDISCRIMINATION IN HEALTH INSURANCE AND EMPLOYMENT ACT

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Ms. SLAUGHTER. Mr. Speaker, I am proud to rise today to announce the introduction of the Genetic Nondiscrimination in Health Insurance Employment Act, a bill that will protect all Americans against the misuse of their genetic information.

Genetic information is among the most powerful, personal, and private information we can have about ourselves. Increasingly, genetics can give us insights into the fundamental characteristics that make us individuals—into what makes our eyes blue, our skin freckled, our bones more prone to breaking, our family members unusually long-lived. Yet while genetic information can offer insights, it rarely extends guarantees. Few genes carry an absolute assurance of developing a given condition or disease. Rather, the vast majority of genes increase or decrease our health risks, interacting with a complex web of environmental and other factors to produce an actual health outcome.

Our understanding of genetics and the interplay between genes and outside influences is still in its infancy, but it is growing every day. The Human Genome Project, coordinated by the National Human Genome Research Institute, now predicts that we will have a "working draft" of the entire human genome by early in the year 2000. A complete, highly accurate transcript will be completed only perhaps two to three years later. In the meantime, science will continue racing ahead to identify genes associated with specific traits and diseases. Before long, new gene-based therapies will likely be available to treat genetic diseases, ushering in a new era in human medicine.

The promise of genetic research and technology seems almost limitless. Unfortunately, the potential for abuse of genetic information is also considerable. Many health insurers and employers have already expressed a keen interest in the potential to use genetic information. In some cases, this genetic information would not be used to pursue the best interests of the individuals involved. Health insurers may wish to use genetic data to determine which consumers are likely to be the most or least healthy, setting insurance premiums accordingly or denying coverage altogether. Employers could use genetic information in hiring or promotion decisions, or as a tool to keep their company's insurance premiums low. In either situation, such actions would effectively punish individuals for being born with certain genes.

Americans are deeply concerned about the possibility of genetic discrimination. In a recent poll of Better Homes & Gardens readers, fully 90 percent of respondents said they were extremely, very, or somewhat concerned when asked, "How concerned are you that [genetic] tests will be used to deny health insurance or even jobs?" Even more worrisome, evidence is emerging that many people are deciding not to participate in clinical trials or genetic research because they fear their genetic information might not remain private. Clearly, we must protect the privacy of genetic information and prevent abuse of this data if we are to avoid damaging the propsects of genetic research for curing human ills.

The Genetic Nondiscrimination in Health Insurance and Employment Act would provide all Americans with the necessary guarantees that their genetic information will not be used against them. This bill would prevent insurers from raising insurance premiums or denying coverage based on predictive genetic information. It would also prohibit insurance companies from requiring disclosure of this sensitive information or revealing it to third parties without consent. These provisions are backed up with meaningful penalties and remedies.

In addition, this bill contains crucial provisions banning genetic discrimination in employment. Under this legislation, employers would be barred from failing to hire, firing, or discriminating against workers with respect to the compensation, terms or privileges of employment based on genetic information. Employers would be prohibited from collecting genetic information except in connection with a program to monitor biological effects of toxic substances in the workplace. Finally, the privacy of genetic information would be protected by preventing employers from disclosing this information to outside parties.

I am pleased to note that companion legislation is being introduced today by Senators TOM DASCHLE, EDWARD KENNEDY, TOM HARKIN, and CHRISTOPHER DODD. Our bill is supported by a broad range of organizations active on health care issues. I look forward to building a bipartisan coalition in support of this bill, which responds effectively to the concerns of the American people with regard to genetics.

Mr. Speaker, I urge the House leadership to schedule hearings immediately on the Genetic Nondiscrimination in Health Insurance and Employment Act. With completion of the human genome mapping imminent, we cannot afford to waste any more time in addressing these critical issues. Congress must act quickly to protect all Americans against genetic discrimination and secure the future of genetic research.

HEALTH OF THE AMERICAN PEOPLE

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Ms. PELOSI. Mr. Speaker, people from my district in San Francisco come to visit my office wanting to talk about their personal battle against disease. They include parents of children with juvenile diabetes, women fighting a breast cancer diagnosis, families of people with Parkinson's, and people struggling with HIV disease and AIDS.

They come to talk about different problems, but speak with one resounding voice about how they want Congress to respond. Their message to me, and to all of us, is that funding for the National Institutes of Health must be doubled over five years.

My colleagues, we must heed their message and continue to increase NIH funding to achieve this goal. As a member of the Appropriations Subcommittee on Labor-HHS-Education, I strongly supported last year's $2 billion, or 15%, increase in the research budget at the NIH, bringing total funding to $15.6 billion. And this year, I am an original cosponsor of H. Res. 89, legislation that expresses the sense of the House of Representatives that NIH funding should be increased by another $2 billion in fiscal year 2000.

I support these increases because I believe we are on the verge of making great leaps ahead in our ability to treat and prevent a wide range of diseases. Dr. Harold Varmus, Director of NIH, has testified before the Labor-HHS-Education Subcommittee that, "discoveries are occurring at an unprecedented pace in biology and medicine, presaging revolutionary changes in medical practice during the next decade." We have a responsibility to take advantage of this enormous opportunity to advance science, fight disease, and save and prolong life.

There are many success stories to point to at NIH and many challenges that lie ahead, including eliminating health disparities, reinvigorating clinical research, finding cures and vaccines for hundreds of diseases including malaria, cancer and HIV, and mapping the human genome and making in accessible to scientists across the world.

As Dr. Varmus testified this year, "Throughout the world, the NIH is considered the leading force in mankind's continuing war against disease." Our wise investment in NIH is paying off. We must enter the new millennium investing in science that can unlock secrets of human disease and human health, and change our world for the better. I urge my colleagues to support a doubling in NIH funding over five years.

INTRODUCTION OF H.R. 2413, THE COMPUTER SECURITY ENHANCEMENT ACT OF 1999

HON. F. JAMES SENSENBRENNER, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SENSENBRENNER. Mr. Speaker, I am pleased to introduce, H.R. 2413, the Computer Security Enhancement Act of 1999, a bipartisan bill to address our government's computer security needs. Joining me as cosponsors of this important legislation is Mr. Bart Gordon of Tennessee and Mrs. Connie Morella of Maryland, the Chairwoman of the Science Committee's Technology Subcommittee.

The bill amends and updates the Computer Security Act of 1987 which gave the National Institute of Standards and Technology (NIST) the lead responsibility for developing security standards and technical guidelines for civilian government agencies' computer security. Specifically, the bill:

1. Reduces the cost and improves the availability of computer security technologies

for Federal agencies by requiring NIST to promote the Federal use of off-the-shelf products for meeting civilian agency computer security needs.

2. Enhances the role of the independent Computer System Security and Privacy Advisory Board in NIST's decision-making process. The board, which is made up of representatives from industry, federal agencies and other outside experts, should assist NIST in its development of standards and guidelines for Federal systems.

3. Requires NIST to develop standardized tests and procedures to evaluate the strength of foreign encryption products. Through such tests and procedures, NIST, with assistance from the private sector, will be able to judge the relative strength of foreign encryption, thereby defusing some of the concerns associated with the expert of domestic encryption products.

4. Clarifies that NIST standards and guidelines are to be used for the acquisition of security technologies for the Federal Government and are not intended as restrictions on the production or use of encryption by the private sector.

5. Addresses the shortage of university students studying computer security. Of the 5,500 PhDs in Computer science awarded over the last five years in Canada and the U.S., only 16 were in fields related to computer security. To help address such shortfalls, the bill establishes a new computer science fellowship program for graduate and undergraduate students studying computer security; and

6. Requires the National Research Council to conduct a study to assess the desirability of creating public key infrastructures. The study will also address advances in technology required for public key in technology required for public key infrastructure.

7. Establishes a national panel for the purpose of exploring all relevant factors associated with the development of a national digital signature infrastructure based on uniform standards and of developing model practices and standards associated with certification authorities.

All these measures are intended to accomplish two goals. First, assist NIST in meeting the ever-increasing computer security needs of Federal civilian agencies. Second, to allow the Federal Government, through NIST, to harness the ingenuity of the private sector to help address its computer security needs.

Since the passage of the Computer Security Act, the networking revolution has improved the ability of Federal agencies to process and transfer data. It has also made that same data more vulnerable to corruption and theft.

The General Accounting Office (GAO) has highlighted computer security as a government-wide, high-risk issue. GAO specifically identified the lack of adequate security for Federal civilian computer systems as a significant problem. Since June of 1993, the General Accounting Office (GAO) has issued over 30 reports detailing serious information security weaknesses at 24 of our largest Federal agencies.

The Science Committee has held seven hearings on computer security since I became Chairman in 1997. During the hearings, Members of the Science Committee heard from some of the most respected experts in the field. They all agreed that the Federal Government must do more to secure the sensitive electronic data it possesses.

The Federal Government is not alone in its need to secure electronic information. The corruption of electronic data threatens every sector of our economy. The market for high-quality computer security products is enormous, and the U.S. software and hardware industries are responding. The passage of this legislation will enable the Federal Government, through NIST, to benefit from these technological advances.

I look forward to working with all interested parties to advance the Computer Security Enhancement Act of 1999. In my estimation, it is a good bill, and I am hopeful we can move it through the legislative process in short order.

THE COMPUTER SECURITY ENHANCEMENT ACT OF 1999

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GORDON. Mr. Speaker, today, I am pleased to join Chairman SENSENBRENNER in introducing the Computer Security Enhancement Act of 1999. I was an original co-sponsor of similar legislation in the 105th Congress. The measure follows a stream of attacks just this past week on government Web sites including the Senate, White House, the National Oceanic Atmospheric Administration's severe weather warning site, the Defense Department and the FBI's National Infrastructure Protection Center, whose very purpose is to protect federal sites from such attacks.

The Computer Security Enhancement Act of 1999 will encourage the use of computer security products, both by federal agencies and the private sector, which in turn will support the new electronic economy. I am convinced that we must have trustworthy and secure electronic network systems to foster the growth of electronic commerce. This legislation builds upon the successful track record of the National Institute of Standards and Technology (NIST) in working with industry and other federal agencies to develop a consensus on the necessary standards and protocols required to support electronic commerce.

Chairman SENSENBRENNER has already outlined the provisions of this bill. However, I would like to take a few minutes to explain provisions I added to this legislation that are based on H.R. 1572, the Digital Signature Act of 1999, which I introduced with the support of Chairman SENSENBRENNER on 27 April 1999 to complement last year's Government Paperwork Elimination Act. When I introduced H.R. 1572, I stated that it was a work in progress. Section 13 of the Computer Security Enhancement Act, which we are introducing today, is the result of discussions I have had with industry and federal agencies.

As a result of these discussions, the general provisions in H.R. 1572 have been re-drafted to include all electronic authentication techniques. Section 13 requires NIST, working with industry, to develop minimum technical standards and guidelines for Federal agencies to follow when deploying any electronic authentication technologies. In addition, Section 13 authorizes the Undersecretary of Commerce for Technology to establish a National Policy Panel for Digital Signatures to explore the factors associated with the development of a National Digital Signature Infrastructure based on uniform model guidelines and standards to enable the widespread utilization of digital signatures in the private sector.

I want to highlight that these provisions are technology neutral. Rather they encourage federal agencies to use uniform guidelines and criteria in deploying electronic authentication technologies and to ensure that their systems are interoperable. The provisions also encourage agencies to use commercial off-the-shelf software (COTS) whenever possible to meet their needs. None of these provisions give the Federal government the authority to establish standards or procedures for the private sector.

The use of electronic authentication technologies are critical for the continued growth and security of electronic transactions on the Internet. With the rapid growth of the Internet we have lost the ability to actually "know" who we are communicating with is who they say they are. In order to exchange sensitive documents or to do business transactions with confidence it is important that electronic authentication systems are used that both uniquely identify both the sender and/or the recipient and verify that the information exchanged has not been altered in transit. Electronic authentication is as much of a computer security issue as having good firewalls, strong encryption, and virus scanners.

I want to stress the underlying principle of the Computer Security Enhancement Act of 1999 is that it recognizes that government and private sector computer security needs are similar. Hopefully the result will be greater security and lower cost for everyone as we increasingly move towards an electronic economy.

The bill we are introducing today is the result of close bipartisan cooperation and it has been a pleasure working with Chairman SENSENBRENNER on this legislation.

I urge my colleagues to support the Computer Security Enhancement Act of 1999.

EDUCATIONAL TECHNOLOGY UTILIZATION EXTENSION ASSISTANCE ACT

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BARCIA. Mr. Speaker, I am pleased to introduce, along with my friend from Oregon, Mr. Wu, the Educational Technology Utilization Extension Assistance Act. This bill directs the National Science Foundation to work with the Department of Education and the National Institute of Standards and Technology to create educational technology extension centers based at undergraduate institutions. The focus of these centers is to advise and assist local K–12 schools to better utilize and integrate their existing ed-tech infrastructure into their curriculum and classroom.

During my tenure in Congress, much attention has been given to the subject of computers in the classroom and wiring schools for the Internet. These initiatives are often viewed as a panacea for improving test scores, and millions of dollars have been invested in these technologies. Missing from this strategy is any useful, long-term advice on how to best integrate ed-tech into the educational process. In fact, one of the last reports produced by the excellent staff of OTA highlighted the problem of teachers not being effectively trained on how to best use these technologies in the classroom. The same report pointed out that local school officials were often unaware of the substantial infrastructure and operational costs associated with deploying and maintaining these educational technologies.

These findings were echoed by a February 1999 Department of Education report, "Teacher Quality: A Report on the Preparation and Qualification of Public School Teachers." The Department of Education found that only 1 in 5 teachers felt well-prepared to work in a modern classroom. In addition, the most common form of professional development for K–12 teachers are 1-day workshops which have little relevance to classroom activities. Consequently, the full potential of ed-tech has never been fully realized.

The Educational Technology Utilization Assistance Act is an attempt to rectify this gap in the educational infrastructure. This bill does not create a new top-down Federal program, but rather it allows local extension centers to assist local primary schools to better integrate educational technologies into their curriculum. Of course this concept is not new. In fact, it is based on the highly successful Agricultural Extension Service and the Manufacturing Extension Partnership. Both of these programs are model public/private partnerships that use specific solutions to solve unique problems as they are found in the field and rejects the "one size fits all" approach that is so often associated with federal government programs.

It is my hope that using the extension model, educational technology centers would represent a public-private partnership with the participation of universities, the private sector, state and local governments, and the federal agencies. In this spirit of partnership, the federal share of funding would be limited to 50 percent, thereby ensuring that all stakeholders would have a financial incentive to making the ETU Centers successful.

Once an ETU Center is established, it will be able to tailor its activities to local needs, and, more importantly, to share ETU Center expertise and experience with local schools. For example, activities may include teacher training for new technologies, or integrating the school's existing technology infrastructure into their curriculum; advising teachers, administrators and school boards on criteria for acquisition, utilization, and support of educational technologies; and advising K–12 schools on the skills required by local industry.

Given our rapidly changing economy, it is vital that both teachers and students not only be comfortable with the leading technologies of today, but also receive periodic training to ensure their ability to teach the next generation of technologies. I am confident this legislation will accomplish both of these important goals, as well as help students develop those skills in demand by industries increasingly reliant on technology.

I urge my colleagues to support this important legislation.

TRIBUTE TO POLICE CHIEF PETER W. STEPHAN

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. CAMP. Mr. Speaker, I rise today to pay tribute to an honorable and noble public servant from Grayling, Mich., Police Chief Peter W. Stephan.

After 41 years of dedicated service, Chief Stephan is retiring. A Grayling native, he began his distinguished career in 1958 as a patrolman for the city. After 14 years, he was promoted to police chief in 1972, marking the beginning of his 27-year tenure.

During his remarkable career, Chief Stephan has held numerous positions of honor including: serving as a member and past president of the Michigan Association of Chiefs of Police, serving as member and president of the Northern Michigan Association of Chiefs of Police, member of the Environmental Crimes Committee, and a member of the Michigan Association of Chiefs of Police Legislative Committee.

Chief Stephan was also instrumental in creating the Crawford County Drug Lab and the Michigan State Police Crime Lab in Grayling.

The achievements and duration of Chief Stephan's career speak for themselves. He is a dedicated community leader, committed to serving and protecting the people of Grayling, ensuring that his city is not just safe, but serves as a model for other communities in Michigan.

Chief Stephan is a shining example of excellence of whom Grayling residents can be proud. His career is a point of pride for the people of Grayling, who can look to him as an example of a public servant with dignity, pride and exemplary service.

Mr. Speaker, please join me, his family, friends and colleagues in congratulating him.

INTRODUCTION OF THE WORKER PAYCHECK FAIRNESS ACT

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GOODLING. Mr. Speaker, I rise today to introduce the Worker Paycheck Fairness Act. The bill provides a workable, reasonable mechanism for dealing with the issue of organized labor taking dues money from rank-and-file union members—from members who have to pay dues or they cannot keep their jobs. The legislation in no way changes the manner in which unions can spend money, it simply provides union workers the dignity of being able to give their up-front consent to their union before funds having nothing to do with collective bargaining are taken out of their paychecks.

In the six hearings my Committee held the past few Congresses on the issue of compulsory union dues, we heard from worker after worker telling us about the one thing they each want from their union: the basic respect of being asked for permission before the union spends their money for purposes unrelated to labor-management obligations. Most of these employees were upset over finding out their hard-earned dollars were being funneled into political causes or candidates they did not support. However, most of these workers supported their union and still overwhelmingly believe in the value of organized labor. A number of witnesses were stewards in their union. All they wanted was to be able to give their consent before their union spent their money for activities falling outside collective bargaining and which subvert their deeply held ideas and convictions.

The Worker Paycheck Fairness Act, similar to legislation reported to the House last Congress after passing my Committee on Education and the Workforce by voice vote, simply gives workers this right to give their permission and the right to know how their money is spent. This legislation creates a new, federal right implementing the spirit of the Supreme Court's 1988 Beck decision.

In Beck, the Court held that workers cannot be required to pay for activities beyond legitimate union functions. After hearing testimony from dozens of witnesses, including 14 rank-and-file workers, it is clear to the Committee that Beck rights have remained illusory. The witnesses described problems with lack of notice, the necessity under current law of resigning from the union, procedural hurdles, and notably, the incredible indignities they often endure, including harassment, stonewalling, coercion, and intimidation, when they attempt to exercise their rights granted under Beck.

This legislation applies only where unions require workers to pay dues as a condition of keeping their jobs. This mandate is called a "union security agreement," and such agreements are currently legal in 29 states. Simply put, a union security agreement forces a worker to pay an agency fee to the union, or the worker has no right to work. This bill is necessary, Mr. Speaker, because unions are taking money from the pockets of employees working under such security agreements and spending it on activities having nothing to do with a union's legitimate activities.

In addition to requiring consent, the Worker Paycheck Fairness Act requires employers whose employees are represented by a union to post a notice telling workers of their right under this legislation to give their consent. It also amends the Labor-Management Reporting and Disclosure Act of 1959 to ensure that workers will know what their money is being spent on. Under this change, unions would have to report expenses by "functional classification" on the LM-forms they are currently required to file annually with the Department of Labor. This change was proposed by the Bush administration in 1992 but eliminated by the Clinton administration.

This legislation also puts real enforcement into place, as those whose rights are violated would be entitled to double damages and attorney's fees and costs—similar to relief available under the Family and Medical Leave Act. Finally, Mr. Speaker, the bill includes a common employment law provision making it illegal for a union to retaliate against or coerce anyone exercising his or her consent rights. This applies to all employees—union members and non-members alike—and under the provision, a union may not discriminate against any worker for giving, or not giving, their consent.

This bill is all the more necessary, Mr. Speaker, because there are those in Congress who are pushing campaign finance reform legislation which purports to codify Beck, but which actually represents a step backwards for working men and women.

Section 501 of the Shays/Meehan reform bill, H.R. 417, entitled "Codification of Beck Decision," does nothing of the sort. Section 501 is a sugar-coated placebo that diminishes the Beck decision and does nothing to correct the current injustices in our federal labor law relating to unions' use of their members' hard-earned paychecks. My Committee's many hearings have shown that the current law in this area does not work because it does not adequately protect workers. A close reading of Section 501 shows not only that the provision does not codify Beck, but that it is in fact a step backwards from codifying current law. Section 501 is so favorable to unions that organized labor could not have done a better job drafting it themselves.

First, Section 501 provides absolutely no notice of rights to members of the union—it applies only to non-members. Second, Section 501 redefines the dues payments that may be objected to, by limiting such to "expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining." This definition not only infers that there may be other types of political expenditures to which workers cannot object—a perversion of Beck—but it also ignores Beck's holding that workers may object to any dues payments for any union activities not directly related to collective bargaining activities. Section 501 would cut back even further on the already illusory rights workers supposedly have today under Beck.

If Congress is truly going to try to deal with the issue of organized labor taking dues money from rank-and-file members laboring under a union security agreement—taking funds without permission and spending it on causes and activities with which the workers disagree—then let us not fool around with Section 501 of the Shays/Meehan bill. Section 501 is a fig leaf that falls woefully short of addressing the problem.

What we have today is a broken system that allows unions to raid workers' wallets, forces workers to resign from the union, requires workers to object—after the fact—to their money being removed from their paycheck, and then requires workers to wait for the union to rebate those funds, if they get around to doing so.

The Worker Paycheck Fairness Act is a proper and reasonable fix that truly implements the spirit of the Supreme Court's Beck decision. I urge my colleagues to support the bill.

IRS REPLACEMENT ACT

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BONILLA. Mr. Speaker, my colleagues, the Spirit of '76 lives today. Two centuries ago, our forefathers rose up in revolt against a oppressive tyrant under the banner of no taxation without representation. They understood oppressive taxation was a form of tyranny, and they committed themselves to secure liberty against all odds. Who would have through that we would triumph against that century's superpower, the British Empire. Yet, we all know we beat the odds and achieved the freedom we all enjoy today.

Today, taxpayers have had enough of a system that treats them as criminals, rather than customers. We need to abolish today's tyrant, the Internal Revenue Service, and replace it with a system that treats you—the taxpayer—fairly. Today, 76 Members of Congress are joining together to recreate that spirit and battle against the odds to make this goal a reality. We are introducing legislation that puts the Congress on a path to abolishing the IRS and implementing a more fair, and simple tax system.

The struggle for freedom is never ending. I committed to he people of the 23rd District that I would fight to abolish the IRS as we know it. Today 76 Members of Congress are joining together to keep that commitment and end this modern day tyranny. The Founding Fathers did not allow the long odds to deter them in their struggle for liberty. That Spirit of '76 lives today. My colleagues please join the 76 of us in recreating that spirit and cosponsor the IRS Replacement Act.

THE CONSUMER HEALTH AND RESEARCH TECHNOLOGY (CHART) PROTECTION ACT INTRODUCED

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SHAYS. Mr. Speaker, today I am introducing the Consumer Health And Research Technology (CHART) Protection Act to ensure the confidentiality of medical records.

There is currently no uniform standard to protect the privacy of a patients' medical records. There have been a number of startling examples of the potential effect of this void on the lives of Americans.

For example, The National Law Journal reported in 1994 that a banker who also served on his county's health board cross referenced customer accounts with patient information and subsequently called due the mortgages of anyone suffering from cancer.

Under the Health Insurance Portability and Accountability Act (HIPAA), Congress set a schedule for action on this issue. Should Congress fail to enact comprehensive legislation to protect the confidentiality of medical records by August of this year, the Secretary of Health and Human Services will be required to promulgate regulations.

Congress must act before the Secretary steps in.

We need to strike an effective balance between preventing the disclosure of sensitive information and ensuring health care providers have the information they need to treat individuals and make payments. The CHART Protection Act is an effort to achieve such an equilibrium.

The CHART Protection Act safeguards the confidentiality of medical records while protecting legitimate uses. The legislation sets out the inappropriate uses of medical information. These prohibitions relate specifically to individually identifiable information.

This is an important departure from the approach taken by other bills which seek to restrict the use of health information unless specifically authorized for disclosure.

The CHART Protection Act creates a "one-step" authorization process for the use of individually identifiable information by providing for authorization up front, while allowing individuals to revoke their authorization at any time for health research purposes.

Most other proposals create a "two-step" authorization process in which treatment, billing and health care operations are covered by one authorization, while all other uses are subject to a separate authorization, including use of information for research purposes. This approach has been the source of much controversy and is likely to damage our ability to enhance medical knowledge and improve patient care.

In addition, the CHART Protection Act allows patients to inspect, copy and where appropriate, amend their medical records.

Finally, the bill imposes stiff criminal and civil penalties for inappropriate disclosures of individually identifiable information and creates a powerful incentive to anonymize data.

We need to achieve a balance between a person's legitimate expectation of privacy and the right of a business to know what it is paying for.

It is my hope that my colleagues on both sides of the aisle will recognize the necessity of passing a uniform and comprehensive confidentiality law which would serve to balance the interests of patients, health care providers, data processors, law enforcement agencies and researchers.

DAUGHTERS OF THE AMERICAN REVOLUTION

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. DELAY. Mr. Speaker, the National Society of the Daughters of the American Revolution (DAR) held its 108th Continental Congress this past April 19th. The DAR is committed to preserving the memory of our Founding Fathers who achieved independence for America and instituted our constitutional form of government. The members of the DAR passed the following commemorative and resolutions as part of their recent Continental Congress and I submit them for the CONGRESSIONAL RECORD.

COMMEMORATIVE—GEORGE WASHINGTON

In commemoration of the 200th anniversary of the death of George Washington in 1999, it is appropriate to remember his words and deeds that still define and guide our country. George Washington said, "To be prepared for war is one of the most effectual means of preserving peace."

The Father of our Country surveyed the wilderness; was an officer in the Virginia militia during the French and Indian War; owned a profitable plantation on the Potomac with its trading schooners; was Commander-in-Chief of the Patriot forces in the American Revolution; helped create our nation as President of the Constitutional Convention; then became the first President of the United States of America.

In an address to Congress in 1793 he said, "There is a rank due to the United States among Nations, which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war."

George Washington was indeed "first in war, first in peace, first in the hearts of his countrymen."

EMERGENCY RESOLUTION—KOSOVO

Whereas, The President of the United States of America has authorized the use of air strikes in Yugoslavia due to the crisis in Kosovo without a clear mandate from the Congress of the United States of America, thus violating Article I, Section 8, Clauses 11,12,13 of the Constitution of the United States of America.

Whereas, This action of the member countries of the North Atlantic Treaty Organization (NATO) is without clearly defined goals, objectives, and disclosures of the cost of maintaining an uncertain peace with no discernible conclusion in an ethnically divided nation; and

Whereas, The National Society of the Daughters of the American Revolution have always supported the Armed Forces of the United States of America and will continue to do so; therefore, be it

Resolved, That the National Society of the Daughters of the American Revolution express grave concern over the continuing expansion of United States involvement in the Balkans which places American lives in jeopardy in the absence of the constitutionally required action of Congress.

A STRONG NATIONAL DEFENSE

Whereas, The armed forces have shrunk about 40 percent in force structure and troop levels since 1989, resulting in an over-tasked military decreased to pre-Pearl Harbor levels and, defense spending, when adjusted for inflation, has dropped since its 1985 peak from $424.5 billion to the Presidential request of $267.2 billion for FY 2000;

Whereas, Insufficient funds for defense have led to cannibalization of spare parts from some aircraft to keep others flying, eligibility of military families for food stamps, inadequate housing, unreliable and inadequate health care, diminished training standards, and frequent deployments of questionable value which have weakened family units and the entire military establishment; and

Whereas, The morale of the military rests upon the support and respect of the people, and the security of the nation rests upon a force that is adequately funded and appropriately engaged; therefore, be it

Resolved, That the National Society of the Daughters of the American Revolution support increased pay and benefits for the military, defense appropriations sufficient to assure the military has the equipment to perform its duty to this country; and respect on the part of elected and appointed officials to avoid using the military inappropriately as pawns to manipulate foreign policy, and acknowledge their status as sons and daughters serving the nation.

MISSILE DEFENSE VS. ABM RESTRICTIONS

Whereas, The United States is aware that Russia has thousands of Intercontinental Ballistic Missiles (ICBMs) and that China reportedly has 13 nuclear missiles targeted on our cities, the Congressionally commissioned Rumsfeld Report, named for the Commission's chairman, a former Secretary of Defense, recently revealed the risk of a surprise attack by terrorist or Third World countries, of which 25-30 are seeking or acquiring ballistic missiles that could be launched from land, sea or air, carrying chemical, biological or nuclear warheads;

Whereas, Since President Reagan called for the Strategic Defense Initiative (SDI) in 1983, the National Society of the Daughters of the American Revolution has given it full support, recognizing that we have no defense against even one missile (which could kill millions), but not realizing that the Anti Ballistic Missile Treaty (ABM)—signed with the now non-existing Soviet Union—prohibits the development, testing and deployment of space-based,* air-based or mobile ground-based ABM systems; and

Whereas, The public should not be lulled into a false sense of security now that Congress has overwhelmingly passed a missile defense act—twice refused consideration last year by the Senate—because, as reported by the Wall Street Journal, the Administration has assured Russia that none of our ground-based interceptors would be capable of intercepting even an accidentally launched multiple warhead; therefore, be it

Resolved, That the National Society of the Daughters of the American Revolution, while reminding the public of our ever present vulnerability to Russia and Chinese nuclear missile attacks, alert the public to the Rumsfeld Report that details the imminent dangers of potential surprise attack posed by 25 to 30 terrorist or Third World countries, employing chemical, biological or nuclear missiles; consider the ABM Treaty defunct, as is the other signatory, the USSR; and promote immediate development and deployment of space-based and air-based missile defense.

*Space-based missiles are much more accurate and less expensive.

BEWARE OF CHINA

Whereas, The communist Chinese have not only secured important nuclear technology through spying but have also influenced American elections, foreign policies, trade policies and strategic interests of this country through millions of dollars in political contributions; and the Chinese have received satellite technology, nuclear technology, a continuation of their most favored nation status and a weakening of our support for Taiwan which we had pledged in the Taiwan Relations Act of 1979;

Whereas, Every technology business allowed to operate in China must give China the secrets of its technology, and China has used both sensitive technological material from private and United States governmental sources and its trade status to enhance its military capacity with missiles which can now target the United States and our troops in Japan, Korea, and Okinawa with nuclear warheads; and

Whereas, Communist China's military is benefiting by its annual trade surplus with the United States of about $40 billion, produced by a 35% tariff on United States goods going to China and a low 2% tariff on Chinese products imported to the United States; while Taiwan, a democratic country, which imports almost twice as much from the United States as mainland China, should be given more consideration as its loss would be a severe military and economic blow to our country; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution recognize that a foreign power has invaded our electoral process and undermined our national security and support the following:

1. Enforcement of laws forbidding foreign campaign contributions,
2. Establishment of a more thorough screening of personnel to prevent Chinese spies from stealing our high technology,
3. Withdrawal of the most favored nation status in trade for China which has resulted in our large trade deficit with them,
4. Reaffirmation of our support of Taiwan, a democratic country, which we pledged in the Taiwan Relations Act of 1979,
5. Prohibition of any further export of high technology material to China.

PANAMA CANAL—AN IMMINENT CATASTROPHE

Whereas, The Isthmus of Panama, one of the most strategic parts of the globe and vital to American security, is the location of many valuable United States military installations representing billions of dollars of investments which are due to be vacated by the end of 1999 unless there is a renegotiation of the terms of our treaty with Panama;

Whereas, The present government of Panama, in violation of the neutrality provisions of the 1978 treaty between the United States and Panama, has already leased the Atlantic and Pacific ports at each end of the Panama Canal to a Chinese shipping company and plans to turn over the United States land installations to them as well, thus enabling China to terrorize all of North and South America with missiles; and

Whereas, The right of transiting the Canal, crucial to the United States military efforts in World War II, Korea, Vietnam, and the Gulf War, could be denied to the United States in a military emergency, necessitating a two-week, 8,000 mile trip around the tip of South America; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution support re-negotiation of the United States Treaty with Panama before its expiration on December 31, 1999, in order to retain our military bases there, to preserve our rights of transit through the canal, and to prevent the establishment of Chinese missile bases in Panama from which China could strike all of North and South America with missiles.

TERRORISTS TARGET AMERICANS

Whereas, Although Americans are cognizant of major terrorist attacks such as the World Trade Center, the Marines in Beirut and the American Embassies in Africa, they are complacently unaware that 35 percent of all terrorist attacks worldwide last year were against Americans and that the Secretary of the Army has said, "It's not 'if' but 'when' a weapon of mass destruction will be used in this country";

Whereas, Also known is the holy jihad proclaimed by radical Arabs from many of the

Middle East countries stockpiling chemical and biological germ substances with the professed aim to kill Americans, and that 1,500 to 2,000 known terrorists are living in the United States, yet we have no international anti-terrorist policy that is either consistent, effective, understood by the world or that frightens terrorist nations; and

Whereas, Terrorists with a cyberspace attack could create an electronic Pearl Harbor, cutting off electricity, shutting down 911 systems and all telephone networks, disabling police and military communication, shutting down the infrastructure of the country, thus creating chaos and paralyzing the country; therefore, be it

Resolved, That, The National Society of the Daughters of the American Revolution, while cultivating the good will of moderate Arabs, support a pro-active approach to international terrorism using surrogates when possible, moving to affect terrorist training centers of governments that allow such activity, and taking appropriate action about known terrorists in the United States.

THE UNITED STATES—A REPUBLIC

Whereas, America's heritage is grounded in a deep faith in God, rooted in freedom, and protected by a written Constitution in which our Founding Fathers were careful to give us a Republic in which the rights of a minority are protected by law from the will of the majority;

Whereas, Many Americans have no concept of the meaning of a "democracy in a republic," resulting in a misconception of our constitutional form of government, the heritage from which it is derived, and the dangers inherent in a pure democracy; and

Whereas, Our Republic is endangered today by the indifference of millions of Americans to their duties and responsibilities, and by the many who place blind faith in the authority of the Federal Government and their growing reliance on the government's ability to provide; our Republic will not long endure as long as people accept and encourage the growth of coercive government, allow the Supreme Court to make law by judicial fiat, Congress to pass unconstitutional laws, and the Executive to issue unrestrained Executive Orders which circumvent the Constitution; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution remind all members that a sovereign America lies in the preservation of our great Republic under the rule of law; and the key to that lies with the education and awareness of all of our citizens to the imminent dangers facing this nation unless persons are elected to office who will uphold and preserve the Constitution of the United States of America.

ABOLISH NATIONAL STANDARDS FOR AMERICAN HISTORY

Whereas, The Goals 2000 Education America Act became law March 1994, stressing world class standards for teaching eight subjects including "development of internationally competitive standards in American History"; this act was financed by monies from the National Endowment of the Humanities and the Office of Education, yet these national history standards are in violation of the Tenth Amendment of the United States Constitution;

Whereas, Existing National Standards minimize teaching state and regional histories, including western expansion, but emphasize national social history while deemphasizing the role of political, military, and economic history and leaders for the periods of colonization, the American Revolution, and the development, and implementation of the United States Constitution; and

Whereas, While National Standards next mention the military conflicts from the Mexican War through World War II, they do not provide curriculum or resources as patterns for the study of contemporary America, yet they continue to emphasize the social history over politics, economics, and military policy and leaders; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution oppose continuation of the use of the National Standards for United States History in America's public, private and parochial schools because of the distorted emphasis on social history.

SAFEGUARD THE RIGHT TO PRIVACY

Whereas, One of the greatest threats to personal liberty today is the growth of the surveillance state, where it is possible to build a file on every United States citizen via immense databases, containing detailed records on health status and treatment, job status, driving records, financial, credit, and banking transactions; and now government is demanding the right to read e-mails and computer files, listen to phone conversations and track the location of cell phone calls;

Whereas, Increasing citizen database collection with further encroachments into personal privacy have already been launched by the governmental proposal of a personal health ID number to track each person's medical records, collection of DNA data from citizen detainment, expansion of FBI phone surveillance without additional court authorization (roving wiretaps) and the requirement of Social Security numbers on drivers' licenses beginning October 2000; and

Whereas, In order to counteract the progression of government intrusion, such as the temporarily withdrawn Federal Deposit Insurance Corporation (FDIC) "Know Your Customer" regulation, recently proposed legislation would forbid the use of Social Security numbers for unrelated purposes, prohibit government agencies from using the same numeric identifier or assigning ID numbers to investigate or monitor transactions between private parties and prevent the withholding of federal funds to states which choose not to impose federal identifiers; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution oppose the establishment of federal and private databases with the creation of numeric identifiers designed to track our activities, view these efforts as an intrusion of privacy which is incompatible with a limited, constitutional Republic, and support efforts to curtail further federal encroachment into the private lives of our citizens.

EXECUTIVE ORDERS ENFORCE UNRATIFIED UN TREATIES

Whereas, the President of the United States, who has issued more than 270 Executive Orders, marked the 50th Anniversary of the UN Universal Declaration of Human Rights by signing Executive Order 13107 establishing a federal agency empowered to "implement UN human rights treaties to which the United States is now or may become a party in the future";

Whereas, The International Covenant on Economic, Social and Cultural Rights, which jeopardizes property rights and binds us to enact legislation to prove "adequate food, clothing and housing" for everyone in the world, is among unratified human rights treaties that would be activated although it has been rejected by eight former United States Presidents; and

Whereas, Among other such unratified human rights treaties are the UN Convention on the Rights of the Child, replacing family authority with governmental dictates, and the UN Convention on the Elimination of all Forms of Discrimination Against Women, requiring implementation of the feminists' agenda in regard to social and cultural patterns of conduct of men and women, "family education" and even revision of textbooks, therefore, be it

Resolved, That the National Society of the Daughters of the American Revolution, recognizing that the President of the United States by Executive Order has ignored the constitutional requirement that Senate ratify treaties, and has empowered the implementation of both existing and as yet unwritten human rights treaties, even though present treaties would nullify our Constitutional rights, and impose dictatorial power over almost all aspects of our lives, urge opposition to Executive Orders which circumvent the Constitution or conflict with its balance of power requirements.

CORPORATE AMERICA AND THE GLOBAL ECONOMY

Whereas, Multinational corporations view the entire world as a single market; business conducted on the internet is not subject to national regulation; and the growth of global economy requires global governments which, a senior economist at the World Bank describes as "governance without government," a public function wielded by bodies with no public accountability which threatens the economic national sovereignty of all nations;

Whereas, The Overseas Private Investment Corporation (OPIC) is an agency of the Federal Government, financially unaccountable to the public, that encourages American investments in developing countries by adding $2 in government guaranteed notes for every invested dollar, thus giving multinational corporations profits if the investment is a success while the United States tax payers cover any loss; and

Whereas, The United Nations (UN) is starting a new Third World economic development effort in partnership with multinational corporations, some of which have been accused of human rights or environmental abuses, by considering the creation of a logo incorporating the UN name that corporate sponsors could use, providing them with a powerful tool in many underdeveloped countries and an endorsement that would allow sponsoring companies to forge critical government relationships allowing them to undertake future projects not under the watchful eye of the UN; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution recognize that "global governance" requires constant vigilance to preserve our national sovereignty, realize that multinational corporations negotiate with and form working relationships with foreign governments, and oppose the use of our tax dollars as foreign investment guarantees.

MAKING SOCIAL SECURITY WORK

Whereas, The real "Contract with America" is Social Security which the United States government has failed to honor in recent years by transferring money from the Social Security Trust Fund to balance the budget thus creating a misleading surplus; Social Security is the single largest item in the federal budget, accounting for 20 percent of all spending and over 70 percent of American families now pay more in Social Security taxes than they do in federal income taxes;

Whereas, Congress has legislated the Social Security Administration to reduce benefits to 11,000,000 recipients born between 1917 and 1926, to reduce Social Security benefits in half to recipients who have earned another government pension, and to pay benefits to senior citizens who have not contributed to the system; and

Whereas, When the Baby Boomers begin to reach the age 65 in 2010, the Social Security System will pay only 65-75% of the current benefits, due to the increasing numbers of recipients growing from the present 40,000,000 to an estimated 80,000,000; therefore, be it

Resolved, That The National Society of the Daughters of the American Revolution favor fulfilling the obligation to those who have paid into the Social Security system and oppose the practice of factoring Social Security funds into the federal budget.

REAFFIRMATIONS

1. Injustice for all—World court—(1998)

Resolved, That the National Society Daughters of the American Revolution oppose any efforts to surrender our nation's sovereignty to the United Nations by establishing the International Criminal Court, a world tribunal that will override the United States Constitution, the American legal system, and our inherent rights.

2. The American Heritage Rivers initiative (AHRI)—(1998)

Resolved, That the National Society Daughters of the American Revolution oppose the American Heritage Rivers Initiative, a maneuver by the Executive Branch to thwart the powers reserved to Congress regarding regulation of navigable waters, to curb jurisdiction of states over land use planning as well as to restrict water rights, local zoning and individual property rights.

3. Census 2000: Support full enumeration versus sampling—(1998)

Resolved, That the National Society Daughters of the American Revolution support the Constitutional requirement of full enumeration of the Census 2000 including all American citizens residing abroad, which will provide important and necessary information to the United States Government and its people.

RECOGNIZING NATIONAL NEED FOR RECONCILIATION AND HEALING AND RECOMMENDING A CALL FOR DAYS OF PRAYER

SPEECH OF

HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. HAYES. Mr. Speaker, last weekend I was going through my father's personal items. He passed away in November. I found this Bible tucked away in a drawer. On the front is inscribed "May this comfort and protect you." Inside it reads, "Commander in Chief, I take pleasure in commending the reading of the Bible to all who served in the Armed Forces of the United States Throughout the centuries men of many faiths and diverse origins have found in the sacred book words of wisdom, counsel, and inspiration. It is the foundation of strength, and now as always an aid in attaining the highest aspirations of the human soul." Franklin Roosevelt.

The next page: "Our prayers are constantly with you, thanking God daily for your joy and faith in him. Heartfelt love, Mother."

We have heard the question today, "what right does the government have imposing its values on us." What right did President Roosevelt have sending my father off to war with this bible more 50 years ago. The president is a leader, Congress is a leader, we need to lead by example by turning to our faith.

HONORING THE 150TH ANNIVERSARY OF THE VILLAGE OF AKRON

HON. THOMAS M. REYNOLDS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. REYNOLDS. Mr. Speaker, I rise today to commemorate the 150th anniversary of the incorporation of the Village of Akron in Erie County, New York.

Since Jonathan Russell first cleared enough forest to build a frame house and general store, the village of Akron has established itself as a proud community to live and work in. Their strong industrial base, solid work ethic, and rich heritage has helped Akron live up to its name, which means "high place."

Besides a tremendous pride in their community, the residents of Akron have shown an equally impressive love of their country—serving when called whenever our freedom or liberty was threatened. Among the sons and daughters of Akron who have proudly served their nation was General Ely S. Parker, who helped write the terms of the surrender at Appomattox during the Civil War.

From an outstanding commitment to education through the Akron Central School, to the growth of such employers as the well-known Perry's Ice Cream Company to a vibrant business district and strong spirit of community, the village of Akron has enjoyed a tremendous 150 years of history.

Mr. Speaker, as we celebrate the birth of our Nation this weekend, on Sunday, July 4, 1999, residents and local officials of Akron will gather in Russell Park in the village to celebrate their sesquicentennial and the rich and proud history of their community. I ask, Mr. Speaker, that this House of Representatives join me in extending to the citizens of Akron, past, present, and future, our sincerest best wishes and heartiest congratulations on their 150th Anniversary.

CAREGIVERS ASSISTANCE ACT OF 1999

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. STARK. Mr. Speaker, I am proud to join with Mr. MARKEY in introducing this important bill. Each day, millions of families struggle as they care for their loved ones who suffer from chronic and debilitative diseases. Alzheimer's disease, Parkinson's disease, multiple sclerosis, Down's syndrome, and the ravages of old age make many people dependent on others for their basic care.

Many Americans depend on long-term health care due to a chronic illness or a permanent disability. For example, as many as four million of the nation's elderly currently suffer Alzheimer's disease. Unless someone finds a cure for this condition, the numbers are sure to grow. Within the next 20 to 30 years, there may well be over 14 million persons with this terrible disease that slowly destroys the brain. According to recent surveys, over 50 percent of persons with Alzheimer's disease continue to live with a relative or spouse who sees to their day-to-day care. This personal care may last for many years and represents the equivalent of a full-time job.

We are currently working on a comprehensive bill that will broaden the scope of services families and patients can use to meet their long-term care needs. In the interim we offer this modest first step.

Specifically, this bill provides a $1,000 tax credit for caregivers similar to the one described by the President in his State of the Union address. Unlike the President's proposal our tax credit is completely refundable and makes no distinction between care for an adult or a child.

If the credit is not refundable, it will be of little or no use to many of the families most in need of caregiver help. The following table illustrates the consequences as simple tax credit that is not refundable. A single individual who makes less than $7,050 will receive no benefit. That same person would have to make $13,717 to receive the full $1,000 of assistance. Similarly, an elderly couple would need a combined annual income of $21,067 to realize the entire tax credit.

Filing status	Minimum income required to receive portion of tax credit	Income required to receive full tax credit
Single	$7,050	$13,717
Head of Household With One dependent	11,850	18,571
Married Joint Filers	12,700	19,367
Elderly Single Filer	8,100	14,767
Elderly Married Joint Filers	14,400	21,067

The consequence of a simple tax credit is that those people who most need assistance will be the least likely to obtain the intended support. To be honest, $1,000 is not that much money for long-term care, but it does provide a family with modest relief that they can use as they see fit. That is why we have structured the bill to ensure that those who most need the support will receive the refund.

Another important distinction between our proposal and the President's is the treatment of children with long-term care needs. The President's proposal would limit the tax credit to $500 for children with long term care needs. We do not agree with this policy. The long-term care needs of a disabled child are just as expensive and emotionally distressing as they are for an adult.

Our fill also has a broader definition of individuals with long-term care needs. The President's proposal includes individuals who require assistance to perform activities of daily living (bathing, dressing, eating, continence, toileting, and transferring in and out of a bed or chair). This is a good start but may not include people with severe mental health disabilities or developmental disabilities who cannot live independently. Our bill does help the caregivers of these people.

Finally, our bill limits the amount of the refund for those less in need of financial support. The full refund is available up to incomes of $110,000 for a joint return, $75,000 for an individual return, and $55,000 for a married individual filing a separate return. Above these levels, the refund is decreased by $50 by every $1,000 over the threshold level, and is phased out above $130,000 for a joint return and $95,000 of an individual return.

The need for long-term care will continue to grow as the average age of Americans increases. By 2010, those children born in 1945 will begin to retire. According to a recent CBO report, in the year 2010 there will be 40.6 million people over the age of 65—a 14 percent increase from the year 2000. The trend will continue. By 2040, there will be 77.9 million people over the age of 65, 118 percent more than in 2000. Indeed, the 85 and older age group is the fastest growing segment of the population.

This proposal will have significant effect on revenue, but given the size of the problem and in the spirit of compassionate government, it is a step that we can find a way to afford.

TRIBUTE TO DR. GEORGE VERNON IRONS, SR.

HON. ROBERT B. ADERHOLT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. ADERHOLT. Mr. Speaker, I want to celebrate the life of Dr. George Vernon Irons, Sr., distinguished professor of history and political science at Samford University, 43 years, distinguished professor emeritus, 22 years, who passed away July 21, 1998.

Dr. Irons was a record breaking champion athlete at the University of Alabama in the 1920's. Sportswriters described him as the "Ironman of Alabama, Crimson Machine and South's Premiere Distance Runner" for his remarkable athletic feats. His accomplishments have been heralded by legendary great, Paul Bear Bryant as "truly outstanding athletic achievements," and Coach Wallace Wade (three time Rose Bowl winner) as the "greatest distance runner of his day." In 1978 Dr. Irons was inducted into the prestigious Alabama Sports Hall of Fame on the first ballot—an honor achieved by only three men: Paul Bear Bryant, Ralph Shug Jordan and Dr. George Irons.

As Captain of the Alabama distance team, he broke the record for the B'ham Road Race (1923) by twenty seconds in a cold, hard driving December rain. Captain Irons record has never been equaled or broken. Irons was the Southern (S.I.A.A. now S.E.C.) champion of the 2, 3, 3½, and 4 mile events. He is the only University of Alabama track man—the only distance man—inducted into the Alabama Sports Hall of Fame—rare honors he holds over 30 years after the Hall of Fame's creation.

A Phi Beta Kappa honor graduate—Rhodes Scholar Nominee—he went on to earn his doctorate at Duke University, before joining Samford's faculty in 1933. Dr. Irons also distinguished himself in World War II, rising to the rank of colonel—with 33 years active and reserve duty—a Samford faculty record.

Mr. Speaker, over 50 Alabama cities have passed proclamations or resolutions honoring this admired Alabamian—yet another record for this remarkable Alabamian. I ask unanimous consent that Dr. Irons eulogy, delivered by his former student, Dr. James Moebes, senior minister, Mountain Brook Baptist Church, be included in the CONGRESSIONAL RECORD for America to share the life of this record breaking champion athlete for the Alabama Crimson Tide, distinguished university educator and valiant colonel, who defended his nation for a third of the 20th century in war and peace.

EULOGY FOR DR. GEORGE VERNON IRONS, SR. MOUNTAIN, BROOK BAPTIST CHURCH CHAPEL, JULY 27, 1998—DELIVERED BY DR. JAMES D. MOEBES, SENIOR MINISTER, FULL MILITARY HONORS

I am the Resurrection and the Life, saith the Lord. He that believeth in Me, though he were dead, yet shall he live. And whosoever lives and believes in Me, will never ever die. The Earth is the Lord's and the fullness thereof, The world and they that dwell therein, for He hath founded it upon the seas and established it upon the floods. Who shall ascend unto the hill of the Lord or who shall stand in His holy place. He that hath clean hands and a pure heart, who hath not lifted up his soul into vanity or sworn deceitfully, he shall receive his blessings from the Lord and righteousness from the Son of God of his own salvation. For reckoning that the sufferings of this present time are not worthy to be compared with that glory shall be revealed in us. Blessed is the man who walketh not in the counsel of the ungodly, or standeth in the way of sinners nor sitteth in the seat to the scornful. For his delight is in the law of the Lord and in that law doth he meditate, day and night. He shall be like a tree planted by the streams of water. He shall bring forth his fruit in due season; his leaf shall not wither; whatsoever he doeth shall prosper.

Dr. George Vernon Irons was born on the 7th of August, 1902, in Demopolis, Alabama. His father, Dr. Andrew George Irons, was a Presbyterian minister. His father came from the Shenandoah Valley, Virginia. He was a magna cum laude graduate, Washington and Lee University in Lexington, VA. As instructor, Supt., Marengo Academy, he taught, and was interested in young people. He was always on the lookout for those that showed promise. He ran across a student, a young man named Henry Edmonds. He knew that he had some ability. He sought out Henry's father. Talked with him about his son going to college, getting an education, becoming a leader. But Edmonds' father thought his son would make a good southern plowboy. Well, Revered Irons arranged to get a scholarship for Henry Edmonds. And we owe him a debt of gratitude. Henry later, Dr. Edmonds established Independent Presbyterian Church in Birmingham, Al—A wonderful congregation. Dr. Edmonds was a man of vision and leadership and he has acknowledged Rev. Irons as a source of his inspiration and motivation in his formative years.

Dr. Irons was one who also inspired people. When he entered the University of Alabama, he had never run in an organized race before. He said he sort of started running by accident. Because when he was a freshman, the upper class students—if they found out you were a freshman—would paddle you. And he said when they stopped you, you had one of two choices: either you lied or you ran. He said: "Now Don't ask me which one I chose—I did some of both." So he became a runner! When the train whistle would sound every day, he knew he had 10 minutes to get to class and he would dash across campus, from where he lived, near the University of Alabama's campus.

Well, from such beginnings, the became known as "The South's Greatest Distance Runner," and the "Knight of the Cinderpath." During my years at Alabama, I became familiar with their yearbook—The Corolla. In the 1923 Corolla, George Irons was referred to this way. These are quotes. He was captain of the track team, captain of the cross country or distance team, and this is what fellow students said about him: "One of the true greats of Alabama athletic history. An honor man in scholarship and a record breaking athlete. That's a real man! A scholarly Christian gentleman."

Would'nt it be wonderful to write in those terms today? "Scholarly Christian gentleman." They concluded: "He has no equal in the southland." Now, an interesting thing happened while a student. Coach Wallace Wade, head football coach, sent word to the track team, that he wanted them to scrimmage his football team. Now, this was the undefeated Rose Bowl team on which Johnny Mack Brown was all-American. When I was six or seven, Johnny Mack Brown was one of my heroes. I did not know he had been all-American at the University of Alabama. I thought he had just ridden horses all his life, shot pistols. Well, Dr. Irons never backed off a good challenge, so he fired over to the practice field. And they ran an endsweep, and Johnny Mack Brown was carrying the ball with only one man between him and goal line—George Irons. Irons took him on—one on one. And he stuck him good and he brought him to the ground.

Well, years later, in a routine examination, there was an x-ray, and his physician son—Dr. George, Jr.—said to him, "Dad, do you realize you have an old fracture in your collarbone?" Dr. Irons' thoughts raced back to that autumn afternoon, and he replied, "Yes, yes, I knew it was a little stiff for a couple of weeks, but I put him on the ground!"

A Phi Beta Kappa graduate, Dr. Irons taught at the University of Alabama from 1923-1925. Then earned his Ph.D. degree from Duke University, where he taught history from 1931-1933, before joining the faculty at Howard College—now Samford University. And I see his dear friends of Samford here—so many—even standing outside our chapel—here to pay respect to this beloved and admired Alabamian. Because of Dr. Irons—Samford is one of the finest universities in America.

Then World War II came along, and Dr. Irons served as colonel in the anti-aircraft battalion, defending New York on D-Day. The War Department asked him to write field manuals for anti-air-craft weapons and searchlights. Dr. Irons said he knew those manuals had to have fallen into the hands of the Japanese, and that's why they weren't able to shoot down a single allied plane.

Well, during his 43 years as a history and political science professor at Samford—chairman of his department 25 of those years—Dr. Irons taught seventeen students who became university presidents—more than any other university educator. He was a founding member of the Alabama Historical Society in 1947. Last year they celebrated their 50th anniversary here at Mountain Brook in this chapel. And I enjoyed sharing some precious moments with Dr. Irons—our last.

But I shall never forget, I met him in 1959. Thirty-nine years, I have known, admired and loved this man! I'll never forget how, when we started an examination, he would say, "Now class, we want to have a little spread formation." So the class would spread out.

Some of you, he would say, might want to go into "punt formation." Then he would call his questions out audibly. Getting down to questions 13 and 14, he would say, "Now there were three Napoleonic battles in this era." And you'd think, "Oh, my, I only recall two." Then Dr. Irons would say: "Questions 13 and 14—you just name two. Two battles is all I want—just two. Well, classmates sighed, "Thank you Lord, Thank you." So we answered 13 and 14. Then Dr. Irons said: "Everybody ready? O.K., question 15—list the other battle." And students would pound their desktops.

Dr. Irons has a member of the Southern Historical Association, the Alabama Baptist Historical Association, the B'Ham-Jefferson Historical Association, and the John Forney Historical Association. He was past president of the Alabama Writers Conclave. Received a service plaque from the organization in 1977. He served as vice-president of the Alabama Academy of Science. Dr. Irons was awarded the George Washington Honor Medal from Freedom's Foundation at Valley Forge, PA, 1962. George Washington Honor Certificate in 1963. As director of Samford's Freedom Foundation project, the school received eighteen consecutive awards. An achievement unmatched by any other school or institution. Dr. Irons received the dedication of the Entre Nous—the university annual—on four occasions: 1941, 1960, 1969, and 1974, the student body's highest honor. No other has received that number.

Dr. Catherine Allen recalls Dr. Irons' leadership as chairman of the board of deacons at Rhuama Baptist Church during her years there. Dr. Tom Camp recalls his loyal service at Southside Baptist—as a member, Sunday school teacher, deacon and lifetime deacon—a beloved member there.

He was preceded in death by the love of his live—Velma—distinguished educator in her own right. Many folks don't realize that Dr. Irons was a distinguished member of the Alabama Sports Hall of Fame. Only Samford faculty man ever inducted. Only three have been elected to membership in the Alabama Sports Hall of Fame on the very first ballot in the history of that organization: Paul Bear Bryant, Ralph Shug Jordan and Dr. George V. Irons. They will miss him indeed at those gatherings.

He became a distinguished professor of history and political science, emeritus, 22 years of total service to Samford—65 years—a record. He was a gentle spirit—a gentle man. For me, like many of you—he was a mentor. The primary reason I minored in history. His lectures were so captivating, instructive yet entertaining. I'll always be grateful for a copy of his hand-written testimony—he shared that personal testimony wherever he went. As you might guess for a noted sportsman, he entitled it: "My Gameplan." It had three simple points. The first was: I have faith in God. He had under that particular point made reference to a hymn—"Awake My Soul—Stretch Every Never." Listen to the runner's heart and soul in this hymn: "Awake, my soul, stretch every nerve, and press with vigor on! A heavenly race demands thy zeal, and an immortal crown and in an immortal crown. A cloud of witnesses around, hold thee in full survey, forget the steps already trod, and onward urge thy way, and onward urge thy way, blest Saviour, introduced by Thee, have I my race begun, and, crowned with victory, at thy feet, I'll lay my honors down, I'll lay my honors down!"

He won 30 trophies as a record breaking champion athlete at the University of Alabama. None of those and all of them combined would not begin to have the meaning to him compared to the love of the Lord Christ. Have faith in God! Here was his second: Have faith in yourself. As a distance runner—you had better! And this is how Dr. Irons said it: "When your helper is in you (not just with you) you cannot fail in all that really counts—regardless of this world's outlook and evaluation."

Then, he concluded his personal testimony with this final point. III. Read the holy word. This is contact with your God. George Irons knew the Lord. I conclude with this part of the scripture. Do you not know, have you not heard, the Lord is the everlasting God, the creator of the ends of the Earth. He will not grow tired or weary. And His understanding, no one can fathom. He gives strength to the weary, and increases the power of the weak. Even youths grow tired and weary and young men stumble and fall, but those who hope in the Lord, will renew their strength, they will soar on wings like eagles, they will run and not grow weary, they will walk and not faint.

Thank You God—for George Vernon Irons. His wonderful, wonderful family—those who have known him best and loved him best. Who he has known best and loved so dearly. Holy Father, he has run with patience the race of life and he has brought the banner home. He has fought a good fight, he has finished his course, he has kept the faith. Thank Thee for what he has meant to every one of us. Thank Thee for George, Jr., thank Thee for Bill, grandson, great grandson—all the family. For the happiness they have shared together. For the joy they have known in life because of this wonderful man. Thank Thee for the many lives in which he has made a difference. Thank Thee, that he has taken that which was so very rough and polished a few of the edges, knocked off some of the sharp places, taught us a few lessons, and helped us to be on our way. Thank Thee for his wonderful Christian spirit—for that mountain of modesty at the center of his being, for that quick mind, for that winsome personality, for that wonderful wit. For those things in life in which he stood so very tall. Thank Thee for this Christian southern gentleman. Having shared some of life with him, may we be found the stronger for the living of life in these days. May his light always shine before us, that we would see his good works, but then glorify his father who is in Heaven. Thank Thee that he lives there now with Thee. Bless him and hold him close now and forever. In the name of the Father and of the Son and of the Holy Spirit, through Jesus our Saviour, we pray. Amen. For this Christian soldier who defended his nation for a third of the 20th century in war and peace we will close with the organ piece: onward Christian soldiers—as he requested. Please remember the words and how they related to the life of this admired and beloved Alabamian, as we stand together and depart.

THE COUNTY SCHOOLS FUNDING REVITALIZATION ACT OF 1999.

HON. ALLEN BOYD

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. BOYD. Mr. Speaker, yesterday, along with my colleague Representative NATHAN DEAL, I introduced H.R. 2389, the "County Schools Funding Revitalization Act of 1999." This legislation is based on principles that were part of a compromise agreement reached by the National Forest Counties & Schools Coalition. This bill is significant because it was developed not by a "Washington knows best", top-down approach, but rather through "a home-grown", bottom-up approach that has finally reached a consensus. This unique coalition includes over 500 groups from approximately 32 states including school superintendents (including Hal Summers, School Superintendent of Liberty County, Florida Schools), county commissioners (including the Columbia County, Florida Board of County Commissioners), educators, several labor groups, the National Educational Association and the U.S. Chamber of Commerce.

In 1908, the federal government recognized that counties with federal lands were at an economic disadvantage since the federal government was the dominant landowner in many of these communities and therefore these counties were powerless to tax these lands. Recognizing this, Congress entered into a compact with rural forest communities in which 25% of the revenues from National Forests would be paid to the states for impacted counties in compensation for their diminished local property tax base. By law, these revenues finance rural public schools and local road infrastructure. As one can imagine, these counties relied heavily on this revenue for education and infrastructure.

However, in recent years, the principal source of these revenues, federal timber sales, has been sharply curtailed due to changes in federal forest management policy, and those revenues shared with states and counties have declined precipitously. Payments to many counties have dropped to less than 10% of their historic levels under this compact. This impact on rural communities and schools has been staggering. The decline in shared revenues has severely impacted or crippled educational funding, and the quality of education provided, in the affected counties. Many schools have been forced to lay off teachers, bus drivers, nurses, and other employees; postpone badly needed building repairs and other capital expenditures; eliminate lunch programs; and curtail extracurricular activities.

Rural communities have also suffered from severe economic downturns causing high unemployment, domestic violence, substance abuse, and family dislocation. They are finding it difficult to recruit new business and to meet the demands of health and social issues associated with the displacement and unemployment. Finally, local county budgets have also been badly strained that communities have been forced to cut funding for social programs and local infrastructure to offset lost 25% payment revenues.

This issue has had a significant impact on a large portion of the congressional district that I have the honor of representing in the House, which is the Second Congressional District of Florida. It is a largely rural district in Florida's panhandle that encompasses 19 counties and two national forests, the Apalachicola and the Osceola. On May 18, 1999, Hal Summers, Superintendent of Schools in Liberty County, Florida, testified before the House Agriculture Subcommittee on Department Operations, Oversight, Nutrition, and Forestry about the various effects that the loss of timber revenue from the Apalachicola National Forest has had on the children of Liberty County.

Liberty County is a rural county with a population of about 7,000 including 1,300 schoolchildren. That is the smallest county population of schoolchildren in the entire state of Florida. It has a total land area of 525,000 acres, 97% of which is forested, with half of that owned by the U.S. Forest Service within the Apalachicola. Until recently, the forest was the mainstay of a strong local forest product-based economy, and through sharing 25% of the revenue from timber sales, provided substantial support for the local schools and government.

In 1989, the Forest Service began to manage its land in a different way, mostly to protect the habitat for the endangered red-cockaded woodpecker. It is interesting to note that Liberty County has the only recovered population of this bird in the world. Perhaps the most significant thing about these changes is not the decline in harvest, but rather the fact that in 1998 the net annual growth of timber on the Apalachicola National Forest was about 800% greater than the volume harvested. The sawtimber growth is approximately 50 times greater than the volume harvested.

The effects of timber harvest reduction on forest revenues to the 4 counties and schools districts within the Apalachicola is that the 25% payments have declined in value from a 1987–93, 5 year average (in 1998 dollars) of $1,905,000 to $220,000 in 1998; a loss of 89%. Due to this reduction, the Liberty County School District was forced to take several painful steps. These steps included reducing school staffing by 11 positions out of a total of 151; increasing the average class size from 23 to 28 students; discontinuing the enrichment programs in health, computer education, and humanities; discontinuing vocational programs in industrial arts, small engine repair, and electronics (80% of the graduates do not attend college); curtailing the school media center; eliminating certified art and music teachers from the elementary school staffs; reducing the Pre-K program, formerly the only program in the state to serve all four-year olds; and terminating a new program in technology acquisition, which would have placed the county on par with other Florida school districts.

The impacts on county government have also been very significant. The County road crew was reduced from 23 to 18 positions. This staff reduction, plus equipment obsolescence and the inability to purchase needed supplied and materials, has resulted in the deterioration of the rural road system. In 1994, the County was forced to float a $1,780,000 bond issue in order to meet current road needs. It is unclear how the county will meet its future road responsibilities in the absence of a substantial increase in the 25% payments from timber sale receipts. County employees suffered a 10% salary cut, which was partially restored following the imposition of a 1% local option sales tax and 7 cents per gallon gas tax. Finally, the Sheriff's Office and Emergency Medical Service have been forced to curtail hours and reduce services. As a result of this action, Liberty County remains the only county in Florida without an advanced life support system as part of the county emergency response organization.

However, the most far-reaching and devastating impact of these declining revenues is the adverse effect on the future of our children. An education system crippled by such funding cuts cannot train our young people in the skills needed to join tomorrow's society as contributing, functioning citizens.

In 1993, the Congress enacted a law which provided an alternative annual safety net payment system for 72 counties in the northwest region of the country, where federal timber sales had been restricted or prohibited to protect the northern spotted owl. This authority for the 1993 safety net program will expire in 2003. No comparable protection has been provided for the other 730 counties across the nation which receive forest payments. An equitable system of payments for all forest counties nationwide is needed to protect the ability of these counties to provide quality schools and roads and to allow the federal government to uphold its part of the compact.

It is clear to me that the compact of 1908 is broken and needs to be fixed immediately. That is why I have introduced the County Schools Funding Revitalization Act of 1999. H.R. 2389 contains two main provisions. First, it would restore stability to the 25% payment compact by ensuring a predictable payment level to federal forest communities for an interim 5-year period. This temporary five-year payment program would be based on the average of the three highest payments received by a state in fiscal years from 1985 until this bill is enacted. This is obviously a necessary step to arrest the current destructive downward spiral. Secondly, the bill requires the federal government to collaborate with local community and school representatives as part of the Forest Counties Payment Committee to develop a permanent solution that will fix the 1908 compact for the long term.

There are other options that have been proposed to address this problem, from decoupling forest receipt payments from forest management activities to legislating or mandating timber harvest. My view is that the welfare of schools and county governments cannot be artificially disconnected from the economic stability and social vitality of rural counties. I do not feel that either one of those options is a starter in this Congress. However, I truly believe that the consensus compromise that H.R. 2389 represents is the one possibility that could be passed.

We, the federal government, must fulfill the promise made to these communities in 1908. In the part of the country where I come from, a man's word is his bond. Together, we can fix the compact and restore long-term stability to our rural schools and governments and the families that depend on them.

AIDS EPIDEMIC IS CRISIS IN SOUTHERN AFRICA

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Ms. DELAURO. Mr. Speaker, I want to draw the attention of my colleagues to the AIDS epidemic which sub-Saharan Africa faces today. In all, 11.5 million people have died in sub-Saharan Africa since the disease emerged in the 1980's, and 22.5 million people now living with the HIV virus are expected to die in the next ten years. By the end of 1997, at least 7.8 million children in this area of Africa alone were left orphans by the age of 14 due to AIDS.

I am submitting for the RECORD these articles from the May 29th issue of the USA Today, which detail the problem.

[From the USA Today, May 24, 1999]

Time Bomb South of Sahara—U.S. Urged to Confront Reality: 20% Could Die

(By Steve Sternberg)

Soweto, South Africa.—When the AIDS virus detonates in this black township of 3 million in a decade or so, the disease will wipe out about 600,000 souls—almost six times as many people as the atomic bombs killed in Hiroshima and Nagasaki.

But unlike a nuclear blast or world war, the AIDS crisis is an explosion in slow motion, a creeping chain reaction with no end in sight. There is no sound, no searing heat, no mushroom cloud, no buildings reduced to rubble. Just one mute death after another.

Sandra Thurman has come here—to the country where AIDS is spreading faster than in any other on Earth—to break that silence.

Director of President Clinton's Office of National AIDS Policy, Thurman hopes to bring home to the American people and to Clinton the immensity of the crisis in South Africa and the other countries south of the Sahara that form the epicenter of AIDS.

To this end, Thurman and a small team of U.S. officials recently traveled through South Africa and three other countries at the heart of Africa's AIDS epidemic: Zambia, Zimbabwe and Uganda. A USA TODAY reporter and photographer accompanied them to document the ravages of what is now the No. 1 cause of death in Africa.

In all, 11.5 million people have died in sub-Saharan Africa since the epidemic emerged in the early 1980s, and 22.5 million now living with the virus are expected to die in the next 10 years, according to UNAIDS, the United Nations' AIDS agency.

Staggering as the numbers are, Thurman believes that the sub-Saharan epidemic has been met with indifference by Americans and, to some extent, by their government, which spends $74 million a year on AIDS programs in the region. In contrast, Congress this month voted to spend $1.1 billion to assist roughly 750,000 Kosovo refugees.

"When you're looking at whole generations of adults and children in jeopardy—we ought to be able to hold hands and sing Kumbaya around that," Thurman says. "We can't do anything if we can't do this."

To gauge the social and political costs of AIDS here, Thurman visited cities and shantytowns, orphanages and hospitals, taking in scenes from an epidemic.

One of Thurman's first stops was at the Javabu clinic, headquarters of the Soweto

Project—an effort to unite medical care, social support and AIDS prevention.

The project is the brainchild of Mark Ottenweller, 10 years ago a prosperous internist in a leafy suburb of Atlanta. Today, at 47, he works in Johannesburg as a medical director of Hope Worldwide, the relief arm of the International Church of Christ.

The clinic is housed in a small cluster of brick buildings on a broad lawn, bordered by the brilliant splashes of jacaranda and bougainvillea. To its beneficiaries, it's a lifeline.

Mary Mudzingwa, 35, mother of Chipo, 9, and Gift, 5, credits the Soweto Project for helping her adapt to life with HIV.

"I lost may job. I lost a place to stay. Now I stay with friends, but there's no toilet, no water. Maybe that's why my 9-year-old is always sick."

She says that one of the most difficult things about having the virus is the way it changes how people respond to you.

"Some people, I told them I am HIV-positive. They were afraid. I said, 'Don't be afraid. We look like other people.' "

Many of the people Mudzingwa was preaching to probably are infected themselves, though they don't know it.

Ninety-five percent of HIV carriers in sub-Saharan Africa have not been tested because tests are in short supply and many people deny they are at risk.

Consider the men Ottenweller comes across a few days later, on an AIDS-prevention foray into the shantytown of Klipstown, near Soweto. They grow silent as Ottenweller approaches.

"I'm Dr. Mark," he says, half in Zulu, half in English. "How many of you guys wear condoms?"

Quizzical smiles bloom on embarrassed faces. Half the men raise their hands; half seem indifferent. "I never use a condom," one man says defiantly. "I stick to one partner."

"But does she stick to you?" the doctor asks. "Come see me at the clinic when you get sick."

"Ten years from now, one-fifth of these people will be dead," Ottenweller says later. "HIV is going to hit this place like an atom bomb."

Tests of women in prenatal clinics, a group believed to reflect the infection rate in the general population, show that at least one of every five people in South Africa, Zimbabwe, Zambia and Botswana is infected with the AIDS virus.

That means those nations stand to lose at least one-fifth of their populations, a death toll that rivals the Black Plague in Medieval Europe.

In some places, the infection rates are much higher.

In South Africa, between 1991 and 1997, the infection rate on average soared from 2% to almost 18%. And in South Africa's most populous province, KwaZulu-Natal, the rate has reached 37%.

Alan Paton, in the classic 1948 novel Cry, the Beloved Country, described the province's rolling green hills as "lovely beyond any singing of it." Those lovely jade hills outside Pietermaritzburg are still there.

But there also stands a massive brick building that is overflowing with human misery beyond any lamenting of it.

The building is a hospital known as Edendale.

During apartheid, it was for blacks only. That soon will change, as part of a massive South African health reform program under way.

For now, the battered wooden benches lined up in corridors and the large anterooms in the hospital's wards are packed with black people. Some are waiting to deliver babies—8,000 are born here each year, although there is just one obstetrician on the staff.

On average, 20 children are admitted to Edendale each day. More than 60% are infected with the AIDS virus, says pediatrician Johnny Ahrens, and they often are brought in by their grandmothers or aunts because their mothers have died.

The nurses in the pediatric HIV ward, once accustomed to returning children to health, now are so over-whelmed with dying infants that they are on the brink of cynicism.

Many nurses, Ahrens says, are beginning to think: "If there's nothing you can do to help, why bother? It's just one more dying child."

Ahrens himself is furious because he thinks the government should have done something, anything to stop HIV before it took hold.

"We all knew that HIV was going to hit South Africa. It was coming down through Africa like a red tide. People were trying to warn us. But nothing ever happened.

ZAMBIA: THE CRADLE OF AFRICA'S ORPHAN CRISIS

LUSAKA, ZAMBIA.—Fountain of Hope resembles nothing so much as a refugee camp for children. And it is nearly that for 1,500 of the 128,000 orphans who live on the streets of this lush capital, with its broad boulevards and spreading trees.

This informal day school in a shabby recreation center downtown was the first stop outside South Africa for Sandra Thurman, the White House's top AIDS official, on a recent fact-finding mission to see the AID's crisis in Africa.

Each morning, the youngest victims of AIDS, ranging in age from 3 to 15, straggle in from the streets. They don't come for the books or the playground or the toys. There aren't any. And there's nothing distinctive about the rec center, built of unadorned concrete.

They come because it's better to be here than in the lonely streets, where food is scarce and companionship often involves sex with an older child. Here volunteers teach reading, arithmetic and music. And there's food—though only every other day.

Zambia once was one of he richest countries in sub-Saharan Africa. It supplied copper for the bullets the United States used during the Vietnam War.

Now this country of 11.5 million is one of the poorest—and bears the distinction of having one of Africa's largest orphan populations. In 1990, Zambia had roughly 20,000 orphans. By next year, says UNAIDS, the United Nations' AIDS organization, there will be 500,000.

"The numbers of orphans are increasing by the day," Zambian President Frederick Chiluba tells Thurman. "Street kids are everywhere, and we don't have the funding to care for them."

And they're not just concentrated in the cities. For example, the shantytowns called St. Anthony's and Mulenga's compounds, in Kitwe near the Congolese border 150 miles from Lusaka, have huge numbers of orphans—about 20% of each town's 10,000 residents.

Eventually, many orphans find their way here to Lusaka.

In 1996, when the Fountain of Hope school started, there were 50 children, outreach coordinator Goodson Mamutende says. Just three years later, 30 times that many attend classes in two shifts. Fountain of Hope staffers estimate that half the children have been abandoned; the other half have lost parents to HIV.

And with 700 HIV-related deaths each week in Lusaka along—a number so large it has caused weekend traffic jams and day-long waits in the cemeteries—the number of orphans and abandoned children continues to multiply.

Dirty-faced, wearing the cast-off clothes that are their only possessions, the children eagerly cluster around a makeshift blackboard to learn arithmetic and the alphabet. They learn to sing in unison, acting out the songs enthusiastically. "Fight child labor with an AK 47," they shout, thrusting their arms as if they were firing guns.

Nicholas Mwila, 23, who has written the words for many of their songs, is the art director.

"I take them as they are, the way I find them," he says. "I want them to dress as they do on the street. I don't encourage them to take a bath."

These "gutter kids," Mwila says, project a message to Thurman and the visiting foreigners: "The problem is real."

After school, when they return to the streets, the children beg, steal and, in many cases, sell sexual favors for food. At night, they sleep in culverts along a thoroughfare called Cairo Road.

Most prized, especially in winter, are the culverts across from a gas station. On cold nights, volunteers say, the children fight the chill by getting high on gasoline fumes or on methane inhaled from bottled, fermented excrement.

Jack Phiri, 14, traveled 150 miles to Lusaka from Ndola, in the copper belt, where statistics show that 46% of young pregnant women are infected with HIV.

Jack says his mother died in 1996 of tuberculosis—the leading killer of people with AIDS in Africa. He says he doesn't know what killed his father; staffers at Fountain of Hope are convinced the culprit was HIV.

Fiddling with the ragged edges of his cut-off jeans, Jack says he has lived on the streets since 1997. His brother has been taken in by relatives and has vanished from Jack's life. The "auntie" who took Jack refused to feed him and made him sleep outside her hut. So he stowed away aboard a train and ended up here.

The other kids in the street told him about Fountain of Hope.

"I like being here because I can go to the school," he says. "And they give you food."

Asked whether he remembers what it's like to have a family, Jack's eyes flood with tears. "He cries very easily," Fountain of Hope staffer Rogers Mwewa says. "He hasn't developed the survival skills of most of the other kids."

When he grows up, will he have a big family?

"I don't know if I'll live that long," Jack says.

Jack spends most of his nights sleeping near fast-food restaurants on Cairo Road. After dark, children clog the sidewalks, chasing anyone who might be persuaded to part with money for food.

One night recently, staffers from Fountain of Hope and an official from the Dutch Embassy dug into their pockets for money to feed 78 starving children.

Buoyed by the prospect of a meal, the children waited patiently on the sidewalk while an older child counted them. Tomorrow night, they knew, they might not be so lucky.

The Epicenter of AIDS—Uganda: Deadly Traditions Persist Amid Progress, Vaccine Test

(By Steve Sternberg)

KAMPALA, UGANDA.—Tom Kityo, the tall, animated manager of the AIDS Service Organization, stands before a map of his country, gesturing to one area after another, railing about the traditions that spread HIV.

"Here," Kityo says, "The groom's father can have sex with the bride, and that's accepted. Here, other clan members may have sex with someone's wife, and no one says anything."

Kityo blames these and other cultural practices for much of Uganda's AIDS problem. It's a situation that, while showing great improvement, still is marking this country with tragic consequences.

A year ago, U.S. officials estimated that 10% of Uganda's 20 million people are HIV-positive—with 67,000 of those infected younger than 15.

Nearly 2 million people have died nationwide since what some call "slim disease" emerged here in 1982, leaving thousands of orphans. Government statistics suggest that 600,000 children have lost one parent—and that 250,000 have lost both parents—to AIDS.

"We are fighting a lot of complex problems," Kityo says. "There are wars, cultural beliefs, a gender imbalance—these are very difficult things to change."

But change is under way in Uganda, which has done more than almost any other country in the world to slow the spread of HIV.

The evidence lies no farther away than a palm-shaded hilltop above the crush of populous Kampala, inside a sprawling white stucco compound enclosed by a tall white wall.

Once it was part of the palace of the Bagandan king, now a largely ceremonial figure whose domain straddles the equator and borders the legendary source of the Nile.

Today it serves a vastly different purpose. Known as the Joint Clinical Research Center, it is the site of the first HIV vaccine trial in Africa.

On Feb. 8, a nurse guided the first hypodermic into a volunteer's arm—the first of 40 in the trial. The man, whose name was withheld to protect his privacy, isn't just anybody.

He is a medical orderly on the staff of Ugandan President Yoweri Museveni, the most outspoken of the world's leaders on the threat posed by HIV.

Museveni's AIDS awakening came in 1986. Some after he seized power from dictator Milton Obote, Museveni get a call from Cuban military authorities who were training Ugandan troops. They told him that 25% of the men had HIV.

For Museveni, fresh from a civil war, the news was alarming. An army hobbled by disease can't fight, and Museveni had yet to consolidate his power. By the end of 1986, he had established the nation's first AIDS Control Program.

Museveni also issued an international call for help from AIDS researchers and public health organizations. And he declared his intention that Uganda play a key role in any African AIDS vaccine trials.

Five years ago, Museveni's prevention efforts began to pay off. Behavior surveys showed that Ugandans were reporting fewer casual sex partners, more frequent condom use and longer delays before young people became sexually active.

More recent studies of pregnant women demonstrate that infection rates have begun to drop. In Kampala, the infection rate among 15- to 19-year-old women fell to 8% in 1997 from 26% in 1992.

But traditional practices still exact a steep toll. Indeed, they cost Justine Namuli her life. Today, in a small family graveyard in a village two hours from Kampala, she will be laid to rest.

Hillary Rodham Clinton met Namuli, then 25, two years ago while visiting Uganda.

During the visit, Clinton planted a tree to commemorate the opening of the AIDS Information Center's headquarters. There, Elizabeth Marum, a former director of the information and HIV testing center, introduced Namuli to Clinton and Ugandan first lady Janet Museveni. "Justine was so beautiful," Marum says. "And so excited to meet Mrs. Clinton."

Clinton and Museveni listened as Namuli told her life story.

In Bagandan tradition, Namuli said, she was "heir to her aunt," meaning she was to take her aunt's place if anything happened to her.

When her aunt died of tuberculosis, Namuli was forced to drop out of school, marry her uncle and care for his children. She was 16.

At the time, she didn't know that her aunt was infected with HIV or that her uncle was infected, too. Eventually, Namuli's husband died, but not before he infected her. She, in turn, unwittingly infected one of her two sons.

Namuli quickly sought an HIV test at the information center. Learning that she was infected, she joined the Post-Test Club, a support group that emphasizes safe sex, good nutrition and "living positively." And she joined the Philly Lutaya Initiative, an AIDS education and prevention program named for a local rock star who acknowledged publicly he was HIV-positive—the Magic Johnson of Uganda. Like others in the group, Namuli spoke out about HIV and how to guard against infection.

"Imagine what this girl has gone through," Marum says. "Her mother died of AIDS. Her aunt died of AIDS. Her husband died of AIDS, and for 10 years she lived with the knowledge that she was HIV-positive."

About a dozen information center staffers and volunteers pile into two four-wheel-drive vehicles for the two-hour drive to Namuli's funeral.

The little caravan drives down the truck route, the TransAfrica Highway, connecting Mombasa, Kenya, and Kinshasa, in the Democratic Republic of the Congo.

The highway, which runs across southern Uganda, has spread AIDS here, too: The truckers carried HIV from one end of the road to the other, stopping regularly for paid sex with women who needed the money to feed themselves or their families. The women infected their boyfriends and husbands, who infected their wives and girlfriends.

Today, the villages along this road are outposts in an AIDS wasteland, peopled almost entirely by grandparents and children. The middle generation lies in village graveyards.

One grandmother, Benedete Nakayima, 70, says she has lost 11 of her 12 children to HIV—six daughters and five sons. She now cares for 35 grandchildren with the help of her surviving daughter.

At the Namuli funeral, Marum reads a letter from the U.S. first lady, wishing Namuli a speedy recovery.

Sandra Thurman, the Clinton administration's top AIDS official, who is visiting here in her last stop in a tour of four sub-Saharan countries assaulted by AIDS, was to have delivered the letter to Namuli's bedside at Mulago Hospital on Feb. 7.

She was too late.

Namuli died of pneumonia two days earlier—because Mulago Hospital lacked a working oxygen compressor that might have helped her through her respiratory crisis.

Her two sons, Moses, 5, and Isaac, 7, have joined the ranks of Uganda's orphans.

"We are going to sing a song of thanks that she died in Christ," says the preacher, wearing a black suit in bold defiance of the searing midday sun. He consults a hymnal that has been translated into Lugandan, the Bagandans' native tongue. He leads almost 100 men, women and children in Jesus, I'm Coming.

Soon, it is Lucy Mugoda's turn to speak.

Mugoda, one of Namuli's co-workers at the information center, wastes no time on platitudes or prayers. She has a message: HIV holds no respect for tradition; it seeks simply to perpetuate itself through any means possible.

Namuli died, Mugoda says, not because she was promiscuous or willfully engaged in risky behavior, but because she accepted her traditional obligations as "heir to an auntie."

"Let her death serve as an example that not all the old traditions are good," Mugoda says.

"This tradition is death."

HEALTH OF THE AMERICAN PEOPLE

SPEECH OF

HON. DEBORAH PRYCE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 30, 1999

Ms. PRYCE of Ohio. Mr. Speaker, I rise today to add my voice to those who seek to raise awareness about the importance of biomedical research to call attention to the invaluable benefits of biomedical research and to the necessity of making a sustained, significant commitment to research efforts at NIH, our nation's premier research institution. I encourage all of my colleagues to join me in supporting a doubling of the National Institute of Health's budget, including the budget of the National Cancer Institute, over five years.

The Federal investment in cancer research makes sense and saves dollars by unlocking the answers to how cancer is best detected, treated, and prevented. These answers will reduce health care costs and save lives. The costs, both human and economic, of cancer in this country are catastrophic. The human costs in terms of lives lost are immeasurable, and the economic costs exceed $107 billion annually. Our national investment in biomedical research is the key to containing spiraling health care costs, as every $1 invested in research saves $13 in health care costs. Yet, the amount we invest in cancer research today is equal to only 2 percent of the health care costs attributable to cancer. And while cancer is a greater threat than ever, only 31 percent of approved cancer research projects receive funding. Our goal should be to quicken the pace of research by funding at least 45 percent of research initiatives. A much more aggressive effort is required to combat cancer and to reduce human suffering and lives lost to the many forms of this devastating disease.

According to a 1994 NIH report, approximately $4.3 billion is invested in clinical and translation research, which means $9.3 to $13.6 billion is shaved off annual health care costs. As a result of a research investment of $56 million over 17 years, $166 million is saved annually in the care of testicular cancer, a 91 percent cure rate has been achieved, and life expectancy has increased by 40 more years. And, a research investment of $11 million in the management of breast cancer has saved $170 million annually in breast cancer treatment.

More cancer research could prevent cancer, save more lives, and benefit the economy, as well. Eighty-five percent of the National Cancer Institute's (NCI) budget creates jobs and funds researchers across the country. And NCI research provides the foundation for innovative new cancer drug development—316 new medicines were in development last year. Since 1993, the number of cancer drugs in development has increased 155 percent.

More biomedical research at NIH overall is critically important. Indeed, the sharing of medical innovations across scientific and medical disciplines benefits all research. For example, AIDS research has advanced cancer research and research on maternal health has been applied to arthritis research.

Research pays for itself many times over by creating American jobs, supporting U.S. businesses, and strengthening the U.S. economy. Notably, NIH-funded research generates $17.9 billion in employee income and over 726,000 jobs in the pharmaceutical, biotechnology, and medical fields. Overall, NIH-funded research contributes $100 billion annually to the American economy.

Doubling the budget of the NIH and the NCI will enable extraordinary opportunities for research success and real progress in cancer prevention, detection, treatment, and survivorship. To make a real difference in the lives of the 1 in 2 American men and 1 in 3 American women who will develop cancer over his or her lifetime, we must dramatically increase our Federal investment in cancer research.

TRIBUTE TO AMBASSADOR YORAM BEN-ZE'EV

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. SHERMAN. Mr. Speaker, today I rise to honor Ambassador Yoram Ben-Ze'ev as he steps down as Consul General of Israel in Los Angeles and is promoted to Deputy Director General for North American Affairs in the Foreign Ministry of Israel.

It is not often that a member of this House rises to pay this high honor to a foreign diplomat. As one of the most effective diplomats and committed servants assigned to represent his country in the United States, Yoram Ben-Ze'ev is one truly worthy of this distinction.

Throughout his career, he has worked to improve relations between Israel and other nations, serving from Hong Kong, to the Foreign Ministry in Jerusalem, to Los Angeles. Ambassador Ben-Ze'ev has served since 1993 as the Deputy Director General for the Middle East Peace Process; and since 1995 as Consul General, based in Los Angeles and responsible for the Western States.

He has been intimately involved in the peace process negotiations which have transformed Israel's relations with the world. All the while, he has effectively ensured that the people of the Western United States can do business with Israel, travel to that country, and understand its rich culture and history. He has done much to strengthen the relationship between the United States and Israel.

As Israel looks to this next and most critical phase of the peace process, Ambassador Ben-Ze'ev will no doubt once again provide exemplary service to his country, contribute to its security and stability, and strengthen the US-Israel partnership.

Once again, Mr. Speaker, distinguished colleagues, please join me in honoring this most distinguished diplomat and public servant for his tireless work on behalf of friendship between the Israeli and American people. Let us extend our best wishes to Yoram and his wife, Iris, as they return to Israel.

THE TOWN OF WAWAYANDA SESQUICENTENNIAL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. GILMAN. Mr. Speaker, I call to the attention of our colleagues an agrarian Town in my District that is rich in heritage and tradition. These fine qualities and the town's deep rooted 150 year history will be acknowledged on August 7th at the Wawayanda Sesquicentennial Celebration.

Located in Western Orange County, the town of Wawayanda is comprised of 22,000 acres or 33.6 square miles of land. This land supports Wawayanda's thriving farm production. Seeded in New York's fertile "Black Dirt Region" and surrounded by the Wallkill River and the Indigot and Rutgers Creeks, Wawayanda has established itself throughout it's 150 year history as one of New York's finest farming towns. Wawayanda provides a generous amount of natural resources such as dairy products, grain and vegetable crops, lettuce, pumpkins and onions.

Also being celebrated is the Town's deep rooted heritage. This including historic buildings and museums that go back to the early 1800's. The Dolson family, the Gardner family and the Davis family are just a few of the early settlers immortalized in the Town of Wawayanda. Wawayanda maintains is storied heritage in the buildings and town areas that carry the names of those who originally settled there. Many of these people colonized Wawayanda just after the Revolutionary War. The first town census in 1855 totaled at 2,069. Today Wawayanda boasts a population of 5,518.

Wawayanda also boasts a great commercial asset in Interstate Route 84. Route 84 acts as a commercial crossroads, plugging Wawayanda into surrounding towns as well as both Pennsylvania to the west and New England to the East. Route 84 is an exceptional asset to the economy of Wawayanda. It provides a means of farm export and opens other areas of New York. This road enables the beautiful Town of Wawayanda to share its assets with others. People can travel Route 84 to experience Wawayanda's lush landscapes and surrounding waterways. Route 84 opens up the beautiful Town of Wawayanda, enabling it to be experienced by others.

Congratulations on this day should be given to those who made the Sesquicentennial possible. The efforts of Town Supervisor Thomas De Block, his Town Council, and the Sesquicentennial Committee should all be commended. If not for these people's pride and dedication to their town the celebration of this Town's history would not have been possible. Their efforts are indicative of the pride and tradition that makes this Town so special.

Accordingly, I invite my colleagues on August 7, 1999, to recognize the Town of Wawayanda in New York State for its 150 years of rich tradition and excellence in America.

CONTINUING CRISIS IN KASHMIR

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. McCOLLUM. Mr. Speaker, I rise today to express my concern for the ongoing conflict in the Kashmir region of India. This crisis is nearing a turning point for which the outcome is far from being clear. It is extremely important that in addressing this turning point, the United States should act pursuant to its own national and strategic interests rather than succumb to the allure of simplistic short-term "arrangements."

The conflict in Kashmir has been unfolding for nearly two months now. The Kargil crisis erupted in early May when the Indian Army discovered the infiltration of Pakistani regular troops and an assortment of ISI-sponsored Mujahideen into the northern parts of Indian Kashmir. From these captured positions, the Pakistani forces were close to being able to disconnect India's national highway—the blood line to the country's uppermost northern regions. In the fighting that has since ensued, the Indian Army was able to first contain the infiltration and then doggedly evict the Pakistani forces from positions inside India. This fighting, conducted in the extremely rugged and high-elevation terrain of the Himalayan mountains, still continues as Indian troops climb one mountain after another to dislodge the Pakistani forces sheltered at the peaks. The Indian government is determined, and rightly so, to evict all the infiltrators.

While taking place in a remote and desolate part of the world, the Kargil fighting is not conducted in isolation. In threatening the Indian national highway, the Pakistani intrusion has been of strategic significance—and so is its defeat. Therefore, the stakes are very high for both New Delhi and Islamabad. Indeed, fully aware of the explosive character of the Kargil crisis, New Delhi has instructed the Indian Army to operate only within Indian territory in removing the infiltrators, despite the military expediency of operating in the rear of the enemy and a higher cost in Indian casualties due to frontal assaults on towering peaks.

Presently, with the fighting in the Kargil area stabilizing in India's favor, Pakistan is in dire need for a dramatic breakout to salvage some achievements from an otherwise doomed strategic gambit. Moreover, Beijing—Pakistan's closest ally and strategic patron that has its own territorial claims for parts of Indian Kashmir—is expressing growing interest in the outcome of the crisis. The People's Republic of China (PRC) is ready to intervene in the crisis in order to safeguard its own strategic interests.

In order to meet the prerequisites of such a breakout Pakistan has been pursuing a twin track policy:

On the one hand, Islamabad has been threatening the escalation of the crisis into a major war that, given the declared nuclear status of both protagonists, might escalate into a nuclear war. In order to ensure that Islamabad's threat of war is considered credible, the Pakistani Armed Forces have undertaken several steps since mid June. Pakistan put the Armed Forces on "red alert", sent the Navy out to sea, is moving military reinforcements to the border with India, parading units through the streets of cities and towns, is conducting civil and home defense exercises for the population, as well as deploying air defense forces to all airports and key civilian sites.

On the other hand, Pakistan, with Beijing's active support, has been raising the possibility of a "negotiated settlement" to the Kargil crisis. In these political initiatives, the Pakistanis stress the need to resolve the crisis before it escalates out of control and a major, and potentially nuclear, war erupts. In reality, Islamabad is desperate to extract tangible gains from the cross-border intrusion of its forces before they are defeated and evicted by the Indian Army. And it is in these circumstances that the proposed negotiated solutions for the Kargil crisis are being offered.

The most popular "package deal" which the Clinton administration seems to favor at this juncture calls for Islamabad's quiet an un-acknowledged withdrawing of the Pakistani troops in return for the opening of an international negotiations process over the entire Kashmir problem. Such dynamics, the deal's proponents tell us, will provide Pakistan with a "face-saving" outlet out of the armed conflict before it escalates into a wider war.

However, there are many pitfalls in this approach. In all political discussions to-date, the Pakistani forces involved are still formally defined as "militants"—thus absolving Pakistan of the formal responsibility for what can otherwise be termed an act of war. Further more, the mere international acceptance without challenge of the Pakistani excuse that these "militants" are operating in an area where the Line of Control (the Indo-Pakistani cease-fire line in Kashmir) is not properly delineated and that therefore these "militants" are actually on Pakistani soil, contradicts the 1972 Simla Agreement between India and Pakistan. This argument is therefore making a mockery of any such bilateral agreements at the very moment both New Delhi and Islamabad are being urged by the international community to negotiate and ultimately sign yet another agreement on the 'Kashimer problem." Then, the commonly discussed percept of the "Kashmir problem" refers to the conditions of the Muslim population living in the Kashmir valley. Thus, the negotiations will delve on the fate of the Indian held part of Kashmir even though India, Pakistan and even the PRC each controls wide segments of the British-era Kashmir.

Ultimately, international acceptance of these principles will reward Pakistan for its armed aggression and punish India for its self-restraint in evicting the intruders. Moreover, any political outcome in which Pakistan's interests are met will also reward Beijing. The PRC, one should note, has just tested in a major military exercise in nearby Tibet, a quick reaction intervention force optimized for the region's rugged terrain. Moreover, the new strategic posture at the heart of Asia that will emerge from these negotiations will serve as a precedent for similar aggressive wars-by-proxy that could then be repeated and adopted throughout the developing world to the detriment of the interests of the United States and its Western allies.

Mr. Speaker, in our pursuit to defuse a brewing crisis before it escalates into a war we should not ignore the overall enduring strategic interests of the United States. The United States does have long-term vital interests in Asia. Democratic and pro-Western India is a bulwark of stability in a region rife with such anti-U.S. forces and mega-trends as the hegemonic ascent of a PRC determined to become the regional supreme power at the expense of the United States, the spread of radical militant Islam and Islamist terrorism, as well as the acquisition of weapons of mass destruction and long-range delivery systems by rogue states. At the same time, free access to the energy resources of Central Asia is crucial for the long-term economic development of the United States, while the sea lanes of communications in the Indian Ocean sustain the West's commercial relations with East Asia.

Thus, any 'Kashmire" agreement based on the principles mentioned above will weaken India, reward and encourage the anti-U.S. forces, and will thus adversely affect the long-term national interests of the United States.

It is, therefore, in the self-interest of the United States to pursue a negotiated process that will take into consideration the U.S. quintessential dynamics and interests in the region and will thus secure the American national interest. Such a process might take longer to define and be more intricate to attain. However, a genuine solution to such a complex problem as the Kashmir dispute will most likely endure future trials and tribulation. Thus, a genuine solution will ensure at the least a semblance of stability in a turbulent region that is of great importance to the United States. Congress should therefore encourage the Clinton administration to adopt such a principled approach to formulating the U.S. position toward the Kargil crisis. Congress should make sure the U.S. position does not reward aggression, challenge the viability of the principle that legitimate international agreements remain valid and not vulnerable to the sudden expediency of one signatory or another, and support the creation of a conducive environment for the genuine solution of the entire Kashmire problem—that of the areas held by India, Pakistan, and the PRC. Further more, we should congratulate the Indian government for the responsibility, maturity and self-restraint demonstrated in this crisis and encourage it to stay the course despite the mounting pressures.

TRIBUTE TO THE LATE GEORGE W. "WILL" GAHAGAN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. FARR of California. Mr. Speaker, today I would like to note the passing of a prominent American citizen, George W. "Will" Gahagan, who died in Carmel, California on December 8, 1998 at the age of 86.

Will was a man of broad interests, and notable achievements. He was well-educated, graduating in 1949 from Dartmouth, and worked as a newspaper reporter, federal public relations officer and foreign press liaison officer at the 1945 inaugural United Nations conference in San Francisco. Will attended Harvard during his graduate years, and in 1957 received his master's degree from Stanford University. During his Dartmouth years he met the poet Robert Frost, who was on the faculty, and later founded the California Friends of Robert Frost, non-profit organization that helped establish Frost Plaza in San Francisco, Mr. Frost's birthplace.

Will was an educator as much as he was a student. He taught English for 15 years at high schools, including Tularcitos, Junipero Serra High School and Santa Catalina School in Monterey. He also taught at an international school in Rome. His students benefited greatly from his tuteledge and enthusiasm for learning.

Will's contributions to Monterey County were as far-reaching as his range of interests. He wrote a column "Word Wise" for the Monterey Herald, produced and hosted a foreign affairs television program in Salinas, and wrote a guidebook about the Monterey Peninsula. He worked with many local organizations including the Carmel Foundation, the World Affairs Council, the Carmel City Planning Commission and the Carmel Library. Will helped create the Dennis the Menace Playground in Monterey, and helped raise $250,000 for the Robinson Jeffers Tor House in Carmel. He was a member of the senior and super-senior national tennis teams, successfully competing in tournaments in Canada and Europe. Will has been inducted into the Dartmouth College Athletic Hall of Fame.

No list of accomplishment can represent the generosity of spirit, the vitality, and the intelligence that Will demonstrated every day. Will is to be remembered as an exemplary human being. He is survived by his wife Lorna; his sons Michael and Mark; his daughters Tappy and Lissa; his brother John; and, seven grandchildren. He will be sorely missed by all who had the privilege of knowing him.

MR. JOHN TOPOLEWSKI AWARDED FRANCE'S KNIGHT'S CROSS OF THE FRENCH LEGION OF HONOR

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. KAPTUR. Mr. Speaker, I rise with great pride to honor a 104 year old veteran in my district. John Topolewski was awarded France's Knight Cross of the French Legion of Honor on Wednesday, June 16, 1999 in Toledo, Ohio. The Knight's Cross is the highest award given by France to citizens of other countries. The award was presented to Mr. Topolewski by France's Consul General Alain de Keghel, the second ranking French official in the U.S., in front of a replica of the troop train which transported U.S. troops to France in World War I. Mr. Topolewski was one of those "Doughboys' and a member of the 82nd Infantry Division. The nation of France has bestowed the Knight's Cross upon John Topolewski for uncommon valor in the trenches as he fought in the United States Army during World War I.

The Greek historian Thucydides wrote "remember that this greatness was won by men with courage, with knowledge of their duty, and with a sense of honor in action . . . but the bravest are surely those who have the clearest vision of what is before them, glory and danger alike, and yet notwithstanding go out to meet it." As a young man at the dawn of his adulthood, John Topolewski embodied these words. He acted because he thought it his duty to his comrades, his country, and the world, not out of a desire for recognition, glory or awards. Consul General Keghel told him as he gave him the medal "More than two million American soldiers were sent across the Atlantic Ocean. The French have not forgot their bravery more than eighty years later. Today it is your turn, Mr. John Topolewski, to be honored. You served in dangerous conditions. You belong for sure among the veterans here."

John Topolewski stands today as a symbol of thousands of nameless heroes of that first great world wide conflict, and the ones which followed. He is a reminder of the humanness in war, of sacrifices made to preserve liberty and regain freedoms withheld. Although I was unable to personally be with him as he received this belated honor, I salute John Topolewski, and thank him on behalf of the people of our nation and freedom lovers world-wide.

RECOGNIZING NATIONAL NEED FOR RECONCILIATION AND HEALING AND RECOMMENDING A CALL FOR DAYS OF PRAYER

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. MOORE. Mr. Speaker, last week the House failed to suspend the rules and agree to a resolution that would have recommended that our nation's leaders call for a day of prayer, fasting, and humiliation before God. The Wichita Eagle, a leading Kansas newspaper, asked the Kansas U.S. Representatives to provide a statement explaining their votes on this proposal. I want to take this opportunity to include my response letter in the RECORD.

CATHY WILFONG,
Wichita Eagle.

DEAR MS. WILFONG: On June 29, 1999, I was asked to vote on House Concurrent Resolution 94, a resolution asking that Congress "... call the people they serve to observe, a day of solemn prayer, fasting, and humiliation before God." I voted against the resolution. Here's why:

As a citizen, I value my own religious freedom so very much that I would be insulted if Congress told me how to pray, or how to honor and how to reconcile my relationship with God. In fact, our country was formed by people who came here seeking religious freedom and seeking to escape the tyranny of a king in England who told them how to pray and what kind of religion they would practice. One of the wonderful things about our country is that every person has an opportunity to practice (or not practice) religion exactly as he/she wishes.

For me, religion is an intensely personal thing. I would never presume to tell somebody else how to pray or practice religion. And I would not appreciate anybody doing that to me.

I was struck by the language in the House Resolution which stated that "... it is the necessary duty of the people of this Nation not to only to humbly offer up our prayers and needs to Almighty God, but also in a solemn and public manner to confess our shortcomings ..."

I invite the authors of this resolution to read Matthew 6:5-6. According to my Bible, Jesus said: "And when you pray, you must not be like the hypocrites, for they love to stand and pray in the synagogues and at the street corners, that they may be seen by men. Truly, I say to you, they have received their reward. But when you pray, go into your room and shut the door and pray to your Father who is in secret; and your Father who sees in secret will reward you."

Just maybe our founding fathers had it right. In matters of faith, perhaps it is best that people have the freedom to practice religion as they wish without instruction from their government or from Congress.

Very truly yours,

DENNIS MOORE,
Member of Congress.

RECOGNIZING MR. EDWARD "ED" RENFROW, STATE CONTROLLER OF NORTH CAROLINA

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. ETHERIDGE. Mr. Speaker, I rise today to call the attention of the Congress to State Controller of North Carolina Edward "Ed" Renfrow of Smithfield, NC.

On March 19, 1999, the Joint Financial Management Improvement Program (JFMIP) presented Mr. Renfrow with the distinguished 1998 Donald L. Scantlebury Memorial Award for Distinguished Leadership in Financial Management Improvement at their 28th Annual Financial Management Conference in Washington, DC. The JFMIP is a cooperative initiative of the General Accounting Office (GAO), the Office of Management and Budget, the Department of the Treasury, and the Office of Personnel Management to improve financial management practices and policies in the public sector.

The Scantlebury awards were named for the former Chief Accountant of the GAO, and were established to give the highest recognition to government executives who have demonstrated outstanding leadership and improvement in financial management in the public sector. The award was presented to Mr. Renfrow by David M. Walker, Comptroller General of the United States.

Governor James B. Hunt of North Carolina nominated Mr. Renfrow for the award stating, "Throughout his distinguished career, Ed Renfrow has served the citizens of North Carolina by providing sustained, high quality leadership in financial management at both the state and national levels. Ed has been a strong voice for fiscal accountability and responsibility within government and has been instrumental in reducing costs and promoting the efficiency, effectiveness and economy of government operations. The awards committee could not have recognized a more accomplished leader in the area of financial management and I congratulate him on this prestigious award."

Mr. Renfrow has distinguished himself through a lengthy career of public service to the people of North Carolina. I am proud to say that I share personal and professional paths with Mr. Renfrow, both of us having grown up in Johnston County and serving together on the North Carolina Council of State from 1989 to 1993. Mr. Renfrow began his career of elective public service in 1974 when he was elected to the North Carolina General Assembly, serving three 2-year Senate terms. In 1980, Mr. Renfrow began his first of three 4-year terms as North Carolina's State Auditor. Mr. Renfrow's current position as North Carolina's State Controller began in 1993 with his appointment by Governor Hunt and subsequent confirmation by the General Assembly. His current term as State Controller ends on June 30, 2001.

I encourage my colleagues to join me in congratulating Edward "Ed" Renfrow on this most recent award, continuing recognition of his long career of public service.

"THAT'S WHAT AMERICA MEANS TO ME"

HON. DAVID D. PHELPS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. PHELPS. Mr. Speaker, I have been fortunate enough to hear from American citizens from all walks of life. I have heard the many voices throughout this nation about what this country means to them. They have expressed their appreciation, love, gratitude and pride for America. I have heard from the veteran who has voiced strong convictions about the value of military service and the sacrifice of men and women who made this country free. I have listened to the educators and students share their dreams and aspirations for the future. And I have learned from citizens who speak from their hearts about our moral obligation to help the poor, the homeless, and destitute. But, possibly, louder than anyone, I have heard from the silent majority; those who never wave banners, or hold protest rallies, but faithfully take their privilege to vote seriously and always find their ways to the polls. These expressions of pride, deep commitment to principles, and faith in God and Country tell about the greatness of this country.

Mr. Speaker, I have incorporated all of these important ideals in this song I wrote several years ago about my love for this Country. Tomorrow is the Fourth of July, a day that has a very special meaning to me, the Nation, and all the Members of this body. I hope we can all enjoy this song and I am honored to have this opportunity to put it in the CONGRESSIONAL RECORD.

"That's What America Means to Me"

Verse

A place where you can speak your mind and firmly disagree.
If you believe in what you say
just say what you believe.
Where you can choose to work and live
or where you want to pray.
The Land of opportunity;
you can do it your own way.

Chorus

That's what America means to me
Where dreams come true;
It's up to you to be what you want to be.
Though silent your voice will be heard
That's what America means to me.

Verse

Your rights are guaranteed;
they're written down in history.
We help the poor and weary;
we feed the hungry.
Protecting our honor, defend it we must.
We still do pledge allegiance
and still in God We Trust.

RESEARCH DEBATE DESERVES OUR ATTENTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mr. HYDE. Mr. Speaker, John Kass, a columnist with the Chicago Tribune has written another important article on a sensitive subject, fetal research. I urge my colleagues to read it carefully.

[From the Chicago Tribune, July 1, 1999]

RESEARCH DEBATE TACKLES NEW WORLD SOME DARE NOT BRAVE

(By John Kass)

A discussion begins in Washington on Thursday. It's not about sex or money. It's not about scandals or interest rates or war.

So it might not get the media coverage it deserves.

But it could be the most important debate of our generation. It will determine whether we're going to make it easy on ourselves to make a bargain with science and the future.

Depending on how it comes out and what we settle for, it will determine what kind of human beings we will become, as science moves quicker than our ability to understand its consequences, in areas from human cloning to fetal stem cell research.

And it will answer a question:

Is it right to take human beings and process them as resources to benefit other human beings?

About 100 doctors and scientists have signed a statement from the Center for Bioethics and Human Dignity to oppose something horrible—embryonic and fetal stem cell research, which uses aborted children and viable fertilized embryos to develop cures for some diseases such as Parkinson's and Alzheimer's.

At the news conference, the doctors are being joined by U.S. Sen. Sam Brownback, the joined by U.S. Sen. Sam Brownback, the Republican from Kansas, who is expected to lead a fight against changes in federal policy that now allows the research.

The National Institutes of Health already supports and finances the research using fetuses. Now, the NIH wants to use embryos too.

Among those opposing the research is former U.S. Surgeon General C. Everett Koop.

Some scientists argue that they need the human "material," as they call it, to study how the mind works, in order to attack the horrible diseases.

But doctors who have signed the document say that's wrong. Stem cell research on brain diseases is in its early stages, and there are other means to grow the cells to attack brain diseases.

Sen. Brownback said it is important to realize that the ethical line of using human life for stem cell research need not be crossed.

"For those who say there are moral and ethical issues on the other side, who say we have the moral responsibility to solve diseases like Parkinson's, I say, look at the other possibilities that we have," Brownback said Wednesday in an interview.

"We don't have to give up on solving Parkinson's. We have other ways of doing it. And that seems to be a prudent way to proceed," he said. "It's almost every week that another study comes out about advances in adult stem cell research. Let's not get into the situation where you go into all these legal and ethical issues—you'd have enormous ethical and moral issues here, and you shouldn't jump into it."

The debate over the use of fetal brain tissue in experiments was touched on in this space Monday. And I could hear the angry howling.

I'm not opposing science, or research, or organ donation, or any other reasonable practice. Organ donors offer their consent to have their bodies used by science.

But aborted children don't have that opportunity. They're not asked to give their consent. And they are used in stem cell research to help adults fight brain diseases.

Fifty years ago, the Nuremberg war crimes trials led the world to promise never to use human life in scientific experiments without consent. But now we're changing our minds, in order to win a scientific benefit.

And we cannot make a political deal on this issue without publicly and fully discussing the consequences of such selfish thinking.

Some people argue that to oppose this research is to condemn people with Parkinson's to death.

U.S. Sen. Richard Durbin (D–Ill.) thinks so. Though we disagree on this issue, he should be heard too.

"I think this is valuable research," Durbin said. "We have to set up safeguards that will keep it from becoming commercialized. The important thing about these (fetal) neural cells is that they may be able to help in cases that we can do nothing about now, conditions like that which keep Christopher Reeve in a wheelchair."

But there are other ways to obtain stem cells, according to the Center for Bioethics and Human Dignity. And even if there weren't other ways, using human babies and embryos should not be allowed.

Stem cells can be obtained from the living human nerve tissues of consenting adults and from adult cadavers, according to researchers. Like the fetal stem cell research, all of this is experimental.

Here's one reason why the fetuses and embryos are used. It's easier. They're available.

And that's the problem.

Because it is easy, and because there is promise in the research, we might be willing—through small steps we don't even notice at the time—to barter something away.

Our humanity.

WORLD HERITAGE COMMITTEE MEDDLING IN THE INTERNAL AFFAIRS OF SOVEREIGN NATIONS—YET AGAIN

HON. HELEN CHENOWETH

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

Mrs. CHENOWETH. Mr. Speaker, can you believe that the Clinton-Gore Administration may be working with the United Nations to override a decision by the sovereign, duly-elected government of Australia regarding an internal land-use issue in that country?

On July 12th the World Heritage Committee of the United Nations Educational Cultural and Scientific Organization (UNESCO) will meet in Paris, France for the purpose of stopping the proposed Jabiluka uranium mine near the Kakadu National Park in the Northern Territory of Australia. Mine opponents were unable to persuade the Australian people and their government to stop the mine, so they have appealed to the World Heritage Committee (WHC) of the United Nations. Since Kakadu National Park is a U.N. World Heritage Site, environmental and anti-nuclear activists want the WHC to have Kakadu declared "In Danger," thus making mine construction very difficult.

The United States is a Member of the 21 nation World Heritage Committee, and the Clinton Administration is being lobbied by U.S. environmental and anti-nuclear activists to oppose Australia and vote in favor of the "In Danger" designation. The important issue here is protection of the rights of people in the democratic process of a soverign nation from interference by international bureaucrats with no accountability whatsoever. The Jabiluka mine decision fundamentally affects citizens of Australia and a global organization should not be ceded that role and its associated powers to in which affected Australians have no representation. If the United States does not oppose this interference of the WHC in Australia's internal affairs, then we will hardly be able to complain when the WHC shows up on our doorstep to review some land-use decision in this country.

I would like to put this letter signed by 40 of my colleagues in the RECORD. The letter urges President Clinton to direct the U.S. Delegation to the World Heritage Committee in Paris not to meddle in the Jabiluka issue in which the United States has no clear national interest—nor any business in becoming involved. I also want to put a newspaper article in the RECORD from the Sydney, Australia Daily Telegraph. This article provides crucial background information on this important issue. I urge every Member to become familiar with this very serious issue.

CONGRESS OF THE UNITED STATES,
Washington, DC, July 1, 1999.

Hon. WILLIAM JEFFERSON CLINTON,
President of the United States of America, The White House, Washington, DC.

DEAR MR. PRESIDENT: As you know, the House of Representatives approved for the third consecutive Congress the American Land Sovereignty Protection Act (H.R. 883) which increases congressional oversight of UNESCO's World Heritage and Biosphere Reserve programs.

This legislation, which has 183 bipartisan cosponsors, is partially a response to the international World Heritage Committee's meddling in a dispute regarding a proposed gold mine located on private property outside the boundary of Yellowstone National Park. Yellowstone has been designated as a World Heritage Site. The World Heritage Committee, a collection of unelected United Nations bureaucrats, voted in Berlin, Germany to declare Yellowstone a World Heritage Site In Danger in an effort to stop the mine. The Committee did not seek local or U.S. congressional input, but acted after only a brief visit to the park in 1995.

All permitting decisions regarding the mine were being considered pursuant to relevant state and federal laws including the National Environmental Policy Act. Actions taken by the World Heritage Committee were intended to short-circuit these laws and influence land use policies in the United States. In short, it amounted to a significant threat to the sovereignty of the United States. Any decision regarding this proposed mine should have been made by U.S. citizens and their elected officials; not by a committee of enelected United Nations bureaucrats meeting in Germany.

We understand the World Heritage Committee, of which the United States is a member, will meet on July 12 in Paris to consider designating the Kakadu National Park in Australia as a World Heritage Site in Danger in an effort to stop the proposed Jabiluka uranium mine which is located near that park—a situation remarkably similar to that in Yellowstone.

The duly elected Government of Australia has performed exhaustive studies regarding the environmental impact of the Jabiluka Mine. Based on these studies, it has concluded that a properly regulated mine will not impair the park. Consequently, Australian government authorities have issued the necessary permits for the mine to proceed, and the Australian government strongly opposes any intervention by the World Heritage Committee.

Australia's environmental record is exemplary. There is another nearby mine, the Ranger mine, which has successfully operated for many years without impairing the park. In fact, one color picture used by the Australian Wilderness Society in its 1999 annual calendar showed an idyllic wilderness scene of Kakadu with the oft-photographed Mt. Brockman in the background and a lovely picturesque lake in the foreground. The lake—home to frogs and crococdiles—also happens to be the Ranger mine's man-made retention pond.

As in the case of Yellowstone, any dispute regarding an Australian mine should be settled by the citizens of Australia working with their elected leaders—not at some obscure World Heritage Committee meeting thousands of miles away in Paris. Our government has no business engaging in exercises of eco-imperalism that undermine the sovereignty of Australia's elected government.

Any action by the U.S. delegation to support a World Heritage Site in Danger status for Kakadu could threaten our foreign relations with Australia which historically has been among our strongest allies. We strongly urge you to direct the U.S. Delegation to the World Heritage Committee in Paris not to meddle in the Jabiluka issue in which the United States has no clear national interest—nor any business in becoming involved.

Sincerely,

Helen Chenoweth, Don Young, Greg Walden, John Doolittle, David McIntosh, Jack Metcalf, Tom Tancredo, Jim Gibbons, Bob Ney, Ron Paul, Van Hilleary, John Shadegg, Joe Knollenberg, Barbara Cubin, John Peterson, Rick Hill, Richard Pombo, Bob Schaffer, George Radanovich, John Hostettler, Frank Lucas, Mike Simpson, Tom Coburn, J.D. Hayworth, Sam Johnson, Asa Hutchinson, Dana Rohrabacher, Roscoe Bartlett, John Duncan, Donald Manzullo, Dave Weldon, Tom DeLay, Jo Ann Emerson, Kevin Brady, Doc Hastings, Bob Stump, Bob Barr, Scott McInnis, Wally Herger, Duncan Hunter,

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PITTING EMOTION AGAINST REALITY

Maybe, just maybe, the UN is at last showing some spine on environmental and indigenous matters.

It's a big maybe but at least the UN's World Heritage Commission has given the Australian Government six months breathing space to counter the scurrilous propaganda put out by environmentalists and some Aborigines about the development of the Jabiluka uranium mine adjacent to Kakadu national park.

The report, prepared by a committee chaired by Italian Francesco Francioni, is undoubtedly one of the most egregious documents ever to come out of UNESCO.

Environment Minister Senator Robert Hill was not exaggerating when he damned it as "biased, unbalanced, and totally lacking in objectivity".

At a time when the United Nations' misguided committees are coming under more fire than ever before, this sort of criticism from a senior figure in a democratic government, unlike most UN members, will attract the concern of senior people up the UN ladder. And it should.

Dr. Francioni's group not only failed to take into account material on Jabiluka which would have added some balance to its report, it actively avoided witnesses who could have shed informed light on the issue and attempted to impugn the integrity of others.

Instead it was spoon-fed the usual pap from green and Aboriginal activists and a mishmash of scientific data from so-called experts who hadn't even visited the site.

In most circles, the omission of evidence from key scientific and Aboriginal groups in such a report would be considered to constitute fraud.

Not unexpectedly, the usual suspects are saying they're outraged that the UN hasn't bought the report.

Well, let them huff and puff and let them explain why the report they cherish contains fundamental and humiliating errors of law.

For example, the report refers to the 1993 Declaration on the Rights of Indigenous Peoples but last we heard, this most contentious document was still being negotiated with just two of its 45 draft articles being settled.

The report seeks to rely on Australia's obligations under two Conventions to which Australia is not a party and it seeks to rely on another Convention relating to stolen or illegally exported cultural exports, to which Australia is not only not a party to, but which is also irrelevant.

The UN mission relied almost exclusively on a submission from four scientists from the ANU, three of whom have never been on the Jabiluka mine site and whose refusal to accept invitations could indicate an alarming degree of partiality.

The mission claims the mine should be stopped because of its visual impact but then conceded that it was not visible to visitors to Kakadu park from the ground.

It also makes reference to the disputed Boyweg cultural site which is not in the World Heritage Area. (By the way, the dispute over the site is between senior traditional custodians at odds about the significance of the area.)

But perhaps most importantly, the report, which relies heavily on the emotional and very public arguments placed before it by the media-savvy Yvonne Margarula, the current senior traditional owner, ignores the fact that traditional owners have twice given their consent to the Jabiluka project.

In 1982, the Mirrar people gave their consent to an agreement with Pancontinental to allow mining on the lease, and they consented again in 1991, when Pancontinental sold its rights to ERA.

Indeed, traditional owner Yvonne Margarula was part of a Mirrar delegation to Canberra in 1991 which vigorously lobbied the Labor government for mining at Jabiluka.

Royalty payments were accepted and the validity of both agreements is supported by the Northern Land Council.

The UN committee, however, wants to introduce a new concept to the law under which agreements can be torn up by successive generations, ushering in an unworkable degree of uncertainty which would cover all agreements with traditional owners.

Interestingly, former NT ALP Senator Bob Collins, has attacked his former colleague, Senator Nick Bolkus, for his uninformed approach to the dispute.

Though most of the ideologically-tainted Australian media chose to ignore Collins, he did take the trouble to read the full report and its annexes and noted that contrary to Senator Bolkus's assertions "there was no recommendation from the majority of the committee calling for immediate halting to the Jabiluka mine".

The no-nonsense former senator has also gone on the record to complain about the "very small group" of unrepresentative Aboriginal people who were given the opportunity to speak to the UN investigators.

"There is no acknowledgement whatsoever in this UNESCO report—in any part of it—that there is a view of traditional owners of the park that is different from the view that was expressed by the people they spoke to," he said in an interview on 2GB.

As the former senator said, all Australians should be concerned about the issues raised.

HOUSE OF REPRESENTATIVES—*Monday, July 12, 1999*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. NEY).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 12, 1999.

I hereby appoint the Honorable ROBERT W. NEY to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 323. An act to redesignate the Black Canyon of the Gunnison National Monument as a national park and establish the Gunnison Gorge National Conservation Area, and for other purposes.

S. 376. An act to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

S. 416. An act to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility.

S. 606. An act for the relief of Global Exploration and Development Corporation, Kerr-McGee Corporation, and Kerr-McGee Chemical, LLC (successor to Kerr-McGee Chemical Corporation), and for other purposes.

S. 700. An act to amend the National Trails System Act to designate the Ala Kahakai Trail as a National Historic Trail.

S. 768. An act to establish court-martial jurisdiction over civilians serving with the Armed Forces during contingency operations, and to establish Federal jurisdiction over crimes committed outside the United States by former members of the Armed Forces and civilians accompanying the Armed Forces outside the United States.

S. 776. An act to authorize the National Park Service to conduct a feasibility study for the preservation of the Loess Hills in western Iowa.

S. 1027. An act to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

S. 1257. An act to amend statutory damages provisions of title 17, United States Code.

S. 1258. An act to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes.

S. 1259. An act to amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes.

S. 1260. An act to make technical corrections in title 17, United States Code, and other laws.

S. Con. Res. 36. Concurrent resolution condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan.

The message also announced that pursuant to Public Law 105–277, the Chair, on behalf of the Majority Leader, who consulted with the Speaker of the House and the Minority Leaders of the Senate and the House, announces the designation of Allan H. Meltzer, of Pennsylvania, as the Chairman of the International Financial Institution Advisory Commission.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

PORTLAND ACCESS SITUATION

Mr. BLUMENAUER. Mr. Speaker, my goal in Congress is to make sure that the Federal Government is a constructive partner in promoting livable communities. Today, increasingly, an important part of promoting livable communities deals with the Internet connection that our cities and counties have with the rest of the world.

The Federal Government has played a very constructive role in assisting schools and libraries with the E-Rate. It has provided an important resource for over 32,000 communities over the last 3 years and potentially up to $4 billion in these first 2 years.

Just as important as the leadership for schools and libraries with the E-Rate, Congress and the FCC now has the opportunity to ensure that communities have access to the Internet service providers of their choice with cable broadband networks.

This leadership is going to be increasingly important in the future as cable systems are concentrated around the country. Only L.A. and New York are expected to have more than one cable system provider in the next year.

An important chapter of this discussion is being played out in my community where the city of Portland and Multnomah County became the first local jurisdictions in the country to require competition on this high-speed Internet connection. As part of an approval for AT&T's purchase of the local TCI cable, the city and the county required that they allow nonaffiliated ISPs access to their broadband network.

They argue that this step was necessary in order to preserve consumer choice. Without open access, consumers who wish to use high-speed cable modems for their Internet access, and who did not want to use the AT&T Excite at-home service, they would have to pay double, in effect paying twice.

AT&T sued our local governments, arguing that they had no right to break AT&T's monopoly over this access. The Federal court has ruled that the city was entirely within its power and could promote competition. Now AT&T is appealing that decision.

Now, most people feel that the local jurisdiction is expected to prevail. But it appears that the FCC, based on recent comments from Chairman Kennard and an article recently in the Wall Street Journal, that the FCC is not yet ready to argue against AT&T's proposed monopoly.

As a result, I am exceedingly concerned that consumers across the country may be in the bizarre situation where they have competition on the horse and buggy aspect, the two wires that come in over the telephone; but that they will have only one choice when it comes to the 90 percent that is the communication of the future the broadband. The whole point behind the judge's ruling was that we ought to have this competition.

Some are arguing that we need a uniform system to prevent 30,000 jurisdictions from around the country to have the possibility of each having their separate technical specifications. If that is indeed a problem, then let us deal with that problem specifically by providing technical standards through the FCC.

Solving the problem of technical standards by granting only one company monopoly status sounds a lot like using communism in order to assure that there would be uniform gauges for the train tracks. We can do better.

I urge that the FCC and Congress keep an open mind on the question of the impact of this local decision on the development of broadband communication infrastructure. Let us work to solve the real problems with the goal of ensuring consumer choices.

We do not have to limit the access simply to the 10 percent where there is the technology of the past on the telephone wires; and we certainly do not need to use a Communist approach in order to make sure that we have full access for technical standards.

I hope that we will be able to support local governments in this important aspect of promoting livable communities.

PRESIDENT'S MEDICARE PROPOSAL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Massachusetts (Mr. FRANK) is recognized during morning hour debates for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, when the President said he was going to announce the program to expand Medicare coverage in some areas and to undo some of the negative effects of the Balanced Budget Act of 1997 using some of the additional revenues that have become available, I was ready to cheer unreservedly. I now cheer reservedly. I would give the President between 1½ and 2 cheers out of a possible 3.

The President's program is clearly better in all respects than anything we will get from the majority party in the House or from any of its presidential candidates. So I am glad that the President has moved forward. But he has not moved forward enough.

First of all, we have to be more forthright in admitting error. Now I acknowledge, Mr. Speaker, this is an error which it is easier for me to admit since I did not participate in its committal. I am talking about the 1997 Balanced Budget Act.

Congress was very proud of the Balanced Budget Act, which cut Medicare to pay for capital gains tax cut and also put limits on other government spending which virtually everyone in the House admits are unrealistic, but admits this privately only.

What we did in 1997 was to cut Medicare indubitably. I am struck by the number of my colleagues who now acknowledge that Medicare was cut too deeply, although I am surprised by the number of them who appear not to have been in the room when it was done.

As I read, people talk about how the 1997 budget cuts now turn out unfairly to have cut Medicare. I believe that I am seeing an interesting phenomenon. I cannot remember a time in history when so many people have disclaimed responsibility for the entirely foreseeable consequences of their own actions.

The President acknowledges, having signed that bill, that there was error, but insufficiently. He is prepared to undo some of the harm of the 1997 Budget Act, but not enough. He wants to, in fact, impose some cuts in the period after 2002 when it would have ended.

The President cuts hospital still too much. We should remember, when we are talking about reimbursement to hospitals, we are not talking about the income of wealthy physicians, although physicians have a right to be concerned about their income. We are talking about cutting funds that go to pay some of the hardest working people in this society who get little money for tough jobs.

The people who staff hospitals include many people who work 7 days a week, 24 hours a day in unpleasant ways, cleaning and cooking and preparing patients. They are underpaid as a whole and ought to be paid more. We should, in fact, increase substantially over what the President proposes what we do to reimburse hospitals.

The notion that the wealthiest society in the history of the world in the midst of a booming economy cannot afford adequately to compensate people who provide us health care is simply wrong. That same unwillingness to provide sufficient funds becomes apparent in the President's drug bill.

I give him credit for proposing that we begin to cover prescription drugs for some degree for lower income people and others on Medicare. But he does not, again, do enough. For example, the plan says at 2008, after it is fully implemented, the Federal Government will pay up to half of $5,000 a year in prescription drugs.

Now, understand that the language supporting the bill says that will cover 90 percent to the people at that time. In other words, 10 percent of the people will still not get 50 percent coverage. Others, of course, will get 50 percent. But 50 percent coverage, if one is living on $22,000 or $23,000 a year, and one has got to pay $520 a year in premiums, and then one has got to pay another $2,500 for one's half share of the $5,000, that is pretty significant. That is $3,000 for drug coverage out of one's $22,000 or $23,000. But even that, inadequate in and of itself, takes too long to become real.

The President proposes that we start by only reimbursing people up to $2,000 in drugs, and we reimburse for only half. So in the first year, if one is paying $3,000 or $4,000 a year for one's drugs, which is not unusual among older people with various ailments, the Federal Government will help one to the extent of only $1,000 to that minus the $288 one has to have paid in premiums in that first year.

Why phase this in to $5,000? If the $5,000 is the reasonable figure, why do we not get to it right away? Sometimes one has to phase things in because they are complicated. One has to make sure one gets them worked out.

But paying for half of $2,000 is not simpler than paying for half of $5,000. We are talking here about a purely numerical calculation. There was no justification whatsoever either, in my judgment, for the fact that it is too low or for the fact that it takes so long to reach that number unless we want to cut taxes by $800 billion or $900 billion.

It is true, if one begrudges public spending even for important purposes such as helping older people pay for their medications, then one cannot afford this. But the President correctly repudiates the Republican effort to cut $800 billion or $900 billion. The President understands that that would be excessive. He should follow through on his understanding.

Inadequately compensating hospitals is not in the interest of this country. Refusing to acknowledge the error that this Congress and this President made in 1997, the Balanced Budget Act, is a mistake, and having too small a prescription drug program ill-suits a country of our wealth.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 43 minutes p.m.), the House stood in recess until 2 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GOODLATTE) at 2 p.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

O gracious God, we acknowledge that we have been blessed by incredible resources that have enriched our nation. We know too that as individuals we have opportunities that can surpass our own hopes or visions. We pray, almighty God, that we will use these resources and blessings in ways that give us a clearer vision of our common creation and our shared humanity. Thus, where there is conflict, let us sow peace; where there is hatred or envy, let us show understanding and where there is estrangement between people, let us practice reconciliation and love. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GIBBONS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following Communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES
Washingotn, DC, July 2, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washignton, DC.

DEAR MR. SPEAKER: Pursuant to the permission to clause 2(h) of rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on July 2, 1999 at 11:19 a.m. that the Senate passed without amendment H. Con. Res. 35.

With best wishes, I am

Sincerely

JEFF TRANDAHL,
Clerk.

COMMUNICATION FROM CONGRESSIONAL AIDE OF HON. PETER DEUTSCH, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Reva Britan, Congressional Aide of the Honorable PETER DEUTSCH, Member of Congress:

WASHINGTON, DC,
July 8, 1999.

Hon. DENNIS J. HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to rule VIII of the Rules of the House of Representatives, that I have been served with a trial subpoena (for testimony) issued by the Circuit Court for Broward County, Florida in the case of State v. Bush, No. 96006912GF10A.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

REVA BRITAN,
Congressional Aide.

COMMUNICATION FROM DIRECTOR OF CONSTITUENT SERVICES OF HON. PETER DEUTSCH, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Susan B. Lewis-Ruddy, Director of Constituent Services of the Honorable PETER DEUTSCH, Member of Congress:

WASHINGTON, DC,
July 8, 1999.

Hon. DENNIS J. HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a trial subpoena (for testimony) issued by the Circuit Court for Broward County, Florida in the case of State v. Bush, No. 96006912GF10A.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

SUSAN B. LEWIS-RUDDY,
Director of Constituent Services.

THE REALITY OF THE PROPOSED IMF GOLD SALE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, my home State of Nevada is one of the largest gold producing States in the Nation, but this vital industry, which helps put food on the table for thousands of my constituents in Nevada is in jeopardy.

Last Friday, the International Monetary Fund, also known as the IMF, reaffirmed its commitment to dump part of its gold reserves onto the open market just to hide its debt losses. The bureaucratic dreamers at the IMF contend that this sell-off is necessary to give financial help and relief to poor countries.

While that may sound okay on the surface, I am here to talk about reality. The reality of this proposed gold sale is the disruption of the global gold market, which translates into a flooded market, which translates into plummeting gold prices; and the reality is that many of the mines in North America will begin closing at an alarming rate. This means thousands of America's hardest working men and women will be out of work, unable to feed their families, all because of the IMF.

Fortunately, the final decision does not rest with the international bureaucrats at the IMF. This proposed IMF gold sale must be approved by Congress.

My constituents are depending on Congress to stop this ill-conceived scheme. I adamantly oppose and am committed to stopping this proposed giveaway and urge my colleagues to join me.

OPENING OF SARATOGA NATIONAL CEMETERY

(Mr. MCNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCNULTY. Mr. Speaker, on Friday we opened the new Saratoga National Cemetery, and I was in the company of 2,000 distinguished veterans and a very special former colleague in this House. Two of my former colleagues, as a matter of fact, spent a lot of time on this project. One of them, Sam Stratton, who was a Member of this body for 30 years. He has since passed away.

But, another, thank God, was there for the event. That was Congressman Jerry Solomon, who served in this House for 20 years and rose to be Chair of the Committee on Rules. It was a great honor to be in the presence of all of those veterans and to be able to look Congressman Solomon in the eye and say:

"Thank you for your dedication through the years, and for the opportunity to be your partner in these efforts for the past 10 years."

World War II hero Pete Dalessandro, who was a Congressional Medal of Honor winner from my district, will be one of the first veterans who finds the Saratoga National Cemetery as his final resting place.

July 9, 1999 provided me with an opportunity to be with great Americans, and to again thank God for my life and veterans for my way of life.

EUROPE AND JAPAN MANIPULATE AMERICAN MONETARY POLICY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, powerful banks of Europe now control 26 percent of our Federal Reserve system.

Think about it. The banks of Europe control one out of every four shares of our monetary system.

Unbelievable.

If that is not enough to repossess our Lamborghinis, the same statistics reflect the following:

Japan is now the single largest holder of American debt.

Beam me up, Mr. Speaker. When Europe and Japan can manipulate American monetary policy, something is wrong, very wrong.

I yield back all of the freebies that Uncle Sam has given to Europe and Japan since World War II.

A NEW DAY IN CONGRESS

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker and new Members, take note:

Soon Members will consider an appropriation of somebody else's money, the residents of the District. I appreciate the expeditious way the District appropriation is being moved this year.

The Speaker, the gentleman from Illinois (Mr. HASTERT), the gentleman from Florida (Mr. YOUNG), and the gentleman from Oklahoma (Mr. ISTOOK), with whom Mayor Tony Williams and I met early on, understand that D.C. should be first, not last.

We also appreciate the communication that characterizes the process led by the gentleman from Oklahoma (Mr. ISTOOK) working with the ranking member, the gentleman from Virginia (Mr. MORAN).

Mr. Speaker, all can see that this is a new day in the District. Let us make it a new day in the Congress as well.

District residents have ordered up a new mayor and a revitalized city counsel. They have done their home rule homework. Mayor Williams and District officials deserve a new attitude from the Congress. That attitude begins with basic respect for D.C. law without appendages, a "you-demand" consent of the governed for my colleagues' constituents. Mine deserve the same.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 8, rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m.

CORRECTING AUTHORIZATIONS FOR NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION PROGRAMS

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2035) to correct errors in the authorizations of certain programs administered by the National Highway Traffic Administration.

The Clerk read as follows:

H.R. 2035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO TITLE 49, UNITED STATES CODE.

(a) MOTOR VEHICLE SAFETY.—Section 30104 of title 49, United States Code, is amended by striking "$81,200,000" and inserting "$98,313,500".

(b) MOTOR VEHICLE INFORMATION.—Section 32102 of title 49, United States Code, is amended by striking "$6,200,000" and inserting "$9,562,500".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2035 and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H.R. 2035, a bill to correct the authorizations of certain programs at the National Highway Traffic Safety Administration is a simple but important measure. When NHTSA was reauthorized last year as part of the TEA–21 highway bill, the administration mistakenly provided the committee with authorization figures that were insufficient to color the agency's needs. As a result, NHTSA found itself without funds to meet its mission to ensure the safety of the traveling public.

The bill simply increases the authorization levels for motor vehicle safety and information programs to a total of $107.9 million annually, approximately a $40 million increase over current law. It is the committee's belief that this increase will put the agency in the position it would have been absent the administration's error. While this is a substantial increase over the enacted authorization levels, it is $8 million less than the administration's latest request, which included funding for items that were not part of last year's authorization bill.

Without increased funding, the agency will not be able to crash test many of the new car models released in 1999 and 2000, depriving our constituents of important safety information. The agency will also have difficulty finding the necessary funds to work with car manufacturers and suppliers in the development of the next generation of air bags and other safety devices. They might even have to curtail their efforts to alert the public to potential safety defects in automobiles.

This bill strikes the appropriate balance between ensuring that the agency is able to meet the obligations we set forth in the highway bill and making sure that wasteful spending remains in check. As Chairman of the Committee on Commerce, I can assure my colleagues that we will continue our vigorous oversight of this agency to make certain that the agency is meeting its ultimate measure of success, reducing fatalities on the Nation's highways.

All of us know just how important issues of auto safety are to our constituents. This bill does not relieve the Committee on Appropriations of the need to pass transportation spending legislation that remains within the budget caps. However, as the transportation appropriation bill moves to conference, it gives the appropriators added flexibility to fund automobile safety programs that are important to our constituents.

I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, H.R. 2035 raises the annual budget authorization for the National Highway Traffic Administration for fiscal years 1999 through 2001 to provide for an annual maximum authorization of $98.3 million for motor vehicle safety programs and $9.6 million for motor vehicle information programs for a total annual authorization of $107.9 million. An increase in NHTSA's authorization is necessary because last year, when the committee acted on the reauthorization bill, NHTSA failed to provide the committee with the correct funding request for both its safety and information activities.

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With the increase in funding provided by H.R. 2035, the National Highway Traffic Administration will be able to undertake important motor vehicle safety and information activities that it otherwise could not. This bill was ordered reported by the full committee by voice vote.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BLILEY. Mr. Speaker, I urge passage of the bill, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GOODLATTE). The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 2035.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The title of the bill was amended so as to read: "A bill to correct errors in the authorizations of certain programs administered by the National Highway Traffic Safety Administration.".

A motion to reconsider was laid on the table.

SENSE OF CONGRESS REJECTING NOTION THAT SEX BETWEEN ADULTS AND CHILDREN IS POSITIVE

Mr. SALMON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 107) expressing the sense of Congress rejecting the conclusions of a recent article published by the American Psychological Association that suggests that sexual relationships between adults and children might be positive for children, as amended.

The Clerk read as follows:

H. CON. RES. 107

Whereas no segment of our society is more critical to the future of human survival than our children;

Whereas children are a precious gift and responsibility given to parents by God;

Whereas the spiritual, physical, and mental well-being of children are parents' sacred duty;

Whereas parents have the right to expect government to refrain from interfering with them in fulfilling their sacred duty and to render necessary assistance;

Whereas the Supreme Court has held that parents "who have this primary responsibility for children's well-being are entitled to the support of laws designed to aid discharge of that responsibility" (*Ginsberg* v. *New York*, 390 U.S. 629, 639 (1968));

Whereas it is the obligation of all public policymakers not only to support, but also to defend, the health and rights of parents, families, and children;

Whereas information endangering children is being made public and, in some instances, may be given unwarranted or unintended credibility through release under professional titles or through professional organizations;

Whereas elected officials have a duty to inform and counter actions they consider damaging to children, parents, families, and society;

Whereas Congress has made sexual molestation and exploitation of children a felony;

Whereas all credible studies in this area, including those published by the American Psychological Association, condemn child sexual abuse as criminal and harmful to children;

Whereas, once published and allowed to stand, scientific literature may become a source for additional research;

Whereas the *Psychological Bulletin* has recently published a severely flawed study, entitled "A Meta-Analytic Examination of Assumed Properties of Child Sexual Abuse Using College Samples", which suggests that sexual relationships between adults and children are less harmful than believed and might be positive for "willing" children (*Psychological Bulletin*, vol. 124, No. 1, July 1998);

Whereas, in order to clarify any inconsistencies between the two conclusions the authors of the study suggest and the position of the American Psychological Association that sexual relations between children and adults are abusive, exploitive, and reprehensible, and should never be considered or labeled as harmless or acceptable, the American Psychological Association has issued a public "Resolution Opposing Child Sexual Abuse";

Whereas the American Psychological Association should be congratulated for publicly clarifying its opposition to any adult-child sexual relations, which will help to deny pedophiles from citing "A Meta-Analytic Examination of Assumed Properties of Child Sexual Abuse Using College Samples" in a legal defense, and for resolving to evaluate the scientific articles it publishes in light of their potential social, legal, and political implications;

Whereas the Supreme Court has recognized that "sexually exploited children are unable to develop healthy affectionate relationships in later life, have sexual dysfunctions, and have a tendency to become sexual abusers as adults" (*New York* v. *Ferber*, 458 U.S. 747, 758, n.9 (1982));

Whereas *Paidika—The Journal of Pedophilia*, a publication advocating the legalization of sex with "willing" children, has published an article by one of the authors of the study, Robert Bauserman, Ph.D. (*see* "Man-Boy Sexual Relationships in a Cross-Cultural Perspective," vol. 2, No. 1, Summer 1989); and

Whereas pedophiles and organizations, such as the North American Man-Boy Love Association, that advocate laws to permit sex between adults and children are exploiting the study to promote and justify child sexual abuse: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) condemns and denounces all suggestions in the article "A Meta-Analytic Examination of Assumed Properties of Child Sexual Abuse Using College Samples" that indicate that sexual relationships between adults and "willing" children are less harmful than believed and might be positive for "willing" children (*Psychological Bulletin*, vol. 124, No. 1, July 1998);

(2) vigorously opposes any public policy or legislative attempts to normalize adult-child sex or to lower the age of consent;

(3) urges the President likewise to reject and condemn, in the strongest possible terms, any suggestion that sexual relations between children and adults—regardless of the child's frame of mind—are anything but abusive, destructive, exploitive, reprehensible, and punishable by law; and

(4) encourages competent investigations to continue to research the effects of child sexual abuse using the best methodology, so that the public, and public policymakers, may act upon accurate information.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. SALMON) and the gentleman from Michigan (Mr. KILDEE) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. SALMON).

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume. There are no lower life forms than adults who sexually abuse children. Child molesters rob children of their innocense and subject them to a lifetime of nightmares. Those who engage in this activity deserve the harshest punishment.

Those who excuse this evil conduct, particularly those in positions of influence, are also pretty low on the food chain and deserve the harshest possible condemnation.

Towards this end, we are here today to consider House Concurrent Resolution 107, which condemns and denounces all suggestions in an article published in the Psychological Bulletin, a journal of the American Psychological Association, that sexual relationships between adults and "willing" children might be positive for children.

The resolution also stresses that Congress will vigorously oppose any public policy or legislative attempts to normalize child sexual abuse.

The study in question, "A Meta-Analytic Examination of Assumed Properties of Child Sexual Abuse Using College Samples," escaped public scrutiny until talk host Dr. Laura Schlessinger brought this matter to the attention of her listeners.

Dr. Laura denounced the study, which reviewed 59 earlier studies of dubious validity, as "flawed pseudo-science." She reported that 38 percent of the studies were never subjected to peer review or published, and that all of the studies were based on self-reporting.

Also unsettling, no follow-up analysis occurred on the college students examined in the studies.

We should all be indebted to Dr. Laura. While the mainstream media ignored what some call the "emancipation proclamation of pedophiles, the article did not escape the attention of groups such as the North American Man/Boy Love Association, which highlights the conclusions of the article on its web page, and for defense attorneys who have been encouraged to cite the article in closing arguments in child sexual abuse criminal cases.

It was irresponsible for a respected academic journal to publish a study which implies that adult-child sex could be a positive experience. But I applaud the APA for responding to the recent public uproar over the study by clarifying its opposition to any adult-child sexual relations, and for promising to consider their social responsibility when making publishing decisions in the future.

The APA's actions will help to deny pedophiles from citing the study in a legal defense. House Concurrent Resolution 107 has been revised to include language praising the APA for its commitment in fighting child sexual abuse.

While I am delighted that the Congress is considering this resolution denouncing attempts to normalize child sexual abuse, our work is not done with the passage of this resolution. Words alone will not protect children from the monsters who prey on them.

Typically, sexual predators who victimize children receive light prison sentences in this country. On average, a convicted child molester, that is, not one who plea bargains down to a lesser offense, serves less than 4 years behind bars, and recidivism rates are quoted as high as 70 percent. Those are just the ones who get caught. In other words, they get out of prison and they prey on children again and again. The next time, the pedophiles may end up killing the child to make sure there is not evidence so they can be put away again.

In my opinion, the average sentence is about 96 years too short. The Congress took an important step in addressing this problem recently when both the House and Senate voted with huge bipartisan majorities for Aimee's Law, otherwise known as the No Second Chances for Murderers, Rapists, or Child Molesters Act.

My initiative would encourage States to keep child molesters and other serious criminals behind bars for longer sentences, which would prevent literally thousands each year of 100 percent preventable offenses, either child sexual assaults or other crimes that occur each year by those who are let out of prison for committing exactly the same crime.

Before I close, I would like to thank the distinguished majority whip, the gentleman from Texas (Mr. DELAY), and the gentleman from Pennsylvania (Mr. GOODLING), the chairman of the Committee on Education and the Workforce, for their assistance in moving House Concurrent Resolution 107 forward.

I also would like to thank the gentlemen from Pennsylvania, Mr. PITTS and Mr. WELDON, for all of their work on the resolution.

Finally, the Family Research Council should be commended for their efforts to educate Members of Congress about how the public release of the Meta-Analytic study is an assault on children.

Mr. Speaker, I urge my colleagues to make a strong congressional statement in opposition to efforts to normalize child sexual abuse, and vote in favor of House Concurrent Resolution 107.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join those who rise to condemn child sexual abuse. Too many of our children fall prey to sexual abuse, often by those whom they know and too often by those whom they trust.

Statistics show that 90 percent of all sexual abuse cases go unreported, and worse, unpunished. Nevertheless, child sexual abuse can have devastating consequences on a victim's future employment, health, and familial relationships.

We need to continue to reach out as a Nation and as a society to ensure that our children are free from abuse and neglect. This involves a three-pronged approach of education, prevention, and treatment.

We need to continue our educational efforts with young children to teach them what is and what is not appropriate behavior by adults. We need to continue prevention efforts aimed at reducing the likelihood that our children will find themselves in inappropriate situations that can lead to abuse.

We also need to provide treatment for those who have been the victims of abuse so they can recover and lead successful, productive lives.

Mr. Speaker, in closing, I join those who have and will rise to condemn child sexual abuse. Child sexual abuse not only has devastating consequences for its victims, but also for all of society. It is important to remember that no amount of legal or professional legerdemain can detract from the inherent evil caused by child sexual abuse.

Mr. DELAY. Mr. Speaker, I rise today to congratulate the American Psychological Association for clarifying its position on pedophilia. Without question, sexual abuse of minors is child abuse. Child abuse is a plague on this country that cannot be overlooked or obscured by pseudo-scientific doubletalk.

In these times—with so much talk about victimization and harassment—it amazes me that there is any confusion regarding the patently perverse nature of sexual abuse of children. There simply can be no equivocation about the obvious emotional devastation that is caused when adults have sexual relations with children.

Sexual activity between an adult and a child is always abusive and always criminal in all cases—period.

The fact that this obvious reality has been clouded recently is an indictment of the liberal secularization of the culture. Too many of us today worship the self and the moment with no regard for future consequences.

Well, our children are our future and both should be safeguarded. The days ahead will be dark indeed if our society turns a blind eye to abuse of innocent ones.

There can be no compromises in the war against child abuse. We must all be eternally vigilant in this most important cause.

Every so often, trendy social theories and politically-motivated psychological hypotheses creep into the mainstream. At first, such ideas go unchallenged because they seem too crazy to be taken seriously. But after awhile, the momentum shifts against common sense.

Bad ideas have bad consequences and the damage to society must always be combated in every field.

The American Psychological Association made a mistake by publishing a study that used pseudo-scientific jargon to advise that sexual relations between adults and children are not always abusive.

Such a study by such a prestigious institution gives credibility and potential legal defenses to pedophiliac sickos.

After the controversy was exposed, the APA admitted its error in publishing the report and underscored its position that pedophilia is harmful criminal behavior and that all sexual abuse of children should be exposed.

Mr. Speaker, organizations, like people, make mistakes. The test of integrity is the ability to admit a mistake and correct it. The American Psychological Association has shown great courage in doing just this. In the battle against child abuse, the APA is fighting on the right side.

Mr. KILDEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SALMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. SALMON) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 107, as amended.

The question was taken.

Mr. SALMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SALMON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 107, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

URGING THE RELEASE OF THREE PRISONERS IN YUGOSLAVIA

Mr. SALMON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 144) urging the United States Government and the United Nations to undertake urgent and strenuous efforts to secure the release of Branko Jelen, Steve Pratt, and Peter Wallace, 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International, who are being unjustly held as prisoners by the Government of the Federal Republic of Yugoslavia.

The Clerk read as follows:

H. CON. RES. 144

Whereas Branko Jelen, Steve Pratt, and Peter Wallace are 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International, the relief and development organization, providing food, medicines, and fuel to more than 50,000 Serbian refugees in Serbia and to displaced ethnic Albanians in Kosovo;

Whereas Steve Pratt and Peter Wallace, 2 Australian nationals, were detained on March 31, 1999, and later accused of operating and managing a spy ring and being employed by a spy ring, and Branko Jelen, a citizen of the Federal Republic of Yugoslavia, was arrested 1 week later on the same charges;

Whereas on March 30, 1999, CARE International received a letter of commendation from the Government of the Federal Republic of Yugoslavia relating to CARE International's humanitarian work in the Federal Republic of Yugoslavia;

Whereas 1 of the 3 men, Steve Pratt, appeared on Serbian television on April 11, 1999, and he was coerced into saying that he had performed covert intelligence activities;

Whereas the 3 CARE International humanitarian workers were held without access to outsiders for 20 days;

Whereas on May 29, 1999, a Serbian military court dismissed every element of the original indictment against the 3 CARE International humanitarian workers, but then proceeded to convict the 3 individuals on an entirely new charge of passing on information to a foreign organization, namely CARE International, and sentenced Pratt to 12 years, Jelen to 6 years, and Wallace to 4 years;

Whereas this last charge was introduced at the reading of the verdict, denying lawyers for the 3 CARE International humanitarian workers any opportunity to mount an appropriate defense;

Whereas it appears the 3 CARE International humanitarian workers were convicted of providing "situation reports" to their head office and other CARE International offices around the world, based on legitimately gathered information, necessary to enable CARE International management to plan their humanitarian assistance in a rapidly changing context and to inform CARE International management of the security situation in which their staff were working;

Whereas the convictions of the 3 CARE International humanitarian workers raise serious questions regarding the ability of humanitarian aid organizations to operate in the Federal Republic of Yugoslavia, with implications for their operations in other areas of conflict around the world;

Whereas the 3 CARE International humanitarian workers are innocent, having committed no crime, and are being held as prisoners unjustly;

Whereas the Federal Republic of Yugoslavia needs humanitarian workers who feel secure enough to do their work and who are not at risk of going to prison on false charges; and

Whereas many leaders around the world have raised the issue and sought to free the captives, including United Nations Secretary General Kofi Annan, former South African President Nelson Mandela, Finnish President Marti Ahtisaari, United Nations Commissioner for Human Rights Mary Robinson, and the Reverend Jesse Jackson: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) urges the United States Government and the United Nations to undertake urgent and strenuous efforts to secure the release of Branko Jelen, Steve Pratt, and Peter Wallace, 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International; and

(2) calls upon the Government of the Federal Republic of Yugoslavia to send a positive signal to the international humanitarian community and to give these humanitarian workers their freedom without further delay.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. SALMON) and the gentleman from New Jersey (Mr. ROTHMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. SALMON).

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on March 31, 1999, Serbian authorities detained Mr. Steve Pratt, Mr. Peter Wallace of Australia, and Mr. Branko Jelen of Serbia who were carrying out their duties as employees of CARE/Australia. These men, who were endeavoring to provide humanitarian assistance to victims of Serbian aggression in Kosovo, were subsequently charged with espionage and are now being unjustly held as prisoners in Serbia.

The detention of these individuals strikes at the very heart of the ability of humanitarian and aid organizations such as CARE to operate in conflicts such as the one in Kosovo. It is noteworthy that the actual charges they were convicted of concerned only the passing of situation reports on the conditions in Kosovo to their headquarters in order for CARE to be able to determine the needs of the population it was attempting to assist and the conditions under which its employees were working in Kosovo.

For the Serb authorities to construe these actions as hostile makes a mockery of the terms of their agreement that permitted CARE to operate in Serbia in the first place. Indeed, one day prior to the detention of its employees, CARE had received a letter from the Yugoslavia authorities commending its work.

The continued imprisonment of these men is an affront to the Prime Minister of the entire international community and a threat to the ability of international and private organizations to function under the difficult circumstance they face in numerous countries around the globe.

We would be remiss if we did not also take note of another detention of an individual engaged on a humanitarian mission in North Korea. According to accounts in the press, Ms. Karen Hahn was detained some weeks ago and has been held incommunicado by the known authorities. The welfare of Ms. Hahn is also in our minds as we consider this resolution.

House Concurrent Resolution 144 urges the United States and the United Nations to undertake urgent and strenuous efforts to secure the release from Serbia of the three imprisoned CARE Australia staffers. I urge all members of the House to join me in signalling our demand for the release of these individuals and restoration of our confidence that organizations such as CARE can continue to operate without harassment in the difficult and sometimes dangerous environments that they face throughout the world.

Mr. Speaker, I reserve the balance of my time.

Mr. ROTHMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this resolution.

Mr. Speaker, I want to thank the gentleman from Arizona (Mr. SALMON), and I would like to thank the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations, and the ranking member, the gentleman from Connecticut (Mr. GEJDENSON) for their support in supporting House Concurrent Resolution 144.

This resolution serves as a reminder that three humanitarian aid workers are now being held unjustly in Yugoslavia. These three CARE workers in the organization called CARE were arrested and falsely accused of espionage.

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They were wrongly convicted by a Serbian military court and received sentences ranging from 4 to 12 years.

Let me tell a little bit about the background. Steve Pratt and Peter Wallace are two Australian nationals who were employees of CARE. They were detained on March 31, 1999, and later accused of operating and managing a spy ring and being employed by a spy ring. Branko Jelen, who is a citizen of the Federal Republic of Yugoslavia, was arrested 1 week later on the same charge.

A couple of months later, on May 29, 1999, a Serbian military court dismissed every element of the original indictment against these three CARE International humanitarian workers. But then the court, the same day, at the same moment, proceeded to convict these three individuals on an entirely new set of charges, namely, as they said, passing on information to a foreign organization, namely CARE International; and then they sentenced Mr. Pratt to 12 years' imprisonment, Mr. Jelen to 6 years' imprisonment and Mr. Wallace to 4 years' imprisonment.

This charge, which they introduced on the day they dismissed all the other charges, was introduced at the time they read the verdict. They said, "You are hereby charged with providing information and you are hereby sentenced." Can my colleagues imagine that? And that was a court of law.

Mr. Speaker, needless to say, it did not provide any opportunity for these three individuals to present any defense to the charges that were instantaneously imposed upon them along with the sentence.

It appears that these three CARE workers were convicted simply of providing situation reports, a standard in the providing of services by CARE International where the workers in the field provide situation reports about the security, about the humanitarian needs in the locale that they are working in.

It raises concerns about the ability of any international humanitarian relief organization to provide relief services anywhere around the world if by merely providing a situation report can get someone convicted, albeit without a trial, of spying.

Leaders around the world, including U.N. Secretary General Kofi Annan and Finnish President Ahtisaari, have raised this issue and have also sought the release of these men.

Mr. Speaker, we as the United States Congress and as an American people need to let all humanitarian workers around the world know that we will fight for them if they ever get unjustly imprisoned. We will let Yugoslavia know by the House's action that we demand the immediate release of these three international humanitarian workers under the employ of CARE, one of the world's largest international relief and development organizations.

I urge my colleagues to support House Concurrent Resolution 144.

Mr. GILMAN. Mr. Speaker, on March 31, 1999, Serbian authorities detained Mr. Steve Pratt, Mr. Peter Wallace, of Australia, and Mr. Branko Jelen, of Serbia who were carrying out their duties as employees of CARE/Australia. These men, who were endeavoring to provide humanitarian assistance to victims of Serbian aggression in Kosovo, were subsequently charged with espionage and are now being unjustly held as prisoners in Serbia.

The detention of these individuals strikes at the very heart of the ability of humanitarian and aid organizations such as CARE to operate in conflicts such as the one in Kosovo. It is noteworthy that the actual charges they were convicted of concerned only the passing of situation reports on the conditions in Kosovo to their headquarters in order for CARE to be able to determine the needs of the population it was attempting to assist and the conditions under which its employees were working in Kosovo.

For the Serb authorities to construe these actions as hostile makes a mockery of the terms of their agreement that permitted CARE to operate in Serbia in the first place. Indeed, one day prior to the detention of its employees, CARE had received a letter from the Yugoslav authorities commending its work. The continued imprisonment of these men is an affront to the principles of the entire international community, and a threat to the ability of international and private organizations to function under the difficult circumstance that they face in numerous countries around the globe.

We would be remiss if we did not also take note of another detention of an individual engaged on a humanitarian mission in North Korea. According to accounts in the press, Ms. Karen Hahn was detained some weeks ago and has been held incommunicado by the North Korean authorities. The welfare of Ms. Hahn is also in our minds as we consider this resolution.

H. Con. Res. 144 urges the United States and the United Nations to undertake urgent and strenuous efforts to secure the release from Serbia of the three imprisoned CARE Australia.

Accordingly, I ask all members of the House to join in signaling our demand for the release of these individuals, and restoration of our confidence that organizations such as CARE can continue to operate without harassment in the difficult and often dangerous environments they face throughout the world.

Mrs. CAPPS. Mr. Speaker, I rise in strong support of H. Con. Res. 144, which calls attention to the plight of three humanitarian workers unjustly imprisoned by the Federal Republic of Yugoslavia.

Branko Jelen, Steve Pratt and Peter Wallace were employed in Yugoslavia by CARE International, providing aid, food, and medicinal supplies to refugees in both Serbia and Kosovo. In that capacity, they did what CARE International does in all of its international humanitarian missions: provide other CARE offices in the area with progress reports. CARE International has always used these reports, because they are vital to the organization's first-hand knowledge of the progress, prospects, and dangers of their many missions. The reports are not secret and contain easily obtainable information.

After learning of these reports in late March, the government of Slobodan Milosevic detained Jelen, Pratt, and Wallace, and later accused them of engaging in espionage for the U.S. government. In a closed military court, they were found guilty of spying, and are currently serving sentences of up to 12 years in a Serbian jail.

Mr. Speaker, these three men are innocent. They were providing humanitarian aid to people who were in desperate need.

We are all familiar with CARE International and similar Non-Government Organizations, and the extraordinary humanitarian contributions they make in the fight to end despair and suffering. Today, this House must stand up for this mission. It is imperative that the U.S. lead the way in freeing these men and who are guilty of nothing more than being courageous humanitarians. I urge all of my colleagues to support this important resolution.

Mr. ROTHMAN. Mr. Speaker, I yield back the balance of my time.

Mr. SALMON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GOODLATTE). The question is on the motion offered by the gentleman from Arizona (Mr. SALMON) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 144.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONCERNING UNITED NATIONS GENERAL ASSEMBLY RESOLUTION ES-10/6

Mr. SALMON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 117) concerning United Nations General Assembly Resolution ES-10/6, as amended.

The Clerk read as follows:

H. CON. RES. 117

Whereas in an Emergency Special Session, the United Nations General Assembly voted on February 9, 1999, to pass Resolution ES-10/6, Illegal Israeli Actions In Occupied East Jerusalem And The Rest Of The Occupied Palestinian Territory, to convene for the first time in 50 years the parties of the Fourth Geneva Convention for the Protection of Civilians in Time of War;

Whereas such resolution singles out Israel for unprecedented enforcement proceedings, which have never been invoked, even against governments with records of massive violations of the Fourth Geneva Convention;

Whereas such resolution unfairly places full blame for the deterioration of the Middle East Peace Process on Israel and dangerously politicizes the Fourth Geneva Convention, which was established to address humanitarian crises; and

Whereas such vote, initiated by the Arab Group at the behest of the Palestine Liberation Organization (PLO), serves to prejudge and undercut direct negotiations, puts added and undue pressure on Israel to influence the results of those negotiations, and contravenes the written commitment that Yasser Arafat gave to then Israeli Prime Minister Yitzhak Rabin that issues of permanent status would only be dealt with directly by the parties: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) commends the Department of State for the vote of the United States against United Nations General Assembly Resolution ES-10/6 affirming that the text of such resolution politicizes the Fourth Geneva Convention for the Protection of Civilians in Time of War which was primarily humanitarian in nature;

(2) urges the Department of State to continue its efforts against convening the conference, which is scheduled to be held in Geneva, Switzerland, on July 15, 1999;

(3) urges the member states of the United Nations to vigorously oppose any and all efforts to manipulate the Fourth Geneva Convention for the purpose of attacking Israel; and

(4) urges United Nations Secretary General Kofi Annan and Switzerland, which serves as the depository of the Fourth Geneva Convention, to refrain from assisting in the convening of the conference.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. SALMON) and the gentleman from New Jersey (Mr. ROTHMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. SALMON).

GENERAL LEAVE

Mr. SALMON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I would like to commend the efforts of the gentleman from New Jersey (Mr. ROTHMAN). He is the author of this piece of legislation. It is very timely and very needed, and he is always there in the pinch, and we appreciate him on this side.

Mr. Speaker, our consideration of this resolution is certainly timely as it concerns the convening, under extraordinary and almost unprecedented circumstances, of the parties of the Fourth Geneva Convention for the Protection of Civilians in Times of War later this week in Geneva, Switzerland. The focus of this unusual meeting will be "Illegal Israeli Actions in Occupied East Jerusalem and the Rest of the Occupied Territory."

From its very title, we can see that this meeting will be just another kangaroo court convened solely for the purpose of pillorying Israel whose behavior in Jerusalem and the Occupied Territory has already been predetermined to be "illegal."

Regrettably, by using the such important instruments as the Fourth Geneva Convention to carry on their anti-Israel campaign, the supporters of this Special Session in Geneva actually undermine the validity of the Convention and efforts to protect civilians in armed conflicts. We can be certain that little will be said of the many civilian victims of the numerous terrorist acts by Palestinian and Islamic groups hostile to Israel.

Most of us are keenly aware of the anti-Israel fervor which resonates throughout the institutions and committees of the United Nations. We cannot forget the evil that was unleashed during consideration of the "Zionism is Racism" resolution years ago. Clearly, the United Nations has a history of anti-Israel statements, resolutions, conferences and activities.

This troubling action taken by the United Nations General Assembly earlier this year is but the latest of a long series of United Nations activities designed to unfairly and in a highly prejudicial fashion paint Israel as an aggressive rogue state beyond the pale of international law.

The resolution before us urges states of the United Nations to oppose all efforts to attack Israel at this conference and urges U.N. Secretary General Kofi Annan and Switzerland to refrain from assisting in the convening of the conference.

Mr. Speaker, regarding Switzerland's role in the conference, I would like to point out, as the repository of the Geneva Convention, Switzerland has no recourse but to honor the will of the U.N. General Assembly that has invoked this conference. As an observer state of the U.N., the Swiss were not even entitled to vote in the emergency session of the General Assembly that decided this measure.

Mr. Speaker, I urge the Members of this House to send a strong message in opposition to this ill-considered and unhelpful initiative by supporting the adoption of H. Con. Res. 117.

Mr. Speaker, I reserve the balance of my time.

Mr. ROTHMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this resolution. I thank the gentleman from Arizona (Mr. SALMON), my colleague and good friend, for his kind remarks. We have worked together on many, many issues in a bipartisan way of importance to the people of America and I think for the interests of the abused and unjustly treated around the world. And, as always, I am grateful and pleased to work with the gentleman on this issue as well.

Mr. Speaker, I introduced this resolution, H. Con. Res. 117, on May 25 of this year to address a deeply troubling development at the U.N. Sadly, the United Nations is again on the verge of reverting to its bad old ways that we thought they had dispensed with in the 1970s. I am talking about the United Nations once again using its resources and the American taxpayers' money to bash the only democracy in the Middle East and America's strongest ally in the Middle East, strongest military, economic and cultural ally, the State of Israel.

Mr. Speaker, this is at a time when, if peace is not at hand, the atmosphere for peace in the Middle East is as great as we have seen in quite a long time.

What happened? On February 9 of this year, February 9 of 1999, the United Nations General Assembly in an Emergency Special Session decided to call for the reconvening of the Fourth Geneva Convention. Now for those who do not follow the U.N. and the Geneva Convention, the Fourth Geneva Convention has not been convened for 50 years.

So what was the Emergency Special Session of the United Nations General Assembly to call for the first reconvening of the Fourth Geneva Convention in 50 years all about? Well, we know what the Geneva Convention was supposed to be about. In 1949, it was established in the aftermath of the Nazi atrocities in Europe to deal with the protection of civilians in time of war.

So what is going to happen now on July 15, a handful of days from now, unless the United States and world leaders intervene? According to the General Assembly of the United Nations who has now directed the convening of the Fourth Geneva Convention after 50 years, on July 15, the Geneva Convention is to be brought together to condemn the genocidal crime of house construction in Jerusalem by Israel. Can my colleagues believe it?

Now, when the Soviet Union invaded Czechoslovakia, when Iraq invaded Kuwait, when Vietnam invaded Cambodia, when China conquered Tibet, during the Korean war, the Vietnam war, the Persian Gulf War, the invasion of Kosovo by Serbia, all the carnage brought forth upon millions and millions of people was the Geneva Convention called for to be reconvened? No. In dozens and dozens of places over the last 50 years around this planet, millions of people have literally been tortured, enslaved and slaughtered, but the U.N. never called for the reconvening of the Geneva Convention. Only now in February of 1999 because of what they call Israel's crime of home construction in Jerusalem.

Mr. Speaker, if it was not so destructive of the truth, destructive of the meaning of the words, destructive of the mission of the U.N., destructive of the purpose of the Geneva Convention, it would be laughable. But this is no joke. Everyone voted for this resolution at the U.N. in the General Assembly except for America and Israel.

What should we do about it? In a couple of days, notwithstanding the fact that we have the totalitarian leaders of Syria and Chairman Arafat and the President of Egypt saying we have a new day, a new era of peace that is on our doorstep, and the new duly elected President of Israel, Mr. Barak, espousing such a compelling and poetic commitment to peace between Israel and its neighbors, when all the parties at issue are speaking of an atmosphere of peace, reconciliation and commitment to finding a compromise for all the peoples of the region, what does the U.N. General Assembly do? They try to destroy the purpose of the Geneva Convention, humiliate and degrade the truth, and reconvene the Fourth Geneva Convention to condemn housing construction by Israel.

Mr. Speaker, I am proud and pleased that the Committee on International Relations last week condemned this action and voted to pass H. Con. Resolution 117. I am asking my colleagues in the House of Representatives also to pass H. Con. Resolution 117 which does four things: It commends the United States State Department for opposing these efforts to politicize the Geneva Convention. It urges our State Department to continue its opposition against the U.N.'s plans to convene their anti-Israel Geneva convention, which is set to occur on July 15, a handful of days from now unless the leaders of the U.N. and other leaders in the world stop it. It also calls on member states of the United Nations to join America in opposing the politicization of the Fourth Geneva Convention. And it, lastly, urges the U.N. General Secretary, Kofi Annan, and Switzerland, the host country, to refrain from assisting in the convening of this conference.

□ 1445

Modest steps, considering what is at stake: the integrity of the U.N., the integrity of the Geneva Convention, and justice. I urge my colleagues to support House Resolution 117.

Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. WEINER).

Mr. WEINER. Mr. Speaker, I want to thank the gentleman from New Jersey (Mr. ROTHMAN) for being such an active voice on this issue and so many others.

If there was ever a bad time for a bad idea, this is probably it. The United

Nations over its history has done some very great things to ensure peace and justice around the world, but it can also be rightly accused of taking every possible opportunity to throw obstacles in the way of the State of Israel and now obstacles in the way of pursuing a lasting peace in the Middle East.

To dig up the Geneva Convention as an appropriate tool for the causes of the Palestinian Movement in the United Nations now is the worst possible abuse of the Geneva Convention. Never, as the gentleman from New Jersey (Mr. ROTHMAN) pointed out, has it been used; and particularly now, it is an inappropriate time and an inappropriate place.

As we have spent much of the last year looking at some true atrocities in the world, never in the time of the worst atrocities of Milosevic did the United Nations stand and seek to execute the Geneva Convention. Yet now, at the beginning of a new era in Israel, when a new administration takes over and, God willing, a new road to peace in the Middle East is about to be placed, we see the United Nations begin to move forward to activate the Geneva Convention which was intended to be used to protect civilians during wartime, not to solve territorial disputes.

There are many of us who believe that the territories that the United Nations is looking at are not in dispute at all. We have to remember when the Palestinian Authority, when it entered into the Oslo Accords, took a pledge and signed in writing that they were not going to use the United Nations as a tool for their cause.

At that time, the parties that agreed to pursue a peace in the Middle East did so with an understanding that we in this Chamber have argued for a great deal of time, and that is that the parties in that part of the world have to, in their own best interest, work out the road to peace, not from the United Nations in New York, not from the Capitol here in Washington, and not from small towns throughout the United States and the world, but the parties in that part of the world.

This effort by the United Nations, which we opposed, we in the United States opposed, is contrary to that intent. This is not a time when we should belittle the Geneva Convention. This is not a time when the United Nations should once again enter into the frayed air.

I would remind my colleagues, the United Nations Security Council, this is not the first time that they have sought to take their shots at the State of Israel. This is the same Security Council that sought to equate Zionism with racism, if my colleagues recall. So it should be no surprise that there is an anti-Israel bias in the Security Council.

But for those of us who care about a lasting peace in the Middle East, care about a just peace in the Middle East that all of the parties can live with, I urge us in this Chamber to stand forthright in favor of this resolution. This is not the time, this is not the place for this anti-Israel resolution. This is also not the time or the place for the Geneva Convention to be bastardized in this way.

Mr. SALMON. Mr. Speaker, I yield myself such time as I might consume. I would just like to reiterate the position, not only of myself, but I believe most people on our side of the aisle from the Committee on International Relations, and that is that it is a highly inappropriate action which the Geneva Convention seeks to undertake at a time when we should all be working together toward the peace process in the Middle East.

These kinds of anti-Israel statements do not assist the process; they harm the process.

Mr. Speaker, I yield back the balance of my time.

Mr. ROTHMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are real issues of dispute in the Middle East. There are territorial futures. There are issues of security. As the gentleman from New York (Mr. WEINER) said, there is a process that has been agreed to by all the parties, the Oslo Peace Accords, by which the parties would sit down, one across the table from the other, and resolve their differences peaceably.

Our action today does not prejudice what will happen in those discussions. We wish them well. What we are doing today is saying as a Nation a few things:

Number one, that the free people of the United States of America will not tolerate the abuse of the United Nations by those nations who wish to use that forum to bash the only democracy in the Middle East, who happens to be America's number one military, economic, and cultural ally in that entire region and has been so for 50 years; and that we in America, we, the free people in the United States, will not stand by while totalitarian, dictatorial regimes represented in the U.N. at the General Assembly call for the convening of the Geneva Convention after 50 years, only to bash housing construction in Israel, and to have ignored 50 years of slaughter, torture, and torment upon millions and millions of human beings around the world by dictators and thugs; and that we, the free and strong people of the United States, will stand by our number one ally in the region, the State of Israel, even when we are outnumbered at the U.N. by those who would seek to destroy that forum as a forum for truth and justice.

So, Mr. Speaker, I again thank the gentleman from Arizona (Mr. SALMON), the gentleman from New York (Mr. GILMAN), the Chairman of our committee, the gentleman from Connecticut (Mr. GEJDENSON), our ranking member, for their support on this and many other issues where we have worked so well together and their support for this particular House Resolution 117. I urge my colleagues to support this resolution.

Mr. SALMON. Mr. Speaker, will the gentleman yield?

Mr. ROTHMAN. I yield to the gentleman from Arizona.

Mr. SALMON. Mr. Speaker, I did want to make one other comment. I know that in the last several years, one of the items of great controversy in this Congress, especially, I think, since I have been here in the last 5 years has been the U.N. arrearages.

I might suggest that one of the reasons that people raised that red flag in the first place was because of issues like this, because the U.N. time and time and time again goes out and asserts itself and takes positions counter to the United States when we have been the largest financial supporter of that entity and have been for years and years and years, and many of our so-called allies, and I am not saying that about Israel because Israel votes with us, but many of our so-called allies end up spitting in our face; and these are allies that we have helped financially time and time and time again.

I just might say that significant reforms have got to happen at the U.N., and this exactly points to what we are talking about.

Mr. ROTHMAN. Mr. Speaker, I say this: I agree with the gentleman from Arizona that this puts a disturbing light on many of our efforts to have our debt to the U.N. repaid. I for one believe that it is unconscionable for us to have such a debt at the U.N. and not have it be repaid. I believe there has been progress at the U.N.

But when the member states of the U.N. and the U.N. Secretary and the General Assembly participate in this out and out Israel bashing, which is absurd, unjust, unfair by any measure, and sets a terrible precedent for the abuse of the Geneva Convention process, then we cannot ignore it.

We must let those who voted in favor of this U.N. General Assembly resolution know that we will not forget their participation in this effort. We will remember. We will not forget what they have done. It only hurts the cause of the U.N.

I may differ with the gentleman from Arizona (Mr. SALMON) on the repayment of the debt, but I do agree with him that this does not make their case any better when they allow this forum to be abused in such a way.

Mr. GILMAN. Mr. Speaker our consideration of this resolution is certainly timely since it concerns the convening, under extraordinary and almost unprecedented circumstances, the parties of the Fourth Geneva Convention for the Protection of Civilians in Times of War later this week in Geneva, Switzerland. The focus of this unusual meeting will be "Illegal Israeli Actions in Occupied East Jerusalem and the Rest of the Occupied Territory." From its very title it is obvious that this meeting will be another kangaroo court convened solely for the purpose of pillorying Israel whose behavior in Jerusalem and the Occupied Territory has already been predetermined to be "illegal."

Regrettably, by using such important instruments as the Fourth Geneva Convention to carry-on their anti-Israel campaign, the supporters of this Special Session in Geneva actually undermines the validity of the Convention and efforts to protect civilians in armed conflicts. We can be certain that little will be said of the many civilian victims of the numerous terrorist acts by Palestinian and Islamic groups hostile to Israel.

Most of us are keenly aware of the anti-Israel fervor which resonates throughout the institutions and committees of the United Nations. We cannot forget the evil that was unleashed during consideration of the "Zionism is Racism" resolution years ago. Clearly, the United Nations has a history of anti-Israel statements, resolutions, conferences and activities.

This troubling action taken by the United Nations General Assembly earlier this year is but the latest of a long series of United Nations activities designed to unfairly and in a highly prejudicial fashion paint Israel as an aggressive rogue state, beyond the pale of international law.

The resolution before us urges member states of the United Nations to oppose all efforts to attack Israel at this conference, and urges UN Secretary General Kofi Annan and Switzerland to refrain from assisting in the convening of the conference.

Regarding Switzerland's role in this conference, it should be noted that as the repository of the Geneva Conventions, Switzerland has no recourse but to honor the will of the UN General Assembly that has convoked this Conference. As an observer state of the UN the Swiss were not even entitled to vote in the Emergency Session of the General Assembly that decided this matter.

Accordingly, I urge my colleagues to send a strong message in opposition to this ill-considered and unhelpful initiative by fully supporting the adoption of H. Con. Res. 117.

Mr. ROTHMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GOODLATTE). The question is on the motion offered by the gentleman from Arizona (Mr. SALMON) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 117, as amended.

The question was taken.

Mr. SALMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m.

Accordingly (at 2 o'clock and 55 minutes p.m.), the House stood in recess until approximately 6 p.m.

☐ 1810

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BARTON of Texas) at 6 o'clock and 10 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The pending business before the House is the approval of the Journal. Pursuant to clause 8 of rule XX, the Chair will now put the question on the approval of the Journal and then on each motion to suspend the rules in which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: Approval of the Journal, if so ordered; House Concurrent Resolution 107, by the yeas and nays; and House Concurrent Resolution 117, by the yeas and nays.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question of agreeing to the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PEASE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The Chair will reduce to 5 minutes the time for any other electronic vote after the first vote.

The vote was taken by electronic device, and there were—yeas 329, yeas 36, answered "present" 2, not voting 67, as follows:

[Roll No. 277]

YEAS—329

Abercrombie
Ackerman
Allen
Andrews
Archer
Bachus
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilirakis
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clayton
Clement
Coble
Collins
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Eshoo
Etheridge
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Kanjorski
Kelly
Kennedy
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kuykendall
LaHood
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (FL)
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pascrell
Pastor
Paul
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Stabenow
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Talent
Tanner
Tauscher
Tauzin
Terry
Thomas
Thornberry
Thune
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Wexler
Whitfield
Wilson

Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—36

Aderholt
Baird
Borski
Costello
DeFazio
English
Evans
Filner
Gibbons
Green (TX)
Gutierrez
Gutknecht
Hastings (FL)
Hefley
Hilleary
Hilliard
Hinchey
Kucinich
LaFalce
LoBiondo
Miller, George
Moran (KS)
Oberstar
Pallone
Peterson (MN)
Pickett
Sabo
Schaffer
Slaughter
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Visclosky
Weller
Wicker

ANSWERED "PRESENT"—2

Schakowsky
Tancredo

NOT VOTING—67

Armey
Baker
Baldwin
Barr
Bartlett
Bateman
Berkley
Bilbray
Bishop
Blagojevich
Boehlert
Bonior
Bono
Brady (TX)
Brown (CA)
Chenoweth
Clay
Clyburn
Coburn
Combest
Danner
DeGette
DeLay
Doolittle
Edwards
Engel
Gephardt
Gillmor
Goodling
Hulshof
Isakson
Jackson-Lee (TX)
Jefferson
Jones (OH)
Kaptur
Kasich
Kilpatrick
Kind (WI)
Kolbe
Lampson
Lantos
Markey
McDermott
McIntosh
Millender-McDonald
Miller, Gary
Mollohan
Payne
Pomeroy
Pryce (OH)
Rogers
Royce
Rush
Scott
Serrano
Shows
Simpson
Spratt
Stark
Taylor (NC)
Thurman
Towns
Waters
Watt (NC)
Weldon (PA)
Weygand
Wise

☐ 1833

Mr. DEFAZIO changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

SENSE OF CONGRESS REJECTING NOTION THAT SEX BETWEEN ADULTS AND CHILDREN IS POSITIVE

The SPEAKER pro tempore (Mr. BARTON of Texas). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 107, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Arizona (Mr. SALMON) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 107, as amended, on which the yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 355, nays 0, answered "present" 13, not voting 66, as follows:

[Roll No. 278]

YEAS—355

Ackerman
Aderholt
Andrews
Archer
Bachus
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilirakis
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clayton
Clement
Coble
Collins
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Foley
Forbes
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kanjorski
Kelly
Kennedy
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kucinich
Kuykendall
LaFalce
LaHood
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (FL)
Miller, George
Minge
Moakley
Moore
Moran (KS)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Stabenow
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

ANSWERED "PRESENT"—13

Abercrombie
Allen
Baird
Conyers
Delahunt
Filner
Frank (MA)
Hastings (FL)
Johnson, E.B.
Mink
Moran (VA)
Stark
Strickland

NOT VOTING—66

Armey
Baker
Baldwin
Barr
Bartlett
Bateman
Berkley
Bilbray
Bishop
Boehlert
Bono
Brady (TX)
Brown (CA)
Chenoweth
Clay
Clyburn
Coburn
Combest
Danner
DeGette
DeLay
Doolittle
Edwards
Engel
Fletcher
Gekas
Gephardt
Gillmor
Hulshof
Isakson
Jackson-Lee (TX)
Jefferson
Jones (OH)
Kaptur
Kasich
Kilpatrick
Kind (WI)
Kolbe
Lampson
Lantos
Markey
McDermott
McIntosh
Millender-McDonald
Miller, Gary
Mollohan
Northup
Payne
Pomeroy
Pryce (OH)
Rogers
Royce
Rush
Scott
Serrano
Shows
Simpson
Spratt
Taylor (NC)
Thurman
Towns
Waters
Watt (NC)
Weldon (PA)
Weygand
Wise

☐ 1840

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title was amended so as to read: "Concurrent resolution expressing the sense of Congress rejecting the conclusions of a recent article published in the Psychological Bulletin, a journal of the American Psychological Association, that suggests that sexual relationships between adults and children might be positive for children".

A motion to reconsider was laid on the table.

Stated for:

Mrs. NORTHUP. Mr. Speaker, on rollcall No. 278, I was inadvertently detained. Had I been present, I would have voted "yes."

Mr. GEKAS. Mr. Speaker, on rollcall No. 278, I was involved in a conference off the floor and missed the vote. Had I been present, I would have voted "aye."

Mr. FLETCHER. Mr. Speaker, on rollcall No. 278, I was unavoidably detained. Had I been present, I would have voted "yes."

CONCERNING UNITED NATIONS GENERAL ASSEMBLY RESOLUTION ES-10/6

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 117, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. SALMON) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 117, as amended, on which the yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 365, nays 5, not voting 64, as follows:

[Roll No: 279]

YEAS—365

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Bachus
Baird
Baldacci
Ballenger
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilirakis
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clayton
Clement
Coble
Collins
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Kanjorski
Kelly
Kennedy
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kucinich
Kuykendall
LaFalce
LaHood
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (FL)
Minge
Mink
Moakley
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Porter
Portman
Price (NC)
Quinn
Radanovich
Ramstad
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—5

Bonior
Conyers
Dingell
Rahall
Sununu

NOT VOTING—64

Armey
Baker
Baldwin
Barcia
Barr
Bateman
Berkley
Bilbray
Bishop
Boehlert
Bono
Brady (TX)
Brown (CA)
Chenoweth
Clay
Clyburn
Coburn
Combest
Danner
DeGette
DeLay
Dickey
Engel
Gephardt
Gillmor
Hulshof
Isakson
Jackson-Lee (TX)
Jefferson
Jones (OH)
Kaptur
Kasich
Kilpatrick
Kind (WI)
Kolbe
Lampson
Lantos
Markey
McDermott
McIntosh
Millender-McDonald
Miller, Gary
Miller, George
Mollohan
Payne
Pickett
Pomeroy
Pryce (OH)
Rangel
Rogers
Royce
Rush
Scott
Shows
Simpson
Spratt
Taylor (NC)
Thurman
Towns
Watkins
Watt (NC)
Weldon (PA)
Weygand
Wise

□ 1847

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. KIND. Mr. Speaker, on rollcall No. 277, unfortunately, due to an unavoidable weather delay I missed today's rollcall vote. Had I been present, I would have vote "yea."

Mr. Speaker, on rollcall No. 278, unfortunately, due to an unavoidable weather delay I missed today's rollcall vote. Had I been present, I would have vote "yea."

Mr. Speaker, on rollcall No. 279, unfortunately, due to an unavoidable weather delay I missed today's rollcall vote. Had I been present, I would have vote "yea."

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Speaker, due to official business, I was unable to record my vote for several measures considered in the House of Representatives today. Had I been present, I would have voted "aye" on approving the Journal; "aye" on H. Con. Res. 107; and "aye" on H. Con. Res. 117.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. BARTON of Texas) laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 12, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelop received from the White House on July 12, 1999 at 3:33 p.m. and said to contain a message from the President whereby he transmits the District of Columbia's Fiscal Year 2000 Budget Request Act.

With best wishes, I am
Sincerely,
JEFF TRANDAHL.

DISTRICT OF COLUMBIA'S FISCAL YEAR 2000 BUDGET REQUEST ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106-92)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered printed:

To the Congress of the United States:

In accordance with section 202(c) of the District of Columbia Financial Management and Responsibility Assistance Act of 1995 and section 446 of the District of Columbia Self-Governmental Reorganization Act, as amended, I am transmitting the District of Columbia's Fiscal Year 2000 Budget Request Act.

This proposed Fiscal Year 2000 Budget represents the major programmatic objectives of the Mayor, the Council of the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority. For Fiscal Year 2000, the District estimates revenue of $5.482 billion and total expenditures of $5.482 billion, resulting in a budget surplus of $47,000.

My transmittal of the District of Columbia's budget, as required by law, does not represent an endorsement of its contents.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 12, 1999.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Tuesday, June 29, 1999:

H.R. 4, to declare it to be the policy of the United States to deploy a national missile defense.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from the Honorable RICHARD A. GEPHARDT, Democratic Leader:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, July 9, 1999.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I am writing to inform you that I am withdrawing my appointment of Mr. Salam Al-Marayati to the National Commission on Terrorism.

Mr. Al-Marayati was recommended for this commission by individuals who knew him to possess several qualifications, including knowledge of the subject matter, involvement in interfaith dialogue, and extensive public service experience. Upon subsequently learning of questions about this appointment, I supported efforts to refer them to those agencies that will be involved in conducting background investigations and issuing security clearances for all members of the commission.

I have since been informed that unlike Mr. Al-Marayati, all other appointees to the commission either hold or recently held security clearances and will only require a brief update in order to begin their service. I have also been notified that in order to issue for any individual a first-time security clearance of the level likely to be required for the sensitive matters to be reviewed by the commission, the investigating agencies generally require up to twelve months or more to conduct a complete background investigation.

In light of the fact that the term of the commission is only six months, it has become evident that an appropriate security clearance is not likely to be processed in time for Mr. Al-Marayati to participate in the commission's work. This situation has therefore required that his appointment to the commission be withdrawn.

Despite these circumstances, Mr. Al-Marayati is prepared to provide input to the commission on matters of interest and concern to the American Muslim community. I hope the commission will listen to the voices of this community and address the issues of civil rights for all Americans consistent with a strong U.S. anti-terrorism policy.

Sincerely,

RICHARD A. GEPHARDT.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

LET US HONOR ALL VIETNAM VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, I rise today to speak of an urgent need that is addressed by House Concurrent Resolution 134, a resolution which we call the "In Memory Day" resolution introduced earlier this month.

When passed, this resolution will affirm that Congress supports the goals and ideas of what we have been calling "In Memory Day," which is the third Monday of April.

Though the Vietnam Veterans Memorial is a deeply moving reminder of many courageous Americans who gave their lives for their country, it includes only the names of those who died from combat wounds. Many other brave veterans have died as a result of their service in Vietnam, but their causes of death do not fit within the criteria established by the Department of Defense for inscribing their names on the Memorial. By observing "In Memory Day," we will honor these patriotic Americans and remember their sacrifice.

Veterans whose deaths were hastened by exposure to Agent Orange, for example, count among the casualties of Vietnam, but their names are not inscribed on the Memorial. Veterans who have taken their own lives as a result of the deep psychological wounds from their service are not included either, but their deaths are fundamentally tied to their experiences in Vietnam. These veterans and their families deserve recognition and support.

This year, last April 19, the Vietnam Veterans Memorial Fund held its first "In Memory Day" to commemorate these people who died but whose deaths do not merit inscription on the Wall. From this year forward, the "In Memory Day" event will be observed each year at the Wall, along with Memorial Day and Veterans Day, as one of the official ceremonies of the Vietnam Veterans Memorial Fund. Names of fallen comrades will be added to the "In Memory Honor Roll" each year, just as the names of those who died as a result of combat in Vietnam are added to the famous memorial at the Wall.

Many returning heroes came back from Vietnam with their health shattered, both physically and mentally. They were wounded by their time in Vietnam, and they deserve our gratitude and recognition.

I urge my colleagues to support House Concurrent Resolution 134.

WE NEED ACTION NOW ON REAL CRISIS IN FARM COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. BEREUTER) is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, during the Independence Day district work period, this Member continued his series of town hall meetings with 14 additional meetings to hear the views and questions of my constituents. Many subjects were discussed, but two subjects understandably dominated their concerns.

The first, overwhelmingly expressed, as it has been all year, related to the deplorably bad conditions for farmers and the communities and small businesses that serve farmers and depend upon agriculture. All grain, soybean, and livestock prices are very low, some unprecedently low this year, while the predictions are all equally gloomy.

World surpluses and export losses in the Asian markets, huge projected 1999 harvest numbers, coupled with the strength of the dollar as compared to our export competitors' agricultural commodities and products, have created desperate conditions for farmers.

It is reported that the U.S. Government has actually spent more in farm subsidies during the current year than during the most expensive year of the previous farm bill. But those subsidies are not appreciably alleviating what is a real crisis in farm country. Net farm income per farm in my State of Nebraska last year is a negative number after average Federal subsidies are subtracted, as contrasted to a net farm income of over $40,000 two years ago.

This Member has said for nearly a year now that no ideas or proposed solutions are off the table, all deserve consideration. No ideological blinders or pride of authorship of any current farm policies should stand in the way of finding answers quickly for turning around and meeting this farm crisis. The administration must use the export promotion tools and dollars the Congress has authorized and be more innovative and aggressive in meeting the crisis.

Without immediate and concerted actions now, thousands of farm families who have been financially responsible and good farmers will be forced from their farms. Modest accumulated savings and assets built up through years of effort and investment are being wiped out and growing debts look overwhelming.

Mr. Speaker, the bipartisan leadership and members of the Agriculture Committees of the two Houses of Congress must find solutions and proposal actions now, not after the 1999 harvest is complete. That will be too late for thousands of farmers, ranchers, and agribusiness-dependent families and communities. A whole farm infrastructure is threatened. The leaders of the two Houses also must give this matter a top priority for action.

Mr. Speaker, this Member knows these terrible economic problems are not being ignored by our agriculture committees here on Capitol Hill even if the White House and USDA seem indifferent. Solutions to our current dilemma are not obvious. The situation results from perhaps an unprecedented or at least totally unexpected combination of factors.

When this Member asked his farm constituents for ideas or solutions, few have specific answers and there certainly is little agreement. However, one comment is heard over and over again: the loan deficiency payments arrangement provides no floor for prices. And it may, in fact it is suggested, be driving commodity prices down and helping only the major grain companies. This must be examined.

Second, farmers argue in large numbers that they want to see a farmer-held reserve reinstituted.

□ 1900

That needs to be seriously considered and a decision made, one way or another, with an explanation for the decision. And, third, farmers and agriculture leaders also believe the growing concentration of companies that supply the farm population with key inputs and others which serve as their markets deserve closer and immediate scrutiny by the USDA and the Justice Department. These complaints need to be seriously addressed before it is too late.

Mr. Speaker, we need action now on a real crisis in farm country.

EDWARD R. ROYBAL CENTERS FOR DISEASE CONTROL AND PREVENTION (CDC) CAMPUS

The SPEAKER pro tempore (Mr. GIBBONS). Under a previous order of the House, the gentlewoman from California (Ms. ROYBAL-ALLARD) is recognized for 5 minutes.

Ms. ROYBAL-ALLARD. Mr. Speaker, I have just returned from a very special event at the Centers for Disease Control and Prevention. Today, the main campus of the CDC was renamed the Edward R. Roybal CDC Campus, in honor of my father who served as a Member of this Chamber for 30 years. In addition, he was presented with the Champion of Prevention Award, CDC's most prestigious award, reserved for individuals who have made significant contributions to public health.

Quoting CDC Director, Dr. Jeffrey P. Koplan, "All his life, no matter where or at what level he sat, Edward R. Roybal has made the public's health his personal and professional priority. His leadership has prevented the illness and health of many Americans."

Many of my colleagues who served with my father during his tenure from 1963 to 1993 will recall his zeal and commitment to health promotion and disease prevention and the very special place CDC has in his heart. I hope that this and future Congresses will remember and emulate his belief in protecting the Nation's health and safety through prevention and applied research and programs. Our whole family is very proud of my father, but none more than my mother who has stood next to him through all his accomplishments and who through her support made many of those accomplishments possible.

TRIBUTE TO FRED ZOLLNER, NBA PIONEER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. SOUDER) is recognized for 5 minutes.

Mr. SOUDER. Mr. Speaker, I rise today to pay tribute to a great Hoosier from Fort Wayne, the late Fred Zollner, who was just selected for the Basketball Hall of Fame. Too often we forget our history.

Fred Zollner moved the Zollner Pistons Company from Duluth, Minnesota, in 1931 to the east side of Fort Wayne. During the 1930s the piston plant doubled in size, aided by hefty government military contracts because of war preparations.

Sports Illustrated described Zollner this way:

"He is short and stocky, a dapper man sporting peak lapels, a silk shirt, a constant tan, and an unruly coiffure that suggests he is about to mount a podium and conduct Beethoven's Ninth. He is the sort who would not harm a fly. Rather than swat one, he would catch a cold holding the door open until the fly got ready to leave."

In 1938, Mr. Zollner had formed a company softball team for a local industrial league. In 1945, the Pistons instigated the National Softball League, which they hoped would open the way to major league softball. They won multiple national championships. Players were celebrities. By the late 1950's as I was growing up, softball was no longer as significant, but I remember my dad talking about Leo Luken and Bernie Kampschmidt as if they were Nellie Fox and Ernie Banks, my baseball heroes.

After having success in softball, in 1939 Zollner fielded a team in a Chicago industrial league tournament and never looked back. The Fort Wayne Zollner Pistons, now known as the Detroit Pistons, were not Fort Wayne's first pro basketball team. The Fort Wayne Knights of Columbus, the Caseys, and the Fort Wayne Hoosiers were. And the Fort Wayne General Electrics played in the NBL, the National Basketball League, in 1937. The Fort Wayne Zollner Pistons left Fort Wayne at the end of 1957 but continue today as the Detroit Pistons.

There were many eventful years in Fort Wayne. For most of the Fort Wayne era, the Pistons played at the North Side High School gym. The enthusiastic fans and confined quarters gave the Pistons a significant homecourt advantage. Minneapolis Lakers' star Slater Martin was quoted on the courtside seating at North Side: "I never really saw the fans get physical with the players. But I did have them pull the hair on my legs."

Fred Zollner was a key in keeping the National Basketball League solvent. Carl Bennett, whose personal history with the Pistons is so intertwined with Zollner as to be inseparable, said that Zollner never wanted anyone to know how he kept the league—and pro basketball—alive.

He was constantly upgrading his team which eventually led to repeat national titles. The Zollner Pistons were multiple times national champions. Two of their famous players were "Mr. Basketball," Bobby McDermott, who had long set shots from past half-court; and Paul "Curly" Armstrong from Fort Wayne. These are some of the late 1940s cards that I have in my collection.

They were also responsible for the invention of the 24-second clock, because George Mikan, who was not only a giant at 6′10″ but a talented athlete as well, had this huge height advantage. They tried a different way to win. In Minneapolis, as the crowd hollered, they stalled. It remains, and always will, as the lowest scoring game in NBA history, 19–18. But the Zollner Pistons won and the league said this will never happen again.

Fred Zollner, along with Carl Bennett, met then with the people from the BAA in Fort Wayne and merged the leagues which then became the NBA from the leagues in Fort Wayne.

Fred Zollner's vision for Fort Wayne was for the Fort Wayne Zollner Pistons to be to the NBA what Green Bay was to professional football. But, alas, that was not to be. Fort Wayne was just too small.

He saw the writing on the wall in the mid 1950s, but the final event was when they made the national championship, the NBA playoffs, but the Fort Wayne Coliseum had booked the national bowling tournament so the Pistons were booted out of the auditorium and had to play their games in Indianapolis. The next year they moved to Detroit.

To quote a couple of the long-term people associated with this, Carl Bennett, who crusaded to get Fred Zollner into the Basketball Hall of Fame, said: "If somebody would have asked me when I was a kid what I wanted to do with my career, I would have told them exactly what I did for Fred Zollner's organization. It was fun and extremely rewarding."

There are two books out. Indiana had three of the original members of the NBA. "Pioneers of the Hardwood" refers to that. The other is the Zollner Piston Story by Roger Nelson.

George Yardley, a Hall of Famer, said about Fort Wayne:

"My wife and I didn't know what to expect when we got to Fort Wayne. We had never seen snow before. Major league sports to Fort Wayne was the Pistons. They were great basketball fans. But more importantly, they were great people. They wanted you to know that Fort Wayne was a great place to live, and they did everything they could to illustrate that to you. To this day I believe that Fort Wayne has some of the coldest weather and warmest people in the country."

In Fort Wayne we no longer have the Pistons basketball team, but we do have nearly 1,000 Zollner Pistons jobs that are part of the backbone of our community. We have the pride of having been there in the early days of the NBA, the first meetings occurring in Fort Wayne, and now having one of our community leaders being honored by his selection into the Basketball Hall of Fame. And we still have some of the coldest weather and the warmest people in America.

I rise today to pay tribute to a great Hoosier from Fort Wayne, the last Fred Zollner, who was just selected for the Basketball Hall of Fame. Too often we forget our history.

Fred Zollner moved Zollner Pistons from Duluth, Minnesota in 1931 to the east side of Fort Wayne. During the 1930s the piston plant doubled in size, aided by hefty government military contracts because of war preparations.

Sports Illustrated described Zollner this way: "He is short and stocky, a dapper man sporting peak lapels, a silk shirt, a constant tan, and an unruly coiffure that suggests he is about to mount a podium and conduct Beethoven's Ninth. He is the sort who would not harm a fly. Rather than swat one, he would catch a cold holding the door open until the fly got ready to leave."

Holiday magazine said: "Zollner is a soft-voiced, curly-headed manufacturer, a friendly man with a taste for expensive, striped suits, and the engaging knack of making them look as if he'd worn them to bed."

In 1938 Mr. Zollner had formed a company softball team for a local industrial league. In 1945 the Pistons instigated the National Softball League, which they hoped would open the way to major league softball. They won multiple national championships. Players were celebrities. By the late 50s, as I was growing up, softball was no longer as significant but I remember my father talking about Leo Luken and Bernie Kampschmidt as if they were Nellie Fox and Ernie Banks, my baseball heroes.

After having success in softball, in 1939 Zollner fielded a team in a Chicago industrial league tournament and never looked back. The Fort Wayne Zollner Pistons were not Fort Wayne's first pro basketball team—the Fort Wayne Knights of Columbus (the Caseys) and the Fort Wayne Hoosiers were. And the Fort Wayne General Electrics played in the NBL (National Basketball League) in 1937. The Fort Wayne Zollner Pistons left Fort Wayne at the end of 1957 but continue today as the Detroit Pistons.

There were many eventful years in Fort Wayne.

For most of the Fort Wayne era, the Pistons played at the North Side High School gym. The enthusiastic fans and confined quarters gave the Pistons a significant homecourt advantage. Minneapolis Laker's star Slater Martin was quoted on the courtside seating at North Side: "I never really saw the fans get physical with the players. I had them pull the hair on my legs through."

Fred Zollner was key in keeping the NBL (National Basketball League) solvent. He gave direct financial aid to other teams, he purchased players for cash to help keep teams afloat, and did other things to keep the league going. Carl Bennett who's personal history with the Pistons is so intertwined with Zollner as to be inseparable said that Zollner never wanted anyone to know how he helped the league—and pro basketball—alive.

Zollner treated his players well, being known throughout the league as a generous owner. He was the first owner to purchase a plane for the team. He did this even though he did not like to fly. It gave the Pistons such an advantage—players weren't as tired from traveling—that the league re-configured its schedule to the disadvantage of Fort Wayne.

Zollner was constantly upgrading his team—which eventually led to repeat national titles. The nation knew he was serious when he signed "Mr. Basketball"—Bobby McDermott of the New York Celtics, then the most famous player in all of basketball famous for the towering two-hand set-shots typically from half-court—or beyond. Paul "Curly" Armstrong was another favorite.

The Zollner Pistons were also responsible for the 24-second shot clock. When George Mikan, who was not only a giant of his day at 6′10″ but a talented athlete as well, changed the nature of basketball with his huge height advantage, the Pistons decided to try a different way to win. In Minneapolis, as the crowd hollered, they stalled. It remains—and always will—as the lowest scoring game in NBA basketball history. 19–18. But the Fort Wayne Zollner Pistons won. But the league said never again.

Fred Zollner, coordinated by his able basketball specialist Carl Bennett, was key in creating the NBA as we know it today. The NBL and the BAA (Basketball Association of America) were competing for players in a market in which few were able to make money. The BAA had franchises in big cities with big arenas (Madison Square Garden for example) but few fans and not the best players. The NBL was a mixed bag but had four very strong teams—the Fort Wayne Zollner Pistons, the Rochester Royals (later moved to Cincinnati in Hoosier Oscar Robertson days), George Mikan's Minneapolis Lakers (now the Los Angeles Lakers—ever wonder where the lake was in LA?), and the Indianapolis Krautskys (named after local grocery store owner Frank Krautsky). These teams actually dominated the NBA for most of its first years.

Maurice Podoloff, the Commissioner of the BAA, came to Fort Wayne to Carl Bennett's home. After preliminary discussions, they were joined the next day by Fred Zollner and then the Indianapolis Krautsky's owners in Fort Wayne. The agreement to pull the four teams from the NBL and join with the BAA was the start of the NBA. Additional changes occurred over the next few years but the core remains until today.

The Fort Wayne Zollner Pistons brought many thrills to northeast Indiana, including one of the early NBA All-Star games which features such stars as George Mikan (whose 1948 basketball card is the most valuable of all time), Bob Cousy and Dolph Schayes. The then brand new Allen County War Memorial Coliseum was a showpiece arena, packed to the ceiling with over 10,000 fans. Over 8,000 came to see the Zollner Pistons defeat the Boston Celtics, during Bill Russell's first visit there.

Fred Zollner's vision for Fort Wayne was for the Fort Wayne Zollner Pistons to be to the NBA what Green Bay was to professional football. But, alas, it was not to be. New York, Chicago, Boston and other cities had millions of people to draw from whereas Fort Wayne had less than 200,000. But Fred Zollner not only brought big-time basketball to a smaller size city, but he was instrumental in the founding of the NBA and much of its development.

Zollner saw the writing on the wall in the mid-fifties. He knew that the big-city teams weren't thrilled to come to Fort Wayne. What may have finally pushed him over the edge, according to long-time sports broadcaster and Fort Wayne civic leader Hilliard Gates, was a situation that developed in 1955. Fred Zollner wanted badly to win an NBA championship. The Zollner Pistons made it to the finals. But the Fort Wayne Coliseum had booked the national bowling tournament so the Pistons were booted out of Fort Wayne for the NBA finals. Now bowling was big in Indiana—bowling still is very popular in Indiana—but it probably wasn't the wisest move. The Fort Wayne Pistons lost four games to three, so the record should show that they did win all the games played in Indianapolis.

Dick Rosenthal, who played as a Piston and later was the University of Notre Dame's athletic director, said about Fred Zollner: "He was a man of vision. Fred nurtured professional basketball from a very iffy proposition to a major business venture. He embodied the soul of the organization and the league. Professional basketball had come a long way. The game owes a great deal to the pioneer spirit of an owner like Fred Zollner."

Carl Bennett, who crusaded to get Fred Zollner into the Hall of Fame, and who for most of the years of the Fort Wayne Zollner Pistons did most everything from coaching to managing to player personnel decisions, said: "If somebody would have asked me when I was a kid what I wanted to do with my career, I would have told them exactly what I did for Fred Zollner's organization. It was fun and extremely rewarding."

For basketball buffs, there are two books that most of this special order was based upon. Rodger Nelson has written the Zollner Piston Story, covering both the basketball and softball teams. Todd Gould has written a book titled Pioneers of the Hardwood, about not only the Pistons but other early pro Indiana basketball teams as well. Indiana, in the second year of the merged leagues, had 3—three—of the NBA teams.

Let me close with several quotes from the Pioneers of the Hardwood, from former Fort Wayne Zollner Piston basketball stars.

Frank Brian: "Whenever I hear the song 'Back Home Again in Indiana' I get real nostalgic, because Indiana was like a second home to me. The fans were so congenial and really loved their basketball. Basketball was its own special culture there. When anybody ever asks me about the fans in Indiana, there's only one word I can say—unbelievable. Yes, sir, unbelievable. It was great."

Hall-of-Famer George Yardley, the first Piston and the first NBA player in history to score 2000 points in a season, said, "If it's wintertime, and it's Indiana, it must mean basketball. The fans there were really wonderful. I loved it, truly loved it. It was the greatest experience in the world."

Yardley, a California boy and Stanford grad, also said about Fort Wayne: "My wife and I didn't know what to expect when we got to Fort Wayne. We had never seen snow before. Major league sports to Fort Wayne was the Pistons. They were great basketball fans. But more importantly, they were great people. They wanted you to know that Fort Wayne was a great place to live, and they did everything they could to illustrate that to you. To this day I believe that Fort Wayne has some of the coldest weather and warmest people in the country."

In Fort Wayne we no longer have the Pistons basketball team. We still have nearly 1000 Zollner Pistons jobs that are part of the backbone of our community. We have the pride of having been there in the early days of the NBA and now having one of our community leaders being honored by his selection into the Basketball Hall of Fame. And we still have some of the coldest weather and warmest people in the country.

TRIBUTE TO U.S. WOMEN'S NATIONAL SOCCER TEAM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Mrs. MEEK) is recognized for 5 minutes.

Mrs. MEEK of Florida. Mr. Speaker, I rise today to pay tribute to the United States women's national soccer team. Our soccer team won the women's World Cup. This tournament was held this past weekend in Pasadena, California.

We are all very proud of our women's soccer team. The 1999 women's soccer team has boldly gone where no United States soccer team has gone before. And along the way, Mr. Speaker, they have taught us all that anything is possible if you dare to dream; that by raising the bar of expectations, there can be no limits; that if you are allowed to fully realize your potential, you can have it all. They did, Mr. Speaker. They fought very, very hard.

The championship of our women's soccer team won on the field in competition this weekend was more than a feel-good athletic victory but a victory for American women everywhere. From Liberty City in my district to Houston, to Los Angeles, the lives and hopes of young women everywhere have been expanded and transformed by a new set of American heroes, real-life role models who are confident, strong and female.

Their victory, however, was not just a victory for one team but a victory for all girls and all women and a victory for all America. And the culmination of a very long process, of title IX. Not too long ago, people said women athletics was perhaps a waste of time and money, that women could not perform. This victory shows, Mr. Speaker, that all that was needed for women was the opportunity to compete on an equal level.

I am a former athlete, Mr. Speaker. I ran track and played basketball in college more than a few years ago. I know the importance of role models in life and sports. I had outstanding role models like Lua Bartley and Babe Minor. Now, Mr. Speaker, little girls and women all across America have a new set of real-life American role models who are driven, determined, aggressive, tough and committed. That is our United States 1999 women's national soccer team.

This weekend's victory was a coming of age for women. In a real sense, it is something you cannot touch or you cannot quantify. Because little girls all over the world, Mr. Speaker, saw strong, independent and capable women playing soccer these past 3 weeks, they will realize that they are not crazy for wanting to do something out of the ordinary, to excel themselves in athletics. They are saying to themselves, "If they can play soccer and win, I can be a CEO of a Fortune 500 company."

Thank God for all of the dedicated soccer moms, Mr. Speaker, in this country that have driven their girls back and forth to rehearsal over and over again. May they continue to provide the continued support that fosters World Cup winners.

I am proud of our women's soccer team and what they have done for our national psyche and for the psyche of Americans from coast to coast. Girl power and the power of women. Mr. Speaker, live on.

IN MEMORY OF ASTRONAUT CHARLES "PETE" CONRAD

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, 20 years ago today, the NASA space laboratory Skylab fell to the earth in a rain of blue, red and orange fire over the Indian Ocean in Australia. I rise today to honor the memory of an astronaut who largely contributed to the success of that program.

Charles "Pete" Conrad, who died last Thursday in a motorcycle accident at the age of 69, began service to his country as a U.S. Navy aviator after graduating from Princeton with an engineering degree. It continued when he was selected as a member of NASA's second class of nine astronauts. He flew on two Gemini missions, setting a space fight endurance record on Gemini 5, and commanded Gemini 11 which docked with another spacecraft, leading the way to the Apollo missions.

He is best known, though, for the distinction of being the third man to walk on the Moon. Apollo 11 captured the world's imagination, but the mission missed its landing site by several miles. Commander Conrad's mission proved that not only could we go to the moon but we can land on our target. This mission goal was essential if any scientific exploration of the moon was going to take place. Unlocking the mysteries that the moon presents requires the ability to excavate specific sites. Apollo 12 and Pete Conrad proved this to be possible.

Five years later, when Skylab was launched into orbit atop a Saturn V rocket, major damage was sustained which would have to be repaired in space if the microgravity laboratory program was to be useful. Pete Conrad answered the call to duty on the first manned mission to the space station. He and his crew mates repaired the damage in three exhaustive EVAs in addition to conducting a number of other experiments over the 3 weeks they spent aboard the station.

When he left NASA, Pete Conrad was never far away. His enterprising spirit took him into the fertile environment of the commercial space industry, first with McDonnell Douglas and then on his own with Universal Space Lines and several sister companies. The visionary Pete Conrad recognized that it will be up to private industry to truly open the commercial markets of space, so he created companies to design reusable launch vehicles and build ground tracking systems, with the goal of making it easier, cheaper and safer to put people and equipment into space.

Through my work on the Committee on Science, I had the pleasure of meeting Pete Conrad, as a matter of fact, most recently several months ago. I have always been impressed by the force of his personality. He seemed to exemplify the maxim of "attitude is altitude." At 5 feet 6 inches, Pete Conrad personified this quip with his eye toward enterprise and adventure.

□ 1915

Though highly regarded as a truly terrific pilot, he had a reputation as a jokester. Upon setting foot on the Moon, he cheered, "Whoopee, that may have been a small one for Neil, but that's a long one for me."

Just last year he joked that he looked forward to his 77th birthday saying, "I fully expect that NASA will send me back to the Moon as they treated Senator Glenn, and if they don't do so, why then I will have to do it myself."

The life of Charles P. Conrad, Jr., serves as an example of the patriotism and sense of adventure that sets the United States apart and makes us all, as Americans, unique. I am proud to have known him in life, I honor him in death, and I marvel, as we all do, at his legacy.

INTRODUCTION OF H.R. 2448

The SPEAKER pro tempore (Mr. GIBBONS). Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I rise today to introduce H.R. 2448, a bill to restore fairness to our immigration system. Family reunification is a fundamental principle of U.S. immigration law. Another key principle gives American citizens priority over non-citizens when they seek to bring their relatives here.

Most of the time, Americans get their petitions handled first.

But an aberration arises when Americans seek to bring their unmarried sons and daughters here from the Philippines. In this case, U.S. citizens wait several years longer than legal residents.

The Department of State reports that such U.S. citizen petitions are backlogged to October 1, 1987, while legal resident petitions are backlogged only to August 1, 1992, a difference of five years. The law was never designed to make citizens wait longer than legal residents, and we must correct this problem.

Mr. Speaker, I would like my colleagues to imagine how devastating it is to achieve American citizenship, only to find that this move significantly postpones your own child's visa. It is a heartbreaking task to have to inform constituents of this sad fact.

My bill fixes this irregularity. Simply put, it ensures that a legal resident who files for a son or daughter to immigrate will not have to wait longer for his children to arrive after he gains U.S. citizenship.

U.S. citizenship is a great honor. By passing H.R. 2448, we can ensure that it remains a great privilege as well. I urge my colleagues to support this legislation.

H.R. 2448

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PREVENTING IMMIGRANTS FROM WAITING LONGER FOR IMMIGRANT VISAS AS A RESULT OF RECLASSIFICATION FROM FAMILY SECOND PREFERENCE TO FAMILY FIRST PREFERENCE.

(a) IN GENERAL.—Section 203 of the Immigration and Nationality Act (8 U.S.C. 1153) is amended by adding at the end the following new subsection:

"(h) ASSURING IMMIGRANTS DO NOT HAVE TO WAIT LONGER FOR AN IMMIGRANT VISA AS A RESULT OF RECLASSIFICATION FROM FAMILY SECOND PREFERENCE TO FAMILY FIRST PREFERENCE.—Notwithstanding any other provision of law, in the case of a petition that has been approved to accord preference status under subsection (a)(2)(A) may be deemed to provide continued entitlement to status under that subsection in the case of any alien petitioner who is subsequently naturalized as a United States citizen, if a visa is not immediately available to the beneficiary under subsection (a)(1).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date of the enactment of this Act and applies to petitions filed before, on, or after such date, without regard to when an alien petitioner was naturalized as a citizen of the United States.

REPUBLICANS IN CHARGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 5 minutes.

Mr. SCHAFFER. Mr. Speaker, before returning today after a week-long Fourth of July district work period, I had an opportunity over that break to meet with so many Coloradans who celebrated the 223rd anniversary of the signing of the Declaration of Independence and the launching of our great Nation. Many of those individuals look forward to the future of our country with great hope and optimism, but some are disturbed somewhat by the tenor of the political process here in Washington, D.C. That was emphasized perhaps most dramatically just this morning before I hopped on the plane to come back to Washington.

I held a town meeting, as I do every Monday morning half the distance between Fort COLLINS and Loveland in my district. It allows constituents an opportunity to meet and discuss over breakfast the many issues facing us. There was a woman who stood up and commented on a remark that she had seen, and I had seen it as well in the media, about a colleague of ours here in the House from the Democrat side of the aisle, who said he, as a Member of the minority party, saw no reason for the Democrats to cooperate or to compromise or to work with the majority party in Congress; that it would be to their political advantage to see a Congress that did nothing.

Well, it is the kind of disturbing comment that I think strikes most Americans as unfortunate certainly, and they are hoping that there are those who are willing to stand up in spite of those kinds of sentiments and lead the country regardless.

The rantings of Democrats might lead one to believe Congress is doing nothing important, but important things are being accomplished despite Democrat opposition and liberal stonewalling.

As my colleagues know, 7 months having passed since the bizarre series of events and criminal denials leading to the second impeachment of a sitting President, America is still reeling from its bewildering constitutional exercise. Self-serving claims of our liberal counterparts to the contrary, Mr. Speaker, America does not suffer a do-nothing Congress.

Still, the several important Republican accomplishments seem to have been lost on the morass of most pathetic adventures at the White House. Much of the distraction can clearly be blamed on the unfortunate slide further into the gutter of a darkening American political culture. Months of intense persistence and live impeachment news coverage coupled with round-the-clock, Hollywood-style political analysis by neophyte pundits has cast a warped and unhealthy light on this Congress.

Mr. Speaker, our democratic republic needs and craves active participation by citizens who earnestly care about our future, and now more than ever this pursuit must emanate from a genuine desire to secure a better America to ensure a stronger republic and honor those brave men and women who lived and died defending our great country.

What we saw in 1998, however, was a sort of Jerry Springer show meets C-Span where the American people were given front row seats and encouraged to cheer whenever one politician threw furniture at another. To be sure, certain politicians supplied ample fodder for these exhibitions, and many I confess contributed directly to the further denigration of American politics. But there were many more in Congress who dutifully fulfilled their constitutional responsibility and took very seriously their oaths to preserve and protect our republic. These are the same Members who, despite the frenzied pressure and ridicule of the Oval Office and the media, advanced the vitally important process of governing.

Mr. Speaker, Republicans can be proud. Our proposals to deliver a balanced budget are on schedule, including a much-needed replenishment of our national defense and programs. Republicans are also spearheading education initiatives to return autonomy to parents and States in managing their schools; and biggest of all, we have passed the balanced budget blueprint saving Social Security and Medicare while still providing much-needed tax relief for American families and their businesses.

Furthermore, Mr. Speaker, the balanced budget amendment resolution, H.J. Res. 1, which I introduced on the first day of the 106th Congress, will constitutionally bind the government to spending no more than it collects in Federal revenues. Republicans will keep spending in line to allow us to begin paying down the massive debt accrued over 40 years of Democrat taxing and spending policies.

But despite the surreal Clintonesque atmosphere which perverted the current political order in Washington, Mr. Speaker, there remain committed Republicans, loyal hard-working Americans who are legitimately concerned for our country and who wish to see it move forward for the good of our children. Our challenge now is to lead the rest of America to abandon Jerry Springer politics in favor of the same common sense and divine providence upon which our Founders relied when they launched the greatest republic in the history of human civilization.

PATIENTS' BILL OF RIGHTS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MOORE) is recognized for 5 minutes.

Mr. MOORE. Mr. Speaker, I am here today to express my support for a Patients' Bill of Rights act in the strongest and most personal terms. I have been in office less than 200 days, and I have grown tired of explaining to my constituents why this Congress does not want to extend basic rights and protections to patients in this country.

One of my constituents who suffers from ovarian cancer was refused surgery by her HMO on the grounds that the surgery was experimental, although this particular procedure had a greater success rate than other procedures approved by the HMO.

And on a more personal basis, my wife about 4 years ago was told by her physician she needed surgery. We scheduled an appointment with her physician, and he happened to be a high school classmate of mine and treated my wife for about 14 years. During the conference with her physician, I asked the doctor what needed to be done to accomplish the surgery, and he told me that it would be simple.

Number one, we just needed to schedule surgery, and number two, he would write a letter to her insurance company in California and get authorization for this surgery. Well, he wrote the letter, and 6 days later he got back a letter from the insurance company saying:

> Dear Dr. Sullivan, before we approve this surgery and authorize payment for this surgery, we want you to do this test and this test and this test.

Dr. Sullivan was furious about this letter back from the insurance company because essentially it was his attitude that she was, my wife was his patient. Everything this insurance company knew about my wife's case was from medical records provided by Dr. Sullivan to this insurance company in California, and yet they were trying to tell him how to practice medicine in Kansas.

After about 5 months of wrangling back and forth, finally there was approval and authorization for this surgery, and it worked out fine. But the point is every time I tell this story back in my district, I see heads nod in the crowd because people have had a similar experience with an insurance company; and I think it is time in this country that we extend basic protections and rights to patients who need them to assure a balance between insurance companies and patients to make sure that we are talking about patients here and not just about profits.

Mr. Speaker, the Senate is debating managed care reform this week. Let us give this issue a fair hearing in the House of Representatives and give my constituents the fairness they deserve.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2465, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000

Mr. DREIER, (during the Special Order of Mr. PALLONE) from the Committee on Rules, submitted a privileged report (Rept. No. 106-227) on the resolution (H. Res. 242) providing for consideration of the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2466, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

Mr. DREIER, (during the Special Order of Mr. PALLONE) from the Committee on Rules, submitted a privileged report (Rept. No. 106-228) on the resolution (H. Res. 243) providing for consideration of the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, this evening I have some of my colleagues, and I want to thank the previous speaker, my colleague from Kansas (Mr. MOORE), for talking about the Patients' Bill of Rights and the need for managed care reform.

The reason that we are here tonight to talk about the Patients' Bill of Rights and managed care reform primarily is because the Senate began debate today on the Patients' Bill of Rights, and I wanted to point out, Mr. Speaker, that while it is true that the debate has begun today in the other body, and we are certainly appreciative of that, it was only because Democrats over the last few weeks before the July 4 break insisted almost to the point of filibustering and saying that they would not continue the appropriations process in the Senate if there was not an opportunity to bring up the Patients' Bill of Rights and deal with the issue of HMO reform.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will suspend.

The gentleman will refrain from characterizing Senate actions.

The gentleman from New Jersey may continue.

Mr. PALLONE. Mr. Speaker, what I wanted to point out this evening, though, is that even though it is true that the HMO reform debate has begun, that we still have a problem in the sense that the Republican leadership is unwilling to support or, I think, ultimately even have considered particularly here in the House of Representatives the Patients' Bill of Rights, and I just wanted to start out this evening, if I could, by pointing out a few things that occurred and that were in the newspaper the last week or so on this issue, and then I want to yield to the two Congresswomen that are here tonight to join me.

One of the things that was in today's paper, in the New York Times, was an article by Robert Pear which is entitled, Managed Care Lobbyist Is Ready For The Debate; and essentially what this article says is that the HMO industry has commenced because of what is happening in the other body, that the HMO industry has commenced a huge lobbying effort not only by hiring lobbyists and paying them a lot of money to try to put an end to the Patients' Bill of Rights and not allow true HMO reform to pass, but also by spending millions of dollars on TV and in advertisements to try to kill any kind of HMO reform.

And just to give my colleagues an example of this, this is in today's New York Times. It says, it says specifically here, that the association and its business allies, and this is the HMO industry, have flooded the air waves and newspapers with advertisements opposing legislation to regulate HMOs through an umbrella group known as the Health Benefits Coalition.

They spent $2 million on advertising last year and have already spent more than that this year with a new burst of advertising planned for this week while the other body debates this issue. The advertisements attack the main democratic bill by name, and of course it goes on to explain that HMOs are mostly profit making.

The other thing that particularly galled me was that when they talked about the lobbying effort here in the Congress, it says that what they are trying to essentially say is that it is not necessary to have new laws to regulate HMOs because the HMOs are being told now that they should voluntarily adopt a code of conduct that will provide for patients' protections.

I thought that was interesting given the fact that just in the last week since we had the July 4 break, we have seen articles in the same newspaper, in the New York Times, talking about the long delays by HMOs that were cited in a New York report. This came out in New York. It was put out by Mark Green, the city's public advocate, and it talks about how patients' rights are being ignored.

Again, if it is not necessary to pass HMO reform, why is it that we have a report showing that it is needed and in fact that patient protections are being ignored?

Also the previous Friday in the New York Times was an article that said that HMOs will raise Medicare premiums or trim benefits. So not only do we have the HMOs essentially saying that they are not going to provide the patient protections on a voluntary basis, but also they are talking about raising premiums, trimming benefits for their patients who are part of their plan.

□ 1930

So I would maintain, and we are going to talk about this for a long time tonight and other days, that in fact we do need legislation. We do need the Patient's Bill of Rights. I am pleased with the fact that the other body has at least started the debate on this issue.

Mr. Speaker, I have two Members who are here tonight and who are joining me.

I yield to the gentlewoman from California (Ms. LEE), who I know has been an advocate for the Patients' Bill of Rights and for HMO reform ever since she started here in the U.S. Congress.

Ms. LEE. Mr. Speaker, I thank the gentleman for yielding, and also for conducting this special order tonight, and for his hard work on this.

Mr. Speaker, let me just say that I rise in strong support of the Democratic Patients' Bill of Rights, which will provide fundamental measures to fix the current health insurance system, as well as provide patients with access to basic needed care.

Patients should not have to face numerous obstructions when they seek basic health care services. The Democratic Patients' Bill of Rights will allow patients to have more access to the care that they need. With the passage of this bill, individuals will have more access and the ability to receive emergency medical services, essential medication, as well as necessary services from specialists and OB–GYN care.

It also has provisions for women's and children's health benefits. Prescription drugs will be made more readily available to patients. Many patients cannot obtain certain prescription drugs because many HMOs refuse to pay for them. Unfortunately, patients do not get adequate medication needed to successfully treat their condition in these instances.

The Democratic Patients' Bill of Rights allows patients to obtain the needed medications, even if their HMO does not have them on their approved list. We should not have to gamble with patients' health. The quality of life should be a priority in all debates surrounding health care issues.

This bill will allow for more access and freedom for our patients and doctors when making decisions concerning an individual's health. Appropriate health care should be a medical decision, not a business decision.

This bill addresses the importance of allowing patients to appeal their health plan's decision, as well as holding HMOs accountable for their actions. This only makes sense. It is outrageous that currently consumers have no recourse against HMOs that deny adequate health care to them, and they are paying for it. This is wrong. People are growing more and more frustrated with an inadequate health care system that does not listen to the needs of people.

I support universal, accessible health care for all, but until we have the political will to say that health care is a basic right, and that our Federal Government must guarantee this right, regardless of income or employment status, this bill is a good first step.

We must pass legislation with these very modest provisions. We have waited long enough and have allowed too many people to suffer. I urge my colleagues to support putting people rather than profits first by supporting H.R. 358.

Mr. PALLONE. Mr. Speaker, I want to thank the gentlewoman, and I think that in many ways that really is the key. What we are talking about with the Patients' Bill of Rights are commonsense patient protections that, frankly, when we mention them to our constituents, they are surprised that they are not already the law, or they are not already required.

I will give the example with the gag rule that says that if a particular procedure is not covered by the HMO in the insurance policy, the doctor cannot mention it to us, cannot mention that procedure or treatment. When I tell that to my constituents, they are shocked to think that a doctor can be told by the insurance company that they cannot mention a procedure just because it is not covered, the so-called gag rule.

We are just looking for commonsense protections here, but the reality is that there is so much money being spent to counteract our efforts to try to legislate and come up with HMO reform. That is really what we are up against. So many of these HMOs are for profit, and basically the profit is the bottom line for them.

We have seen so many examples, and we had a couple before a hearing we had about 6 months ago where, because the HMO was seeking to be purchased by a larger group, they were actually changing the policy of what was covered for certain kinds of procedures in order to save costs, because they knew that a few months down the line they wanted to be purchased, and they wanted to show that their profits were good, and they needed to change the policy on what they would cover as a result of it.

So I think the gentlewoman is right on point when she points out that it is profits over patients in many cases.

Ms. LEE. Mr. Speaker, if the gentleman will continue to yield, I think all of us here, regardless of party affiliation, can cite instances of patients who have either gotten sicker or who have died as a result of certain medical decisions that were not made on the basis of the health care benefit to them, but rather, based on the profit motive.

That is just wrong. We want to see that stopped. I am convinced that this bill will stop that. We have to make sure that all of our people in this country have the best type of medical care, and in fact that they and their doctors are the ones making these decisions, not the business agents or insurance companies.

Mr. PALLONE. I appreciate that, Mr. Speaker.

One of the two issues that I point out constantly that really show the distinction between what the Democrats have proposed in the Patients' Bill of Rights as opposed to the legislation that the Republicans have put forward, one is this whole issue of who is going to make the decision of what type of medical procedure we have, what type of operation, how long we stay in the hospital.

The problem right now is that the insurance companies make those decisions. What we are saying with the Patients' Bill of Rights, with the Democratic bill, is that that decision should be made by the doctor and patient.

The other thing, of course, is the enforcement. We say that there should be external independent review, separate and apart from the HMO, and if that fails we should be able to go to court and sue the HMO if they do not provide the proper care. Of course, the Republican bill does not get into that kind of enforcement.

So I think one of the things we need to do is draw those distinctions, if you will, between the Democrats' bill, the Patients' Bill of Rights, and some of the other things that are being proposed that really do not get to the problem in a comprehensive way.

Ms. LEE. We absolutely must show the distinction and difference, because I don't believe the American public knows that there is a difference. People just want to make sure that their medical decisions are made between themselves and their physicians. That is what they are asking us for.

Also, people want to make sure that when they are denied, they know why they are denied and they can appeal this process. For the life of me, I know all of us have constituents who have called us and said, I just received a call back or a form in the mail saying that this procedure which my physician has designated as the appropriate procedure has been denied. What do I do? We cannot respond at all.

I believe that under our bill, patients will be able to respond very effectively and will be able to receive the type of health care that they need. Under the Republican bill, they will not. The public needs to understand this.

So I appreciate the gentleman's having this special order tonight, because this is the only way we can get the information out to the general public.

Mr. PALLONE. I appreciate what the gentlewoman said. It is just very true. One of the biggest problems that people have is that when they have been denied certain types of treatment, they are in bad shape, they are seeking an operation, they are not feeling well by definition, or otherwise they would not need the treatment.

It is at that very time when they have to go through all these hurdles that currently exist, most of which do not lead to anything anyway, because under the current law, the HMO can define what is medically necessary. Then they can have an internal process to review what they have defined as medically necessary. So we never really have somebody independent, outside, that can review the decision and take an appeal. I want to thank the gentlewoman again.

Mr. Speaker, the gentlewoman from the Virgin Islands is herself a physician, and I know she has been part of our Health Care Task Force for a few years now, and has spoken out frequently on the issue of the Patients' Bill of Rights. The gentlewoman deals from firsthand information.

Mr. Speaker, I yield to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN.)

Mrs. CHRISTENSEN. Mr. Speaker, I thank the gentleman and I want to join the gentlewoman from California (Ms. LEE) in thanking the gentleman for leading this special order, and all of the other special orders, hearings, and activities to highlight this very important issue to all Americans, an issue that is represented quite well in the Democratic Patients' Bill of Rights.

At one time it was thought that managed care was a panacea, not only to curb skyrocketing health care costs, but also to provide better health care for more people. As a physician from the outside, I had serious doubts about the outcome of a health care delivery system created to cut costs, rather than to heal and keep people well.

As time has gone on, my worst fears have actually been realized. For 2 years now, 2 years or more, we have been trying to pass an important piece of legislation, one that the American people care about and one that they desperately want and need. It is aptly called the Patients' Bill of Rights, and speaks to rights that we Democrats want to return to the people and to the doctors that they choose to put themselves under their care.

But it is about something even more important. It is about life and it is about the quality of one's life. It is about putting health care decisions back in the hands of those who are trained to make those decisions.

Today, after managed care has come to cover the great majority of persons who are insured by their employer, what has happened paradoxically is that the American people have less access to health care, rather than more. We have an obligation to fix that, and that is just what we, the Democrats, are trying to do through the Patients' Bill of Rights.

This Congress must make this commitment to our constituents a reality, and then we must move on to provide health insurance for all the other Americans, many of them people of color, who have none at all.

I am a physician, a family physician. I was very fortunate to have been able to practice the old way, taking the time to speak with and getting to know my patients and their families, using what I had learned and what I continued to learn to provide preventative care and treatment for their illnesses when they needed it, to be free to fully inform them of all of their treatment options, to refer them for specialty consultation when needed, and remain the manager of their care, and yes, even being held accountable for the decisions that I made about their health care.

That is the way medicine should be practiced. It is not that way anymore, in many cases, and specifically in most managed care organizations. That is why I am here to join the gentleman this evening to support the Patients' Bill of Rights. I join my colleagues in calling on the leadership of this body to bring the bill to the floor.

The American people have lost their faith in our health care system, and as a physician, I know just how important it is to have confidence in the person and the facility where you receive your care.

They rightfully want to have their doctors make the decisions about their health care, not some paperpusher miles away. They want to be able to get to an emergency room when, in the judgment of the one who knows their body best, themselves, something seems to have gone seriously wrong. They want to go there with the peace of mind that they will be seen without undue delay, and that the visit will be paid for. They want to be able to discuss their care fully with their doctor, to know all of the implications and available therapies. They insist on participating in the decision on when a specialist is needed, and they want to be able to see one when one is.

Just as the doctor or the provider has always been accountable for the judgments they make, the managed care organization, when the decision is theirs, must also be held accountable. So just as Americans have lost faith in managed care, they are about to lose their trust in this body because the leadership has failed to address this issue that they, the people of America, rank as the most important to them and their families.

I applaud the other side for taking up S. 6 this week, but it is important that they and we pass a comprehensive bill. Piecemealing this issue will not fix it. Just as we physicians must treat the whole patient or the whole person, this Congress has to fix the entire system.

So before I close, I also want to remind my colleagues that providing access to necessary health care, which H.R. 3605, the Democratic Patients' Bill of Rights, does, is an important step. It still is a part of what we need to do.

This bill does also begin to address another issue important to providers of color and the people we serve. Managed care organizations operating in communities of people with color often do not include traditional community providers within their system. The providers who work there are not always culturally competent. In many localities, minority providers are closed out and with them, their patients, who are often sicker, and thus undesirable to the HMO because providing care for them will cut into the all-important profits.

Further, there are still too many Americans who do not have any insurance coverage at all. The system will not be right until all of us have access. This Nation can never be all that it holds out itself to be to the rest of the world until all of its citizens and residents have access to equitable, quality health care. The Democratic Patients' Bill of Rights is a great first step and a very important first step.

I may have left the practice of private medicine, but seeing that good health care is available to all is still very important to me. My colleagues on this side of the aisle and I am sure a few on the other side will join us as well and continue to work as long as we need to to see that this comprehensive bill of rights becomes a reality.

I thank the gentleman for giving me this time this evening.

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Mr. PALLONE. Mr. Speaker, I want to thank the gentlewoman for what she said and for being a leader on all of the issues of health care reform but particularly on the issue of the Patients' Bill of Rights and managed care reform.

The gentlewoman mentioned some of the piecemeal approaches that we are hearing from the Republican leadership, and I just wanted to remind my colleagues and maybe we could just spend a few minutes explaining why we are here tonight.

Essentially, the problem that we face as Democrats is that the Republican Majority in the House has been unwilling to bring up the Patients' Bill of Rights. And since we do not control the procedure either in committee or on the floor of the House, we are forced essentially just to speak out and explain why it is unfair that the Patients' Bill of Rights has not been brought up here in the House of Representatives.

Obviously, what we have tried to do from the beginning of this year is to have a hearing on the bill in committee, which has not been allowed, and then to mark it up and bring it to the floor. When none of that was possible for the last 6 months, we then tried the discharge petition process, where we come down to the floor and sign a petition the way our constituents petition us and basically the way the rules provide that if a majority of us sign a petition, that the bill comes to the floor, the Patients' Bill of Rights would come to the floor without going to committee. That is, of course, difficult, too, because we have to get a majority, and I believe because of the delegate status of the gentlewoman from the Virgin Islands, she is not even allowed to sign the petition. Or maybe she can sign it, but it does not mean anything that she signs it, which I think is also unfortunate and should be changed.

But now that we have gotten a significant number of Members to sign the petition, I know we had over 180 before the July 4th break, we are starting to see the Republican leadership get a little restless and come up with other ideas about how to avoid a debate on this issue.

One of the things they did was to bring up a series of piecemeal bills that took little pieces of the patient protections that we have in the Patients' Bill of Rights and basically brought them up in committee and tried to get them out of committee. Fortunately, there were a few, I think two or three, Republicans who did not want to go along with that because, as the gentlewoman said, they wanted a comprehensive approach like the Patients' Bill of Rights, so that has gotten bogged down.

Mr. Speaker, I am not sure what the latest tactics are to deal with that piecemeal approach. We do have some Republicans that are joining us in the effort and feel that this really should be a bipartisan issue, but unfortunately it has not been because the Republican leadership continues to not allow the Patients' Bill of Rights to be brought up.

Mr. Speaker, I just wanted, if I could, to again say that the problem with these piecemeal bills is essentially what I talked about before with the gentlewoman from California (Ms. LEE) which is the two key points: The fact that doctors and patients should make decisions about what kind of treatment or care they get and not the insurance company is absent in those piecemeal bills. And, of course, there is no real enforcement. There is no real opportunity to go outside the HMO to make an appeal. There is no opportunity to sue in a court of law if someone is seriously damaged.

So I think it is important that we keep raising this issue and even though we do have the other body now bringing up the issue of HMO reform, it is not at all clear whether or not we are going to really see action on the Patients' Bill of Rights. So we will have to wait and see what develops in that regard.

Mrs. CHRISTENSEN. Mr. Speaker, I agree with the gentleman from New Jersey. He said earlier that it is a common sense bill and it is what the people of America have said they want. They want their doctors who have been trained to sit with them and make the decisions about their health care. They want someone that they can have a personal relationship with. And that personal relationship between the patient and the physician is a very important one, and it is not there in managed care the way it is when the doctor can make the decisions.

And, of course, if the managed care organization is making the decisions, then they ought to be held accountable for making those decisions. But the Patients' Bill of Rights that we are talking about, which is comprehensive, is what the American people have said that they want.

Mr. PALLONE. Mr. Speaker, I will give an example.

Of course, the insurance companies always say that they do not make the decisions and it is really up to the physician. But, as the gentlewoman knows, that is not the case.

I remember when my son was born, he is about 4 years old now, and we were at Columbia Hospital for Women here in Washington; and at that time my wife delivered him through C-section. I was told that, generally, the standard in the industry before HMOs came along was to allow the woman to stay in the hospital approximately 4 days.

We had a standard BlueCross, and this actually was applying not just to HMOs but in general, but basically what had happened is that a lot of the HMOs have moved to allowing just 1 day for natural delivery and then 2 days for C-section. The physician that we had said that he really wanted my wife to stay in the hospital at least another day, for the third day, but he said that he could not authorize it because the insurance company would not allow it. I asked the question at the time, I said, "I do not understand. Aren't you the one that makes the decision?" And he said, "In theory I am, but if I allow too many people stay the extra day then they will penalize me or I may not be able to be part of the network or whatever."

And so, even though they may say that that it is up to the doctor, the reality is that the physicians are under these kind of financial or other licensure penalties, not licensure but to be able to stay in the network to not allow it. So, effectively, they control the process and they make the decisions and that is what we need to change.

Mrs. CHRISTENSEN. Right. And I believe one of the articles, that we had talked about someone who had gone into an emergency room and one of the things that our bill provides for is reasonable judgment allowing for emergency room care and having that care covered and also allows for things like pain, which make a lot of sense to be a reason why someone might decide to go to an emergency room.

There are many stories of persons who have gone into emergency rooms with something like chest pain and, while waiting for an approval, those first few minutes are some of the most critical minutes, and the person had an arrhythmia and died. And so our bill is very important, and it is a matter of life, as I said, and quality of life for American citizens.

Mr. PALLONE. Well, basically, being from a legal background, I always think about the legal aspects of this. But the way I see it, essentially what the Patients' Bill of Rights does in the emergency room situation is to essentially put the burden on the HMO in that circumstance rather than on the patient. In other words, right now if the patient gets chest pains and feels they may be having a heart attack and they go to the emergency room, the

HMO can find every excuse, assuming they did not have a heart attack and they survived, the HMO can say that they should have had prior authorization. We would have known that chest pain does not necessarily mean a heart attack.

What we say in our bill is say it is the "reasonable person" formula. If the average person would think, if they have chest pains, that they have to go to the emergency room, that is good enough. They do not have to prove after they had the heart attack to justify getting the emergency room care paid for, which of course makes sense.

The other thing, and the gentlewoman would know this better than I, the other aspect of our bill is that in order to, as we said since we want to leave it to the doctor and the patient to decide what is medically necessary, we use the standard practice in that particular specialty. So that the reference that the HMO has to make to, for example, a certain kind of cardiac care or pediatric care is to the standards for that pediatric college or cardiac college. I do not know the terms. The standard is that set by that specialty, medical specialty, rather than just by the insurance company; and that is a big difference as well.

Mr. Speaker, what I was trying to do tonight, and I appreciate the input from the two gentlewomen, the two Congresswoman who so far participated in this debate, was to draw a distinction between the Democrats' Patients' Bill of Rights and some of the proposals that the Republican leadership has put forward. I tried to point out that, on the one hand, the Republican leadership here in the House has consistently refused to bring up HMO reform, not only the Democrats' Patients' Bill of Rights but any kind of legislation, over the last 6 months in essentially a stalling, delay tactic because of the support that the leadership receives from the HMOs and from the insurance industry.

But now that the time has come when it is very difficult for the Republican leadership to continue to delay because we have a sufficient number of signatures on this discharge petition, that we are getting close to the point where we could actually bring the bill up, they are now turning to a different device to bring up legislation that they pretend is some kind of HMO reform but really is not and does not pass the test to really provide comprehensive patient protections to the average American.

Mr. Speaker, I want to make reference in that regard to an op-ed article by Bob Herbert in The New York Times that appeared just prior to the break on Thursday, July 1. To the extent it talks about the action in the other body, I will not get into that because we are not supposed to talk about what happened in the Senate.

But the op-ed does make the point that the Republicans really do not want to bring up HMO reform, true HMO reform like the Democrats' Patients' Bill of Rights, and that they will do whatever they can to try to avoid the issue and prevent a bill from passing here in the House of Representatives, even though the American people have repeatedly spoken out and say that they want HMO reform and they want the type of comprehensive approach that the Democrats have put forward in the Patients' Bill of Rights.

I just wanted to make reference to certain sections of this op-ed which I think is very significant, and it refers to the GOP right wing, The Restless Radicals, and it talks about the fight. And it says that the fight over HMO reform was not over the merits of the legislation but over the Republican Majority's refusal to even allow debate on a series of Democratic proposals aimed at curbing abuses by insurance companies and HMOs.

I will just quote certain sections here.

"There is strong support among the public and among health care professionals for the Democratic proposals, known as the Patients' Bill of Rights. The Republicans have offered much weaker legislation and have not been anxious to permit a public airing of the differences.

"Virtually all leading patient and medical groups have supported the Democratic proposal" in the Senate, "Senator [TOM] DASCHLE's proposal," says Senator EDWARD KENNEDY. "These groups do not care whether Democrats or Republicans are on a piece of legislation. They just want a strong bill. And virtually every single leading——"

The SPEAKER pro tempore (Mr. GIBBONS). The gentleman will refrain from quoting Members of the other body.

The gentleman may continue.

Mr. PALLONE. Mr. Speaker, the references that I will continue with are from the article, not from the other body. This is, as I said, an opinion that was by Bob Herbert in his column in The New York Times on Thursday in which he said, "A few days ago I spoke by phone with Steve Grissom," a constituent or someone basically from North Carolina who has had health problems. And he said, "A few days ago I spoke by phone with Steve Grissom of Cary, North Carolina. He is 50 years old and suffers from leukemia and AIDS, which he contracted through a blood transfusion. Mr. Grissom is locked in a harrowing dispute with his insurance providers over payment for medical equipment and a continuing supply of oxygen that could determine whether he lives or dies.

"Said Mr. Grissom: I've been a Republican all my life. I don't think I've ever missed a vote. Now is the first time in my life that I've considered changing my party affiliation because I see a real lack of compassion in the Republican Party. They're hearing from the HMOs and they're hearing from the lobbyists with their fat checkbooks, and they're not hearing from people like me who are in desperate need of this kind of consumer protection."

□ 2000

Mr. Speaker, I think it really says it all. As we said before when we had the two Congresswomen on the floor, the bottom line is that all that the Democrats are proposing are common sense patient protections within the context of HMOs.

The only reason that we are getting opposition from the Republicans is essentially because of the fact that the insurance companies do not want this legislation brought to the floor, do not want a debate, and do not want a vote on it.

I would like to, if I could, just take a few minutes to point to the differences substantively between the Democratic bill and the Republican bill. There are really a few key points in the Democratic bill that I would just summarize right now and why the Democratic Patients' Bill of Rights would make a real difference for American families.

First, it holds managed care plans responsible for denial of care with real, reliable and enforceable appeals and remedies. This is the enforcement that we talked about before that involves an independent review of any denial of treatment outside of the confines of the HMO and includes also, ultimately, the right to sue the HMO for damages.

Second, it guarantees patients the right to see a specialist when they need to do so. It is so crucial today. So much medical care is provided through specialists. If one does not have access to a specialist within the network of one's HMO, one should be able to go outside the network to get a specialist who can cover the concern or deal with the medical concern that one has.

Third, it guarantees that vulnerable patients can stay with their own doctor even if their own doctor is no longer in their health care plan.

Fourth, it bans financial incentives to reward physicians for prescribing less care.

Fifth, it returns health care decisions to health care professionals and their patients, which again we discussed earlier this evening.

Now, if I could just elaborate on a few of these points. When we talk about providing patients with access to care, which is so important, there are really a number of things in the Democratic bill that relate to access. Some of them we discussed a little bit earlier this evening.

One is access to emergency room care. The Democrats' Patients' Bill of Rights allows patients to go to any emergency room during a medical emergency without having to call a health plan first for permission. Emergency room physicians can stabilize patients and begin to plan for post-stabilization care without fear that health plans will later deny coverage.

Another access point, access to needed specialists. The Democrats' Patients' Bill of Rights ensures that patients who suffer from a chronic condition or disease that requires care by a specialist will have access to a qualified specialist. If the HMO network does not include specialists qualified to treat a condition such as a pediatric cardiologist to treat a child's heart defect, it would have to allow the patient to see a qualified doctor outside its own network at no extra cost.

The Patients' Bill of Rights also allows patients with serious ongoing conditions to choose a specialist to coordinate care or to see their doctor without having to ask their HMO for permission before every visit.

Another access, very important obviously for women, access to an OB/GYN. The Democrats' Patients' Bill of Rights allows a woman to have direct access to OB/GYN care without having to get a referral from her HMO. Women would also have the option to designate their OB/GYN as their primary care physician.

Also on the issue of access, my colleague from California mentioned earlier that Democratic Patients' Bill of Rights makes needed prescription drugs available to patients. Currently, many HMOs refuse to pay for prescription drugs that are not on their preapproved list of medications. As a result, patients may not get the most effective medication needed to treat their condition.

The Democrats' Patients' Bill of Rights ensures that patients with drug coverage would be able to obtain needed medications even if they are not on their HMOs approved list.

Now, the other issue that was mentioned by the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), who is a physician who has practiced, is the idea of freeing doctors to practice medicine. This is what so many of my constituents complain about, that accountants should not make medical decisions. Yet, some managed care organizations interfere with doctors' medical decisions and restrict open communication between patients and doctors. The Democrats' Patients' Bill of Rights protects the doctor/patient relationship and frees doctors to practice medicine.

Most important, it prohibits insurers from gagging doctors. Patients have a right to learn from their doctor all of their treatment options, not just the cheapest. The Democrats' bill prevents HMOs from interfering with doctors' communications with patients. Doctors cannot be penalized for referring patients to specialists or discussing costly medical procedures.

The Patients' Bill of Rights provides that doctors and patients, rather than insurance company bureaucrats, are once again allowed to make medical decisions. Now, how do we do that? Well, under our bill, HMOs are prevented from inappropriately interfering with doctors' judgments and cannot mandate drive-through procedures or set arbitrary limits on hospital lengths of stay.

In addition, doctors and nurses who advocate on behalf of the patients will be protected from retaliation by HMOs. Also important in this whole idea of allowing doctors to freely practice medicine is to limit improper financial incentives.

Some managed care organizations use improper financial incentives to pressure doctors to deny care to their patients. The Democrats' Patients' Bill of Rights limits insurance companies' ability to use financial incentives to get doctors to deny care. HMOs and insurers also would have to disclose to all patients information about any incentives that they use.

Now, I just want to talk about one more aspect of the Democratic bill, and then I want to talk briefly about the Republican bill that is being put up in opposition to it. This is with regard to enforcement and the whole idea of bringing the appeal when one has been denied treatment.

When health plans deny needed care, patients and doctors reserve the right to appeal the decision and to receive a timely response. To protect patients and give them a meaningful right to appeal, the Democrats Patients' Bill of Rights establishes a sound, independent and timely external appeals process. What we do with our bill is to ensure that patients who are denied care by an insurance company can appeal the decision to an independent reviewer with medical and legal expertise and receive a timely decision that is binding on the HMO.

Finally, I would like to talk a little bit about why it is necessary to have the ability to sue. I think a lot of people do not realize that they can sue the HMO if they have been denied treatment or if they have suffered damages because they did not get proper treatment.

But today, even if an HMO has been involved directly in dictating, denying, or delaying care for a patient, it can use a loophole in the statute called ERISA, the Employment Retirement Income Security Act of 1974. The HMO can use ERISA to avoid any responsibility for the consequences of its actions.

ERISA was designed to protect employees from losing pension benefits due to fraud, mismanagement, and employer bankruptcies during the 1960s. But it has had the effect of leaving patients harmed by their HMO's decisions to deny or delay care with no effective remedy.

Now, what the Democrats do in our Patients' Bill of Rights is to close this loophole and ensure that, like any other industry, HMOs can be held accountable for their actions. Since HMOs have the financial incentive to deny care to patients, they should bear responsibility if such denials cause harm. Employers, under our bill, are shielded from liability unless they make the decision to deny care. But the HMO is not. The HMO can be sued because they are in fact making the decision.

Now I just wanted to, if I could, briefly talk about these sham piecemeal bills that the Republican leadership has brought up in the last few weeks after we started to get a number of signatures to our discharge petition and it seemed as though at some point in the near future we were likely to get enough signatures to bring the Patients' Bill of Rights to the floor. So the Republican leadership has rolled out eight piecemeal bills which they call HMO reform but are really not.

Let me just point out some of the things that are left out in this Republican approach. First of all, the bills only cover people who obtain health insurance through their employer. They fail to extend patient protections to the millions of people that purchase health insurance individually.

Obviously, the patient protections that we are talking about should apply to all health plans, not just plans that are provided by the employer. Also, the Republican bills pretend to secure patients' rights, but they contain no way to enforce those rights other than the weak penalties currently available through ERISA. So the outside independent review, the ability to sue is not there.

The piecemeal bills are inconsistent and incomplete. For example, one of them is supposed to protect against so-called gag clauses where the physician is told that he cannot speak out about a particular procedure that is not covered. But it does not. But the bill the Republicans have put forward to try to deal with these gag clauses does not prohibit plans from retaliating against doctors who discuss the plans' financial incentives. Well, the reality then is essentially the doctors are still gagged and cannot speak their mind.

There are so many other examples. Let me give one other example in an effort to try to address the Democrats' initiative with regard to OB/GYN care. The Republican bill purports to guarantee women direct access to routine OB/GYN care, but it would allow a plan to require a woman to obtain such services from a generalist.

So these are the kinds of games that we are seeing with this piecemeal approach that the Republicans have put forward. They pretend that they are dealing with some of the patient protections, but in fact they do not.

Mr. Speaker, what I would really like to point out is that, on the one hand, I am pleased to see that the other body is taking up the issue of HMO reform, but I think that it is crucial, first of all, that we in the House bring up the issue and allow for a debate on the Patients' Bill of Rights.

But even more so, it is necessary for us to bring up a bill, a strong comprehensive approach like the Democrats' Patients' Bill of Rights, allow it to be brought to the floor, vote on it, go to conference with the Senate, and have a strong piece of legislation like the Patients' Bill of Rights go to the President.

President Clinton has repeatedly said that he would sign the Patients' Bill of Rights if it comes to his desk. I notice that, during the break, actually over this past weekend, he again used an opportunity I think when he was out on the West coast in Los Angeles to criticize the GOP, the Republican leadership, for trying to avert a vote on true HMO reform.

We are not going to rest, those of us in our party, and I know some of the Republicans as well who care about this issue are not going to rest until we have a comprehensive bill passed by both houses and on the President's desk.

This is what the American people demand. This is what they deserve. It only makes sense to do so if we are really going to provide protections for patients throughout the country.

LAS VEGAS FLOOD

The SPEAKER pro tempore (Mr. GIBBONS). Under a previous order of the House, the gentlewoman from Nevada (Ms. BERKLEY) is recognized for 5 minutes.

Ms. BERKLEY. Mr. Speaker, a flood damage assessment team from the Federal Emergency Management Agency arrived in my hometown of Las Vegas this afternoon.

It may be a bit strange to many of my colleagues to hear the words "flood" and "Las Vegas" in the same sentence. People usually do not think of flooding as a problem that happens in a desert environment. But the potential for flash flood disaster constantly lurks in the summertime in southern Nevada.

I have lived in Las Vegas for 38 years, and I have seen a lot of flash floods. But last Thursday brought rain and flooding like I have never seen before. We were hit with what weather experts called the 100-year flood.

With more than an inch of rain falling per hour, rivers of water swept across the Las Vegas Valley. The metropolitan area was brought to a standstill. Many neighborhoods were under several feet of water. Heroic rescue crews from our police and fire departments and other agencies saved dozens of people, men, women, and children who were stranded in high waters with frighteningly strong undercurrents, in many cases, danger of being swept to their death by the raging waters. Sadly two people did die.

Helicopter rescue teams crisscrossed the valley, hoisting to safety people who could not escape the onslaught of water and mud that swept down from the surrounding mountain sides. One security officer, Cornell Madison of Las Vegas, repeatedly waded into high waters to rescue trapped motorists. He is one of many, many people who disregarded their own personal safety to help others.

The waters subsided rapidly, and our tourism services were back in full swing within a day. But things did not turn out so well for hundreds of residents whose homes were heavily damaged or destroyed. Many small businesses also suffered heavy losses. In some parts of the city, the devastation was overwhelming, as flood channel banks were ripped apart by fast-flowing run-off waters that were over 10 feet high. Homes were literally torn from their foundations and dumped into the torrent.

Residents were able to flee in time to save their lives, but they had to return to find themselves either homeless or facing massive repair and cleanup expenses.

☐ 2015

There is also damage to public infrastructure totaling many, many millions of dollars. I personally helicoptered over the Las Vegas Valley to see firsthand the devastation below, and I went to the worst affected area, the Miracle Mile Mobile Home Park, rolled up my pants legs and went to talk to those residents who had lost everything.

I greatly appreciate FEMA's decision to send in damage assessment teams to help the local governments in my Congressional District identify the losses and advise on how the damage can be mitigated. They will be in the field tomorrow and I will be in communication with them.

I also appreciate the interest and responsiveness of the Small Business Administration in the wake of this disaster. I know that our Federal disaster relief agencies will quickly act upon any requests from local and State officials for assistance. And as representative for the areas that were the hardest hit by this devastating flood, I will continue to communicate the needs of the Las Vegas community to Federal agencies.

The people of Las Vegas have banded together to help one another during this time of dire need for many of our residents. Now is the time for our Federal Government to come into Southern Nevada and lend a helping hand to a community ravaged by flood.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. THURMAN (at the request of Mr. GEPHARDT) for today on account of illness in the family.

Ms. BALDWIN (at the request of Mr. GEPHARDT) for today and Tuesday, July 13, on account of illness in the family.

Mr. POMEROY (at the request of Mr. GEPHARDT) for today on account of personal business (funeral).

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today on account of inclement weather.

Mr. KIND (at the request of Mr. GEPHARDT) for today on account of a weather delay.

Mr. COMBEST (at the request of Mr. ARMEY) for today and July 13 on account of a death in the family.

Ms. KILPATRICK (at the request of Mr. GEPHARDT) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.

Ms. ROYBAL-ALLARD, for 5 minutes, today.

Mrs. MEEK of Florida, for 5 minutes, today.

(The following Members (at the request of Mr. SOUDER) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, July 13 and July 14.

Mr. BEREUTER, for 5 minutes, today.

Mr. SOUDER, for 5 minutes, today.

Mrs. MORELLA, for 5 minutes, today.

Mr. DIAZ-BALART, for 5 minutes, July 13.

Mr. SCHAFFER, for 5 minutes, today.

(The following Members (at the request of Mrs. MEEK of Florida) to revise and extend their remarks and include extraneous material:)

Mrs. MINK of Hawaii, for 5 minutes, today.

Mr. MOORE, for 5 minutes, today.

SENATE BILLS AND CONCURRENT RESOLUTION

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 323. An act to redesignate the Black Canyon of the Gunnison National Monument as a national park and establish the Gunnison Gorge National Conservation Area, and for other purposes; to the Committee on Resources.

S. 376. An act to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes; to the Committee on Commerce.

S. 416. An act to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility; to the Committee on Resources.

S. 700. An act to amend the National Trails System Act to designate the Ala Kahakai Trail as a National Historic Trail; to the Committee on Resources.

S. 768. An act to establish court-martial jurisdiction over civilians serving with the Armed Forces during contingency operations, and to establish Federal jurisdiction over crimes committed outside the United States by former members of the Armed Forces and civilians accompanying the Armed Forces outside the United States; to the Committee on Armed Services, in addition to the Committee on the Judiciary for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 776. An act to authorize the National Park Service to conduct a feasibility study for the preservation of the Loess Hills in western Iowa; to the Committee on Resources.

S. 1027. An act to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes; to the Committee on Resources.

S. Con. Res. 36. Concurrent resolution condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan; to the Committee on International Relations.

ADJOURNMENT

Ms. BERKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 17 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, July 13, 1999, at 9 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2858. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Imported Fire Ant; Quarantined Areas and Treatment [Docket No. 98–125–1] received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2859. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Karnal Bunt Regulated Areas [Docket No. 96–016–24] (RIN: 0579–AA83) received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2860. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Mediterranean Fruit Fly; Removal of Quarantined Area [Docket No. 98–083–4] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2861. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Mexican Fruit Fly Regulations; Removal of Regulated Area [Docket No. 98–082–4] received June 10, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2862. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Oriental Fruit Fly; Designation of Quarantined Area [Docket No. 99–044–1] received June 10, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2863. A letter from the Administrator, Food Safety and Inspection Service, Department of Agriculture, transmitting the Department's final rule—Use of Soy Protein Concentrate, Modified Food Starch, and Carrageenan as Binders in Certain Meat Products [Docket No. 94–015DF] (RIN: 0583–AB82) received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2864. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Difenoconazole; Pesticide Tolerance; Technical Amendment [OPP–300863A; FRL–6089–3] (RIN: 2070–AB78) received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2865. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cyfluthrin: [cyano[4-fluoro-3- phenoxyphenyl]-methyl-3-[2,2-dichloroethenyl] -2,2-dimethylcyclopropane carboxylate]; Pesticide Tolerance [OPP–300887; FRL–6088–9] (RIN: 2070–AB78) received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2866. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Aminoethoxyvinylglycine; Temporary Pesticide Tolerance [OPP–300858; FRL–6080–4] (RIN: 2070–AB78) received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2867. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Sulfosate; Pesticide Tolerance [OPP–300878; FRL–6086–6] (RIN: 2070–AB78) received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2868. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Commander of the United States Air Force Academy is initiating a cost comparison of the Communications functions at the United States Air Force Academy, Colorado, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2869. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Civil Engineer Squadron at MacDill AFB will become a Native American owned firm; to the Committee on Armed Services.

2870. A letter from the Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Contract Actions for Leased Equipment [DFARS Case 99–D012] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

2871. A letter from the Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Congressional Medal of Honor [DFARS Case 98–D304] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

2872. A letter from the Senior Civilian Official, Department of Defense, Deputy Director of Central Intelligence for Community Management, transmitting a report regarding the continuity of performance of essential operations that are at risk of failure because of information technology and national security systems that are not Year 2000 compliant; to the Committee on Armed Services.

2873. A letter from the Legislative and Regulatory Activities Division Office of the Comptroller of the Currency, Department of the Treasury, transmitting the Department's final rule—Organization and Functions, Availability and Release of Information, Contracting Outreach Program [Docket No. 99–07] (RIN: 1557–AB65) (RIN: 99–07) received May 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services,

2874. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the United States contribution to the HIPC Trust Fund, administered by the International Bank for Reconstruction and Development; to the Committee on Banking and Financial Services.

2875. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Suspension of Community Eligibility [Docket No. FEMA–7713] received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2876. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Final Flood Elevation Determinations—received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2877. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—List of Communities Eligible for the Sale of Flood Insurance [Docket No. FEMA–7712] received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2878. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–7285] received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2879. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations—received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2880. A letter from the Director, Office of Thrift Supervision, transmitting the Office of Thrift Supervision's 1998 Annual Report to Congress on the Preservation of Minority Savings Institutions, pursuant to 12 U.S.C. 1462a(g); to the Committee on Banking and Financial Services.

2881. A letter from the Assistant General Counsel for Regulations, Special Education and Rehabilitative Services, Department of Education, transmitting the Department's final rule—Notice of Final Funding Priority for Fiscal Year 1999 for a Disability and Rehabilitation Research Project—received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

2882. A letter from the Administrator, National Highway Traffic Safety Administration, Department of Transportation, transmitting a report on the efforts of the Administration's collaboration with the National Center on Sleep Disorders Research, to develop a public education program to combat drowsy driving due to fatigue, sleep disorders and inattention; to the Committee on Commerce.

2883. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Louisiana: Reasonable-Further-Progress Plan for the 1996–1999 Period, Attainment Demonstration, Contingency Plan, Motor Vehicle Emission Budgets, and 1990 Emission Inventory for the Baton Rouge Ozone Nonattainment Area; Louisiana Point Source Banking Regulations [LA–29–1–7403; FRL–6370–8] received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2884. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Utah; Foreword and Definitions, Revision to Definition for Sole Source of Heat and Emissions Standards, Nonsubstantive Changes; General Requirements, Open Burning and Nonsubstantive Changes; and Foreword and Definitions, Addition of Definition for PM10 Nonattainment Area [UT–001–0018; UT–001–0019; UT–001–0020; FRL–6368–8] received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2885. A letter from the Director, Office of Regulations Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Phoenix; Arizona Ozone Nonattainment Area, Revision to the 15 Percent Rate of Progress Plan [AZ–005–ROP; FRL–6371–2] received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2886. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Stay of Action on Section 126 Petitions for Purposes of, Reducing Interstate Ozone Transport [FRL No. 6364–4] (RIN: 2060–AH88) received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2887. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Hazardous Waste Management System; Modification of the Hazardous Waste Program; Hazardous Waste Lamps [FRL–6371–3] (RIN: 2050–AD93) received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2888. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Sustainable Development Challenge Grant Program [FRL–6370–4] received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2889. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Revised Format for Materials Being Incorporated by Reference for Florida; Approval of Recodification of the Florida Administrative Code [FL–62–1–9610a; FL–66–1–9729a; FRL–6352–5] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2890. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Delaware; Reasonably Available Control Technology Requirements for Nitrogen Oxides [DE011–1020; FRL–6357–7] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2891. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Florida: Approval of Revisions to the Florida State Implementation Plan [FL–61–2–9823a; FRL–6352–3] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2892. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Record Keeping Requirements for Low Volume Exemption and Low Release and Exposure Exemption; Technical Correction [OPPT–50636; FRL–6068–5] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2893. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Manzanita, Cannon Beach and Bay City, Oregon) [MM Docket No. 98–189; RM–9377; RM–9475) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2894. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Deer Lodge, Hamilton and SHELBY, Montana) [MM Docket No. 99–70 RM–9380] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2895. A letter from the Special Assistant, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Cannon Ball, North Dakota) [MM Docket No.99–4 RM–9429]; (Velva, North Dakota) [MM Docket. 99–5 RM–9430]; (Delhi, New York) [MM Docket No. 99–7 RM–9432]; (Flasher, North Dakota) [MM Docket No. 99–27 RM–9450]; (Berthold, North Dakota) [MM Docket No. 99–38 RM–9451]; (Ranier, Oregon) [MM Docket No. 99–39 RM–9464]; (Richardton, North Dakota) [MM Docket No. 99–40 RM–9465]; (Wimbledon, North Dakota) [MM Docket No. 99–41 RM–9466] Received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2896. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Tumon, Guam) [MM Docket No. 98–113 RM–9296] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2897. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives; Adjuvants, Production Aids, and Sanitizers [Docket No. 98F–0824] received May 25, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2898. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Secondary Direct Food Additives Permitted in Food for Human Consumption; Boiler Water Additives [Docket No. 97F–0450] received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2899. A letter from the Director, Office of Congressional Affairs, Office of General Counsel, Nuclear Regulatory Commission, transmitting the Commission's final rule—Formal and Informal Adjudicatory Hearing Procedures; Clarification of Eligibility to Participate (RIN: 3150–AG27) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2900. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the Commission's report entitled "Report to Congress on Abnormal Occurrences, Fiscal Year 1998" for events at nuclear facilities, pursuant to 42 U.S.C. 5848; to the Committee on Commerce.

2901. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—NRC Generic Letter 99–02, "Laboratory Testing of Nuclear-Grade Activated Charcoal"— received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2902. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the quarterly report on the denial of safeguards information for the period of January 1, through March 31, 1999, pursuant to 42 U.S.C. 2167(e); to the Committee on Commerce.

2903. A letter from the Chairman, Securities and Exchange Commission, transmitting authorization requests for fiscal years 2000 and 2001, pursuant to 31 U.S.C. 1110; to the Committee on Commerce.

2904. A letter from the Director, Congressional Relations, U.S. Consumer Product Safety Commission, transmitting the Commission's Annual Report for Fiscal Year 1998, pursuant to 15 U.S.C. 2076(j); to the Committee on Commerce.

2905. A communication from the President of the United States, transmitting his declaration of a National emergency with respect to the threat to the United States posed by the actions and policies of the Afghan Taliban and an executive order to deal with this threat, pursuant to 50 U.S.C. 1703(b); (H. Doc. No. 106—90); to the Committee on International Relations and ordered to be printed.

2906. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of the Army's proposed lease of defense articles to Greece (Transmittal No. 10-99), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

2907. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to the Taipei Economic and Cultural Representative Office for defense articles and services (Transmittal No. 99-19), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2908. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to the Taipei Economic and Cultural Representative Office for defense articles and services (Transmittal No. 99-18), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

2909. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President has authorized funds from the U.S. Emergency Refugee and Migration Assistance Fund to meet the urgent and unexpected needs relating to the program under which the United States will provide refuge in the United States to refugees fleeing the Kosovo crisis, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on International Relations.

2910. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President is considering Mark Wylea Erwin, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mauritius and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of the Comoros and to the Republic of Seychelles, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

2911. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President is considering Johnnie Carson, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

2912. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President is considering Gregory Lee Johnson, of Washington, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

2913. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President is considering A. Peter Burleigh, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Palau, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

2914. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President is considering Larry C. Napper, of Texas, to be Ambassador during tenure of service as Coordinator of the Support for East European Democracy Program, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

2915. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

2916. A letter from the Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule—Entity List: Addition of Entities located in the People's Republic of China; and Correction to Spelling of One Indian Entity Name [Docket No. 970428099-9105-09] (RIN: 0694-AB60) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

2917. A letter from the Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule—Addition of Macau to the Export Administration Regulations [Docket No. 990318078-9078-01] (RIN: 0694-AB89) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

2918. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the first of six annual reports by the Department of State on enforcement and monitoring of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the Organization for Economic Cooperation and Development; to the Committee on International Relations.

2919. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report concerning efforts made by the United Nations and the Specialized Agencies to employ an adequate number of Americans during 1998; to the Committee on International Relations.

2920. A letter from the Commissioner, Social Security Administration, transmitting the Office of the Inspector General's Semiannual Report, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Government Reform.

2921. A letter from the Director, OCA, WCPS, SWSD, Office of Personnel Management, transmitting the Office's final rule—Prevailing Rate Systems; Abolishment of Kansas City, MO, Special Wage Schedule for Printing Positions (RIN: 3206-AI11) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2922. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List—received May 19, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2923. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List Additions—received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2924. A letter from the Chairman, International Trade Commission, transmitting the Semiannual Report of the Inspector General of the U.S. International Trade Commission for the period October 1, 1998 through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2925. A letter from the Executive Director, Interstate Commission on the Potomac River Basin, transmitting the audited Fifty-Eighth Financial Statement for the period October 1, 1997—September 30, 1998, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

2926. A letter from the General Counsel, Legal Services Corporation, transmitting the Legal Services Corporation's Inspector General's Semiannual Report for the period of October 1, 1998 through March 31, 1999, and the corresponding report of the Corporation's Board of Directors; to the Committee on Government Reform.

2927. A letter from the Chairman, National Credit Union Administration, transmitting the NCUA Inspector General's semi-annual report for October 1, 1998 through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2928. A letter from the Chairman and General Counsel, National Labor Relations Board, transmitting the Semiannual Report of the Office of the Inspector General (OIG) of the National Labor Relations Board for the Period October 1, 1998 through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2929. A letter from the Director, Employment Service Staffing Reinvention Office, Office of Personnel Management, transmitting the Office's final rule—Reemployment Rights of Employees Performing Military Duty (RINS: 3206-AG02 and 3206-AH15) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2930. A letter from the Director, Employment Service, Office of Personnel Management, transmitting the Office's final rule—Statutory Bar to Appointment of Persons Who Fail to Register Under Selective Service Law; Technical Amendment (RIN: 3206-AI72) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2931. A letter from the Director, WCPS, OCA, SWSD, Office of Personnel Management, transmitting the Office's final rule—Prevailing Rate Systems; Abolishment of the Lubbock, Texas, Nonappropriated Fund Wage Area (RIN: 3206-AH88) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

2932. A letter from the Chairman, Postal Rate Commission, transmitting the annual report on International Mail Costs, Revenues, and Volumes; to the Committee on Government Reform.

2933. A letter from the Chairman of the Board of Governors, Postal Service, transmitting the Semiannual Report of the Inspector General and the Postal Service management response to the report for the period ending March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2934. A letter from the Secretary of Veterans Affairs, transmitting the Semiannual Report of the Office of Inspector General for the period October 1, 1998, through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2935. A letter from the Administrator, Small Business Administration, transmitting the annual report on the state of internal controls over financial and administrative activities, pursuant to 31 U.S.C.

3512(c)(3); to the Committee on Government Reform.

2936. A letter from the Chairman, Federal Election Commission, transmitting the Commission's final rule—Treatment of Limited Liability Companies Under the Federal Election Campaign Act [Notice 1999-10] received June 29, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on House Administration.

2937. A letter from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States: Northeast Multispecies Fishery; Commercial Cod Harvest [Docket No. 990318076-9109-02; I.D. 052199E] received May 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2938. A letter from the Fisheries Biologist, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Listing Endangered and Threatened Species and Designating Critical Habitat: Petition To List Eleven New Species Genus of Bryozoans From Capron Shoal, Florida, as Threatened or Endangered Under the Endangered Species Act (ESA) [Docket No. 990520140-9140-01; I.D. 041699A] received June 15, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2939. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; 1999 Specifications [Docket No. 981106278-8336-02; I.D. 060999A] (RIN: 0648-AL76) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2940. A letter from the Senior Attorney, Federal Register Certifying Officer, Department of Treasury, transmitting the Department's final rul—Transfer of Debts to Treasury for Collection (RIN: 1510-AA68) received April 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2941. A letter from the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, transmitting the Service's final rule—Adjustment of Status; Continued Validity of Nonimmigrant Status, Unexpired Employment Authorization, and Travel Authorization for Certain Applicants Maintaining Nonimmigrant H or L Status [INS No. 1881-97] (RIN: 1115-AE96) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2942. A letter from the Secretary of Transportation, transmitting the Sixteenth Annual Report of Accomplishments Under the Airport Improvement Program for Fiscal Year 1997, pursuant to 49 U.S.C. app. 2203(b)(2); to the Committee on Transportation and Infrastructure.

2943. A letter from the the Assistant Secretary of the Army, Civil Works, the Department of the Army, transmitting a recommendation for authorization of a flood damage reduction and recreation project for the Upper Guadalupe River, Santa Clara County, California; (H. Doc. No. 106-89); to the Committee on Transportation and Infrastructure and ordered to be printed.

2944. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Sikorsky Aircraft Model S-76A Helicopters [Docket No. 99-SW-26-AD; Amendment 39-11205; AD 99-11-04] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2945. A letter from the Program Analyst, Office of Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-300 and -400 Series Airplanes [Docket No. 99-NM-45-AD; Amendment 39-11212; AD 99-14-04] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2946. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc. PA-23, PA-30, PA-31, PA-34, PA-39, PA-40, and PA-42 Series Airplanes [Docket No. 98-CE-77-AD; Amendment 39-11209; AD 99-14-01] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2947. A letter from the Program Analyst, Office of the Chief Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; LET Aeronautical Works Model L33 SOLO Sailplanes [Docket No. 98-CE-120-AD; Amendment 39-11210; AD 99-14-02] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2948. A letter from the Program Analyst, Office of Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Aircraft Ltd. Models PC-12 and PC-12/45 Airplanes [Docket No. 98-CE-122-AD; Amendment 39-11211; AD 99-14-03] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2949. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; MT-Propeller Entwicklung GMBH Model MTV-3-B-C Propellers [Docket No. 97-ANE-36-AD; Amendment 39-11206; AD 97-21-01 R1] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2950. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron Canada (BHTC) Model 206L-4 Helicopters [Docket No. 98-SW-62-AD; Amendment 39-11203; AD 99-13-10] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2951. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777 Series Airplanes [Docket No. 99-NM-116-AD; Amendment 39-11198; AD 99-13-05] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2952. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Robinson Helicopter Company (Robinson) Model R44 Helicopters [Docket No. 98-SW-71-AD; Amendment 39-11204; AD 99-13-11] (RIN: 2120-AA64) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2953. A letter from the Administrator, Federal Aviation Administration, Department of Transportation, transmitting a report on the FAA domestic positive passenger-baggage match program; to the Committee on Transportation and Infrastructure.

2954. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Kokomo, IN [Airspace Docket No. 99-AGL-21] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2955. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Juneau, WI [Airspace Docket No. 99-AGL-22] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2956. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Neillsville, WI [Airspace Docket No. 99-AGL-23] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2957. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Savanna, IL [Airspace Docket No. 99-AGL-19] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2958. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Hamilton, OH [Airspace Docket No. 99-AGL-18] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2959. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Willmar, MN [Airspace Docket No. 99-AGL-17] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2960. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E airspace; De Kalb, IL [Airspace Docket No. 99-AGL-20] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2961. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Alexander Schleicher Segelflugzeugbau Model ASK 21 Gliders [Docket No. 91-CE-25-AD; Amendment 39-11149; AD 95-11-15-R1] (RIN: 2120-AA64) received June 24, 1999, pursuant to 5 U.S.C.

801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2962. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777 Series Airplanes [Docket No. 99–NM–116–AD; Amendment 39–11198; AD 99–13–05] (RIN: 2120–AA64) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2963. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lockheed Model L–1011–385 Series Airplanes [Docket No. 97–NM–11–AD; Amendment 39–11202; AD 99–13–08] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2964. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Rowayton Fireworks Display, Bayley Beach, Rowayton, CT [CGD01–99–081] (RIN: 2115–AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2965. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; 4th of July Celebration Ohio River Mile 469.2–470.5, Cincinnati, OH [CGD08–99–042] (RIN: 2115–AE46) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2966. A letter from the Deputy General Counsel, Office of Size Standards, Small Business Administration, transmitting the Administration's final rule—Small Business Size Standards; Engineering Services, Architectural Services, Surveying, and Mapping Services—received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

2967. A letter from the Deputy General Counsel, Office of Size Standards, Small Business Administration, transmitting the Administration's final rule—Business Loan Program—received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

2968. A letter from the Deputy General Counsel, Office of Disaster Assistance, Small Business Administration, transmitting the Administration's final rule—Disaster Loan Program; Correction—received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

2969. A letter from the Deputy General Counsel, Office of Surety Guarantees, Small Business Administration, transmitting the Administration's final rule—Surety Bond Guarantees—received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

2970. A letter from the Deputy General Counsel, Office of Financial Assistance, Small Business Administration, transmitting the Administration's final rule—Business Loan Program—received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

2971. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—VA Acquisition Regulation: Improper Business Practices and Personal Conflicts of Interest and Solicitation Provisions and Contract Clauses (RIN: 2900–AJ06) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2972. A letter from the Director, Office of Regulations Management, Veterans Benefits, Department of Veterans Affairs, transmitting the Department's final rule—Reinstatement of Benefits Eligibility Based Upon Terminated Marital Relationships (RIN: 2900–AJ53) received June 7, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2973. A communication from the President of the United States, transmitting his determination to implement action to facilitate a positive Adjustment to competition from imports of lamb meat, pursuant to 19 U.S.C. 2253(b); (H. Doc. No. 106–91); to the Committee on Ways and Means and ordered to be printed.

2974. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update [Notice 99–33] received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2975. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Consolidated Returns—Limitations on the Use of Certain Losses and Deductions [TD 8823] (RIN: 1545–AU31) received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2976. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Department Store Inventory Price Indexes—[Rev. Rul. 99–30] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2977. A letter from the General Counsel, Department of Defense, transmitting a report on Prisoners Transferred from United States Disciplinary Barracks, Fort Leavenworth, Kansas, to Federal Bureau of Prisons; jointly to the Committees on Armed Services and the Judiciary.

2978. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification that Panama and Costa Rica have adopted a regulatory program governing the incidental taking of certain sea turtles, pursuant to Public Law 101–162, section 609(b)(2) (103 Sat. 1038); jointly to the Committees on International Relations and Appropriations.

2979. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the transfer of up to $100M in defense articles and services to the Government of Bosnia-Herzegovina, pursuant to 10 U.S.C. 118; jointly to the Committees on International Relations and Appropriations.

2980. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the intent to obligate funds for an additional program proposal for purposes of Nonproliferation and Disarmament Fund activities; jointly to the Committees on International Relations and Appropriations.

2981. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on violence in Indonesia during the May 1998 riots; jointly to the Committees on International Relations and Appropriations.

2982. A letter from the Secretary, Judicial Conference of the United States, transmitting a draft of proposed legislation entitled the "Federal Courts Improvement Act of 1999"; jointly to the Committees on the Judiciary and Government Reform.

2983. A letter from the Secretary of Health and Human Services, transmitting a Memorandum which serves as the "Implementation Plan for Veterans Subvention"; jointly to the Committees on Veterans' Affairs, Ways and Means, and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted on July 2, 1999]

Mr. BLILEY: Committee on Commerce. H.R. 805. A bill to amend title 18, United States Code, to affirm the rights of United States persons to use and sell encryption and to relax export controls on encryption; with an amendment (Rept. 106–117 Pt. 2). Ordered to be printed.

Mr. TALENT: Committee on Small Business. H.R. 413. A bill to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes; with an amendment (Rept. 106–184 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on July 1, 1999 the following reports were filed on July 2, 1999]

Mr. HOBSON: Committee on Appropriations. H.R. 2465. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–221). Referred to the Committee of the Whole House on the State of the Union.

Mr. REGULA: Committee on Appropriations. H.R. 2466. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–222). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 12, 1999]

Mr. SENSENBRENNER: Committee on Science. H.R. 1551. A bill to authorize the Federal Aviation Administration's civil aviation research and development programs for fiscal years 2000 and 2001, and for other purposes; with an amendment (Rept. 106–223). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1243. A bill to reauthorize the National Marine Sanctuaries Act; with amendments (Rept. 106–224). Referred to the Committee of the Whole House on the State of the Union.

Mrs. MYRICK: Committee on Rules. House Resolution 242. Resolution providing for consideration of the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–227). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 243. Resolution providing for consideration of the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–228). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calender, as follows:

Mr. YOUNG of Alaska: Committee on Resources. S. 361. An act to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, certain land so as to correct an error in the patent issued to their predecessors in interest (Rept. 106–225). Referred to the Private Calendar.

Mr. YOUNG of Alaska: Committee on Resources. S. 449. An act to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property (Rept. 106–226). Referred to the Private Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

[The following occurred on July 2, 1999]

H.R. 850. Referral to the Committee on International Relations extended for a period ending not later than July 16, 1999.

H.R. 850. Referral to the Committee on Armed Services and the Permanent Select Committee on Intelligence extended for a period ending not later than July 23, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GOODLING:

H.R. 2467. A bill to require labor organizations to secure prior, voluntary, written authorization as a condition of using any portion of dues or fees for activities not necessary to performing duties relating to the representation of employees in dealing with the employer on labor-management issues, and for other purposes; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 2468. A bill to amend the Elementary and Secondary Education Act of 1965 to require States, in awarding subgrants under the State charter school grant program, to give priority to charter schools that will provide a racially integrated educational experience; to the Committee on Education and the Workforce.

H.R. 2469. A bill to establish State revolving funds for school construction; to the Committee on Education and the Workforce.

By Mr. GREENWOOD (for himself, Mr. Shays, Mr. Norwood, Mr. LaTourette, Mr. Burr of North Carolina, and Mr. Upton):

H.R. 2470. A bill to ensure confidentiality with respect to medical records and health care-related information, and for other purposes; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Mrs. Kelly, Mrs. Capps, Ms. Carson, Mrs. Christensen, Mrs. Clayton, Ms. Danner, Mrs. Jones of Ohio, Mr. Frost, Mr. Green of Texas, Mr. Gonzalez, Mrs. Lowey, Mrs. McCarthy of New York, Mrs. Meek of Florida, Ms. Eshoo, Ms. McKinney, Ms. Millender-McDonald, Ms. Waters, Ms. Slaughter, Mr. Bentsen, Ms. Jackson-Lee of Texas, Mr. Conyers, Mr. Clay, Mr. Rangel, Mr. Dixon, Mr. Owens, Mr. Towns, Mr. Lewis of Georgia, Mr. Payne, Ms. Norton, Mr. Jefferson, Mr. Bishop, Mr. Clyburn, Mr. Hastings of Florida, Mr. Hilliard, Mr. Rush, Mr. Scott, Mr. Watt of North Carolina, Mr. Wynn, Mr. Thompson of Mississippi, Mr. Fattah, Mr. Cummings, Mr. Davis of Illinois, Mr. Ford, Mr. Meeks of New York, Ms. Lee, and Ms. Kilpatrick):

H.R. 2471. A bill to amend the Public Health Service Act to provide for screenings, referrals, and education regarding osteoporosis; to the Committee on Commerce.

By Mr. McINTOSH:

H.R. 2472. A bill to suspend temporarily the duty on dimethoxy butanone (DMB); to the Committee on Ways and Means.

H.R. 2473. A bill to suspend temporarily the duty on dicholor aniline (DCA); to the Committee on Ways and Means.

H.R. 2474. A bill to suspend temporarily the duty on diphenyl sulfide; to the Committee on Ways and Means.

H.R. 2475. A bill to suspend temporarily the duty on trifluralin; to the Committee on Ways and Means.

H.R. 2476. A bill to suspend temporarily the duty on diethyl imidazolidinnone (DMI); to the Committee on Ways and Means.

H.R. 2477. A bill to suspend temporarily the duty on ethalfluralin; to the Committee on Ways and Means.

H.R. 2478. A bill to suspend temporarily the duty on benefluralin; to the Committee on Ways and Means.

H.R. 2479. A bill to suspend temporarily the duty on 3-amino-5-mercapto-1,2,4-triazole (AMT); to the Committee on Ways and Means.

H.R. 2480. A bill to suspend temporarily the duty on diethyl phosphorochoridothiate (DEPCT); to the Committee on Ways and Means.

H.R. 2481. A bill to suspend temporarily the duty on refined quinoline; to the Committee on Ways and Means.

H.R. 2482. A bill to suspend temporarily the duty on 2,2'-dithiobis(8-fluoro-5-methoxy [1,2,4]triazolo[1,5-c] pyrimidine (DMDS); to the Committee on Ways and Means.

By Mr. McKEON:

H.R. 2483. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers and in coordination with other Federal agency heads, to participate in the funding and implementation of a balanced, long-term solution to the problems of groundwater contamination, water supply, and reliability affecting the Eastern Santa Clara groundwater basin in California, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. MINGE:

H.R. 2484. A bill to provide that land which is owned by the Lower Sioux Indian Community in the State of Minnesota but which is not held in trust by the United States for the Community may be leased or transferred by the Community without further approval by the United States; to the Committee on Resources.

By Mr. STEARNS (for himself, Mr. Shows, Mrs. Myrick, and Mrs. Cubin):

H.R. 2485. A bill to amend title X of the Public Health Service Act to permit family planning projects to offer adoption services; to the Committee on Commerce.

By Mrs. TAUSCHER (for herself, Mr. Greenwood, Mr. Barrett of Wisconsin, Ms. Carson, Mr. English, Mr. Farr of California, Ms. Jackson-Lee of Texas, Ms. Kilpatrick, Mr. Kucinich, Ms. Lee, Mrs. Maloney of New York, Ms. Millender-McDonald, Mrs. Morella, Ms. Norton, Ms. Pelosi, Mr. Rangel, Mr. Sandlin, Mr. Thompson of Mississippi, Mrs. Thurman, and Mr. Waxman):

H.R. 2486. A bill to provide for infant crib safety, and for other purposes; to the Committee on Commerce.

By Mr. KUYKENDALL:

H. Res. 241. A resolution expressing the sense of the House of Representatives with regard to the United States Women's Soccer Team and its winning performance in the 1999 Women's World Cup tournament; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

150. The SPEAKER presented a memorial of the Legislature of the Commonwealth of Guam, relative to Resolution No. 60 memorializing Guam's Delegate to Congress, to petition the United States Congress to include certain language in the proposed Omnibus Territories Act; to the Committee on Resources.

151. Also, a memorial of the Senate of the State of Nevada, relative to Senate Joint Resolution No. 19 memorializing Congress permanently to mitigate the consequences of the provisions of Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; to the Committee on the Judiciary.

152. Also, a memorial of the Legislature of the State of Maine, relative to H.P. 1595 Joint Resolution memorializing the United States Congress to reauthorize the Northeat Interstate Dairy Compact; to the Committee on the Judiciary.

153. Also, a memorial of the General Assembly of the Commonwealth of Puerto Rico, relative to Resolution No. 110–A memorializing Congress to remove the United States Navy from the territory it occupies on the island of Vieques; jointly to the Committees on Armed Services and Resources.

154. Also, a memorial of the Senate of the State of Illinois, relative to Senate Resolution No. 70 memorializing Congress to hold the Health Care Financing Authority accountable for the timely implementation of a fair prospective payment system; jointly to the Committees on Ways and Means and Commerce.

155. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Resolution No. 10 memorializing Congress to support the concept of creating interest-free loans to state and local governments and school districts to provide for capital projects for schools, roads, bridges, water

and sewer projects, waste disposal projects, public housing, public buildings and environmental projects; jointly to the Committees on Banking and Financial Services, Transportation and Infrastructure, and Education and the Workforce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. FRANK of Massachusetts introduced A bill (H.R. 2487) for the relief of Phin Cohen, M.D.; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS TO PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. SMITH of Washington and Mr. THORNBERRY.

H.R. 44: Mr. BOUCHER, Mr. KOLBE, Mr. HALL of Ohio, and Mr. HALL of Texas.

H.R. 65: Mr. CAMP, Mr. GOODE, and Mr. KOLBE.

H.R. 82: Mr. MENENDEZ, Ms. LEE, Mr. POMEROY, and Mr. BROWN of Ohio.

H.R. 194: Mr. LATOURETTE.

H.R. 205: Mr. CAMPBELL and Mr. SMITH of Jersey.

H.R. 229: Mr. KLECZKA.

H.R. 230: Mr. BECERRA, Mr. JACKSON of Illinois, Mr. HILLIARD, Mr. KLECZKA, and Mr. RAMSTAD.

H.R. 274: Mr. LUTHER, Mr. MARKEY, Mr. WELDON of Florida, Mr. FORBES, Mr. KNOLLENBERG, Ms. BALDWIN, and Mr. LAFALCE.

H.R. 296: Mr. ENGLISH, Mr. TERRY, and Mr. McINTOSH.

H.R. 303: Ms. CARSON, Mr. WELDON of Florida, Mr. LEWIS of Kentucky, Mr. DEUTSCH, Mr. KENNEDY of Rhode Island, Mr. CAMP, Mr. FORBES, Mr. KOLBE, Mr. OLVER, and Ms. SANCHEZ.

H.R. 329: Ms. WATERS.

H.R. 353: Mr. CUMMINGS, Ms. KAPTUR, Mr. BEREUTER, Mr. GILCHREST, Mr. TAYLOR of North Carolina, and Mr. WATT of North Carolina.

H.R. 405: Mr. TIERNEY, Mr. CLEMENT, Mr. SHAYS, Mrs. ROUKEMA, Mr. ANDREWS, and Mr. BRADY of Pennsylvania.

H.R. 407: Mr. WHITFIELD and Mr. DOOLITTLE.

H.R. 423: Mr. CALVERT.

H.R. 424: Mr. RAMSTAD.

H.R. 430: Mr. HILL of Montana.

H.R. 456: Mr. McINTOSH.

H.R. 488: Mr. MARTINEZ, Ms. JACKSON-LEE of Texas, and Mr. PAYNE.

H.R. 531: Mr. ARMEY, Mrs. CUBIN, Ms. LEE, and Mr. MEEHAN.

H.R. 534: Mr. BLILEY, Mr. BRADY of Pennsylvania, and Mr. GOODLATTE.

H.R. 583: Ms. WOOLSEY.

H.R. 585: Mr. SMITH of New Jersey.

H.R. 590: Mr. THORNBERRY.

H.R. 637: Ms. SLAUGHTER.

H.R. 675: Mr. INSLEE

H.R. 750: Mr. PRICE of North Carolina.

H.R. 783: Mr. BAKER and Mr. STRICKLAND.

H.R. 784: Ms. SLAUGHTER and Mr. TURNER.

H.R. 804: Mrs. CUBIN.

H.R. 809: Mr. DUNCAN.

H.R. 827: Ms. SLAUGHTER and Mr. CAPUANO.

H.R. 845: Ms. LEE and Mr. GUTIERREZ.

H.R. 889: Mrs. LOWEY.

H.R. 890: Mrs. LOWEY.

H.R. 914: Mr. RAHALL.

H.R. 919: Mr. CAPUANO and Ms. MILLENDER-McDONALD.

H.R. 925: Mr. ALLEN, Mr. BRADY of Pennsylvania, and Ms. LEE.

H.R. 933: Ms. LEE and Mr. DAVIS of Illinois.

H.R. 939: Mr. CAPUANO.

H.R. 1020: Mr. HOLDEN Ms. BALDWIN, Mr. INSLEE, Mrs. MORELLA, and Mr. RUSH.

H.R. 1037: Ms. JACKSON-LEE of Texas, Mr. MENDENDEZ, and Mrs. LOWEY.

H.R. 1046: Mr. SABO, Mr. RILEY, and Mr. BOUCHER.

H.R. 1053: Ms. NORTON.

H.R. 1083: Mr. PETERSON of Pennsylvania and Mr. OBERSTAR.

H.R. 1090: Mr. PRICE of North Carolina, Mr. CANADY of Florida, Mrs. CHRISTENSEN, Mr. SANFORD, Mr. PHELPS, Mr. ABERCROMBIE Mr. HINCHEY, and Mr. BALDACCI.

H.R. 1096: Mr. BROWN of California.

H.R. 1111: Mr. WEINER Mr. GREENWOOD Mr. BOUCHER and Mr. HALL of Texas.

H.R. 1163: Mr. SNYDER.

H.R. 1168: Mr. HOEFFEL and Mr. HALL of Ohio.

H.R. 1173: Mr. CAMPBELL and Mr. JACKSON of Illinois.

H.R. 1174: Ms. DUNN.

H.R. 1219: Mr. BACHUS and Mr. MANZULLO.

H.R. 1246: Mr. FORBES.

H.R. 1248: Ms. ESHOO.

H.R. 1256: Mrs. WILSON.

H.R. 1265: Mr. OSE.

H.R. 1285: Ms. JACKSON-LEE of Texas.

H.R. 1287: Mr. FORBES.

H.R. 1290: Mr. HANSEN.

H.R. 1313: Mr. BONIOR and Mr. BENTSEN.

H.R. 1317: Mr. HULSHOF.

H.R. 1322: Mr. ENGLISH.

H.R. 1323: Mr. ROEMER, Ms. KILPATRICK, Ms. ESHOO, Mr. TALENT, Ms. MILLENDER-McDONALD, Ms. LEE, and Mr. ISAKSON.

H.R. 1324: Mrs. MORELLA, Mr. LANTOS, Mr. HINCHEY, Mrs. MALONEY of New York, Mr. MARKEY, and Mr. FALEOMAVAEGA.

H.R. 1325: Mr. BRADY of Pennsylvania, Mr. ROTHMAN, Mr. HULSHOF, and Mr. BECERRA.

H.R. 1330: Mrs. BIGGERT.

H.R. 1344: Mr. LAFALCE.

H.R. 1355: Mrs. BIGGERT and Ms. BROWN of Florida.

H.R. 1358: Ms. ESHOO.

H.R. 1366: Mrs. CUBIN and Mr. FORBES.

H.R. 1389: Mr. TIERNEY, Mr. DEAL of Georgia, Mr. WAMP, Mr. HUTCHINSON, AND MR. TURNER.

H.R. 1465: Mrs. THURMAN, Mr. METCALF, Mr. PASTOR, Mr. COOK, Mrs. BONO, Mr. GORDON, and Mr. GEJDENSON.

H.R. 1470: Mr. FRELINGHUYSEN.

H.R. 1478: Mr. SNYDER.

H.R. 1485: Mr. BLUMENAUER and Mr. CAPUANO.

H.R. 1505: Mr. DAVIS of Illinois.

H.R. 1590: Mr. ABERCROMBIE.

H.R. 1592: Mr. PITTS, Mr. SKELTON, Mr. EHLERS, Mr. THOMAS, Mr. McINTOSH, and Mr. HAYWORTH.

H.R. 1650: Mr. THOMPSON of Mississippi, Mr. OBERSTAR, Mrs. MALONEY of New York, Ms. LOFGREN, Ms. PRYCE of Ohio, Mr. BAIRD, Mr. FOLEY, Mr. DOYLE, and Mr. WEINER.

H.R. 1660: Mr. LUCAS of Kentucky, Ms. KAPTUR, Mr. SPRATT, Mr. LANTOS, and Mr. THOMPSON of California.

H.R. 1710: Mr. GOODLATTE.

H.R. 1775: Mr. WYNN.

H.R. 1794: Ms. PELOSI, Mr. SOUDER, Mr. BOUCHER, Mr. SHERMAN, Mr. McNULTY, and Mr. BRADY of Pennsylvania.

H.R. 1810: Mr. MANZULLO, Mr. SHIMKUS, and Mr. SHOWS.

H.R. 1824: Mr. PITTS and Mr. SWEENEY.

H.R. 1861: Mr. HOUGHTON and Mr. RAHALL.

H.R. 1869: Mr. FORBES.

H.R. 1881: Mr. UNDERWOOD.

H.R. 1885: Mr. LUTHER.

H.R. 1907: Mr. LARGENT, Mr. BARTLETT of Maryland, Mr. FRANKS of New Jersey, Mr. FRANK of Massachusetts, and Mr. BILBRAY.

H.R. 1917: Mr. DIAZ-BALART, Mr. GOODE, Mr. TIERNEY, Mrs. CAPPS, and Ms. LEE.

H.R. 1921: Mr. RADANOVICH.

H.R. 1926: Mrs. NORTHUP, Mr. DEFAZIO, and Ms. SCHAKOWSKY.

H.R. 1933: Mrs. CUBIN.

H.R. 1937: Mrs. BIGGERT.

H.R. 1967: Mr. DAVIS of Illinois.

H.R. 1990: Ms. CARSON.

H.R. 2003: Mr. DAVIS of Illinois.

H.R. 2022: Mr. BURTON of Indiana and Mr. FORBES.

H.R. 2023: Mr. BURTON of Indiana and Mr. FORBES.

H.R. 2038: Mr. MATSUI, Mr. SUNUNU, and Mr. RAMSTAD.

H.R. 2054: Mr. HULSHOF.

H.R. 2056: Mr. MALONEY of Connecticut and Mr. SOUDER.

H.R. 2077: Mr. BERMAN, Mr. CAMPBELL, and Ms. ESHOO.

H.R. 2116: Mrs. CUBIN and Mr. TANCREDO.

H.R. 2121: Mr. HASTINGS of Florida, Ms. STABENOW, Ms. KILPATRICK, Mr. KENNEDY of Rhode Island, Mr. SUNUNU, and Mr. KING.

H.R. 2125: Mr. McGOVERN and Mrs. CHRISTENSEN.

H.R. 2136: Mr. HOUGHTON, Mr. TURNER, and Mr. PETERSON of Pennsylvania.

H.R. 2172: Mr. DOYLE, Mr. KING, and Mr. ROTHMAN.

H.R. 2202: Mr. FARR of California, Mrs. MINK of Hawaii, Mr. McDERMOTT, Mr. BEREUTER, Mr. ACKERMAN, Mr. MARKEY, Ms. ESHOO, Mr. CONYERS, and Mr. HILL of Indiana.

H.R. 2221: Mr. DEMINT.

H.R. 2243: Mr. PETERSON of Pennsylvania and Mr. BOUCHER.

H.R. 2255: Ms. SCHAKOWSKY.

H.R. 2282: Mr. BEREUTER, Ms. PRYCE of Ohio, Mr. SOUDER, Mr. BOEHLERT, Mr. GARY MILLER of California, Ms. JACKSON-LEE of Texas, and Mr. LAFALCE.

H.R. 2288: Mr. McDERMOTT and Mr. BRADY of Pennsylvania.

H.R. 2300: Mr. RYUN of Kansas, Mr. HUNTER, Mr. BRADY of Texas, Mr. CANADY of Florida, Mr. LEWIS of California, Mr. NUSSLE, Mr. SMITH of Texas, Mr. OSE, Mrs. CUBIN, Mr. RADANOVICH, and Mr. HYDE.

H.R. 2303: Mr. WATTS of Oklahoma.

H.R. 2331: Mrs. BONO.

H.R. 2337: Mr. SAM JOHNSON of Texas and Mr. BECERRA.

H.R. 2339: Mr. WISE, Mrs. KELLY, and Mr. LEWIS of Georgia.

H.R. 2367: Mr. FRANK of Massachusetts.

H.R. 2370: Ms. LOFGREN, Ms. SCHAKOWSKY, and Ms. JACKSON-LEE of Texas.

H.R. 2414: Mr. GARY MILLER of California.

H.R. 2436: Mr. PITTS and Mr. SALMON.

H.R. 2444: Ms. LEE and Mr. GONZALEZ.

H.R. 2445: Mr. WEINER.

H.R. 2453: Mr. SUNUNU.

H.R. 2457: Mrs. CAPPS, Ms. DANNER, Ms. LEE, Mr. WYNN, and Mr. NADLER.

H.J. Res. 55: Mr. ENGLISH, Mr. WELDON of Florida, and Mrs. MALONEY of New York.

H. Con. Res. 30: Mr. HALL of Texas and Mrs. CUBIN.

H. Con. Res. 34: Ms. BERKLEY and Mr. KILDEE.

H. Con. Res. 97: Mr. LEWIS of Georgia, Mr. JACKSON of Illinois, Ms. BALDWIN, Mr. WOLF, Ms. PELOSI, Mr. POMBO, Mr. PETERSON of Minnesota, Mr. PAYNE, Mr. DEFAZIO, Mr. RUSH, and Mr. GEORGE MILLER of California.

H. Con. Res. 107: Mr. WELDON of Pennsylvania and Mr. BACHUS.

H. Con. Res. 116: Mr. ROMERO-BARCELO.

H. Con. Res. 119: Mr. SPRATT.

H. Con. Res. 120: Mr. MASCARA, Mr. FILNER, Mrs. FOWLER, Mr. GEORGE MILLER of California, Mrs. CUBIN, Mr. SAXTON, and Mr. MATSUI.

H. Con. Res. 132: Mr. PAYNE, Ms. WOOLSEY, Ms. KILPATRICK, Mr. MEEKS of New York, and Mr. HALL of Ohio.

H. Con. Res. 136: Mr. HALL of Ohio, Mr. POMEROY, Mr. KENNEDY of Rhode Island, and Mr. RUSH.

H. Con. Res. 140: Mr. LANTOS.

H. Con. Res. 145: Ms. MCCARTHY of Missouri, Mr. FOLEY, Mr. PALLONE, and Mr. UNDERWOOD.

H. Res. 57: Mr. LANTOS.

H. Res. 107: Mr. CAPUANO, Mr. KENNEDY of Rhode Island, Mr. CUMMINGS, Mr. BROWN of Ohio, and Mr. GUTIERREZ.

H. Res. 201: Mr. KLECZKA, Mr. BERRY, Mr. CUNNINGHAM, Ms. MILLENDER-MCDONALD, and Mr. BARRETT of Wisconsin.

H. Res. 214: Mr. PETERSON of Pennsylvania.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

30. The SPEAKER presented a petition of South San Francisco Unified School District, Board of Trustees, relative to Resolution No. 99-55 petitioning Congress to restore parity to two classes of students by appropriating funds for IDEA to the full authorized level of funding for 40 percent of the excess costs of providing Special Education and related services; to the Committee on Education and the Workforce.

31. Also, a petition of Benicia Unified School District, relative to Resolution No. 98-99-35 petitioning Congress to restore parity to two classes of students by appropriating funds for IDEA to the full authorized level of funding for 40 percent of the excess costs of providing special education and related services; to the Committee on Education and the Workforce.

32. Also, a petition of the County of Jefferson, New York, Office of the County Administrator, relative to Resolution No. 126 petitioning the President and Congress to support the enactment of legislation providing for the establishment of a Northeast Dairy Compact to regulate the pricing of milk used only for fluid consumption in the Northeast region, regardless of where the milk originates; to the Committee on the Judiciary.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2466

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 1: Insert before the short title the following new section:

SEC.   . None of the funds appropriated or otherwise made available by this Act may be used to carry out, or to pay the salaries of personnel of the Forest Service who carry out, the recreational fee demonstration program authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996 (as contained in section 101(c) of Public Law 104–134; 16 U.S.C. 4601–6a note), for units of the National Forest System.

H.R. 2466

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 2: Insert before the short title the following new section:

SEC.   . None of the funds appropriated or otherwise made available by this Act may be used to assess a fine or take any other enforcement action against a person for failure to pay a fee imposed under, or for violation of any other admission or user fee requirements of, the recreational fee demonstration program authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996 (as contained in section 101(c) of Public Law 104–134; 16 U.S.C. 4601–6a note), regarding admission to units of the National Forest System and the use of outdoor recreation sites, facilities, visitor centers, equipment, and services at such units.

H.R. 2466

OFFERED BY: MR. FARR OF CALIFORNIA

AMENDMENT NO. 3: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC.   . None of the funds made available in this Act may be used to authorize, permit, administer, or promote the use of any jawed leghold trap or neck snare in any unit of the National Wildlife Refuge System except for research, subsistence, conservation, or facilities protection.

H.R. 2466

OFFERED BY: MR. HAYWORTH

AMENDMENT NO. 4: Page 76, line 16, strike "and such new" and all that follows through "committed" on line 22.

Page 80, strike line 11 and all that follows through "agreements:" on line 23.

H.R. 2466

OFFERED BY: MR. KUCINICH

AMENDMENT NO. 5: Page 105, beginning at line 11, strike ", or be expended" and all that follows through line 14 and insert a period.

H.R. 2466

OFFERED BY: MR. MCGOVERN

AMENDMENT NO. 6: Page 2, line 13, after the dollar amount, insert the following: "(reduced by $1,000,000)".

Page 3, line 8, after the dollar amount, insert the following: "(reduced by $1,000,000)".

Page 19, line 16, after the dollar amount, insert the following: "(increased by $30,000,000)".

Page 69, line 14, after the dollar amount, insert the following: "(reduced by $29,000,000)".

H.R. 2466

OFFERED BY: MR. MICA

AMENDMENT NO. 7: Page 19, line 20, before the dollar amount, insert "$9,000,000 is for grants to the State of Florida for acquisition of land along the St. Johns River in Central Florida, and of which".

Page 19, line 20, after the dollar amount, insert "(reduced by $9,000,000)".

H.R. 2466

OFFERED BY: MR. GEORGE MILLER OF CALIFORNIA

AMENDMENT NO. 8: Page 17, line 13, after the dollar amount, insert the following: "(increased by $4,000,000)".

Page 36, line 23, after each of the two dollar amounts, insert the following: "(reduced by $4,000,000)".

H.R. 2466

OFFERED BY: MR. GEORGE MILLER OF CALIFORNIA

AMENDMENT NO. 9: Page 17, line 13, insert after the dollar amount the following: "(increased by $4,000,000)".

Page 38, line 4, insert after the dollar amount the following: "(reduced by $4,000,000)".

H.R. 2466

OFFERED BY: MR. GEORGE MILLER OF CALIFORNIA

AMENDMENT NO. 10: Page 57, line 8, insert before the period the following: ": *Provided further*, That of the funds made available by this paragraph, $199,749,000 shall be for timber sales management and $123,776,000 shall be for wildlife and fisheries habitat management".

H.R. 2466

OFFERED BY: MR. GEORGE MILLER OF CALIFORNIA

AMENDMENT NO. 11: Insert before the short title the following new section:

SEC.   . None of the funds appropriated or otherwise made available by this Act may be used to construct timber access roads in the National Forest System.

H.R. 2466

OFFERED BY: MR. NEY

AMENDMENT NO. 12: Page 39, line 25, after the dollar amount, insert the following: "(reduced by $5,000,000)".

H.R. 2466

OFFERED BY: MR. SANDERS

AMENDMENT NO. 13: Page 6 line 4, after the first dollar amount, insert the following: "(increased by $20,000,000)".

Page 69, line 14, after the dollar amount, insert the following: "(reduced by $50,000,000)".

H.R. 2466

OFFERED BY: MR. SANDERS

AMENDMENT NO. 14: Page 70, line 22, after the dollar amount, insert the following: "(increased by $13,000,000)".

Page 70, line 25, after the dollar amount, insert the following: "(increased by $13,000,000)".

Page 71, line 5, after the dollar amount, insert the following: "(increased by $13,000,000)".

Page 71, line 19, after the dollar amount, insert the following: "(reduced by $13,000,000)".

H.R. 2466

OFFERED BY: MR. SANDERS

AMENDMENT NO. 15: Page 71, beginning on line 5, strike ", contingent on a cost share of 25 percent by each participating State or other qualified participant,".

SENATE—*Monday, July 12, 1999*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear God, omnipresent Lord of all life, we do not presume to invite You into this Chamber or into the deliberations of this week. You are already here. This is Your Nation; this historic Chamber is the sanctuary for the sacred work of government. All the Senators are here by Your choice, and all of us who work to support their leadership have been led here by Your providence.

The one place You will not enter without our invitation is our soul. You have ordained that we must ask You to take up residence in our inner being and to control our thinking, desires, vision, and plans. The latch string to our hearts is on the inside. You stand at the door of each of our hearts, persistently knocking. We open the door and receive You as absolute Sovereign of our lives. Just as You reign as Sovereign of this Nation and our ultimate Leader to whom we relinquish our own will and control, may Your very best for your beloved Nation be accomplished through what is debated and decided this week. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator ROBERTS from Kansas is now designated to lead the Senate in the Pledge of Allegiance.

The Honorable PAT ROBERTS, a Senator from the State of Kansas, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is now recognized.

SCHEDULE

Mr. ROBERTS. Mr. President, today the Senate will immediately proceed to a period of morning business until 1 o'clock. By previous consent, at 1 p.m. the Patients' Bill of Rights will be the pending business. Amendments to that legislation are possible. However, any votes ordered will not take place until tomorrow at a time to be determined by the two leaders. Following this week's debate on health care, the Senate will resume consideration of the remaining appropriations bills. It is imperative that these funding bills be completed prior to the next legislative break.

As a reminder to all Senators, a cloture vote on the pending lockbox amendment to S. 557 is scheduled to take place on Friday, July 16.

MEASURE PLACED ON CALENDAR

Mr. ROBERTS. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

> A bill (H.R. 1218) to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

Mr. ROBERTS. Mr. President, I now object to further proceedings on this matter at this time.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

Mr. ROBERTS. I yield the floor.

MORNING BUSINESS

The PRESIDENT pro tempore. The able Senator from Nevada.

Mr. REID. Mr. President, it is my understanding we are now in the hour of morning business. Is that true?

The PRESIDENT pro tempore. The Senator is correct.

TITLE IX

Mr. REID. Mr. President, this past Saturday we watched a very interesting spectacle. It was an athletic contest. There were no arguments with referees. There was no vile language. There were no lewd gestures. There were no demands by the participants for more money. There were no pleas from any of the players that they didn't get a fair opportunity to play, that they should have had more opportunities to shoot for a goal. It appeared to be a real team effort, a team effort by daughters and mothers.

We watched a great athletic contest between the United States and China for the World Cup soccer championship. The U.S. women's soccer team won on penalty kicks. There could not have been a more exciting game.

I have had the opportunity to watch many soccer games, as my youngest boy played on three national championship soccer teams at the University of Virginia. It is a great sport. Certainly the sport was exemplified in the work of these women last Saturday. Throughout the tournament, the U.S. team emphasized what it means to play as a team. This was a team effort. It was team spirit that helped them win on Saturday.

There were really no standouts, even though there are great athletes on both sides. The final penalty kick was by Brandi Chastain, but she was just one of the players that day. Briana Scurry made her most crucial save against China's third penalty kicker, Liu Ying, by diving to her left based particularly on instinct. Kristine Lilly saved what looked to be China's winning shot with a header while standing at the goal line in the first overtime. Mia Hamm, who is a superstar, the Michael Jordan of women's athletics, led the attack. While she failed to score, she kept pressure on the Chinese for most all of the game. Michelle Akers, at 33 the oldest team member, a woman who suffers from Epstein-Barr, or chronic fatigue syndrome, played as if she would never be fatigued until the last minute of regulation play. She literally was carried off the field, succumbing to dehydration and exhaustion. She was certainly a stalwart of this team effort.

This team has captured America's heart. A crowd of over 90,000 people watched that game. Cumulative attendance for the U.S. team's 6 victories was 412,486, an average of almost 70,000 a game. The 90,000-plus that watched this game was the largest crowd to watch an athletic contest among women. This team, that averaged 70,000 people watching each of its contests, was a constant reminder that this event was seen as a bellwether for women's athletics in America. Could women's teams fill stadiums? Could they draw advertising and television viewers in a nonolympic event? The answer to each of those questions was a resounding yes.

While most of their success is a result of the hard work and dedication of each team member to the sport of soccer, their brilliant play on the field, and their personalities off the field, they were aided even more in the fact this came about as a result of title IX.

There are many heroes in bringing about title IX. We could name Molly Yard, who more than four decades ago started talking about why women deserve to be treated equally in athletics. We could talk about Senators Birch Bayh from Indiana and George McGovern of South Dakota who led the way in the Senate against sex discrimination in higher education programs.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

But there is no need to talk about any one individual. The fact is that title IX makes a great case for American women.

I indicated that my youngest son is a good athlete. He really is a great athlete. But the fact of the matter is, he inherited his athleticism from his mother, not from his father. The fact is, his mother and I went to high school together.

The only thing that his mother, my wife, could do in high school was be a cheerleader. As athletic as she was, she could not do anything else because there was nothing else for her to do. She was not entitled to play any other athletics. Title IX says that is not the way it is to be.

Title IX has been an outstanding program. It has allowed women to build their character and athleticism just as men did for many decades. They are building their character, as seen in this team, this women's athletic team—the World Cup champions.

Women are now seen as sports stars in their own right, not through their sons but through themselves, from Mia Hamm in soccer to Sheryl Swoopes in basketball, and as shown by the inspiring story of Dr. Dot Richardson, the captain of the American Olympic softball team, who left her triumph in Atlanta to go to medical school. That is what title IX is all about. And Dot Richardson exemplifies what has been accomplished on and off the field because of women's athletics.

Before the passage of title IX, athletic scholarships for college women were rare, no matter how great their talent. After winning two gold medals in the 1964 Olympics, swimmer Donna de Varona could not find a college anyplace in the United States that offered a swimming scholarship. She was one of the finest, if not the finest swimmer in the world at that time. She could not find one because it did not exist.

It took time and effort to improve the opportunities for young women. Two years after title IX was voted into law, an estimated 50,000 men were attending U.S. colleges and universities on athletic scholarships but only about 50 women.

In 1973, the University of Miami in Florida awarded the first athletic scholarships to women—a total of 15 in swimming, diving, tennis, and golf. Today, college women receive about a third of all the athletic scholarships that are given. That is good. It should be half. But a third is certainly a step in the right direction.

It is important to recognize that there is no mandate under title IX that requires a college to eliminate men's teams to achieve compliance.

The critical values learned, though, are that women are entitled to equality. Those things learned from sports participation—including teamwork, standards, leadership, discipline, self-sacrifice, and pride in accomplishment—are equally important for young women as they are for young men.

These women who have captured America's attention over the last 3 weeks are all children of title IX. They came to age athletically at a time when high schools and colleges were required by law—a law that we passed—to treat them fairly.

These women have set an excellent example for the thousands and thousands of young girls who have followed their World Cup play over the last 3 weeks.

I was listening to something on public radio this morning where they interviewed young girls who attended their celebrations yesterday. They were saying they wanted to be just like them. That is important.

So I congratulate all them and wish them continued success in the future.

I have a resolution that I would like to introduce later in the day. I certainly invite everyone to join with me. I would certainly be willing to take a back seat to the women of the Senate, as we do a lot of times around here, to allow them to be first in line to sponsor this resolution. So at a later time today, I would like to introduce this resolution and hope that it would clear both sides of the aisle to give these women the recognition they deserve today, to congratulate the U.S. women's soccer team on winning the 1999 Women's World Cup championship.

Mr. DORGAN. I wonder if the Senator will yield?

Mr. REID. I am happy to yield.

Mr. DORGAN. I have come to the floor to speak on another issue, but I watched the entire soccer game on Saturday. It was exciting and wonderful. I also thought about the fact that it is an example of a regulation that works. Title IX says: Equal opportunity; you must provide equal opportunity in academics and athletics.

Before title IX, of course, there was not equal opportunity. I think Saturday's game was such a testament to the regulations and requirements from title IX that have improved athletics and academics in this country.

Mr. REID. I appreciate very much my friend from North Dakota commenting. I say to my friend from North Dakota, it is extremely interesting that young girls recognize that they do now have equal opportunity.

I was at a small school in rural Nevada and getting ready to speak to a group of students who were assembling. I was in a holding room waiting to speak, and there were two girls in the room with me. They were wearing their letter sweaters. One of them was a sprinter and one played softball.

I said: Do you know why you can participate in athletics?

They said: No. Why?

Because we passed a law saying if boys have a program in athletics, girls have to have something that is equal to the program the boys have.

They did not know that. They just thought girls had always participated in athletics. One of the girls said: I would just die without my athletics.

Title IX is a program that of which we should all be proud. It has really done a great deal to equalize athletics for boys and girls in America. That is the way it should be.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from North Dakota is recognized.

PRIVILEGE OF THE FLOOR

Mr. DORGAN. Mr. President, I ask unanimous consent that Tony Blaylock, a fellow on my staff, be given floor privileges today.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPREHENSIVE TEST BAN TREATY

Mr. DORGAN. Mr. President, we are now turning to a 4-week period here in the Senate in which we will work, prior to the August recess, on a range of issues—today beginning with the Patients' Bill of Rights, and then turning to appropriations bills and other matters.

I want to call to everyone's attention two issues that are of vital concern that I think ought to be and must be part of the Senate agenda. The first is an issue dealing with the Comprehensive Test Ban Treaty.

The Comprehensive Test Ban Treaty is something that has been before the Senate now for some long while. Efforts to achieve a nuclear test ban treaty originated with President Eisenhower. It has been around a long time. This President, after long negotiations through many administrations, finally signed the treaty. It has now been sent to the Senate for ratification. But it has languished in the Senate for 658 days, during which time there has not been even a hearing on the Comprehensive Nuclear Test Ban Treaty.

I will put up a couple of charts to describe the circumstances with this treaty.

The rule in the Senate requires that the Senate should consider treaties as soon as possible after their submission.

In fact, the Limited Nuclear Test Ban Treaty in 1963 was considered by the Senate in 3 weeks; SALT I, 3 months; the ABM Treaty, 10 weeks; ABM Treaty Protocols, 14 months; START I, 11 months.

We have had the Comprehensive Test Ban Treaty before the Senate for 658 days with not even a hearing. I think that is a shame. This treaty ought to be part of this Senate's agenda. If we do not have a hearing and do not ratify this treaty by the end of September, we will have only a limited role when a conference is formed in October of the countries that have ratified this treaty to discuss its entry into force. It does not make any sense to me.

This country ought to lead on issues concerning the nonproliferation of nuclear weapons. One way to lead on those issues is to ratify the Comprehensive Test Ban Treaty. It does not make any sense for the treaty to have been signed, negotiated and sent to this Senate, and then to have it languish for all of these days.

I would like to put up a chart which shows a concern that some of the critics have. They say: Well, gosh, with all this Chinese espionage, the last thing we want, is to do something with respect to a treaty on banning nuclear tests.

The Cox report on the Chinese espionage makes references to the CTBT. The report says it will be more difficult for the Chinese to develop advanced nuclear weapons if we have this treaty in place. If the People's Republic of China violated the Comprehensive Test Ban Treaty by testing surreptitiously to further accelerate its nuclear development, we could detect it given the monitoring system imposed by the treaty. If the Chinese are signatories to the treaty and the Russians are signatories to the treaty—and they are waiting for us—and we can stop testing, the only conceivable way they could validate any kind of nuclear stockpile is through the use of advanced computers. The restrictions imposed by the CTBT make it extremely difficult or impossible to improve nuclear weapons designs except by high performance computers.

The Cox report appears to make the point that it is more important for us to restrict the shipment of advanced computers to the Chinese. The point is this—we deserve an opportunity to debate the Comprehensive Nuclear Test Ban Treaty. We should have done so long ago. I don't mean to argue the merits of it on the floor today.

My hope is, we will not go through July as if this treaty doesn't exist. It was negotiated, signed, and has been before the Senate over 600 days. There hasn't been one hearing. There ought to be a hearing. It ought to be brought to the floor so the American people can, through this Senate, debate that treaty.

Finally, support for the nuclear test ban: 75 percent, 74 percent, 85 percent, 80 percent, these are national polls over time, always consistently high support for this kind of a treaty. This Congress has a responsibility. I say to my colleagues who really don't want to do this: You have a responsibility to the country to do this. I hope that in the month of July we can make progress in passing this Comprehensive Nuclear Test Ban Treaty.

Mr. REID. Mr. President, I ask unanimous consent to send a resolution to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM CRISIS

Mr. DORGAN. Mr. President, let me turn to an additional issue I believe Congress and the President must consider in the month of July. It deals with the urgent farm crisis that exists in farm country across America.

If there was a massive earthquake, a series of tornadoes, fires, or floods across the Midwest, we would see Congress, the Federal Emergency Management Agency, virtually everyone involved through the Federal agencies responding immediately. The President would likely fly out and view it. Congress would send emergency help. Federal agents would be there en masse setting up offices to help.

Yet in farm country we have a crisis that is just as real, not as dangerous to human health or human life as a tornado or a flood, perhaps, but just as real and just as dramatic as natural disasters.

The chart here shows what has happened to the price of wheat since 1996. You can see what has happened to the price of wheat. We have mostly wheat farmers up in our part of the country. The price of wheat has collapsed like a lead weight. Ask yourself: If your income collapsed, if a Senator's income collapsed like that, do you think there would be howls of protest? Do you think that would be an emergency? How about the minimum wage, if it went down like this? How about if the stock market looked like this? Do you think there would be a problem in this country? Of course, there would.

This is a huge problem in the farm belt. Family farmers are finding themselves on the precipice of going broke in record numbers. I had a call this morning from a family farmer who nearly choked up on the phone saying: I don't think my son and I can continue. We can't continue when prices have collapsed. We don't have the income to continue family farming.

For them it is a dream, a lifestyle, a way of life. It is not just a business.

This Congress, while prices have collapsed, largely is content to sort of meander around and talk as if it were theory. It is not theory. It is a crisis.

This chart shows what is happening across the farm belt. The red indicates the counties that have lost more than 10 percent of their population, 1980–1998. Take a look at the red. What does that show? The middle part of America is being depopulated, especially now with prices collapsing, people moving out and not in.

The question is, "What are we going to do about that?" Congress has a responsibility to do something about it and so does this President. This Congress passed the Freedom to Farm bill. The presumption of Freedom to Farm is, we will reduce support prices and you rely on the marketplace. If the marketplace has collapsed prices, there has to be a safety net. If you don't have a safety net, you won't have family farmers left.

Freedom to Farm hasn't worked, and this Congress needs to understand that and do something about it. The President also has a responsibility. He signed the Freedom to Farm bill. He complained a little about it when he signed it, but he signed it and said: We will make some improvements.

The Freedom to Farm bill hasn't worked. Our trade policies are bankrupt and not working. Concentration of agricultural industries means that farmers face monopolies in every direction. All of these combined together are conspiring to leave this country without family farmers in its future, and that will be, in my judgment, a massive failure for America.

In the month of July, in the coming 4 weeks, the President has a responsibility, in my judgment, to come to Congress with a bold approach in dealing with this issue. Congress has a responsibility to deal with it, as well, in a bold manner.

I know some in Congress say: We don't intend to do anything until the President sends us something. They didn't have that reticence about adding $6 billion to the defense bill. When the emergency bill came up for defense, they said: We don't care what the President said. We think he should have $6 billion more.

This is a joint responsibility. The Congress needs to act and the President needs to act. We need to do it together, and it needs to be done now. Not later, now. If we don't take action soon, we won't have family farmers left. We won't have to worry about an emergency family farm bill because there won't be family farmers around to respond to.

Again, if there was an earthquake or a flood or fire or tornado or perhaps even some hog disease, as Will Rogers used to say, you'd have all the Federal agents coming out to talk about the hog disease. They would want to know, "what is happening here and will it spread to other hogs?"

One way to get attention, it seems to me, is for Congress and the President to decide that this is a farm crisis. It is in my part of the country, with the collapse in prices and the natural disaster that has kept about 3 million acres from being planted in North Dakota because it was too wet. The floods and the worst crop disease in this century, all piled on top of family farmers' shoulders at a time when prices are collapsed. To add to their burden, we have a trade agreement that allows the Europeans to spend 10 times as much on their farm program as we do and undercuts prices on sales to foreign governments. We let them do that in excess of ours—we won't even use our export program for reasons I don't understand—at a time of mounting burdens on family farmers in a way that is fundamentally unfair.

We had better decide as a country that family farming matters to our future. If we don't, they won't be around. When they are not around, corporations will farm our country coast to coast. The price of food will go up and this country will have lost something and every small town will have lost something important.

This is not just about farmers. It is about small towns and Main Streets and boarded-up business and economies that are empty shells in a lot of our small communities.

My message is very simple: We have a responsibility this month. We have a responsibility now, all of us, and so does the President, to have a meeting. I want the White House to have a meeting on this with Republicans and Democrats. I want us to come together with an emergency package that responds to the farm crisis, does it boldly, does it in a way that helps real family farmers, and does it in a way that gives family farmers some hope that their future is a future in which they can make a decent living raising America's food supply.

If I might make one additional point: We have to rely on foreign markets as well. We produce more food than we consume in this country. Yet I heard last week that the amount of imported food in this country has doubled in the last 7 years.

We had protests at the Canadian border last weekend. It is unfair the level of imports coming from Canada. The thing I don't understand, however, is the grain market, all these folks that worship at the altar of the marketplace in the grain market. The grain market says to our farmers: Your food that you produce has no value. Yet all the testimony we hear from all around the world, Sudan included, tells us that old women are climbing trees foraging for leaves to eat because there is nothing to eat. We know that a substantial portion of the world's population goes to bed at night with an ache in their belly because of hunger.

It makes no sense for us to be told that our food has no value when people go to bed hungry each night. I want the White House and the Congress together to boldly respond to this issue in the coming weeks. This 4-week period is critical. We must put this on the agenda in a bipartisan way and do so boldly.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

THE AGRICULTURE CRISIS

Mr. BAUCUS. Mr. President, I commend the Senator from North Dakota for his statement. He is on target. He raises an issue that so far this Congress has not dealt with. It is as precipitous, as calamitous, as tragic, frankly, as the Senator indicated. I very much hope that Senators heard the statement of the Senator from North Dakota. I also hope the White House heard his statement, and others, too.

I do not know exactly what the answer is, but I do know we need an answer. We need a solution to the problems our farmers are facing because the conditions he described in North Dakota are the same conditions one would find in my State, particularly the eastern half, which produces a lot of grain and some barley. But it is a wheat-producing area that is experiencing very difficult conditions.

TEMPORARY TRADE RELIEF FOR THE U.S. LAMB INDUSTRY

Mr. BAUCUS. Mr. President, I want to acknowledge, and I very much appreciate, the action taken last week by the President in response to the recommendations of the International Trade Commission—otherwise known as the ITC—on relief for the American lamb industry. As you know, the industry has gone through very difficult times these last few years. Imports have surged dramatically and lamb prices have dropped precipitously. The package of trade relief and adjustment assistance announced by the President will help the industry adjust. It will allow our producers and feeders to keep their businesses and prosper in the future.

I am very grateful to the President and the staff of many agencies for their work on behalf of the American lamb industry and the American workers in that industry.

This was an important decision. Why? For several reasons. First, of course, it provides significant relief to the lamb industry, which is very important in my home State, as well as elsewhere in the Nation. Second, however, it demonstrates that section 201 of U.S. trade law can work. This is the so-called "safeguard provision." It is designed to prevent serious disruption to the domestic industry whenever there is an import surge.

Third, the decision was important because I hope it shows a renewed commitment by the Clinton administration to assist American industries. This includes the agriculture sector that faces unprecedented challenges in the U.S. market for reasons not of their own making.

Section 201 has been little used in recent years. Both Democratic and Republican administrations have been reluctant to agressively apply its provisions. For example, in the mid-1980s President Reagan would not follow an ITC recommendation for trade relief for the American footwear industry.

That failure was a major contributor to the introduction of many legislative proposals that could have significantly closed the American market to foreign products. American industries and workers—whether in manufacturing, agriculture, or services—must think the Federal Government will use all available tools to help them when they are challenged suddenly by surges in imports. This is especially important today, when global financial disruption can change competitive positions of countries overnight.

In the case of lamb, we see an industry that has been severely damaged by imports. Without relief, the injury to the industry would have continued to worsen. The number of sheep being raised is at an all-time low. Prices have dropped precipitously. Lending institutions are increasingly unwilling to extend credit.

The industry did what it was supposed to do. It used the domestic legal process authorized by the WTO. That process is enforced through section 201 of the U.S. trade law. This is how the process should work and, in this case, is working.

I believe the reluctance of the executive branch over the past 15 years to take action under section 201 has been a serious mistake. The most recent example of this is the late action that was taken by the administration to deal with the surge of steel imports. The volume of steel imports now seems to be under control. But we are still faced with a dilemma. How can we ensure that the next time the steel sector, or any other sector, is threatened by a precipitous spike in imports, strong and rapid measures will be taken to provide relief to those industries?

Earlier this session, I introduced the Import Surge Relief Act. It would improve and expedite the way our Government deals with import surges. It would ease the standard that must be met to demonstrate that there is a causal link between imports and injury to an American industry. It would speed up the process for addressing import surges. It would provide for an early warning about import surges so action can be taken before the American industry is irreversibly damaged. All this is perfectly legal under the WTO.

Let me address a few remarks to the principal exporters of lamb to the United States—Australia and New Zealand. There has been a lot of misinformation coming from the industry and governments in those two countries.

This is not an attack on the lamb industry in Australia or New Zealand. Rather, it is a measure taken under U.S. trade law to provide temporary—and I underline the word "temporary"—relief to a devastated American industry. The actions announced by the President are compatible with the WTO. Australia and New Zealand will continue to ship large quantities of lamb to the United States. Their exports would be able to grow each year.

The only difference is that the American lamb industry will stay in business and American workers will keep their jobs. Australia and New Zealand have the right to appeal to WTO. I am sure they will do that, and I am confident that the appeal will not be successful. Everyone should understand that this action was necessary to provide temporary relief to an industry that was hurting.

Let me conclude by again thanking the President and the administration officials who made possible this important action to provide remedies to the devastated lamb industry in the United States.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

PATIENTS' BILL OF RIGHTS ACT OF 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1344, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

The Senate proceeded to consider the bill.

Ms. COLLINS. Mr. President, I yield myself such time as I may consume from general debate on the bill under the unanimous consent agreement.

I am pleased that the Senate has begun debate on the Patients' Bill of Rights and the Patients' Bill of Rights Plus. There is a growing unease across this Nation about changes in how we receive our health care. People worry that if they or their loved ones become ill, their HMO may deny them coverage and force them to accept either inadequate care or financial ruin, or perhaps even both. They believe that vital decisions affecting their lives will be made not by a supportive family doctor but, rather, by an unfeeling bureaucracy.

Our goal this week should be to join together to work in a bipartisan way to enact legislation that accomplishes three major purposes.

First, it should protect patients' rights and hold HMOs accountable for the care they promise.

Second, it should expand, not contract, Americans' access to affordable health care.

And, third, it should improve health care quality and outcomes.

I believe all of us should be able to agree that medically necessary patient care should not be sacrificed to the bottom line and that health care decisions should be in the hands of medical professionals, not insurance accountants or trial lawyers.

We do face an extremely delicate balancing act as we attempt to respond to concerns about managed care without resorting to unduly burdensome Federal controls and mandates that will further drive up the cost of insurance and cause some people to lose their health insurance altogether.

That is the crux of the debate we are undertaking this week. The crux of this debate is how can we make sure that we address those critical concerns we all have about managed care without so driving up the cost of the health insurance people have—as the Kennedy bill would do—that we jeopardize coverage for thousands, indeed millions, of Americans.

As the President's Advisory Commission on Consumer Protection and Quality noted in its report, "costs matter . . . the Commission has sought to balance the need for stronger consumer rights with the need to keep coverage affordable. . . Health coverage is the best consumer protection."

I think President Clinton's quality commission hit it right. I believe they have stated exactly what the debate is before us. I, therefore, have been alarmed by recent reports that American employers everywhere, from giant multinational corporations to the tiny corner store, are facing huge hikes in medical insurance averaging 8 percent and sometimes soaring to 20 percent or more.

This is a remarkable contrast to the past few years when premiums rose less than 3 percent, if at all. I am particularly concerned about the impact these rising costs are having on small businesses and their employees.

A survey of small employers conducted by the United States Chamber of Commerce earlier this year found that, on average, small businesses were hit with a 20-percent premium hike last year. More important, of the small employers surveyed, 10 percent were forced to discontinue health care coverage for their employees because of these premium increases. Over half of the employers surveyed indicated that they switched to a lower cost plan, while an overwhelming majority indicated that they had passed the additional costs of these premium hikes on to their employees through increased deductibles, higher copays, or premium hikes.

This, too, is very troubling since it will induce many more employees, especially lower wage workers and their families, who are disproportionately affected by increased costs, to turn down coverage when it is offered to them. Indeed, in the HELP Committee, on which I serve, we saw a GAO report which indicated that an increasing number of American employees are turning down the health insurance offered by their employers because they simply cannot afford to pay their share of the costs.

It is no wonder that the ranks of uninsured Americans increased dramatically last year to 43 million people—the highest percentage in a decade. This is happening at a time when our economy is thriving. Imagine what could happen in an economic downturn.

We know that increasing health insurance premiums cause significant losses in coverage. That is the primary reason that I am so opposed to the Kennedy bill. According to the Congressional Budget Office, the Kennedy bill, that has been laid down before us, will increase health insurance premiums by an additional 6.1 percent over and above the premium increases we have already experienced or are likely to experience as a result of a resurgent increase in health care inflation.

The CBO report goes on to note that:

> Employers could respond to premium increases in a variety of ways. They could drop health insurance [coverage] entirely, reduce the generosity of the benefit package [in other words, cut back on the benefits that are provided], increase cost-sharing by [their employees], or increase the employee's share of the premium.

CBO assumed that employers would deflect about 60 percent of the increase in premiums through these strategies. In other words, 60 percent of this increased cost is going to go right to American workers. The remaining increase in premiums would be passed on to workers in the form of lower wages. In short, it is the workers of America, it is the employees, who will be paying this increased cost.

Lewin Associates, a well-respected health consulting firm, in a study for the AFL-CIO, has estimated that for every 1 percent increase in premiums, 300,000 Americans have their health insurance jeopardized. Based on these projections, passage of the Kennedy bill would result in the loss of coverage for more than 1.8 million Americans. That is more than the entire population of my home State of Maine.

The Kennedy bill should be more aptly titled the "Patients Bill of Costs" because ultimately it will be the patient who will get hit with higher health care costs if the Kennedy bill is approved.

Our legislation, by contrast, provides the key protections that consumers want without causing costs to soar. It responsibly applies these protections where they are needed. The legislation does not preempt but, rather, builds upon the good work that States have done in the area of patients' rights and protections. States have had the primary responsibility for the regulation of health insurance since the 1940s.

I spent 5 years in State government as a member of the Governor's cabinet and was responsible for the Bureau of Insurance. I know State insurance regulators have done a good job in protecting the rights and needs of their consumers in their State. In fact, they have been far ahead of the Federal Government in responding to concerns about managed care.

For example, 47 States have passed laws prohibiting "gag clauses" that restrict communications between patients and their doctors. As a consequence, as the CBO notes in its report on the Kennedy bill, "Several studies have shown that few plans impose such restrictions today."

Forty States have requirements for emergency care. All 50 States have requirements for grievance procedures. And 36 States require direct access to an OB/GYN.

States have acted without any mandate from Washington, without any prod from Washington, to protect their consumers. Moreover, one size does not fit all; what might be appropriate for one State may not fit for the consumers in another.

Florida, for example, provides for direct access to a dermatologist, which is understandable given the high rate of skin cancer in that State. In the State of Maine, another kind of mandate may be more appropriate. Similarly, what may be appropriate for California, which has a high penetration of HMOs, may simply not be necessary in a rural State such as Wyoming where there is little or no managed care. In such States, a new blanket of heavyhanded Federal mandates in coverage requirements will simply drive up costs and impede, not enhance, health care. That is why the National Association of Insurance Commissioners supports the approach we have taken in our bill.

Currently, Federal law prohibits States from regulating the self-funded, employer-sponsored health plans that cover 48 million Americans. Our bill, which is intended to protect the unprotected consumer, extends many of the same rights and protections to these individuals and their families that those in State-regulated health plans already enjoy.

For the first time, people in self-funded plans will be guaranteed the right to talk freely and openly with their doctors about treatment options without being subjected to any kind of "gag clauses" that limit their communications. They will be guaranteed coverage for emergency room care that a "prudent layperson" would consider medically necessary without having to get prior authorization from their health plan. They will be able to see their OB/GYN or pediatrician without a referral from their plan's "gatekeeper." They will have the option of seeing a doctor who is outside the HMO's network. They will also be guaranteed access to nonformulary drugs when it is medically necessary, and they will have an assurance of continuity of care if their health care plan terminates its contract with their doctor or hospital.

The opponents of our legislation contend that the Federal Government should preempt the States' patient protection laws unless they have already enacted identical protections. However, the States' approaches vary widely—for good reasons. Moreover, if we start adopting a Washington-knows-best approach to health care, we will have HCFA deciding whether a State has met the test of a Federal regulation. Our experience with other laws should show that is not a good idea.

Other provisions of our bill provide new protections for additional millions of other Americans. These are the procedural protections that are in our bill. A key provision of our bill builds upon the existing regulatory framework under ERISA to give all 124 million Americans in employer-sponsored plans the assurance that they will get the care they need when they need it.

The legislation will enhance and improve current ERISA information disclosure requirements and penalties and strengthen existing requirements for coverage determinations, grievances and appeals, including—and this is the most important provision of our bill—the addition of a new requirement for strong, independent, external review that is available at no cost to the patient.

All 124 million Americans in employer-sponsored plans will be entitled to clear and complete information about their health plan—about what it covers and what it does not cover, about any cost-sharing requirements, and about the plan's providers. Helping patients understand their coverage before they need to use it will help to avoid disputes about coverage later.

The goal of any patients' rights legislation should be to resolve disputes about coverage up front when the care is needed, not months or even years later in a courtroom, as the Kennedy bill proposes. Our legislation would accomplish this goal by creating a strong internal and external review process. Both appeals processes are available at no cost to the patient.

Here is how it would work. First, patients or doctors who are unhappy with an HMO's decision could appeal it internally through a review conducted by individuals with appropriate expertise who are not involved in the initial decision. Moreover, this review would have to be conducted by a physician, if the denial is based on a determination that the service is not medically necessary or that it was experimental treatment. Patients would expect results from this review within 30 days, or 72 hours, in cases where delay poses a serious risk to the patient's health.

Let's say that after this internal review process is completed, the patient or the physician is still unhappy with the decision; let's say that the internal review upheld the HMO's decision. There is still another protection in our bill. Patients turned down by this internal review would then have the right to a free, independent, external review conducted by medical experts who are completely independent of the insurance plan.

This review must be completed within 30 days, and even faster, if there is a medical emergency or a risk to the patient's life or health. Moreover, the decision of these outside reviewers is binding on the health plan. It is not binding on the patient.

If you have been denied care you think you need, you can apply for an internal review. If you are not happy with that review, you can go on to an independent external review, and the decision of the physician, who has to have expertise in the condition at issue, is binding on the health plan, but it is not binding on you, if you are still unhappy. If you are still unhappy with the decision made, the patient would still have the right, would retain the right to sue in Federal or State court for attorney's fees, for court costs, for the value of the benefit, and injunctive relief. Really, it is a three-stage appeals process: First, an internal review, an external appeal, and then you can still go to court to sue for the benefit and for your attorney's fees and court costs.

The purpose of our legislation is to place treatment decisions in the hands of doctors, not insurance company accountants, and not in the hands of trial lawyers. If your HMO denies treatment that your physician believes is medically necessary, you should not have to resort to a costly and lengthy court battle to get the care you need. You should not have to hire a lawyer. You should not have to file an expensive lawsuit to get the treatment.

Our approach contrasts with the approach taken in the Kennedy bill, which encourages patients to sue their health plans. I simply do not believe you can sue your way to quality health care. We should solve problems about health care coverage upfront, when the care is needed, not months or even years later, after the harm has occurred.

Let's look at the experience with medical malpractice cases. According to the GAO, it takes an average of 33 months to resolve malpractice cases. This does nothing to ensure a patient's right to timely and appropriate care. Moreover, patients receive only 43 cents out of every dollar awarded in malpractice cases. Exposing health plans and employers to greater liability would force plans to cover unnecessary services that do not benefit patients in order to avoid costly litigation and to make decisions based not on the best practice protocols but, rather, on the latest jury verdicts and court decisions or out of fear of being sued.

The noted Princeton health economist Uwe Reinhardt was quoted in this Sunday's Washington Post as saying that he believes the financial impact of the Kennedy bill's liability provisions would be profound. He noted:

> In the end, we're back again to basically the open-ended deal where the individual physician makes a judgment and no one dares question it.

Mr. President, all of us treasure the relationships we have with our physicians. We are also well aware of studies that have shown there have been unnecessary hysterectomies, for example, or the use of mastectomy when removal of a lump from a breast would suffice. That is why we need to have reviews based on the best medical evidence and decisionmaking possible.

The President's Advisory Commission on Consumer Protection and Quality specifically rejected expanded lawsuits for health plans because the commission believed it would have serious consequences for the entire health care industry. I agree with that assessment. The last thing we need is to introduce more costly litigation into our health care system.

At a time when the tort system of the United States has been criticized as inefficient, expensive, and of little benefit to the injured, the Kennedy bill would be bad medicine for American families, workers, and employers, driving up the cost of health insurance and jeopardizing coverage for some who need it most.

Our concern is not just theoretical. I met with a group, a very good group of Maine employers who care deeply about their employees. They expressed to me their serious concerns about the Kennedy proposal to expand liability for health plans and employers. For example, the representative from Bowdoin College in Maine talked about how moving to a self-funded ERISA plan had enabled the college to greatly improve the coverage it provided to Bowdoin's employees and to offer affordable coverage to them.

Since the college is self-funded, it has actually been able to lower premiums for its employees while at the same time providing an enhanced benefit package with such features as well baby care, free annual physicals, and prescription drug cards with low copayments. The people at Bowdoin College told me that the Kennedy proposal to expand liability would seriously jeopardize their ability to offer affordable coverage for their employees. In fact, they told me they would probably abandon their self-funded plan and go back into the insurance market and, thus, buy a plan that would have fewer benefits for their employees in order to avoid this increased risk of liability and litigation.

Similar concerns were expressed to me by the Maine Municipal Association, which represents cities and towns throughout Maine, L.L. Bean, Bath Iron Works, and many other responsible Maine employers.

Unlike the Kennedy bill, the Republican bill contains key provisions that will help hold down the cost of health care while improving health care quality and holding HMOs accountable.

For example, I am particularly pleased that our bill contains a proposal, introduced by my colleague, the senior Senator from Maine, that prohibits insurers from discriminating on the basis of predictive genetic information. Genetic testing holds tremendous promise for individuals who have a genetic predisposition to breast cancer and other diseases and conditions with a genetic link. However, this promise is significantly threatened when insurance companies use the results of such testing to deny or limit coverage to consumers on the basis of genetic information.

Our legislation also establishes the agency for health care research and quality, an initiative of our physician in the Senate, Mr. FRIST from Tennessee. The purpose of these provisions is to foster an overall improvement in health care quality, to bridge the gap between what we know and what we do in health care today.

Most important, the Republican bill will expand access to health insurance for millions more Americans by making it more affordable. This is the key difference between the two alternatives before the Senate. Our bill would expand access to health care, a critical issue at a time when we have 43 million uninsured Americans. The Kennedy bill would constrict access and jeopardize coverage for many Americans. The biggest obstacle to health care in the United States today is simply cost. This is due, in part, to the Tax Code's inequitable treatment of people who do not receive health insurance through their employers. Some 25 million Americans are in families headed by self-employed individuals, and, of these, 5 million are uninsured. The Republican bill will make health insurance more affordable for these Americans by allowing self-employed individuals to deduct the full amount of their health care premiums.

I have never understood the policy behind our Tax Code that allows a large corporation to deduct 100 percent of the cost of the health insurance premiums that it is providing to its employees but restricts a self-employed individual to a deduction of only 45 percent. Our bill would move that to 100 percent immediately. This would help reduce the number of uninsured working Americans. It would help make health insurance more affordable to the 82,000 people in Maine who are self-employed. They include our lobster men, our hair dressers, our electricians, our plumbers, and the owners of our gift shops, which we hope all of you will visit this summer along the coast of Maine. It includes so many hard-working Mainers for whom the cost of health insurance is simply out of reach.

Mr. President, I believe that the Republican approach strikes the right balance, as we effectively address concerns about quality and choice without resorting to unduly burdensome Federal controls and expensive, bureaucratic, new Federal mandates that will further drive up costs and cause some Americans to lose their health insurance altogether.

I urge my colleagues to join in supporting the Republican health task force legislation.

I reserve the remainder of our time.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The distinguished minority leader is recognized.

Mr. DASCHLE. Mr. President, this is truly a historic day. My Democratic colleagues and I have been trying for nearly 2 years to bring this debate to the floor of the Senate.

For the past 2 years, I have listened to people and their complaints about the health care system. I have come to the conclusion that the reason the insurance companies call them HMOs is that H-M-O sums up their patient philosophy: Having Minimal Options.

I thank the majority leader. It is no secret that Senator LOTT faced considerable pressure to prevent this debate. On behalf of the 161 million Americans who need the protections in our bill, we thank him for agreeing, finally, to bring this debate to the floor.

Most of all, I want to acknowledge my Democratic colleagues. We would not be having this debate were it not for their steadfast determination and hard work. That is particularly true of the senior Senator from Massachusetts, Mr. KENNEDY. They have each taken considerable risks to demand that this Senate listen to and deal with the real problems America's families are having with their HMOs. Every one of them deserves recognition.

The general debate on this bill is supposed to last 3 hours—which, according to an HMO, is enough time for a woman to check into a hospital, deliver a baby, and be sent home. Senator KENNEDY and I and others intend to use these 3 hours to talk about the extraordinary difference in approach between the Democratic and the Republican plans.

There are no bills pending in this Congress that will have a greater impact on the lives and health of America's families than this bill. There are no decisions we will make that will have a more profound effect than the decisions we make this week.

The issues we will debate these next 4 days are literally life-and-death issues.

The insurance industry has spent tens of millions of dollars to try to prevent us from ever having this debate. Many of our Republican colleagues responded and worked with them. The Republicans seem to protect insurance companies the way Briana Scurry protects a soccer goal. The insurance industry has spent millions of dollars on ads designed to confuse and frighten the American people, and intimidate us. They hope that by repeating untruths often enough they will be able to kill this bill and keep their license to practice bad medicine.

The truth is, this whole debate comes down to one critically important question: Who should make medical decisions, doctors or insurance company accountants?

We have all heard the horror stories.

In Georgia, a 6-month-old boy was burning up with a 105-degree fever. His mother called her HMO twice and begged to be allowed to take her son to the emergency room. Both times the HMO refused. She finally decided to take him to the hospital anyway. By the time they arrived, the infection that was causing the fever had destroyed the circulation in the baby's extremities. Both his hands and feet had to be amputated.

In Washington, DC, a 12-year-old boy was diagnosed with a cancerous tumor in his leg. His oncologist recommended a treatment that could save the leg. But when the doctor's office called the boy's HMO, they were told the only treatment the HMO would pay for was amputation. Four months and several appeals later, the HMO finally agreed to pay for the treatment the doctor ordered. But by then, the cancer had spread; the leg had to be amputated.

In Kentucky, a man with prostate cancer needed one chemotherapy injection a month. The injections cost $500 each. His insurance company policy said they were fully covered. But when the HMO changed administrators, the man was told he would have to pay $180 a month out of his own pocket. He didn't have $180 a month, so he had to go with the only other treatment his doctor said could control his cancer. He was castrated. The day he returned from the hospital, he got a letter from his HMO saying they had made a mistake; the HMO would now pay the $500 after all.

Three different people, three different parts of the country, but they all have one thing in common: They were all powerless against their insurance companies.

Unfortunately, I could go on and on.

Two years ago, 130 million Americans said they or someone they knew had a problem with a health insurance company. Last year, that number had grown to 154 million Americans.

When we first introduced our bill, nearly 2 years ago, a lot of our Republican friends said we didn't need a Patients' Bill of Rights. Today, they have a bill of their own. We consider that progress. But we still have big differences of opinion about what a Patients' Bill of Rights should do.

Our bill covers 161 million Americans. Their bill covers 48 million people; it leaves out more than 100 million Americans.

Our bill lets health care professionals make medical decisions about your health. Their bill lets insurance company accountants make those decisions.

Our bill guarantees you the right to see a qualified medical specialist, including pediatric specialists for your children. The Republican bill doesn't guarantee that either you or your children will be able to see qualified medical specialists.

If your HMO refuses to pay for care your doctor says you need, our bill allows you to appeal that decision to an independent review board. Their bill contains an appeal process, too—except they let the HMO decide what decisions can be appealed. They also let HMOs handpick and pay the people who hear the cases.

Finally, our Patients' Bill of Rights is enforceable. Theirs isn't.

CBO estimates that the most our Patients' Bill of Rights would increase premiums is 4.8 percent over 5 years—less than 1 percent a year. That comes out to less than $2 per beneficiary—less than $2 a month to guarantee that your health insurance will be there when you need it.

Last month, when we offered our Patients' Bill of Rights, a Republican colleagues voted to kill it, without discussing its specific pieces. Yet, they claim they support nearly all the protections in our plan.

So this week, we intend to offer our plan again, piece by piece. Let's debate each of the protections in our plan. Maybe when our colleagues really look at our proposals, they will decide they can support some of the protections in our bill. The American people deserve to know exactly where each of us stands on each of these protections.

Let me just say a word at this point about the kind of debate we expect this week. By agreeing to this debate, we are assuming our Republican colleagues intend to allow a real, honest debate. That means debating and voting on each of the major protections in our Patients' Bill of Rights. If we have that sort of debate, then, whether we win or lose, we will certainly agree not to bring the Patients' Bill of Rights up again this year. Up or down, win or lose, if the debate this week is fair and honest, we will not offer our Patients' Bill of Rights again this year.

But, if we are not able to do that, if we don't have a real debate, if we are not permitted to offer our protections as amendments so that the Senate can discuss and vote on each of them, if there are those who try to prevent an honest debate by using parliamentary tricks, we are putting them on notice now: This debate will certainly not end on Thursday. We will continue to offer the protections in our plan as amendments for as long as we have to until we finally have that honest debate.

We know from experience that we can pass bills that protect the health of American families when we want. Together, Republicans and Democrats passed a bill allowing people to take their health care with them when they change jobs. Together, we passed a bill to help working parents purchase private, affordable health insurance for their kids. Together we can pass a real, meaningful Patients' Bill of Rights this week.

AMENDMENT NO. 1232

(Purpose: To provide the text of Senate Bill 326 (106th Congress), as reported by the Committee on Health, Education, Labor, and Pensions of the Senate, as a complete substitute)

Mr. DASCHLE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota (Mr. DASCHLE) proposes an amendment numbered 1232.

Mr. DASCHLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DASCHLE. Mr. President, let me explain the amendment I have just offered. This amendment is the Republican HMO reform bill. We are offering it as a substitute to the Democratic bill for one reason.

Senator LOTT has been very candid and open about his intentions. His intention, of course, is to offer at the end of this debate a Republican bill that has not been debated or amended or scrutinized in any way.

By offering as our first amendment the Republican substitute, we now lay down a dual track for the week—their bill and our bill. Both bills are subject to amendments. Both are subject to consideration. Both are subject to the debate that we had anticipated when we reached this agreement.

We will be offering amendments to the Republican bill. We would love nothing more than for our bill to pass without amendment. But certainly, if that is not to be, we will at least do what we can to make sure the Senate deals honestly with this issue.

By offering the Republican bill, we hope to make sure the Senate at least has an honest debate, and we have the opportunity to try to make the Republican bill what it should have been in the first place—a good bill that deals with each of the issues and offers real protections.

I retain the remainder of our time both under the amendment as well as the general debate.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Texas.

Mr. GRAMM. Mr. President, let me begin by explaining how we came to be here. Then I want to take a little walk down memory lane, as Ronald Reagan used to say, and talk about the real Democrat health care bill—the bill offered in 1993. I then want to talk about the difference between the two bills—the Democratic Kennedy bill, and our bill—and why that difference is relevant to every working American family.

Then I would like to conclude by explaining why our bill is a good bill and why I am confident that if Senator KENNEDY and I could go into every house in America and sit down with people at their kitchen table, and if he could explain his bill and what he is trying to do, and if I could explain our bill and what we are trying to do, I am confident that 90 percent of the people in America would choose our bill.

We are going to have 4 days of debate. But the outcome of the debate, I think, is clear. We are going to win when the votes are cast, and we are going to win this debate because we have a better program. Our program benefits the people who do the work and pay the taxes and pull the wagon in America.

I think when the week is over that we will have discredited the approach of this bill as we discredited the bill in 1993. But, of greater importance, we will have passed a real bill that gives Americans real freedoms.

Our colleagues have lamented that we have waited this long to deal with this issue. I want to remind everyone that last year throughout the year the majority leader offered to bring this bill up, and he offered to bring it up in two different forms.

I thought the most reasonable offer was to let the Democrats write the best bill they could write that does the most that they can provide to help people with health insurance and to impose whatever restrictions they want to write. Then let Republicans put together the best bill they can put together, and bring the two bills to the floor of the Senate and let the Senate choose between one. We could then choose one or the other. That was rejected by the minority.

We then offered them the ability to bring the two bills up and each side have five amendments. That was rejected by the minority.

Not to waste a lot of time to get into a debate with the minority leader, or with other Democrats, I simply submit that we have been 2 years getting to this point because the Democrats have wanted it to be 2 years getting to this point. We could have brought up bills and voted under an orderly process 2 years ago. But, in reality, the Democrats thought they had a political issue. That is why we are only getting to this bill now. I think we are going to prove this week they don't have much of a political issue, and I think when the debate is over they are going to be glad it is over. And I think the American people are going to be glad it is over.

Let me remind my colleagues, and anybody who is watching this debate in America, that this is not the first time Bill Clinton and TED KENNEDY have wanted to rewrite the health care system of this country. I have here on this desk the Clinton health care bills, and the version of it that was sponsored by Senator KENNEDY.

Let me remind those who followed that debate in 1993—their memories might have gotten a little clouded—what this bill did. This bill said that the problem in America was that we had 43 million Americans who didn't have health insurance, and that in trying to deal with health insurance and make it available, we needed to get rid of the current health care system, and we needed to set up on a regional basis in America health care collectives that people would be forced to join. And these collectives would be run by the Government. The whole idea behind the Kennedy bill in 1993 was give up freedom to control cost.

Obviously, I wouldn't have enough time in the day or the week to go through all of these provisions. But let me just remind you of a couple of them.

In 1993, Senator KENNEDY, Senator DASCHLE, and President Clinton said: We are going to have the Government take over the health care system in your hometown—in Phoenix, AZ. There would be one health care collective run by the Government, and if you refused to join that collective, you would be fined $5,000.

That is what they wanted in 1993. That was their concept of freedom when they last asked us to let them run the health care system in America.

Then they said, if this plan did not provide the kind of health care you needed and you sought to get that health care through your physician and the health care was not allowed under this plan, the physician could be fined $50,000.

If you needed health care for your child, their concept of freedom, in 1993, in the Clinton-Kennedy health care bill, was: We know what kind of health care you need. They said: We are going to provide it in this bill, and, if you want health care outside this bill and a physician provides it for you, we are going to fine them $50,000.

That was their concept of freedom in 1993. In 1993 they said, What about the circumstance where your baby is really sick? So you go to a doctor and say, I need health care, and they, under the Clinton-Kennedy plan, say, We are not allowed to provide this kind of treatment. You say, forget about the plan, I'll pay for it out of my own pocket. In 1993, Senator KENNEDY and Senator DASCHLE and President Clinton thought so much of freedom that they said, If you pay the doctor out of your pocket for a treatment that we do not provide for, and the doctor takes the money, he can be sent to prison for 15 years. That was their concept of patients' rights in 1993. That is what they thought freedom consisted of in 1993.

I submit, this is what they still want. The bill that is before us, their bill, is step 1 toward government running the health care system, so when my mama needs to go see a doctor, she first has to talk to a government bureaucrat. We defeated that in 1993, and we are going to defeat it this week in the Senate.

What is the plan today? Unlike 1993, when our colleagues were very concerned about the cost of health care, now they are not concerned about health care cost, they are concerned about rights. So all of a sudden they have put together a bill that imposes a whole lot of government restrictions, that expands liability, so 60 percent of the premiums that go to provide insurance against medical liability will end up going to lawyers instead of to doctors and hospitals and clinics.

They have put together a bill that the Congressional Budget Office has said, when you take into account all the bureaucracy and all the legal liability, will drive up the cost of health care by 6.1 percent. That is equivalent to taking 6.1 percent right out of the paycheck of working Americans in order for them to be able to keep their insurance. Only a lot of Americans will not be able to keep their insurance. In fact, a study funded by the AFL–CIO has concluded, if you take the increase in health care costs under the Kennedy plan, 1.8 million Americans will lose their health insurance.

Mr. President, 1.8 million Americans will lose their health insurance if we should adopt the bill that the Democrats have proposed. For those who are lucky enough not to be one of the 1.8 million people who would lose their health insurance, they would pay $72.7 billion over a 5-year period more for health insurance and health costs than they are paying now.

This is not just about dollars, this is about real people and real health care. By 1.8 million people losing their health insurance, that means you would have 188,595 fewer breast examinations every year for Americans, because the Kennedy bill would take away their health insurance. It means 52,973 American women would not have mammograms who would have them under current law, because the increase in cost under this bill would take away their health insurance. It means that 135,122 Pap tests would not be undertaken, because people would have lost their health insurance and therefore lost access to that coverage. Mr. President, 23,135 American men, mostly elderly men, would lose their prostate screening exam as a result of the health care cost increase that would be dictated by the Kennedy plan.

So what do they offer us in the name of health care rights? They offer us a bill that would drive up health insurance costs by 6.1 percent, costing 1.8 million Americans their health insurance, and for those who are lucky enough to be able to afford to keep their health insurance, they would pay $72.7 billion more for their health insurance over a 5-year period.

In return for all of these costs, what do people get? Rather than going into the details, I am going to reduce it down to a very simple example. I want to define the problem Senator KENNEDY sees—and we agree on the problem. Then I am going to explain what he provides in the name of rights that drives up costs by 6.1 percent, costs 1.8 million people their health insurance, and those who keep their health insurance pay $72.7 billion more for it.

Here is the problem. The innovation—which, by the way, has been championed by the people who are offering this amendment—is HMOs. They thought so much of them they wanted to force everybody in America into a government-run HMO. But, under HMO, there is a problem. The problem is that people lose the control they want and need over their health care. Let me reduce it down to a simple example.

When people with an HMO go into the examining room, too often, in addition to their doctor in the examining room, they have, either literally or figuratively, the HMO gatekeeper in the examining room. So they are going into the examining room—obviously, that often entails taking your clothes off. People are often a little nervous about that. They want privacy. They like to be in the examining room with their doctor, but with an HMO they find themselves with this gatekeeper virtually looking over the doctor's shoulder. They would like to be in the examining room alone with the doctor. We agree. We think they should have the right to make that choice.

But how does Senator KENNEDY fix the problem? How Senator KENNEDY fixes the problem—and you will be able to tell why it is so expensive when you look at it—the way Senator KENNEDY fixes the problem is demonstrated by this stethoscope. What people want is the doctor in the examining room with the stethoscope up against their heart, but right now they have an HMO listening in, double-checking their doctor. They would like to get this HMO gatekeeper out of the examining room. So what does Senator KENNEDY do? He says: We can fix your problem. It will cost 1.8 million of you your health insurance; those who keep the health insurance, it will cost $72.7 billion more. But look at what you get.

What you get under Senator KENNEDY's plan is this. He doesn't get rid of the HMO, that guy is still there listening in, but he brings a government bureaucrat into the examining room who will be there to keep an eye on the HMO, and to keep an eye on the doctor, and to regulate. Then, in addition to the bureaucrat, he brings the lawyer into the examining room who will be there keeping an eye on the bureaucrat and HMO and the doctor, so that he can be there to sue the doctor or the HMO.

The reason Senator KENNEDY's plan drives up health care costs by 6.1 percent and costs 1.8 million Americans their health insurance and drives up the cost for those who can afford to keep it by $72.7 billion is it costs a lot of money to bring all these bureaucrats and all these lawyers into the process.

But the point is, what people are unhappy about is the HMO gatekeepers being in the examining room. They wanted to get them out of the examining room. They do not want to bring the bureaucrats in and bring lawyers in. What they want is a health care system that looks like this: They want a health care system where you have two people in the examining room and one of them is you. You are on this end of the stethoscope, and your doctor is on the other end of the stethoscope, and there is nobody else in the room. That is what they want.

The difference between the Kennedy bill and our bill is, under his bill, he brings in the bureaucrat and the lawyer. So now you have four people in the examining room. What we do is we get rid of the HMO gatekeeper and give people real freedom.

This is such a critically important point. Our Democrat colleagues have gotten caught up in this deal about how they are going to give people rights. I think it is wonderful that it is so easy for somebody to see what they mean by "rights" and what we mean by "freedom" are two totally different things.

Under the Democrat bill, you are not free to fire the HMO your boss picks for you, but you are free to have the Government regulate it.

Under the Kennedy plan, you are not free to fire your doctor, but you can sue him.

Under the Kennedy plan, you are not free to control your health care cost, but you can share that control with a lawyer and with the Government.

What we do is give people freedom. It is an interesting paradox that the Kennedy bill debases the very term "choice." It debases the very term of "rights" because it contains no rights; that is, no rights that are really meaningful to somebody who has a child who is sick or whose mama is ill.

We give people real rights. We give people the right to fire their HMO by guaranteeing them an alternative, which I will talk about in a minute.

We give people the right to fire their doctor.

We give people the right to take their health care money and spend it as they choose on their own family.

We give people the right to pick the protections they believe are important to their family, not those basic benefits the Government might decide in Washington would be useful.

And finally, we give people the right to control their own health care, something the Democrats do not do.

The Democrat plan means more Government, more lawyers, more rules, more uninsured and more Government control, but the one thing it does not mean, the one thing it does not provide is more freedom. Our bill provides more freedom. Let me explain two ways it does.

First of all, under the current tax system, we have a terrible inequity. If General Motors buys your health insurance for you as their employee, it is tax deductible. But if you buy it for yourself as either a small businessperson who does not have health insurance or a self-employed who does not have health insurance or somebody who works for a company that does not provide health insurance, or if you would rather buy your own health insurance rather than General Motors choosing for you, it is not fully tax deductible. The first thing our bill does is it treats you as well as current tax law treats General Motors. Under our bill, if you buy your own health insurance—let's say you are self-employed. You will get the right to the same tax treatment that General Motors does, so your health insurance is tax free.

The second and most important choice we give to people is a totally new program, a new choice. We do not force anybody to take it, but we give people the ability to buy, in addition to all the choices we provide with everything from an HMO to private practice of medicine through a medical savings account, we expand people's freedom. One of the choices we provide, which I am very excited about, is the right to buy a medical savings account. Here is how it would work.

A medical savings account is a device that really is aimed at helping people who want health care coverage but who often do not have a lot of money. The way it would work is, in addition to joining the health plan your company might try to impose on you, you have the right to take your money and buy a high-deductible insurance policy and then join with your company in setting aside money to pay the deductibles in what we call the medical savings account. Those medical savings accounts are fully tax free, just like conventional health insurance. Here is basically how it would work.

You might buy a health insurance policy with a $3,000 deductible. Normally, that policy would cost less than half as much as a first-dollar-coverage policy. Then you and your employer would begin to build up a savings account up to $3,000, which would belong to you, to cover the deductible.

Then how it works is you make the decision, when your child needs to see a doctor, which doctor your child needs to see. You are empowered to make the decision.

It is true that under the Kennedy plan, if your baby has a 104-degree fever, you could get out the phonebook and you could look under the blue pages for the U.S. Government and you could find the Health Care Financing Administration, or HCFA as they are called, and at 2 o'clock in the morning you could call up HCFA. You would, in all probability, get an answering machine if you were lucky. Maybe you would not. I do not think you are going to find the Director of HCFA at work at 2 o'clock in the morning. You can call up and leave a message, and then they, under the Kennedy plan, will set up a meeting. Maybe next Tuesday at 4:52 in the afternoon they might meet with you or talk to you on the phone.

You also could call up a lawyer. You could look under "attorney" in the phone page and you can pick—one thing about Senator KENNEDY's health care rights bill is it gives you no freedom with regard to doctors, but it gives you complete freedom with regard to attorneys.

Senator KENNEDY's bill is unlike the bill he put together in 1993 with President Clinton. Remember, their health care bill in 1993 did not let you sue. They have had a change in heart, it seems, so now he says you can pick up the Yellow Pages and you can look under "attorney" and you can pick any attorney. You have your car wrecks. Maybe you want another attorney. This one deals with car wrecks. You have injury. You have family law, criminal law, jail release, traffic tickets, bankruptcy, will and trust, personal injury, board-certified personal attorney. Anyway, you find the one who suits you. You hire that attorney, and you go to court. Eighteen months from now, you might be able to collect some money from some doctor or from some HMO.

Our bill does not work that way. Under our bill, if your baby has a temperature, you pick up the Yellow Pages. I have the Yellow Pages from Arlington and Mansfield, TX. This Yellow Pages lists all the physicians who practice medicine in that area.

Under our plan, you pick up the phone and you call up the physician you might pick. Let's say I pick Louis W. Adams, pediatric ophthalmologist, and I call him up. Under the Kennedy bill, I would have to ask him some questions. I would have to say: Are you a preferred provider? In fact, we did an experiment on that in Washington, DC. Let me show it to you.

In Washington, DC, we took a page out of the phonebook. It was page 1017. These are the physicians who were listed. The first one is Ginsberg, Susan M., M.D., and the last one is Robert O. Gordon.

Let's say you are in an HMO or you are in a PPO, and you call up—let's say you pick Philip W. Gold. You call him up and say: Dr. Gold, I need health care. I have a child who has a 103-degree temperature. Are you in the Kaiser HMO, or are you part of the Blue Cross PPO?

We found that out of the 28 doctors, 10 accepted the Kaiser HMO, 17 accepted the Blue Cross PPO. But let me tell you the amazing revelation we made. With a medical savings account, which any American could set up, under the Republican plan, you would get a checking account. This is from Golden Rule Insurance Company in Indiana. This is a medical savings account checking account. Then this is for a medical savings account that is operated by Mellon Bank, and this is a MasterCard. Then this is an American Health Value medical savings account, and this is operated through Visa.

Under the Republican plan, you would have the right to opt for a medical savings account where you would make the decision about health care for your family. We empower you—not some lawyer, not some bureaucrat—but we empower you as a parent.

So then we called up everybody on page 1017 of the Yellow Pages and we asked them three questions:

Do you take a check?

Yes. Every one of them took a check.

Do you take Visa?

Every one of them took Visa.

Do you take MasterCard?

Every one of them, all 28 of them, took MasterCard.

So the real freedom in the Republican bill is the right for you to choose—not to choose a lawyer to sue somebody 18 months from now, not to call up a government bureaucrat and fill out a form and register a protest. What kind of freedom is that? The freedom we give is the freedom to act, the freedom to hire, the freedom to fire, the freedom to say yes, the freedom to say no. That is what freedom is about.

Our Democrat colleagues believe freedom is about being able to talk to a bureaucrat. They think freedom is about the right to sue.

Under the Republican plan, freedom is the right to say to your HMO: You're fired. I don't like the way I'm being treated here. I'm leaving your HMO. I'm opting for another option. The example I gave is a medical savings account.

Freedom, under the Republican plan, is the freedom to pick up the phonebook and let your fingers do the walking. You pick the doctor: I want John V. Golding, Jr. I don't want anybody else. He is the doctor I want. I got his telephone number. I called him up and said: My mama is sick, Dr. Golding, and I would like her to come see you. Do you take a check or MasterCard or Visa? He says: Yes. I am in.

As this debate goes on, you are going to hear Senator KENNEDY, and others, say: The world will come to an end if you have medical savings accounts. They are going to use the interesting charge they use any time they are against something, and that is it is for rich people. If Democrats are not for something, they claim it is for rich people. Tax cuts are for rich people. Choice, freedom, is for rich people. They are going to say: Oh, the medical savings accounts, rich people will get medical savings accounts and poor people will not have them; it will just be terrible.

The facts are that even though we have a limited number of medical savings accounts that can be sold, even though in the year 2000 they lose this option and have to go back into the old system unless we change the law, the people who are buying medical savings accounts are primarily modest-income people. But we are going to repeal those limitations and we are going to do it this week. Uninsured people are buying medical savings accounts because it allows them to buy an affordable high-deductible policy that covers them against terrible things happening and then lets them build up savings accounts with their employer to pay the deductible.

So those who are going to criticize medical savings accounts are going to say it is for rich people, but they really do not like it because it is freedom. What they want is this. They want the old Clinton health care bill. They know that if we ever give people the right to choose, they will never nationalize health care. So medical savings accounts are, to our dear colleague from Massachusetts, like a crucifix is to a vampire. They cower, they are struck with fear at the idea that some parent would actually have the ability to fire an HMO and do it without having to call a bureaucrat or without having to hire a lawyer.

Why do they fear freedom? Because they are not for it. They want the Government to take over and run the health care system—always have, always will.

The basic question is, Who should manage care? Should it be an insurance company? Should it be the Government? Or should it be you? We believe it ought to be you. We believe that parents ought to be empowered to control health care. We believe that parents can make better decisions.

That is what this debate is about. This debate is about whether freedom means getting access to a bureaucrat or firing your HMO, whether freedom in health care means hiring a lawyer or being able to hire your own doctor. That is what the debate is about.

A final point I would like to make—and I think it is a significant point; some people would say it is a reach, but I do not think so—why, all of a sudden, are our same colleagues who in 1993 wanted the Government to take over and run the health care system and make everybody be in one big Government-run HMO—why, all of a sudden, do they want to drive up costs in the name of expanding bureaucracy and lawsuits?

Part of it is, they like bureaucracy and they like lawsuits. But that is not, in my opinion, the real story. The real story is, if, God forbid—and He is going to forbid, because we clearly have the votes to stop him but if, God forbid, the Kennedy plan should be adopted, and health insurance went up by 6.1 percent and 1.8 million people lost their health insurance, does anybody doubt that next year Senator KENNEDY would be back with the Clinton health care bill saying: Now 1.8 million people have lost their health insurance, and we have no choice except to let the Government take over the health care system? I think that is what he would say. In fact, I think that is basically what we are debating here: Destroy the private health care system so the only alternative would be Government.

Our answer is: Let's make the current health care system better; let's have a meaningful, timely internal and external appeal if you want to stay in an HMO; let's empower people to fire HMOs and go to the private practice of medicine again if they choose; let's expand freedom as a solution to making our current system work better to make it more efficient and to empower families to make more choices.

The alternative the Democrats have is: Destroy the current system and then let's let Government take over and run the health care system.

Our answer is: Expand freedom and choice within the current system, empower families to decide, and let's forever and ever keep Government out of health care.

That is really the choice. Our Democrat colleagues believe that somehow they are going to benefit by Americans knowing they are unhappy about HMOs and they want to expand your access to bureaucrats and lawyers. We do not think that solves the problem. We think what solves the problem is to make HMOs give you an effective internal and external appeal; but we go one step further, and that is, we empower people to fire the HMO and to hire their own doctor.

We believe in freedom. We believe freedom works. It built America in every other era. Can you imagine if we had a Clinton-Kennedy car insurance bill or car repair bill so that if you are unhappy with your assigned repairman to fix your car, and if you are unhappy with what he does, you contact a bureaucrat and then, if you are unhappy with what he does, you contact a lawyer? I submit that the cost of repairing our cars would be astronomical.

We have a different system. It is one we would like in health care. That is, you pick where you go to get your car repaired, and if you do not like the work they are doing, you say to them, in a traditional American fashion: You are not doing a good job. You have not lived up to our trust. You have not done what you said you would do. And you're fired.

That is freedom. That is freedom. That is what we want. We want the right of people to choose. We don't want this substitute for the right to choose, the right to pile up costs in lawsuits or the right to deal with bureaucrats. What kind of right is that? How many wrongs do bureaucrats right? About one-tenth as many as they create.

We give you freedom. The Democrats give you bureaucracy. We help lower the cost of health care by expanding choices and expanding tax deductibility. They drive up the cost of health care by 6.1 percent. Their bill would deny health insurance to 1.8 million Americans. Their bill would drive up health care costs by $72.7 billion. Senator KENNEDY likes to claim, well, it is just a hamburger a day for however long. Well, with $72.7 billion, you could buy every McDonald's franchise in America for the 5-year cost that this will drive up health insurance.

Senator KENNEDY doesn't understand that if the company you are working for is paying your health insurance and the cost is driven up, you are still paying it. It is part of your wages. What is going to happen, according to estimates that were undertaken by the AFL-CIO—in support of this bill, by the way—is that 1.8 million people will lose their health insurance. We don't want that to happen, and we are going to stop it from happening.

This is going to be a very meaningful debate. I look forward to it. I think people will learn from it. I think in the end they are going to have two, different choices about what freedom is.

If freedom to you is access to a bureaucrat and a lawyer, then you are with Senator KENNEDY. If freedom to you is the right to choose your own health care, your own doctor, the right to hire and the right to fire, the right to say what you want and people either do it or you get somebody else, if that is what freedom means in your hometown, if you would rather be able to pick up the Arlington-Mansfield phonebook when your baby is sick and look up "physician" rather than look up "attorney" or, rather than look in the Blue Pages for HCFA, if that is what you would like to have, you are with us. On the other hand, if you think your answer is at HCFA in the Blue Pages or with an attorney, then you want to be with Senator KENNEDY. It is about as clear a choice as you could possibly have.

When the debate is over this week, not only will we have won the vote, but I think, more importantly, we will have won the debate. We will have ended, hopefully forever, any dream of ever getting back to the Clinton health care bill, where every American is forced into a health care collective and, when your momma gets sick, she talks to a bureaucrat instead of a doctor. They tried that in 1993. Eighty-two percent of the American people thought this might be a good idea. Finally, when a few of us stood up and fought it, it was like sticking a great big inflated balloon with a pin. Suddenly, once people understood it, they were against it. They understood that what was at stake wasn't just health care, but what was at stake was freedom.

That is what this is about—the right to choose. Don't get confused about it, as we go through the debate.

I thank the Chair for its indulgence. I yield the floor and reserve the remainder of our time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am very hopeful we will be able to get into the substance of the differences between the approaches taken in the two bills. We heard a great deal of rhetoric, of course, earlier in the afternoon. We have had a brief presentation by the Democratic leader, Senator DASCHLE.

At the outset, one point worth highlighting, as we begin this debate, is that there isn't a single health or medical organization in the United States that supports the position being advanced by that side of the aisle—not one.

This really isn't or shouldn't be a Democratic or Republican debate. Republicans are members of HMOs as well as Democrats. Children are Republicans as well as Democrats. Women who need clinical trials are Republicans and Democrats. Those who have been in the vanguard of protecting women's health issues have been Republicans as well as Democrats. On children's issues, disabled issues, there have been Republicans as well as Democrats.

I cannot remember a single piece of legislation that has been considered on the floor of the Senate in the time that I have been here where you have such overwhelming support for one side and virtually no support for the opposition side—in this case, the Republicans—not a single instance. I made that statement during one of the brief times we had a chance to talk about the Patients' Bill of Rights debate and discussion. It has never been rebutted.

We heard earlier, in the course of the afternoon, about how the Republican proposal is really going to provide for necessary specialty care. Why is it then that every specialty organization in the country supports our bill? We heard over on the other side: Look, we are really giving the consumers a great deal of protection in our bill. Why is it that every consumer organization in the country supports our bill and opposes theirs? Every one, make no mistake about it.

We are in a situation where, as so many of us have seen, special interest groups can pay for and buy just about any statistic they want to buy, and they have done so. They have put out misrepresentations and distortions about our bill. These misrepresentations and distortions about cost are all over the airwaves. We will have a chance later in the course of this debate to address the issue of costs. We will have a chance to make a presentation about what independent studies have concluded about the cost of our particular proposal. Despite the fact that we will introduce and present these independent studies, do you think that will than alter and change people's minds? Absolutely not. You are going to hear distortions and misrepresentations. You have already heard them over the course of this afternoon.

I was sitting here when our good friend from the State of Maine was speaking about the importance of the types of protections included in their Patients' Bill of Rights. The interesting fact is, their proposal doesn't cover any members of HMOs. Isn't that amazing? Listen to this: It doesn't cover any of the patients of HMOs. That is what brought about all of this concern. We can ask ourselves: Is there a concern today? The answer is yes, and not just because we say so.

I heard talk about the importance of the State insurance commissioners. I ask our colleagues on the other side of the aisle to call their State commissioners and hear about the complaints that we are hearing. Call them this afternoon; call them tomorrow. Call them before we finish this debate and find out: There are two and three and four times more complaints today than there were a year ago or 2 years ago. Those are the facts. You would not know these facts from the earlier debate.

This is a very interesting chart. We know there are 160 million Americans who are covered by private health insurance. On this particular chart, the "Republican Plan Excludes More Than 100 Million People," there are 48 million people covered through self-funded employer plans. That is the total group that is covered by the Republican plan.

There are 75 million people whose employers provide coverage through insurance policies or an HMO—that is what I thought this debate was really all about. They are not protected in the Republican plan. We listened this afternoon to assertions about all the protections included in the Republican plan. But these 75 million people are not protected under the Republican plan. They are not phased in next year or in 2 years. They are out; the Republican bill doesn't apply to them.

State and local government workers, they are left out of the Republican bill. People buying individual policies, some 15 million, are left out. Who are they, Mr. President? They are the small shopkeepers.

They are the farmers and the mom-and-pop stores that have to go out and buy these health plans. They are the one of the most vulnerable groups in our society.

Do you know what was missing in the other side's presentation? The fact that the top 10 HMOs in this country, last year, made $1.5 billion. Isn't that interesting? We see crocodile tears coming from the other side of the aisle about the cost of protecting patients. Then we find out the profits of the major HMOs and the multimillion dollar salaries paid to their CEOs. We hear about the $100 million being spent by the insurance companies to defeat our proposal.

How much is that going to add? Why don't you address that, I say to our friends on the other side. Over $100 million. You know, generally around here—and the American people understand it—you can look at who is for a piece of legislation and who is against it in terms of who will benefit and who will lose out. It is not a bad way of looking at it. Sometimes issues are so complex that the balance is not completely clear. But on this issue, all the health care groups that favor adequate protections are in favor of our Patients' Bill of Rights. On the other side is the insurance industry—one industry, the insurance industry. That is it.

Can we have some explanation by the other side, as we start this debate, about how they justify that? That is the bottom line. It is one industry. The Republican program is the profit protection program for the insurance industry. It is a bill of goods. It is a bill of wrongs. The Democratic proposal is the Patients' Bill of Rights.

So as we start off on this issue, it is our hope, as we have mentioned before, to review for this body and the American people exactly what we intend to do. We have commonsense protections which have been developed over the last decade. What we want to ensure is that any bill passed will at least provide these commonsense protections. Perhaps legislation isn't going to be so all-inclusive as to include every commonsense protection. I hope it will.

These are commonsense protections. You can ask where they all come from? Where did these patient protections that are included in the DASCHLE proposal come from? That is a fair question. We say they come from at least one of four different evolutions. You have the insurance commissioner's recommendations; Insurance commissioners, representing Republicans and Democrats, making recommendations. The President's bipartisan commission made what they call, not majority recommendations but unanimous recommendations. Do we understand that? Unanimously, Republicans and Democrats have said: Here are five or six protections we recommend, and we have included those recommendations.

The only difference is that the bipartisan commission recommended that the protections be voluntary. Well, if every one of the companies complied with that recommendation, we would probably not be here today. They have not complied, and they will not comply. We also include protections included in Medicare and Medicaid, and protections recommendations by the health plans themselves. Those four groups have made the recommendations that are included in our proposal. That is why our bill has the unanimous support of the health professions.

I will not take further time this afternoon. But I will point out, as we start this debate, that no health care debate this year is more important to every family. Yes, Medicare is enormously important. Yes, the issue of medical records privacy is important. Yes, home health care for our elderly is enormously important. There are other important issues concerning basic medical research.

But the issue of health care quality is most important. The issue of whether your child, your wife, your loved one, your family member, receives the kind of health care that well-trained, committed medical professionals, doctors and nurses, who are trained and dedicated to try to provide the best in health care, want to provide, is most important.

This legislation belongs to the nurses of this country, the doctors of this Nation, the cancer researchers, the children's advocates, and to the disabled organizations. Every one of those organizations supports our bill. Over the course of this week we will have an opportunity to address each and every one of these items. Hopefully, the American people will speak through their representatives and the result will be sound patients' protection legislation.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I will be very brief because we are anxious to get on with this debate. I want to add to the words of Senator KENNEDY.

This debate is a very personal debate for many of us, for both Democrats and Republicans. It is really heartbreaking to sit down with a family and talk to a father whose son was denied experimental treatment for cancer and wonders whether or not his son might have lived if he had been able to obtain that treatment. It is really disheartening to meet with a railroad worker whose wife talks to you about her husband and how he is fighting cancer but how every day she is on the phone battling these insurance companies to find out whether or not they will provide coverage for the treatment.

That is what this debate is really all about. I think that, by the end of the week, it is going to be really clear what the differences are between the two proposals. This Republican bill that is on the floor—the Daschle amendment—altogether covers 48 million people. But for those citizens who aren't working for a Fortune 500 company, who are small businesspeople, family farmers, and others, there is no patient protection. That is a huge difference. There is a huge difference between the 2 proposals of 115 million Americans. The Republican plan doesn't cover the 115 million Americans that the Democratic plan does. Quite often, I don't talk in terms of Democrat or Republican, but here it makes a difference.

Second of all, people are so desperate to make sure that if their child needs to see a pediatric oncologist, or a parent with Parkinson's needs to see a neurologist, they will have access to that specialty care. The Republican plan does not guarantee that that will be the case. The Democratic plan makes it crystal clear to these managed care plans: Make sure you have those specialists available for people, and make sure that if it is not in your network, they will have access to whoever can provide the best care for their child or their parent.

Third is the question of consumer choice and continuity of care.

This Republican bill on the floor of the Senate, does not guarantee the continuity of care and doesn't give you the right, really even if you have to pay a little bit more in premium, to go outside the network of the managed care plan and take your child or your parents to the best expert or make sure your family members see the best specialist. This is called the point-of-service option.

I will have an amendment that deals with that.

Fourth, I heard my colleague from Maine speak about the appeals process. But, in all due respect, if people are not able to go to an independent, external appeal from these managed care plans dominated by these insurance companies and make sure that those independent panels are not picked by the companies, I don't call that independence.

The Republican plan has the external appeals process controlled and dominated by the very companies that you have a grievance against.

The Democratic plan provides for an independent appeals process backed by an ombudsman program that can help families.

I will conclude because there are other Senators who want to speak.

I think that this debate is all about representative democracy.

I think this debate goes far beyond the issues at hand, although I agree with my colleague from Massachusetts: I think this is the most important debate of our session.

This debate is all about whether or not the Senate belongs to the insurance companies of America or belongs to the people of Minnesota or Nevada or Massachusetts or North Dakota—the people around the country. That is what this debate is all about.

I look forward to debating into these specific amendments. I hope that people in the country will be engaged.

I say to all of my colleagues that I believe people will hold us accountable.

This is an opportunity to do well for people. This is an opportunity to provide families with some protection. This is an opportunity to be willing to stand up against some powerful economic interests—the insurance companies of America that dominate so many of these managed care plans—and be advocates for the people we represent back in our States.

Republicans, no matter what you call your plan—no matter what the acronym is—it is swiss cheese. You have too many loopholes in this plan. You don't provide protection for consumers. The people in Minnesota are not going to be in favor of an insurance company protection plan. They want it to be a Minnesota family protection plan.

That is what I am going to fight for all week.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from North Dakota on the substitute.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. DORGAN. Mr. President, we are finally going to have a debate on the issue of the Patients' Bill of Rights. It will not be a debate about theory. It will not be a debate about past proposals for health care reform. It will be a debate about real protections for real people in this country.

We have two plans before us.

One is a patients' protection act that we have offered that has the support of virtually every health care organization in this country.

The other is a piece of paper with a name—just a name, just an empty vessel—that pretends that it provides protection but in fact it doesn't.

Let me describe, if I might, some of the details of these plans. I want to be very brief, but I want to do it by talking about protections for people.

This young boy's name is Ethan. Ethan was born in 1992 after a difficult birth. During his delivery, oxygen was cut off from Ethan, so he was born with significant problems that required special therapy. But the HMO denied the special therapy for Ethan because they said the probability of him being able to walk by age 5—a 50-percent potential of being able to walk by age 5—was insignificant. They called a 50-percent chance of being able to walk insignificant.

So corporate profits take precedence over patients' protection, and Ethan does not get the therapy he needs.

Or let me show you another example. Dr. GANSKE, a Republican in the U.S. House, used this chart to show a young child with a serious facial birth defect, a cleft lip. No one looking into the face of that young child could say that correcting this birth defect should not be done.

Yet Dr. GANSKE did a survey of reconstructive surgeons and found that 50 percent of the doctors who had patients like this have had the corrective surgery denied by HMOs. These HMOs said this procedure was not "medically necessary."

Would any parent in the world believe that this is not "medically necessary"?

Dr. GANSKE, a Republican Congressman from the U.S. House, certainly doesn't believe that. He has been a champion for this kind of patients' protection act.

Here is an example of what a young child with that deformity can look like after reconstructive surgery.

Isn't that wonderful? Is that a "medical necessity"? You bet it is. Of course, it is. But health insurance only works if patients get what they pay for.

Dr. GANSKE sent something around the other day that I pulled out in preparation for this debate. I want to describe this just briefly because I think it illustrates the difference between an empty vessel with the same title and a patients' protection bill that gives real protection to real people.

> At 3:30 in the morning, Lamona Adams found her six-month infant boy, Jimmy, panting, sweaty, and moaning. He had a temperature of 104. So she phoned her HMO to ask for permission to go to the emergency room.

You have to do that, by the way—get permission to go.

> The voice at the other end of the 1-800 number told her to go to Scottish Rite Hospital. "Where is it?" asked Lamona. "I don't know—find a map," came the reply. It turns out that the Adams family lived south of Atlanta, Georgia, and Scottish Rite was an hour away on the other side of the Atlanta metro area.
>
> Lamona held little Jimmy while his dad drove as fast as he could. Twenty miles into the trip while driving through Atlanta, they passed Emory University Hospital's ER, then Georgia Baptist's ER, then Grady Memorial's ER. But they pushed on to Scottish Rite Medical Center—still 22 miles away, because they knew that if they stopped at an unauthorized hospital, their HMO would deny treatment and they would be left with the bill.
>
> They knew Jimmy was sick, but they didn't know how sick. After all, they weren't trained professionals.

They pushed on to where the HMO said they could stop.

> With miles yet to go, Jimmy's eyes fell shut and wouldn't open.
>
> Lamona frantically called out to him. But he didn't awaken. His heart had stopped.

Imagine Jimmy's dad driving as fast as he could to the ER while his mother is desperately trying to keep him alive.

They finally pulled into the emergency room entrance. Jimmy's mother leaped out of the car and raced into the ER with Jimmy in her arms calling, "Help my baby! Help my baby!"

They gave him mouth-to-mouth resuscitation while a pediatric "crash cart" was rushed to the room. Doctors and nurses raced to see if the miracles of modern medicine could save his life.

He was intubated and intravenous medicines were given and he was cardiopulmonary resuscitated again. He was a tough little guy. He survived despite the delay in treatment by his HMO. But he didn't survive whole.

He ended up with gangrene in both his hands and feet, and the doctors had to amputate both of Jimmy's hands and feet.

This is a picture of little Jimmy before his illness, and then afterward. His folks drove past three hospital emergency rooms because the HMO said he had to go to the fourth one miles and miles and miles away. And this young boy has no hands and no feet now because of that.

We have two plans on the floor.

One of the plans, our bill, says that families have a right to the emergency care they need at the nearest hospital.

The other plan says they offer such a right—until you read the fine print. The other side will tell you they have a good plan, but they have an empty vessel.

On the issue of emergency care, little Jimmy, his parents, and others across this country will understand that it doesn't improve care when HMOs are allowed to determine which emergency rooms they will allow patients to stop at to get emergency treatment for these children.

My point is this: We are going to debate theory all week. But it is not theory that is important. What is important is children like Jimmy, children like Ethan, or children like this little boy who has a severe birth defect of the face and was told by an HMO that this deformity need not be fixed.

We know that is not right.

This debate is about profits, patient care, insurance companies, and the rights of patients who are sick.

I think at the end of the day and at the end of this week all of us will see that there are two plans. One is supported by virtually every medical and consumer group in the country because they know it allows real protections to allow doctors to practice medicine—not an insurance accountant thousands of miles away making decisions about patients' health care.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Oklahoma is recognized.

Mr. NICKLES. Madam President, what is the time situation on the amendment?

The PRESIDING OFFICER. On the amendment, there are 10 minutes remaining for the Senator from Oklahoma and 23 minutes for the Senator from Massachusetts.

Mr. NICKLES. What about the remaining time on the bill?

The PRESIDING OFFICER. On the underlying bill, there are 63 minutes for the Senator from Oklahoma and 80 minutes for the minority.

Mr. NICKLES. I yield to my colleague from Wyoming 10 minutes on the amendment, and if he desires additional time on the bill, I will yield that as well.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Madam President, during the last few months I have patiently watched the minority come to the Senate floor and threaten to hold up the legislative process until they received a full debate and amendment process on the President's Patients' Bill of Rights. On May 25, leaders of the minority put that request in writing by sending a letter to the distinguished majority leader asking for a debate on their bill. That time has arrived. No tricks, no gimmicks. This debate will allow us to determine if the President's bill is everything they say it is.

Last Friday, the President, while in Los Angeles, suggested that by debating his bill the Republicans are trying to hide their plan from the voters. This comment begs the question: Why wouldn't the Democrats want to debate their own bill? Aren't they getting exactly what they asked for?

They asked for it by holding up the agriculture bill. They asked for it by holding up appropriations. Now they have what they asked for. Perhaps they would rather have an issue to talk about—not legislation.

Our presence today and throughout this week clearly illustrates we are not hiding anything from the voters. Who is hiding? My mom can watch this on her television in Sheridan, WY—and she probably is.

We have every intention of offering our bill during this debate. Be assured, the Senate will vote on our bill. We are not interested in hiding. We are interested in showing that we have a better bill. If anyone should be nervous, it is the President. If I had to defend his bill, I would be pretty nervous too.

I am glad we are debating his legislation. Perhaps all the rhetoric we have heard during the last few weeks, and even today, will be replaced with some substance. Sound policy conquers rhetoric. We are confident of this as the debate unfolds. The bill left standing will be our Patients' Bill of Rights Plus.

I commend our leadership for the work they have done to put together our Patients' Bill of Rights. On January 13, 1998, the majority leader created the Republican health care task force, pouring the foundation for a comprehensive piece of legislation to enhance quality of care without increasing the number of uninsured Americans. During the last 18 months, the task force in the Senate Committee on Health, Education, Labor, and Pensions has worked together to make our bill live up to its title—a Patients' Bill of Rights our Nation's consumers and patients can be proud of.

Aside from the title, the scope of the President's bill and our bill is quite different. I agree it is important we explain the difference between the two measures. The amendments Senators offer this week will clearly show those differences. I am proud of our bill's scope. It respects State's jurisdiction. The President's would apply across the board—a nationalized bureaucracy, budget busting, a one-size-fits-all national approach.

I remember the last time this administration pushed a health care package of this size and scope. It was back in 1993 when the President and Mrs. Clinton launched an aggressive campaign to nationalize the delivery of health care under the guise of "modest reform." The sales pitch back then wasn't any different from what it is now, backed with scores of anecdotes illustrated from Presidential podiums across the country. These stories will pull on the heart strings of all Americans and are intentionally aimed at injecting fear and paranoia into all persons covered or not covered by private health insurance.

I am in Wyoming almost every weekend. I am quick to ask my constituency interested in the President's bill to look at the fine print. It is no surprise to me that most of them already have. The American people aren't easily fooled. They haven't forgotten the last time the President and Mrs. Clinton tried to slip nationalized health care past their noses. Anyone can put lipstick on a pig, give it a Hollywood-style debate, and hope for a political slam dunk. Expecting the public to close its eye and kiss this pig, however, is an entirely different matter.

I remember the reaction Wyoming residents had to the 1993 "Clinton Care" plan. I was a State senator at the time. I recall how the President and Mrs. Clinton rode a bus across America, promoting their plan to federalize our Nation's health care system. The people of Wyoming also remember the detour they took when they got to the Wyoming border. Instead of entering our home State, they chose a more populated route through Colorado. That was an unfortunate choice. They missed their chance to receive an education on what rural health care is about. Had they driven all 400 miles across southern Wyoming, they would have seen for themselves why federalized national bureaucracy, one-size-fits-all legislation doesn't work in rural, underserved States.

Wyoming has 480,000 people scattered over 98,000 square miles. My hometown of Gillette has 22,000 people—fourth largest in the State. It is 145 miles to another town of equal or greater size, and it isn't even in our State. Many of the people in my State have to drive up to 125 miles one way just to receive basic health care. More important is the difficulty we face in enticing doctors and health care professionals to live and practice medicine in rural areas. I am very proud of Wyoming's health care professionals. They practice with their hearts, not with their wallets.

In a rural, underserved State such as Wyoming, only three managed care health plans are available, and that covers just six counties of our State. Once again, this is partly due to my State's small population. Managed care plans generally profit from high enrollment, and, as a result, the majority of plans in Wyoming are traditional indemnity plans commonly known as fee-for-service. In fact, the vast majority of regulated health insurance in Wyoming is handled by the State.

Some folks might wonder why I am so concerned about the scope of the President's bill if it doesn't affect Wyoming that much. I am worried because a number of Wyoming insurers offer managed care plans elsewhere. Any premium hike spurred by a federalized bureaucracy, national one-size-fits-all bill would be distributed across the board. We would get an increase when we didn't receive a benefit, thereby causing increases in the fee-for-service premiums in Wyoming. Simply put, my constituents could easily end up paying for services they will never get.

Expecting my constituents to pay more dues to the President's national health care system poses a potential threat to exclude them from health insurance coverage altogether. That is entirely unacceptable. Moreover, it further hinders our ability to keep physicians in Wyoming. If the President's bill passes, it will actually drive down the number of health care professionals we have in our State.

Our Patients' Bill of Rights is not a federalized, national health care system. It stays within the traditional, regulatory boundaries established and already built in by the Employee Retirement Income Security Act, ERISA, of 1974. ERISA applies to self-insured plans, meaning employers who fund their own insurance plans for their own employees—all 48 million. These plans lie outside the regulatory jurisdiction of the States. Since it is the responsibility of the federal government to regulate ERISA plans, our bill stays within that scope.

The President and the Senate minority, however, argue that our bill should apply to all plans and all persons—including those already regulated by the states. Our bill's goal is to improve health care quality through better information and improved procedures as well as rights for consumers and patients, without significantly increasing the cost of health coverage and the number of uninsured Americans. By legislating within the federal jurisdiction of ERISA only—and not usurping state jurisdiction—we accomplish our goal.

Unfortunately, that hasn't silenced the claims made by the President and the Senate minority. These claims are no different than those made by the President and Mrs. Clinton back in 1993. He wants nationalized healthcare—plain and simple. Americans have been down this road before. The states, however, have been in the business of regulating the health insurance industry far longer than Congress or any President. The President wants all regulatory decisions about a person's health insurance plan to be made from Washington. The reason this won't work is that it fails to take into account the unique type of health care provided in states like Wyoming.

While serving in the Wyoming Legislature for 10 years, I gained tremendous respect for our state insurance commissioner's ability to administer quality guidelines and insurance regulations that cater to our state's consumers and patients. State regulation and respect for their jurisdiction is absolutely, unequivocally essential. I firmly believe that decisions which impact my constituents' state regulated health insurance should continue to be made in Cheyenne—not Washington.

You can call Cheyenne and talk to the same person each day, if you need to. But since you can talk to the same person, you do not have to make as many calls. Here you have to spend half of your time explaining to the person the problem that didn't get followed-up on the last time you called. The President and the Senate minority want to crate that all up and ship those decisions back here to Washington.

By advocating federalized, national one-size-fits-all health care, done through a bureaucracy, the President's bill would increase the number of uninsured. Perhaps that's something he wants. We know that the President and Mrs. Clinton prefer a national, Federal health care system in lieu of private health insurance. Their 1993 plan is evidence of that. By increasing the number of uninsured, maybe he hopes that these folks will join him in his campaign for a Washington-based health care system. I sure hope that is not the case, but as long as the President continues to dodge that issue, I am forced to assume that this is his position.

By keeping the scope of this bill in perspective, we also control that cost which directly impacts access. Affordable access to health care is an even higher priority than quality. If it is not affordable, quality does not exist. By issuing federalized, national one-size-fits-all mandates and setting the stage for endless litigation, the President's bill could dramatically raise the price of premiums—barring people from purchasing insurance. That is the bottom line for American families—the cost. We all want as much consumer and patient protection as the system can support. There is not a member in the Senate who does not support consumer and patient protection. But if Americans are expected to pay for the premium hikes spurred by the President's bill, they'll most often go without insurance. That is why we must keep the scope of this bill in perspective.

The President has repeatedly accused the Senate majority, of being in the pocket of the insurance industry. I take great offense to that charge. That same blanket claim was also made during the tobacco debate last summer, even though I never took a dime from the tobacco industry. Just last Friday, the President said that we are being captive to the "raw political interest of health insurers" and said that our party's leaders had resorted to delaying debate on his plan for cynical political reasons. How does the President respond to claims that his plan was written on behalf of special interests like organized labor and trial lawyers? I'd sure like to get his thoughts on that.

The President's bill would allow a patient to sue their own health plan and tie up state courts with litigation for months or years. The only people that benefit from this would be trial lawyers. The patient, however, would be lucky to get a decision about their plan before their ailment advanced or even took their life. A big settlement does not do you much good if you win because you died while the trial lawyers fiddled with the facts. Folks are not interested in suing their health plan. They watch enough court-TV shows to know how expensive that process is and how long it takes to get a decision made. This is not L.A. Law—it is reality. Our Patients' Bill of Rights avoids all this by incorporating an expedited external appeals process that does not exceed 72 hours. Getting quick decisions saves lives. We insist on a decision before the patient dies!

The President apparently has no problem expanding the scope of federal jurisdiction, but he is silent when it comes to increasing access for the uninsured. Our Patients' Bill of Rights delivers on access. It would increase access to coverage by removing the 750,000 cap on medical savings accounts (MSA's). MSA's are a success and should be made available to anyone who wishes to control his or her own health care costs. Moreover, persons who pay for their own health insurance would be able to deduct 100 percent of the cost if our bill becomes law—equalizing the taxes, making coverage more affordable. This would have a dramatic impact on folks in Wyoming. These provisions would, without a doubt, pave the way for quality health care to millions of Americans without dismantling access and affordability due to federally captured state jurisdiction.

While the President's bill has been pitched as being essential to enhancing the quality of care Americans receive, I hope that my colleagues will carefully evaluate the impact that any federalized, national one-size-fits-all approach would have on our nation's health care system. As I have encouraged my constituents to read the fine print, I also ask them to listen carefully to this week's debate. I hope they'll see for themselves how the President's legislation effects their home state. Rural states deserve a voice, too. Only our Patients' Bill of Rights would provide them that podium from which they can be heard.

Madam President, I yield the floor and reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield 5 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

PRIVILEGE OF THE FLOOR

Mr. BINGAMAN. Madam President, I ask unanimous consent that Robert Mendoza, a fellow on my staff, and Matt Maddox on my staff be granted the privilege of the floor during the pendency of this bill, and also that same privilege be granted to Ellen Gadbois and Arlan Fuller, fellows from Senator KENNEDY's office.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Madam President, I rise to discuss managed care reform, an extremely important issue which we are finally getting to a debate this week. We have an opportunity this week to substantially improve the quality of life for 161 million Americans, including 900,000 New Mexicans, many of whom have contacted me through letters and phone calls and faxes, telling about their desire for some reform of the managed care system.

Our goal this week seems to me very clear. The American people—and I believe every family who spends their hard-earned dollars on health insurance—need to receive nothing less than the finest of medical care available. We are trying to ensure that through this legislation. That is the task we have set, to guarantee the people of this country critical patient protections.

It is clear the reasons are valid, why we should do this. First, survey after survey reports the American people are demanding the passage of patient protections such as those contained in the Democratic bill that I supported, which Senator KENNEDY offered in the committee. In my State, there are 350,000 New Mexicans who will not have critical patient protections if the bill we pass at the end of this week leaves medical decisions up to non-medical insurance personnel. There are 200 patient groups and health care provider organizations, physicians, workers' unions, and employee groups, that stand behind the need for these patient protections. There are 30 million Americans who have had trouble seeing a specialist, women and children with special needs who either had critical care delayed or, worse, had that care denied. I heard my colleague from Wyoming just now say providing this access to specialized care will dramatically increase premiums.

The statistics are clear. The Congressional Budget Office did an analysis and determined that the increase in premium costs would be, at the most, 4.8 percent over a 10-year period. Providing this specialized care or access to specialists would be a one-tenth-of-1-percent increase in cost, less than $2 per patient per month for the entire array of patient protections about which we are talking. This is a very modest amount which Americans are willing to pay.

Americans who live in rural areas, such as my State and the Senator from Wyoming was talking about his State, have to travel an hour or more to get to a doctor when there is an appropriate health care provider just down the road. We are trying to ensure those other appropriate health care providers also be made available to those patients.

Even if you put aside all of these particular reasons for passing the bill, clearly the main reason we should pass it is that it is the fair thing to do.

There was a very good editorial in this morning's Washington Post which I believe all Members should read. Let me refer to it for a moment. It talks about the managed care debate coming up in the Senate this week. It says:

> The objective is, or ought to be, to legitimize the containment of these costs by giving the public a greater guarantee that the process will be fair. Republicans resist the increased regulation this would entail. In the past they have tried to deflect the bill; now they offer weak legislation that is mainly a shell.

My colleague from North Dakota said the Republican proposal is an empty vessel. The Washington Post says it is "mainly a shell."

It goes on to say:

> The stronger Democratic bill is itself fairly modest. Much of it is ordinary consumer protection. Patients would have to be fully informed about the costs and limits of coverage, including any arrangements a plan might have with physicians or other providers that might give them an economic incentive to cut costs. No gag orders could be imposed on physicians to keep them from disclosing the range of possible treatment, without regard to cost. A plan would be required to have enough doctors to meet the likely needs of the enrollees. Patients could not be unfairly denied access to emergency care or specialists. . . .

It goes on:

> The Republican bill professes to provide many of the same protections, but the fine print often belies the claim.

Madam President, the debate is going to be very constructive this week. The distinctions between the Democratic bill, which contains real protections, and the Republican bill, which the Washington Post refers to as "mainly a shell," will be made clear to the American people. I hope very much we will step up to the challenge and pass something that contains some substantive protections for the people of my State. We will have other opportunities to debate specific amendments in the future.

I see the Democratic leader is ready to speak. I yield the floor, and I appreciate the chance to speak.

The PRESIDING OFFICER. Who yields time? The minority leader is recognized.

Mr. DASCHLE. Madam President, I commend the distinguished Senator from New Mexico for his excellent statement and for his leadership on this issue. He has been very much a part of the effort from the very beginning and has lent the caucus and the Senate an extraordinary amount of his expertise on this issue, and we are deeply grateful to him.

AMENDMENT NO. 1233 TO AMENDMENT NO. 1232

(Purpose: To ensure that the protections provided for in the Patient's Bill of Rights apply to all patients with private health insurance)

Mr. DASCHLE. Madam President, we yield back the remainder of the time on the substitute, and I send an amendment to the desk on behalf of the distinguished Senator from Massachusetts, Mr. KENNEDY.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for Mr. KENNEDY, for himself, Mr. REID, Mr. DURBIN, Mr. WELLSTONE, Mr. WYDEN, Mr. REED, Mrs. MURRAY, Mr. DASCHLE, and Mr. CHAFEE, proposes an amendment numbered 1233 to amendment No. 1232.

Mr. DASCHLE. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DASCHLE. Madam President, I yield the floor.

The PRESIDING OFFICER. Who yields time? Does the Democratic leader yield time?

Mr. DASCHLE. Madam President, I yield the remainder of the time to the distinguished Senator from Massachusetts for him to manage.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Madam President, there are several of my colleagues on the floor. As I understand, we have 50 minutes; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I yield myself 7 minutes.

PRIVILEGE OF THE FLOOR

Madam President, I ask unanimous consent that David Doleski from Senator WELLSTONE's office and Steven Snortland from Senator DORGAN's office be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Madam President, as we start this debate, there are a series of issues before us. One of the most important and most significant is who is covered under the two different approaches before the Senate. One approach has been advanced by Senator DASCHLE, of which many of us are cosponsors, and the other approach on the other side has been reported out of the Health, Education, Labor, and Pensions Committee. Senator FRIST and the Republican leadership are cosponsors.

In our proposal, we provide that virtually every individual who has health insurance will have the protections included in our bill. Under the Republican proposal, we are finding out that the total numbers covered are only those in what they call ERISA plans. There are 163 million total individuals who have health insurance covered under our bill. The other side covers only 48 million, and excludes 113 million. They are only covering a third of all Americans.

We can ask ourselves: If their proposal is so solid and makes so much sense, why don't they cover all Americans? We heard the principal advocates for the Republicans go on about what good things their particular proposal is going to do. Then why not cover all the people in the country instead of only a third?

They will find out, that under their proposed legislation, they do not cover anyone who receives their health care through health maintenance organizations. Isn't it extraordinary that this whole development, the need for patient protections, is a result of insurance companies making medical decisions in the interest of the company profitability rather than the health interests of the patient? That is the basic reason this whole issue has developed.

Their solution is to advance a program that does not even cover all Americans. I am still waiting to hear why. If their program is so wonderful, as has been stated in the Senate, I still wonder why they are not covering everyone. Can they explain how they justify to people, living side by side, that one will be covered and the other one will not be covered under the Republican plan? They certainly are not covering the 15 million people who are buying individual policies. These are generally small business men and women, farmers, and individuals who are buying individual policies. They are excluded under the Republican plan. State and local government workers are excluded, and the 75 million whose employer provides fully funded coverage, the largest category, are all excluded. Only 48 million are covered under the Republican plan.

I tried to read through every explanation to understand. Then I started to read the proposals advanced in the House of Representatives.

There are five different Republican House proposals. But all the Republican proposals in the House of Representatives cover all Americans. Why is it that the Republican bills in the House of Representatives cover all Americans and over here in the Senate the Republicans only cover a third of Americans? I thought there might be some explanation.

The Democrats cover all Americans. When we say "all," we mean all. When we say "protections," we mean protections. That is what this legislation is all about. We want to make sure we will have the opportunity, over the course of this week, when we are talking about protections for the type of specialty care that a child might need—such as a child who has cancer—that they are guaranteed they will be covered by the protections we have included in our bill.

We want to ensure that all women are going to be guaranteed the protections we have included. We want to make sure that all of those with some type of physical or mental challenge are going to be guaranteed the protections we have included—not just a quarter, not just a third, not just a half, not just three-quarters but all of them.

So I find that on the most basic and fundamental issue, the plans differ greatly. We are all asked: Well, look, Senator, the Republican proposal has emergency protections and you have emergency protections. Can you tell us what the differences are?

The fact is that virtually two-thirds are excluded from the Republican proposal, before we even discuss the loopholes they have written so that their legislation does not provide adequate protections that have the support of the emergency room physicians.

We heard this afternoon how the Republican bill provides protections for emergency room care and specialty care. The fact is that none of those professional groups that are dealing with children every single day and none of the specialists that are dealing with the most complicated cases are supporting their plan. All are supporting our plan.

It is for this reason I would have thought we would be able to bring Republicans and Democrats together. Let's decide whether we really want to deal with the issue. Let's start off this debate on the first day, on Monday, and say: OK, let's go ahead and make sure whatever we are going to do is all inclusive in protecting the children, not only those covered by self-funded employer plans. I do not know how many children in this country know whether they are getting their health care as a result of a self-funded employer plan or whether it is the employer providing the services through insurance programs.

I say, let's deal with children. Let's deal with all the children. That is what our bill does. And that, I believe, is fundamental.

The PRESIDING OFFICER. The time has expired.

Mr. REID. I ask the Senator from Massachusetts to yield me 10 minutes from the bill.

Mr. KENNEDY. I yield that time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I can remember the first time I went to New York as a young man. My wife and I, of course, traveled the streets of New York. We walked, and there were a lot of fascinating things. But one of the things I will never forget is the people on the streets who were involved in shell games. I did not participate in any of them, but they would try to get people to come. They would move these little markers around. You could never win. No one ever won. None of the people they got to participate in these shell games ever won. I had had enough experience from going to carnivals as a young man not to participate in those games because there are certain games you can never win.

What is happening with the majority is they have a shell game going on. They are here today pronouncing what is so good about their bill. But the fact of the matter is, it is a shell game. Because you pick it up, and what they talk about is never there. The important part of what they are talking about is never there. Pick it up, and it is gone.

What am I talking about? The Senator from Massachusetts has talked about the bill of the Republicans covering only about one-fourth, about 25 to 30 percent, of the people that our bill covers. That is part of the shell game. You pick it up and 75 percent of it is missing.

We are talking about passing a real patient protection act, a bill that covers 161 million Americans, not 25 percent of 161 million Americans who receive health care through some form of managed care.

Our bill is not a bill that omits 113 million Americans. Our bill ensures access to the closest emergency room without prior authorization and without higher costs.

There have been lots of stories told about people wanting to go to an emergency room but having to check first. I participated in an event this afternoon where an emergency room physician talked about what is happening with managed care and how an emergency room physician never has the opportunity, under managed care, to really do what they need to do because of: How did that patient get there? Did they come on their own? Did they get prior approval?

Our bill is not a shell game. As to emergency care, you pick up the shell and under it the Republicans give you nothing. Our bill ensures access to qualified specialists, including pediatric specialists, unlike the Republican bill, a bill that limits access to specialists and does not guarantee that children may see a pediatric specialist.

We live in a world of specialization. When your child is sick, you want your child to go to someone who is a pediatric specialist. Whether it is a pediatric oncologist specialist, whether it is a pediatric orthopedic specialist, you need to be able to take your child to the person who can render the best care. But when you pick up this Republican shell where they talk about "they get everything," and you want a pediatric specialist, it is empty; you cannot get it.

Our bill, the minority bill, guarantees that women may designate their obstetrician/gynecologist as a primary care provider. Why is that? Because that is, in fact, the reality in America. Women go to their gynecologists. That person treats them when they have a cold, when they are sick from something dealing with whatever the cause might be. They look to their gynecologist as their primary care physician.

Under our legislation, it guarantees that women may designate their OB/GYN as a primary care provider. But what happens under the Republican bill? It makes no guarantees and limits this to only a few select women.

Again, you look up and you see this shell game and you see all these promises. You think you are going to score big. You pick up this shell, and there is nothing there for women that guarantees their OB/GYN as a primary care provider.

The junior Senator from Wyoming came to the floor and again tried to move this shell around. What was his shell game? The junior Senator from Wyoming said that this was national health insurance—those bad words: national health insurance. Of course, this has nothing to do with national health insurance, absolutely nothing. But, of course, this is part of the shell game: We want to frighten people; we want to frighten and confuse people, as the health insurance industry is doing as we speak by spending millions of dollars with false and misleading advertisements.

The insurance industry, as the Senator from Massachusetts pointed out, opposes this legislation. Hundreds of groups support this legislation—hundreds of groups.

I ask unanimous consent to have printed in the RECORD a partial list of those organizations that support this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GROUPS SUPPORTING THE DEMOCRATIC PATIENTS' BILL OF RIGHTS

ABC for Health, Inc.
Access Living.
AIDS Action.
AIDS Law Project of Pennsylvania.
Alamo Breast Cancer Foundation and Coalition.
Alcohol/Drug Council of North Carolina.
Alliance for Lung Cancer Advocacy, Support, and Education (ALCASE).
Alliance for Rehabilitation Counseling.
Alzheimer's Association—Greater Richmond Chapter.
Alzheimer's Association—New York City Chapter.
American Academy of Child and Adolescent Psychiatry.
American Academy of Emergency Medicine.
American Academy of Neurology (AAN).
American Academy of Pediatrics.
American Academy of Physical Medicine and Rehabilitation.
American Association for Marriage and Family Therapy.
American Association for Psychosocial Rehabilitation.
American Association for Respiratory Care.
American Association of Children's Residential Centers.
American Association of Nurse Anesthetists.
American Association of Pastoral Counselors.
American Association of Private Practice Psychiatrists.
American Association of University Women (AAUW).
American Association on Mental Retardation (AAMR).
American Autoimmune Related Diseases Association (AARDA).
American Board of Examiners in Clinical Social Work.
American Cancer Society.
American Chiropractic Association.
American College of Emergency Physicians (ACEP).
American College of Obstetricians and Gynecologists (ACOG).
American College of Physicians (ACP).
American Counseling Association.
American Federation for Medical Research.
American Federation of Home Health Agencies.
American Federation of Labor & Congress of Industrial Organizations (AFL–CIO).
American Federation of State, County and Municipal Employees (AFSCME).
American Federation of Teachers.
American Gastroenterological Association.
American Group Psychotherapy Association.
American Heart Association.
American Lung Association.
American Medical Association (AMA).
American Medical Rehabilitation Providers Association.
American Music Therapy Association.
American Network of Community Options and Resources.
American Nurses Association (ANA).
American Occupational Therapy Association.
American Optometric Association.
American Orthopsychiatric Association.
American Physical Therapy Association.
American Podiatric Medical Association.
American Psychiatric Nurses Association.
American Psychoanalytic Association.
American Psychological Association (APA).
American Public Health Association.
American Society of Clinical Oncology.
American Speech-Language-Hearing Association.
American Therapeutic Recreation Association.
Anxiety Disorders Association of America.
The Arc.
Arc of Washington State.
Asian and Pacific Islander American Health Forum.
Association for the Advancement of Psychology.
Association for Ambulatory Behavioral Healthcare.
Association of Behavioral Healthcare Management.
Association of Women's Health, Obstetric and Neonatal Nurses (AWHONN).
Bazelon Center for Mental Health Law.
Brain Injury Association.

California Advocates for Nursing Home Reform.
California Breast Cancer Organizations.
Cancer Care, Inc.
Candlelighters Childhood Cancer Foundation.
Catholic Charities of the Southern Tier.
Center for Patient Advocacy.
Center for Women Policy Studies.
Center on Disability and Health.
Children and Adults with Attention Deficit Disorder.
Child Welfare League of America.
Children's Defense Fund.
Clinical Social Work Federation.
Coalition of Wisconsin Aging Groups.
Colorado Ombudsman Program—The Legal Center.
Communication Workers of America—Local 1039.
Consortium for Citizens with Disabilities Health Task Force.
Consumer Federation of America (CFA).
Consumers Union.
Corporation for the Advancement of Psychiatry.
Crater District Area Agency on Aging.
Council of Vermont Elders.
Dekalb Development Disabilities Council.
Delta Center for Independent Living.
Disabled Rights Action Committee.
Eastern Shore Area Agency on Aging/Community Action Agency.
Epilepsy Foundation.
Families USA Foundation.
Family Service America.
Family Voices.
Federation for Children with Special Needs.
Florida Breast Cancer Coalition.
Friends Committee on National Legislation.
Friends of Cancer Research.
Gay Men's Health Crisis.
Gazette International Networking Institute (GINI).
General Clinical Research Center Program Directors Association.
Genzyme.
Glaucoma Research Foundation.
Goddard Riverside Community Center.
Health and Medicine Policy Research Group.
Human Rights Campaign.
Independent Chiropractic Physicians.
International Association of Psychosocial Rehabilitation Services.
League of Women Voters.
Lukemia Society of America.
Managed Care Liability Project.
Mary Mahoney Memorial Health Center.
Massachusetts Association of Older Americans.
Massachusetts Breast Cancer Coalition.
Meals on Wheels of Lexington, Inc.
Mental Health Association in Illinois.
Mental Health Net.
Minnesota Breast Cancer Coalition.
NAACP.
National Abortion and Reproductive Rights Action League.
National Alliance for the Mentally Ill (NAMI).
National Alliance of Breast Cancer Organizations.
National Association for Rural Mental Health.
National Association for the Advancement of Orthotics and Prosthetics.
National Association of Childrens Hospitals (NACH).
National Association of Developmental Disabilities Councils.
National Association of Homes and Services for Children.
National Association of Nurse Practitioners in Reproductive Health.
National Association of People With AIDS (NAPWA).
National Association of Protection and Advocacy Systems.
National Association of Psychiatric Treatment Centers for Children.
National Association of Public Hospitals.
National Association of School Psychologists.
National Association of Social Workers.
National Black Women's Health Project.
National Breast Cancer Coalition (NBCC).
National Caucus and Center on Black Aged, Inc.
National Coalition for Cancer Survivorship.
National Community Pharmacists Association.
National Consumers League.
National Council for Community Behavioral Healthcare.
National Council of Senior Citizens.
National Hispanic Council on Aging.
National Marfan Foundation (NMF).
National Mental Health Association (NMHA).
National Multiple Sclerosis Society.
National Parent Network on Disabilities.
National Partnership for Women & Families.
National Patient Advocate Foundation.
National Therapeutic Recreation Society.
NETWORK: A National Catholic Social Justice Lobby.
Nevada Council on Developmental Disabilities.
Nevada Council on Independent Living.
Nevada Forum on Disability.
Nevada Health Care Reform Project.
New York City Coalition Against Hunger.
New York Immigration Coalition.
New York State Nurses Association.
North American Brain Tumor Coalition.
North Carolina State AFL-CIO.
North Dakota Public Employees Association—AFT 4660.
Oklahomans for Improvement of Nursing Care Homes.
Older Women's League (OWL).
Ombudservice.
Opticians Association of America.
Oregon Advocacy Center.
Paralyzed Veterans of America.
Pregnancy Planning Services, Inc.
Physicians for Reproductive Choice and Health.
President Clinton.
Reform Organization of Welfare (ROWEL).
RESOLVE.
Rhode Island Breast Cancer Coalition.
Rockland County Senior Health Care Coalition.
San Diego Federation of Retired Union Members (FORUM).
San Francisco Peakers Senior Citizens.
Service Employees International Union (SEIU).
Service Employees International Union (SEIU)—Local 205.
Service Employees International Union (SEIU)—Local 585, AFL-CO CLC.
South Central Connecticut Agency on Aging.
Southern Neighborhoods Network.
Susan G. Koman Breast Cancer Foundation.
Tourette Syndrome Association, Inc.
United Automobile, Aerospace and Agricultural Implement Workers of America (UAW).
United Cerebral Palsy Association.
United Church of Christ, Office for Church in Society.
United Senior Action of Indiana.
University Health Professionals Union—Local 3837, CFEPE/AFT/AFL-CIO.
US TOO International.
Vermont Public Interest Research Group.
Voice of Seniors.
Voluntary Action Center.
Volunteer Trustees of Not-For-Profit Hospitals.
West Side Chapter NCSC.
Western Kansas Association on Concerns of the Disabled.
Women in Touch.
Y-ME National Breast Cancer Organization.

Mr. REID. This isn't national health insurance. This is something that the junior Senator from Wyoming and others would like you to think is. You can follow these shells. You pick one up, and, of course, again it is misleading. Our legislation ensures access to needed drugs and clinical trials. It is not a bill that imposes financial penalties for needed drugs. Of course, their bill does not guarantee access to clinical trials for cancer patients, among others.

What does this mean? Again, not speculation but facts. We were at an event at 2 o'clock today, and there was a man there whose 12-year-old son last August got cancer. It was a rare form of cancer. During his chemotherapy, the managed care entity suddenly said: We don't cover you. What was he going to do? He wrote numerous letters and called numerous people. In short, by the time the managed care entity finally agreed to cover it and that it was certainly something which was necessary, and by the time his family and friends gathered together to help pay for this, the boy was almost dead, and he died in February, just a few months ago.

Our bill ensures access to needed drugs and clinical trials, not this shell game where you say: Here, my 12-year-old son is sick; I have been told this will cover me. You pick up the shell. It is empty. There is nothing under there. You lose again.

Our legislation prohibits arbitrary interference of HMO bureaucrats. What does that mean? It means that insurers cannot overrule doctors' medical decisions. What we need is a bill that reestablishes the patient-doctor relationship, not one that allows clerks in Minneapolis or Baltimore or Sacramento to make decisions for my friends, relatives, and constituents in the State of Nevada. We want the doctors making those decisions. Our legislation does that. The Republican version does not do that. It is a part of the shell game that shuffles these shells around. People think they have won, but they pick up the shell and, again, they have lost.

The minority legislation prohibits gag clauses and improper financial incentives to withhold care. What does this mean? There are many organizations around the country that give incentives to keep people out of hospitals, incentives to keep people from having certain types of care rendered.

Why? Because if they do that, they get bonuses.

Our legislation also prevents HMOs from prohibiting doctors and other medical care specialists from telling patients what is really wrong. They can't be fired if they do so. Again, our legislation is not a shell game. It is not a shell game, as the majority legislation is a shell game. The majority would like you to believe that under every one of those shells you have a winner, but the fact of the matter is, every shell you pick up under the Republican version is empty; you lose again.

The minority bill holds HMOs accountable when their decisions lead to injury or death. There have been people who have talked about how this bill is going to be overtaken by the lawyers. Let me give you a little statistic about medical malpractice cases. In the State of Nevada, since we have become a State, there have been fewer than 40 medical malpractice cases tried by a jury. We became a State in 1864.

I say that HMOs should be treated like everyone else. I went to dinner in Reno a couple weeks ago with a woman who is a manager of a managed care entity. She said: HARRY, I like your bill except for the lawyers. I said: Why should you be any different from anybody else in America? We all have to deal with lawyers. You should, too.

This legislation will not increase costs more than the cost of a cheeseburger and a very small order of fries every month. We can go through a list of people who have indicated that that, in fact, is the case, contrary to what the junior Senator from Wyoming and others have said today.

Madam President, I ask unanimous consent for 3 additional minutes, since the manager is not here. I will take that off the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Madam President, the fact that lawyers are involved will make managed care entities do better work. The history of this is certainly adequate. In the State of Texas, as an example, where they have a Patients' Bill of Rights, it doesn't cover enough people, but it covers some people. By the way, it is a Patients' Bill of Rights that George W. Bush vetoed. They came back and passed another one, and he refused to sign that. He is going around talking, in his Presidential run, about what a great Patients' Bill of Rights they have in Texas. Everyone should understand, he vetoed the bill and refused to sign the second one. The fact of the matter is, the Texas experience indicates that it doesn't increase cost; it just makes the health care entity, the managed care entity, do a better job.

Our bill holds HMOs accountable when the decisions lead to injury or death. This is not a bill, as the Republican bill, that maintains protections for HMOs that injure or kill patients. I was startled today to hear one of the majority talk about how their bill would reimburse costs for somebody who has been aggrieved, whatever the medical care would have been. That is what happens now under HMOs. That is why it makes it so bad.

We want a bill that takes care of patients, a bill that takes care of patients based on doctors' decisions, not clerks' decisions. We want a bill that is more concerned about patients than about profits.

I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Madam President, I will speak in general on the bill, but I am on amendment time.

Mr. REID. Will the Senator yield for a unanimous consent request?

Mr. NICKLES. Surely.

Mr. REID. On behalf of Senator KENNEDY, the manager of the bill, I ask unanimous consent that the time I used, so there is no misunderstanding, be charged to the amendment and not the underlying bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I express my appreciation to the Senator from Oklahoma.

PRIVILEGE OF THE FLOOR

Mr. NICKLES. Madam President, I ask unanimous consent that the list of staff I now send to the desk be granted the privilege of the floor during consideration of S. 1344, the Kennedy-Daschle health care bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

HEALTH CARE TASK FORCE

Senate office	Staffer
Brownback	Rob Wassinger
Collins	Priscilla Hanley
DeWine	Helen Rhee
Enzi	Chris Spear
	Raissa Geary
Frist	Anne Phelps
	Sue Ramthun
Gramm	Don Dempsey
	Mike Solon
Gregg	Alan Gilbert
Hagel	Steve Irizarry
Hutchinson	Kate Hull
Jeffords	Paul Harrington
	Kim Monk
	Tom Valuck (fellow)
	Carole Vannier (fellow)
Lott	Sharon Soderstrom
	Keith Hennessy
Nickles	Stacey Hughes
	Meg Hauck
Mack	Mark Smith
RPC/Craig	Michael Cannon
Roth	Kathy Means
	Bill Sweetnam
	Dede Spitznagel
Santorum	Peter Stein
Sessions	Libby Rolfe

Mr. NICKLES. Madam President, I will speak in general about the bill and maybe correct some statements that I believe are factually incorrect. I think it is important to deal with facts.

I have heard a lot of opinions. I heard that the Republican bill that many of us worked together on was a shell. I am kind of offended by that, I mention to my colleague.

First, let me say, when we are considering health care, we should make sure we don't do any damage. We should do no harm. Maybe we should repeat the physicians' Hippocratic oath: Do no harm.

When I look at the proposal of Senator KENNEDY, the Democrats' bill, I see it doing a lot of harm. If that bill was enacted, a lot of people would become uninsured. That is harm. As a matter of fact, it is estimated as many as 1.8 million, almost 2 million, people would become uninsured if we passed his bill. We already have 43 million uninsured Americans. Let's not add to it. Let's not make it worse. Unfortunately, I think that is what would happen.

We shouldn't be dramatically increasing health care costs. That is not going to help solve the problem. Cost is a big problem. We had a little press conference today. We had several self-employed people who said: I can't afford health insurance. One said they didn't have it. One said they barely had it and, if the cost went way up, they would lose it. They would have to cancel it for themselves and their employees. We don't want to do that. That is doing harm. That is doing damage. That is doing damage, frankly, to the best health care system in the world. I am not saying the health care system we have in the country today is perfect. Does it make mistakes? You bet. Can we make it better? Sure we can. Let's do that.

But I don't think we make it better by coming up with a whole laundry list of Federal mandates stacked on top, duplicating State mandates, saying: The Federal Government knows best. Yes, this is going to cost you a lot of money. Oh, yes, Mr. Employer, you can be sued. The employer saying: Thank you very much, but I don't have to provide this benefit in the first place and, if you are going to sue me for it, I will just drop it. I hope my employees take care of their health care needs on their own. I will give them a little money. I hope they do it.

You and I know, in many cases they won't do it. We shouldn't do harm; we shouldn't do damage to the system.

I heard my colleagues, from Massachusetts and from Nevada, say: Well, our bill doesn't cost much. It costs about the cost of a cheeseburger, maybe a cheeseburger and fries.

Let's look at the reality. The Congressional Budget Office says the Kennedy bill would increase health care costs by 6.1 percent. I understand they may amend it to make it 4.8 percent. What people haven't caught onto is, that is in addition to health care inflation that is already in the system. The cost of health care is going up. It is estimated to go up 9 percent, by a national survey of plans by William Mercer. So health care costs are going up 8 or 9 percent. You add another 5 or 6 percent on top of it, that means if we pass the Kennedy bill, health care costs will be up by 15 percent. What if it is 14 percent? I think that is too high. I think if health care costs go up that percentage, you are going to have a lot more people uninsured.

Then what about: Well, it only costs as much as a Big Mac. I have the greatest respect for Senator KENNEDY, but I do not know how good his math is. Let me use some people who are pretty good at math, the Congressional Budget Office. They are not Democrats. They are not Republicans. They're not people who say: Let's come up with some bad information on the Kennedy bill.

They said, Senate bill 6, the Kennedy Patients' Bill of Rights, will increase health care premiums by 6.1 percent, resulting in an $8 billion reduction in Social Security payroll taxes over the next 10 years, an $8 billion reduction in Social Security payroll taxes. The total reduction in payroll over that period of time is $64 billion over the next 10 years. Now, $64 billion in lost wages is a lot more than a Big Mac. As a matter of fact, I think it equates to $355 more per family per year. That is not a Big Mac. That is about $30 a month. That is not $3 a month, or $2 a month, as Senator KENNEDY alluded to. That is about $30 a month. That is a big hit. That means that is $30 less that an employer will have to compensate his employees. Where does that money come from? That is real money. According to CBO, $64 billion over the next 10 years is the cost of the Kennedy bill. Where does that come from? From lost wages of employees. A whole lot of employees say: Thank you very much, Senator KENNEDY, but I want the money. Thank you, but I want to keep my health insurance. Don't price it out.

So I think it is funny, in a way, that I hear it will only cost $2 a month. That is not accurate. CBO says it would cost $355 per year per family. So I mention that, and I think it is important that we use facts. I think everybody is entitled to their own opinion, but they are not entitled to their own facts. The fact is that the Kennedy bill would cost families hundreds of dollars per year and would increase the number of uninsured in the millions.

Right now, there are 43 million uninsured Americans. That equals the population of 9 States—the population of the States that I have in yellow on the chart. If we pass the Kennedy bill, we can add 3 more States, North Dakota, South Dakota, and Wyoming. The entire population of those States would be uninsured. We should not be doing that. Democrats and Republicans, from the outset, should not do any harm and we should not increase the number of uninsured.

Another thing we should not do is increase the complexity of plans. My friend and colleague, Senator DASCHLE sent that to the desk for Senator KENNEDY. He said we need to expand the scope, that the Republican plan only covers 48 million Americans, and we cover 161 million Americans, and those other 100 million Americans have no protections whatsoever.

Well, this chart, compliments of Senator GREGG from New Hampshire, shows you the complexity of the Kennedy plan. Now, this is very graphic, and I am sure anybody looking at it closely would say that looks like a mess. And it is, because what it does it, it says: States, we don't care what you have done. We know better. The Federal Government knows best.

Again, I have great affection and admiration for my colleague, Senator KENNEDY. He has always thought the Federal Government knows best when it comes to health care. He has always supported national health care and thought the Federal Government should write the plan and insist on the benefits. We know best, so States get out of the way. The Federal Government will tell you how to run your health care business. We don't care if you have had experience over the last 50 years in administering insurance, health care, having insurance commissioners, and having quality inspectors. We don't care if you have that. We know better. The Federal Government, HCFA, Health Care Finance Administration, knows better and should be making these decisions.

Under the Kennedy bill, we are going to overlay on top of all the State regulations a Federal-Government-knows-best plan. We are going to dictate that you have all these things. This little chart kind of shows the complexity of it. Health care is fairly complex anyway with State administrations. But this says we are going to overlay, on top of what the States do, complex Federal mandates. States, you must do as the Federal Government decided.

What if there is competition? What if the State has an emergency room provision for their State-regulated plans? We are going to say: We are sorry, but we know better, so you have to comply with ours. The State says: We think ours is better. But we are going to have to have a Government bureaucrat who knows best. Senator KENNEDY knows best, HCFA know best, the Government knows best.

That is the problem with the Kennedy bill. Unfortunately, in many cases, the Government doesn't know best. There are lots and lots of State mandates, and I pulled out a few on this chart. Forty-two States have a Bill of Rights. My colleague from Nevada said the Texas Governor vetoed a Bill of Rights. I see on the list that Texas has a Bill of Rights. I happen to see that Texas has a total of 42 mandates. Probably many of them—the Senator from Texas says it may be too many. It is probably increasing the cost of health care, but the State of Texas is doing it.

Maybe we are the source of all wisdom. I don't know what the State of Texas has, but is it really in our prerogative and our right to say: Texas, you don't know what you are doing; we know what is best. So whatever you have in your mandates, we are going to mandate something more, something more expensive. We are going to dictate to you. I think that is a mistake.

There is a basic difference in philosophy between Senator KENNEDY and Dr. FRIST, who will be here shortly to discuss this. I might mention, I think the plan we proposed, as far as scope is concerned—we said, let's regulate the unregulated and protect the unprotected. There were a lot of plans that aren't covered by State insurance, and we said those plans should have some basic protections, so we put them in. Those plans weren't covered by the State mandates. That is the reason we put them in there. My Democrat colleagues said they are unprotected, out of luck, as if the States have no role whatsoever. The States don't know what they are doing. HCFA knows better. HCFA is not a cure-all for health care.

Here is an example. On a bill that we passed last year, I have a couple comments. This was in a bill we passed:

> HCFA, as a regulatory authority to enforce consumer protections, stands by the Health Insurance Portability and Accounting Act of 1996. In States that failed to enact these provisions, according to the General Accounting Office, HCFA admits that it has "pursued a Band-Aid or minimalist approach" to enforcing these consumer protections. The General Accounting Office also found that HCFA lacks "appropriate experience" in regulating private health insurance.

So GAO said HCFA is not doing a very good job. The Kennedy bill says turn it all over to HCFA. We don't think the States are good enough. We are going to turn it over to HCFA and let them do it better. GAO also said that HCFA is doing a crummy job. They should not be trying to regulate insurance throughout the country. They have a big job. What about the health insurance portability bill, the Kennedy-Kassebaum bill? People have been bragging on it. It is interesting to find out that the State of Massachusetts has not yet complied. Five States have not complied. I doubt that that means the State of Massachusetts doesn't care about insurance portability. My guess is that it is probably just as portable in Massachusetts as it is in other States. But they have not met congressional criteria. Therefore, HCFA is supposed to administer their plans. Guess what? They are not doing it. They have not done it. I don't want them to do it; I will be frank. Even though that is a law we have already passed, I don't think Federal regulation of health care in Massachusetts is going to make it any better. As a matter of fact, it might make it worse. I think that might be a mistake.

Look at the number of health care mandates on this chart. My State of Oklahoma has 26. The State of Texas has 42. Florida has 44. States have an average, I think, of 30-some or 40. Again, is it really necessary for us to come in and say: States, thank you very much, we are sure you are well-intended, but we know better. We have decided this, and we have had hearings. Our emergency room provision has to be better than yours. Our access to specialists has to be better than yours. We don't know what yours is, but we know ours is better. A colleague showed pictures and said: Look at this child; he was denied the health care. The plan said it was not medically necessary; therefore, the child didn't get the health care. So we are going to change all the laws of all the States because somebody finds some horror stories.

I have said in the past that there have been mistakes. There always will be. There will be some mistakes. We have to decide what is the best way to solve the problem. Is the solution to the problem coming up with more Government mandates—a Federal Government takeover of health care, which is really, in effect, what the Kennedy Patients' Bill of Rights is. Is that the solution? Or will it make it worse? Look at other countries that have really tried socialized medicine, government-controlled medicine, government dictates from A to Z. Is their health care better or worse than in the United States? It is worse. It is much worse. All you need for evidence of that is people in their states continue to come to the United States for quality health care, including their leaders, and including their top officials. They want to have health care in the United States because we have the best quality health care system in the world.

We need to make sure that we do no harm to that system. We absolutely need to make sure that if we can make improvements on the system, let's do so, but let's not make it worse.

Let's not pass this government-knows-best, one-size-fits-all, Washington, DC, HCFA, you are going to run it, and that we have confidence in the government bureaucrats that we are going to hire, and solve all the problems.

Mr. GRAMM. Will the Senator yield before he gets off this point?

Mr. NICKLES. I am happy to yield to my friend from Texas.

Mr. GRAMM. This is very important. Senator KENNEDY keeps standing up and really setting up the straw man and knocking him down, it seems to me.

I want to pose this as a question.

He is saying this bill covers 160 million people, whereas our bill covers only 48 million people.

But isn't it true that under our bill we cover those that are in self-funded plans where the Federal Government has jurisdiction and where the States don't have the freedom to legislate patients' rights? So we deal with the Federal jurisdiction and allow the individual States to set up their own program. But Senator KENNEDY wants to do the same thing that he did in the Clinton-Kennedy health bill of 1993, and that is to have the Federal Government set mandates even though 43 States have passed their own laws.

Is that not the distinction we are talking about? Senator KENNEDY believes that only he knows anything about this and that the State legislature in Texas does not know anything about health care and doesn't care anything about Texas. But Senator KENNEDY knows about it. In fact, he helped President Clinton do the 1993 bill, which would have put everybody into a health care collective run by the Federal Government—one big HMO very much similar to and with all the compassion of the IRS. But now he says that States aren't competent, even though 43 of them have passed patients' bills of rights. He is trying to preempt those States, whereas I understand our bill simply goes to the people who can't, because of Federal law, be covered by State patients' rights.

Is that correct?

Mr. NICKLES. That is correct. I appreciate my colleague making that distinction.

I have a list of all of the mandates that the State of Texas has. I have a list that says 42 States have a State bill of rights.

I might say that those States might have a more far-reaching bill of rights than the proposal that Senator KENNEDY offers. They may; I don't know. But I happen to think they are probably a lot closer to the people in that State. I happen to think if there are complaints, they are more likely to be resolved favorably by the State regulators than they would be by bureaucrats in HCFA that have no idea of how to regulate health care plans.

That quote that I just read from GAO said that HCFA pursued a Band-Aid or minimus approach to enforcing consumer protections, and that HCFA lacks appropriate experience in regulating private health insurance.

The GAO has already studied HCFA's results, and they have failed. Yet Senator KENNEDY's bill says to States: We want HCFA to regulate their insurance.

I just disagree with that. I disagree with that very strongly.

When I see the pictures of the health care catastrophes where somebody was denied care, or somebody didn't get care, I am very sympathetic to the families. But I don't think they are going to get more protection by turning it over to the Federal Government. I think, frankly, they get less.

Mr. GRAMM. If the Senator will yield further, does the Senator believe that HCFA cares more about the people of Oklahoma than the State representatives—the State senator and the Governor—who may not know the Oklahoma needs the way Senator KENNEDY and HCFA know them?

Mr. NICKLES. I will answer the Senator's question. No, I don't. I don't think HCFA knows the State of Oklahoma. I think HCFA is an organization that has a lot of responsibilities, and most of which are not doing a very good job—most of which haven't done a very good job, frankly, regulating Medicare. They have caused a lot of problems, as the Senator from Maine can attest to, whether you are talking about home health care, or whether you are talking about information to seniors. I know for a fact they haven't given information to seniors which was mandated by law under the Medicare changes in 1997.

I am looking at HCFA. I am sure there are some very good quality people who are very concerned about health care in general. But I don't want to turn over all insurance regulation to them, because GAO says they don't have appropriate experience. Frankly, I don't think they can do it as well. I know they shouldn't be doing it. I think that is a responsibility that can and should be left to the States. The States may make mistakes. Individuals may make mistakes. I want to make sure that I point this out before we see—I am sure—dozens more charts of somebody who was denied care.

Ms. COLLINS. Mr. President, will the Senator yield for a question?

Mr. NICKLES. Let me finish this point. I haven't made this point just yet. It is important.

We will have countless charts showing somebody who needs a cleft pallet replaced, or somebody who has lost an arm by mistake, or somebody was not treated. Obviously, any lay person would say, Why didn't that person get health care?

If you pass our plan, we were going to see them and make sure they get health care.

The distinction that I want to make is that the bill that we have before us on the Republican proposal is that every health care plan in America has an internal appeal done by a doctor. The internal appeal is done by a doctor. It is done by a physician. If for some reason that physician still determines that it wasn't medical necessary, that physician can appeal it to an outside, independent expert to make the determination of whether or not it was medically necessary, or whether or not the treatment should go forward.

Hopefully that would solve the pictures, or the horror stores that we have seen.

It wouldn't be decided by politicians. It would be decided by an independent expert in that field who has no financial incentive whatsoever and no connection to the health insurance industry—as I heard one of my colleagues say, Oh. Yes. They are bought and paid for. That is not correct.

What we are offering instead of a lot of litigation and the probability that people will be dropping plans like crazy is the chance for people who need health care to get. If they are denied health care coverage, they get an appeal. If their life is threatened, or if it is dangerous, they can get it immediately, and they can get it done by an independent review board. So they get the health care they need—not get a lot of litigation, and not in the process uninsured millions of Americans.

Ms. COLLINS. Will the Senator yield for a question?

Mr. NICKLES. Sure.

Ms. COLLINS. Will the Senator agree that it is absolutely irresponsible to be proposing a vast expansion of HCFA's authority in regulating the private insurance market given HCFA's record, which includes missing 25 percent of the implementation deadlines in the balanced budget amendment of 1997; of taking 10 years to implement a 1987 law establishing nursing home standards; of yet to have updated 1985 fire safety standards for hospitals; when it is utilizing 1976 health and safety standards for the treatment of end-stage kidney disease; when it is shown that it has been unable to handle the responsibilities that Congress gave it under the Health Insurance Portability and Accountability Act?

Is that part of the Senator's concern about taking away the authority from State governments that are doing an excellent job in providing patient protections, and instead relying on the Federal Government and the agency of HCFA to do that job?

Mr. NICKLES. I certain concur with my colleague from Maine that turning the responsibility over to HCFA won't make any improvement. It will make it worse.

I might qualify part of the Senator's statement. I am not sure that States are doing an excellent job in every area. I think they will do a much better job than they would be if it is turned it over to the Federal Government. I think they would be much closer to fixing the problem, and they could fix the problem of the absence of quality. I think they can fix that much, much better than we can by dictating it from Washington, DC.

Ms. COLLINS. If the Senator will yield on one further point for a question, would the Senator agree that the health committee legislation is an attempt to protect the unprotected consumers, to reach out to those health care consumers that the States are prohibited from protecting, and that, indeed, the assertions we are hearing from Senator KENNEDY, our colleague, and others, and that we are leaving more than 100 million Americans completely unprotected is absolutely false because they are protected under State laws that the States enacted without any prompt from Washington, without any encouragement from Washington, and in fact the States are far ahead of Washington in this debate?

Mr. NICKLES. To answer my colleague from Maine, the Senator is exactly right—although I say we protect the unprotected. Even in the State-regulated plans, we make sure all those plans have an appeals process.

ERISA, which is a national law that does deal with fiduciary standards, deals with reporting standards. We make sure there is also an appeals process that covers 124 million people. Maybe our colleagues on the other side forget that. That is a basic process which we think is much better than saying, let's go to court; you were denied coverage, let's go to court and sue. It may be 3 or 4 years and the plaintiff may eventually get something—or the trial lawyer may get most of the money. We say, instead of going that way, let's go through an appeals process. We formulate an excellent internal and external appeals process for 124 million Americans, broad based, for any employer-based plan.

That is a fundamental asset in our plan that will improve quality health care throughout the country.

Ms. COLLINS. I thank the Senator. I certainly agree with his analysis.

Mr. NICKLES. I yield the floor.

Mr. KENNEDY. Mr. President, how much time do we have?

The PRESIDING OFFICER (Mr. HUTCHINSON). The Democrats have half an hour on the amendment.

Mr. KENNEDY. I yield 10 minutes to the Senator from Illinois.

Mr. DURBIN. There was a historic event that just occurred on the floor of the Senate. Those who look through the CONGRESSIONAL RECORD are going to find something truly amazing has just occurred. This debate on health insurance reform started at 1:10 p.m. It wasn't until 3:59 p.m., almost 3 hours later, that the first Republican Senator referred to our amendment as "socialized" medicine. Almost 3 hours passed on the Senate floor before the Republicans turned to that old, beat up shibboleth—socialized medicine. That may show there has been some progress. In years gone by, that would have been raised in the first 5 minutes.

However, I think it is important my friends on the Republican side of the aisle, who were supporting the approach favored by the insurance industry, stop and consider for a moment that the world has changed dramatically since we used to simplify debate into terms of socialized medicine and the medical practice that most Americans want.

I say to Senators on the floor for the Republican side, do the Senators not consider it odd, if State regulation—which you are lauding—is so effective, that the American Medical Association is suggesting they may have to unionize across America to deal with these health insurance companies? Isn't it strange, if State regulation and State bills of right for patients are so effective, that over 200 medical organizations and others support the Democratic approach for a national standard of protection for all American citizens? If the States are doing such a great job protecting so many people, why are so many medical professionals unhappy? Why are so many families across America calling our office, writing letters, telling these horror stories which we have recounted on the floor of the Senate and will recount during the course of this week?

There may not be a more important debate on the floor of the Senate this year for America's families. We are going to decide this week whether or not you can count on your health insurance. A lot of people across America can't count on it. When it comes down to the tough time, a 12-year-old boy with cancer, as Mr. and Mrs. Ray Cerniglia discussed this afternoon, they had to fight their HMO. A couple, facing the tragedy of a 12-year-old with a rare, dangerous cancer, summons the courage to deal with it. They go for the best medical help they can find. That isn't enough. Now they have to worry about fighting the insurance company.

The Republican approach is: So what. That's business. That is the way things are.

We on this side of the aisle disagree. We believe, along with the medical professionals in America, that American families deserve better. The Republican approach is an approach supported by one group: the insurance industry. The insurance industry is spending millions of dollars on television ads distorting what this debate is all about.

I heard my Republican colleagues talk about States rights: we should leave it to the States to decide whether or not America's families should have good health insurance protection.

Take a look at what the States have already done:

Twelve States haven't done a thing about access to emergency services. If you have a serious accident in your backyard, you can take that little boy who fell out of the tree and broke his arm to the nearest emergency room and not fumble around looking at your insurance policy, wondering if you will be covered.

Thirty-one States have not enacted laws for independent appeals. If an insurance company denies coverage, you have an opportunity for an independent appeal. The Republican approach is an in-house appeal by the insurance company.

Thirty-eight States have not protected families that want to make certain they have access to the right medical specialists. But the Republican bill is one that doesn't guarantee that right to literally over 100 million Americans.

The list goes on and on.

Many of the Republicans who oppose this plan to protect America's families and their health insurance argue "States rights." It is an old argument. Senator KENNEDY, Senator DASCHLE, and others have said: Yes, if you bring these new protections into law, as we would like to have for every American regardless of where they live, the cost of health insurance will go up—$2 a month.

I see crocodile tears on the floor of the Senate as they bemoan the increased costs of health insurance policies if we pass our bill—$2 a month. Isn't it worth $2 a month to have access to a specialist when you need it? Isn't it worth $2 a month to know your doctor is giving you the best medical advice and his decision is not being overridden by some health insurance clerk? I think it is worth that and more.

They on the other side argue that our approach is too much government. It isn't empowering government. We are empowering families across America to have negotiable rights with the insurance companies, that they can stand up and say these are our rights, this is for what we stand.

This isn't a right for government. It is a right for families—families in the most precarious situations in their lives, facing the most serious illnesses. That is what we are doing here. We are empowering families and individuals to stand up to these health insurance companies.

We have seen from the letters—I have seen them from Illinois; every Senator has—how helpless people feel when they have someone in their family who is near death and they are sitting there fighting with some faceless clerk at an insurance company, begging for the care their doctor says their little boy or their little girl needs.

We give these families power with this Patients' Bill of Rights. Why the Republicans oppose this, I don't know. I can understand why the insurance industry opposes it. They have a pretty good thing going on. They make the decisions and they can't even be sued when they are wrong. You can't even take them to court.

I had an interview the other day in Chicago. One of the reporters afterwards said: Let me get this straight. We can't sue these health insurance companies when they make the wrong decision? I said: That is right. It is the only business in America that can't be held accountable for its wrongdoing.

Think about their wrongdoing. It is a matter of life and death. A health insurance company denies a basic treatment and someone can die as a result and they wouldn't be held accountable.

The thing that troubles me, too, is the Republicans leave so many people behind. What they call "our Patients' Bill of Rights" is an empty promise. Mr. President, 113 million Americans without health insurance—no protection in the Republican bill; no protection in a bill supported by the insurance industry.

Look what it means in some of the States of the Senators who have been on the floor today. I say to the Senator from Oklahoma, 1,574,000 people in Oklahoma are not protected by the Republican bill; 79 percent of privately insured are not protected under the Republican plan. Who are these people? They are farmers. They are self-employed people, wheat growers in Oklahoma.

Look at the State of Maine, the potato growers. Farmers there, 557,000 of them, are not protected by the Republican bill; 70 percent of the privately insured are not protected by the Republican bill. State of Texas: We have heard a lot about big government there, haven't we? Over 6 million residents of Texas are not protected by the Republican bill, 59 percent of them.

Yes, it is true. There is a State Bill of Rights in Texas. Governor George W. Bush vetoed it, and it was overridden by the State legislature. It is on the books. But basically we say everybody in America—Texas, Illinois, you name it—deserves the same kind of protection. If the Republicans had their way, in my home State of Illinois, almost 5 million people would not be protected, would not receive the benefit of the reforms we are talking about in health insurance; 59 percent of those privately insured not protected by the Republican plan.

Who are those folks? Let me show you a picture of some of them. This is my home State, farmers left unprotected by the Republican "Patients' Bill of Wrongs." This is a gentleman I know by the name of Tom Logsdon. His 24-year-old daughter was diagnosed with breast cancer. She has gone through a lot. The Republicans would not protect her, would not protect her family because they are self-employed people. They are farmers. They do not believe there should be this kind of protection for those folks. I disagree. I think these families and families across America deserve the same continuity of care, the same protection. I think, frankly, when you look at the choice in this bill, you can understand why the insurance companies support the Republican bill and oppose the Democratic bill.

Here is the only way we are going to get this bill passed. We have to hope that five or six Republican Senators will break ranks and decide to join us in a bipartisan effort to really provide coverage and protection for people across America. If that does not happen, if this breaks down along partisan lines, we will spend a week in debate and the American people will say: What happened? Nothing will have happened. I hope before this debate is concluded we have that bipartisan support.

I yield the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Nevada.

Mr. REID. On behalf of Senator KENNEDY, I yield the Senator from North Dakota 5 minutes.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. DORGAN. Mr. President, I have sat and listened quietly and patiently to the debate over this amendment. I was thinking to myself that, if ever there were an Olympic sport for sidestepping, I surely have seen some gold medal winners this afternoon. The issue in this amendment is, whom does this piece of legislation protect? Whom does the Patients' Bill of Rights protect?

Some people view this debate as a debate between a bunch of wind generators in blue suits, and they do not know whom to believe. So here is an editorial from USA Today—not from Republicans, not from Democrats. The headline of this USA Today editorial reads: "100 Million Reasons GOP's Health Plan Fails. That's How Many People Proposal Will Leave Unprotected." Let me read what it says:

> Judging from the health insurance reform package announced this week by Senate Republicans, at least the title is correct. The proposal is called the Patients' Bill of Rights. If you are waiting for this perfunctory plan to protect you, you'll need to be patient indeed, many of the plan's key protections are restricted to the 51 million Americans who get their insurance through self-insured employer-sponsored plans subject to direct Federal regulation. But another 100 million or so whose health plans are subject to state regulation are excluded.

Again, USA Today says this plan is an empty shell. This plan does not match the needs the American people ought to expect will be met.

I have heard debate this afternoon I would have expected 100 years ago in this Chamber. Back in the years when suspenders and spittoons adorned this Chamber, you would have heard exactly the same debate on every issue. Meat inspection? Let the States do it. The Federal Government should not be involved. Pollution control? Let the States do it. Nursing home regulation? Let the States do it. Minimum wage? The Federal Government should not be involved. That is a debate a century old, and it is old and tired.

The question here is, What kind of legislation are we going to pass that protects American families? Are we going to pass a bill that includes the 100 million people their side leaves out? You were told to be careful of stories about children who tug at your heart because somehow that is not reflective of the whole issue. Jimmy, here, is never going to stroke his mother's face, may never be able to shoot a basket. He has no arms and no legs. Why? Because in the middle of the night when 6-month-old Jimmy was desperately ill, his dad had to drive past the first hospital, drive past the second hospital, drive past the third hospital, in order to get to the hospital they approved for this little boy to get emergency treatment. As a result, he lost his hands and his feet. Our opponents bill does not provide a guarantee that this young boy would have gotten emergency treatment at the first, second, or third hospital. No such guarantee exists in their plan. If it did, it would not apply to 100 million Americans.

They say don't let these stories affect you. That is what this is about. It is about patient care. It is about real people. It is about Jimmy, it is about Ethan, it is about the people I have talked about on the floor of the Senate.

Let me conclude just by pointing out the differences in titles. They brought a bill to the floor of the Senate with the title the Patients' Bill of Rights. That is the same name as the piece of legislation we authored. Ours contains real protections; theirs does not.

Abe Lincoln was debating Douglas, and he could not get Douglas to understand his point. Finally he said to Douglas: Let me ask it this way. He said:

> Tell me, how many legs does a horse have?

And Douglas said,

> Four, of course.

Abe said,

> Now if a horse's tail were called a leg, how many legs would a horse have?

And Douglas said,

> Five.

And Abe Lincoln said,

> No, that's where you are wrong. Simply calling a tail a leg doesn't make it a leg at all.

You can call this proposal that has been offered by the majority party whatever you like, but it does not make it a patients' protection act. As USA Today says in its editorial, if you think you are going to get protection from the Republican patient protection plan, you had better be patient, because it leaves out 100 million Americans. There is a lot of misinformation that has been given on the floor of the Senate today and a lot of sidestepping on the important issues. But I say when this debate is over, do not, as the Senator from Oklahoma suggests, dismiss the concerns and stories that are raised about individual people. After all, the only question really important in this debate is how it affects the individual patients, the men, women, and children who seek treatment in our health care system.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

Mr. NICKLES. I yield to the Senator from Maine such time as she desires.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, we have heard it again. Once again we have heard the myth that is being perpetrated on the other side of the aisle that the bill approved by the health committee leaves millions of Americans unprotected, completely unprotected. You heard it again. That is simply not true. These Americans live in States that have enacted patient protections very similar to the ones included in the health committee bill to apply to those plans where people truly are unprotected. Those are the ERISA plans, the self-funded plans that the States cannot regulate because of a Federal preemption.

According to the CBO, 80 percent of the U.S. population lives in States with laws guaranteeing access to emergency care; 77 percent of Americans work in organizations offering employee health plans with a point-of-service option. The Kennedy mandates, with direct access to OB/GYN, already exist in States containing almost 70 percent of the population. We know that 47 States have enacted laws to prohibit gag clauses, something we all agree need to be prohibited. Why do we need to duplicate and preempt the good work of the States? Why not build on the good work of the States?

The State of Maine has enacted 35 mandates—35 patient protections. Now, who is to say the emergency access protection of the State of Maine is somehow inferior to the one in Senator KENNEDY's bill, just because it differs from Senator KENNEDY's bill? Who is going to make these determinations? Are they going to end up in court? Is HCFA, by the Federal Government, by fiat, going to decide that Maine's was not quite right, that it should be knocked out, replaced by the Kennedy standard, because Washington knows best? Washington is the source of all wisdom in this?

The opponents of our legislation contend that the Federal Government should preempt the States' patient protection laws unless they are identical to the ones in Senator KENNEDY's legislation. However, the States' approaches to the same types of patient protection can vary widely.

States may have emergency requirements but not the exact same standards as in the Kennedy bill. That is the case with the State of Maine.

Moreover, what if the State has made an affirmative decision not to act in one of these areas because the market in their State does not require it and they are concerned about costs? What if the bill has failed in the legislature or has been vetoed by the Governor? Let me give a recent example from my home State of Maine.

Maine law requires insurance plans to allow direct access to OB/GYN care without a referral from a primary care physician but only for an annual visit. Maine's law also requires plans to allow OB/GYNs to serve as the primary care provider.

Our State legislature recently decided that those current laws, which Maine was the head of the Nation in enacting, provided sufficient access, that they corrected a problem in the marketplace. The legislature rejected a bill that would have expanded the direct access provision primarily out of concern that it would drive up premium costs.

I note for my colleague from Massachusetts, this decision was made by a legislature controlled by the Democratic Party. This was not some Republican legislature that made this decision, but rather the legislators in Maine were satisfied with the current law and decided not to expand it because they were concerned about the additional costs that would be incurred.

In cases such as this, the Kennedy proposal for a one-size-fits-all model would just simply preempt the decision made by the State legislature. That is why the National Association of Insurance Commissioners supports the approach that was taken in the legislation reported by the Health Committee.

In a March letter to the committee, the NAIC pointed out:

> The states have already adopted statutory and regulatory protections for consumers in fully insured plans and have tailored these protections to fit the needs of their states' consumers and health care marketplaces. In addition, many states are supplementing their existing protections during the current legislative session based upon particular circumstances within their own states. We do not want states to be preempted by Congressional . . . actions.

The letter continues:

> It is our belief that states should and will continue the efforts to develop creative, flexible, market-sensitive protections for health care consumers in fully insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.

That is exactly what our plan would do. I ask unanimous consent that the letter from the National Association of Insurance Commissioners be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Ms. COLLINS. Mr. President, current Federal law prohibits the States from regulating the self-funded, employer-sponsored health plans that cover 48 million Americans. Our legislation, which is intended to protect the unprotected, to reach those consumers in self-funded plans that the States are prohibited from regulating, would extend many of the same rights and protections to the Americans covered by these plans that are already enjoyed by Americans who are under the State-regulated plans.

The States have been ahead of the Federal Government in this area. They have acted over the past 10 years to correct problems in the managed care marketplace by enacting specific consumer protections. Our bill extends those kinds of protections to those plans that the States cannot reach. We go beyond that, though, when it comes to the procedural protections, the all-important internal and external appeal procedures that are in our legislation. We provide that to all plans across the board. Again, another myth perpetuated by those on the other side of the aisle that somehow our appeals process does not cover these Americans.

We have produced a good bill. It builds on, but does not preempt, the good work of the States. It provides protections to those 48 million Americans whom the States cannot protect. It balances carefully the need to have reforms that ensure that essential care is provided, that no one is denied care that an HMO has promised. It holds HMOs accountable for their decisions. It puts decisions in the hands of physicians, not insurance company executives or accountants and not trial lawyers. It carefully strikes a balance of providing important consumer protections without driving up the costs, as the Kennedy bill would do, in a way that would jeopardize, that would undermine health insurance coverage for millions of Americans.

Mr. President, I reserve the remainder of our time.

EXHIBIT 1

NATIONAL ASSOCIATION OF
INSURANCE COMMISSIONERS,
Washington, DC, March 16, 1999.

Hon. JAMES JEFFORDS,
Chair, Senate Health, Education, Labor, and Pensions Committee, Washington, DC.

DEAR SENATOR JEFFORDS: We are writing this letter in response to some concerns raised by your office regarding the testimony of the National Association of Insurance Commissioners (NAIC) Special Committee on Health Insurance ("Special Committee") before the Senate Health, Education, Labor, and Pensions (HELP) Committee on March 11, 1999. The hearing focused on the rule of the states and the federal government in enacting patient protections for consumers in group health plans. Specifically, concerns have been raised over the Special Committee's testimony and whether the Special Committee now supports a federal floor.

We understand why the members of the Senate HELP Committee would get the impression from our oral testimony that the members of the Special Committee are supportive of a federal floor. During our testimony we may have implied that the members of the Special Committee would accept a federal floor in any federal patient protection legislation. The members of the Special Committee have not made a determination that a federal floor is acceptable. It is our belief that states should and will continue the efforts to develop creative, flexible, market-sensitive protections for health consumers in fully insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.

Rather, the members of the Special Committee are interested in strengthening the distinction between self-funded ERISA plans, which are clearly outside the purview of state law, and fully insured plans. State insurance departments want to ensure that citizens in their states who are covered by fully insured ERISA plans can still rely on the state to address their questions, complaints and grievances and can still expect the same level of protections already established by the states. The states have already adopted statutory and regulatory protections for consumers in fully insured plans and have tailored these protections to fit the needs of their states' consumers and health care marketplaces. In addition, many states are supplementing their existing protections during the current legislative session based upon particular circumstances within their own states. We do not want states to be preempted by Congressional or administrative actions.

During our testimony, we highlighted our Statement of Principles on Patient Protections ("Statement of Principles"), which were created to assist Congress in developing patient protection legislation. The Statement of Principles highlights the elements that we believe must be included in any patient protection legislation and reflects the NAIC's commitment to consumer protection. We suggested that these principles be used as guidelines in drafting any federal legislation.

The principles are as follows:

Principle 1: Federal legislation establishing patient protection laws should reinforce the ERISA saving clause and not preempt existing state health care consumer protection laws, particularly as these protections apply to fully insured health plans.

Principle 2: Federal legislation establishing patient protection laws should ensure a basic level of protections for all health care consumers, focusing particular attention on those consumers in self-funded ERISA plans who do not currently have such protections.

Principle 3: Federal legislation establishing patient protection laws should preserve the state infrastructure already in place.

Principle 4: Federal legislation establishing patient protection laws should ensure that all health care consumers, whether under fully insured or self-funded plans, have access to an appropriate regulatory body for answers to their questions, complaints and grievances.

Principle 5: Federal legislation establishing patient protection laws should establish an appeals process to resolve disputes and enforce decisions for those consumers, such as those in self-funded plans, without access to such a process.

The members of the Special Committee appreciate the efforts of Congress to provide patient protections to all consumers, and we offer the above principles as guidelines in developing such legislation. In doing so, we urge Congress to focus its legislative activity on consumers in self-funded ERISA plans, which are under the federal government's exclusive jurisdiction, and to preserve the state protections that already exist for consumers in fully insured ERISA plans. Again, we have not endorsed the concept of a federal floor with regard to patient protections.

On behalf of the members of the Special Committee, we would like to thank you for the opportunity to testify before the Senate HELP Committee and for the opportunity to clarify our position. If any members of the NAIC can be of further assistance, please feel free to contact Jon Lawniczak at (202) 624-7790.

Sincerely,

GEORGE REIDER, Jr.
President, NAIC.
KATHLEEN SEBELIUS,
Secretary-Treasurer, NAIC.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we have 15 minutes left; is that true?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I yield 7½ minutes to the junior Senator from North Carolina and 7½ minutes to the senior Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. I thank the Chair.

Mr. President, I will briefly respond to the remarks by Senator COLLINS from Maine, for whom I have tremendous respect. She and I have worked together on a number of issues. I know she believes deeply in the cause she advocates this afternoon. I have great professional and personal respect for her. This is an issue on which I happen to disagree with her for a number of reasons.

First, she suggests their plan—the plan she is referring to I assume is the Republican plan—is one that adequately protects patients' rights because of laws enacted in States across the country. If that is so, why is there such an enormous public outcry for reform? The American people believe deeply that patient protection legislation is desperately needed across this country. If these laws already exist and are already in place and are working, why in the world does anybody need to do anything? The reality is that these laws are not in place and they are not working. Let me give a few examples.

For example, access to clinical trials, which is a critical component of our bill: 47 States of the 50 have no provision for access to clinical trials.

External appeals, which are absolutely essential: 32 States have no provision for independent external appeals.

Access to specialists: 39 States have no provision allowing people to designate a specialist as their primary care provider, and 36 States have no provision for standing referrals to specialists.

Continuity of care: 30 States have no continuity of care provisions.

This list goes on and on.

The reality is, No. 1, that the majority of States have none of the protections we are talking about in the Democratic Patients' Bill of Rights. That is the reason there is an enormous public outcry. That is the reason we have a health care crisis in this country today, and it is the reason I respectfully disagree with my colleague, the Senator from Maine.

The second reason is, to the extent a State has passed any kind of patient protection legislation and that legislation conflicts in any way with ERISA, it is preempted. It is absolutely preempted, under existing law, if we never pass anything. Even the laws that have been passed, to the extent those laws conflict in any way with the existing ERISA statutes, are preempted by ERISA.

The bottom line is this: No. 1, if State laws adequately dealt with this problem, we would not have the public outcry, the horror stories which we have heard and will continue to hear in this Senate over the course of the next week.

No. 2, the fact of the matter is, to the extent those laws exist—and they do not exist in the majority of States on the critical issues—to the extent they do exist, they are preempted by ERISA.

I do want to mention one other thing on the issue of cost because there has been a lot of discussion about cost from the Senator from Oklahoma and the Senator from Maine.

First of all, it is critically important to recognize that to the extent we get a patient to a specialist soon, and we do that in our bill, to the extent we allow women to go directly to an OB/GYN as their primary care provider, to the extent we allow patients who are in a critical emergency to go the nearest hospital and be seen by an emergency room department or physician and thereby save that patient's life or reduce the amount of long-term care that patient receives—in every one of those instances we are reducing long-term health care costs in this country.

So I want us to recognize, first, that to the extent we are talking about increased costs, they are only talking about short-term costs, not long-term costs. The truth of the matter is that long-term costs will be reduced by passage of the Patients' Bill of Rights for the very same reason that preventive medicine reduces health care costs in this country, because we are going to get folks to the doctor they need to see sooner; they are going to get the care they need quicker.

The net result of that is that they do not need the ongoing, chronic, long-term care that many patients, unfortunately, have to get because they do not see the physician they need to see as quickly as they need to see them. That is what the external review process does. That is what the internal review process does.

I might add, those two things work in concert with the fact that, under our bill, an HMO can be held accountable in court for what they do. I want the American people to recognize what happens when an HMO cannot be held accountable, when they are treated as a privileged entity. And under existing law they are a privileged entity. They, among all the businesses and corporations and individuals in this country, get special treatment, treatment that none of our families or our children or our small businesses get. They are all held completely responsible. But HMOs, for some reason, are above the rest of us. They are a cut above the rest of us. They get special treatment. They cannot be held accountable in court.

So what happens when an HMO makes an arbitrary and capricious decision and a child suffers a serious injury as a result and has a lifetime of medical care in front of them—for example, a 7-year-old child? If the HMO can be held responsible, the HMO bears that cost, as well they should bear that cost because they are responsible for it.

But what happens if the HMO does not bear the cost? We know where the cost goes. It goes to us. It goes to the American taxpayer. Because those kids do not have the money to pay for chronic, long-term care over the course of their lives. They are paid out of Medicaid. They are paid with taxpayer dollars. The net result of that is that the cost an HMO or a health insurance company would bear has been shifted to the American taxpayer. That is wrong. We know it is wrong. That is one of the things we are trying to do something about in this bill.

I have to add one other thing. The Senator from Oklahoma said over and over during the course of his argument that what our bill proposes is that the Government knows the answer, that the Government has the solution. My response to that, with all due respect, is existing law and the bill of the other side would say the HMO has the answer, the health insurance company has the answer.

I say to the American people, and to my colleagues, we have tried that. We have tried leaving this in the hands of the HMO. We have tried leaving it in the hands of the health insurance industry. And it has not worked.

With that, I conclude by saying I think it is critically important that we cover all Americans, that all Americans are covered by health insurance plans. That is done under the Democratic bill.

The PRESIDING OFFICER. The time has expired.

Mr. EDWARDS. Thank you, Mr. President.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, one of the key issues in this debate is the scope of the provisions; that is, should patient protections we are debating apply solely to those 48 million Americans enrolled in the self-insured ERISA plans or should they apply to all privately insured Americans? Obviously, there can be varied views on this subject, as we heard from the Senator from Maine, the Senator from Oklahoma, and otherwise on the floor today.

In 1996, through the Kassebaum-Kennedy law, Congress passed reforms to the private health insurance marketplace with respect to portability. In my opinion, we should use the same framework used then with respect to scope and effect on State law. Thus, we should establish, I believe, a minimum floor of Federal protection for all 164 million privately insured Americans, not just those 48 million enrolled in self-insured ERISA plans.

I see no reason for narrowing the scope of the patient protections in this next and far more consequential area of reform. Protections as critical to patients as the right to a specialist when needed should apply to all Americans, I believe.

Some of my colleagues argue that it is the individuals only in the self-insured plans—those completely out of State reach—who should benefit from these Federal protections. While it is true that States do have the authority to legislate patient protections for these other plans, that alone, I believe, is insufficient reason to deny these basic quality improvements and safeguards to all 164 million Americans in privately insured plans. Such a system would, in my judgment, create many unnecessary and inequitable circumstances for consumers and exacerbate the already unlevel playing field which exists in the health insurance marketplace.

Congress has recognized the need for minimal Federal guarantees regarding health insurance in several instances. I think this is very important to note. For example, in addition to the portability protections included in the Kassebaum-Kennedy bill, all Americans have been granted protections for continuation of care under the so-called COBRA, the Consolidated Omnibus Budget Reconciliation Act of 1985. They have been given this protection in mental health parity. They have been given this protection in maternity lengths of stay. They have been given this protection just last fall when we passed the breast reconstructive surgery protections. And we extended that to all Americans; we did not restrict it just to the self-insured under the ERISA plans.

Republicans and Democrats alike continue to recognize the need for Federal protections that apply to the entire health insurance market. The generic nondiscrimination provisions of S. 326 would apply to plans beyond the self-insured ERISA plans.

Where is the logic in creating Federal protections applying to the entire health insurance market regarding these aspects of health insurance but not patient protections as fundamental as access to external appeal or emergency services?

Furthermore, as with many other limited preemption laws on the books, this approach would not preempt equal or stronger patient protections which have been adopted by the States.

Look at this list. These are not health matters. These are environmental matters. They are consumer and other statutes. They start with the Clean Air Act. All of these statutes provide a floor of Federal protections that the States can and, in some instances, do go beyond.

The Federal Government has come in, in all these instances, and said: This is a floor—Toxic Substances Control Act, Safe Drinking Water Act. If you in the State want to go further, fine, go ahead, but these are the minimals you have to do. That is what we are suggesting presents a real problem in the legislation that has been reported and then discussed by the Senator from Maine and the Senator from Oklahoma.

It is critical that the protections we adopt this week in the Senate apply to all Americans, including those with plans regulated by the States because State protection is extremely spotty. One justification for applying privacy protections to the entire health insurance market is that there is not a complete body of State law on privacy. For example, it is likewise true with respect to patient protections. Considering only a few of the most important patient protections, only 15 States have adopted an external review procedure and only 13 States have adopted standing referrals to specialists.

It is important to note that by not covering all Americans, many of the most vulnerable insurance customers will be left with no protection. You go out to buy a policy. You do not have employee benefit managers; you do not have somebody to look after you like that; and you are at the mercy of the insurers making decisions based solely or primarily on cost considerations.

To summarize, all Americans, I believe, should have these basic protections regardless of whether the plan they are in is regulated at the State or Federal level. In fact, most Americans probably do not know who is responsible for regulating their plan and should not have to worry when they are sick as to who is the regulator and what protections they have as a result. They should have the assurance that however their plan is regulated, it will provide them the care they need according to the most basic and commonsense principles.

I thank the Chair.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, how much time do we have on this side?

The PRESIDING OFFICER. Fifteen and a half minutes.

Mr. FRIST. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. FRIST. Let me just say at the outset that I, for one, am very glad that we are on this bill, the Patients' Bill of Rights. It is a bill that is terribly important to the American people. All of us know, as we conduct our town meetings around our various States, that we have a real problem today in that today's problem is reflected in the feeling of helplessness by patients, helplessness by physicians, helplessness by other providers when it comes to managed care. There are reasons for that.

As my colleagues know, I am a physician and was involved in the practice of medicine and training for about 20 years where every day—before coming to this body—I took care of many patients, thousands of patients, well over 10,000 patients, and the changes have been tremendous over the last 20 years as we look at how health care is delivered and the reasons for it.

Right now our society, our country is caught up in a rapidly changing health care system. In all those changes and in that evolution, many challenges have been introduced. Part of our responsibility as Senators, as trustees to the American people, is to make sure that we very gently, but in many ways very firmly, make sure these challenges are faced in a systematic way, such that a patient—again, I come back to patients. We are going to hear about cost and about managed care companies and health maintenance organizations and trial lawyers and costs going up and big budgets. I hope throughout this week we will come back again and again to patients. Patients have to be at the center of this debate.

When we talk about patients, we are talking about a Patients' Bill of Rights, a bill of rights that patients can expect when they are dealing with the health care system and with managed care and with HMOs. We also need to be talking about the quality of care that is delivered. We need to be talking about access and not ever forget about the 43 million people who don't have health insurance.

For the most part, people say: Well, let's deal with the people who have insurance, group health insurance with managed care plans. Let's make sure their rights are protected. In doing that, let's not forget that there is a whole group of people over here, 43 million people—too many people, inexcusable, I feel—who don't have any health insurance at all, making sure that when we fight for the rights of the people who do have health insurance, we don't want to drive more people to the ranks of the uninsured, who don't even have insurance in the first place.

When we talk about the Patients' Bill of Rights, whether it is the gag clause or access to specialists or scope of the plan, let's not forget that we are talking about individual patients. In trying to get rights to one segment, let's not go so far or too far in all the anger that we feel against managed care that it drives up the ranks of the uninsured.

Why is this access issue important? We know—studies document it again and again—that in America, if you have some health care insurance, the health care system does open up to you broadly. If you have no health care insurance at all, it is less likely that that health care system will open up to you broadly. So the last thing I think we want to do in this body is take rights to such an extreme that we drive up the number of uninsured, recognizing that access is a huge problem, a huge challenge for our country.

When I first started 20 years ago in the field of medicine, it was very different. The practice of medicine was basically straight out fee for service. Very few physicians were in groups. They were practicing by themselves. They had full autonomy. They were making a very good living, basically went to medical school and worked very hard. They had professional ethics of "do no harm," all of which continues today, except the system around them has changed dramatically. Managed care 20 years ago was tiny. Today, managed care, coordinated care, health maintenance organizations, if you look at the overall, nongovernment coverage is the majority of care that we give. And as a product of that, we have this pendulum which has swung back and forth over time. It is true—that is why we are debating this bill today—there is no question that that pendulum has swung way over towards managed care and away from individual patients, individual people who need that care, who will go to bed tonight worried that if they have a heart attack tomorrow, will they be taken care of appropriately, will they have access to the emergency room, will they have access to the appropriate specialist. That is where this whole Patients' Bill of Rights comes in because over the last 5 years or 10 years that pendulum has swung way in the favor of managed care.

Now, I believe we are going to hear a discussion over the next week of how we can best get that pendulum back to the middle and have that balance between patients and physicians on the one hand and managed care on the other.

One of the objectives I would like to see as we go forward in a very rational way, after we cut away all the rhetoric, going at each other and the hot debate, is to come back and say: Let's keep our eye on the ball. The ball is the patient who is in this system of managed care, and not physicians and trial lawyers and lawsuits, and make sure we say that they are going to get the very best care. If anything is going to happen to them, they know they will have certain rights in this evolving, changing world.

It has gotten to the point that it is not just anecdotal, but some managed care, some health maintenance organizations have garnered so much power, so much control that they have abused the system. The whole accusation that some HMOs are in the business of practicing medicine is hard to argue against. I think one of our objectives needs to be to make sure that we don't have insurance companies or managed care companies or HMOs practicing medicine. In other words, get that pendulum back to that patient, to that decisionmaking through that doctor-patient relationship.

On the other hand, I think it is irrational to assume that we will go back 20 years and not have managed care, not have coordinated care, not have health maintenance organizations. That being the reality, we want to have a strong Patients' Bill of Rights that looks to those patient protections that empower the patient, empower the American citizen, empower the physician and bring that pendulum back over to that doctor-patient relationship, to keep the patient in charge.

We have on the floor now a Democratic bill, a Republican leadership bill, and we have one amendment talking about the scope. We will need to come back to talk a little bit more about scope because it is one of the important issues where there is a sharp dividing line. We will hear words like "medical necessity," the issue of scope, of medical specialists, but amidst all of that, let's come back to the patient.

Let me speak to what is in the Bill of Rights Plus Act, which is the Republican bill which is now on the floor, in terms of scope. Scope really means who is being covered. Does this bill cover just a targeted population, the whole population, a part of the population? You can almost look at it as a pie chart in your mind.

There are a number of provisions in each of these bills. You have to go through each of the provisions when you are talking about scope.

When we talk about the issue of comparative information in the Republican leadership bill, all group health plans would be required to provide a wide range of comparative information about health insurance coverage so that the individual patient knows what is covered and what is not covered, what that relationship is, what they have actually signed, what that contract is about, what the network descriptions are, what the cost-sharing information is. The scope is complete, all 124 million people in the Republican bill are covered by that particular provision, the information.

When we look at what I think is fundamentally the most important mechanism by which we are fixing the system, getting that pendulum back over in the middle between managed care and the patients and the physicians, it is the whole process of accountability, the grievance and appeals process, the internal review process, the external review process. Over the next 4 days, we will be talking a lot about how these appeal processes work.

If you look at the way health care is delivered, I do believe this is one of most important provisions in the Patients' Bill of Rights. Both bills address grievance and appeals, but I want to make it very clear, in terms of the Republican bill, that the scope is complete, with all 124 million Americans covered. The scope is complete. All group health plans would be required to have written grievance procedures and have an internal review process. So if you have a patient who disagrees with the coverage from the plan, or a doctor and a patient who disagree with a plan, they will have someplace to go in an internal review process. If they don't like what the internal review process says, if there is disagreement on coverage between the doctor, the patient, and the plan, they can go outside the system to an external review process.

Now, what I like very much about our plan, which I think is very important, is that our external review process has a physician in charge. It is not an insurance company; it is not a trial lawyer; it is not a bureaucrat. It is a medical—I will use the word—"specialist," if necessary, in that field who is independent of the doctor, the patient, and the plan.

Remember, that external appeals process all started with a disagreement on coverage; you have gone through the internal appeals process, and now you are outside. You go through an external appeals process and that person also is independent.

So we have an internal appeals process, and then we have an external appeals process, where you have an independent physician reviewing the coverage and making the decision. In addition, that independent medical expert makes the final decision on coverage—not a trial lawyer somewhere, not a court, not a lawsuit, but an independent medical specialist makes the final decision on coverage. That decision is binding; it is binding on the plan.

Therefore, we aim at the heart of what I think is broken today; that is, if there is some sort of disagreement, if the managed care is taking advantage in some shape or form of an individual patient or individual physician, we have an independent medical expert making the final decision, not some statute written here in the Congress, not some definition that we try to give it if we try to define "medical necessity" in statute, but somebody who is independent and outside of the system.

I mention that because when we are talking about scope, all 124 million people in plans are covered, not a segment. It has nothing to do with ERISA, and non-ERISA, and State-regulated, and Federal-regulated. All 124 million Americans are covered by both self-insured and fully insured group health plans. All 124 million Americans are in there.

Again, when we talk of scope and about the information components of our bill, everybody is covered. What I think is much of the heart and guts of this bill is the accountability provisions, the accountability of managed care, the accountability of coordinated care. Everybody is covered, all 124 million people.

Now, in our bill, we also have an important component on genetic information. As we all know, the human genome project has been tremendously successful. We have 2 billion bits of information coming out in the next several years and, with that, we raise the potential for insurance companies, or managed care companies, to use that information to discriminate against a patient. In other words, if a patient had a test, and there was an 80-percent chance that a patient would develop cancer, and that information were to get out, an insurance company might say: We are not going to insure you. That is interesting information so we are going to raise your rates.

We are not going to let that happen. That provision in our bill—which is not in the Democrats' bill—basically covers everybody. Scope is complete.

Now, the one area where scope is targeted in a particular area is what we call the consumer protections, patient protections. That is the gag clause, the access to specialists, the prudent layperson access to emergency rooms, and the continuity of care.

Mr. President, do we have 1 minute remaining?

The PRESIDING OFFICER (Mr. BROWNBACK). That is correct.

Mr. FRIST. Mr. President, I will yield 30 seconds to my colleague, Senator ENZI. Let me notify my colleague that he will have more time than that. Instead of yielding now, I will yield to him in about a minute.

Mr. President, do we have 30 seconds left on the amendment?

The PRESIDING OFFICER. The chairman will be recognized for 30 seconds.

Mr. FRIST. Mr. President, the last area, in terms of focus, where the scope narrows down, is that for the specific patient protections we cover the 48 million people. Why? Because they are not covered. They are not regulated by the States, and that is why we target that population.

The PRESIDING OFFICER. The Senator from Tennessee has 30 seconds remaining.

Mr. FRIST. Mr. President, I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes on the bill.

Mr. KENNEDY. Mr. President, I am not going to take the time right now. I was waiting for my good friend, Dr. FRIST, to be able to get into the questions of scope. I was waiting for Dr. FRIST to and answer why the protections included in our legislation—for example, the guarantees for emergency room care, the access to specialists who might be necessary to care for a sick child, the formulary protections that were included in our legislation, should not apply to all Americans. I was waiting to ask Dr. FRIST why the Republican House of Representatives bills protect 124 million Americans, while the Senate Republican legislation falls woefully short on those particular protections.

I hope in these next few days we come back to what this whole debate is about, the commonsense protections that are included in this bill. That is what is important. Are we really going to have the protections necessary to guarantee the prudent layperson's judgment is used in determining whether emergency room treatment is covered? Are we going to have that? Are there going to be real protections, or are we going to have in the fine print something that effectively creates a loophole? Let's get to addressing that issue.

Let's start talking about guaranteeing access to clinical trials, which are so important to women who have cancer. Clinical trials may be the only option for saving their lives—yet their medical doctor says this is in your best interest but the HMO says no. That is what this legislation is about.

The information that the Senator talked about is all very valuable, but what this is about is clinical trials. Their particular proposal requires a study of this particular provision. There isn't a clinical researcher out there, or I daresay a member of the National Cancer Institute at the NIH, who does not support the importance of clinical trials. That is what is at the heart of this. Those are the kinds of protections we are talking about here. Are we going to make sure we will finally have the accountability that is so important to assure that plans are really going to be serious in guaranteeing good quality health care?

Mr. President, on behalf of my colleagues, Senators GRAHAM and others, is it in order for me to send an amendment to the desk?

The PRESIDING OFFICER. Until the time has been used or yielded back on the first-degree amendment, a second-degree amendment is not in order.

Mr. KENNEDY. Mr. President, how much time remains on the first-degree amendment?

The PRESIDING OFFICER. There are 30 seconds on the Republican side and a minute and a half on the Democrat side.

Mr. KENNEDY. Mr. President, I yield our time.

Mr. FRIST. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. There is not sufficient time to suggest the absence of a quorum.

Mr. FRIST. Mr. President, I yield 10 minutes to Senator ENZI to speak on the general debate time.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 10 minutes on the general debate time.

Mr. ENZI. Mr. President, I am sorry that in my absence from the floor for a few minutes there was some exception taken to the comments that I made about the Democrats' proposal for this one-size-fits-all, budget-busting Federal bureaucracy bill.

I am pleased now to return to be able to talk a little bit more about States rights and to support the scope of the Republican amendment.

Among the handful of principles that are fundamental to any true protection for health care consumers, probably the most important one is allowing States to continue in their role as the primary regulator of health insurance—not a Federal bureaucracy.

This is a principle which has been recognized—and respected—for more than 50 years. In 1945, Congress passed the McCarran-Ferguson Act, a clear acknowledgment by the federal government that states are indeed the most appropriate regulators of health insurance. It was acknowledged that states are better able to understand their consumers' needs and concerns. It was determined that states are more responsive, more effective enforcers of consumer protections. And, as if we need to re-learn this lesson yet again, it is usually for the best when we let each state respond to the needs of its own consumers.

As recently as this year, this matter of fact was reaffirmed by the General Accounting Office. GAO testified before the Health, Education, Labor, and Pensions Committee, saying, "In brief, we found that many states have responded to managed care consumers' concerns about access to health care and information disclosure. However, they often differ in their specific approaches, in scope and in form."

Wyoming has its own unique set of health care needs and concerns. But, despite our elevation, we don't need the mandate regarding skin cancer that Florida has on the books. My favorite illustration of just how crazy a nationalized system of health care mandates would be comes from my own time in the Wyoming Legislature. It's about a mandate that I voted for and still support today. You see, unlike in Massachusetts or California, for example, in Wyoming we have few health care providers; and their numbers virtually dry up as you head out of town. So, we passed an any willing provider law that requires health plans to contract with any provider in Wyoming who's willing to do so. While that idea may sound strange to my ears in any other context, it was the right thing to do for Wyoming. But I know it's not the right thing to do for Massachusetts or California, so I wouldn't dream of asking them to shoulder that kind of mandate for our sake when we can simply, responsibly, apply it within our borders.

An extra, unnecessary layer of mandates, whether they be for certain kinds of coverage or for a protection that not everybody needs or wants, are so-called "protections" we simply shouldn't force people to pay for. If we were all paying for skin cancer screenings that only a few of us need or want, or if we were all paying for any willing provider mandates that only some of us need to assure access, then we'd all be one of two things—either over-charged, not-so-savvy consumers, or we'd be uninsured.

As consumers, we should be downright angry at how some of our elected officials are responding to our concerns about the quality of our health care and the alarming problem of the uninsured in this country. It is being suggested that all of our local needs will be magically met by stomping on the good work of the states through the imposition of an expanded, unenforceable federal bureaucracy. It is being suggested that the American consumer would prefer to dial a 1–800–number to nowhere versus calling their State Insurance Commissioner, a real person whom they're likely to see in the grocery store after church on Sundays.

As for the uninsured population in this country, carelessly slapping down a massive new bureaucracy on our states does nothing more than squelch their efforts to create innovative and flexible ways to get more people insured. We should be doing everything we can to encourage and support these efforts by states. We certainly shouldn't be throwing up roadblocks.

And how about enforcement of the minority's proposal?

One of the findings of the amendment reads as follows, "It would be inappropriate to set federal health insurance standards that not only duplicate the responsibility of the 50 State insurance departments but that also would have to be enforced by the Health Care Financing Administration (HCFA) if a

State fails to enact the standard." In other words, not only is it being suggested that we trample the traditional, overwhelmingly appropriate authority of the states with a three-fold expansion of the federal reach into our nation's health care, they want HCFA to be in charge. HCFA, the agency that leaves patients screaming, has doctors quitting Medicare, and, lest we not forget, is the agency in charge as the Medicare program plunges towards bankruptcy.

I could go on at length about the very real dangers of empowering HCFA to swoop into the private market with its embarrassing record of patient protection and enforcement of quality standards. For example, it took ten years for HCFA to implement a 1987 law establishing new nursing home standards intended to improve the quality of care for some of our most vulnerable patients. According to the General Accounting Office, HCFA missed 25 percent of its implementation deadlines for the consumer and quality improvements to the Medicare program which were required under the Balanced Budget Act of 1977—10 years.

Even more alarming is that HCFA is still using health and safety standards for the treatment of end-stage kidney disease that are 23 years old! Equally astonishing is that HCFA has yet to update its 1985 fire safety standards for hospitals. HCFA is a federal bureaucracy at its worst, making it the last place to which we want our consumer protection responsibilities to revert.

The message is pretty clear to me. Expanding the role of the federal government well beyond its lawful authority would be a big mistake. The scope of federal authority under the Employee Retirement Income Security Act (ERISA) with regard to the regulation of health care is well understood. Duplicating, complicating and ultimately unraveling 50 years of state experience and subsequent action makes no sense. For those of my colleagues who think no one is bothered by that, I, and the 117 million Americans currently protected by State health insurance standards, beg to differ.

Our federal responsibility lies with the 48 million consumers who fall outside the jurisdiction of state regulation. That's our scope; that's our charge. That's what the states are politely reminding us of right now.

In March of this year, the National Association of Insurance Commissioners implored us not to make a mess of what they've done for health care consumers, saying, "The states have already adopted statutory and regulatory protections for consumers in fully insured plans and have tailored these protections to fit the needs of their states' consumers and health care marketplaces. In addition, many states are supplementing their existing protections during the current legislative session based upon particular circumstances with their own states. We do not want states to be preempted by Congressional or administrative actions." I'm stunned that their plea is so easy for some to ignore.

I will not undo what's good in Wyoming only to offer my constituents what's good for Washington. That's my mandate from them.

When we balk at the minority's "one-size-fits-all" proposal, it sounds like such a cliche, but the health care needs and wants in this country are a living, breathing example of why a singular approach is a bad prescription for American consumers. No one should be forced to swallow this poison pill.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. NICKLES. On my time equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent to yield back the remainder of our time on the last amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1234 TO AMENDMENT NO. 1233

(Purpose: To do no harm to Americans' Health Care Coverage and expand health care coverage in America)

Mr. NICKLES. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for Mr. SANTORUM for himself, Mr. BOND, Mr. NICKLES, Mr. HUTCHINSON, and Mr. CRAIG, proposes an amendment numbered 1234 to Amendment No. 1233.

Mr. NICKLES. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word in line three and insert the following:

SENSE OF THE SENATE CONCERNING THE SCOPE OF A PATIENTS' BILL OF RIGHTS.

(a) FINDINGS.—The Senate makes the following findings:

(1) Congress agreed that States should have primary responsibility for the regulation of health insurance when it passed the McCarran-Ferguson Act in 1945.

(2) The States have done a good job in responding to the consumer concerns associated with a rapidly evolving health care delivery system and have already adopted statutory and regulatory protections for consumers in fully-insured health plans and have tailored these protections to fit the needs of their States' consumers and health care marketplaces.

(3) 117,000,000 Americans who are enrolled in fully insured plans, governmental plans and individual policies are protected by State patient protections.

(4) Forty-two States have already enacted a Patient's Bill of Rights.

(5) Forty-seven States already enforce consumer protections regarding gag clauses on doctor-patient communications.

(6) Forty States already enforce consumer protections for access to emergency care services.

(7) Thirty-one States already enforce consumer protections requiring a prudent layperson standard for emergency care.

(8) The Employee Retirement Income Security Act of 1974 (referred to in this section as "ERISA") expressly prohibits States from regulating the self-funded employer sponsored plans that currently cover 48,000,000 Americans.

(9) The National Association of Insurance Commissioners has recommended that Congress should focus its legislative activities on consumers in self-funded ERISA plans, which are under the Federal Government's exclusive jurisdiction, and preserve the State protections that already exist for consumers in fully insured ERISA plans.

(10) The National Association of Insurance Commissioners has expressly stated that they do not endorse the concept of a Federal floor with regard to patient protections.

(11) Senate bill 6 (106th Congress) would greatly expand the Federal regulatory role over private health insurance.

(12) It would be inappropriate to set Federal health insurance standards that not only duplicate the responsibility of the 50 State insurance departments but that also would have to be enforced by the Health Care Financing Administration if a State fails to enact the standard.

(13) One size does not fit all, and what may be appropriate for one State may not be necessary in another.

(14) It is irresponsible to propose vastly expanding the Federal Government's role in regulating private health insurance at a time when the Health Care Financing Administration is having such a difficult time fulfilling its current and primary responsibilities for Medicare.

(15) In August, 1998, the United States Court of Appeals affirmed a district court ruling that the Health Care Financing Administration failed to enforce due process requirements and monitor health maintenance organization denials of medical service to medicare beneficiaries.

(16) On April 13, 1999, the General Accounting Office testified that the Health Care Financing Administration failed to use its authority to ensure that medicare beneficiaries were informed of their appeals rights under managed care plans.

(17) The General Accounting Office testified at a July, 1998 hearing in the Ways and Means Committee of the House of Representatives that the Health Care Financing Administration missed 25 percent of the implementation deadlines for the consumer and quality improvements to the Medicare program under the Balanced Budget Act of 1997.

(18) The Health Care Financing Administration should not be given new, broad regulatory authority as they have not adequately met their current responsibilities.

(19) The Health Care Financing Administration took 10 years to implement a 1987 law establishing new nursing home standards.

(20) The Health Care Financing Administration has yet to update its 1985 fire safety standards for hospitals.

(21) The Health Care Financing Administration is utilizing 1976 health and safety standards for the treatment of end-stage kidney disease.

(22) ERISA preempts State requirements relating to coverage determinations, grievances and appeals, and requirements relating to independent external review.

(23) In a recent judicial decision in Texas (*Corporate Health Insurance, Inc. V. The Texas Department of Insurance*), the lower court held that ERISA does preempt the State's external review law as it relates to group health plans.

(b) DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.—IN GENERAL.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(c) CLARIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(l)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(c)(4)) of the taxpayer or the spouse of the taxpayer."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

Mr. NICKLES. Mr. President, for the information of our colleagues, let me outline where we are procedurally. We notified Members under the unanimous consent request that we would lay down S. 6, the so-called Kennedy bill, to mark up. The Democrats offered a substitute to that, the Republican bill that passed out of the Labor Committee, S. 326.

The Democrats then offered a first-degree perfecting amendment to the substitute, to the Republican bill. Their amendment dealt with scope. Their amendment says: We want the Federal Government to have far-ranging scope to overrule all State plans. All State plans must do such and such under their first-degree amendment.

I am offering a second-degree amendment on behalf of my colleagues. The amendment would do two things. One, it is the sense of the Senate that the States are the primary providers of health care, for good reasons. States have hundreds of mandates. We don't think the Federal Government should come in and say: We know best; Senator KENNEDY knows what is best; HCFA knows what is best; the Health Care Financing Administration should regulate all health care plans.

We think that would be a mistake. We don't think that, many times, the Federal Government knows best. That doesn't mean all State plans are administered perfectly. It doesn't mean that they are not without problems. We just don't think HCFA—the Health Care Financing Administration—overruling States, dictating to the States, or this Congress, or Senator KENNEDY, should be saying: States, here is what we know should be in your plan.

We state that in the sense of the Senate.

We also state some other things that come not just from Republicans but from the GAO. The Health Care Financing Administration has, in paragraph 16, stated:

> On April 13, 1999, the GAO office testified the Health Care Financing Administration failed to use its authority to ensure that Medicare beneficiaries were informed of their appeals rights under managed care plans.

HCFA failed, according to the GAO. Yet Senator KENNEDY's bill says: We want to give HCFA more power.

Section 17 says the GAO testified in a July 1998 hearing in the Ways and Means Committee, House of Representatives, that the Health Care Financing Administration missed 25 percent of the implementation deadlines for consumer and quality improvements to the Medicare Program under the Balanced Budget Amendment of 1997.

Senator COLLINS alluded to that earlier.

Section 18 states the Health Care Financing Administration should not be given new, broad authority as they have not adequately met their current responsibilities.

I could go on.

Section 1 of this amendment states the States should maintain primary regulatory authority over health care.

Section 2 states that self-employed individuals should be able to deduct 100 percent of their health care premiums.

It is ironic that when we talk about health care we have such inadequate, inequitable treatment under the present Tax Code. Corporations deduct 100 percent of their health care costs; self-employed individuals deduct 45 percent. I personally am offended by that provision. I used to be self-employed, and I used to run a corporation. I wanted health care for my family in both circumstances. When I was self-employed, you could deduct almost nothing. Any person self-employed today can deduct 45 percent. Under the present Tax Code, in another 8 years they finally get to deduct 100 percent. That is a mistake. It needs to be remedied. We remedy it in this amendment. We provide 100 percent deductibility, beginning December 31, 1998—it would be effective immediately—100 percent deductibility for the self-employed.

I want my colleagues to understand that under this provision we are correcting the fact that the self-employed can only deduct 45 percent of their health care costs. We are expanding access. We are making it possible for more people to buy health insurance. I hope we will have strong bipartisan support for this provision.

This amendment is a second-degree amendment to the underlying amendment offered by Senator KENNEDY and Senator DASCHLE that tries to expand the scope that says the Federal Government knows best. We say no, the States should be the primary regulator over health insurance, and self-employed individuals should be entitled to deduct 100 percent of their health care premium.

I yield to my colleague from Arkansas such time as he desires.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I rise in very strong support of the second-degree amendment of the Senator from Oklahoma, the sense of the Senate regarding the State being the primary regulator of health insurance plans, as well as the provision supporting 100 percent deductibility for the self-employed.

We talk about scope. We talk about increasing the number of people in this country who have health insurance. This is one of the most important steps we could possibly take.

Over the next 3 days, the Senate will debate legislation that will impact the lives of every American in terms of health care benefits they receive. The Kennedy bill that we will talk a lot about in the next few days, while called the Patients' Bill of Rights, is certainly not as simple as it sounds. It involves decreased access; it involves higher costs; and it involves the quality of our Nation's health care.

In 1997, the percentage of uninsured individuals under the age of 65 in my home State of Arkansas was 28.2 percent. Arkansas ranks the lowest in the country in terms of the percentage of individuals covered by private insurance and is second to dead last in terms of the percentage of workers covered by employment-based health insurance.

An even more alarming figure is that Arkansas has the highest rate of uninsured children in the Nation. I applaud the efforts of our Governor in Arkansas and the State legislature in trying to change that, but still it is a very alarming figure.

Any legislation this body passes will have a direct impact on Arkansas workers and families. The bill introduced by Senator KENNEDY and his colleagues would increase premiums by as much as 6.1 percent according to the Congressional Budget Office. If we pass the Kennedy bill and were it signed into law, over 1.8 million people would lose their health insurance coverage.

We see heartrending portrayals of those who have been denied care under managed care plans, and we ought to be concerned about that. That is why we have a bill that is going to provide protections for 48 million Americans under self-insured ERISA plans. But as Senator FRIST from Tennessee well pointed out, let's not forget the millions, over 40 million Americans, who are without any health insurance at all and whose numbers are going up by the day.

The Kennedy bill, by increasing premiums over 6 percent, will result in over 1 million, nearly 2 million more Americans being added to the ranks of the uninsured. Let's not forget those. Those are the ones who are most vulnerable. If we could only put up their portraits, portrayals of those millions of Americans who, day in and day out, are living without the protection that most Americans take for granted in their health insurance plans, I think we would see the Kennedy bill, the so-called Bill of Rights, in a different light altogether.

If we pass the Kennedy bill, 1.8 million people will lose health insurance coverage they now have. That is demonstrated by a Lewin study commissioned by the AFL–CIO which shows that for every 1 percent increase in premiums an additional 300,000 people will become uninsured.

My colleague, Senator KENNEDY, during the markup of the Republicans' Patients' Bill of Rights Plus Act, stated that this premium increase would be spread out over several years; therefore somehow that made it acceptable. I suspect that the 6-plus percent increase in premiums being spread out over several years and the additional 1.8 million people added to the ranks of the uninsured which occurs over several years is of little comfort to those who will lose their insurance as a result of this bill. No matter how you slice it, the total number of people impacted, the 1.8 million people impacted, remains the same. That is simply unacceptable.

Last year, 98 Members of the Senate voted for an amendment expressing their belief that Congress should not increase the number of uninsured. Clearly, the Kennedy health care bill violates this statement of belief. The uninsured population in the United States grew from 32 million to, most recently, 43 million in 1997. It is certain the Kennedy legislation will only make this growing problem even worse.

The result of passing the Kennedy health care bill is more hard-working Arkansas families, more American families will go without health care insurance. The Kennedy bill gives quality health care only to those who can afford it. On average, the Kennedy bill would cost employees an additional $183 per year according to the Congressional Budget Office, and the cost for families under the Kennedy bill is estimated to be an additional $275 per year. Whether it is $183 or $275 per year, the Kennedy bill places a huge additional expense on American families which many simply cannot afford. What the Democrats give with one hand, they take away with the other. How can you say you are protecting people when you are taking their insurance away from them?

By contrast, the Republican Patients' Bill of Rights Plus Act, I believe, is both rational and responsible. It protects those who are not covered by State regulations. It ensures that health insurance premiums will not rise more than a fraction of a percent according to CBO. It also provides important tax incentives to increase access to health insurance for the current uninsured population, including the 100 percent deductibility of health insurance premiums for the self-employed and the expansion of medical savings accounts.

There are few more effective things we could do in the area of patients' rights to expand access than to include the self-employed and give them that 100-percent deductibility that they so deserve. According to one recent poll by Public Opinion Strategies, 82 percent of the public want Congress to make health care more affordable. The Republican Patients' Bill of Rights Plus Act responds to that need and that overwhelming desire of the American people.

Does the Kennedy bill do anything for the 43 million uninsured Americans in this country? The answer to that is very simple, it is very plain, and I think it is absolutely undisputed. The Kennedy bill does nothing to assist 43 million Americans who do not currently have health insurance get that insurance they so desperately need. It does nothing. So while we hear from bleeding hearts, while we hear emotional stories, I ask my colleagues to remember, I ask the American people to remember, the 43 million who currently do not have insurance need to have it more accessible. The Republican bill does that while providing greatly enhanced protections for the 43 million Americans who are in self-insured plans under ERISA. Not only does the Kennedy bill increase cost and decrease access, it creates a whole new system of Government-run health care. The Kennedy bill would create 359 new Federal mandates, 59 new sets of Federal regulations, and would require 3,828 new Federal bureaucrats to enforce the legislation at a cost to taxpayers of $155 million per year. The question begs to be asked: Who will benefit from this new bureaucracy and maze of Government regulation? Patients? Or the bureaucrats? I think we know the answer.

It is illustrated by a chart we have already seen today. The bottom of this chart, a summary of the effects of the Kennedy bill, are all of the new mandates that would be imposed as a result of the Kennedy legislation. Flowing from these mandates are the arrows and all of the various bureaucratic agencies required to enforce the Kennedy health care bill.

It is simply a one-size-fits-all approach to regulating health care in this country. It disregards the good work that has already been done by the States in this area, as opposed to what the Republican bill does, building upon the good works the States have already done in patient protections.

Mr. President, 42 States have already enacted a Patients' Bill of Rights; 47 States already enforce consumer protections regarding gag clauses on doctor-patient communications; 40 States already enforce consumer protections for access to emergency care services; 50 States, every State already has requirements for grievance procedures; and 36 States already require direct access to an OB/GYN.

The Kennedy bill imposes a blanket of heavy-handed Federal mandates on States and throws away the States' hard work to tailor patient protections for their populations' specific needs. One size does not fit all. What may be appropriate for California may not be appropriate for a rural State such as Arkansas.

When the Congress passed the McCarran-Ferguson Act in 1945, it agreed that States should have primary responsibility for the regulation of insurance. The National Association of Insurance Commissioners has also spoken on this issue. We have heard about this on the floor of the Senate today. In a March 16, 1999, letter to members of the Health and Education Committee, the commissioners stated their concern. They said:

> It is our belief that states should and will continue the efforts to develop creative, flexible, market-sensitive protections for health consumers in fully insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.

That is precisely what the Republican bill does. Congress needs to act to protect the 48 million Americans covered by self-insured ERISA plans. It should not override the States in the area that they have primary responsibility.

My colleague, Mr. KENNEDY, says the Republican bill leaves millions of Americans without any protection. That is false. If you are not covered by an ERISA self-insured plan, you fall under the protections enacted by your State legislature, a group in which most Americans have greater confidence, I daresay, than in their Federal officials hundreds of miles away. This is why the Republican bill applies patient protections to the 48 million Americans who currently do not have any protections. It is sound policy and it makes good sense.

The Republican bill also creates new rights for millions more Americans. For instance, all 124 million Americans in employer-sponsored health plans will have an improved internal appeals process available to them as well as a new, independent, external review process. These 124 million Americans will also be entitled to clear and complete information about their health plan, about what their health plan does and what it does not cover, about copayments, and about other plan procedures and policies. Our bill also improves existing Federal law on insurance underwriting with regard to preexisting conditions by ensuring that all 140 million Americans' group and individual plans will not be discriminated against by health insurers on the basis of predicted genetic information. Ironically, Senator KENNEDY's bill includes several provisions that were specifically rejected by the President's Advisory Commission on health care quality.

For example, State-run ombudsman programs were rejected by the Commission. Yet they are included in the Kennedy bill. This is the President's Advisory Commission on health care quality.

The Kennedy bill also includes 12 other Federal mandates that were not specifically recommended by the President's Advisory Commission.

In its report, the Commission states that it sought to "balance the need for stronger consumer rights with the need to keep coverage affordable."

That is the balance we have sought to maintain in our Republican bill. It is rejected by the Democrats in the Kennedy bill; it is embodied in the Republican Patients' Bill of Rights Plus Act.

The bottom line is that cost does matter because cost is directly related to access and the number of uninsured in our country. If cost was not such a factor, why have the Democrats tried to reduce CBO's scoring of their own bill? It is a factor. It is a big factor. It is an important factor because it affects who can buy insurance and how many millions of Americans are going to go without insurance protection.

Guess how the Democrats thought about trying to reduce that CBO scoring. They sought to reduce the CBO scoring by taking away legal remedies currently available to those in ERISA health plans.

A Patients' Bill of Rights should not be about taking away existing rights. The fact of the matter is, the Kennedy bill would put health care out of reach for close to 2 million Americans. It is not in this country's best interest to pass the kind of legislation that will make insurance less affordable and less accessible to those who need it most.

I thank the Chair, and I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I rise to address the amendment.

Mr. REID. Mr. President, if the Senator will yield, I yield the Senator 3 minutes on the amendment.

Mr. DURBIN. Mr. President, the amendment proposed in the second-degree amendment by the Republican side states a principle which is universally popular in the Senate. It is this: If you are a self-employed person buying health insurance, you should be able to deduct the cost of that health insurance from your taxes like other Americans do.

I introduced legislation along these lines more than 10 years ago in the House. I introduced it in the Senate with Senator BOND of Missouri and Senator COLLINS of Maine. It is bipartisan. It is universal. It will easily pass. And it is a diversion from the debate. It is a diversion.

The Republicans want to talk about access to health insurance, which is important; the Democrats believe it is equally important to talk about the quality of the health insurance that you are buying.

It is ironic as well that the Republicans offer this amendment so that the self-employed people in America can buy insurance. When I take a look at their underlying bill, which you might find surprising, it says those same people who will now be able to buy insurance will enjoy none of the protections of the Republican bill. On the one hand they say: Buy the insurance. But on the other hand they say: We can't guarantee that it is worth buying.

The Democratic approach is consistent: Help families buy insurance, make sure the insurance policy is worth owning, make sure that in time of family crisis you are protected.

The Republican approach is: We will help you buy it, but we cannot tell you whether it is worth buying or not.

They argue it is a matter of States rights. This is such a weak argument when you consider the 200 different organizations—the American Nurses Association, the American Medical Association, all of the different groups for medical professionals—have said that State regulation is not enough; we do not have a consistent national standard of protection for American families. That is what the Democratic side is offering: a consistent national standard.

It bothers those on the Republican side. They do not want to see this consistency. They think people who live in Oklahoma deserve perhaps more rights than those who live in Maine. They think people who live in Nevada should be treated differently than people in Illinois. I disagree. Wherever you live in America, if you buy health insurance, you ought to know that it protects your family. To leave it to State legislatures and to leave over 113 million Americans behind, as the Republicans have done with their approach, is not fair.

This second-degree amendment, which allows self-employed people like farmers and businesspeople to buy health insurance, is so universally popular we can accept it with a voice vote. But let it not divert us from our mission at hand: to make sure the insurance that every American buys is worth owning.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I was a little disappointed when I heard my colleague say the Republican amendment is a diversion. The Republican amendment is an effort to increase access to quality health care for the self-employed. We have 43 million Americans who are uninsured today. We want to help them get insurance.

A large number of the people who are uninsured are self-employed. They are in small businesses. Small businesspeople who are just starting their businesses sometimes have a hard time getting quality fringe benefit packages. Almost all of the larger corporations have health insurance and pension benefits. But most job growth is in small businesses, and a lot of small businesses have not had time yet to develop and expand a fringe benefit program, including access to quality health care.

When they find out they can deduct 100 percent of their wages but they cannot deduct but 45 percent of their health insurance cost, what do you think most self-employed people are going to do? They might tell their employees: I will just give you the money and you buy the insurance yourself; I cannot deduct it so why spend it? I want to spend my money in my business operations. Everything I spend should be deductible.

It is not. We are trying to remedy that.

I am glad my colleague from Illinois says we have bipartisan support. I know we passed a provision a year or two ago that phased it in gradually, but that is too long. We want to make it effective now. We want to make it where the self-employed get to deduct 100 percent of their health care costs just like corporations. Why not do it now? That is not a diversion.

When we promote our bill, we say Patients' Bill of Rights Plus. What is the plus? We want to increase access. That is in stark contrast to the Kennedy bill which will decrease access. Their bill dramatically increases health care costs, and when you increase health care costs, you are going to be driving a lot of people into the ranks of the uninsured. We do not want to do that. That is not a diversion. It just happens to be a fact.

We want to make health insurance more affordable. The people who cannot afford it, in many cases, are self-employed, and they get the short end of the stick in the Tax Code. They are not treated fairly in the Tax Code. We are trying to remedy that. That is what we have in our amendment.

Also, we have in our amendment a finding of the Senate that, frankly, HCFA does not do a very good job in many cases. Despite what our colleagues say—we want all these people to have assurances and we want them to have all these guarantees. They are basically saying: We want the Health Care Financing Administration of the Federal Government to regulate insurance—we are saying no, that really should not be the prerogative of the Federal Government to duplicate, override, overrule State regulation of insurance plans.

There is a difference. I am amazed that people keep making the comment: The Republican plan leaves all these people unprotected, as if the States are not doing anything. Every State has a regulatory regimen set up to regulate health insurance under their plans, and our colleagues evidently on Senator KENNEDY's side seem to think whatever the States are doing is not good enough; we know better, in spite of the fact, if you look at HIPAA, the Health Insurance Portability and Accountability Act that Congress passed in 1996, there are five States that are not complying. HCFA is supposed to be regulating those plans, and they are not. They are not complying with the law that we passed 3 years ago. The State of Massachusetts is one of the States that is not complying. Maybe I have too much faith in the States, but I cannot help but think the State of Massachusetts is still interested in making sure employees have portability and continuity of coverage, so I am not really faulting the State. I just find it ironic that some people seem to think: Whatever the States are doing, it's not good enough. We know better. And HCFA, this grand almighty bureaucracy of the Federal Government, can do better than the States. I disagree with that.

So the second-degree amendment that we have states two things: One, findings that the primary regulatory authority of insurance should be done and handled by the States, not the Federal Government; and, two, we should help the self-insured be able to have equitable tax treatment comparable to corporations; they should be able to deduct 100 percent of their health care costs.

I just hope that our colleagues, if they agree in the primacy of States, if they believe in State regulation, if they believe in the 10th amendment to the Constitution that says all other rights and powers are reserved to the States and to the people, respectively, will adopt this amendment. I hope we will when we vote on this. For the information of our colleagues, I expect the vote will occur sometime tomorrow, most likely after the policy lunches.

Mr. President, I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Who yields time?

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded for purposes of a parliamentary inquiry.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, I had thought that the Senator from Oklahoma was yielding back the remainder of the time on that amendment.

Mr. NICKLES. No.

Mr. GRAHAM. Therefore, I was going to offer the next in order second-degree amendment.

Mr. NICKLES. To clarify, I did not yield back the remainder of the time. I yielded the floor, just for the information of my colleagues.

Mr. GRAHAM. Mr. President, parliamentary inquiry. How much time is remaining on this amendment?

The PRESIDING OFFICER. The Democrat side controls 47 minutes; the Republican side controls 26 minutes.

Mr. GRAHAM. Is the time running during the quorum call?

The PRESIDING OFFICER. It was.

Mr. GRAHAM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, I yield myself such time as I may consume on the amendment.

The PRESIDING OFFICER. The Senator from Maine is recognized for such time as she may consume.

Ms. COLLINS. Mr. President, I regret that my colleague and friend from Illinois, Senator DURBIN, has temporarily left the floor because I wanted him to hear my comments.

I want to start by commending the Senator from Illinois who has, indeed, been a leader in the effort to provide 100 percent tax-deductibility for health insurance purchased by self-employed individuals. I have been proud to be a cosponsor of the legislation he has introduced, as well as an identical bill introduced by Senator BOND, the chairman of the Senate Small Business Committee.

This issue has been an important one to me. I believe it will help many of our small business men and women throughout this Nation, including the 82,000 Mainers who are self-employed. They include, as you might suspect, many of our farmers, our fishermen, our lobstermen, our hairdressers, our electricians, our plumbers, our small shop owners. They are the ones who find it very difficult to afford the costs of health insurance.

Indeed, the part of Maine's population that has the most difficulty in affording health insurance is our self-employed individuals. By providing 100 percent deductibility for health insurance, we can assist these individuals in affording health insurance coverage. We thus will be taking a very important step toward reducing the number, the growing number, of uninsured Americans.

But this provision is important for another reason. It is important as a matter of equity. Right now a multinational corporation can deduct 100 percent of the cost of health insurance premiums for its employees, and yet the Tax Code discriminates against self-employed individuals. It allows self-employed individuals to deduct only 45 percent of the cost of the health insurance they purchase. That is simply unfair. So this corrects an inequity in our Tax Code, and it is important in terms of expanding access to health insurance.

I disagree with those on the other side of the aisle who contend, however, that somehow this very important provision does not belong on this bill, that it is a diversion of some sort. That statement tells me that my friends on the other side of the aisle still do not understand the crux of this debate. The crux of this debate is, are we going to pass legislation which will drive up the cost of health insurance to the point where we jeopardize coverage for 1.8 million Americans? That is the crux of this debate.

This debate is not only about holding HMOs accountable for the care that they promise; it is not only about improving the quality of care; it is not only about ensuring that people who are denied care that they need have the remedies to give them that care to ensure that care is provided before harm is done, but also this debate is about ensuring access to health insurance.

The single most important determining factor about whether or not people have health insurance is its cost. We face a growing problem with uninsured Americans in this country. It has gone to a record high 43 million Americans who lack health insurance. That is a terrible situation.

We should not be passing any legislation that is going to exacerbate that problem. Yet that is exactly what the

Kennedy bill would do, by driving up the cost of health insurance to the point where it would jeopardize coverage for 1.8 million Americans. That is more than the population of the entire State of Maine. The last thing we need to do is to increase the pressure to drive up the cost and jeopardize insurance for working Americans.

The second part of Senator NICKLES' amendment is also important. It affirms the Federal policy that was passed back in the 1940s when Congress passed the McCarran-Ferguson Act giving the States primary responsibility for insurance regulation. Some on this side of the aisle apparently believe that we need a debate on the McCarran-Ferguson Act. Fine. Let's have a debate on that. But we should recognize that until we repeal or change the McCarran-Ferguson Act, it is the policy of this country and the law of the land that the States, not the Federal Government, have the primary responsibility for the regulation of insurance. It is a system that has worked well for more than 50 years.

As someone who was responsible for the Bureau of Insurance in the State of Maine for 5 years, I know firsthand what a good job our State regulators do and how seriously they take their responsibility of protecting consumers. Indeed, in my capacity as commissioner of the Department of Professional and Financial Regulation, I worked hard to strengthen the consumer division of our Bureau of Insurance. We took enforcement actions against insurance companies that did not live up to the letter and the spirit of Maine's law. I can tell you that I know the people of Maine would much rather make a phone call to Augusta to the Bureau of Insurance and to ask for help—it has actually moved to Gardiner now—but to ask for help from the Bureau of Insurance's Consumer Division than to try to figure out the maze of Federal regulation and call the ERISA office in Boston for assistance. I don't think that is serving our consumers well.

I urge my colleagues to support Senator NICKLES' amendment. It is an important amendment that will help expand access to health care while reaffirming the wisdom of the policy adopted more than 50 years ago when the Federal Government gave responsibility to the States to be the primary regulator of insurance.

Mr. President, I yield the floor and reserve the remainder of the time on our side.

The PRESIDING OFFICER. The Senator from Florida.

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that two members of my staff, Mr. Matt Barry and Ms. Melanie Nathanson, be granted the privilege of the floor for the balance of consideration of this legislation.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

Mr. NICKLES. Mr. President, will the Senator mind repeating the request?

The PRESIDING OFFICER. It was floor privileges.

Mr. NICKLES. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, how much time remains on both sides on the amendment?

The PRESIDING OFFICER. The Republican side holds 19 minutes, and the Democrat side controls 47 minutes.

Mr. NICKLES. I yield 5 minutes to our colleague from Alabama, Senator SESSIONS.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes on the amendment.

Mr. SESSIONS. I thank the Chair.

Mr. President, I appreciate very much the outstanding remarks of the distinguished Senator from Maine on her experiences dealing with insurance issues in that State.

I served as attorney general of the State of Alabama until a little over 2 years ago. I worked with the State insurance commissioner on a number of important issues. Each State in our Nation has an insurance commissioner. They have for many years worked to develop specific regulations of insurance plans within their own States.

The reason we are here—and, in my opinion, it is for a legitimate reason—is because under the Federal law known as ERISA, certain state policies are preempted. That is what this Congress should concern itself with: the kind of health care plans that cannot be regulated by the States. States have set up policies regarding health care. They have passed regulations. The insurance departments have promulgated their own regulations to address managed care concerns in their own states, and I think it is healthy that that happens.

Therefore, it is appropriate that we in Congress focus only on the policies and insurance programs that fall under the federal law ERISA.

Many have attempted to create an aura of fear by saying that health care in America is failing and in great danger, and that people can't count on their health care anymore. That is not what the people of America are saying. I am not hearing them say that to me when I travel my State. When I have town hall meetings, they are not lining up and complaining about that issue. They are, in most instances, well satisfied. We can, and we will, help and improve health care in certain areas, but I am just not hearing really outrageous cries of widespread abuse.

In fact, in March of this year, March 14 to be exact, the Mobile Press Register-University of South Alabama reported a poll of Alabamians concerning their views of health care. This is the question that was asked:

> I would like to ask you a few questions about health care. Which of the following statements best describes your family's health insurance coverage?

A number of potential answers was listed. The one that received the highest vote: We have sufficient health insurance coverage. Sixty-nine percent of the people in Alabama said: We have sufficient health insurance coverage for our family.

The second answer, which was the second highest vote getter at 7 percent, was: We probably have more coverage than we need: We have insurance, but we don't have sufficient coverage: 16 percent. We do not have health insurance at all: 6 percent.

Therefore, I suggest that what we in Congress need to do is recognize the fact that we have a good health care system in the United States. The first thing we should want to do is do no harm and not destroy it. When you have 76 percent of the people satisfied with their health care, then you have to conclude the system is doing well. In fact, we have the greatest health care system in the world.

I will make one more point. I know the Senator from Missouri would like to make some comments, and I would like to yield the floor to him.

The National Association of Insurance Commissioners has testified before our Health, Education, Labor, and Pensions Committee and on March 16, 1999, they sent a letter stating the official position of their association on the matter as to whether or not the federal government ought to have control over every plan in America.

They said this:

> It is our belief that states should and will continue efforts to develop creative, flexible, market-sensitive protections for health consumers in fully-insured plans. Those are the plans that the States can regulate and do regulate data.
>
> Congress should focus attention on those consumers who have no protections under the self-funded ERISA plans.

Now, that is exactly what this bill does. It focuses on those plans.

My time is up, and I yield the floor. I believe the legislation as proposed is precisely the course we should take.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I yield to the Senator from Missouri, who has been one of the principal sponsors of deductibility for the self-employed in the Senate. How much time do we have remaining?

The PRESIDING OFFICER. The majority side controls 14 minutes.

Mr. NICKLES. I yield the Senator 13 minutes and 30 seconds, reserving 30 seconds for myself.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 13 minutes 30 seconds.

Mr. BOND. Mr. President, I thank the Chair and I thank my distinguished colleague from Oklahoma. In a gesture of goodwill, I ask that the Chair notify me when 13 minutes is up because I would like to hear a full minute from the Senator from Oklahoma. I very much appreciate the opportunity to discuss the amendment that the Senator from Oklahoma has addressed and sent to the floor.

First, let me put into context some of my views about the competing Patients' Bill of Rights. I happen to be very proud to be a supporter of the majority or Republican Patients' Bill of Rights Plus. I am proud to be one of 50 Senators who cosponsored the majority bill, and I will be proud to vote for the legislation.

As with anything we do up here, there are probably some ways you could say it is not perfect. But I believe it is the best approach we have before us that places reasonable controls on managed care companies, while also helping rather than hurting access and coverage problems.

That is something that is extremely important to many Americans—having access and getting the coverage they need.

When we look at the competing proposals, I think it is good to drop back to the first rule of medicine, which is do no harm. I am stunned that with the bill offered on the other side, described as helping patients, we are faced with the fact, according to the Congressional Budget Office and others, that over a million people who have health insurance today probably can't afford it tomorrow, and that thousands more who were thinking they would be able to get insurance would see that opportunity snatched away if their bill, which would drive up costs, were to pass.

I wonder how anyone can support such a backwards proposition that we are willing to price people out of health care in the name of helping them. That is a fatal flaw, as I see it, in the Kennedy plan: too much cost; too little gain.

In contrast, our Patients' Bill of Rights Plus contains basic, reasonable, commonsense patient protections: access to emergency room care for which their health plan will pay. Americans shouldn't have to worry that their insurance won't pay for necessary emergency room care. Our bill guarantees that patients have information on treatment options. Doctors and patients need to be able to discuss openly all possible treatment options without gag rules.

Our bill provides access to a quick, independent, expert appeals process. Patients should get the care they need when they need it. There has been a lot of talk on the other side about how we need to open up the courts for more costly litigation. Well, frankly, we don't want to see widows or orphans having to sue because their breadwinner did not get the health care he or she needed. We want to make sure they get that care promptly, efficiently, and effectively.

I am very pleased that the Patients' Bill of Rights Plus contains important pediatric and maternal health care protections, which I introduced earlier this year in what we call the Healthy Kids 2000 legislation, which had broad support from major health care supporters, including children's hospitals and pediatricians, who are concerned about care for children.

The Patients' Bill of Rights Plus gives the right for a child to go see a pediatrician without going through a gatekeeper. It gives the right for a child to see a specialist with pediatric expertise, including going to children's hospitals when necessary. It gives the right to a woman to have direct access to an obstetrician or gynecologist without having to go through some gatekeeper. It gives the right to have a pediatric expert review a child's case when appealing an HMO decision. In other words, somebody who treats kids will be the one who will oversee the decision and be able to participate in the external review as to whether the kind of care the HMO proposes for a child is appropriate for that child.

But just as important as what is in our Republican bill, the Patients' Bill of Rights Plus, is what isn't in it. It doesn't contain the same costly bureaucratic provisions the Democratic bill has. One would have thought they would have learned something when we had the health care debates of 1993 and 1994, the Clinton plan, which had the Federal Government and its bureaucracy controlling health care. When people took a look at that dog and found out how mangy it was, it failed, not because the Republicans beat it, but because nobody was willing to get out and support it—and with good reason. The more people looked at it, the worse it looked.

Well, the Congressional Budget Office has given estimates that the Democratic bill could raise health care premiums anywhere from 5 to 6 percent, depending on which version of the bill we are discussing. I have heard people on talk shows saying that is one Big Mac a month. Five percent of basic family health insurance at $3,600 a year—my math suggests that is a whole lot more than a Big Mac a month. We are talking in the neighborhood of $180 a year.

CBO and others have told us that for every 1 percent increase in costs, a couple hundred thousand people will lose health care insurance. Under this bill, that means, under the Democratic version, over a million Americans or more could lose their health care coverage.

I speak as chairman of the Committee on Small Business because cost increases for small businesses and small business employees is a No. 1 concern. We have listened to small businesses, and we have heard from small businesses. They say: Please don't do us any more favors. Don't burden us with more costly health care plans. Small businesses are fighting to try to get economical, caring, compassionate, effective health care for their employees and for the business owners themselves. Small business owners are particularly sensitive to the issue of cost. Small businesses—the owners and their families, the employees and their families—would be the ones who would pay for an extravagant bill.

Nearly 40 years ago, President Kennedy told the Nation that a rising tide would lift all boats. Unfortunately, the bill before us turns that concept on its head, and perhaps a new doctrine is that rising costs will sink health care hopes. To me, that is a major concern.

As an alternative to this heavy-handed bureaucratic approach, the Patients' Bill of Rights Plus, offered by the Republicans, tries to increase access and coverage. Now, it is extraordinary and unconscionable that the bill we are debating, the Democratic bill, doesn't do anything to improve access to health care. It seems that the only thing our colleagues on the other side of the aisle can think of to improve access is to have Government-run care, like the Clinton health care plan of 1993 and 1994. Since that fell on its face a few years ago, they seem not to have had any good ideas about how to get more people health insurance.

We need to increase access. Perhaps the most important part of our bill is the acceleration of the full deduction of insurance costs for the self-employed. I am very pleased that our distinguished majority whip, the Senator from Oklahoma, has introduced an amendment that achieves, for this year, full deductibility of health care costs. That means there is hope that the health care premiums paid this year will be fully deductible.

Now, my colleagues, the Senator from Maine and the Senator from Alabama, have already discussed the importance of keeping insurance regulation at the State level. As a former Governor, I can tell you that government insurance regulation, run at the State level, is readily accessible, it is more professional, and it is more responsive to the needs of the citizens. That is why I agree with the portion of the amendment introduced by Senator NICKLES which talks about moving away from Federal Government takeover of health care regulation.

But I am particularly pleased that Senator NICKLES has introduced full deductibility based on the Self-Employed Health Insurance Fairness Act of 1999, which I introduced on February 3 of this year. I am very proud to have 30 bipartisan cosponsors. We are making progress when we work on a bipartisan basis to assure full deductibility of health care costs for the self-employed. I am proud to work with my colleagues on both sides of the aisle.

According to the Employment Benefit Research Institute's estimates of the March 1998 current population survey, there are 21.3 million Americans in families headed by a self-employed entrepreneur. Nearly a quarter—23.9 percent—of them have no health insurance. That is 5.1 million uninsured Americans. Even more troubling, that means that the 21.1 percent of the children in self-employed American families are uninsured; 1.3 million children have no coverage for annual checkups, let alone any major health care needs.

This amendment would address these alarming statistics by providing an immediate—I mean right now, in real time—100 percent deductibility in order to make health insurance more affordable and accessible to hard-working entrepreneurs and their families.

Let me add an additional perspective on the importance of this amendment. Today, one of the fastest growing segments of the small business community is the woman-owned business. Women are opening businesses at a very rapid rate. They are the ones with the entrepreneurial spirit. They may be operating out of their homes, they may be moving from another full-time job, or they may just have a good idea. But women are now seeing an opportunity to start up their own businesses, and we are very proud of the significant contributions they are making to our economy.

According to statistics from the National Foundation for Women Businessowners, there are now 9.1 million women-owned businesses in the United States, which compromise almost 38 percent of all U.S. businesses. In addition, between 1987 and 1999, the number of women-owned firms increased by 103 percent nationwide—more than double. The reasons for this explosive growth are manifold. Topping the list is greater flexibility in meeting the demands of family life, and the ability to spend more time with children.

Even more impressive, the National Foundation for Women Business Owners reports that women-owned businesses employ more than 27½ million people, and that employment rate has increased by 320 percent over the past 12 years.

Today, while self-employed woman business owners can deduct 60 percent of their health care costs thanks to the strides that we made in previous years, that is still not on a level playing field with a large business which can deduct 100 percent. While the self-employed are slated to have full deductibility in 2003, what woman business owner or her family members can wait 4 more years to get sick?

By making health-care insurance fully deductible now, the added tax savings will enable many women business owners to cover their health-care needs and those of their children. In addition, it will encourage these women entrepreneurs to provide health insurance for their employees and their families.

And we're not talking about a tax break for "the rich" when it comes to the health-insurance deduction for the self-employed. Recent estimates based on the March 1998 Current Population Survey indicate that 68.7 percent of families headed by a self-employed individual with no health insurance earn less than $50,000 per year.

These are the people who we are trying to get health coverage. These are the people who need the benefit of full deductibility.

Coverage of these entrepreneurs and their children through the self-employed health-insurance deduction will enable the private sector to address the health-care needs of these individuals rather an expensive and intrusive government program.

Currently, S. 343, from which my amendment is derived, has the bipartisan support of 30 cosponsors. It also enjoys overwhelming support of small business organizations including the National Association for the Self-Employed, the National Federation of Independent Business, the Small Business Legislative Council, the National Small Business United, and the Health Tax Deduction Alliance, to name just a few.

I have also added a provision to the amendment to correct a disparity under current law that bars a self-employed individual from deducting any of her health-insurance costs if she is eligible to participate in another health-insurance plan. This provision unfairly affects entrepreneurs who are eligible for, but do not participate in, a health-insurance plan offered through a second job or through a spouse's employer. The bill ends this disparity by clarifying that a self-employed person loses the deduction only if she actually participates in another health-insurance plan.

It has long been my goal that the self-employed have immediate 100 percent deductibility of health-insurance costs. I have sought every opportunity to achieve that goal, and I will keep coming back until we get this job done. I commend the Senator from Oklahoma for pushing for this amendment on the bill so that we can have bipartisan, unanimous support for the effort to ensure that all Americans who are self-employed will have the same kind of benefits in terms of taxes that a large corporation or its employees do; and that is 100 percent deductibility.

I am very proud to be a cosponsor of this amendment. I ask all of my colleagues to join in supporting a very forward-looking amendment which deals with some of the significant problems in the underlying bill offered by our colleagues on the other side and makes significant changes to assure access to fair and equitable health care insurance for all Americans.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank Senator BOND for cosponsoring this amendment, in addition to Senator SANTORUM, who is also a principal sponsor of this amendment, and Senators HUTCHINSON, CRAIG, and myself who are original sponsors.

Mr. President, I inquire of my colleague from Nevada, is he prepared to yield the remainder of time on this amendment?

Mr. REID. Yes. We are.

Mr. NICKLES. Mr. President, if my colleague from Nevada is yielding back the remainder of time on the amendment, we likewise yield the remainder of time on the amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent that the Republican manager of the bill be allotted an additional 40 minutes on the bill itself.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, on second thought, I tell my friend, the majority whip, we also want 40 minutes.

Mr. NICKLES. Mr. President, I ask unanimous consent that both sides be allotted an additional 40 minutes on the underlying bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent that the second-degree amendment proposed by myself and Senator BOND and others be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 1235 TO AMENDMENT NO. 1233

(Purpose: To provide for coverage of emergency medical care)

Mr. GRAHAM. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida (Mr. GRAHAM), for himself, Mr. REID, Mr. CHAFEE, Mrs. MURRAY, Mr. DURBIN, Ms. MIKULSKI, Mr. SCHUMER, Mr. KENNEDY, Mr. DASCHLE, Mr. BAUCUS, Mr. FEINGOLD, and Mr. DORGAN, proposes an amendment numbered 1235.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. GRAHAM. Mr. President, on behalf of the Senators listed, I offer an amendment relative to emergency care services.

This is a particularly critical issue because so many of the conflicts between beneficiaries and their health maintenance organizations occur in an emergency room setting.

When the Senate in 1997 adopted provisions that extended to Medicare and Medicaid beneficiaries—the same rights that this amendment will now provide to all Americans—we discussed the fact that 40 percent—40 percent—of the conflicts between Medicare beneficiaries and HMOs occurred in an emergency room setting.

Questions of coverage, type of coverage, and what would happen after the patient was stabilized was the cauldron in which many of the disagreements between HMOs and beneficiaries were fought out.

Just as the Medicare and Medicaid provisions which were adopted by the Congress and signed into law by the President have helped to relieve that tension for 70 million Americans, this amendment will attempt to do the same for the rest of Americans.

This amendment also raises a couple of other important issues.

One of those is what I call the "big monster argument"—that anything that we do is going to inevitably lead to an escalation of cost and an escalation of Federal regulation and bureaucracy and an overwhelming of the patients' ability to get affordable health care.

I would like to point out the first sentence of this amendment. The first sentence is essentially, if the health care plan offers emergency services, then these are the standards that will have to be met.

The clear implication of that is that no HMO under this amendment is required to offer emergency room services. If the HMO wishes to go to its beneficiaries and say, Now, look, you are not covered if you go to the emergency room—you understand that—and the fee that you are going to pay for your HMO contract is predicated on the fact that emergency room services are not covered, the HMO has the prerogative of so doing. If the HMO gives the appearance that it is offering emergency room services, then it is required to offer credible emergency room services that comport to what the average American thinks they are going to get in an emergency room.

So the "big monster argument" that this is going to have all of these adverse effects is irrelevant as long as the HMO plays by the rules. It cannot offer emergency room services at all. But once it purports to do so, it can't bait and switch and say, Yes, you thought you were getting comprehensive emergency room coverage, but in fact you are getting something much, much less.

The second argument is what I call the "checking off the boxes" argument. We have heard it already. We will say, well, the plan of the Republicans offers an external appeal provision, and the Democratic plan offers an external appeal provision. So we check both of them with an equally large mark. We have an emergency room provision. You have an emergency room provision. Check, check—both get the same large mark.

The problem is that it is not just a matter of checking off the boxes. It is a matter of seeing what inside the box. What are the actual words? What is the detail? Words make a difference. Details matter. We are not talking about semantics or legalisms. We are talking about whether in the final analysis the beneficiary—the American family—gets the kind of protection that they think they paid for.

There will be other colleagues who will discuss important distinctions between the two bills. I want to focus on two of those differences.

I look forward to a debate with my Republican colleagues on these two differences, whether they are meaningful, and whether they have properly stated what the Republican provisions are. The first of those distinctions is hidden in the Republican bill in language which effectively eviscerates the "prudent layperson standard" that is at the heart of the emergency care provision.

What is the prudent layperson standard? This is a standard which is now in the Medicare law and the Medicaid law by action of Congress. It essentially says if a prudent layperson—a layperson of normal intelligence and knowledge of health and medical matters—thinks symptoms occurring require urgent attention, that prudent layperson can then seek the attention of the most available emergency room, and the HMO will be responsible for paying the costs of that emergency room service.

How does the Republican bill eviscerate that basic principle, which now protects 70 million Americans on Medicare and Medicaid? The Republican bill allows for the imposition of "any form of cost-sharing applicable to any participant or beneficiary (including copayments, deductibles, and any other [form of] charges . . . if such form of cost-sharing is uniformly applied under such plan with respect to similarly situated beneficiaries."

Now, what does that mean? It means that a patient who goes to a hospital that is not part of the network of the HMO will have to pay, according to the HMO's plans, for additional deductibles, coinsurance, and other charges, while a person who is in the same position of an emergency medical crisis, who goes to the in-network hospital will not be required to pay those additional out-of-network charges.

The practical effect of that distinction is to create a strong economic incentive for the prudent layperson who thinks they have symptoms requiring emergency attention. If they understand they could go to the emergency room which is 5 minutes away but which is not part of their HMO's network or they could go to the emergency room that is 30 minutes away and be within the network of the HMO, and that there will be a significant economic differential as to what that choice is, then you have a prudent layperson making a critical decision. Will I go to the emergency room that offers the most immediate attention to my condition, or will I go to the emergency room where the cost will be less?

How do we know this is what was meant in the Republican version of the emergency room provisions in the Patients' Bill of Rights? Because they said it in very clear language in the committee's report of this section, which appears on page 29. I will read from that report:

> The Committee believes that it would be acceptable to have a differential cost-sharing for in-network emergency coverage and out-of-network emergency coverage, so long as such cost-sharing is uniformly applied across a category (i.e. [across all] in-network, out-of-network) . . . [beneficiaries and providers.]

I suggest there goes the prudent layperson definition, or the rationale for the prudent layperson definition, right out the window.

The Democratic plan provides explicitly that there will be parity payment between in-network and out-of-network emergency room services; that is, the prudent layperson would have the right to go to what is the most prudently accessible emergency room to get that service.

I suggest what is good for 70 million Medicare and Medicaid beneficiaries should be good for all Americans. Patients should not be required to call an insurance bureaucrat to see if they can get emergency room care approved before they go to the emergency room. They shouldn't have to call their HMO before they call 911. That is the very thing we are trying to prevent. Patients should be able to seek the treatment wherever it can be provided—inside or outside the network—and not be subject to economic compulsion.

That is one important differential between the Republican and the Democratic bill. That little devil was in the details.

Another provision called poststabilization is a crucial component of emergency room care. This provision relates to what happens after a person has gone to the emergency room, had that immediate treatment, and their condition is now stabilized; what happens next?

Let me give an example. A person goes to an emergency room on a Friday night with shortness of breath, high fever, pain in the left side of their chest. They are diagnosed by the emergency room as having not a heart attack but acute pneumonia. The emergency room treats the patient with intravenous antibiotics and oxygen. The emergency department then calls the HMO to request one of two things be done: that the plan take responsibility for the patient by having the patient transferred to one of their in-network hospitals, or the plan authorize the admission of the patient to the treating hospital.

Unfortunately, this is a Friday night, about 10 or 11 o'clock, and no one picks up the phone at the other end of the line. The hospital is stuck; the party is stuck. The hospital cannot transfer the patient to another facility but it can't get authorization to admit the patient to its own facility. As a result, the emergency room does admit the individual for treatment. On Monday, the patient goes home.

The health care plan has not authorized the treatment. It now denies the claim, retroactively, after the hospital services have been provided. Under the Republican bill, the patient is responsible for the noncovered hospital bill, potentially for several thousand dollars for that weekend institutionalization.

Under our amendment, the nonresponsive HMO would be financially responsible for that bill. Better yet, we see a different scenario. Under our amendment, we see the health plan with a positive incentive to coordinate the patient's care with the emergency department. The patient was transferred to a network facility, which in turn has saved all overall health costs both for the patient and the health plan—a win-win scenario.

Let me give an example of this coordination. A parent brings their young child into an emergency room with a high fever. The emergency physician rules out a life-threatening illness. She brings the fever under control, thereby stabilizing the patient. However, follow-up care is necessary to determine the cause of the high fever and the extent and nature of the illness. The emergency room calls the plan to get the plan to refer the child to a primary care doctor. The plan doesn't call back. What is the result? The child is admitted to the hospital overnight, potentially costing the family thousands of dollars of unnecessary hospitalization and emotionally traumatizing the child.

Under the Republican proposal, the plan gets a double windfall. First, the plan saves the money of having to staff "response capability," particularly on the weekend, and by not having personnel to respond to that emergency room call and to make treatment decisions. That is not all. The HMO also saves; when the emergency room treats the patient without prior authorization, the health plan can then go back and claim the care was unnecessary and refuse to pay.

What the Democratic poststabilization provision is all about is simply requiring the health plan to take responsibility for the patient by answering the phone when the emergency room calls, and then either authorizing treatment, referring followup primary care, or transferring the individual.

There are those who say this provision places an unwarranted burden on the HMO. But let's give an example of one of the Nation's oldest and largest health maintenance organizations, Kaiser-Permanente. Kaiser-Permanente endorses this position and has implemented the poststabilization requirement voluntarily. Guess what. After all the discussion about cost and the desire to maintain affordable and accessible health care, this provision has saved Kaiser-Permanente money. How could it do that? Because Kaiser has found that by coordinating care with the emergency room, it has been able to avoid unnecessary admissions through providing followup care at an outpatient facility.

I will quote from a letter signed by Mr. Don Parsons, the associate executive director for health policy development for Kaiser-Permanente. I ask unanimous consent the entire letter be printed in the RECORD immediately after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. GRAHAM. Mr. Parsons states:

> By assuring immediate response to telephone inquiries from non-participating emergency facilities, we have been able to provide substantial assistance to the emergency doctor who otherwise is practicing in an isolated environment without access to the patient's medical record.
>
> Our own emergency physicians on the telephone have offered peer consultations, personally approved coverage for urgently needed tests and treatment, arranged for the coordination of follow up care, and implemented critical care transportation of patients back to our own facilities. Of over 2,000 patients transported in this fashion, one third have been discharged to their homes. Without this coordination of care, these patients would have been hospitalized at needless expense.

For example, to go back to my hypothetical of the child with the high fever without signs of a bacterial infection, they could have been sent home if there were arrangements made for the child to see a doctor the next day. But absent the communication between the plan and the emergency room, the emergency room admits the child. If the insurance company plays by the rules, as Kaiser-Permanente, it will now be only out the $50 for a routine primary care visit rather than the $1,000 or more that it might be out if the child is admitted to the hospital.

So why are companies such as Kaiser coordinating poststabilization care with emergency departments? They are doing it because it is good health care and it is good business. I point out again, this is the same provision that the Congress passed in 1997 as it relates to Medicare and Medicaid beneficiaries who currently have this poststabilization coordination of care coverage.

So how the amendment is drafted, what the amendment says, what the details are, makes all the difference. This is not just a matter of checking off the box. It is a matter of looking inside that box to see if the prudent layperson provision, which both versions purport to offer—is it meaningful? The person who exercises prudence by going to the nearest emergency room, not necessarily the nearest emergency room that happens to be part of the network of the HMO, will they be financially protected?

The person who has been stabilized—and now the question is what needs to be done to deal with the underlying cause of their symptoms—will they be financially protected when the HMO fails to respond to the request for specific authorization? Those are the types of real differences that make the difference between the two alternative versions of emergency room care that are before the Senate.

I urge my colleagues to study these differences and to be mindful of the other differences that will be articulated by the other cosponsors of this amendment. I urge their support for this amendment that makes emergency room care real for the families of America.

I ask unanimous consent that two letters be printed in the RECORD: One from the American College of Emergency Physicians supporting the amendment that has been offered, and the letter from the American Heart Association supporting the emergency room provision that I and colleagues have offered.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN COLLEGE
OF EMERGENCY PHYSICIANS,
Washington, DC, July 12, 1999.

Hon. BOB GRAHAM,
Hon. JOHN H. CHAFEE,
U.S. Senate,
Washington, DC.

DEAR SENATORS GRAHAM AND CHAFEE: The American College of Emergency Physicians (ACEP), on behalf of its more than 20,000 physicians and the patients we serve, is pleased to support your amendment, which will protect people with health insurance who make reasonable decisions to seek emergency care from claims denials by managed care plans. Today's health care market warrants establishment of basic consumer protections to ensure coverage for emergency services, and ACEP believes that your amendment would provide such safeguards.

As emergency physicians, we applaud your efforts to prevent health plans from denying patients coverage for emergency services. Prior authorizations requirement for emergency care and "after-the-fact" claims denials create barriers that can place a patient's health at serious risk. Your amendment provides those covered by private managed care plans with the same "prudent layperson" standard that Congress provided Medicare and Medicaid patients as a part of the "Balanced Budget Act of 1997."

Again, ACEP is pleased to offer its support of your amendment, and we commend your leadership in proposing a bipartisan solution.

Sincerely,

JOHN C. MOORHEAD, MD, FACEP,
President.

AMERICAN HEART ASSOCIATION, OFFICE OF COMMUNICATIONS AND ADVOCACY,
Washington, DC, July 13, 1999.

Hon. BOB GRAHAM,
Washington, DC.

DEAR SENATOR GRAHAM: The American Heart Association strongly supports your amendment, to be offered today to the patient protection legislation, which will ensure prompt emergency room access. This important amendment is essential to our mission of reducing death and disability from cardiovascular diseases, the leading cause of death in America.

To reduce the devastation caused by cardiovascular diseases, the American Heart Association is committed to educating the public about the warning signs and the symptoms of heart attack and stroke. Acting on this knowledge is often the key to survival. In fact, every minute that passes before returning the heart to a normal rhythm after a cardiac arrest causes the chance of survival to fall by as much as 10 percent. Our consistent message to the public, therefore, is both to know the signs and symptoms of heart attack and stroke and to get emergency care as quickly as possible.

However, unnecessary and burdensome obstacles often stand between the patient and the emergency room door. Insurer "pre-approval" processes for emergency care can impede prompt treatment of heart attack and stroke. Delays in treatment can significantly increase mortality and morbidity. Our efforts to educate the public about the importance of getting prompt treatment are severely hindered by these "pre-approval" barriers.

The American Heart Association applauds your efforts to address these obstacles by ensuring the "prudent layperson" definition of emergency. Any managed care reform proposal that seeks to protect patients' rights must include this prudent layperson standard.

Thank you for your leadership on this important issue.

Sincerely,

DIANE CANOVA, ESQ.,
Vice President, Advocacy.

Mr. GRAHAM. And so, Mr. President, as I stated early in my remarks, how the amendment is drafted, and what the amendment says, makes all the difference.

It's not good enough just to check off the boxes. That's why I urge the adoption of our amendment.

EXHIBIT 1

KAISER PERMANENTE,
Washington, DC, July 7, 1999.

Hon. BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: Since 1996, Kaiser Permanente has supported the passage of federal legislation embracing the Prudent Lay Person concept, which requires insurance coverage of emergency services provided to people who reasonably expect they have a life or limb threatening emergency. In connection with this, we support a requirement that the emergency physician or provider communicate with the health plan at the point where the patient becomes stabilized. This will allow for coordination of post-stabilization care for the patient, including further tests and necessary follow-up care. These concepts are contained in several bills currently pending before Congress. I should note, however, that our favoring of this language should not imply endorsement in its entirety of any specific bill that deals with other issues.

As a result of the Balanced Budget Act of 1997 with its ensuing regulations applicable to Medicare + Choice and Medicaid enrollees and the Executive Order applying the President's Advisory Commission's Bill of Rights to all federal employees, approximately 30 million Americans are now the beneficiaries of a financial incentive to emergency departments to communicate with the patient's health plan after the patient is stabilized. This helps to ensure that the patient's care is appropriate, coordinated and continuous. It is important that emergency departments have the same incentive to coordinate post-stabilization and follow up care for patients who are not federal employees or beneficiaries of Medicare or Medicaid. We have heard of minimal problems implementing this standard in those health plans participating in FEHBP and Medicare + Choice programs. Since a federal standard is in place and working, it is good policy to extend that standard to the general population.

For the past ten years, we have implemented on a voluntary basis a program that embraces these concepts of honoring payment for the care our members receive in non-participating hospital emergency departments up to the point of stabilization. Our Emergency Prospective Review Program has encouraged the treating physicians in such settings to contact our physicians at the earliest opportunity to discuss the need for further care. This has allowed us to make available elements of the patient's medical record pertinent to the problem at hand and to coordinate on-going care as well as the transfer of the patient back to his/her own medical team at one of our facilities. We have found this program to be considerate of the patients' needs, emphasizing both the urgency of treatment for the immediate problem as well as the continuity of high quality care.

This has been a cost-effective practice, affording the patient the highest quality of care in the most appropriate setting. By assuring immediate response to telephone inquiries from non-participating emergency facilities, we have been able to provide substantial assistance to the emergency doctor who otherwise is practicing in an isolated environment without access to the patient's medical record. Our own emergency physicians on the telephone have offered peer consultations, provisionally approved coverage for urgently needed tests and treatment, arranged for the coordination of follow up care, and implemented critical care transport of patients back to our own facilities. Of over two thousand patients transported in this fashion, one third have been discharged to their homes. Without this coordination of care, these patients would have been hospitalized at needless expense.

In summary, this program has served the needs of our patients, the treating emergency physicians, and our own medical care teams, while providing substantial savings in both clinical expense and in administrative hassle over retrospective approval of payment for services provisionally approved through the telephone call. We are strongly in favor of the post-stabilization coordination provision as an essential element of the emergency access provision of the Patients Bill of Rights.

Sincerely,

DONALD W. PARSONS, MD,
Associate Executive Director.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I yield myself such time as I may consume on the amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, just briefly, the Senator from Alabama stated the State of Alabama had this great health insurance by some poll that he had conducted by, I think, South Alabama University.

First of all, regarding coverage of emergency care, the State of Alabama is one of 12 States that does not use the prudent layperson or similar standard for emergency room treatment. In addition to that, with drug formularies, 36 States have no procedures for obtaining nonformulary drugs; Alabama is one of those. Access to clinical trials, 47 States have no access to clinical trials; Alabama is one of those. Continuity of care, 29 States have no continuity of care provisions; Alabama is one of those. Bans on financial incentives, 28 States have no ban on financial incentives to providers; Alabama is one of those. Provider protections, 21 States have no protections for providers who are terminated; Alabama is one of those. Point-of-service options, 30 States do not require that point-of-service plans be offered; Alabama is one of those. Coverage of emergency care, I have already stated 12 States do not use a prudent layperson or similar standard; Alabama is one of those.

The State of Alabama has 1,617,000 State residents who are not protected under the Republican plan; 62 percent of privately insured in Alabama are not protected under the Republican plan. So I do not know about the poll in South Alabama, but I know what the facts are. The facts are that State is similar to many States. That is why groups support our Democratic Patients' Bill of Rights.

Why do I say groups? Hundreds of groups. They are already on the record, the groups that support us, a listing of some of the groups that support us. Alliance for Lung Cancer Advocacy, Alzheimer Association, American Academy of Child and Adolescent Psychiatry, American Academy of Emergency Medicine, American Academy of Neurologists, American Academy of Pediatrics, American Academy of Physical Medicine and Rehabilitation—over 200 groups support this legislation, over 200.

In addition to that, we have a unique situation. The doctors and the nurses have joined with the lawyers to support this legislation. It is a unique day in American legislation when we can say not only do the doctors support this—the American Medical Association does, all the specialty groups—but in addition to that the lawyers support it.

I suggest people coming in, bragging about the other bill, the majority's bill, they are talking about—the junior Senator from Maine said all we want to do is ensure access. I respectfully submit they want to ensure the insurance companies continue to rip off the American public. That is what that legislation is about. That is what they are trying to ensure, and this legislation is meant to stop that.

The PRESIDING OFFICER. Who yields time? The Senator from Tennessee.

Mr. FRIST. Mr. President, I yield myself 10 minutes on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, we have a number of issues on the floor today—the underlying bill that has been introduced and a substitute bill. We have talked some about scope today. Now we are talking about emergency services. I think it is important that people understand that both of the underlying bills do have parts which address this access to emergency medical care. It is absolutely critical that over the course of today and on future amendments on emergency care we appropriately address a bill of rights that does have a real impact because there is no way we can responsibly leave this debate without addressing the fear, the fear which is supported by anecdote—I do not know how big of a problem it is, but it is a fear and that means we have to deal with it and we should deal with it—of having a heart attack or chest pain or laceration or broken arm or a sick child and going to an emergency room, and in some way, for some reason, having that care denied or be channeled to emergency rooms that are across town, all of the sorts of things that are truly frightening and are really unconscionable. Therefore, it needs to be addressed and needs to be addressed well.

The amendment today brings up an issue of poststabilization, which I think needs to be addressed, and I will carefully look at the amendment.

Poststabilization is a point after which you have gone to the emergency room, gone through screening, and gone through treatment. Then what happens? Again, it looks at a more complete picture, and we need to make sure what we ultimately pass several days from now addresses that adequately and appropriately, given the realities of the managed care, coordinated care, and fee-for-service system.

Let me briefly comment on what is in our Republican bill. This was discussed in the Health, Education, Labor, and Pensions Committee. We talked about emergency access, and we talked about some of the other issues as it went through the committee.

What passed out of committee, and is before this body, is as follows: We require group health plans that are covered by the scope of the bill—and the issue of scope has come forward—to pay, without any sort of prior authorization, for an emergency medical screening exam. If you go to the emergency room, that exam, using a prudent layperson standard, which has just been discussed—meaning, if you are at a restaurant and you have chest pain, you think it might be a heart attack, you know it is an emergency or you feel it is an emergency, and you go to the emergency room. They say it is indigestion, not a heart attack; therefore, they are not going to cover it. The prudent layperson —that is, the average person in terms of medical knowledge in America today—says there is no way I am going to know if it is an emergency or not, if it is serious or not. We reach out, using the prudent layperson standard, and cover that individual.

You would not have to have prior authorization. That would be for an emergency medical screening exam and any additional emergency care that is required to stabilize that condition.

Stabilization is difficult. As a physician, when I think of stabilization, because I am a heart surgeon, I think of heart failure and blood pressure, going into shock, and all sorts of bad things happening overall. Stabilization might also mean if you have a broken arm or if you have a laceration. The definitions are important as we go forward.

Mr. GRAHAM. Mr. President, will the Senator from Tennessee yield for a question?

Mr. FRIST. Let me finish walking through what is in the Republican proposal first.

The stabilization end of it is important. I mention that because we are talking about a period of poststabilization—after you are stabilized. Again, the Republican bill covers, through the screening and stabilization process, using that prudent layperson standard.

We define in our bill what a prudent layperson is, and that is an individual who possesses an average knowledge of health and medicine. I think that is as good a definition as one can generate, and the concept of prudent layperson I believe is accepted by both sides.

As to the cost-sharing aspect, again looking at what is in the Republican bill which was introduced earlier today, plans may impose cost sharing on emergency services, but the cost-sharing requirement cannot be greater for out-of-network or out-of-plan emergency services than for in-network services. That is very important, because I have heard several people allege, no, you can charge anything, you can charge much higher than what in-network cost sharing is, and that is simply not true in the Republican bill.

An individual who has sought emergency services from a nonparticipating provider or nonparticipating hospital or nonparticipating emergency physician cannot be held liable for charges beyond that which the individual would have had to pay if that physician were a member of that particular coordinated care plan or managed care plan or health maintenance organization.

The important points are basically that you do not need prior authorization. It does not matter whether or not that facility is part of that plan or that HMO's network itself. So you can go to the nearest hospital if, using that prudent layperson standard, you have a concern that you have something that does need to be treated and treated very quickly.

The prudent layperson would expect the absence of immediate medical attention to result in some sort of jeopardy to the individual's health or serious impairment—again referring back to that standard—or serious dysfunction of their body. Again, it is very difficult in terms of covering the overall realm.

The poststabilization period: What happens after you go to the nearest emergency room, using that prudent layperson standard, not having to pay anything beyond what you would have to pay if you had gone to a facility in that network, you have had the screening exam and you have had that stabilization or that initial treatment.

Poststabilization introduces: What if you are there and you had this chest pain and you found out it was just indigestion, but while you were there in that poststabilization period, the physicians find a spot on the chest x-ray that you need to rule out as lung cancer, or you have cholecystitis or right quadrant pain, and with a quick exam it is pretty clear another medical problem has been picked up. Does that fall into that poststabilization period? And, if so, does that treatment continue over time?

Those are the questions we need to debate, we need to look at. We need to make sure we do not open the door so broadly that somebody basically goes to an emergency room with a complaint and it is taken care of, but 10 other complaints are found and that is an excuse to get all your care outside of that network simply because that might potentially circumvent the whole point of having care coordinated and to have a management aspect of coordinated care.

Over the debate, as it continues tonight and in the morning, the poststabilization period is an important period we need to address. We do not want to create any huge loopholes through which people can slide. I am going to keep coming back to again and again that we have to do what is best for the individual patient, and we have to keep our focus on the patient, and we do not want to do anything that exorbitantly increases cost if it is unnecessary, if it is wasteful, because if we do that, we increasingly, by an increase in premiums—somebody is going to have to pay for it—drive people to the ranks of the uninsured.

I reserve the remainder of my time.

Mr. GRAHAM. Will the Senator yield for a question?

Mr. FRIST. I will be happy to yield.

Mr. GRAHAM. First, on the question of prudent layperson, you are correct; both bills have essentially the same language on a prudent layperson, but there is a very sharp difference in terms of the economic exposure of that prudent layperson, whether they are in a hospital as part of the HMO's network or in a hospital that is not part of the network.

The Democratic plan clearly states there must be parity of treatment; that is, if you are in an out-of-network hospital, you cannot be charged more than if you are in an in-network hospital.

The Republican bill—and I will quote from the committee report, which is on our desks, on page 29. This is the committee that reported the Republican bill, the Labor Committee. The first full paragraph states:

> The committee believes that it would be acceptable to have a differential cost-sharing for in-network emergency coverage and out-of-network emergency coverage, so long as such cost-sharing is applied consistently across a category (i.e., in-network, out-of-network) and uniformly to similarly situated individuals and communicated in advance to participants and beneficiaries. . . .

What that language seems to say to me is that under the Republican proposal, if you have a standard copay, let's say, of 20 percent if you are inside the HMO network but it is a 50-percent copay if you are out of the network, and you end up in the emergency room that is out of the network because it was the one closest to where you were when you had that chest pain, you may end up having to pay 50 percent of the emergency room bill rather than 20 percent that you would have had to pay in your in-network emergency room, which is what the Democratic bill would provide, that you would pay whatever emergency room from which you ended up receiving that emergency service.

Mr. FRIST. The question is, in essence, what I said earlier about the differential cost sharing; if you go back and look at the committee report, if you go to an emergency room, you can be charged out-of-network rates instead of in-network cost sharing. I do not have that report language before me right now, but if that is what is in the committee report, that is unacceptable to me. That is something that I am willing to work on in terms of the amendment process over the next several days because there is no question in my mind as to the cost-sharing requirement, when you go into an emergency room, that you have to remove all barriers, that you can go to the closest emergency room, and that that cost-sharing requirement cannot be exaggerated or elevated to an out-of-network rate as we go forward.

I will work with you in terms of this whole issue that the cost-sharing requirement cannot be greater for out-of-network emergency services than for in-network services. That is a barrier that should not be there.

Mr. GRAHAM. Mr. President, that response was so satisfactory and indicated the kind of spirit which I hope this debate over the next 3½ days will sustain; that we are all trying to do what is best for patients and that we will work together to get to that end.

I have no further questions.

Mr. FRIST. Mr. President, let me just respond that I hope in my earlier comments in what I was saying about poststa-bilization—although I have not seen the wording of the amendment, but I know from committee that the Senator is committed to this—in the poststabilization end of things, in terms of how far in the process of prudent layperson recognition, the presentation to the emergency room of your choice, the cost-sharing arrangement we talked about, the medical screening, the stabilization, the poststabilization period, I, again, want to work with the Senator as we go forward.

I have to say it is a very complex issue as to how you trade back into the network, how you do that notification process. I worked in emergency rooms. I have been there. I worked for years in emergency rooms.

When somebody comes in, the last thing you want to be thinking about is a lot of phone calls and calling networks—should we or should we not take care of that individual patient? On the other hand, after things settle down and you take care of the emergency in the emergency room, you have the heart going, you have resuscitated them, then at some point in time they have to make their entrance back into the coordinated care plan.

So we have to be careful about poststabilization—at an appropriate time—but, again, doing what is right for the patient. So those two issues—the cost sharing and the poststabilization—I am committed to working with the Senator over the next several days.

I reserve the remainder of my time and yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I say to my friend from Florida that was an excellent question. It does appear the Senator from Tennessee has indicated that the Republican version of the emergency care aspect of that bill is lacking and that he would support the provisions you have indicated, having parity in charging from one emergency room to the other. It was an excellent question.

Mr. President, I yield 5 minutes to the Senator from Montana.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

PRIVILEGE OF THE FLOOR

Mr. BAUCUS. I first ask unanimous consent that my assistant, Brent Asplin, be allowed floor privileges during the remainder of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I want to follow up on the dialogue we had between Senator GRAHAM from Florida and Senator FRIST from Tennessee. I think we are finally getting to the heart of the matter as to on why the amendment offered by the Senator from Florida really does make sense and why it saves money and at the same time helps the patients.

I point out that this amendment contains identical language that this Senate has already passed 2 years ago with respect to Medicare and Medicaid—the same language. I frankly think it would not be wise—in fact, I think it would be a mistake—if the Senate were now to turn around and adopt a lower standard of care for Americans with private health insurance plans. It just does not make any sense.

I must also say that both bills appear to provide coverage for emergency services using the prudent layperson standard. At least that is how it appears on the surface. The prudent layperson standard is the standard that guarantees emergency care without prior authorization in any case that a prudent layperson would regard as an emergency. Both bills appear to have that same standard.

The question here is something that is a little bit different. The difference comes down to poststabilization services. The amendment before us today does offer coverage for poststabilization services. The Republican bill does not.

What are poststabilization services? They are those services needed when a patient has been stabilized after a medical emergency. That is afterwards.

Really, the debate about poststabilization comes down to two basic questions: First, is poststabilization care going to be coordinated with the patient's health plan or is it going to be uncoordinated and therefore inefficient?

The second question is: Are decisions about poststabilization care going to be made in a timely fashion; that is, when they are needed, or are we going to allow delays in the decisionmaking process that will compromise patient care and also lead to overcrowding in our Nation's emergency rooms?

Those are the two basic questions. Again, are the poststabilization services going to be coordinated with the health care plan or not; and, second, are these decisions going to be made in a timely fashion?

We have heard a lot of rhetoric about how poststabilization services amount to nothing more than a "blank check" for providers. That is the major argument against this amendment. Is it going to provide for a "blank check" for doctors, for hospitals, and for emergency care providers? If these provisions are a "blank check," I might ask, then, why did one of the oldest, largest, and most successful managed care organizations in the country, Kaiser-Permanente, help create them in the first place?

Kaiser-Permanente likes this because it knows it makes sense. It helps patient care and it helps reduce costs. Kaiser-Permanente is a strong supporter of the poststabilization provisions in our bill; that is, the provisions offered by the Senator from Florida.

Why does Kaiser-Permanente support this? One simple reason. They realize that coordinating care after a patient is stabilized not only leads to better patient care but—guess what—it also saves money.

Let me give you an example of how the poststabilization services in this amendment can actually save money.

Just last week, while the Senate was in recess, I learned of a 40-year-old woman who went to an emergency room complaining of numbness on the right side of her body. The symptoms began to improve in the emergency room, and she was diagnosed with what her physicians referred to as a "ministroke" or a "TIA." This condition is a warning sign for the possibility of a more serious, debilitating stroke.

The patient was stabilized in the emergency room, and the emergency physician attempted to contact the patient's physician but was unable to do so. The emergency doc tried to contact the patient's physician but could not. If the poststabilization provisions in our bill had been in place, it may have been possible to send this woman home to continue her tests as an outpatient. It would have been possible. It would have been probable because of the way she was stabilized.

But because the plan and the private physician were not available to provide coordinated and timely followup care, the emergency physician had to admit the patient to the hospital. Now, I am confused. Why don't some of my colleagues support this provision? Why don't they support a provision that provides a pathway to more efficient medical care?

Mr. President, I ask consent to speak for an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. In this case, the outcome is very simple. A patient could have been discharged to home with follow-up care as an outpatient. Instead, she was admitted to the hospital because timely follow-up care couldn't be guaranteed through the health plan. Her hospitalization costs were much higher than the care she would have received as an outpatient.

Now, I must say, too, we have heard many stories about the retrospective denial of coverage for poststabilization services. These services are not optional medical care. That is not what we are talking about. That is a red herring. We are not talking about optional medical care. We are talking about the situation where the emergency doc has time only to make sure the patient is taken care of, either admitted to a hospital poststabilization or coordinate a plan with the patient's doctor, some similar thing, not unrelated or just tangentially related optional medical care. That is a red herring. That is not what we are talking about.

If my colleagues support the Graham-Chafee amendment, it is clear they will be voting for more efficient and more timely medical care. I hope the Republicans will join us to pass the real prudent layperson standard for emergencies. This standard has bipartisan support. It is endorsed by many professional organizations and consumer groups throughout the country.

For example, just this afternoon I received an endorsement by the American Heart Association of the prudent layperson amendment offered by Senators GRAHAM and CHAFEE. The American Heart Association states that the prudent layperson standard is "essential to their mission of reducing death and disability from cardiovascular disease, the leading cause of death in America."

The American Heart Association wants this amendment because they know it is right. Kaiser-Permanente wants this amendment because they know it is right. There is no reason why this amendment should not pass, particularly when the same standard applies today because of a law passed by this Congress 2 years ago, to Medicare and Medicaid.

I think it is common sense. I can't believe the objections to this amendment. I hope that after the other side thinks about it a little bit, they will realize that it does make sense and support it.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter to me from the American Heart Association endorsing this amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN HEART ASSOCIATION,
Washington, DC, July 13, 1999.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, DC.

DEAR SENATOR BAUCUS: On behalf of the 4.2 million volunteers of the American Heart Association, I urge you to support Senator Bob Graham's amendment, to be offered today to the patient protection legislation, which will ensure prompt emergency room access. This amendment is essential to our mission of reducing death and disability from cardiovascular diseases, the leading cause of death in America.

To reduce the devastation caused by cardiovascular diseases, the American Heart Association is committed to educating the public about the warning signs and the symptoms of heart attack and stroke. Acting on this knowledge is often the key to survival. In fact, every minute that passes before returning the heart to a normal rhythm after a cardiac arrest causes the chance of survival to fall by as much as 10 percent. Our consistent message to the public, therefore, is both to know the signs and symptoms of heart attack and stroke and to get emergency care as quickly as possible.

However, unnecessary and burdensome obstacles often stand between the patient and the emergency room door. Insurer "pre-approval" processes for emergency care can impede prompt treatment of heart attack and stroke. Delays in treatment can significantly increase mortality and morbidity. Our efforts to educate the public about the importance of getting prompt treatment are severely hindered by these "pre-approval" barriers.

The American Heart Association strongly supports Senator Graham's efforts to address these obstacles by ensuring the "prudent layperson" definition of emergency.

Thank you for your consideration of this issue. We look forward to your strong support for the Graham amendment.

Sincerely,

DIANE CANOVA, Esq.,
Vice President, Advocacy.

Mr. KENNEDY. Mr. President, HMO's across the country are denying coverage for emergency care, and patients are suffering.

A child has a severe fever, but his parents are forced to drive past the nearest emergency room to a distant facility that participates in the HMO's network. The child's hands and feet are amputated as a result of the delay in getting care.

A middle-aged man has severe chest pain and believes he is having a heart attack, but finds out at the emergency room that it was merely indigestion. His HMO denies payment for the visit, leaving him with an expensive bill for tests to rule out his symptoms.

A woman fractures her skull and is knocked out during a 40-foot fall while hiking. She is airlifted to a local hospital, but her HMO later denies coverage because she did not seek "pre-authorization" for emergency treatment.

A teenager dislocates his shoulder in an after-school sports program in Massachusetts. Another student's mother—who happens to be a physician—saves his arm by performing an emergency procedure while waiting for his HMO to send an ambulance to take him to the hospital.

Each case is unique, but all share a common theme. Patients are injured or stuck with the bill because their HMO tries to avoid responsibility for care that should be covered. According to a September, 1998, survey by Harvard University and the Kaiser Family Foundation, one in seven HMO patients report that their plan refused to pay for an emergency room visit, and one in ten say they have difficulty getting emergency care.

Two years ago, Congress passed legislation with strong bipartisan support in the Balanced Budget Act that put a stop to these abuses for Medicare and Medicaid patients. As a result, America's elderly, disabled and low-income citizens can seek care at the nearest hospital—without financial penalty—when they believe they are facing a medical emergency.

The Graham amendment and the Democratic Patients' Bill of Rights, which are strongly supported by the American College of Emergency Physicians, would extend those protections to all 161 million Americans with private health insurance.

The Republican leadership claims to do the same in their proposal, but their so-called protections are missing key parts or are riddled with loopholes. They apply to fewer than one-third of privately insured Americans. According to the American College of Emergency Physicians in a letter dated June 22, 1999, S. 326, as reported out of Committee, "fails to achieve the promise of its section name. As drafted, [it] calls into serious question the underlying intent of the provision."

First, the prudent layperson standard applies only if the HMO happens to define emergency medical care exactly as the act does. Thus, plans may be able to avoid the standard simply by changing their definition of emergency care.

Second, even if the prudent layperson standard were to apply, the Republican bill allows plans to charge patients more for going to the nearest emergency department, instead of the HMO's hospital. An amendment was offered in the committee to try to limit cost-sharing for patients who seek care at an out-of-network provider, but conflicting language in the legislation and accompanying Committee Report calls into question the true effect and intent of the amendment. The American College of Emergency Physicians calls the situation "vague and confusing." Clearly, without this assurance, the protections offered by using a prudent layperson standard and removing prior authorization restrictions are moot. Patients will still feel pressured to seek care only at network hospitals—even if it means risking life or limb to get there—because they will fear the financial repercussions that may occur if they go to the nearest emergency room.

Third, the Republican leadership bill does not ensure coverage and coordination of the care that is provided after a patient is stabilized in the emergency room. This is a critically important gap, and an area in which coverage can be confusing and disputes frequent. That is why Congress included coverage for post-stabilization care in the Balanced Budget Act's protections for Medicare patients. Senator HUTCHINSON included it in the legislation he cosponsored with Senator GRAHAM last year. This year, however, Republican support for this important protection has disappeared, leaving millions of patients out in the cold.

Coverage of post-stabilization care will not significantly undermine an HMO's relationships with particular facilities or become a vehicle for a hospital or patient to manipulate the system after care is provided at a non-participating hospital. It simply ensures that patients receive all necessary care before being transferred or discharged, and that they are not left with the bill simply because the HMO turns off its phones at 5 p.m. or refuses to coordinate with the hospital.

Our plan would create a system to ensure that the treating provider and the plan begin a conversation to coordinate care as soon as practical once the patient arrives at the emergency room.

I have heard my Republican colleagues argue that this protection is unnecessary because no hospital will discharge a patient until that patient is sufficiently stabilized. That may be true, but the problem we seek to address here deals with coverage, not treatment. Thanks to the anti-dumping Emergency Medical Treatment and Labor Act, under current law patients should received the care they need when they present with symptoms in an emergency room.

But HMOs do not need to abide by this act—hospitals and doctors do. So, when the hospitals and doctors do their job and provide the care they think is necessary, the insurance company can later deny coverage for the care and patients are stuck with the bill.

The Graham amendment, which I strongly support, would put a stop to this abuse by ensuring that all parties begin discussing proper treatment and coverage options at the earliest possible moment. This amendment is based on Medicare's provisions. It says that insurance companies must use a prudent layperson standard if they cover emergency services. It says patients should not be charged more for going to the closest, but non-participating hospital. And it says that coverage should extend for necessary post-stabilization care, too. Millions of families deserve this protection, and they are waiting for its passage.

Mr. CHAFEE. Mr. President, today I urge my colleagues to join me in supporting meaningful emergency services protection for patients in managed care plans. I am happy to cosponsor this amendment with my good friend, Senator BOB GRAHAM.

This is one area where we should have little difficulty in coming to agreement—we have already extended this critical protection to Medicare and Medicaid beneficiaries as part of the Balanced Budget Act of 1997. Now it is time for the federal government to finish the job and provide all Americans with a single and consistent standard for emergency room coverage. What's good for our Medicare and Medicaid patients should be good for patients in private plans; there is no earthly justification for not extending this basic protection to all Americans. If a plan says it covers emergency medical services, then it ought to do just that—cover legitimate emergencies.

Simply put, this provision establishes reasonable standards to guarantee that patients will have their emergency services covered by their insurance company—regardless of when or where they happen to be faced with the emergency. This question of where the emergency occurs is an important one—the very nature of an emergency situation suggests that the patient will not always have the luxury of going to an emergency room that is part of the plan's network. It is important for patients who reasonably believe they need emergency medical care to receive it without delay.

There are several aspects to this provision that must be included to make it a meaningful protection for patients. I will quickly run through just a few of the most important:

First, protection from higher cost-sharing must apply to emergency services received without prior authorization. When time is of the essence, the patient should not be held to prior authorization requirements.

Second, if the patient is faced with an emergency, he or she should not be charged higher cost-sharing for going to an out-of-network hospital.

Third, the patient must have the assurance that his or her plan will arrange for necessary post-stabilization care—either at the facility where the patient is being treated for the emergency, or at an in-network facility—in a timely fashion. The best way to achieve this is through a reference to the post-stabilization guidelines already established in the Social Security Act.

This so-called "post-stabilization" requirement has been widely mischaracterized as requiring plans to pay for a whole host of services unrelated to the emergency condition at hand. However, I want to make clear that the requirement is really one for coordination—that is, the plan must simply communicate with the emergency facility in order to coordinate the patient's post-stabilization care. If the plan fails to communicate with the treating emergency facility, then, and only then, could the plan be held responsible for payment of post-stabilization services. Furthermore, the services must be related to the emergency condition.

Lest anyone doubt the importance of this coordination requirement—for patients and plans alike—all we have to do is look at the experience of Kaiser-Permanente, one of our nation's largest and oldest health insurers. They have found the provision easy to implement, and a money-saver. In a letter to Senator BAUCUS dated June 24, 1999 they write "Of over two thousand patients transported in this fashion, one third have been discharged to their homes. Without this coordination of care, these patients would have been hospitalized at needless expense."

All of these features are a part of the current law for Medicare and Medicaid beneficiaries, and have been extended to Federal employees by Executive Order. Patients in private health insurance plans deserve no less protection.

In sum, with passage of this provision, patients will no longer be in the unreasonable position of fearing that payment for emergency room visits will be denied even when these emergency conditions appear to both the patient and emergency room personnel to require urgent treatment. Patients will be assured prompt access to emergency care regardless of whether the emergency happens to occur out of range of an in-network provider.

I thank the Chair.

Mr. GRAHAM. Mr. President, how much time remains on this amendment?

The PRESIDING OFFICER. The Senator from Florida has 17 minutes 11 seconds.

Mr. GRAHAM. Mr. President, I yield myself such time as is necessary and ask to be notified when there are 5 minutes remaining for the proponents of the amendment.

When I spoke earlier, I said the devil was in the details, and I took some time to talk about two of those details, which were the question of cost sharing, whether you went to an emergency room that was inside the HMO's network or outside the network and, therefore, created an economic incentive under the Republican plan to not go to the emergency room that might be closest and most appropriate and, in instances, the life-saving emergency room. Then we talked about poststabilization care, whether the HMO could, by just not answering the telephone, not giving authorization, put the hospital and the patient in the situation where they had to take either a medical risk or an economic risk.

Let me mention two other specific areas which I think deserve the attention of the Senate where there are differences between the Republican and the Democratic proposal.

First is the issue of what is the kind of initial care that one will receive when they go into the emergency room as a prudent layperson. That is, they have exercised common sense as a layperson, that they have a symptom that could be emergent in character and, therefore, they should go to an emergency room.

In the Democratic plan, the definition of the services that will be provided are: A medical screening examination that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate an emergency medical condition. That is the definition of the services to which you are entitled.

In the Republican bill, here is the definition: The plan shall provide coverage for benefits without requiring prior preauthorization for appropriate emergency medical screening examinations.

Now, are we going to get into the situation a week, a month, a year after the emergency services have been provided that there will be a raging debate between the emergency room physician and the HMO as to whether the services that were provided were appropriate? Or should we not use the language that is in the Democratic provision which clearly states that it will be those services that are within the capability of the emergency department of the hospital?

The second concern is: What is the responsibility of the prudent layperson while you are lying there on the gurney having emergency diagnosis? Under the Republican plan, it states that to the extent that a prudent layperson who possesses an average knowledge of health and medicine would determine such examinations to be necessary to determine whether emergency medical care is necessary.

Do they really mean to say that here is this person who is having symptoms of a heart attack, is stretched out, is attached to all kinds of medical equipment, is obviously in a very distressed physical condition and probably in a very distressed emotional condition, that now this prudent layperson has to be so prudent as to second-guess whether the examinations that the emergency room physician is providing are the kind of examinations that should be provided? Presumably, if the prudent layperson in that almost comatose state doesn't make the right judgment as to what examination the emergency room physician should be rendering, those services won't be covered by the HMO.

That provision is so extreme as to shock the conscience of a prudent layperson who is just reading the language in the Republican bill. I am hopeful that the kind of spirit of common sense that our colleague, Dr. FRIST, the Senator from Tennessee, expressed would apply to focusing on these provisions.

The fortunate aspect of this proposal is that we don't have to totally operate in an environment of hope and guess. As the Senator from Montana stated, it has now been almost 3 years since this Senate and our colleagues in the House of Representatives, and the President of the United States, joined hands to adopt an emergency room provision for Medicare and for Medicaid covering almost 70 million Americans. We have had 3 years of experience under virtually the identical language that is now in the amendment before us.

My exploration with emergency room physicians, who strongly support this amendment, with HCFA, the Federal agency with the responsibility for the administration of the Medicare program in conjunction with the States, of the Medicaid program, have not pointed out that there have been this parade of horribles as a result of that legislation. If someone has other evidence they would like to offer, I urge them to do so.

I do not believe such testimony was given before the Labor Committee, when it considered this legislation, that indicated there had been a cratering of health care services in the emergency room for Medicare or Medicaid beneficiaries, or an escalation of cost as a result of the actions of the Congress and the President just some 3 years ago.

So I suggest that the prudent senatorial course of action on this matter would be to adopt the amendment that is before us. It is an amendment that we have already voted on in previous years as it relates to Medicare and Medicaid. We have a positive track record. We don't need to take chances with the emergency room treatment of the other almost 190 million Americans who are not under Medicare or Medicaid.

So in the spirit of the good will expressed by our colleague from Tennessee, I look forward to a close examination, and I hope that at the conclusion of that examination we will support and reaffirm the wisdom and judgment that we made in 1997.

The PRESIDING OFFICER. Who yields time?

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged to the opponents of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the time during the quorum call run against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the time not be charged against either side on this quorum call that I am going to suggest.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, today I stand in support of a strong Patients' Bill of Rights. S. 6, the Democratic leadership bill, is of immense importance to the American people.

Some may ask, is such a bill necessary? Without question, it is. Currently, over 160 million of our family, friends, neighbors and children, are paying good money for health care with no guarantee of proper and appropriate treatment.

We don't have to look too hard to see that there are too many cases where appropriate care is not being provided. We have all heard horror stories of individuals unable to see their doctor in a timely manner * * * of patients unable to access the specialist they need * * * of individuals unable to get coverage for the type of care they believed and expected was covered under their plan.

It's very simple. Insurance either fulfills its promises or it doesn't. And we've heard enough to know that in too many cases it doesn't. Employers and patients pay good money for health care coverage, only to find that they're not getting the coverage they expected. In too many cases, the coverage they expected disappears when the need arises. I didn't have to look very hard to find such situations in my own state of Iowa.

Let me tell you a story about Eric, from Cedar Falls, Iowa, who has health insurance through his employer. Eric is 28 years old, with a wife and two children. He suffered cardiac arrest while helping out at a wrestling clinic. He was rushed to the hospital, where he was resuscitated.

Tragically, while in cardiac arrest, Eric's brain was deprived of oxygen. He fell into a coma and was placed on life support. The neurosurgeon on call recommended that Eric's parents get Eric into rehab.

It was then the problems began. Although Eric's policy covered rehabilitation, his insurance company refused to cover his care at a facility that specialized in patients with brain injury.

Thankfully, Eric's parents were able to find another rehab facility in Iowa. And Eric began to improve. His heart pump was removed, his respirator was removed, and his lungs are now working fine.

But, even with this progress, Eric's family received a call from his insurance company saying they would no longer cover the cost of his rehab, because he is not progressing fast enough.

Eric's mother wrote to me, saying, "This is when we found out we had absolutely no recourse. They can deny any treatment and even cause death, and they are not responsible."

This week, here on the Senate floor, we have a critical choice before us. A choice for Eric and his family. A choice between real or illusionary protections. A choice between ensuring care for millions of Americans or for perpetuating the already burgeoning profit margins of the Managed Care industry.

The Republicans have offered a bill that leaves out 115 million people because most of the patient protections in the plan apply only to self-funded employer plans. This would protect only 48 million of the 161 million with private insurance.

Our bill establishes a minimum level of patient protections by which managed care plans must abide. States can—and it's my hope that states will—provide even greater protections, as necessary, for the individuals in such plans in their states. As a starting point, however, we need to pass a strong and substantive managed care reform bill.

The American people want real patient protections.

Our bill, the real Patients' Bill of Rights Act, delivers on what Americans want and need, real protection against insurance company abuse. The bill provides basic protections for Americans, such as:

Access to needed specialists, including access to pediatric specialists;

the guarantee that a patient can see a doctor who is not on their HMO's list if the list does not include a provider qualified to treat their illness;

access to the closest emergency room and coverage of needed emergency care;

the guarantee that patients with ongoing serious conditions like cancer, arthritis, or heart disease can see their oncologist, rheumatologist, or cardiologist without asking permission from their HMO or primary care doctor each time;

the guarantee that patients can continue to see their doctor through a course of treatment or a pregnancy, even if their HMO drops their doctor from its list or their employer changes HMOs;

the guarantee that patients can get the prescription drug their doctor says they need, not an inferior substitute the HMO chooses because it's cheaper;

access to quality clinical trials for those with no other hope;

the ability to appeal an HMO's decision to deny or delay care to an independent entity and receive timely, binding decisions;

and, finally, the right to hold HMOs accountable when their decisions to deny or delay care lead to injury or death. Most situations will be resolved through our appeals mechanism. However, I believe that HMOs and insurers should not have special immunity when they harm patients.

No one can argue with the need to ensure access and quality of care for Americans. Over 200 organizations representing patients, consumers, doctors, nurses, women, children, people with disabilities, small businesses, and people of faith support the Democrats' Patients' Bill of Rights.

The Majority pretends that their bill offers real patient protections, but when you read everything below the title, it reads more like an insurers' bill of rights.

We have a chance to pass real and responsible legislation. The time for real reform is now. The American people have been in the waiting room for too long.

TRIBUTE TO JEANMARIE HICKS

Mr. DASCHLE. Mr. President, today I would like to take a moment to acknowledge a remarkable young woman from Rapid City, South Dakota, Jeanmarie Hicks, who was recently selected as the National Winner in the 1999 National Peace Essay Contest sponsored by the United States Institute of Peace.

This year more than 2,500 high school students from all 50 states were asked to express their thoughts on the topic of preventing international violent conflict. Winners from each state were awarded a $1,000 college scholarship and invited to participate in a week of special activities here in Washington. The National Winner receives an additional $10,000 college scholarship.

Jeanmarie Hicks, who recently graduated as valedictorian from St. Thomas More High School in Rapid City, wrote an eloquent essay entitled "Preventive Diplomacy in the Iraq-Kuwait Dispute and in the Venezuela Border Dispute." In addition to her writing skills, Jeanmarie recently took first place in South Dakota in both the National French Contest and the National Spanish Contest, and will attend the College of St. Benedict in Minnesota this fall.

I know my colleagues join me in congratulating Jeanmarie on all of her accomplishments, and I ask unanimous consent that her essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

PREVENTIVE DIPLOMACY IN THE IRAQ-KUWAIT DISPUTE AND IN THE VENEZUELAN BORDER DISPUTE

(By Jeanmarie Hicks, St. Thomas More High School, January 22, 1999)

"Too little, too late" often in the prevention of violent conflicts holds true (Peck). When the roots of the problem are not identified in time, violence becomes the solution. Preventive diplomacy, one way of avoiding conflicts, can be defined as "action to prevent disputes from arising among parties to prevent existing disputes from escalating into conflicts, and to limit the spread of the latter when they occur" (Boutros-Ghali 45).

Preventive diplomacy protects peace and ultimately people, who suffer greatly in armed conflicts. Preventive diplomacy has been used in many disputes, including the border dispute in Venezuela with Great Britain in the 1890s and in this decade's Iraq-Kuwait dispute. Conflict was prevented in Venezuela. However, preventive action was not effective in Kuwait; and civilians suffered as a result.

The United States' intervention in the border dispute in Venezuela is one example of preventive diplomacy. Unfortunately, the border between Guyana and Venezuela was never clearly defined; and colonial maps were inaccurate (Lombardi 29). From the 1840s until the 1880s, Britain pushed into Venezuela over Guyana's western border by claiming the area's gold (Lombardi 29), and by asserting that the land from the Rio Essequibo to the Orinoco was part of Guyana (Schomburgk Line) according to colonial maps (Daly 2). Britain was vehement about its right to the land, and Venezuela appealed to the U.S. for aid. Under the Monroe Doctrine, the U.S. states that it will act as a police force to protect Latin America from European influence. The U.S. viewed Britain's occupation of a portion of Venezuela as a breech of the doctrine (Cleveland 93).

Conflict was imminent, as Britain began to prepare its navy for war (Boutwell 4). A solution appeared in 1895 in the person of Secretary of State Richard Olney. Enthusiastic to attempt preventive diplomacy, Olney sent a dispatch to Britain stressing the importance of the Monroe Doctrine. Lord Salisbury of Britain responded, saying that the Monroe Doctrine was not applicable in the Venezuela situation, as no system of government was being forced upon the country (Cleveland 100–101). In addition, Salisbury pointed out that the conflict was not the result of the acquisition of new territory: Guyana owned the territory in question (Boutwell 10).

Olney stressed that the issue was pertinent to American stability, and remained steadfast in his demands (Cleveland 109). When Britain refused to submit, Congress authorized the president's appointment of an investigative committee. Meanwhile, Salisbury and Olney organized a meeting for November 10, 1896. At the meeting, a treaty was written; and the U.S. threatened to use its military to remove Britain from Venezuela's border if necessary. Britain and Venezuela signed the treaty on February 2, 1897, giving Venezuela control of the Rio Orinocco and much of the land behind the Schomburgk Line (Cleveland 117–118). Thus preventive diplomacy on the part of the U.S. was successful, and war was avoided.

The use of preventive diplomacy in the recent Iraq-Kuwait dispute was less successful. Iraq had been part of the Ottoman Empire from the 1700s until 1899, when Britain granted it autonomy (Darwish and Alexander 6). When in 1961, Britain gave Kuwait independence, Iraq claimed that, historically, Kuwait was part of Iraq (Sasson 9). Iraq begrudgingly recognized Kuwait's independence in 1963.

For awhile, relations between the two countries improved as Kuwait aided Iraq monetarily in the Iran-Iraq War (1980 until 1988) (Sasson 11). After the war, however, Iraq demanded money from Kuwait for reconstruction. Then Iraq accused Kuwait of drilling oil from the border without sharing and of taking more oil than the Organization of Petroleum Exporting Countries (OPEC) quota permitted (Sasson 12). Iraq began to threaten Kuwait borders, beginning a conflict that would take thousands of soldiers away from their homes, harm civilians, and detrimentally affect the environment.

In 1990, Iraq began to mobilize near the Kuwait border (Darwish and Alexander 6). Arab nations made unsuccessful attempts at preventive diplomacy (U.S. News & World Report 99). Surrounding nations attempted unsuccessfully to meet with Saddam Hussein. Iraq invaded Kuwait, took control of its capital on August 2, 1990, and installed a puppet government under Hussein's command. Iraqi soldiers brutally raped Kuwaiti women, and killed any civilian who was considered an obstruction (Sasson 76). At this point, the United Nations Security Council and the Arab League placed an embargo on Iraqi oil as punishment. Iraq, in response, annexed Kuwait (U.S. News & World Report 95–96).

War was imminent. On November 29, 1990, Iraq showed no signs that it would retreat. The United Nations Security Council declared that the coalition should use all means to expel Iraq from Kuwait if Iraq remained there after January 15, 1991 (Gordon and Trainor 195). In a final attempt at preventive diplomacy on January 9, James Baker of the U.S. met with Iraq's foreign minister, Tariq Aziz. Baker stressed that the coalition was willing to fight, and encouraged Iraq to leave Kuwait (U.S. News & World Report 199). Iraq, however, refused to retreat; and Hussein declared that Iraq would fight a "holy war" for Kuwait. The world realized that war was the only means of solving the problem (Gordon and Trainor 197–198).

Air assaults began on January 17, and land war began on February 24 (U.S. News & World Report). Iraqi civilian casualties were heavy. The land war lasted only 100 hours, but numerous oil wells were set afire, causing the emission of dangerous gases. Peace was never truly made. Hussein resisted the requirements for peace, including frequent United Nations inspections and the prohibition of possession of nuclear weapons (U.S. New & World Report 447).

The consequences of the Iraq-Kuwait conflict are grave. Civilians of both Iraq and Kuwait suffered. Fires in oil wells caused dangerous air pollution. American soldiers suffer from the so-called Gulf War Syndrome, which has caused a number of afflictions and death. The Syndrome is believed to have resulted from the biological and chemical weapons and the gases emitted by the oil wells (Eddington 1–2).

As illustrated, preventive diplomacy can affect the outcome of imminent disputes. Various factors affect its success. In the Venezuela border dispute, preventive diplomacy was effective for several reasons. First, the problem was recognized early; and neither side was truly battle-ready. Second, the problem was contained, in that only four nations (Venezuela, Britain, Guyana, and the U.S.) were involved. Finally, both sides were willing to cooperate: the U.S. supported the Monroe Doctrine, and Britain decided that the border area was not worth war.

Preventive diplomacy was not effective in the Iraq-Kuwait dispute. First, the problem was not recognized and acted upon until Iraq had mobilized in Kuwait. Second, many nations were involved in the conflict, putting Iraq on the defensive. Problem solving was made a worldwide effort rather than an isolated effort concerning Iraq, Kuwait, and a few mediators. Finally, Hussein and the Iraqis were and remain unwilling to cooperate for peace, as illustrated by the recent problems with weapons' inspections.

With increasingly powerful weapons of mass destruction, preventive diplomacy is particularly important. Moreover, preventing crises is more effective than dealing with the consequences of armed conflict (USIA Electronic Journals). Consequently, some factors could be initiated to make preventive diplomacy more effective in the future. First, nations must learn about other nations' cultures in order to learn respect for the people ("Stopping War Before It Starts"). Children should be taught about the other countries' histories and cultures in school; and current information about events abroad should be readily available to the public. Secondly, acceptable political behavior must be explicitly defined by an international council that all nations will be aware of the consequences of their actions (Kennan 83). The ownership of nuclear weapons, for example, should be limited. An international council would deal with breaches of the rule by inspections, reprimands, and military action, if necessary.

Preventive diplomacy centers must be established in all regions (Peck). Each center would have professional peacemakers and staffs, and report to the previously mentioned international council, for international cooperation is important in the prevention of war in that all nations must cooperate to maintain good relations, and thus peace ("Preventive Diplomacy in Action"). The centers would watch for signs of conflict, study causes, and train diplomats. With centers in all regions, conflicts could be dealt with immediately. The involved nations would not need to feel threatened, unless preventive diplomacy is refused, in which case, the nations in the council would unite militarily to maintain peace. If a potential conflict was identified, the center would react by gathering representatives from each party (Peck). The center's diplomats would facilitate negotiation by suggesting ways to make concessions; and hopefully, war would be prevented.

Preventive diplomacy, when used effectively as in Venezuela, aids in the avoiding of armed conflict. However, as apparent in the tragedy in the Iraq-Kuwait dispute, when preventive diplomacy is not effective, people on both sides of the conflict and resources suffer. Certain measures, including regional centers, the consolidation of the problem, and cooperation, should be taken for optimum effectiveness. Preventive diplomacy can make the difference between bloodshed and peace, which is necessary for survival in these times of technological advances in weaponry. As Abraham Lincoln said in his second inaugural address, "Let us strive . . . to do all which may achieve a just and lasting peace among ourselves and all nations" (qtd. in Boutwell 16).

INTELLECTUAL PROPERTY BILLS

Mr. LEAHY. Mr. President, on July 1, 1999, just before last week's recess, the Senate passed four bills which Senator HATCH and I had joined in introducing and which the Judiciary Committee had unanimously reported on the same day as Senate passage. These four bills would reauthorize the Patent and Trademark Office, update the statutory damages available under the Copyright Act, make technical corrections to two new copyright laws enacted last year, and prevent trademark dilution. Each of these bills makes important improvements to our intellectual property laws, and I congratulate Senator HATCH for his leadership in moving these bills promptly through the Committee and the Senate.

Passage of these four bills is a good start, but we must not lose sight of the other copyright and patent issues requiring our attention before the end of this Congress. The Senate Judiciary Committee has a full slate of intellectual property matters to consider and I am pleased to work on a bipartisan basis with the chairman on an agenda to provide the creators and inventors of copyrighted and patented works with the protection they may need in our global economy, while at the same time providing libraries, educational institutions and other users with the clarity they need as to what constitutes a fair use of such works.

Among the other important intellectual property matters for us to consider are the following:

Distance education. The Senate Judiciary Committee held a hearing in May on the Copyright Office's thorough and balanced report on copyright and digital distance education. We need to address the legislative recommendations outlined in that report to ensure that our laws permit the appropriate use of copyrighted works in valid distance learning activities.

Patent reform. A critical matter on the intellectual property agenda, important to the nation's economic future, is reform of our patent laws. I worked on a bipartisan basis in the last Congress to get the Omnibus Patent Act, S. 507, reported by the Judiciary Committee to the Senate by a vote of 17 to one, and then tried to have this bill considered and passed by the Senate. Unfortunately, the bill became stalled due to resistance by some in the majority. We should consider and pass this important legislation.

Madrid Protocol Implementation Act. I introduced this legislation, S. 671, to help American businesses, and especially small and medium-sized companies, protect their trademarks as they expand into international markets by conforming American trademark application procedures to the terms of the Protocol in anticipation of the U.S.'s eventual ratification of the treaty. Ratification by the United States of this treaty would help create a "one stop" international trademark registration process, which would be an enormous benefit for American businesses.

Database protection. I noted upon passage of the Digital Millennium Copyright Act last year that there was not enough time before the end of that Congress to give due consideration to the issue of database protection, and that I hoped the Senate Judiciary Committee would hold hearings and consider database protection legislation in this Congress, with a commitment to make more progress. I support legal protection against commercial misappropriation of collections of information, but am sensitive to the concerns raised by the Administration, the libraries, certain educational institutions, and the scientific community. This is a complex and important matter that I look forward to considering in this Congress.

Tampering with product identification codes. Product identification codes provide a means for manufacturers to track their goods, which can be important to protect consumers in cases of defective, tainted or harmful products and to implement product recalls. Defacing, removing or tampering with product identification codes can thwart these tracking efforts, with potential safety consequences for American consumers. We should examine the scope of, and legislative solutions to remedy, this problem.

Online trademark protection or "cybersquatting." I have long been concerned with protection online of registered trademarks. Indeed, when the Congress passed the Federal Trademark Dilution Act of 1995, I noted that:

> [A]lthough no one else has yet considered this application, it is my hope that this antidilution statute can help stem the use of deceptive Internet addresses taken by those who are choosing marks that are associated with the products and reputations of others. (CONGRESSIONAL RECORD, December 29, 1995, page S19312).

Last year, my amendment authorizing a study by the National Research Council of the National Academy of Sciences of the effects on trademark holders of adding new top-level domain names and requesting recommendations on related dispute resolution procedures, was enacted as part of the Next Generation Internet Research Act. We have not yet seen the results of that study, and I understand that the Internet Corporation for Assigned Names and Numbers (I-CANN) and World Intellectual Property Organization (WIPO) are considering mechanisms for resolving trademark and other disputes over assignments of domain names in an expeditious and inexpensive manner.

This is an important issue both for trademark holders and for the future of the global Internet. While I share the concerns of trademark holders over what WIPO has characterized as "predatory and parasitical practices by a minority of domain registrants acting in bad faith" to register famous or well-known marks of others—which can lead to consumer confusion or downright fraud—the Congress should tread carefully to ensure that any remedies do not impede or stifle the free flow of information on the Internet. I know that the Chairman shares my concerns and that working together we can find legislative solutions which make sense.

As detailed below, the four intellectual property bills by the Senate will help foster the growth of America's creative industries.

S. 1257, THE DIGITAL THEFT DETERRENCE AND COPYRIGHT DAMAGES IMPROVEMENT ACT OF 1999

I have long been concerned about reducing the levels of software piracy in this country and around the world. The theft of digital copyrighted works and, in particular, of software results in lost jobs to American workers, lost taxes to Federal and State governments, and lost revenue to American companies. A recent report released by the Business Software Alliance estimates that worldwide theft of copyrighted software in 1998 amounted to nearly $11 billion. According to the report, if this "pirated software had instead been legally purchased, the industry would have been able to employ 32,700 more people. In 2008, if software piracy remains at its current rate, 52,700 jobs will be lost in the core software industry." This theft also reflects losses of $991 million in tax revenue in the United States.

These statistics about the harm done to our economy by theft of copyrighted software alone, prompted me to introduce the "Criminal Copyright Improvement Act" in both the 104th and 105th Congresses, and work over those two Congresses for passage of this legislation, which was finally enacted as the "No Electronic Theft Act." The current rates of software piracy show that we need to do better to combat this theft, both with enforcement of our current copyright laws and with strengthened copyright laws to deter potential infringes.

The Hatch-Leahy-Schumer "Digital Theft Deterrence and Copyright Damages Improvement Act" would help provide additional deterrence by amending the Copyright Act, 17 U.S.C. §504(c), to increase the amounts of statutory damages recoverable for copyright infringements. These amounts were last increased in 1988 when the United States acceded to the Berne Convention. Specifically, the bill would increase the cap on statutory damages by 50 percent, raising the minimum from $500 to $750 and raising the maximum from $20,000 to $30,000. In addition, the bill would raise from $100,000 to $150,000 the amount of statutory damages for willful infringements.

Courts determining the amount of statutory damages in any given case would have discretion to impose damages within these statutory ranges at just and appropriate levels, depending on the harm caused, ill-gotten profits obtained and the gravity of the offense. The bill preserves provisions of the current law allowing the court to reduce the award of statutory damages to as little as $200 in cases of innocent infringement and requiring the court to remit damages in certain cases involving nonprofit educational institutions, libraries, archives, or public broadcasting entities.

In addition, the bill would create a new tier of statutory damages allowing a court to award damages in the amount of $250,000 per infringed work where the infringement is part of a willful and repeated pattern or practice of infringement. I note that the House version of this legislation, H.R. 1761, omits any scienter requirement for the new proposed enhanced penalty for infringers who engage in a repeated pattern of infringement. I share the concerns raised by the Copyright Office that this provision, absent a willfulness scienter requirement, would permit imposition of the enhanced penalty even against a person who negligently, albeit repeatedly, engaged in acts of infringement. The Hatch-Leahy-Schumer bill avoids casting such a wide net, which could chill legitimate fair uses of copyrighted works.

S. 1258, THE PATENT FEE INTEGRITY AND INNOVATION PROTECTION ACT OF 1999

The Patent Fee Integrity and Innovation Protection Act would reauthorize the Patent and Trademark Office for fiscal year 2000, on terms that ensure the fees collected from users will be used to operate the Patent and Trademark Office and not diverted to other uses.

The PTO is fully funded and operated through the payment of application and user fees. Indeed, taxpayer support for the operations of the PTO was eliminated in the Omnibus Budget Reconciliation Act of 1990, which imposed a large fee increase (referred to as a "surcharge") on those who use the PTO, namely businesses and inventors applying for or seeking to protect patents on trademarks.

The fees accumulated from the surcharge were held in a surcharge account, for use by the PTO to support the patent and trademark systems. Unfortunately, however, the funds in the surcharge account were also diverted to fund other, unrelated government programs. By fiscal year 1997, almost $54 million from the surcharge account was diverted from PTO operations.

Last year, Congress responded to this diversion of PTO fees by enacting H.R. 3723/S. 507, which the chairman and I had introduced on March 20, 1997. That legislation authorized a schedule of fees to fund the PTO, but no other government program, and resulted in the first decrease in patent application fees in at least 50 years.

This PTO reauthorization bill would make $116,000,000 available to the Patent and Trademark Office, a self-sustaining agency, to pay for salaries and necessary expenses in FY 2000. This money reflects the amount in carryover funds from FY99 that PTO expects to receive from fees collected, pursuant to the Patent Act and the Trademark Act. By authorizing the money to go to PTO, the bill would avoid diversion of these fees to other government agencies and programs. Inventors and the business community who rely on the patent and trademark systems do not want the fees they pay to be diverted but would rather see this money spent on PTO upgraded equipment, additional examiners and expert personnel or other items to make the systems more efficient. This bill would ensure those fees are not diverted from important PTO operations.

S. 1260, COPYRIGHT ACT TECHNICAL CORRECTIONS ACT

In the last Congress, Senator HATCH and I worked together for passage of the Digital Millennium Copyright Act (DMCA) and the Sonny Bono Copyright Term Extension Act. This significant legislation is intended to encourage copyright owners to make their works available online by updating the copyright laws with additional protections for digital works, and conforming copyright terms available to American authors to those available overseas. The Hatch-Leahy substitute amendment to this bill adopted by the Judiciary Committee and passed by the Senate, makes only technical and conforming changes to those new laws and the Copyright Act.

S. 1259, THE TRADE AMENDMENTS ACT OF 1999

The Hatch-Leahy Trademark Amendments Act is significant legislation to enhance protection for trademark owners and consumers by making it possible to prevent trademark dilution before it occurs, by clarifying the remedies available under the Federal trademark dilution statute when it does occur, by providing recourse against the Federal Government for its infringement of others' trademarks, and by creating greater certainty and uniformity in the area of trade dress protection.

Current law provides for injunctive relief after an identical or similar mark has been in use and has caused actual dilution of a famous mark, but provides no means to oppose an application for a mark or to cancel a registered mark that will result in dilution of the holder's famous mark. In *Babson Bros. Co. v. Surge Power Corp.*, 39 USPQ 2d. 1953 (TTAB 1996), the Trademark Trial and Appeals Board (TTAB) held that it was not authorized by the "Federal Trademark Dilution Act" to consider dilution as grounds for opposition or cancellation of a registration. The bill remedies this situation by authorizing the TTAB to consider dilution as grounds for refusal to register a mark or for cancellation of a registered mark. This would permit the trademark owner to oppose registration or to petition for cancellation of a diluting mark, and thereby prevent needless harm to the good will and distinctiveness of many trademarks and make enforcing the Federal dilution statute less costly and time consuming for all involved.

Second, the bill clarifies the trademark remedies available in dilution cases, including injunctive relief, defendant's profits, damages, costs, and, in exceptional cases, reasonably attorney fees, and the destruction of articles containing the diluting mark.

Third, the bill amends the Lanham Act to allow for private citizens and corporate entities to sue the Federal Government for trademark infringement and dilution. Currently, the Federal Government may not be sued for trademark infringement, even though the Federal Government competes in some areas with private business and may sue others for infringement. This bill would level the playing field, and make the Federal Government subject to suit for trademark infringement and dilution. I note that the Lanham Act also subjects the States to suit, but that provision has now been held unconstitutional. Last week, the Supreme Court held in *College Savings Bank versus Florida Prepaid Postsecondary Education Expense Board* that federal courts were without authority to entertain these suits for false and misleading advertising, absent the State's waiver of sovereign immunity. This case (as well as the other two Supreme Court cases decided the same day), raise a number of important copyright, federalism and other issues, but do not effect the provision in the bill that waives Federal government immunity from suit.

Fouirth, the bill provides a limited amendment to the Lanham Act to provide that in an action for trade dress infringement, where the matter sought to be protected is not registered with the PTO, the plaintiff has the burden of proving that the trade dress is not functional. This will help promote fair competition and provide an incentive for registration.

Finally, this bill makes a number of technical "clean-up" amendments relating to the "Trademark Law Treaty Implementation Act," which was enacted at the end of the last Congress.

These bills represent a good start on the work before the Senate Judiciary Committee to update American intellectual property law to ensure that it serves to advance and protect American interests both here and abroad. I began, however, with the list of copyright, patent and trademark issues that we should also address. We have a lot more work to do.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, July 9, 1999, the Federal debt stood at $5,623,337,708,599.03 (Five trillion, six hundred twenty-three billion, three hundred thirty-seven million, seven hundred eight thousand, five hundred ninety-nine dollars and three cents).

One year ago, July 9, 1998, the Federal debt stood at $5,526,093,000,000 (Five trillion, five hundred twenty-six billion, ninety-three million).

Fifteen years ago, July 9, 1984, the Federal debt stood at $1,535,474,000,000 (One trillion, five hundred thirty-five billion, four hundred seventy-four million).

Twenty-five years ago, July 9, 1974, the Federal debt stood at $471,954,000,000 (Four hundred seventy-one billion, nine hundred fifty-four million) which reflects a debt increase of more than $5 trillion—$5,151,383,708,599.03 (Five trillion, one hundred fifty-one billion, three hundred eighty-three million, seven hundred eight thousand, five hundred ninety-nine dollars and three cents) during the past 25 years.

PRESIDENT BUSH'S 75TH BIRTHDAY

Mr. LUGAR. Mr. President, it would be remarkable for any American to celebrate his or her 75th birthday by skydiving, but it is even more remarkable when that person is the former President of the United States. I would expect no less however, of former president George Bush.

From the South Pacific to China to the White House, he has been as brave and bold in honorably serving his country as he has been in his private life. His leadership in holding together the international coalition during the Gulf War seems even more remarkable in recent years, as other attempts to hold together a Persian Gulf alliance have failed.

Mr. President, I am pleased to join the Senator from Connecticut, Mr. LIEBERMAN, in bringing attention to a wonderful story by the indefatigable White House Correspondent, Trude Feldman. Few people could provide such insight in profiling President George Bush on the occasion of his 75th birthday.

Mr. LIEBERMAN. Mr. President, I rise today on behalf of Senator LUGAR and myself to note the passing of another milestone for former President George Bush, a man the State of Connecticut considers a native son. President Bush recently celebrated his 75th birthday in his typically exuberant fashion, by jumping out of an airplane, just as he did on his 70th birthday.

After such a long and distinguished career of public service—which started in the South Pacific, where he put his life on the line for the cause of freedom, and which culminated in the Persian Gulf, where he put his Presidency on the line to stand up to the brutal aggression of Saddam Hussein—it's hard for some to believe that President Bush would have the interest, let alone the energy, to pursue his sky-diving habit as a septuagenarian.

But no one has ever accused the man who assembled and led the Gulf War coalition to victory of taking the easy way out. And today, much as we have grown to appreciate the fortitude and unobtrusive dignity he brought to the Presidency, so too can we admire the vitality and vigor he has brought to his life outside the Oval Office. He has shown himself to be a man for all seasons, not to mention all altitudes.

Those estimable characteristics were vividly captured in a profile recently penned by White House correspondent Trude B. Feldman to commemorate President's Bush's birthday. To pay tribute to President Bush on the passing of this important milestone, and in the spirit of bipartisanship, I would join with Senator LUGAR in asking unanimous consent to print the full text of Ms. Feldman's article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the Los Angeles Times International]

George Bush at 75

(By Trude B. Feldman)

George Bush, the former President of the United States, just turned 75 years old, and says, "It doesn't hurt a bit."

In an interview to mark the milestone, he adds: "I am blessed with good health—very good health. Oh, one hip might need replacing and the other might need a little shot of something, but I still fast-walk—13 minutes per mile—enough to get the aerobic effect going, yet not enough to pound the old joints into agony."

Nonetheless, prior to his birthday, he took another parachute jump on the grounds of his presidential library at Texas A & M University in College Station, Texas. The next day, he participated in a fund-raising event for his Number One cause—the fight against cancer—that will highlight the role the Houston-based M.D. Anderson Cancer Center has played in that fight. (It was leukemia that took the life of the Bushes' daughter, Robin, in 1953 before her 4th birthday. George Bush's father, Prescott S. Bush, a U.S. senator from Connecticut (1953-62), also died of cancer—of the lung—on Oct. 8, 1972, at age 77.)

The father of five children—two of whom are the governors of America's second and fourth largest states—George Bush told me: "Last November, when George W. was reelected governor of Texas and Jeb (John Ellis Bush) was elected governor of Florida, I was happier than when I was elected President of the United States 10 years before."

After his Inauguration as the 41st President on Jan. 20, 1989, George Bush went to the Oval Office in the White House. In the top drawer of the presidential desk, he found a handwritten note from President Ronald Reagan. On stationery headed "Don't Let the Turkeys Get You Down," the note read "Dear George, You will have moments when you want to use this stationery. Well, go to it. I treasure the memories we share and wish you the very best. You will be in my prayers. God bless you and Barbara. I will miss our Thursday lunches . . . Ron."

As President and Vice President (from 1981 to 1989), the two men ate lunch together every Thursday in the Oval Office and shared each others' views on domestic issues and foreign affairs as well as personal sentiments. To this day, neither one has revealed those conversations. Despite their fierce competition in the presidential primaries in 1980, Mr. Bush had been genuinely loyal to Mr. Reagan in eight years as Vice President.

Five years ago, while preparing a feature for George Bush's 70th birthday, I asked Ronald Reagan about those private lunches. While not disclosing much of the substance of their sessions, he did tell me that Mr. Bush was much more than a silent partner and that his solid advice was always valued.

"From those luncheons and from our constant interaction, I got to know him well," Ronald Reagan told me. "He was always informed, understanding and decent. He was also wise, honest and capable."

Mr. Reagan added: "No American Vice President should sit on the sidelines, waiting; he should be like an executive vice president of a corporation—active—and George was all that. He was a part of all we did—during times of crises and times of historic triumphs and achievements."

In our interview, Mr. Reagan also recalled: "As Vice President, George led the task force to cut away excess regulation, saving Americans 600 million man-hours of paperwork a year and making possible millions of new jobs. He also worked with our allies to strengthen NATO; and he helped make possible the new INF (Intermediate-Range Nuclear Forces) Treaty. I'd say he helped to make our world much safer."

Ronald Reagan noted that Mr. Bush also had launched a successful major offensive against drug smuggling that succeeded in blocking a record 70 tons of cocaine from ever reaching our communities. "In addition, he handled our Task Force on Terrorism that advised me on policy," Mr. Reagan said. "He was the architect of the plans we put into effect."

In defending Mr. Bush's role in the Iran-Contra affair—the crisis that engulfed and threatened his presidency—Mr. Reagan emphasized: "George had been completely honest. He was supportive of our policy—to establish communication with the pragmatic leadership in Iran with the goal of eventually renewing U.S.-Iranian relations. Yes, he had some reservations, but that often happened with other issues. For example, when we discussed and debated any policy at our Cabinet meetings—some Cabinet members still had reservations after I made a decision. But once the decision was made, they supported it. That's what George did—he supported my decision."

According to George Bush, who visited with Ronald Reagan two years ago, it was President Reagan who had set the stage for the world to change. "President Reagan contributed by building a foundation of principles that is solid," Mr. Bush remembers, "and I was proud to build upon that."

Born in June 1924, in Milton, Mass., George Herbert Walker Bush was named for his mother's father. George Bush's mother, Dorothy, died of a stroke at age 91. "Even at 90 she was the moral leader of our family and the idol of our children and grandchildren," he recalls. "I often think of her advice on the fundamentals—to be tolerant, to turn the other cheek, to stand against discrimination and for fair play." He credits her with instilling in him a respect for principles and values that motivate him to this day. "She was the personification of everything that is good, everything that is for our family—the Christian ethic," he adds. "She set examples. She would discipline us, then put her arms around us and love us."

The Rev. Billy Graham, who first met George Bush through his relationship with the senior Bushes, describes Dorothy Bush as a "woman of God, a wonderful Bible student, who constantly emphasized spirituality, honesty and integrity."

In an interview, Rev. Graham also told me that George Bush is "one of the best and most loyal friends I ever had. I admire him for the way he loves his family and friends; for the way he handled his near-death experience in World War II when his plane was shot down; and for his courageous speeches on controversial issues."

Describing George Bush as "one of America's greatest presidents who provided excellent leadership and brought to the office close family ties and strong religious faith," Rev. Graham adds that Mr. Bush had also put the presidency on a high level and maintained the dignity of the office that Ronald Reagan bequeathed to him.

Rev. Graham led the prayers at George Bush's Inauguration for President in 1989 as well as for the swearing-in ceremonies for Gov. George W. Bush in 1995 and Gov. Jeb Bush in 1999.

While George Bush was the leader of the Free World, his five children knew him as their loving, attentive father—a constant, guiding influence on their lives. They, in turn, have proven to be loving children who did their part to give him a lasting place in history as well as to sustain his pride in them. In addition to the two governor sons—there are Marvin and Neil, both businessmen, and Dorothy (Doro), still the apple of her father's eye.

At the time of Doro's birth, in August 1959, in Houston, Texas, her father was in the offshore oil-drilling business. Since then, he has been a two-term congressman from Texas (1967–71); U.S. Ambassador to the United Nations (1971–73); chairman of the Republican National Committee (1973–74); chief of the U.S. Liaison office in Beijing (1974); director of the Central Intelligence Agency (1976); Vice President of the United States (1981–89), and President of the United States (1989–93).

Rather than complain about the demands on her peripatetic father's time over the years, Doro expresses pride in his achievements and reflects on their relationship. She says her father has given her a strong sense of security and has enhanced her life. "No matter how hard he worked in his various jobs, he took time for family, friends and small kindnesses, which really meant so much," she adds. "I'm now the mother of four children, and I try to instill my dad's teachings in them."

She says that his high positions did not change him as a father—that he has always had a gentle, personal touch and, to this day, continues to care about the details in each of his children's lives. "He still writes us special notes," she says, "and his sense of humor and optimistic outlook haven't changed. And now, even on his 75th birthday, he isn't comfortable focusing attention on himself."

George Bush says that he has allowed his children to do their own thing. "Barbara and I decided that they were strong enough to chart their own course, to lead their own lives," he says. "They do not often need fine-tuning advice from their parents."

As for Marvin, Neil and Doro, he says, they are good children and happy out of politics. "George and Jeb, in spite of the ugliness of the times, have decided to get into politics," he told me. "Having two sons as governors is a blessing that I cannot describe. I am proud of them and I don't want to see them hurt in what, unfortunately, has become a mean, intrusive political climate. They are honest and honorable men with wonderful families of their own and with nothing to be ashamed of. But some in the press have literally gone well beyond the bounds of just plain common decency. And, as you know, I have disdain for the policies of destruction."

Why, then, I asked, in view of today's destructive atmosphere, does George Bush want his two sons in the political arena?

"Because," he responds, "I believe if good and competent people are unwilling to get involved, our whole system of democracy is diminished."

When contemplating his legacy, does he think in terms of his two governor sons as being an extension of him?

"Regarding George W. and Jeb, I do not think in terms of legacy," he replies. "I just take great pride in two extraordinarily able and strong men who, on their own—without their father's help—have already gone a long way."

He adds that marrying the mother of his five kids was the best decision he made in his personal life. "That was 54½ years ago," George Bush reminisces. "I first met Barbara Pierce at a Christmas party, just after Pearl Harbor was attacked. I was 17 and she was 16. The U.S. was at war, so ours was a wartime romance. Ever since, to me, it has been a classic love story.

"We found we had much in common, even our sense of humor. When I graduated from Phillips Exeter Academy (a preparatory school in Andover, Mass., on June 4, 1942), I took Barbara to the senior prom."

Eight days, later, his 18th birthday, he enlisted in the U.S. Navy as a Seaman Second Class. In 1943, he earned his wings and was commissioned as the youngest naval aviator, assigned to USS San Jacinto in the Pacific.

At the time of his marriage, on Jan. 6, 1945, a man under 21 years of age needed parental consent to marry; a woman over 18 did not. Mr. Bush's brother, Prescott, remembers that 19½-year-old Barbara was "really ticked" that her 20½-year-old fiancé—a war hero with a Distinguished Flying Cross—had to get his parents' permission to marry. And despite teasing suggestions that two Geminis are usually not compatible—the "warnings" still amuse the Bushes. (Mrs. Bush was also born in June—on the 8th.) She recalls that the timing of their wedding was determined by world events, because had it not been for the war, she believes neither family would have consented to their marrying at that young age.

Today, Mr. Bush admits to many disappointments—personally and in politics, even in the Oval Office—"but none that have shaken our happy marriage."

As a boy, George Bush often went to Yankee Stadium (in New York) with his father and had youthful hopes of one day playing first base there. Years later, when baseball great Babe Ruth came to Yale University to present his papers at a ceremony at the stadium, George Bush, as captain of the baseball team, was chosen to receive the papers in behalf of the university. (Mr. Bush graduated Phi Beta Kappa with a degree in economics from Yale in 1948—the year Babe Ruth died.)

"Meeting Babe Ruth," he recalls, "was one of the most memorable days of my young life."

While George Bush did not go on to a career in baseball, he is, today, one senior citizen who is the personification of the premise that there is life after 40—even after 75. He is in great demand the world over for speaking engagements on all subjects and issues. Since leaving the White House, he has visited some 55 foreign countries. Last week, he was in Korea and Thailand, as well as in Hong Kong, where he spoke at The International Bank of Asia.

On the lecture circuit, he recently addressed organizations such as the American Medical Association and the American Hotel & Motel Association.

To what does he attribute his long, happy and healthy life?

"Possibly because I was so active," he says. "And I've always been involved in competitive sports."

He still revels in fresh-air sports—fishing, swimming, high-speed boating, camping, golf and horseshoes. His passion for pitching horseshoes was once so strong that he built a horseshoe court with two pits on the grounds of the White House when he was its occupant.

"Physically, I'm still in good shape and feel young at heart," he says, "but there are things I cannot do anymore, like jogging and tennis (he has played with tennis champs Billie Jean King and Chris Evert). I travel a lot and have tons of energy. Oh, once in a while, I get really tired, but I'm lucky with my physical condition."

Does aging bother him?

"Not in the least," he says. "I haven't lost interest in events, nor have my body and health deserted me. The only thing about aging that does bother me is that I want to be here on Earth long enough to see my grandkids—all 14 of them—grow up and be happily married, raising their own kids. That would be the best things that could happen to me after a full and happy and lucky life."

He says he worries about the decline and disintegration of today's American family. "I'm convinced that this decline leads to the many social and cultural problems facing our nation," he adds. "Thank God, we have mentors and 'other points of light' willing to help the neglected kids, to read to them, to love them. But so many slip through the cracks. When the parents go AWOL, the kids are hurt and our society suffers."

Turning to his years in the White House, Mr. Bush says that, as President, one of his best decisions was selecting Colin L. Powell as the Chairman of the Joint Chiefs of Staff. (During his years in the highest military position in the Department of Defense, Gen. Powell oversaw 28 crises, including Operation Desert Storm in the 1991 Persian Gulf War.) "Another important decision, once it became clear we had to fight in Desert Storm, was to put full confidence in the military and not try to second-guess them or change the mission," Mr. Bush told me. "My team and I did the diplomacy, and then, when we had to go to war, we let the military, under the leadership of Gen. Powell; Dick Cheney (Secretary of Defense) and Norman Schwarzkopf (commanding general of the U.S. forces in the Gulf) and others, fight and win."

Gen. Powell, also a National Security Advisor in the Reagan White House and now chairman of "America's Promises—The Alliance for Youth," told me: "I considered George Bush a tremendous Commander in Chief. And as President of the U.S., he brought class, character and dignity to the office."

George Bush emphasizes that the decision to commit troops to battles is the most onerous a Chief Executive can make. His most difficult moment in the Oval Office, he recalls, was when he had to decide whether or not to send someone's son or daughter to war. "To commit one to fight—to put one in harms' way," he stresses, "is the toughest of all calls." I did this in Panama, in the Gulf and Somalia, but I did it knowing we were going to give them full support—to enable them to complete their mission, to win and come home.

"This we did. I regret that the mission in Somalia changed after I left the White House. I do not like mission creep (an evolution of the mission away from its originally stated purpose). I was proud of our military in all three actions."

He adds, "You know, I miss dealing with our military because I believe in 'duty, honor, country.' My own military experience in WW II well equipped me to wrestle with the problems of military action. That also instilled in me a respect for those who do their duty for our country. I was proud to wear our uniform in WW II, and when I was Commander in Chief I took pride in my support of the military."

Two years ago, when George Bush jumped from an altitude of 12.5000 feet and opened his parachute canopy at 4,000 feet above the Yuma Proving Ground in Arizona, he called that feat a great thrill. "I was alone, at peace," he recalls. "I was floating into the tranquil sands of Yuma."

That jump was in keeping with a personal vow to "some day, do it right" (jumping from a plane) he made after Sept. 2, 1944, when he bailed out of his flaming torpedo bomber near Japanese-held Chichi Jima Island, some 150 miles from Iwo Jima. After five hours in the water, he was rescued by a submarine.

I asked George Bush if the pilot—recently downed over Serbia in the former Republic of Yugoslavia—brought back memories of when he was shot down as a Navy pilot 55 years ago.

"To some degree, yes, it did, because, like this pilot, I was shot down near the enemy," he remembers. "I wasn't sure that I would be rescued. Neither was this pilot sure he would be found. I knew the Navy would go all out to find me. This pilot felt sure his comrades in arms would go the extra mile to rescue him. He prayed, and so did I—so, yes, there are some similarities."

If George Bush could have had his life to live again, what would he have done differently?

"I would not do anything differently," he answers with an air of finality. "My life has been a good one—satisfying and rewarding. I did not set a grand design for my career. I just tried to do well in each of my jobs and lead a meaningful life.

"I also tried to make a difference in the lives of others. I have always cared about the welfare of others."

Attesting to Mr. Bush's self-assessment, former Attorney General Dick Thornburgh told me that throughout his presidency, George Bush exhibited an extraordinary sensitivity to questions of law and justice and the protection of the civil rights and civil liberties of all Americans. "Nowhere," Mr. Thornburgh states, "was this more evident than in President Bush's support for the Americans With Disabilities Act—which he signed into law on July 26, 1990."

Mr. Thornburgh, a former governor of Pennsylvania, adds, "This important civil rights legislation—strongly championed by the President during its considerations by Congress—provides a significant vehicle to secure access to the mainstream of American society for those 54 million Americans with physical, mental and sensory disabilities. (Thornburgh's son, Peter, now 39, was the victim of a car accident in 1960 when he was 4 months old. He suffered serious brain injuries, causing mental retardation.)

"In this, as in other endeavors, George Bush's compassion and commitment to justice for all was an inspiration to those of us privileged to serve in his administration."

Manifesting his concern for human rights, Mr. Bush visited the infamous Nazi concentration camp at Auschwitz in Poland in 1987 when he was Vice President of the United States. He then told me that that visit made him determined not just to remember the Holocaust, but, more important, to strengthen his resolve to renew America's commitment to human rights the world over.

He quoted Nobel Peace Laureate Elie Wiesel, a Holocaust survivor who this week is in Macedonia, visiting refugees from Kosovo: "In extreme situations, when human lives and dignity are at stake, neutrality is a sin."

Elie Wiesel, now a professor at Boston University, spoke at a recent Millennium Evening at the White House on "The Perils of Indifference: Lessons Learned From a Violent Century." He later told me that in the years he has know George Bush, he always found him to be sensitive to issues related to human rights.

"As Vice President, he directed the rescue mission that brought the surviving remnant of Ethiopian Jews to Israel," he adds, "and he was instrumental in enabling a group of Nobel laureates to go to Poland, still under the dictatorship of Gen. Jaruzelski."

If he had his presidency to live over, what would George Bush have done differently?

"I would like to have been a better communicator so I could have convinced the American people in 1992 that we were not in a depression, that the economy had recovered," he says. "We handed the Clinton Administration a fast-growing economy, but I could not convince the people or the media that this was so."

He describes as "wonderful" his 12 years in the White House as Vice President and President, but he continues to feel a sense of "sadness" that he was not given another four years "to finish what I had begun."

In Rev. Graham's view, George Bush lost that election "mainly because his campaign people did not work hard enough, and some of his advisors gave him wrong advice. There was also an element of over-confidence due to the favorable polls."

Gen. Brent Scowcroft, Mr. Bush's National Security Advisor, still considers it a "tragedy" that George Bush lost the 1992 election and did not have four more years "to build the sense of closeness with other foreign leaders—which could have done so much to promote a closer world community."

For his part, Mr. Bush continues, that if he had had his way, he would have won the election "because I would have done a better job of getting out the facts and the benefit of our programs, and I would have gotten more legislation through Congress.

"For instance, the economy was better than it had been reported," he recalls, "but the media pounded me on how bad things were. When I said we were not in recession, the press ridiculed me. It turned out that the recession ended in the spring of 1991."

If he could turn back the clock, what decisions would he have changed?

"Given the way history worked out, raising taxes was not good because it got at my word," he recalls. "People said that I broke my word, and that is a regret. Raising taxes was my worst desision. I lost the election because of the economy. Yet, what I was saying—at the time—about the economy was true."

On other decisions, Mr. Bush believes that his wisest was having "mobilized the world to stand up against aggression" in the Persian Gulf.

He describes the start of Iraq's invasion of Kuwait as "a critical moment in world history."

On that night—Jan. 16, 1991—he invited Rev. Billy Graham to the White House for private prayers. The next morning, Rev. Graham conducted a prayer service for the Bush Cabinet, congressional leaders and Marines at a chapel in Ft. Myer, a military compound in Virginia. "Our prayers were for a short war," Rev. Graham says, "and one that would be followed by a long period of peace in the Mideast."

He also told me that George Bush will be remembered in history for having put together a coalition of nations in the Gulf War, and that much of that was due to his own relationship with world leaders. "He got along well with them," he adds, "and that means a great deal during crises."

For his accomplishments, Mr. Bush cites his housing initiatives, his education program—America 2000—and his national energy strategy. He says he was more successful when he was able to work with state governors on issues such as his welfare reform programs, his crime-prevention initiative and the Americans With Disabilities Act. "MY Administration deserved credit for those initiatives," he recalls, "and we received none."

In foreign affairs, Mr. Bush considers among his most significant achievements the START II Treaty, which he signed in Moscow (Jan. 3, 1993) during his last foreign trip as President. He also singles out Desert Storm, the U.N. coalition in 1991 to liberate Kuwait from Iraqi domination.

He says he was satisfied with START II, and, in terms of history Desert Storm led to many things, like people talking peace in the Midwest and the U.S. being the sole country to which people turn to solidify their democracies. He notes that his secretary of State, James A. Baker III, initiated the Mideast peace process that began with multilateral talks in Madrid in October 1991. "We made dramatic strides, which history will record," he states. "You would never believe that Arabs and Israelis would be talking to each other. No one thought we could get that done. Well, at least we got it started, and that happened largely because of Desert Storm."

Mr. Bush recalls that he learned much from the courage of Russian President Boris Yeltsin, when, in August 1991, he climbed on a tank to talk to the crowd supporting him against the hard-line Communists. "I was appreciative of what Mr. Yeltsin said about me being his first and most stalwart supporter."

With all of his accomplishments, what continues to trouble George Bush and his associates is the perception that he was a "wimp." In retrospect, how does he view that image?

"I never convinced the Washington press corps of what my real heartbeat was about," he says. "I don't think I came through as a caring person, and one with a sense of humor. And the press felt I was posturing to get away from my Ivy League background when I played horseshoes or listened to country music. Some, like Newsweek (in 1988), had me down as 'wimp.' Some said I wasn't tough enough. I believe my record in life entitled me to a better assessment than that, but I couldn't get around their misperceptions."

According to Rev. Billy Graham, George Bush is "anything but a wimp—look how he handled the Gulf War. Everyone has faults, but he has fewer than almost any leader I have known."

Gen. Scowcroft—co-author with Mr. Bush of "A World Transformed" (Knopf, 1998)—puts it this way. "One misperception is what became known as the 'wimp factor.' That was the view that he was unwilling to make tough decisions or stand up for his beliefs. That was a total misperception because he fully demonstrated his decisive manner in the way he, as President, conducted the foreign and military policy of the United States. By the time he became President, he was not only a true foreign policy professional but he knew the leaders of virtually every country. That enabled him to establish a personal diplomacy that I believe is without parallel in the presidency. He communicated directly with an enormous number of foreign leaders. He listened to their problems, explained his views, discussed what U.S. policy was, or should be, thus adding a new and invaluable dimension to America's ability to act and be received as the leader of the world.

"Another misperception is that he is a patrician or a blue blood with an aristocratic approach. But that's not so. He is warm, friendly and outgoing. I never saw him, even as President, put on airs or any kind of imperial manner."

Further describing George Bush, the man, Gen. Scowcroft says that in the years he has known him, he has "developed and become broad and deeper, because he is wiling and eager to learn. He was, and is, a patient listener and has a good way of eliciting the views of others on all issues."

He adds that, as President, George Bush's judgment was basically instinctive rather than analytical, but that it was based on extensive probing discussions with principal advisors before he made decisions.

Today, George Bush—looking younger than his age—presents a picture of a man full of vitality and brimming with confidence. He still possesses an innate sense of decency but is a complex personality. He is as tenacious as he is unassuming.

He singles out two of many turning points in his life: joining the Navy in 1942 and moving from the East Coast to Texas after graduating from Yale. "These two moves really changed my life in many ways," he recalls. "My move to Texas changed my life because I learned a lot about entrepreneurship and risk-taking."

His first job was as a clerk in an oil-equipment company in Odessa, Texas, and he soon rose to become co-founder and president of an oil-drilling company.

Twenty years ago, as a Republican Presidential candidate, George Bush appeared on the NBC news program 'MEET THE PRESS' to explain why he should be elected President of the United States; and how he would make a difference in American life—from the Oval Office.

"I believe a man can make a difference," he pointed out. "I'd like to re-awaken our sense of pride in ourselves as it applies to our relationships abroad." People abroad are wondering, 'Does the United States want to lead the free world anymore?'

He also told the Christian Science Monitor's Godfrey Sperling: "I want to demonstrate, and help Americans demonstrate—given our strengths—that we can cope and solve problems, particularly our domestic economy. Once we solve these problems, I believe we can offer a better life to everybody in America. So I am motivated by that.

"I also want to re-awaken a sense of pride by putting stars in the eyes of our children."

How has his philosophy changed over the years?

"I am not sure there has been a fundamental change," he told me. "I hope I have become more tolerant of the different opinions of others. I feel even more convinced that the United States of America must stay involved in the world and be the leader.

"You know, there was a time during the Cold War days when I had only disdain for Russia and China. That has changed a lot. We must stay engaged with both nations. We must look at the big picture and work closely with both of these powers—not doing it their way, but not always bashing them, either."

I asked George Bush for his views on the current crisis in Kosovo.

His response: "I will not criticize President Clinton and, thus, will say nothing more."

Concerning the revelations of surreptitious Chinese espionage allegedly involving four American administrations, Gen. Scowcroft, speaking for the Bush Administration, told me: "In the four years as President Bush's National Security Advisor, I do not recall an issue of Chinese espionage at the nuclear labs being brought to my attention."

Dr. Condoleezza Rice, director of Soviet and East European Affairs, national Security Council in the Bush Administration (1989–91), told me that there is no one who is more deserving of the title 'public servant' than George Bush.

"I most appreciated his integrity and his devotion to America," She adds. "And I'm especially grateful to him for the way that he handled the end of the Cold War."

Dr. Rice, now provost at Stanford University, notes that in the former president's book, "A World Transformed," Mr. Bush describes his final phone conversation with Mikhail Gorbachev only moments before the Soviet president resigned and brought to an end 75 years of Soviet communism.

"Mr. Gorbachev was clearly looking for affirmation that this fateful decision would be good for the word." Dr. Rice points out. "Why, might you ask, would the Soviet president call the President of the U.S. at that moment? It speaks volumes about how President Bush had managed difficult issues. He was tough, vigorously pursuing America's interests and skillful in his diplomacy.

"His leadership was quite and persistent. But he was also compassionate and humane. He found a way to treat this great, defeated, but still dangerous adversary with respect and dignity. That, more than anything, allowed the Soviet Union to slip quietly into the night—to collapse with a whimper, not a bang. We all owe President Bush a great debt for that."

As George Bush's secretary of State, James A. Baker III traveled to 90 foreign countries as the U.S. confronted the unprecedented challenges and opportunities of the post-Cold War era. "I think history will treat George Bush very, very well," Mr. Baker told me. "He was president at a time of remarkable global changes. The world, as he and I had known it all our adult lives, changed fundamentally with the collapse of communism, the end of the Cold War and the implosion of the Soviet Union.

"In addition, during his presidency, America successfully fought the Gulf War and Panama. Through his leadership, Germany was reunified as a member of NATO and Israel and all of her Arab neighbors negotiated face to face for the first time at the Madrid peace conference.

"President Bush managed all of this with skill and dexterity. As a result, America was respected by our allies and feared by our adversaries—the way it should be."

Secretary Baker adds: "Another accomplishment was to make the national security apparatus of our nation work the way it should—without the usual rivalries, backbiting and counterproductive leaking to the press. That enabled us to manage properly the historic changes that occurred around the world from 1989 to 1992."

Baker, an intimate Bush friend of 40 years, also served in 1997 as the personal envoy of U.N. Secretary General Kofi Annan to mediate direct talks between the parties to the dispute over Western Sahara.

"Friendships mean a lot to George," Jim Baker writes in his book "The Politics of Diplomacy" (Putman, 1995). "Indeed, his loyalty to friends is one of his defining personal strengths. Yet some have suggested it became one of his greatest political weaknesses and that out of concern for their friendship, he stayed loyal for too long to people who hurt his presidency."

Gen Scowcroft concurs: "If I observed any faults, it was perhaps that George Bush was too loyal in that he would support colleagues and associates even after it had become apparent that they were not adequately suited to the jobs they held or were about to hold."

In 1974, when Mr. Bush was head of the liaison office in China, it was a restricted period as far as contact with the Chinese leaders was concerned. Nonetheless, he set out to learn about the people and the country. He even studied Chinese. He and Mr. Bush bicycled around Beijing, asked questions, invited the people to their home and developed a real feel for them and their culture.

In 1976, when Mr. Bush was appointed by President Ford to be director of the Central

Intelligence Agency, Gen. Scowcroft was his (Ford's) National Security Advisor. "I saw how George Bush was learning more and more about foreign policy," Gen. Scowcroft says.

"It was not so much his foreign policy expertise, although he was well versed as a result of his U.N. and China positions, but what he did in restoring the morale and self-respect of the CIA. The morale at CIA was at rock bottom after the congressional investigations of the Pike and Church committees. Even today, Mr. Bush is considered to be the agency's most revered CIA director."

One birthday gift George Bush considers especially significant is the 258-acre complex named after him in the Central Intelligence Agency's headquarters in Langley, Va.—the first Washington, D.C.-area tribute to him.

Last October, President Clinton signed legislation authorizing the designation of the George Bush Center for Intelligence, and, in a letter, read by CIA Director George Tenet at the recent dedication ceremony, Mr. Clinton noted that when George Bush assumed his duties as director of the CIA (1976), the Vietnam War had just ended, the Watergate scandal was still an unhealed national wound, and government investigations had exposed abuses of power in connection with intelligence activities.

"Many Americans had lost faith in government and asked whether the CIA should continue to exist," President Clinton noted. "George Bush restored morale and discipline to the Agency while publicly emphasizing the value of intelligence to the nation's security, and he also restored America's trust in the CIA and the rest of the intelligence community.

"I have been well served by the talented and dedicated men and women who make up the intelligence community that George Bush did so much to preserve and strengthen."

The ceremony was attended by former CIA Directors Richard Helms, James Schlessinger, Robert Gates and William Webster. Mr. Tenet hailed George Bush—the only director to have become President of the United States—as a war hero and said that every component of the Agency "feels indebted to him in some way—because his belief in the fundamental importance of its work never faltered.

"He was a staunch defender of the need for human intelligence—for espionage—at a tough time when it really counted."

Mr. Tenet also pointed out that each day, the men and women of the CIA provide the President of the United States and other decision-makers the critical intelligence they need to protect American lives and advance American interests around the globe. "Thanks in great measure to George Bush's leadership, the U.S. no longer confronts the worldwide threat from a rival superpower that we did during the Cold War," he stated. "But, as the 21st century approaches, we must contend with a host of other dangerous challenges—challenges of unprecedented complexity and scope.

"The U.S. remains the indispensable country in this uncertain and chaotic world. And time and again, the CIA has proven itself to be the indispensable intelligence organization, helping America build a more secure world for people everywhere."

Accepting a model of the sign bearing the name of the compound, George Bush—in his remarks—observed: "My stay here had a major impact on me. The CIA became part of my heartbeat some 22 years ago, and it has never gone away. I hope it will be said that in my time here, and in the White House, I kept the trust and treated my office with respect."

And to the assembled CIA employees, Mr. Bush added: "Your mission is different now from what it was in my time. The Soviet Union is no more. Some people think, 'What do we need intelligence for?'

"My answer is that plenty of enemies abound . . . unpredictable leaders willing to export instability or to commit crimes against humanity. Proliferation of weapons of mass destruction, terrorism, narco-trafficking, people killing each other, fundamentalists killing one another in the name of God, and many more.

"To combat them, we need more intelligence, not less. We need more human intelligence and more protection for the methods we use to gather intelligence and more protection for our sources, particularly our human sources who risk their lives for their country."

Mr. Bush went on to say that even though he is now a "tranquil guy," he has "contempt and anger for those who betray the trust" be exposing the names of our (intelligence) sources.

"They are, in my view, the most insidious of traitors," he asserted. "George Tenet is exactly right when it comes to the mission of the CIA and the intelligence community. 'Give the President and the policy-makers the best possible intelligence product and stay out of the policymaking or policy implementing—except as specifically decreed in the law."

George Bush has always been hesitant to talk about himself—even as to how he made a difference as President. "You ask others," he tells me, "I am not good at talking about myself. That is part of my make-up. Some people say it is lack of character, but I can't blow my own horn. My mother taught me not to brag and she is still watching me."

Respecting his penchant for modesty, I did ask others—including former American presidents, as well as the current one—for their reflections and comments on George Bush's milestone.

Former President Gerald R. Ford said: "President Bush, at 75, has earned the highest compliments for his strong and effective military and diplomatic leadership in the Gulf War with Iraq."

Former President Jimmy Carter says: "From one septuagenarian to another, I, of course, wish George Bush a wonderful birthday and many more years of good health and much happiness.

"He is a man of integrity who served America with honor. We had a very good relationship while he was in the White House, and even though we did not agree on every issue, he treated me with respect and kindness.

"I always shared my invitations to foreign countries with him or with Secretary of State James Baker, and they were supportive of our work at the Carter Center (in Atlanta, Ga)."

Jimmy Carter adds that he and his wife, Rosalynn "thoroughly enjoyed" attending the opening of the Bush Presidential Library. (On Nov. 6, 1997, the library and museum, together with the George Bush School of Government and Public Service, were opened.)

President William Jefferson Clinton recalls with gratitude his wide-ranging conversations with George Bush four months ago as they flew on Air Force One to and from Jordan for King Hussein's funeral. (Former Presidents Ford and Carter were also aboard.)

"George Bush embodies the spirit of public service," Mr. Clinton told me. "For me, he has also been a trusted advisor. While there are many who advise me, at times the greatest counsel comes from one who has shared the pressures and unique experience of serving in the Oval Office—one who knows exactly what you're up against and one who will tell you the truth.

"George has often done that, and while I have been the immediate beneficiary of his counsel, people here and abroad have ultimately benefited most of all."

Richard Fairbanks, President of the Center for Strategic & International Studies (CSIS), advised Mr. Bush on policy during his 1980 presidential bid. Later, as chief U.S. negotiator for the Mideast peace process, he worked closely with Vice President Bush. Ambassador Fairbanks recalls that George Bush was seen as a pragmatic problem-solver rather than a conceptualizer, "which is one of the reasons he encountered trouble with his famous statement that he was not comfortable with 'the vision thing.'"

Mr. Fairbanks, a member of the Council of American Ambassadors, adds that George Bush is a natural leader with real intellectual depth, but he is also a private man, who is "not comfortable flaunting his thought processes in a public forum."

Edwin Meese, counselor to President Reagan (1981–85) and U.S. Attorney General (1985–88), who is now The Ronald Reagan Fellow in Public Policy at The Heritage Foundation, says that he "thoroughly appreciated the opportunity to work with George Bush as Vice-President because he was an invaluable asset to President Reagan and to all of us in the Cabinet."

In his 12 years as Vice President and President, George Bush witnessed a number of scandals, including Watergate, Irangate, Iran-Contra and the Savings and Loan bust.

On his last day in the Oval Office as president I asked him how he would advise incoming President Bill Clinton to prevent similar scandals.

"If Governor Clinton asks me, I would tell him to be very conscious of how he works with his staff; and to be sure there are no loose cannons running around the White House," Mr. Bush told me during that interview. "People around a President or Vice President or any high official can make or break his image. So we each need to surround ourselves with competent and caring individuals—men and women of integrity who respect the presidency and live their own lives accordingly."

He adds: "There is a need for revival of ethical behavior, and exemplary conduct must come from officials and leaders. It cannot be legislated.

"What mattered to me most in the White House was integrity and responsibility. Public service has been damaged by people who don't have the judgment to place the public's business above their own self interest, and unethical conduct should not be tolerated at any level of government."

Mr. Bush went on to say that he was determined—at all times—to treat the office of the presidency with respect and not do anything that would cheapen or diminish it.

"I still take pride in the fact that my administration was clean and free of scandal," he says. "We had not been hounded by people using government jobs for personal gain. We came to the White House with high ethical standards and we left with heads high in that regard."

And what did George Bush learn from his years in the White House that has made a lasting impact on him?

"I learned that the power to get things done is less than some people believe," he remembers. "Yes, the presidency is magnified out of proportion. You can get some things done, but you can't wave a wand to have everything work the way you want it. The presidency is too complicated.

"I also learned that the White House is surrounded by history, and I left there with even more respect for America's principles, more respect for the institution of the presidency, and more respect for the civil servants, including the staff of the executive residence and the uniformed Secret Service officers, who make that magnificent museum of a place into a real home for whoever is President of the U.S. as well as for his family and guests."

And since he departed the White House, in 1993, how, in his view, has the presidency evolved?

"Like many Americans, I have worried about the recent happenings in and around the White House," George Bush told me. "But the presidency is a vital and strong and resilient institution. Just as (former President) Jerry Ford instantly restored honor to the Executive Mansion—after Watergate—so will whoever is elected President in the year 2000.

"Respect for the office is important and character and behavior in that office do count. The office is not too big for any individual, provided he or she can make tough decisions and give credit to bright and experienced people who should surround the Chief Executive."

If George Bush could leave but one legacy, he wants it to be a return to the moral compass that must guide America through the next century.

"And," he adds, "I hope historians will say that I and my Administration left the world a little more peaceful by the way we handled the unification of Germany, the liberation of Eastern Europe and the Baltics, as well as the way we worked with the Soviet leaders to bring about change there, and to get their support when we had to fight the Gulf War."

"I also hope my legacy will include the Madrid peace conference (1992); our key role in NAFTA, the Brady Plan (plan for debt relief for Latin America), and the way we handled China after Tiananmen Square 10 years ago.

"On a personal level, I hope my legacy will be that 'George Bush did his best and served America with honor.'"

If he could have one wish on this birthday, what would it be?

"I am not sentimental," he says, "but, yes, there is a certain special quality to this milestone. For myself, I have no wishes for my birthday. I have everything a man could want. But, for the world, I would wish more peace; and for America, I wish for stronger families and better values."

And George Bush's vision for the next century?

"I am optimistic about the 21st century," he told me. "With no superpower confrontation on the horizon, I believe the next century can be one of peace—though there will always be regional conflicts. But I, for one, am still hopeful."

And to share that hope, he likes to recount the time that his wife, Barbara, was planting a flowering bush. She was instructed to dig a deep bed, fill it with fertilizer and firmly plant the bush by covering it with water and soil.

"We were told that the plant would not bloom right away, but that it would, after a year or so, and then for a long time to come," he mused. "Soon, we realized that she was planting that flowering bush for our kids and grandkids and great-grandkids.

"So despite the vicissitudes we face now, and will face in the future, I believe that that planting was not in vain. Sure, we have problems in the U.S. and overseas, and the world has the weapons to blow itself up. Yet my inner self tells me that our great-grandkids will be around to enjoy those flowers."

AID FOR RUSSIAN AND ROMANIAN ORPHANS

Ms. LANDRIEU. Mr. President, before the recess, with the help and support of my colleagues Mr. HELMS, Mr. LEAHY, and Mr. MCCONNELL, I offered an amendment to Senate Bill 1234, which would provide some relief for the hundreds of thousands of orphans who find themselves confined to institutions and have no one to provide the love, affection and guidance that they so desperately need. Sadly, the disruption and extreme poverty which followed the end of the Cold War Era has had a devastating impact on the lives of the children in the Eastern block. In both Russia and Romania, it is the children, the future of democracy, who are struggling to survive. It is my hope that the funds designated by this amendment will allow the governments in each of these two countries to protect the health, safety and well being of their children and in doing so, build for a stronger and brighter tomorrow.

Specifically, this amendment ensures that $2,000,000 of the funding appropriated for aid to Russia and the Independent States is used to further the innovative efforts of nongovernmental organizations, such as Christian World Adoption Agency, to provide vocational and professional training for those children who are about to "age out" of orphanages. When this body created Independent Living, it recognized that such training and support is essential to the future of the young adults who have, for whatever reason, grown up in an institution rather than in a family. With the help of help organizations like Christian World, these children can be given the tools they need to become confident and successful adults.

Further, my amendment provides that $4,400,000 of the funds provided for aid to Eastern Europe and the Baltic States will be used to support the Romanian Department of Child Protection and their work to save the lives and improve health of the more than 100,000 Romanian children in orphanages. Just the other day, myself and several of my colleagues met with the present Secretary of the Department of Child Protection, Dr. Cristian Tabacaru. With great passion, Dr. Tabacaru painted for me a picture of the dire circumstances faced by his country's children. At present, Romania has the highest infant mortality rate in Europe. What is worse, is that 60% of these deaths are from preventable causes such as malnutrition and premature births.

The Romanian Department of Child Protection is working desperately to save their most precious resource, their children. They have instituted programs that provide nutritional supplements to these children, they have developed their first ever in-home foster care program and are working to improve the services available for those with special needs. While they have made a great deal of progress in very little time, they need and deserve our help. This small amount of money will help them out of their present crisis and to build a child welfare system of which they can be proud.

In closing, I want to again thank Mr. HELMS, Mr. LEAHY, and Mr. MCCONNELL for their support of my amendment. As we continue to aid the children of this world, we can be confident that we are building the hope of a bright and wonderful future, a future in which few children will grow up without a family to call their own.

REPORT OF THE DISTRICT OF COLUMBIA'S FISCAL YEAR 2000 BUDGET REQUEST ACT—MESSAGE FROM THE PRESIDENT—PM 46

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs.

To the Congress of the United States:

In accordance with section 202(c) of the District of Columbia Financial Management and Responsibility Assistance Act of 1995 and section 446 of the District of Columbia Self-Governmental Reorganization Act, as amended, I am transmitting the District of Columbia's Fiscal Year 2000 Budget Request Act.

This proposed Fiscal Year 2000 Budget represents the major programmatic objectives of the Mayor, the Council of the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority. For Fiscal Year 2000, the District estimates revenue of $5.482 billion and total expenditures of $5.482 billion, resulting in a budget surplus of $47,000.

My transmittal of the District of Columbia's budget, as required by law, does not represent an endorsement of its contents.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 12, 1999.*

MESSAGES FROM THE HOUSE

At 1:05 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 43. Concurrent resolution providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 10. An act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes.

At 3:03 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 144. Concurrent resolution urging the United States Government and the United Nations to undertake urgent and strenuous efforts to secure the release of Branko Jelen, Steve Pratt, and Peter Wallace, 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International, who are being unjustly held as prisoners by the Government of the Federal Republic of Yugoslavia.

A message from the House of Representatives was received announcing the Speaker signed the following enrolled bill on Tuesday, June 29, 1999:

H.R. 4. An act to declare it to be the policy of the United States to deploy a national missile defense.

MEASURE PLACED ON THE CALENDAR ON JULY 8, 1999

Pursuant to the order of June 29, 1999, the following bill was introduced, read twice and placed on the calendar:

S. 1344. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

MEASURES PLACED ON THE CALENDAR ON JULY 12, 1999

The following bill was read the second time and placed on the calendar:

H.R. 1218. An act to amend title, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

The following bill was read twice and placed on the calendar:

H.R. 10. An act enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4051. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Jerusalem Embassy Act of 1995, the report of Presidential Determination Number 99–29 relative to the suspension of the limitation of the obligation of FY 1999 State Department Appropriations; to the Committee on Appropriations.

EC–4052. A communication from the Director, National Institute of Environmental Health Sciences, Department of Health and Human Services, transmitting, pursuant to law, a report entitled "Health Effects From Exposure to Power-Line Frequency Electric and Magnetic Fields"; to the Committee on Health, Education, Labor, and Pensions.

EC–4053. A communication from the Secretary of Transportation, transmitting, pursuant to law, the Department's report entitled "Transportation Research and Development Plan"; to the Committee on Commerce, Science, and Transportation.

EC–4054. A communication from the Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Justice Acquisition Circular 99–1" (RIN1105–AA68), received June 30, 1999; to the Committee on the Judiciary.

EC–4055. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Qualified Zone Academy Bond Credit Rate" (RIN1545–AX23), received June 30, 1999; to the Committee on the Finance.

EC–4056. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Qualified Zone Academy Bond Credit Rate" (Notice 99–35, 1999–27 I.R.B.—, Jul 5, 1995), received June 30, 1999; to the Committee on Finance.

EC–4057. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Rev. Rul. 99–30, BLS–LIFO Department Store Inventory Price Indexes-May 1999" (Rev. Rul 99–30), received June 24 1999; to the Committee on Finance.

EC–4058. A communication from the Director, Acquisition Policy and Programs, Office of the Secretary, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Solicitation Provisions and Contract Clauses: Women-Owned Small Business Sources" (RIN0605–AA13), received June 29, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4059. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations" (MM Docket No. 98–133; RM–9314 Zapata, Texas), received June 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4060. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Texas; Revised Format for Materials Being Incorporated by Reference" (FRL # 6342–9), received June 30, 1999; to the Committee on Environment and Public Works.

EC–4061. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of Hospital/Medical/Infectious Waste Incinerator State Plan for Designated Facilities and Pollutants: Illinois" (FRL # 6371–5), received June 30, 1999; to the Committee on Environment and Public Works.

EC–4062. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Lead; Requirements for Disclosure of Known Lead-Based Paint and/or Lead-Based Paint hazards in Housing, Technical Corrections to Reflect OMB Approval of the Information Collection Requirements" (FRL # 6053–9), received June 30, 1999; to the Committee on Environment and Public Works.

EC–4063. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources" (FRL # 6369–6), received June 25, 1999; to the Committee on Environment and Public Works.

EC–4064. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants: Group I Polymers and Resins and Group IV Polymers and Resins" (FRL # 6369–9), received June 25, 1999; to the Committee on Environment and Public Works.

EC–4065. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "State of Alaska Petition for Exemption from Diesel Fuel Sulfur Requirement" (FRL # 6367–1), received June 25, 1999; to the Committee on Environment and Public Works.

EC–4066. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Toxic Substances Control Act Test Guidelines" (FRL #6067–4), received June 25, 1999; to the Committee on Environment and Public Works.

EC–4067. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Amendment to the Effluent Limitations Guidelines and Standards for the Bleached Papergrade Kraft and Soda Subcategory of the Pulp, Paper, and Paperback Point Source Category: Final Rule; OMB Approvals Under the Paperwork Reduction Act: Technical Amendments" (FRL #6372–9), received July 1, 1999; to the Committee on Environment and Public Works.

EC–4068. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and

Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plan for New Mexico—Albuquerque/Bernalillo County; Transportation Conformity Rule" (FRL #6372–7), received July 1, 1999; to the Committee on Environment and Public Works.

EC–4069. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plan for Texas: Transportation Conformity Rule" (FRL #6372–6), received July 1, 1999; to the Committee on Environment and Public Works.

EC–4070. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report relative to the NASA Industrial Plant in Downey, California; to the Committee on Commerce, Science, and Transportation.

EC–4071. A communication from the Secretary to the Commission, Premerger Notification Office, Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled "Hart-Scott-Rodino Act Amended Formal Interpretation 15: Limited Liability Companies," received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4072 A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Manzanita, Cannon Beach and Bay City, Oregon)" (MM Docket No. 98–189, RM–9377, RM–9475), received June 25, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4073. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class E Airspace; Sanford, NC: Docket No. 99–ASO–7 (6–30/7–1)" (RIN2120–AA66) (1999–0215), received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4074. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class D and Class E Airspace; San Juan, PR; Docket No. 99–ASO–6 (6–30/7–1)" (RIN2120–AA66) (1999–0216), received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4075. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–700 and –800 Series Airplanes; Request for Comments; Docket No. 99–NM–133 (6–30/7–1)" (RIN2120–AA66) (1999–0263), received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4076. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 777–200 Series Airplanes; Docket No. 99–NM–243 (6–30/7–1)" (RIN2120–AA64) (1999–0264), received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4077. A communication from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Hazardous Materials: Revision to Regulations Governing Transportation and Unloading of Liquified Compressed Gases (Chlorine)" (RIN2137–AD07) (1999–0002), received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4078. A communication from the Senior Regulations Analyst, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Disadvantaged Business Enterprise (DBE) Regulation; General Update (Correction)" (RIN2105–AB92) (1999–0002), received July 1, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4079. A communication from the Acting Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled "Chicago Board of Trade Petition for Exemption from the Statutory Dual Trading Prohibition in the Ten-Year U.S. Treasury Notes Futures Contract Traded on the Project A Electronic Trading System," received June 29, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4080. A communication from the Manager, Federal Crop Insurance Corporation, Farm and Foreign Agricultural Services Risk Management Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Group Risk Plan of Insurance; Final Rule" (RIN0563–AB06), received July 1, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4081. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual "Animal Welfare Enforcement" report for fiscal year 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4082. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Bifenthrin; Pesticide Tolerance" (FRL #6089–9), received June 25, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4083. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fludioxinil; Pesticide Tolerance" (FRL #6085–3), received June 25, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4084. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Paraquat; Extension of Tolerance for Emergency Exemptions" (FRL #6084–3), received June 25, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4085. A communication from the Director, Office of Congressional Affairs, Office of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "10 CFR Part 72, Miscellaneous Changes to Licensing Requirements for the Independent Storage of Spent Nuclear Fuel and High-Level Radioactive Waste" (RIN3150–AF80), received July 1, 1999; to the Committee on Environment and Public Works.

EC–4086. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Listing of Color Additives for Coloring Meniscal Tacks; D & C Violet No. 2" (Docket No. 98C–0158), received June 25, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–4087. A communication from the Chairman, President's Committee on Employment of People with Disabilities, transmitting the annual report for fiscal year 1998, received July 1, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–4088. A communication from the Assistant General Counsel for Regulations, Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled "NIDRR—Assistive Technology Act Technical Assistance Program" (84.224), received July 1, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–4089. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Final Flood Elevation Determinations" (64 FR 32817) (06/18/99), received June 30, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–4090. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Foreign Terrorist Organizations, and Specially Designated Narcotics Traffickers: Additional Sudanese Government Designations and Supplementary Information, and Removal of One Individual" (Appendix A to 31 CFR Chapter V), received June 25, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–4091. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Foreign Terrorist Organizations, and Specially Designated Narcotics Traffickers: Additional Designations" (Appendix A to 31 CFR Chapter V), received June 24, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–4092. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Foreign Terrorist Organizations, and Specially Designated Narcotics Traffickers: Additional Designations and Removals and Supplementary Information on Specially Designated Narcotics Traffickers; Removal of Appendix B; Redesignation of Appendix C" (Appendices A to 31 CFR Chapter V), received June 24, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–4093. A communication from the Acting Director, Office of Federal Housing Enterprise Oversight, transmitting, pursuant to law, the report of a rule entitled "Debt Collection" (RIN2550–AA07), received June 25, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4094. A communication from the Chairman, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the annual report for fiscal year 1998, received July 1, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4095. A communication from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Russia; to the Committee on Banking, Housing, and Urban Affairs.

EC-4096. A communication from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Bulgaria; to the Committee on Banking, Housing, and Urban Affairs.

EC-4097. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the report of the Department's Five Year Plan for Energy Efficiency, received July 1, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4098. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, the report of a rule entitled "Treatment of Limited Liability Companies Under the Federal Election Campaign Act," received June 25, 1999; to the Committee on Rules and Administration.

EC-4099. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Maryland Regulatory Program" (SPATS # MD-043-FOR), received July 1, 1999; to the Committee on Energy and Natural Resources.

EC-4100. A communication from the Attorney, General and Administrative Law, Office of the General Counsel, Federal Energy Regulatory Commission, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Standards for Business Practices of Interstate Natural Gas Pipelines" (RM96-1-012), received June 22, 1999; to the Committee on Energy and Natural Resources.

EC-4101. A communication from the Acting Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Change to Delegated State Audit Functions" (RIN010-AC51), received July 1, 1999; to the Committee on Energy and Natural Resources.

EC-4102. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles or defense services in the amount of $50,000,000 for the United Kingdom; to the Committee on Foreign Relations.

EC-4103. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles or defense services in the amount of $50,000,000 for the Netherlands, Germany, and Switzerland; to the Committee on Foreign Relations.

EC-4104. A communication from the Executive Director, Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule entitled "Procurement List; Additions," received July 1, 1999; to the Committee on Governmental Affairs.

EC-4105. A communication from the Secretary, Naval Sea Cadet Corps, transmitting, pursuant to law, the Corps' Annual Audit Report for the fiscal year ending December 31, 1998, received July 1, 1999; to the Committee on the Judiciary.

EC-4106. A communication from the Assistant Secretary, Employment and Training Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Labor Certification Process for the Temporary Employment of Nonimmigrant Aliens in Agriculture in the United States; Administrative Measures to Improve Program Performance" (RIN1205-AB19), received July 6, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC-4107. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "VISAS: Passports and Visas Not Required for Certain Nonimmigrants" (RIN1400-A75), received July 6, 1999; to the Committee on the Judiciary.

EC-4108. A Communication from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "NASA FAR Supplement; Protests to the Agency," received July 6, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4109. A communication from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Miscellaneous Administrative Revisions," received July 6, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4110. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Early Referral of Issues to Appeals" (Revenue Procedure 99-28), received July 6, 1999; to the Committee on Finance.

EC-4111. A communication from the Deputy Secretary, Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Form BD/Rule 15b1-1, Application for Registration as a Broker or Dealer" (RIN3235-AH73), received July 6, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4112. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Housing-Federal Housing Commissioner, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Single Family Mortgage Insurance; Informed Consumer Choice Disclosure Notice; Technical Correction" (FR-4411) (RIN2502-AH30), received July 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4113. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Housing-Federal Housing Commissioner, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Uniform Financial Reporting Standards for HUD Housing Programs; Technical Amendment" (FR-4321) (RIN2501-AC49), received July 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4114. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Housing-Federal Housing Commissioner, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Disposition of HUD-Acquired Single Family Property; Office Next Door Sales Program" (FR-4277-I-02) (RIN2502-AH37), received July 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4115. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Comprehensive Improvement Assistance Program Formula Allocation Final Rule" (FR-4462) (RIN2577-AB97), received July 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4116. A communication from the Assistant General Counsel for Regulations, Government National Mortgage Association, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled "Ginnie Mae MBS Program: Book-Entry Securities" (FR-4331-F-02) (RIN2503-AA12), received July 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4117. A communication from the President of the United States, transmitting, pursuant to law, a report on the national emergency with respect to the actions and policies of the Afghan Taliban; to the Committee on Banking, Housing, and Urban Affairs.

EC-4118. A communication from the Secretary of Energy, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-4119. A communication from the Assistant Secretary for Export Administration, Bureau of Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Expansion of License Exception CIV Eligibility for 'Microprocessors' Controlled by ECCN 3A001" (RIN 0694-AB90), received July 6, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-4120. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report for fiscal year 1998 of the Office of Surface Mining; to the Committee on Governmental Affairs.

EC-4121. A communication from the Secretary of Defense, transmitting, pursuant to law, the report of the Office of Inspector General relative to intelligence-related oversight activities for the period October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-4122. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Bentazon, Extension of Tolerance for Emergency Exemptions" (FRL #6087-5), received July 2, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4123. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fosetyl-Al; Pesticide Tolerance" (FRL #6090-3), received July 2, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4124. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and

Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imazamox, Pesticide Tolerances for Emergency Exemptions" (FRL6086-5), received July 2, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4125. A communication from the Manager, Federal Crop Insurance Corporation, Risk Management Agency, Farm and Foreign Agricultural Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Common Crop Insurance Regulations, Onion Crop Insurance Provision; Final Rule", received July 6, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4126. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Irish Potatoes Grown in Modoc and Siskiyou Counties, California, and in all Counties in Oregon, except Malheur County; Temporary Suspension of Handling Regulations and Establishment of Reporting Requirements" (FV99-947-1-IFR), received July 6, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4127. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Brucellosis in Cattle; State and Area Classifications; Kansas" (APHIS Docket No. 99-051-1), received July 6, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC-4128. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Technical Assistance Agreement with the United Kingdom; to the Committee on Foreign Relations.

EC-4129. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or defense services in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC-4130. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Manufacturing License Agreement with Norway; to the Committee on Foreign Relations.

EC-4131. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Manufacturing License Agreement with Finland; to the Committee on Foreign Relations.

EC-4132. A communication from the Acting Deputy Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Final Rule; Safe Harbor Agreements and Candidate Conservation Agreements with Assurances" (RIN1018-AO95), received July 2, 1999; to the Committee on Environment and Public Works.

EC-4133. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits" (FRL6087-5), received July 2, 1999; to the Committee on Environment and Public Works.

EC 4134. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Implementation Plan and Redesignation Request for the Williamson County, Tennessee Lead Nonattainment Area" (FRL #6373-9), received July 2, 1999; to the Committee on Environment and Public Works.

EC 4135. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Project XL Rulemaking for New York State Public Utilities; Hazardous Waste Management System" (FRL #6374-8), received July 2, 1999; to the Committee on Environment and Public Works.

EC 4136. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Maintenance Plan Revisions; Ohio" (FRL #6375-4), received July 6, 1999; to the Committee on Environment and Public Works.

EC 4137. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Regulation of Fuels and Fuel Additives: Corrections to Standards and Requirements for Reformulated and Conventional Gasoline" (FRL #6375-1), received July 6, 1999; to the Committee on Environment and Public Works.

EC 4138. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Consumer and Commercial Products: Wood Furniture, Aerospace, and Shipbuilding and Ship Repair Coatings: Control Techniques Guidelines in Lieu of Regulations" (FRL #6375-2), received July 6, 1999; to the Committee on Environment and Public Works.

EC 4139. A communication from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Final Critical Habitat Designation for the Huachuca Water Umbel" (RIN 1018-AF37), received July 6, 1999; to the Committee on Environment and Public Works.

EC 4140. A communication from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Final Critical Habitat Designation for the Cactus Ferruginous Pygmy-Owl" (RIN 1018-AF36), received July 6, 1999; to the Committee on Environment and Public Works.

EC 4141. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, the report of the fiscal year 2000 Capital Investment and Leasing Program; to the Committee on Environment and Public Works.

EC 4142. A communication from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report for fiscal year 1997; to the Committee on Environment and Public Works.

EC 4143. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or defense services in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-238. A resolution adopted by the Military Order of the World Wars relative to increasing defense budgets and restoring the strength and credibility of our Armed Forces; to the Committee on Appropriations.

POM-239. A resolution by the Military Order of the World Wars relative to halting nuclear proliferation; to the Committee on Foreign Relations.

POM-240. A resolution adopted by the Military Order of the World Wars relative to Inter-Continental Ballistic Missile defense; to the Committee on Armed Services.

POM-241. A resolution adopted by the Military Order of the World Wars relative to funding and resources to combat nuclear, chemical, biological, computer cyberspace and other threats in the 21st Century; to the Committee on Appropriations.

POM-242. A resolution adopted by the Military Order of the World Wars relative to Panama and the Panama Canal; to the Committee on Armed Services.

POM-243. A joint resolution adopted by the Legislature of the State of Nevada relative to regulation of insurance providers; to the Committee on Banking, Housing, and Urban Affairs.

SENATE JOINT RESOLUTION NO. 22

Whereas, Congress is currently considering the enactment of H.R. 10 and S. 900 in an effort to reform certain outdated federal laws governing providers of financial services; and

Whereas, The reformation of those federal laws, many of which were enacted in response to the Great Depression, is necessary and appropriate to ensure that providers of financial services in this country can maintain their prominence in the modern domestic and global markets; and

Whereas, The provisions of H.R. 10 and S. 900, both of which provide for the facilitation of affiliation among banks, securities firms and insurance companies, could preempt the jurisdiction of this state:

1. To ensure the solvency and to regulate the trade practices of various providers of insurance in this state; and

2. To provide adequate protection to the residents of this state who purchase insurance from those providers, without establishing an effective mechanism for the federal exercise of that authority; and

Whereas, The purposes of H.R. 10 and S. 900 can be accomplished without preempting the authority of this state to regulate providers of insurance for the protection of its residents; and

Whereas, This state currently has an effective system of laws to monitor and ensure the financial stability of providers of insurance and to protect the residents of this state from unfair trade practices: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada, Jointly, That the Nevada Legislature hereby urges Congress to ensure that the provisions of H.R. 10 S. 900 and any similar federal legislation do not interfere with the jurisdiction of this state to regulate providers of insurance for the protection of its residents; and be it further

Resolved, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the house of Representatives and each member of the Nevada Congressional Delegation; and be it further

Resolved, That this resolution becomes effective upon passage and approval.

POM-244. A joint resolution adopted by the Legislature of the State of Illinois relative to reauthorization of the Older Americans Act; to the Committee on Health, Education, Labor, and Pensions.

Senate Joint Resolution No. 39

Whereas, The Older Americans Act promotes the dignity and value of every older person age 60 and over (numbering 2,000,000 in Illinois) through an Aging Network led by the Illinois Department on Aging, 13 area agencies on aging, 233 community-based senior service agencies, and 63 nutrition services agencies throughout Illinois; and

Whereas, The Older Americans Act is a successful federal program, with the U.S. Administration on Aging offering leadership in Washington, D.C., the Illinois Department on Aging (the first state department on aging in the nation) at the State level, the area agencies on aging in 13 regions designated by the State covering all of Illinois, and community-based senior service agencies providing services in every community; and

Whereas, The Older Americans Act programs target resources and services to those in greatest economic and social need, promote the dignity and contributions of our senior citizens, support transportation services, provide home care, assist families and individuals with case management, guide those challenged by the legal system through legal assistance, provide for senior community service employment, offer information and assistance, establish multi-purpose senior centers as focal points on aging, serve congregate luncheon and home-delivered meals, provide health promotion and disease prevention activities, involve older persons in nutrition education, reach out to families with respite services for caregivers and small repair and home modifications, provide opportunities, education, and services, connect people in shared housing, and advocate to public and private policy makers on the issues of importance to older persons; and

Whereas, The success of this aging network over the past 31 years is marked by the delivery of significant service to older persons in their own homes and community with the following services examples of that success:

(1) 374,538 recipients of access services, including 235,148 Information and Assistance Services clients and 68,493 recipients of Case Management Services;

(2) 53,450 recipients of in-home services, including 6,460,533 home-delivered meals to 41,305 elders;

(3) 185,520 recipients of community services, including 3,636,855 meals to 79,012 congregate meal participants at 647 nutrition sites and services delivered from 170 Senior Centers;

(4) 760 recipients of employment services, including 760 senior community service employment program participants; and

(5) 98,600 recipients of nursing home ombudsman services; and

Whereas, The organizations serving older persons employ professionals dedicated to offering the highest level of service and caring workers who every day provide in-home care, rides, educational and social activities, shopping assistance, advice, and hope to those in greatest isolation and need; and

Whereas, The organizations serving older persons involve a multi-generational corps of volunteers who contribute to the governance, planning, and delivery of services to older persons in their own communities through participation on boards and advisory councils and in the provision of clerical support, programming, and direct delivery of service to seniors; and

Whereas, The Older Americans Act programs in Illinois leverage local funding for aging services and encourage contributions from older persons; and

Whereas, The Older Americans Act programs are the foundation for the Illinois Community Care Program which reaches out to those with the lowest incomes and greatest frailty to provide alternatives to long-term care, and the Illinois Elder Abuse and Neglect Interventions Program which assists families in the most difficult of domestic situations with investigation and practical interventions; and

Whereas, The Congress of the United States has not reauthorized the Older Americans Act since 1995 and only extends the program each year through level appropriations; and

Whereas, Expansion of the Older Americans Act is proposed in reauthorization legislation this year to offer family caregiver support, increased numbers of home-delivered meals, improved promotion of elder rights, consolidation of several programs and sub-titles of the law: Therefore, be it

Resolved, by the Senate of the Ninety-first General Assembly of the State of Illinois, the House of Representatives concurring herein, That we urge the Congress of the United States of America to reauthorize the Older Americans Act this year; and be it further

Resolved, That suitable copies of this resolution be delivered to the President pro tempore of the U.S. Senate, the Speaker of the U.S. House of Representatives, and each member of the Illinois congressional delegation.

Adopted by the Senate, May 26, 1999.

POM-245. A joint resolution adopted by the General Assembly of the State of Maryland relative to state regulation of self-funded employer-based health plans; to the Committee on Health, Education, Labor, and Pensions.

Senate Joint Resolution 7

Whereas, The McCarran-Ferguson Act, passed by the U.S. Congress in 1945, established a statutory framework whereby responsibility for regulating insurance and the insurance industry was left largely to the states; and

Whereas, The Employee Retirement Income Security Act of 1974 (ERISA) significantly altered this concept by creating a federal framework for regulating employer-based pension and welfare benefit plans, including health plans; and

Whereas, ERISA effectively prohibits states from directly regulating many employer-based health plans because ERISA preempts state regulation of self-insured plans; and

Whereas, Available data suggests that self-funding of employer-based health plans is increasing at a significant rate among both small and large businesses; and

Whereas, Between 1989 and 1993, the United States General Accounting Office estimates that the number of self-funded plan enrollees increased by about 6,000,000 individuals; and

Whereas, Approximately 40% to 50% of employer-based health plans are presently self-funded by employers that retain most or all of the financial risk for their respective health plans; and

Whereas, With the growth in the self-funding of health plans, states have lost regulatory oversight over a growing portion of the health market; and

Whereas, Recent federal court decisions have struck down state laws regulating insured health plans by expanding ERISA's current preemption of state laws regulating self-insured plans to laws relating to ensured plans; and

Whereas, As these phenomena continue, state governments are losing their ability to mange their health care markets; and

Whereas, Many state legislatures, such as the Maryland General Assembly, have taken significant actions to increase access to care, to control costs, and to regulate against abuses by health plans; and

Whereas, ERISA preemption is a significant obstacle to the states adopting a wide range of health care reform and consumer protection strategies; and

Whereas, The states' inability to protect consumers enrolled in self-funded health plans that fail to provide the consumers' anticipated level of health care is gradually eroding the public's confidence in the American health care system because self-funded plans are afforded an unfair advantage over traditional health insurance plans due to a lack of adequate state or federal accountability, regulation, or remedy for the ERISA plan members who are denied coverage; and

Whereas, Over the past 24 years, state governments have gradually realized that ERISA is an impediment to ensuring adequate consumer protection for all individuals with employer-based health care coverage and to enacting administrative simplification and cost reduction reforms that could improve the efficiency and equity of their health care markets; and

Whereas, ERISA plan participants, their dependents, and their treating physicians believe that they have been denied coverage for medically necessary procedures because ERISA's remedy provisions have been narrowly interpreted and ERISA's preemption provisions have been broadly interpreted, thereby creating substantial economic incentives, with few disincentives for plan administrators to deny medically necessary benefits legitimately covered under ERISA plans; and

Whereas, The time has now come for the states to aggressively seek changes in ERISA to give them more flexibility in regulating health plans at the state level, to increase access to health care, and to lower health care costs: Now, therefore, be it

Resolved by the General Assembly of Maryland, That this General Assembly hereby requests the U.S. Congress to amend the Employment Retirement Income Security Act of 1974 (ERISA) to authorize each state to monitor and to regulate self-funded employer-based health plans in the interests of providing greater consumer protection and effecting significant health care reforms at the state level through the offices of the various insurance commissioners and states' attorneys general. Additionally, the United States Department of Labor should cooperatively refer complaints to the offices of the various insurance commissioners and states' attorneys general; and be it further

Resolved, That §502(a)(1)(B) of ERISA, which currently reads: "(B) to recover benefits due to him under the terms of his plan, to enforce his rights under the terms of the plan, or to clarify his rights to future benefits under the terms of the plan;", be amended to read: "(B) to recover benefits due to him under the terms of his plan, to recover from the fiduciary compensatory damages caused by the fiduciary's failure to pay benefits due under the terms of the plan, to enforce his rights under the terms of the plan, or to timely authorize assurance of payment and clarify his rights to future benefits under the terms of the plans;"; and be it further

Resolved, This this General Assembly most fervently urges and encourages each state legislative body in the nation to enact this resolution, or one similar in context and form, as a show of solidarity in petitioning the federal government for greater state authority and responsibility in regulating self-funded employer-based health plans; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland; The Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the National Conference of State Legislatures, 444 North Capitol Street, NW., Suite 515, Washington, DC 20001; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the President of the United States; the Secretary of the United States Department of Labor; the Speaker and the Clerk of the United States House of Representatives; the President and the Secretary of the United States Senate; and to the presiding officer of each chamber of each state legislature in the nation; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Maryland Congressional Delegation: Senators Paul S. Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, DC 20510; and Representatives Wayne T. Gilchrest, Robert L. Ehrlich, Jr., Benjamin L. Cardin, Albert R. Wynn, Steny Hamilton Hoyer, Roscoe G. Bartlett, Elijah E. Cummings, and Constance A. Morella, House Office Building, Washington, DC 20515.

POM–246. A joint resolution adopted by the General Assembly of the State of Maryland relative to state regulation of self-funded employer-based health plans; to the Committee on Health, Education, Labor, and Pensions.

HOUSE JOINT RESOLUTION 8

Whereas, The McCarran-Ferguson Act, passed by the U.S. Congress in 1945, established a statutory framework whereby responsibility for regulating insurance and the insurance industry was left largely to the states; and

Whereas, The Employee Retirement Income Security Act of 1974 (ERISA) significantly altered this concept by creating a federal framework for regulating employer-based pension and welfare benefit plans, including health plans; and

Whereas, ERISA effectively prohibits states from directly regulating many employer-based health plans because ERISA preempts state regulation of self-insured plans; and

Whereas, Available data suggests that self-funding or employer-based health plans in increasing at a significant rate among both small and large businesses; and

Whereas, Between 1989 and 1993, the United States General Accounting Office estimates that the number of self-funded plan enrollees increase by about 6,000,000 individuals; and

Whereas, Approximately 40% to 50% of employer-based health plans are presently self-funded by employers that retain most or all of the financial risk for their respective health plans; and

Whereas, With the growth in the self-funding of health plans, states have lost regulatory oversight over a growing portion of the health market; and

Whereas, Recent federal court decisions have struck down state laws regulating insured health plans by expanding ERISA's current preemption of state laws regulating self-insured plans to laws relating to insured plans; and

Whereas, As these phenomena, continue, state governments are losing their ability to manage their health care markets; and

Whereas, Many state legislatures, such as the Maryland General Assembly, have taken significant actions to increase access to care, to control costs, and to regulate against abuses by health plans; and

Whereas, ERISA preemption is a significant obstacle to the states adopting a wide range of health care reform and consumer protection strategies; and

Whereas, The states' inability to protect consumers enrolled in self-funded health plans that fail to provide the consumers' anticipated level of health care is gradually eroding the public's confidence in the American health care system because self-funded plans are afforded an unfair advantage over traditional health insurance plans due to a lack of adequate state or federal accountability, regulation, or remedy for the ERISA plan members who are denied coverage; and

Whereas, Over the past 24 years, state governments have gradually realized that ERISA is an impediment to ensuring adequate consumer protection for all individuals with employer-based health care coverage and to enacting administrative simplification and cost reduction reforms that could improve the efficiency and equity of their health care markets; and

Whereas, ERISA plan participants, their dependents, and their treating physicians believe that they have been denied coverage for medically necessary procedures because ERISA's remedy provisions have been narrowly interpreted and ERISA's preemption provisions have been broadly interpreted, thereby creating substantial economic incentives, with few disincentives for plan administrators to deny medically necessary benefits legitimately covered under ERISA plans; and

Whereas, The time has now come for the states to aggressively seek changes in ERISA to give them more flexibility in regulating health plans at the state level, to increase access to health care, and to lower health care costs: Now, therefore, be it

Resolved by the General Assembly of Maryland, That this General Assembly hereby requests the U.S. Congress to amend the Employment Retirement Income Security Act of 1974 (ERISA) to authorize each state to monitor and to regulate self-funded employer-based health plans in the interests of providing greater consumer protection and effecting significant health care reforms at the state level through the offices of the various insurance commissioners and states' attorneys general. Additionally, the United States Department of Labor should cooperatively refer complaints to the offices of the various insurance commissioners and states' attorneys general; and be it further

Resolved, That §502(a)(1)(B) of ERISA, which currently reads: "(B) to recover benefits due to him under the terms of his plan, to enforce his rights under the terms of the plan, or to clarify his rights to future benefits under the terms of the plan;", be amended to read: "(B) to recover benefits due to him under the terms of his plan, to recover from the fiduciary compensatory damages caused by the fiduciary's failure to pay benefits due under the terms of the plan, to enforce his rights under the terms of the plan, or to timely authorize assurance of payment and clarify his rights to future benefits under the terms of the plans;"; and be it further

Resolved, That this General Assembly most fervently urges and encourages each state legislative body in the nation to enact this resolution, or one similar in context and form, as a show of solidarity in petitioning the federal government for greater state authority and responsibility in regulating self-funded employer-based health plans; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland; The Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the National Conference of State Legislatures, 444 North Capitol Street, N.W., Suite 515, Washington, D.C. 20001; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the President of the United States; the Secretary of the United States Department of Labor; the Speaker and the Clerk of the United States House of Representatives; the President and the Secretary of the United States Senate; and to the presiding officer of each chamber of each state legislature in the nation; and be it further

Resolved, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Maryland Congressional Delegation: Senators Paul S. Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, D.C. 20510; and Representatives Wayne T. Gilchrest, Robert L. Ehrlich, Jr., Benjamin L. Cardin, Albert R. Wynn, Steny Hamilton Hoyer, Roscoe G. Bartlett, Elijah E. Cummings, and Constance A. Morella, House Office Building, Washington, D.C. 20515.

POM–247. A joint resolution adopted by the Assembly of the State of Nevada relative to amending the Wild Free-Roaming Horses and Burros Act; to the Committee on Energy and Natural Resources.

ASSEMBLY JOINT RESOLUTION NO. 2

Whereas, On December 15, 1971, Congress enacted the provisions of the Wild Free-Roaming Horses and Burros Act, 16 U.S.C. §§1331 et seq.; and

Whereas, The purpose of the Act is to preserve the wild horses and burros living on the public lands managed by the Bureau of

Land Management and the United States Forest Service and to protect those wild horses and burros from capture, branding, harassment and death; and

Whereas, Since 1971, the population of wild horses living on the public lands managed by the Bureau of Land Management and the United States Forest Service has increased dramatically, particularly in Nevada where the largest population of those wild horses exists; and

Whereas, the Act requires the Secretary of the Interior and the Secretary of Agriculture to manage the wild horses living on the public lands administered by the Bureau of Land Management and the United States Forest Service in a manner that will achieve and maintain a natural ecological balance on those public lands; and

Whereas, Pursuant to that Act, if the Secretary of the Interior or the Secretary of Agriculture determines that an overpopulation of wild horses exists in an area of the public lands managed by the Bureau of Land Management and the United States Forest Service, the secretary must remove the excess wild horses from those areas to achieve an appropriate level of management for the wild horses; and

Whereas, Although the provisions of the Act address the issue of overpopulation of wild horses, the Act does not require that the population of wild horses be maintained at a particular level, thereby allowing the population of wild horses to expand far beyond the level envisioned by Congress in 1971; and

Whereas, Allowing an excessive number of wild horses to live on the public lands managed by the Bureau of Land Management and the United States Forest Service causes those public lands to deteriorate from overuse and contravenes the purposes of the Taylor Grazing Act, 43 U.S.C. §§315 et seq., and the Federal Land Policy and Management Act of 1976, 43 U.S.C. §§1701 et seq., which are intended to protect those public lands from deterioration and overuse; and

Whereas, Requiring the Secretary of the Interior and the Secretary of Agriculture to maintain the population of wild horses living on the public lands managed by the Bureau of Land Management and the United States Forest Service at the level established for those wild horses in 1975 will:

1. Improve the condition of the ranges used by the wild horses;
2. Increase the population and improve the habitat of deer, antelope and other species of wildlife living on those public lands;
3. Allow an increased use of the public lands and the development of native flora and vegetation;
4. Improve conditions for hunting and other outdoor sports;
5. Reduce the amount of money required to shelter, feed and prepare wild horses for adoption; and
6. Reduce the risk of deaths of wild horses because of freezing, starvation and drought: Now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, Jointly, That the Nevada Legislature urges Congress to amend the provisions of the Wild Free-Roaming Horses and Burros Act to require the Secretary of the Interior and the Secretary of Agriculture to establish the necessary regulations and procedures whereby horses and burros in excess of the appropriate management levels are gathered in a timely fashion, and unadoptable horses and burros are made available for sale at open market; and be it further

Resolved, That the Nevada Legislature urges Congress to include provisions in the Wild Free-Roaming Horses and Burros Act directing that the proceeds of sales of unadoptable horses and burros be granted to the state director of the federal land management agency responsible for the horses and burros which were gathered off public lands, prior to sale, and that these proceeds be used to augment wild horse and burro management programs in the state; and be it further

Resolved, That the establishment of the appropriate management levels should be based on sound scientific and locally-collected resource information that incorporates and fully acknowledges other existing multiple uses of the land, such as the needs of other wildlife and livestock living on the land; and be it further

Resolved, That the establishment of the appropriate management levels should be concluded by the end of the federal fiscal year 2002, and maintained thereafter, irrespective of the outlet capacity of the federal horse adoption programs; and be it further

Resolved, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation and each legislature of the other 49 states; and be it further

Resolved, That this resolution becomes effective upon passage and approval.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of July 1, 1999, the following reports of committees were submitted on July 8, 1999:

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 712: A bill to amend title 39, United States Code, to allow postal patrons to contribute to funding for highway-rail grade crossing safety through the voluntary purchase of certain specially issued United States postage stamps (Rept. No. 106–104).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 1072: A bill to make certain technical and other corrections relating to the Centennial of Flight Commemoration Act (36 U.S.C. 143 note; 112 Stat. 3486 et seq.) (Rept. No. 106–105).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 296: A bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes (Rept. No. 106–106).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS DURING ADJOURNMENT

Pursuant to the order of the Senate of June 29, 1999, the following bill was introduced, read twice, and placed on the calendar:

By Mr. LOTT (for himself and Mr. NICKLES):

S. 1344. A bill to amend the Public Health Service Act, the Employee retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. DURBIN, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mrs. MURRAY, Mr. KERRY, Mr. TORRICELLI, Mr. FEINGOLD, Mr. KOHL, Mr. KENNEDY, and Mr. SCHUMER):

S. 1345. A bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals; to the Committee on the Judiciary.

By Mr. BOND:

S. 1346. A bill to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration; to the Committee on Small Business.

By Mr. BROWNBACK:

S. 1347. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income capital gain from the disposition of certain urban property, Indian reservation property, or farm property which has been held for more than 5 years; to the Committee on Finance.

By Mr. BROWNBACK (for himself, Mr. KYL, Mr. HAGEL, Mr. ALLARD, Mr. ENZI, Mr. SESSIONS, Mr. HELMS, and Mr. INHOFE):

S. 1348. A bill to require Congress and the President to fulfill their Constitutional duty to take personal responsibility for Federal laws; to the Committee on Governmental Affairs.

By Mr. THOMAS:

S. 1349. A bill to direct the Secretary of the Interior to conduct special resource studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System; to the Committee on Energy and Natural Resources.

By Mr. GRASSLEY (for himself and Mr. TORRICELLI):

S. 1350. A bill to amend the Internal Revenue Code of 1986 to expand the availability of medical savings accounts; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. MURKOWSKI, and Mr. HARKIN):

S. 1351. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from renewable resources; to the Committee on Finance.

By Mr. COVERDELL (for himself, Mr. THURMOND, Mr. CLELAND, and Mr. HOLLINGS):

S.J. Res. 29. A joint resolution to grant the consent of Congress to the boundary change between Georgia and South Carolina; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. REID (for himself and Mr. DASCHLE):

S. Res. 137. A resolution to congratulate the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. DURBIN, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mrs. MURRAY, Mr. KERRY, Mr. TORRICELLI, Mr. FEINGOLD, Mr. KOHL, Mr. KENNEDY, and Mr. SCHUMER):

S. 1345. A bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals; to the Committee on the Judiciary.

CAPTIVE EXOTIC ANIMAL PROTECTION ACT OF 1999

Mr. LAUTENBERG. Mr. President, I rise to introduce the Captive Exotic Animal Protection Act, which would prohibit the barbaric and unsporting practice of "canned hunts," or caged kills. I am pleased to be joined by my cosponsors Senators BOXER, DURBIN, FEINGOLD, FEINSTEIN, KENNEDY, KERRY, KOHL, MOYNIHAN, MURRAY, SCHUMER, and TORRICELLI.

A typical canned hunt operation collects surplus animals from wild animal parks, circuses, and even petting zoos, and then sells the right to brutally kill these animals to so-called "hunters." In reality, no hunting, tracking or shooting skills are required. For a price, any "hunter" is guaranteed a kill of the exotic animal of his choice—one located by a guide and blocked from escape. A wild boar "kill" may sell for $250, a pygmy goat for $400, while a rare Arabian Ibex may fetch up to $5000. The actual "hunt" of these tame animals occurs within a fenced enclosure, leaving the animal virtually no chance for escape. Fed and cared for by humans, these animals often have lost their instinctual impulse to flee from the so-called hunters who "stalk" them.

The actual killing methods employed by these hunters only compound the cruelty of slaughtering these often trusting animals. In order to preserve the animal as a "trophy," hunters will fire multiple shots into non-vital organs, condemning the animal to a slow and painful death.

Canned hunts are condemned by pro-animal and pro-hunting groups alike for being cruel and unethical. Many real hunters believe that canned hunts are unethical and make a mockery of their sport. For example, the Boone and Crockett Club, a hunting organization founded by Teddy Roosevelt, has called canned hunts "unfair" and "unsportsmanlike." Bill Burton, the former outdoors writer for the Baltimore Sun and a hunter, testifying in support of this legislation, stated, "[t]here is a common belief that the hunting of creatures which have no reasonable avenue to escape is not up to traditional standards. Shooting game in confinement is not within these standards."

In addition to being unethical, these canned hunts present a serious health and safety problem for livestock and native wildlife. Accidental escapes of animals from exotic game ranches are not uncommon, posing a very real threat to nearby livestock and indigenous wildlife. John Talbott, acting director of the Wyoming Department of Fish and Game, has stated that, "[t]uberculosis and other disease documented amount game ranch animals in surrounding states," pose "an extremely serious threat to Wyoming's native big game." In recognition of this threat, Wyoming itself has banned canned hunting facilities, as have the States of California, Connecticut, Georgia, Maryland, Massachusetts, Nevada, New Jersey, North Carolina, Rhode Island, and Wisconsin. Unfortunately, the remaining States lack legislation to outlaw canned hunts, and because interstate commerce in exotic animals is common, federal legislation is essential to control these cruel practices.

My bill is similar to legislation I introduced in the 105th Congress, S. 995. The legislation I am introducing today will specifically target only canned hunt facilities, and will not affect any animal industries, such as cattle ranchers, rodeos, livestock shows, petting zoos, horse and dog racing, or wildlife hunting. Furthermore, this bill will not apply to large hunting ranches, such as those over 1,000 acres, which give the hunted animal a greater opportunity to escape. This bill merely seeks to ban the transport and trade of non-native, exotic animals for the purpose of staged trophy hunts.

The idea of a defenseless animal meeting a violent end as the target of a canned hunt is, at the very least, distasteful to many of us. In an era when many of us are seeking to curb violence in our culture, canned hunts are certainly one form of gratuitous brutality that does not belong in our society.

I urge my colleagues who want to understand the cruelty involved in a canned hunt to visit my office and view a videotape of an actual canned hunt. You will witness a defenseless Corsican ram, cornered near a fence, being shot over and over again with arrows, clearly experiencing an agonizing death, only to be dealt a final blow by a firearm after needless suffering.

Please join me in support of this legislation which will help to put an end to this needless suffering.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1345

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Captive Exotic Animal Protection Act of 1999".

SEC. 2. TRANSPORT OR POSSESSION OF EXOTIC ANIMALS FOR PURPOSES OF KILLING OR INJURING THEM.

(a) IN GENERAL.—Chapter 3 of title 18, United States Code, is amended by adding at the end the following:

"§ 48. Exotic animals

"(a) PROHIBITION.—Whoever, in or affecting interstate or foreign commerce, knowingly transfers, transports, or possesses a confined exotic animal, for the purposes of allowing the killing or injuring of that animal for entertainment or for the collection of a trophy, shall be fined under this title, imprisoned not more than 1 year, or both.

"(b) DEFINITIONS.—In this section—

"(1) the term 'confined exotic animal' means a mammal of a species not historically indigenous to the United States, that has been held in captivity for the shorter of—

"(A) the greater part of the life of the animal; or

"(B) a period of 1 year;

whether or not the defendant knew the length of the captivity; and

"(2) the term 'captivity' does not include any period during which an animal—

"(A) lives as it would in the wild, surviving primarily by foraging for naturally occurring food, roaming at will over an open area of not less than 1,000 acres; and

"(B) has the opportunity to avoid hunters.".

(b) CLERICAL AMENDMENT.—The analysis for chapter 3 of title 18, United States Code, is amended by adding at the end the following:

"48. Exotic animals.".

By Mr. BOND:

S. 1346. A bill to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration; to the Committee on Small Business.

INDEPENDENT OFFICE OF ADVOCACY ACT

• Mr. BOND. Mr. President, today, I am introducing the Independent Office of Advocacy Act. This bill has been drafted to build on the success of the Office of Advocacy over the past 23 years. It is intended to strengthen the foundation to make the Office of Advocacy a stronger and more effective advocate for all small businesses throughout the United States.

The Office of Advocacy is a unique office within the Federal government. It is part of the Small Business Administration (SBA/Agency), and its director, the Chief Counsel for Advocacy, is nominated by the President and confirmed by the Senate. At the same time, the Office is also intended to be the independent voice for small business within the Federal government. It is supposed to develop proposals for changing government policies to help small businesses, and it is supposed to represent the views and interests of small businesses before other Federal agencies.

As the director of the Office of Advocacy, the Chief Counsel for Advocacy has a dual responsibility. On the one hand, he is the independent watchdog for small business. On the other hand, he is also a part of the President's Administration. As you can imagine, those are sometimes very difficult roles to play simultaneously.

The Independent Office of Advocacy Act is designed to make the Office of Advocacy and Chief Counsel for Advocacy a fully independent advocate within the Executive Branch acting on behalf of the small business community. The bill would establish a clear mandate that the Office of Advocacy will fight on behalf of small businesses regardless of the position taken on critical issues by the President and his Administration.

The Office of Advocacy as envisioned by the Independent Office of Advocacy Act will be unique within the executive branch. The Chief Counsel for Advocacy will be a wide-ranging advocate, who will be free to take positions contrary to the Administration's policies and to advocate change in government programs and attitudes as they impact small businesses.

In 1976, Congress established the Office of Advocacy in the SBA to be the eyes, ears and voice for small business within the Federal government. Over time, it has been assumed that the Office of Advocacy is the "independent" voice for small business. While I strongly believe that the Office of Advocacy and the Chief Counsel for Advocacy should be independent and free to advocate or support positions that might be contrary to the administration's policies, I have come to find that the Office is not as independent as necessary to do the job adequately for small business.

For example, funding for the Office of Advocacy comes from the Salaries and Expense Account of the SBA's budget. Staffing is allocated by the SBA Administrator to the Office of Advocacy from the overall staff allocation for the Agency. In 1990, there were 70 full-time employees working on behalf of small businesses in the Office of Advocacy. Today's allocation of staff is 49, and fewer are actually on-board as the result of the hiring freeze imposed by the SBA Administrator. The Independence of the Office is diminished when the Office of Advocacy staff is reduced to allow for increased staffing for new programs and additional initiatives in other areas of SBA, at the discretion of the Administrator.

In addition, the General Accounting Office (GAO) recently completed a report for me on personnel practices at the SBA (GAO/GGD-99-68). I was alarmed by the GAO's finding that Assistant and Regional Advocates hired by the Office of Advocacy share many of the attributes of Schedule C political appointees. In fact, Regional Advocates are frequently cleared by the White House personnel office—the same procedure followed for approving Schedule C political appointees.

The facts discussed in the GAO Report cast the Office of Advocacy in a whole new light—one that had not been apparent until now. The report raises questions, concerns and suspicious regarding the independence of the Office of Advocacy. Has there been a time when the Office did not pursue a matter as vigorously as it might have were it not for direct or indirect political influence? Prior to receipt of the GAO Report, my response was a resounding "No." But now, a question mark arises.

Let me take a moment and note that I will be unrelenting in my efforts to insure the complete independence of the Office of Advocacy in all matters, at all times, for the continued benefit of all small businesses. However, so long as the Administration controls the budget allocated to the Office of Advocacy and controls who is hired, the independence of the Office may be in jeopardy. We must correct this situation, and the sooner we do it, the better it will be for the small business community.

The Independent Office of Advocacy Act builds a firewall to prevent the political intrustion into the management of day-to-day operations of the Office of Advocacy. The bill requires that the SBA's budget include a separate account for the Office of Advocacy. No longer would its funds come from the general operating account of the Agency. The separate account would also provide for the number of full-time employees who would work within the Office of Advocacy. No longer would the Chief Counsel for Advocacy have to seek approval from the SBA Administrator to hire staff for the Office of advocacy.

The bill also continues the practice of allowing the Chief Counsel to hire individuals critical to the mission of the Office of Advocacy without going through the normal competitive procedures directed by federal law and the Office of Personnel Management (OPM). I beleive this special hiring authority, which is limited only to employees within the Office of Advocacy, is beneficial because it allows the Chief Counsel to hire quickly those persons who can best assist the Office in responding to changing issues and problems confronting small businesses.

Mr. Presdient, the Independent Office of Advocacy Act is a sound bill. The bill is the product of a great deal of thoughtful, objective review and consideration by me, the staff of the Committee on Small Business, representatives of the small business community, former Chief Councels for Advocacy and others. These individuals have also devoted much time and effort in actively participating in a Committee Roundtable discussion on the Office of Advocacy, which my Committee held on April 21, 1999. It is my hope the Committee on Small Business will be able to consider the Independent Office of Advocacy Act in the near future.●

By Mr. THOMAS:

S. 1349. A bill to direct the Secretary of the Interior to conduct special resource studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System; to the Committee on Energy and Natural Resources.

NATIONAL PARK SYSTEM NEW AREA STUDY ACT OF 2000

Mr. THOMAS. Mr. President, I rise today to introduce the National Park System New Area Study Act of 2000.

Mr. President, last year when we passed the National Parks Vision 20-20 legislation, we made a number of revisions in the way we do business within the National Park System. One of those changes concerned the conduct of new park studies.

Prior to the National Park Service undertaking any new area studies, and from this point forward, Congress must act affirmatively on a list submitted by the Secretary of the Interior for studies on potential new units of the System.

Pursuant to Public Law 105-391, the Secretary has submitted a list and this legislation reflects the Secretary's request.

Mr. President, I ask unanimous request that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1349

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Park System New Area Study Act of 2000".

SEC. 2. FINDINGS AND PURPOSES:

(a) FINDINGS.—Congress finds that pursuant to Public Law 105-391, the Administration has submitted a list of areas recommended for study for potential inclusion in the National Park System in fiscal year 2000.

(b) PURPOSE.—The purpose of this Act is to direct the Secretary of the Interior to direct special resource studies to determine the national significance of the sites, and/or areas, listed in Section 5 of this Act to determine the national significance of each site, and/or area, as well as the suitability and feasibility of their inclusion as units of the National Park System.

SEC. 3. DEFINITIONS.

In this Act:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Interior acting through the Director of the National Park Service.

SEC. 4. STUDIES.

(a) In General.—Not later than 2 years after the date on which funds are made available for the purpose of this Act, the Secretary, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives individual resource studies of the sites, and/or areas, listed in Section 5 of this Act.

(b) Contents.—The study under subsection (a) shall—

(1) identify the location and the suitability and feasibility of designating the sites, and/or areas, as units of the National Park System; and

(2) include cost estimates for any necessary acquisition, development, operation and maintenance, and identification of alternatives for the management, administration, and protection of the area.

SEC. 5. SITES AND/OR AREAS.

(a) The areas recommended for study for potential inclusion in the National Park System include the following:

(1) Bioluminescent Bay, Mosquito Lagoon, Puerto Rico;

(2) Brandywine and Paoli Battlefields, Pennsylvania;

(3) Civil Rights Trail, Nationwide;

(4) Gaviota Coast Seashore, California;

(5) Kate Mullaney House, New York;

(6) Low Country Gullah Culture, South Carolina, Georgia and Florida;

(7) Nan Madol, Northern Marianas;

(8) Walden Pond and Woods, in Concord and Lincoln, Massachusetts; and

(9) World War II sites on Palau and Saipan.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. GRASSLEY (for himself and Mr. TORRICELLI):

S. 1350. A bill to amend the Internal Revenue Code of 1986 to expand the availability of medical savings accounts; to the Committee on Finance.

MEDICAL SAVINGS ACCOUNT IMPROVEMENT ACT OF 1999

Mr. GRASSLEY. Mr. President, today, on behalf of myself and my colleague, Senator TORRICELLI, I am introducing legislation, the Medical Savings Account Improvement Act of 1999, which would make it possible for any individual to purchase a medical savings account and which would liberalize existing law authorizing medical savings accounts in a number of other respects.

Medical savings accounts are a good idea, Mr. President. They are basically IRAs—an idea everybody understands—which must be used for payment of medical expenses.

The widespread use of medical savings accounts should have several beneficial consequences.

They should reduce health care costs. Administrative costs should be lower. Consumers with MSAs should use health care services in a more discriminating manner. Consumers with MSAs should be more selective in choosing providers. This should cause those providers to lower their prices to attract medical savings account holders as patients.

Medical savings accounts can also help to put the patient back into the health care equation. Patients should make more cost-conscious choices about routine health care. Patients with MSAs would have complete choice of provider.

Medical savings accounts should make health care coverage more dependable. MSAs are completely portable. MSAs are still the property of the individual even if they change jobs. Hence, for those with MSAs, job changes do not threaten them with the loss of health insurance.

Medical savings accounts should increase health care coverage. Perhaps as many as half of the more than 40 million Americans who are uninsured at any point in time are without health insurance only for four months or less. A substantial number of these people are uninsured because they are between jobs. Use of medical savings accounts should reduce the number of the uninsured by equipping people to pay their own health expenses while unemployed.

Medical savings accounts should promote personal savings. Since pre-tax monies are deposited in them, there should be a strong tax incentive to use them.

Mr. President, our bill would do several things:

First, it would repeal the limitations on the number of MSAs that can be established.

Second, it stipulates that the availability of these accounts is not limited to employees of small employers and self-employed individuals.

Third, it increases the amount of the deduction allowed for contributions to medical savings accounts to 100 percent of the deduction.

Fourth, it permits both employees and employers to contribute to medical savings accounts.

Fifth, it reduces the permitted deductibles under high deductible plans from $1,500 in the case of individuals to $1,000 and from $3,000 in the case of couples to $2,000.

Finally, the bill would permit medical savings accounts to be offered under cafeteria plans.

Mr. President, I ask unanimous consent that the text of our bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1350

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medical Savings Account Improvement Act of 1999".

SEC. 2. EXPANSION OF AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) Repeal of Limitations on Number of Medical Savings Accounts.—

(1) In general.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) Conforming amendments.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code (relating to Medicare+Choice MSA) is amended by striking subsection (f).

(b) Availability Not Limited To Accounts for Employees of Small Employers and Self-Employed Individuals.—

(1) In general.—Section 220(c)(1)(A) of the Internal Revenue Code of 1986 (relating to eligible individual) is amended to read as follows:

"(A) In general.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan."

(2) Conforming amendments.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) Increase in Amount of Deduction Allowed for Contributions to Medical Savings Accounts.—

(1) In general.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

"(2) Monthly limitation.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.".

(2) Conforming amendment.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(d) Both Employers and Employees May Contribute to Medical Savings Accounts.—Paragraph (4) of section 220(b) of such Code, as redesignated by subsection (b)(2)(C), is amended to read as follows:

"(4) Coordination with exclusion for employer contributions.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.".

(e) Reduction of Permitted Deductibles Under High Deductible Health Plans.—

(1) In general.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "$1,500" and inserting "$1,000", and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) Conforming amendment.—Subsection (g) of section 220 of such Code is amended—

(A) by striking "1998" and inserting "1999"; and

(B) by striking "1997" and inserting "1998".

(f) Medical Savings Accounts May Be Offered Under Cafeteria Plans.—Subsection

(f) of section 125 of such Code is amended by striking "106(b),".

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

Mr. TORRICELLI. Mr. President, I rise today, along with my distinguished colleague from Iowa, Senator GRASSLEY, to introduce legislation that will provide Americans more choices and control in their health care decisions.

Since becoming available in 1996, medical savings accounts (MSA's) have proven to be an effective solution for Americans who are self-employed, unsatisfied with their current health plan or working for a company unable to provide health insurance. By allowing consumers to save money tax-free to cover medical expenses, MSA's have ensured that people who previously were unable to acquire health coverage, such as single parents, the self-employed, small businesses and their employees, and working families, now have affordable medical coverage. In fact, since MSA's became available, the General Accounting Office reports that 37 percent of all MSA's have been purchased by people who were previously uninsured.

Due to current restrictions, however, the size of the market is limited. Congress must allow the benefits from MSA's to reach more Americans.

Our bill, the Medical Savings Account Effectiveness Act of 1999, will make MSA's a permanent health care option for all Americans by expanding enrollment beyond the current cap. This legislation will allow both employers and employees to contribute to an MSA and will allow policyholders to fully fund the deductible. In addition, it will lower the individual deductible to $1,000 and the family deductible to $2,000. Finally, it will allow MSA's to be offered through "cafeteria plans."

By expanding MSA's, this legislation will give policyholders direct control over medical expenditures, offer them a new freedom to select the physician or specialist of their choice, and make insurance affordable for millions of Americans.

By Mr. GRASSLEY (for himself, Mr. MURKOWSKI, and Mr. HARKIN):

S. 1351. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from newable resources; to the Committee on Finance.

THE BIOMASS AND WIND ENERGY TAX CREDIT

Mr. GRASSLEY. Mr. President, I rise today to acknowledge the unfortunate expiration of the section 45 tax credit on June 30 for electricity produced from alternative energy sources. In response, I am introducing legislation to extend and expand the credit to help sustain the public benefits derived from these sources. As many of my colleagues know, I authored the section 45 credit in the Senate and it was included in the Energy Policy Act of 1992. I am being joined in this bipartisan effort today by Senator MURKOWSKI and Senator HARKIN.

Earlier this year, I introduced S. 414 to extend the wind energy portion of section 45, which has been extremely successful. The purpose of today's bill is to extend and expand the biomass portion of section 45 to include technologies such as biomass combustion and cofiring biomass with coal-fired facilities. Formerly, section 45 only allowed the use of closed-loop biomass, which has proven to be unworkable. Consequently, the biomass aspect of section 45 has never been utilized. The clean, controlled combustion of biomass, which in layman's terms consists of woodchips, agricultural byproducts, and untreated construction debris, is another proven, effective technology that currently generates numerous pollution avoidance and waste management public benefits across the nation.

Unfortunately, the 1992 bill restrictively defined qualifying biomass processes by requiring taxpayers to grow the biomass solely for the purposes of combustion. This then-untested theory has since proven to be singularly uneconomic, and taxpayers have never claimed one single cent of tax credits. My bill retains this dormant "closed-loop" biomass provision in the hopes that some day it may be found feasible.

In order to retain the environmental, waste management, and the rural employment benefits that we currently receive from the existing "open-loop" biomass facilities, by bill rewrites section 45 to allow tax credits for clean combustion of wood waste and similar residues in these unique facilities. These valuable, yet economically vulnerable, facilities that convert 20 million tons of waste into clean electricity annually, and which have never received section 45 tax credits, would be eligible for the same ten years of tax credits per facility, beginning at date of enactment.

Importantly, we have gone to great lengths to ensure that the definition of qualifying biomass materials is limited to organic, nonhazardous materials that are clearly proven to burn cleanly without any pollution risk. Also, to allay any concern that biomass plants might burn paper and thus possibly jeopardize the amount of paper that is available to be recycled, I have specifically excluded paper that is commonly recycled from the list of materials that would qualify for the credit.

One promising technology that does not yet operate here in the U.S., but has now been proven to be feasible and practical, involves the cofiring of biomass with coal. A partial tax credit for cofiring would stimulate economic growth in rural areas by creating new markets for forage crops. The environmental benefits from reduced coal plant emissions would also be substantial.

Finally, my bill acknowledges the potential that biomass combustion has to solve the nation's pressing poultry waste problem by making electricity produced from the combustion of poultry litter eligible for the sec. 45 tax credit. As Chairman ROTH has recently pointed out, the increased growth of our domestic chicken and turkey industry has created the need to find a new, creative means for disposing of the waste of some 600 million chickens in the Delaware, Maryland, and Virginia peninsula alone.

Today, much of the waste from these operations (deposited upon biomass materials) is spread on farmland, resulting in a nutrient runoff that has contaminated streams, rivers and bays, with devastating effect on the local environment. Fortunately, scientists in the United Kingdom have developed a combustion technology that cleanly disposes of the waste and produces clean electricity. While no such plants are currently operating in the U.S., state and local authorities in the affected jurisdictions assure us that, with the enactment of this critical tax credit legislation, action would be taken to build these plants immediately.

With regard to wind energy, and my involvement in supporting this technology which goes back to my authorship of the Wind Energy Incentives Act of 1992, I am proud to say that this credit is one of the success stories of section 45. The public policy benefits of wind energy are indisputable: it is clean, safe and abundant within the United States. I understand that every 10,000 megawatts of wind energy produced in the U.S. can reduce carbon monoxide emissions by 33 million metric tons by replacing the combustion of fossil fuels.

Mr. President, I believe this bill provides a common sense combination of current and new technologies to help maintain the economic, environmental and waste management benefits derived from wind and biomass power. This bill has strong support from both the biomass industry and environmental groups including the Union of Concerned Scientists and the Natural Resources Defense Council. I urge my colleagues to join in supporting this legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—Paragraph (3) of section 45(c) of the Internal Revenue Code of 1986 is amended to read as follows:

"(3) QUALIFIED FACILITY.—

"(A) WIND FACILITIES.—In the case of a facility using wind to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after December 31, 1993, and before July 1, 2004.

"(B) BIOMASS FACILITIES.—In the case of a facility using biomass to produce electricity, the term 'qualified facility' means, with respect to any month, any facility owned, leased, or operated by the taxpayer which is originally placed in service before July 1, 2004, if, for such month—

"(i) biomass comprises not less than 75 percent (on a Btu basis) of the average monthly fuel input of the facility for the taxable year which includes such month, or

"(ii) in the case of a facility principally using coal to produce electricity, biomass comprises not more than 25 percent (on a Btu basis) of the average monthly fuel input of the facility for the taxable year which includes such month.

"(C) SPECIAL RULES.—

"(i) In the case of a qualified facility described in subparagraph (B)(i)—

"(I) the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this paragraph, and

"(II) subsection (b)(3) shall not apply to any such facility originally placed in service before January 1, 1997.

"(ii) In the case of a qualified facility described in subparagraph (B)(ii)—

"(I) the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this paragraph, and

"(II) the amount of the credit determined under subsection (a) with respect to any project for any taxable year shall be adjusted by multiplying such amount (determined without regard to this clause) by 0.59.".

(b) CREDIT NOT TO APPLY TO ELECTRICITY SOLD TO UTILITIES UNDER CERTAIN CONTRACTS.—Section 45(b) of the Internal Revenue Code of 1986 (relating to limitations and adjustments) is amended by adding at the end the following:

"(4) CREDIT NOT TO APPLY TO ELECTRICITY SOLD TO UTILITIES UNDER CERTAIN CONTRACTS.—

"(A) IN GENERAL.—The credit determined under subsection (a) shall not apply to electricity—

"(i) produced at a qualified facility placed in service by the taxpayer after June 30, 1999, and

"(ii) sold to a utility pursuant to a contract originally entered into before January 1, 1987 (whether or not amended or restated after that date).

"(B) EXCEPTION.—Subparagraph (A) shall not apply if—

"(i) the prices for energy and capacity from such facility are established pursuant to an amendment to the contract referred to in subparagraph (A)(ii);

"(ii) such amendment provides that the prices set forth in the contract which exceed avoided cost prices determined at the time of delivery shall apply only to annual quantities of electricity (prorated for partial years) which do not exceed the greater of—

"(I) the average annual quantity of electricity sold to the utility under the contract during calendar years 1994, 1995, 1996, 1997, and 1998, or

"(II) the estimate of the annual electricity production set forth in the contract, or, if there is no such estimate, the greatest annual quantity of electricity sold to the utility under the contract in any of the calendar years 1996, 1997, or 1998; and

"(iii) such amendment provides that energy and capacity in excess of the limitation in clause (ii) may be—

"(I) sold to the utility only at prices that do not exceed avoided cost prices determined at the time of delivery, or

"(II) sold to a third party subject to a mutually agreed upon advance notice to the utility.

For purposes of this subparagraph, avoided cost prices shall be determined as provided for in 18 CFR 292.304(d)(1) or any successor regulation.".

(c) QUALIFIED FACILITIES INCLUDE ALL BIOMASS FACILITIES.—

(1) IN GENERAL.—Subparagraph (B) of section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended to read as follows:

"(B) biomass.".

(2) BIOMASS DEFINED.—Paragraph (2) of section 45(c) of such Code (relating to definitions) is amended to read as follows:

"(2) BIOMASS.—The term 'biomass' means—

"(A) any organic material from a plant which is planted exclusively for purposes of being used at a qualified facility to produce electricity, or

"(B) any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which is derived from—

"(i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

"(ii) poultry waste,

"(iii) urban sources, including waste pallets, crates, and dunnage, manufacturing and construction wood wastes, and landscape or right-of-way tree trimmings, but not including unsegregated municipal solid waste (garbage) or paper that is commonly recycled, or

"(iv) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced after the date of the enactment of this Act.

By Mr. COVERDELL (for himself, Mr. THURMOND, Mr. CLELAND, and Mr. HOLLINGS):

S.J. Res. 29. A joint resolution to grant the consent of Congress to the boundary change between Georgia and South Carolina; to the Committee on the Judiciary.

GRANTING CONGRESSIONAL CONSENT FOR THE GEORGIA-SOUTH CAROLINA INTERSTATE COMPACT

Mr. COVERDELL. Mr. President, today I rise to offer a joint resolution to grant congressional consent to an Interstate Compact between my state of Georgia and the state of South Carolina which resolves a border dispute whose origin dates back to the Articles of Confederation between the two states. On June 25, 1990, the Supreme Court in Georgia vs. South Carolina (No. 74, Original) ruled that Georgia lost sovereignty over the Barnwell Islands in the Savannah River to South Carolina. These islands had shifted due to erosion and accretion since the time of the first scientifically accurate survey of the area in 1855. The Supreme Court further ordered the two states to determine a new boundary and submit it to the Court for final approval.

During the summer of 1993, the two states with the assistance of the National Oceanic and Atmospheric Administration (NOAA) reached an agreement on a common boundary. Subsequently, the agreement was adopted by the Georgia General Assembly on April 5, 1994, and by the South Carolina General Assembly on May 29, 1996.

On May 26, 1999, the agreed boundary was forwarded to Congress for its approval in accordance with the U.S. Constitution Article IV, Section 10. This Compact once adopted will amend the Beaufort Convention of 1787.

With passage of this resolution, granting Congress' consent to the Georgia-South Carolina Interstate Compact, Congress will have fulfilled its obligation, and the agreed upon boundary will be presented to the Supreme Court for its final approval and application. I am pleased to have my colleagues from South Carolina, Senators THURMOND and HOLLINGS, and my colleague from Georgia, Senator CLELAND, join me in sponsoring this historic piece of legislation. In this day, where members from both sides of the aisle are speaking of the need for more bipartisanship, I would like to commend these two great states for coming together and reaching an agreement on such a contentious issue and ask for the full Senate's support for this important and necessary legislation.

Mr. President, I ask for unanimous consent that the following chronology be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GEORGIA-SOUTH CAROLINA BORDER AGREEMENT FOR THE LOWER REACHES OF THE SAVANNAH RIVER TO THE SEA—CHRONOLOGY OF EVENTS

April 28, 1787—The Beaufort Convention: Under the Articles of Confederation of 1778, South Carolina and Georgia agreed that the boundary between the two states would be in the northern branch of the Savannah River, reserving all islands in the river to Georgia.

January 30, 1922—Georgia v. South Carolina (No. 16, Original): The U.S. Supreme Court held that where there were no islands in the boundary rivers, the boundary in on the water midway between the main banks when the water is at ordinary stage. When there are islands, the boundary is midway between the banks of the island and the South Carolina shore, with the water at ordinary stage.

June 25, 1990—Georgia v. South Carolina (No. 74, Original): The U.S. Supreme Court held that Georgia lost sovereignty over the

Barnwell Islands to South Carolina by acquiescence, and that the Beaufort Convention did not control new islands that later emerged in the Savannah River. Accordingly, the Court generally adopted the findings (with some exceptions) of its Special Master, Senior Judge Walter E. Hoffman, with regard to several disputed islands and the headlands of the river. The Court directed the two states to determine the boundary in accordance with the principles in its rulings, and to submit the boundary to the Court for final approval.

June 24, 1991—Cooperative Agreement: Both states and the National Oceanic and Atmospheric Administration (NOAA) entered a cooperative agreement to survey the area and plot the boundary. In order to comply with the requirement that the river be charted as is existed prior to the dredgings and changes in the navigational courses which occurred in the 1880's, the parties adopted the Special Master's decision that the main thread of the Savannah River as it existed on the 1855 charts would be used. NOAA flew new aerial surveys of the river and plotted the 1855 thread of the river on the new surveys.

Summer, 1993—Joint Meetings and Negotiations: After NOAA completed its work, the states realized that the course of the river had changed so substantially since 1855 that using the 1855 thread of the river was unworkable. Because of recent navigational channel deepening efforts by the U.S. Corps of Engineers, Georgia and South Carolina agreed to use the northern edge of the shipping channel, including any turning basins, as the primary agreed upon boundary. More specifically, the "new" boundary would start from the middle of the river above Pennyworth Island, between Pennyworth Island and the South Carolina shore, and then to the tidegate and the northern edge of the Back River turning basin. After following the navigational channel to the buoy nearest the 3-mile territorial limit, the boundary would then depart eastward along the 104 degree bearing adopted by the Court.

April 5, 1994—Georgia General Assembly Adopts Agreed Boundary: Georgia adopted the agreed boundary line, using the Annual Survey—1992, Savannah Harbor, as amended by the Savannah Harbor Deepening Project. The line was plotted using the Georgia Plane Coordinate System.

May 29, 1996—South Carolina General Assembly Adopts Agreed Boundary: South Carolina adopted the agreed boundary line, but asked NOAA to covert the Georgia coordinates to points of latitude and longitude.

November, 1998—Charts assembled: Because only three original copies of the 1992 channel charts were available, a special printing of the color charts was run, with the Savannah Harbor Deepening Project charts bound together.

May 26, 1999—Agreed Boundary Forwarded for Congressional Approval: The States submitted the agreed boundary to the Congress for approval as an Interstate Compact pursuant to the United States Constitution, Article IV, Section 10, which amends the Beaufort Convention of 1787.

ADDITIONAL COSPONSORS

S. 17

At the request of Mr. DODD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 17, a bill to increase the availability, affordability, and quality of child care.

S. 71

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 71, a bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes.

S. 115

At the request of Ms. SNOWE, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 115, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 210

At the request of Mr. MOYNIHAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 210, a bill to establish a medical education trust fund, and for other purposes.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 459

At the request of Mr. HATCH, the name of the Senator from Florida (Mr. MACK) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

At the request of Ms. MIKULSKI, her name was added as a cosponsor of S. 459, supra.

S. 472

At the request of Mr. GRASSLEY, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 484

At the request of Mr. CAMPBELL, the names of the Senator from Alabama (Mr. SHELBY) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 484, a bill to provide for the granting of refugee status in the United States to nationals of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present, if those nationals assist in the return to the United States of those POW/MIAs alive.

S. 635

At the request of Mr. MACK, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 635, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

S. 660

At the request of Mr. BINGAMAN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 660, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals.

S. 662

At the request of Mr. CHAFEE, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 662, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program.

S. 685

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 685, a bill to preserve the authority of States over water within their boundaries, to delegate to States the authority of Congress to regulate water, and for other purposes.

S. 761

At the request of Mr. ABRAHAM, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 761, a bill to regulate interstate commerce by electronic means by permitting and encouraging the continued expansion of electronic commerce through the operation of free market forces, and for other purposes.

S. 779

At the request of Mr. ABRAHAM, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 779, a bill to provide that no Federal income tax shall be imposed on amounts received by Holocaust victims or their heirs.

S. 789

At the request of Mr. MCCAIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 789, a bill to amend title

10, United States Code, to authorize payment of special compensation to certain severely disabled uniformed services retirees.

S. 800

At the request of Mr. MCCAIN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 800, a bill to promote and enhance public safety through the use of 9–1–1 as the universal emergency assistance number, further deployment of wireless 9–1–1 service, support of States in upgrading 9–1–1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous, and reliable networks for personal wireless services, and for other purposes.

S. 817

At the request of Mrs. BOXER, the names of the Senator from Georgia (Mr. CLELAND), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from New Jersey (Mr. TORRICELLI), and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 817, a bill to improve academic and social outcomes for students and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities during after school hours.

S. 821

At the request of Mr. LAUTENBERG, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 821, a bill to provide for the collection of data on traffic stops.

S. 835

At the request of Mr. CHAFEE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 835, a bill to encourage the restoration of estuary habitat through more efficient project financing and enhanced coordination of Federal and non-Federal restoration programs, and for other purposes.

S. 879

At the request of Mr. CONRAD, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements

S. 894

At the request of Mr. CLELAND, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 894, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants, and for other purposes.

S. 897

At the request of Mr. ROBB, his name was added as a cosponsor of S. 897, a bill to provide matching grants for the construction, renovation and repair of school facilities in areas affected by Federal activities, and for other purposes.

S. 980

At the request of Mr. BAUCUS, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 980, a bill to promote access to health care services in rural areas.

S. 984

At the request of Ms. COLLINS, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 984, a bill to amend the Internal Revenue Code of 1986 to modify the tax credit for electricity produced from certain renewable resources.

S. 1003

At the request of Mr. ROCKEFELLER, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1003, a bill to amend the Internal Revenue Code of 1986 to provide increased tax incentives for the purchase of alternative fuel and electric vehicle, and for other purposes.

S. 1010

At the request of Mr. JEFFORDS, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 1010, a bill to amend the Internal Revenue Code of 1986 to provide for a medical innovation tax credit for clinical testing research expenses attributable to academic medical centers and other qualified hospital research organizations.

S. 1017

At the request of Mr. MACK, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

At the request of Ms. MIKULSKI, her name was added as a cosponsor of S. 1017, supra.

S. 1023

At the request of Mr. MOYNIHAN, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 1023, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 1024

At the request of Mr. MOYNIHAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1024, a bill to amend title XVIII of the Social Security Act to carve out from payments to Medicare+Choice organizations amounts attributable to disproportionate share hospital payments and pay such amounts directly to those disproportionate share hospitals in which their enrollees receive care.

S. 1070

At the request of Mr. BOND, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1144

At the request of Mr. VOINOVICH, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Virginia (Mr. ROBB) were added as cosponsors of S. 1144, a bill to provide increased flexibility in use of highway funding, and for other purposes.

S. 1159

At the request of Mr. STEVENS, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1159, a bill to provide grants and contracts to local educational agencies to initiate, expand, and improve physical education programs for all kindergarten through 12th grade students.

S. 1165

At the request of Mr. MACK, the names of the Senator from Wyoming (Mr. THOMAS) and the Senator from Colorado (Mr. ALLARD) were added as cosponsors of S. 1165, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 1166

At the request of Mr. NICKLES, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1166, a bill to amend the Internal Revenue Code of 1986 to clarify that natural gas gathering lines are 7-year property for purposes of depreciation.

S. 1185

At the request of Mr. ABRAHAM, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 1185, a bill to provide small business certain protections from litigation excesses and to limit the product liability of non-manufacturer product sellers.

S. 1187

At the request of Mr. DORGAN, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1197

At the request of Mr. ROTH, the names of the Senator from Connecticut (Mr. DODD), the Senator from Mississippi (Mr. COCHRAN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 1197, a bill to prohibit the importation of products made with dog or cat fur, to prohibit the sale, manufacture, offer for sale, transportation, and distribution of products made with dog or cat fur in the United States, and for other purposes.

S. 1220

At the request of Mr. GRASSLEY, the names of the Senator from Ohio (Mr. DEWINE), the Senator from Arizona (Mr. KYL), the Senator from Wisconsin (Mr. KOHL), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 1220, a bill to provide additional funding to combat methamphetamine production and abuse, and for other purposes.

S. 1227

At the request of Mr. CHAFEE, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1227, a bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women and children to be eligible for medical assistance under the medical program, and for other purposes.

S. 1277

At the request of Mr. BAUCUS, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally qualified health centers and rural health clinics.

S. 1313

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 1313, a bill to enable the State of Rhode Island to meet the criteria for recommendation as an Area of Application to the Boston-Worcester-Lawrence; Massachusetts, New Hampshire, Maine, and Connecticut Federal locality pay area.

S. 1318

At the request of Mr. JEFFORDS, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1318, a bill to authorize the Secretary of Housing and Urban Development to award grants to States to supplement State and local assistance for the preservation and promotion of affordable housing opportunities for low-income families.

SENATE CONCURRENT RESOLUTION 9

At the request of Ms. SNOWE, the names of the Senator from Pennsylvania (Mr. SPECTER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from California (Mrs. BOXER), and the Senator from Delaware (Mr. ROTH) were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

SENATE CONCURRENT RESOLUTION 12

At the request of Ms. COLLINS, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of Senate Concurrent Resolution 12, a concurrent resolution requesting that the United States Postal Service issue a commemorative postage stamp honoring the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. CONRAD, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution expressing the sense of Congress regarding the guaranteed coverage of chiropractic services under the Medicare+Choice program.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. SPECTER, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of Senate Concurrent Resolution 34, a concurrent resolution relating to the observence of "In Memory" Day.

SENATE RESOLUTION 92

At the request of Mrs. BOXER, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of Senate Resolution 92, a resolution expressing the sense of the Senate that funding for prostate cancer research should be increased substantially.

SENATE RESOLUTION 95

At the request of Mr. THURMOND, the names of the Senator from Iowa (Mr. GRASSLEY) and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of Senate Resolution 95, a resolution designating August 16, 1999, as "National Airborne Day."

SENATE RESOLUTION 99

At the request of Mr. REID, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of Senate Resolution 99, a resolution designating November 20, 1999, as "National Survivors for Prevention of Suicide Day."

SENATE RESOLUTION 101

At the request of Mr. FITZGERALD, the names of the Senator from Idaho (Mr. CRAPO), the Senator from Minnesota (Mr. GRAMS), the Senator from Wyoming (Mr. ENZI), the Senator from Kansas (Mr. BROWNBACK), the Senator from Montana (Mr. BURNS), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of Senate Resolution 101, a resolution expressing the sense of the Senate on agricultural trade negotiations.

SENATE RESOLUTION 137—TO CONGRATULATE THE U.S. WOMEN'S SOCCER TEAM ON WINNING THE 1999 WOMEN'S CUP CHAMPIONSHIP

Mr. REID (for himself and Mr. DASCHLE) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 137

Whereas the Americans blanked Germany in the second half of the quarter finals, before winning 3 to 2, shut out Brazil in the semifinals, 2 to 0, and then stymied China for 120 minutes Saturday, July 10, 1999;

Whereas the Americans outshot China 5–4 on penalty kicks after 120 minutes of regulation and overtime play ended in a 0–0 tie;

Whereas the United States team played the final match through heat, exhaustion and tension for 120 minutes, including two sudden-death 15-minute overtime periods;

Whereas the United States team played before a crowd of 90,185, the largest to witness a women's athletic event;

Whereas Title IX has created the opportunity for millions of American girls and women to compete in sports;

Whereas the United States becomes the first women's team to simultaneously reign as both Olympic and World Cup champions;

Whereas five Americans, forward Mia Hamm, midfielder Michelle Akers, goalkeeper Briana Scurry and defenders Brandi Chastain and Carla Overbeck, were chosen for the elite 1999 Women's World Cup All-Star team;

Whereas all the members of the 1999 U.S. women's World Cup team—defenders Brandi Chastain, Christie Pearce, Lorrie Fair, Joy Fawcett, Carla Overbeck, and Kate Sobrero; forwards Danielle Fotopoulos, Mia Hamm, Shannon MacMillan, Cindy Parlow, Kristine Lilly, and Tiffeny Milbrett; goalkeepers Tracy Ducar, Briana Scurry, and Saskia Webber; and midfielders Michelle Akers, Julie Foudy, Tiffany Roberts, Tisha Venturini, and Sara Whalen;—both on the playing field and on the practice field, demonstrated their devotion to the team and played an important part in the team's success;

Whereas the Americans will now set their sights on defending their Olympic title in Sydney 2000;

Resolved, That the Senate congratulates the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship.

AMENDMENTS SUBMITTED

PATIENTS' BILL OF RIGHTS ACT

DASCHLE AMENDMENT NO. 1232

Mr. DASCHLE proposed an amendment to the bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Patients' Bill of Rights Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PATIENTS' BILL OF RIGHTS

Subtitle A—Right to Advice and Care

Sec. 101. Patient right to medical advice and care.

"SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

"Sec. 721. Patient access to emergency medical care.

"Sec. 722. Offering of choice of coverage options.

"Sec. 723. Patient access to obstetric and gynecological care.
"Sec. 724. Patient access to pediatric care.
"Sec. 725. Access to specialists.
"Sec. 726. Continuity of care.
"Sec. 727. Protection of patient-provider communications.
"Sec. 728. Patient's right to prescription drugs.
"Sec. 729. Self-payment for behavioral health care services.
"Sec. 730. Generally applicable provision.
Sec. 102. Comprehensive independent study of patient access to clinical trials and coverage of associated routine costs.
Sec. 103. Effective date and related rules.
Subtitle B—Right to Information About Plans and Providers
Sec. 111. Information about plans.
Sec. 112. Information about providers.
Subtitle C—Right to Hold Health Plans Accountable
Sec. 121. Amendment to Employee Retirement Income Security Act of 1974.
TITLE II—GENETIC INFORMATION AND SERVICES
Sec. 201. Short title.
Sec. 202. Amendments to Employee Retirement Income Security Act of 1974.
Sec. 203. Amendments to the Public Health Service Act.
Sec. 204. Amendments to the Internal Revenue Code of 1986.
TITLE III—HEALTHCARE RESEARCH AND QUALITY
Sec. 301. Short title.
Sec. 302. Amendment to the Public Health Service Act.
"TITLE IX—AGENCY FOR HEALTHCARE RESEARCH AND QUALITY
"PART A—ESTABLISHMENT AND GENERAL DUTIES
"Sec. 901. Mission and duties.
"Sec. 902. General authorities.
"PART B—HEALTHCARE IMPROVEMENT RESEARCH
"Sec. 911. Healthcare outcome improvement research.
"Sec. 912. Private-public partnerships to improve organization and delivery.
"Sec. 913. Information on quality and cost of care.
"Sec. 914. Information systems for healthcare improvement.
"Sec. 915. Research supporting primary care and access in underserved areas.
"Sec. 916. Clinical practice and technology innovation.
"Sec. 917. Coordination of Federal Government quality improvement efforts.
"PART C—GENERAL PROVISIONS
"Sec. 921. Advisory Council for Healthcare Research and Quality.
"Sec. 922. Peer review with respect to grants and contracts.
"Sec. 923. Certain provisions with respect to development, collection, and dissemination of data.
"Sec. 924. Dissemination of information.
"Sec. 925. Additional provisions with respect to grants and contracts.
"Sec. 926. Certain administrative authorities.
"Sec. 927. Funding.
"Sec. 928. Definitions.
Sec. 303. References.
TITLE IV—MISCELLANEOUS PROVISIONS
Sec. 401. Sense of the Committee.

TITLE I—PATIENTS' BILL OF RIGHTS

Subtitle A—Right to Advice and Care

SEC. 101. PATIENT RIGHT TO MEDICAL ADVICE AND CARE.

(a) IN GENERAL.—Part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.) is amended—

(1) by redesignating subpart C as subpart D; and

(2) by inserting after subpart B the following:

"Subpart C—Patient Right to Medical Advice and Care

"SEC. 721. PATIENT ACCESS TO EMERGENCY MEDICAL CARE.

"(a) IN GENERAL.—To the extent that the group health plan (other than a fully insured group health plan) provides coverage for benefits consisting of emergency medical care (as defined in subsection (c)), except for items or services specifically excluded—

"(1) the plan shall provide coverage for benefits, without requiring preauthorization, for appropriate emergency medical screening examinations (within the capability of the emergency facility, including ancillary services routinely available to the emergency facility) to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations to be necessary to determine whether emergency medical care (as so defined) is necessary; and

"(2) the plan shall provide coverage for benefits, without requiring preauthorization, for additional emergency medical care to stabilize an emergency medical condition following an emergency medical screening examination (if determined necessary under paragraph (1)), pursuant to the definition of stabilize under section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).

"(b) UNIFORM COST-SHARING REQUIRED AND OUT-OF-NETWORK CARE.—

"(1) UNIFORM COST-SHARING.—Nothing in this section shall be construed as preventing a group health plan (other than a fully insured group health plan) from imposing any form of cost-sharing applicable to any participant or beneficiary (including coinsurance, copayments, deductibles, and any other charges) in relation to coverage for benefits described in subsection (a), if such form of cost-sharing is uniformly applied under such plan, with respect to similarly situated participants and beneficiaries, to all benefits consisting of emergency medical care (as defined in subsection (c)) provided to such similarly situated participants and beneficiaries under the plan.

"(2) OUT-OF-NETWORK CARE.—If a group health plan (other than a fully insured group health plan) provides any benefits with respect to emergency medical care (as defined in subsection (c)), the plan shall cover emergency medical care under the plan in a manner so that, if such care is provided to a participant or beneficiary by a nonparticipating health care provider, the participant or beneficiary is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating provider.

"(c) DEFINITION OF EMERGENCY MEDICAL CARE.—In this section:

"(1) IN GENERAL.—The term 'emergency medical care' means, with respect to a participant or beneficiary under a group health plan (other than a fully insured group health plan), covered inpatient and outpatient services that—

"(A) are furnished by any provider, including a nonparticipating provider, that is qualified to furnish such services; and

"(B) are needed to evaluate or stabilize (as such term is defined in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)) an emergency medical condition (as defined in paragraph (2)).

"(2) EMERGENCY MEDICAL CONDITION.—The term 'emergency medical condition' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

"(A) placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

"(B) serious impairment to bodily functions, or

"(C) serious dysfunction of any bodily organ or part.

"SEC. 722. OFFERING OF CHOICE OF COVERAGE OPTIONS.

"(a) REQUIREMENT.—

"(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan (other than a fully insured group health plan) provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.

"(2) EXCEPTION IN THE CASE OF MULTIPLE ISSUER OR COVERAGE OPTIONS.—Paragraph (1) shall not apply with respect to a participant in a group health plan (other than a fully insured group health plan) if the plan offers the participant 2 or more coverage options that differ significantly with respect to the use of participating health care professionals or the networks of such professionals that are used.

"(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term 'point-of-service coverage' means, with respect to benefits covered under a group health plan (other than a fully insured group health plan), coverage of such benefits when provided by a nonparticipating health care professional.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan (other than a fully insured group health plan) of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan (other than a fully insured group health plan) with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 712(c)(1) shall apply in determining employer size.

“(d) Rule of Construction.—Nothing in this section shall be construed—

“(1) as requiring coverage for benefits for a particular type of health care professional;

“(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;

“(3) as preventing a group health plan (other than a fully insured group health plan) from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or

“(4) to require that a group health plan (other than a fully insured group health plan) include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.

“SEC. 723. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.

“(a) General Rights.—

“(1) Waiver of plan referral requirement.—If a group health plan described in subsection (b) requires a referral to obtain coverage for speciality care, the plan shall waive the referral requirement in the case of a female participant or beneficiary who seeks coverage for routine obstetrical care or routine gynecological care.

“(2) Related routine care.—With respect to a participant or beneficiary described in paragraph (1), a group health plan described in subsection (b) shall treat the ordering of other routine care that is related to routine obstetric or gynecologic care, by a physician who specializes in obstetrics and gynecology as the authorization of the primary care provider for such other routine care.

“(b) Application of Section.—A group health plan described in this subsection is a group health plan (other than a fully insured group health plan), that—

“(1) provides coverage for routine obstetric care (such as pregnancy-related services) or routine gynecologic care (such as preventive women's health examinations); and

“(2) requires the designation by a participant or beneficiary of a participating primary care provider who is not a physician who specializes in obstetrics or gynecology.

“(c) Rules of Construction.—Nothing in this section shall be construed—

“(1) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of obstetric or gynecologic care described in subsection (a);

“(2) to preclude the plan from requiring that the physician who specializes in obstetrics or gynecology notify the designated primary care provider or the plan of treatment decisions; or

“(3) to preclude a group health plan from allowing health care professionals other than physicians to provide routine obstetric or routine gynecologic care.

“SEC. 724. PATIENT ACCESS TO PEDIATRIC CARE.

“(a) In General.—In the case of a group health plan (other than a fully insured group health plan) that provides coverage for routine pediatric care and that requires the designation by a participant or beneficiary of a participating primary care provider, if the designated primary care provider is not a physician who specializes in pediatrics—

“(1) the plan may not require authorization or referral by the primary care provider in order for a participant or beneficiary to obtain coverage for routine pediatric care; and

“(2) the plan shall treat the ordering of other routine care related to routine pediatric care by such a specialist as having been authorized by the designated primary care provider.

“(b) Rules of Construction.—Nothing in subsection (a) shall be construed—

“(1) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of any pediatric care provided to, or ordered for, a participant or beneficiary;

“(2) to preclude a group health plan from requiring that a specialist described in subsection (a) notify the designated primary care provider or the plan of treatment decisions; or

“(3) to preclude a group health plan from allowing health care professionals other than physicians to provide routine pediatric care.

“SEC. 725. ACCESS TO SPECIALISTS.

“(a) In General.—A group health plan (other than a fully insured group health plan) shall ensure that participants and beneficiaries have access to specialty care when such care is covered under the plan. Such access may be provided through contractual arrangements with specialized providers outside of the network of the plan.

“(b) Treatment Plans.—

“(1) In general.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring that speciality care be provided pursuant to a treatment plan so long as the treatment plan is—

“(A) developed by the specialist, in consultation with the primary care provider, and the participant or beneficiary;

“(B) approved by the plan; and

“(C) in accordance with the applicable quality assurance and utilization review standards of the plan.

“(2) Notification.—Nothing in paragraph (1) shall be construed as prohibiting a plan from requiring the specialist to provide the primary care provider with regular updates on the specialty care provided, as well as all other necessary medical information.

“(c) Referrals.—Nothing in this section shall be construed to prohibit a plan from requiring an authorization by the primary care provider of the participant or beneficiary in order to obtain coverage for speciality services so long as such authorization is for an adequate number of referrals under an approved treatment plan if such a treatment plan is required by the plan.

“(d) Speciality Care Defined.—For purposes of this subsection, the term “speciality care” means, with respect to a condition, care and treatment provided by a health care practitioner, facility, or center (such as a center of excellence) that has adequate expertise (including age-appropriate expertise) through appropriate training and experience.

“SEC. 726. CONTINUITY OF CARE.

“(a) In General.—

“(1) Termination of provider.—If a contract between a group health plan (other than a fully insured group health plan) and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such group health plan, and an individual who is a participant or beneficiary in the plan is undergoing a course of treatment from the provider at the time of such termination, the plan shall—

“(A) notify the individual on a timely basis of such termination;

“(B) provide the individual with an opportunity to notify the plan of a need for transitional care; and

“(C) in the case of termination described in paragraph (2), (3), or (4) of subsection (b), and subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider's consent during a transitional period (as provided under subsection (b)).

“(2) Terminated.—In this section, the term ‘terminated’ includes, with respect to a contract, the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.

“(3) Contracts.—For purposes of this section, the term ‘contract between a group health plan (other than a fully insured group health plan) and a health care provider’ shall include a contract between such a plan and an organized network of providers.

“(b) Transitional Period.—

“(1) General rule.—Except as provided in paragraph (3), the transitional period under this subsection shall permit the participant or beneficiary to extend the coverage involved for up to 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

“(2) Institutional care.—Subject to paragraph (1), the transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

“(3) Pregnancy.—Notwithstanding paragraph (1), if—

“(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and

“(B) the provider was treating the pregnancy before the date of the termination;

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

“(4) Terminal illness.—Subject to paragraph (1), if—

“(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) prior to a provider's termination of participation; and

“(B) the provider was treating the terminal illness before the date of termination;

the transitional period under this subsection shall be for care directly related to the treatment of the terminal illness.

“(c) Permissible Terms and Conditions.—A group health plan (other than a fully insured group health plan) may condition coverage of continued treatment by a provider under subsection (a)(1)(C) upon the provider agreeing to the following terms and conditions:

“(1) The provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

“(2) The provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.

“(3) The provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.

“(d) Rule of Construction.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

“(e) Definition.—In this section, the term ‘health care provider’ or ‘provider’ means—

“(1) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

“(2) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

“SEC. 727. PROTECTION OF PATIENT-PROVIDER COMMUNICATIONS.

“(a) In General.—Subject to subsection (b), a group health plan (other than a fully insured group health plan and in relation to a participant or beneficiary) shall not prohibit or otherwise restrict a health care professional from advising such a participant or beneficiary who is a patient of the professional about the health status of the participant or beneficiary or medical care or treatment for the condition or disease of the participant or beneficiary, regardless of whether coverage for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.

“(b) Rule of Construction.—Nothing in this section shall be construed as requiring a group health plan (other than a fully insured group health plan) to provide specific benefits under the terms of such plan.

“SEC. 728. PATIENT'S RIGHT TO PRESCRIPTION DRUGS.

“To the extent that a group health plan (other than a fully insured group health plan) provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan shall—

“(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary; and

“(2) in accordance with the applicable quality assurance and utilization review standards of the plan, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate.

“SEC. 729. SELF-PAYMENT FOR BEHAVIORAL HEALTH CARE SERVICES.

“(a) In General.—A group health plan (other than a fully insured group health plan) may not—

“(1) prohibit or otherwise discourage a participant or beneficiary from self-paying for behavioral health care services once the plan has denied coverage for such services; or

“(2) terminate a health care provider because such provider permits participants or beneficiaries to self-pay for behavioral health care services—

“(A) that are not otherwise covered under the plan; or

“(B) for which the group health plan provides limited coverage, to the extent that the group health plan denies coverage of the services.

“(b) Rule of Construction.—Nothing in subsection (a)(2)(B) shall be construed as prohibiting a group health plan from terminating a contract with a health care provider for failure to meet applicable quality standards or for fraud.

“SEC. 730. GENERALLY APPLICABLE PROVISION.

“In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of this subpart, other than section 722, shall apply separately with respect to each coverage option.”.

(b) Definition.—Section 733(a) of the Employee Retirement Income Security Act of 1974 (42 U.S.C. 1191(a)) is amended by adding at the end the following:

“(3) Fully insured group health plan.—The term ‘fully insured group health plan’ means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.”.

(c) Conforming Amendment.—The table of contents in section 1 of such Act is amended—

(1) in the item relating to subpart C, by striking “Subpart C” and inserting “Subpart D”; and

(2) by adding at the end of the items relating to subpart B of part 7 of subtitle B of title I of such Act the following new items:

“SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

“Sec. 721. Patient access to emergency medical care.
“Sec. 722. Offering of choice of coverage options.
“Sec. 723. Patient access to obstetric and gynecological care.
“Sec. 724. Patient access to pediatric care.
“Sec. 725. Access to specialists.
“Sec. 726. Continuity of care.
“Sec. 727. Protection of patient-provider communications.
“Sec. 728. Patient's right to prescription drugs.
“Sec. 729. Self-payment for behavioral health care services.
“Sec. 730. Generally applicable provisions.”.

SEC. 102. COMPREHENSIVE INDEPENDENT STUDY OF PATIENT ACCESS TO CLINICAL TRIALS AND COVERAGE OF ASSOCIATED ROUTINE COSTS.

(a) Study by the Institute of Medicine.—Not later than 30 days after the date of enactment of this Act, the Secretary of Health and Human Services (in this section referred to as the “Secretary”) shall enter into a contract with the Institute of Medicine to conduct a comprehensive study of patient access to clinical trials and the coverage of routine patient care costs by private health plans and insurers.

(b) Matters To Be Assessed.—The study shall assess the following:

(1) The factors that hinder patient participation in clinical trials, including health plan and insurance policies and practices.

(2) The ability of health plans and investigators to distinguish between routine patient care costs and costs associated with clinical trials.

(3) The potential impact of health plan coverage of routine costs associated with clinical trials on health care premiums.

(c) Report.—

(1) In general.—Not later than 12 months after the date of the execution of the contract referred to in subsection (a), the Institute of Medicine shall submit a report on the study conducted pursuant to that contract to the Committee on Health, Education, Labor and Pensions of the Senate.

(2) Matters included.—The report submitted under paragraph (1) shall set forth the findings, conclusions, and recommendations of the Institute of Medicine for—

(A) increasing patient participation in clinical trials;

(B) encouraging collaboration between the public and private sectors; and

(C) improving analysis of determining routine costs associated with the conduct of clinical trials.

(3) Copy to secretary.—Concurrent with the submission of the report under paragraph (1), the Institute of Medicine shall transmit a copy of the report to the Secretary.

(d) Funding.—Out of funds appropriated to the Department of Health and Human Services for fiscal year 2000, the Secretary shall provide for such funding as the Secretary determines is necessary in order to carry out the study and report by the Institute of Medicine under this section.

SEC. 103. EFFECTIVE DATE AND RELATED RULES.

(a) In General.—The amendments made by this subtitle shall apply with respect to plan years beginning on or after January 1 of the second calendar year following the date of the enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

(b) Limitation on Enforcement Actions.—No enforcement action shall be taken, pursuant to the amendments made by this subtitle, against a group health plan with respect to a violation of a requirement imposed by such amendments before the date of issuance of regulations issued in connection with such requirement, if the plan has sought to comply in good faith with such requirement.

Subtitle B—Right to Information About Plans and Providers

SEC. 111. INFORMATION ABOUT PLANS.

(a) Employee Retirement Income Security Act of 1974.—

(1) In general.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277), is amended by adding at the end the following:

“SEC. 714. HEALTH PLAN COMPARATIVE INFORMATION.

“(a) Requirement.—

“(1) In general.—A group health plan, and a health insurance issuer that provides coverage in connection with group health insurance coverage, shall, not later than 12 months after the date of enactment of this section, and at least annually thereafter, provide for the disclosure, in a clear and accurate form to each participant and each beneficiary who does not reside at the same address as the participant, or upon request to an individual eligible for coverage under the plan, of the information described in subsection (b).

“(2) Rule of construction.—Nothing in this section shall be construed to prevent a plan or issuer from entering into any agreement under which the issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

"(3) Provision of information.—Information shall be provided to participants and beneficiaries under this section at the address maintained by the plan or issuer with respect to such participants or beneficiaries.

"(b) Required Information.—The informational materials to be distributed under this section shall include for each package option available under a group health plan the following:

"(1) A description of the covered items and services under each such plan and any in- and out-of-network features of each such plan, including a summary description of the specific exclusions from coverage under the plan.

"(2) A description of any cost-sharing, including premiums, deductibles, coinsurance, and copayment amounts, for which the participant or beneficiary will be responsible, including any annual or lifetime limits on benefits, for each such plan.

"(3) A description of any optional supplemental benefits offered by each such plan and the terms and conditions (including premiums or cost-sharing) for such supplemental coverage.

"(4) A description of any restrictions on payments for services furnished to a participant or beneficiary by a health care professional that is not a participating professional and the liability of the participant or beneficiary for additional payments for these services.

"(5) A description of the service area of each such plan, including the provision of any out-of-area coverage.

"(6) A description of the extent to which participants and beneficiaries may select the primary care provider of their choice, including providers both within the network and outside the network of each such plan (if the plan permits out-of-network services).

"(7) A description of the procedures for advance directives and organ donation decisions if the plan maintains such procedures.

"(8) A description of the requirements and procedures to be used to obtain preauthorization for health services (including telephone numbers and mailing addresses), including referrals for specialty care.

"(9) A description of the definition of medical necessity used in making coverage determinations by each such plan.

"(10) A summary of the rules and methods for appealing coverage decisions and filing grievances (including telephone numbers and mailing addresses), as well as other available remedies.

"(11) A summary description of any provisions for obtaining off-formulary medications if the plan utilizes a defined formulary for providing specific prescription medications.

"(12) A summary of the rules for access to emergency room care. Also, any available educational material regarding proper use of emergency services.

"(13) A description of whether or not coverage is provided for experimental treatments, investigational treatments, or clinical trials and the circumstances under which access to such treatments or trials is made available.

"(14) A description of the specific preventative services covered under the plan if such services are covered.

"(15) A statement regarding—

"(A) the manner in which a participant or beneficiary may access an obstetrician, gynecologist, or pediatrician in accordance with section 723 or 724; and

"(B) the manner in which a participant or beneficiary obtains continuity of care as provided for in section 726.

"(16) A statement that the following information, and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request:

"(A) The names, addresses, telephone numbers, and State licensure status of the plan's participating health care professionals and participating health care facilities, and, if available, the education, training, speciality qualifications or certifications of such professionals.

"(B) A summary description of the methods used for compensating participating health care professionals, such as capitation, fee-for-service, salary, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(C) A summary description of the methods used for compensating health care facilities, including per diem, fee-for-service, capitation, bundled payments, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(D) A summary description of the procedures used for utilization review.

"(E) The list of the specific prescription medications included in the formulary of the plan, if the plan uses a defined formulary.

"(F) A description of the specific exclusions from coverage under the plan.

"(G) Any available information related to the availability of translation or interpretation services for non-English speakers and people with communication disabilities, including the availability of audio tapes or information in Braille.

"(H) Any information that is made public by accrediting organizations in the process of accreditation if the plan is accredited, or any additional quality indicators that the plan makes available.

"(c) Manner of Distribution.—The information described in this section shall be distributed in an accessible format that is understandable to an average plan participant or beneficiary.

"(d) Rule of Construction.—Nothing in this section may be construed to prohibit a group health plan, or health insurance issuer in connection with group health insurance coverage, from distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants and beneficiaries or upon request potential participants and beneficiaries in the selection of a health plan or from providing information under subsection (b)(15) as part of the required information.

"(e) Conforming Regulations.—The Secretary shall issue regulations to coordinate the requirements on group health plans and health insurance issuers under this section with the requirements imposed under part 1, to reduce duplication with respect to any information that is required to be provided under any such requirements.

"(f) Health Care Professional.—In this section, the term 'health care professional' means a physician (as defined in section 1861(r) of the Social Security Act) or other health care professional if coverage for the professional's services is provided under the health plan involved for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.".

(2) Conforming amendments.—

(A) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711, and inserting "sections 711 and 714".

(B) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 713, the following:

"Sec. 714. Health plan comparative information.".

(b) Internal Revenue Code of 1986.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Health plan comparative information.": and

(2) by inserting after section 9812 the following:

"SEC. 9813. HEALTH PLAN COMPARATIVE INFORMATION.

"(a) Requirement.—

"(1) In general.—A group health plan shall, not later than 12 months after the date of enactment of this section, and at least annually thereafter, provide for the disclosure, in a clear and accurate form to each participant and each beneficiary who does not reside at the same address as the participant, or upon request to an individual eligible for coverage under the plan, of the information described in subsection (b).

"(2) Rules of construction.—Nothing in this section shall be construed to prevent a plan from entering into any agreement under which a health insurance issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

"(3) Provision of information.—Information shall be provided to participants and beneficiaries under this section at the address maintained by the plan with respect to such participants or beneficiaries.

"(b) Required Information.—The informational materials to be distributed under this section shall include for each package option available under a group health plan the following:

"(1) A description of the covered items and services under each such plan and any in- and out-of-network features of each such plan, including a summary description of the specific exclusions from coverage under the plan.

"(2) A description of any cost-sharing, including premiums, deductibles, coinsurance, and copayment amounts, for which the participant or beneficiary will be responsible, including any annual or lifetime limits on benefits, for each such plan.

"(3) A description of any optional supplemental benefits offered by each such plan and the terms and conditions (including premiums or cost-sharing) for such supplemental coverage.

"(4) A description of any restrictions on payments for services furnished to a participant or beneficiary by a health care professional that is not a participating professional and the liability of the participant or beneficiary for additional payments for these services.

“(5) A description of the service area of each such plan, including the provision of any out-of-area coverage.

“(6) A description of the extent to which participants and beneficiaries may select the primary care provider of their choice, including providers both within the network and outside the network of each such plan (if the plan permits out-of-network services).

“(7) A description of the procedures for advance directives and organ donation decisions if the plan maintains such procedures.

“(8) A description of the requirements and procedures to be used to obtain preauthorization for health services (including telephone numbers and mailing addresses), including referrals for specialty care.

“(9) A description of the definition of medical necessity used in making coverage determinations by each such plan.

“(10) A summary of the rules and methods for appealing coverage decisions and filing grievances (including telephone numbers and mailing addresses), as well as other available remedies.

“(11) A summary description of any provisions for obtaining off-formulary medications if the plan utilizes a defined formulary for providing specific prescription medications.

“(12) A summary of the rules for access to emergency room care. Also, any available educational material regarding proper use of emergency services.

“(13) A description of whether or not coverage is provided for experimental treatments, investigational treatments, or clinical trials and the circumstances under which access to such treatments or trials is made available.

“(14) A description of the specific preventative services covered under the plan if such services are covered.

“(15) A statement regarding—

“(A) the manner in which a participant or beneficiary may access an obstetrician, gynecologist, or pediatrician in accordance with section 723 or 724; and

“(B) the manner in which a participant or beneficiary obtains continuity of care as provided for in section 726.

“(16) A statement that the following information, and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request:

“(A) The names, addresses, telephone numbers, and State licensure status of the plan's participating health care professionals and participating health care facilities, and, if available, the education, training, speciality qualifications or certifications of such professionals.

“(B) A summary description of the methods used for compensating participating health care professionals, such as capitation, fee-for-service, salary, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

“(C) A summary description of the methods used for compensating health care facilities, including per diem, fee-for-service, capitation, bundled payments, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

“(D) A summary description of the procedures used for utilization review.

“(E) The list of the specific prescription medications included in the formulary of the plan, if the plan uses a defined formulary.

“(F) A description of the specific exclusions from coverage under the plan.

“(G) Any available information related to the availability of translation or interpretation services for non-English speakers and people with communication disabilities, including the availability of audio tapes or information in Braille.

“(H) Any information that is made public by accrediting organizations in the process of accreditation if the plan is accredited, or any additional quality indicators that the plan makes available.

“(c) Manner of Distribution.—The information described in this section shall be distributed in an accessible format that is understandable to an average plan participant or beneficiary.

“(d) Rule of Construction.—Nothing in this section may be construed to prohibit a group health plan from distributing any other additional information determined by the plan to be important or necessary in assisting participants and beneficiaries or upon request potential participants and beneficiaries in the selection of a health plan or from providing information under subsection (b)(15) as part of the required information.

“(e) Health Care Professional.—In this section, the term ‘health care professional’ means a physician (as defined in section 1861(r) of the Social Security Act) or other health care professional if coverage for the professional's services is provided under the health plan involved for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.”.

SEC. 112. INFORMATION ABOUT PROVIDERS.

(a) Study.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the conduct of a study, and the submission to the Secretary of a report, that includes—

(1) an analysis of information concerning health care professionals that is currently available to patients, consumers, States, and professional societies, nationally and on a State-by-State basis, including patient preferences with respect to information about such professionals and their competencies;

(2) an evaluation of the legal and other barriers to the sharing of information concerning health care professionals; and

(3) recommendations for the disclosure of information on health care professionals, including the competencies and professional qualifications of such practitioners, to better facilitate patient choice, quality improvement, and market competition.

(b) Report.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall forward to the appropriate committees of Congress a copy of the report and study conducted under subsection (a).

Subtitle C—Right to Hold Health Plans Accountable

SEC. 121. AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) In General.—Section 503 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1133) is amended to read as follows:

“SEC. 503. CLAIMS PROCEDURE, COVERAGE DETERMINATION, GRIEVANCES AND APPEALS.

“(a) Claims Procedure.—In accordance with regulations of the Secretary, every employee benefit plan shall—

“(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant; and

“(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

“(b) Coverage Determinations Under Group Health Plans.—

“(1) Procedures.—

“(A) In general.—A group health plan or health insurance issuer conducting utilization review shall ensure that procedures are in place for—

“(i) making determinations regarding whether a participant or beneficiary is eligible to receive a payment or coverage for health services under the plan or coverage involved and any cost-sharing amount that the participant or beneficiary is required to pay with respect to such service;

“(ii) notifying a covered participant or beneficiary (or the authorized representative of such participant or beneficiary) and the treating health care professionals involved regarding determinations made under the plan or issuer and any additional payments that the participant or beneficiary may be required to make with respect to such service; and

“(iii) responding to requests, either written or oral, for coverage determinations or for internal appeals from a participant or beneficiary (or the authorized representative of such participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary.

“(B) Oral requests.—With respect to an oral request described in subparagraph (A)(iii), a group health plan or health insurance issuer may require that the requesting individual provide written evidence of such request.

“(2) Timeline for making determinations.—

“(A) Routine determination.—A group health plan or a health insurance issuer shall maintain procedures to ensure that prior authorization determinations concerning the provision of non-emergency items or services are made within 30 days from the date on which the request for a determination is submitted, except that such period may be extended where certain circumstances exist that are determined by the Secretary to be beyond control of the plan or issuer.

“(B) Expedited determination.—

“(i) In general.—A prior authorization determination under this subsection shall be made within 72 hours, in accordance with the medical exigencies of the case, after a request is received by the plan or issuer under clause (ii) or (iii).

“(ii) Request by participant or beneficiary.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

“(iii) Documentation by health care professional.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies, that a determination under the procedures described in subparagraph (A) could seriously jeopardize the life or health of the participant or beneficiary.

"(C) CONCURRENT DETERMINATIONS.—A plan or issuer shall maintain procedures to certify or deny coverage of an extended stay or additional services.

"(D) RETROSPECTIVE DETERMINATION.—A plan or issuer shall maintain procedures to ensure that, with respect to the retrospective review of a determination made under paragraph (1), the determination shall be made within 30 working days of the date on which the plan or issuer receives necessary information.

"(3) NOTICE OF DETERMINATIONS.—

"(A) ROUTINE DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(A), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and, consistent with the medical exigencies of the case, to the treating health care professional involved not later than 2 working days after the date on which the determination is made.

"(B) EXPEDITED DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(B), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary), and consistent with the medical exigencies of the case, to the treating health care professional involved within the 72 hour period described in paragraph (2)(B).

"(C) CONCURRENT REVIEWS.—With respect to the determination under a plan or issuer under paragraph (2)(C) to certify or deny coverage of an extended stay or additional services, the plan or issuer shall issue notice of such determination to the treating health care professional and to the participant or beneficiary involved (or the authorized representative of the participant or beneficiary) within 1 working day of the determination.

"(D) RETROSPECTIVE REVIEWS.—With respect to the retrospective review under a plan or issuer of a determination made under paragraph (2)(D), the plan or issuer shall issue written notice of an approval or disapproval of a determination under this subparagraph to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and health care provider involved within 5 working days of the date on which such determination is made.

"(E) REQUIREMENTS OF NOTICE OF ADVERSE COVERAGE DETERMINATIONS.—A written notice of an adverse coverage determination under this subsection, or of an expedited adverse coverage determination under paragraph (2)(B), shall be provided to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and treating health care professional (if any) involved and shall include—

"(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

"(ii) the procedures for obtaining additional information concerning the determination; and

"(iii) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (d).

"(c) GRIEVANCES.—A group health plan or a health insurance issuer shall have written procedures for addressing grievances between the plan or issuer offering health insurance coverage in connection with a group health plan and a participant or beneficiary. Determinations under such procedures shall be non-appealable.

"(d) INTERNAL APPEAL OF COVERAGE DETERMINATIONS.—

"(1) RIGHT TO APPEAL.—

"(A) IN GENERAL.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary), may appeal any adverse coverage determination under subsection (b) under the procedures described in this subsection.

"(B) TIME FOR APPEAL.—A plan or issuer shall ensure that a participant or beneficiary has a period of not less than 180 days beginning on the date of an adverse coverage determination under subsection (b) in which to appeal such determination under this subsection.

"(C) FAILURE TO ACT.—The failure of a plan or issuer to issue a determination under subsection (b) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to internal review under this subsection.

"(2) RECORDS.—A group health plan and a health insurance issuer shall maintain written records, for at least 6 years, with respect to any appeal under this subsection for purposes of internal quality assurance and improvement. Nothing in the preceding sentence shall be construed as preventing a plan and issuer from entering into an agreement under which the issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

"(3) ROUTINE DETERMINATIONS.—A group health plan or a health insurance issuer shall complete the consideration of an appeal of an adverse routine determination under this subsection not later than 30 working days after the date on which a request for such appeal is received.

"(4) EXPEDITED DETERMINATION.—

"(A) IN GENERAL.—An expedited determination with respect to an appeal under this subsection shall be made in accordance with the medical exigencies of the case, but in no case more than 72 hours after the request for such appeal is received by the plan or issuer under subparagraph (B) or (C).

"(B) REQUEST BY PARTICIPANT OR BENEFICIARY.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

"(C) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies of the case that a determination under the procedures described in paragraph (2) could seriously jeopardize the life or health of the participant or beneficiary.

"(5) CONDUCT OF REVIEW.—A review of an adverse coverage determination under this subsection shall be conducted by an individual with appropriate expertise who was not directly involved in the initial determination.

"(6) LACK OF MEDICAL NECESSITY.—A review of an appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, shall be made only by a physician with appropriate expertise, including age-appropriate expertise, who was not involved in the initial determination.

"(7) NOTICE.—

"(A) IN GENERAL.—Written notice of a determination made under an internal review process shall be issued to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the treating health care professional not later than 2 working days after the completion of the review (or within the 72-hour period referred to in paragraph (4) if applicable).

"(B) ADVERSE COVERAGE DETERMINATIONS.—With respect to an adverse coverage determination made under this subsection, the notice described in subparagraph (A) shall include—

"(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

"(ii) the procedures for obtaining additional information concerning the determination; and

"(iii) notification of the right to an independent external review under subsection (e) and instructions on how to initiate such a review.

"(e) INDEPENDENT EXTERNAL REVIEW.—

"(1) ACCESS TO REVIEW.—

"(A) IN GENERAL.—A group health plan or a health insurance issuer offering health insurance coverage in connection with a group health plan shall have written procedures to permit a participant or beneficiary (or the authorized representative of the participant or beneficiary) access to an independent external review with respect to an adverse coverage determination concerning a particular item or service (including a circumstance treated as an adverse coverage determination under subparagraph (B)) where—

"(i) the particular item or service involved—

"(I)(aa) would be a covered benefit, when medically necessary and appropriate under the terms and conditions of the plan, and the item or service has been determined not to be medically necessary and appropriate under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

"(bb)(AA) the amount of such item or service involved exceeds a significant financial threshold; or

"(BB) there is a significant risk of placing the life or health of the participant or beneficiary in jeopardy; or

"(II) would be a covered benefit, when not considered experimental or investigational under the terms and conditions of the plan, and the item or service has been determined to be experimental or investigational under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

“(ii) the participant or beneficiary has completed the internal appeals process under subsection (d) with respect to such determination.

“(B) FAILURE TO ACT.—The failure of a plan or issuer to issue a coverage determination under subsection (d)(6) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to independent external review under this subsection.

“(2) INITIATION OF THE INDEPENDENT EXTERNAL REVIEW PROCESS.—

“(A) FILING OF REQUEST.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) who desires to have an independent external review conducted under this subsection shall file a written request for such a review with the plan or issuer involved not later than 30 working days after the receipt of a final denial of a claim under subsection (d). Any such request shall include the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary) for the release of medical information and records to independent external reviewers regarding the participant or beneficiary.

“(B) INFORMATION AND NOTICE.—Not later than 5 working days after the receipt of a request under subparagraph (A), or earlier in accordance with the medical exigencies of the case, the plan or issuer involved shall select an external appeals entity under paragraph (3)(A) that shall be responsible for designating an independent external reviewer under paragraph (3)(B).

“(C) PROVISION OF INFORMATION.—The plan or issuer involved shall forward necessary information (including medical records, any relevant review criteria, the clinical rationale consistent with the terms and conditions of the contract between the plan or issuer and the participant or beneficiary for the coverage denial, and evidence of the coverage of the participant or beneficiary) to the independent external reviewer selected under paragraph (3)(B).

“(D) NOTIFICATION.—The plan or issuer involved shall send a written notification to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the plan administrator, indicating that an independent external review has been initiated.

“(3) CONDUCT OF INDEPENDENT EXTERNAL REVIEW.—

“(A) DESIGNATION OF EXTERNAL APPEALS ENTITY BY PLAN OR ISSUER.—

“(i) IN GENERAL.—A plan or issuer that receives a request for an independent external review under paragraph (2)(A) shall designate a qualified entity described in clause (ii), in a manner designed to ensure that the entity so designated will make a decision in an unbiased manner, to serve as the external appeals entity.

“(ii) QUALIFIED ENTITIES.—A qualified entity shall be—

“(I) an independent external review entity licensed or credentialed by a State;

“(II) a State agency established for the purpose of conducting independent external reviews;

“(III) any entity under contract with the Federal Government to provide independent external review services;

“(IV) any entity accredited as an independent external review entity by an accrediting body recognized by the Secretary for such purpose; or

“(V) any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

“(B) DESIGNATION OF INDEPENDENT EXTERNAL REVIEWER BY EXTERNAL APPEALS ENTITY.—The external appeals entity designated under subparagraph (A) shall, not later than 30 days after the date on which such entity is designated under subparagraph (A), or earlier in accordance with the medical exigencies of the case, designate one or more individuals to serve as independent external reviewers with respect to a request received under paragraph (2)(A). Such reviewers shall be independent medical experts who shall—

“(i) be appropriately credentialed or licensed in any State to deliver health care services;

“(ii) not have any material, professional, familial, or financial affiliation with the case under review, the participant or beneficiary involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer of any drug, device, procedure, or other therapy proposed for the participant or beneficiary whose treatment is under review;

“(iii) have expertise (including age-appropriate expertise) in the diagnosis or treatment under review and, when reasonably available, be of the same specialty as the physician treating the participant or beneficiary or recommending or prescribing the treatment in question;

“(iv) receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the independent external review that is not contingent on the decision rendered by the reviewer; and

“(v) not be held liable for decisions regarding medical determinations (but may be held liable for actions that are arbitrary and capricious).

“(4) STANDARD OF REVIEW.—

“(A) IN GENERAL.—An independent external reviewer shall—

“(i) make an independent determination based on the valid, relevant, scientific and clinical evidence to determine the medical necessity, appropriateness, experimental or investigational nature of the proposed treatment; and

“(ii) take into consideration appropriate and available information, including any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer; timely evidence or information submitted by the plan, issuer, patient or patient's physician; the patient's medical record; expert consensus; and medical literature as defined in section 556(5) of the Federal Food, Drug, and Cosmetic Act.

“(B) NOTICE.—The plan or issuer involved shall ensure that the participant or beneficiary receives notice, within 30 days after the determination of the independent medical expert, regarding the actions of the plan or issuer with respect to the determination of such expert under the independent external review.

“(5) TIMEFRAME FOR REVIEW.—

“(A) IN GENERAL.—The independent external reviewer shall complete a review of an adverse coverage determination in accordance with the medical exigencies of the case.

“(B) LIMITATION.—Notwithstanding subparagraph (A), a review described in such subparagraph shall be completed not later than 30 working days after the later of—

“(i) the date on which such reviewer is designated; or

“(ii) the date on which all information necessary to completing such review is received.

“(6) BINDING DETERMINATION.—The determination of an independent external reviewer under this subsection shall be binding upon the plan or issuer if the provisions of this subsection or the procedures implemented under such provisions were complied with by the independent external reviewer.

“(7) STUDY.—Not later than 2 years after the date of enactment of this section, the General Accounting Office shall conduct a study of a statistically appropriate sample of completed independent external reviews. Such study shall include an assessment of the process involved during an independent external review and the basis of decisionmaking by the independent external reviewer. The results of such study shall be submitted to the appropriate committees of Congress.

“(8) EFFECT ON CERTAIN PROVISIONS.—Nothing in this section shall be construed as affecting or modifying section 514 of this Act with respect to a group health plan.

“(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan administrator or plan fiduciary or health plan medical director from requesting an independent external review by an independent external reviewer without first completing the internal review process.

“(g) DEFINITIONS.—In this section:

“(1) ADVERSE COVERAGE DETERMINATION.—The term ‘adverse coverage determination’ means a coverage determination under the plan which results in a denial of coverage or reimbursement.

“(2) COVERAGE DETERMINATION.—The term ‘coverage determination’ means with respect to items and services for which coverage may be provided under a health plan, a determination of whether or not such items and services are covered or reimbursable under the coverage and terms of the contract.

“(3) GRIEVANCE.—The term ‘grievance’ means any complaint made by a participant or beneficiary that does not involve a coverage determination.

“(4) GROUP HEALTH PLAN.—The term ‘group health plan’ shall have the meaning given such term in section 733(a). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

“(5) HEALTH INSURANCE COVERAGE.—The term ‘health insurance coverage’ has the meaning given such term in section 733(b)(1). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

“(6) HEALTH INSURANCE ISSUER.—The term ‘health insurance issuer’ has the meaning given such term in section 733(b)(2).

“(7) PRIOR AUTHORIZATION DETERMINATION.—The term ‘prior authorization determination’ means a coverage determination prior to the provision of the items and services as a condition of coverage of the items and services under the coverage.

“(8) TREATING HEALTH CARE PROFESSIONAL.—The term ‘treating health care professional’ with respect to a group health plan, health insurance issuer or provider sponsored organization means a physician (medical doctor or doctor of osteopathy) or other health care practitioner who is acting within the scope of his or her State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the participant or beneficiary.

“(9) UTILIZATION REVIEW.—The term ‘utilization review’ with respect to a group health plan or health insurance coverage means a set of formal techniques designed to monitor the use of, or evaluate the clinical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning or retrospective review."

(b) Enforcement.—Section 502(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(1)) is amended by inserting after "or section 101(e)(1)" the following: ", or fails to comply with a coverage determination as required under section 503(e)(6),".

(c) Conforming Amendment.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by striking the item relating to section 503 and inserting the following new item:

"Sec. 503. Claims procedures, coverage determination, grievances and appeals.".

(d) Effective Date.—The amendments made by this section shall apply with respect to plan years beginning on or after 1 year after the date of enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

TITLE II—GENETIC INFORMATION AND SERVICES

SEC. 201. SHORT TITLE.

This title may be cited as the "Genetic Information Nondiscrimination in Health Insurance Act of 1999".

SEC. 202. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) Prohibition of Health Discrimination on the Basis of Genetic Information or Genetic Services.—

(1) No enrollment restriction for genetic services.—Section 702(a)(1)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(2) No discrimination in group premiums based on predictive genetic information.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by section 111(a), is further amended by adding at the end the following:

"SEC. 715. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".

(3) Conforming amendments.—

(A) In general.—Section 702(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(b)) is amended by adding at the end the following:

"(3) Reference to related provision.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 715.".

(B) Table of contents.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974, as amended by section 111(a), is further amended by inserting after the item relating to section 714 the following new item:

"Sec. 715. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) Limitation on Collection of Predictive Genetic Information.—Section 702 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182) is amended by adding at the end the following:

"(c) Collection of Predictive Genetic Information.—

"(1) Limitation on requesting or requiring predictive genetic information.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).

"(2) Information needed for diagnosis, treatment, or payment.—

"(A) In general.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) Notice of confidentiality practices and description of safeguards.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) Confidentiality with Respect to Predictive Genetic Information.—

"(1) Notice of confidentiality practices.—

"(A) Preparation of written notice.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) Model notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) Establishment of safeguards.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(c) Definitions.—Section 733(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(d)) is amended by adding at the end the following:

"(5) Family member.—The term 'family member' means with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(6) Genetic information.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(7) Genetic services.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(8) Predictive genetic information.—

"(A) In general.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) Exceptions.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(9) Genetic test.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(d) Effective Date.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning 1 year after the date of the enactment of this Act.

SFC. 203. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.

(a) Amendments Relating to the Group Market.—

(1) Prohibition of health discrimination on the basis of genetic information in the group market.—

(A) No enrollment restriction for genetic services.—Section 2702(a)(1)(F) of the

Public Health Service Act (42 U.S.C. 300gg-1(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(B) No discrimination in premiums based on predictive genetic information.—Subpart 2 of part A of title XXVII of the Public Health Service Act, as amended by the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277), is amended by adding at the end the following new section:

"SEC. 2707. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION IN THE GROUP MARKET.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".

(C) Conforming amendment.—Section 2702(b) of the Public Health Service Act (42 U.S.C. 300gg–1(b)) is amended by adding at the end the following:

"(3) Reference to related provision.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 2707.".

(D) Limitation on collection and disclosure of predictive genetic information.—Section 2702 of the Public Health Service Act (42 U.S.C. 300gg–1) is amended by adding at the end the following:

'(c) Collection of Predictive Genetic Information.—

"(1) Limitation on requesting or requiring predictive genetic information.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) Information needed for diagnosis, treatment, or payment.—

"(A) In general.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) Notice of confidentiality practices and description of safeguards.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) Confidentiality with Respect to Predictive Genetic Information.—

"(1) Notice of confidentiality practices.—

"(A) Preparation of written notice.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) Model notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) Establishment of safeguards.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(2) Definitions.—Section 2791(d) of the Public Health Service Act (42 U.S.C. 300gg-91(d)) is amended by adding at the end the following:

"(15) Family member.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(16) Genetic information.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(17) Genetic services.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(18) Predictive genetic information.—

"(A) In general.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) Exceptions.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(19) Genetic test.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(b) Amendment Relating to the Individual Market.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–51 et seq.) (relating to other requirements), as amended by the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105-277) is amended—

(1) by redesignating such subpart as subpart 2; and

(2) by adding at the end the following:

"SEC. 2753. PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"(a) Prohibition on Predictive Genetic Information as a Condition of Eligibility.—A health insurance issuer offering health insurance coverage in the individual market may not use predictive genetic information as a condition of eligibility of an individual to enroll in individual health insurance coverage (including information about a request for or receipt of genetic services).

"(b) Prohibition on Predictive Genetic Information in Setting Premium Rates.—A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium rates for individuals on the basis of predictive genetic information concerning such an individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(c) Collection of Predictive Genetic Information.—

"(1) Limitation on requesting or requiring predictive genetic information.—Except as provided in paragraph (2), a health insurance issuer offering health insurance coverage in the individual market shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) Information needed for diagnosis, treatment, or payment.—

"(A) In general.—Notwithstanding paragraph (1), a health insurance issuer offering health insurance coverage in the individual market that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) Notice of confidentiality practices and description of safeguards.—As a part of a request under subparagraph (A), the health insurance issuer offering health insurance coverage in the individual market shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) Confidentiality with Respect to Predictive Genetic Information.—

"(1) Notice of confidentiality practices.—

"(A) Preparation of written notice.—A health insurance issuer offering health insurance coverage in the individual market shall post or provide, in writing and in a clear and conspicuous manner, notice of the issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) Model notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) Establishment of safeguards.—A health insurance issuer offering health insurance coverage in the individual market shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such issuer.".

(c) Effective Date.—The amendments made by this section shall apply with respect to—

(1) group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after 1 year after the date of enactment of this Act; and

(2) health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after 1 year after the date of enactment of this Act.

SEC. 204. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) Prohibition of Health Discrimination on the Basis of Genetic Information or Genetic Services.—

(1) No enrollment restriction for genetic services.—Section 9802(a)(1)(F) of the Internal Revenue Code of 1986 is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(2) No discrimination in group premiums based on predictive genetic information.—

(A) In general.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 111(b), is further amended by adding at the end the following:

"SEC. 9814. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"A group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).".

(B) Conforming amendment.—Section 9802(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(3) Reference to related provision.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or the receipt of genetic services), see section 9814.".

(C) Amendment to table of sections.—The table of sections for subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 111(b), is further amended by adding at the end the following:

"Sec. 9814. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) Limitation on Collection of Predictive Genetic Information.—Section 9802 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(d) Collection of Predictive Genetic Information.—

"(1) Limitation on requesting or requiring predictive genetic information.—Except as provided in paragraph (2), a group health plan shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) Information needed for diagnosis, treatment, or payment.—

"(A) In general.—Notwithstanding paragraph (1), a group health plan that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) Notice of confidentiality practices; description of safeguards.—As a part of a request under subparagraph (A), the group health plan shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (e), of such predictive genetic information.

"(e) Confidentiality with Respect to Predictive Genetic Information.—

"(1) Notice of confidentiality practices.—

"(A) Preparation of written notice.—A group health plan shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) Model notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) Establishment of safeguards.—A group health plan shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan.".

(c) Definitions.—Section 9832(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(6) Family member.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(7) Genetic information.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(8) Genetic services.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(9) Predictive genetic information.—

"(A) In general.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) Exceptions.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(10) Genetic test.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(d) Effective Date.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning after 1 year after the date of the enactment of this Act.

TITLE III—HEALTHCARE RESEARCH AND QUALITY

SEC. 301. SHORT TITLE.

This title may be cited as the "Healthcare Research and Quality Act of 1999".

SEC. 302. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.

Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended to read as follows:

"TITLE IX—AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"SEC. 901. MISSION AND DUTIES.

"(a) In General.—There is established within the Public Health Service an agency to be known as the Agency for Healthcare Research and Quality. In carrying out this subsection, the Secretary shall redesignate the Agency for Health Care Policy and Research as the Agency for Healthcare Research and Quality.

"(b) Mission.—The purpose of the Agency is to enhance the quality, appropriateness, and effectiveness of healthcare services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical and health system practices, including the prevention of diseases and other health conditions. The Agency shall promote healthcare quality improvement by—

"(1) conducting and supporting research that develops and presents scientific evidence regarding all aspects of healthcare, including—

"(A) the development and assessment of methods for enhancing patient participation in their own care and for facilitating shared patient-physician decision-making;

"(B) the outcomes, effectiveness, and cost-effectiveness of healthcare practices, including preventive measures and long-term care;

"(C) existing and innovative technologies;

"(D) the costs and utilization of, and access to healthcare;

"(E) the ways in which healthcare services are organized, delivered, and financed and the interaction and impact of these factors on the quality of patient care;

"(F) methods for measuring quality and strategies for improving quality; and

"(G) ways in which patients, consumers, purchasers, and practitioners acquire new information about best practices and health benefits, the determinants and impact of their use of this information;

"(2) synthesizing and disseminating available scientific evidence for use by patients, consumers, practitioners, providers, purchasers, policy makers, and educators; and

"(3) advancing private and public efforts to improve healthcare quality.

"(c) Requirements With Respect to Rural Areas and Priority Populations.—In carrying out subsection (b), the Director shall undertake and support research, demonstration projects, and evaluations with respect to the delivery of health services—

"(1) in rural areas (including frontier areas);

"(2) for low-income groups, and minority groups;

"(3) for children;

"(4) for elderly; and

"(5) for people with special healthcare needs, including disabilities, chronic care and end-of-life healthcare.

"(d) Appointment of Director.—There shall be at the head of the Agency an official to be known as the Director for Healthcare Research and Quality. The Director shall be appointed by the Secretary. The Secretary, acting through the Director, shall carry out the authorities and duties established in this title.

"SEC. 902. GENERAL AUTHORITIES.

"(a) In General.—In carrying out section 901(b), the Director shall support demonstration projects, conduct and support research, evaluations, training, research networks, multi-disciplinary centers, technical assistance, and the dissemination of information, on healthcare, and on systems for the delivery of such care, including activities with respect to—

"(1) the quality, effectiveness, efficiency, appropriateness and value of healthcare services;

"(2) quality measurement and improvement;

"(3) the outcomes, cost, cost-effectiveness, and use of healthcare services and access to such services;

"(4) clinical practice, including primary care and practice-oriented research;

"(5) healthcare technologies, facilities, and equipment;

"(6) healthcare costs, productivity, organization, and market forces;

"(7) health promotion and disease prevention, including clinical preventive services;

"(8) health statistics, surveys, database development, and epidemiology; and

"(9) medical liability.

"(b) Health Services Training Grants.—

"(1) In general.—The Director may provide training grants in the field of health services research related to activities authorized under subsection (a), to include pre- and post-doctoral fellowships and training programs, young investigator awards, and other programs and activities as appropriate. In carrying out this subsection, the Director shall make use of funds made available under section 487 as well as other appropriated funds.

"(2) Requirements.—In developing priorities for the allocation of training funds under this subsection, the Director shall take into consideration shortages in the number of trained researchers addressing the priority populations.

"(c) Multidisciplinary Centers.—The Director may provide financial assistance to assist in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services research, demonstration projects, evaluations, training, and policy analysis with respect to the matters referred to in subsection (a).

"(d) Relation to Certain Authorities Regarding Social Security.—Activities authorized in this section shall be appropriately coordinated with experiments, demonstration projects, and other related activities authorized by the Social Security Act and the Social Security Amendments of 1967. Activities under subsection (a)(2) of this section that affect the programs under titles XVIII, XIX and XXI of the Social Security Act shall be carried out consistent with section 1142 of such Act.

"(e) Disclaimer.—The Agency shall not mandate national standards of clinical practice or quality healthcare standards. Recommendations resulting from projects funded and published by the Agency shall include a corresponding disclaimer.

"(f) Rule of Construction.—Nothing in this section shall be construed to imply that the Agency's role is to mandate a national standard or specific approach to quality measurement and reporting. In research and quality improvement activities, the Agency shall consider a wide range of choices, providers, healthcare delivery systems, and individual preferences.

"PART B—HEALTHCARE IMPROVEMENT RESEARCH

"SEC. 911. HEALTHCARE OUTCOME IMPROVEMENT RESEARCH.

"(a) Evidence Rating Systems.—In collaboration with experts from the public and private sector, the Agency shall identify and disseminate methods or systems that it uses to assess healthcare research results, particularly methods or systems that it uses to rate the strength of the scientific evidence behind healthcare practice, recommendations in the research literature, and technology assessments. The Agency shall make methods and systems for evidence rating widely available. Agency publications containing healthcare recommendations shall indicate the level of substantiating evidence using such methods or systems.

"(b) Healthcare Improvement Research Centers and Provider-Based Research Networks.—In order to address the full continuum of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Agency shall employ research strategies and mechanisms that will link research directly with clinical practice in geographically diverse locations throughout the United States, including—

"(1) Healthcare Improvement Research Centers that combine demonstrated multidisciplinary expertise in outcomes or quality improvement research with linkages to relevant sites of care;

"(2) Provider-based Research Networks, including plan, facility, or delivery system sites of care (especially primary care), that can evaluate and promote quality improvement; and

"(3) other innovative mechanisms or strategies to link research with clinical practice.

"SEC. 912. PRIVATE-PUBLIC PARTNERSHIPS TO IMPROVE ORGANIZATION AND DELIVERY.

"(a) Support for Efforts To Develop Information on Quality.—

"(1) Scientific and technical support.—In its role as the principal agency for healthcare research and quality, the Agency may provide scientific and technical support for private and public efforts to improve healthcare quality, including the activities of accrediting organizations.

"(2) Role of the agency.—With respect to paragraph (1), the role of the Agency shall include—

"(A) the identification and assessment of methods for the evaluation of the health of—

"(i) enrollees in health plans by type of plan, provider, and provider arrangements; and

"(ii) other populations, including those receiving long-term care services;

"(B) the ongoing development, testing, and dissemination of quality measures, including measures of health and functional outcomes;

"(C) the compilation and dissemination of healthcare quality measures developed in the private and public sector;

"(D) assistance in the development of improved healthcare information systems;

"(E) the development of survey tools for the purpose of measuring participant and beneficiary assessments of their healthcare; and

"(F) identifying and disseminating information on mechanisms for the integration of information on quality into purchaser and consumer decision-making processes.

"(b) Centers for Education and Research on Therapeutics.—

"(1) In general.—The Secretary, acting through the Director and in consultation with the Commissioner of Food and Drugs, shall establish a program for the purpose of making one or more grants for the establishment and operation of one or more centers to carry out the activities specified in paragraph (2).

“(2) REQUIRED ACTIVITIES.—The activities referred to in this paragraph are the following:

“(A) The conduct of state-of-the-art clinical, laboratory, or health services research for the following purposes:

“(i) To increase awareness of—

“(I) new uses of drugs, biological products, and devices;

“(II) ways to improve the effective use of drugs, biological products, and devices; and

“(III) risks of new uses and risks of combinations of drugs and biological products.

“(ii) To provide objective clinical information to the following individuals and entities:

“(I) Healthcare practitioners and other providers of healthcare goods or services.

“(II) Pharmacists, pharmacy benefit managers and purchasers.

“(III) Health maintenance organizations and other managed healthcare organizations.

“(IV) Healthcare insurers and governmental agencies.

“(V) Patients and consumers.

“(iii) To improve the quality of healthcare while reducing the cost of Healthcare through—

“(I) an increase in the appropriate use of drugs, biological products, or devices; and

“(II) the prevention of adverse effects of drugs, biological products, and devices and the consequences of such effects, such as unnecessary hospitalizations.

“(B) The conduct of research on the comparative effectiveness, cost-effectiveness, and safety of drugs, biological products, and devices.

“(C) Such other activities as the Secretary determines to be appropriate, except that grant funds may not be used by the Secretary in conducting regulatory review of new drugs.

“(c) REDUCING ERRORS IN MEDICINE.—The Director shall conduct and support research and build private-public partnerships to—

“(1) identify the causes of preventable healthcare errors and patient injury in healthcare delivery;

“(2) develop, demonstrate, and evaluate strategies for reducing errors and improving patient safety; and

“(3) promote the implementation of effective strategies throughout the healthcare industry.

“SEC. 913. INFORMATION ON QUALITY AND COST OF CARE.

“(a) IN GENERAL.—In carrying out 902(a), the Director shall—

“(1) conduct a survey to collect data on a nationally representative sample of the population on the cost, use and, for fiscal year 2001 and subsequent fiscal years, quality of healthcare, including the types of healthcare services Americans use, their access to healthcare services, frequency of use, how much is paid for the services used, the source of those payments, the types and costs of private health insurance, access, satisfaction, and quality of care for the general population including rural residents and for the populations identified in section 901(c); and

“(2) develop databases and tools that provide information to States on the quality, access, and use of healthcare services provided to their residents.

“(b) QUALITY AND OUTCOMES INFORMATION.—

“(1) IN GENERAL.—Beginning in fiscal year 2001, the Director shall ensure that the survey conducted under subsection (a)(1) will—

“(A) identify determinants of health outcomes and functional status, and their relationships to healthcare access and use, determine the ways and extent to which the priority populations enumerated in section 901(c) differ from the general population with respect to such variables, measure changes over time with respect to such variable, and monitor the overall national impact of changes in Federal and State policy on healthcare;

“(B) provide information on the quality of care and patient outcomes for frequently occurring clinical conditions for a nationally representative sample of the population including rural residents; and

“(C) provide reliable national estimates for children and persons with special healthcare needs through the use of supplements or periodic expansions of the survey.

In expanding the Medical Expenditure Panel Survey, as in existence on the date of enactment of this title, in fiscal year 2001 to collect information on the quality of care, the Director shall take into account any outcomes measurements generally collected by private sector accreditation organizations.

“(2) ANNUAL REPORT.—Beginning in fiscal year 2003, the Secretary, acting through the Director, shall submit to Congress an annual report on national trends in the quality of healthcare provided to the American people.

“SEC. 914. INFORMATION SYSTEMS FOR HEALTHCARE IMPROVEMENT.

“(a) IN GENERAL.—In order to foster a range of innovative approaches to the management and communication of health information, the Agency shall support research, evaluations and initiatives to advance—

“(1) the use of information systems for the study of healthcare quality, including the generation of both individual provider and plan-level comparative performance data;

“(2) training for healthcare practitioners and researchers in the use of information systems;

“(3) the creation of effective linkages between various sources of health information, including the development of information networks;

“(4) the delivery and coordination of evidence-based healthcare services, including the use of real-time healthcare decision-support programs;

“(5) the utility and comparability of health information data and medical vocabularies by addressing issues related to the content, structure, definitions and coding of such information and data in consultation with appropriate Federal, State and private entities;

“(6) the use of computer-based health records in all settings for the development of personal health records for individual health assessment and maintenance, and for monitoring public health and outcomes of care within populations; and

“(7) the protection of individually identifiable information in health services research and healthcare quality improvement.

“(b) DEMONSTRATION.—The Agency shall support demonstrations into the use of new information tools aimed at improving shared decision-making between patients and their care-givers.

“SEC. 915. RESEARCH SUPPORTING PRIMARY CARE AND ACCESS IN UNDERSERVED AREAS.

“(a) PREVENTIVE SERVICES TASK FORCE.—

“(1) ESTABLISHMENT AND PURPOSE.—The Director may periodically convene a Preventive Services Task Force to be composed of individuals with appropriate expertise. Such a task force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations for the healthcare community, and updating previous clinical preventive recommendations.

“(2) ROLE OF AGENCY.—The Agency shall provide ongoing administrative, research, and technical support for the operations of the Preventive Services Task Force, including coordinating and supporting the dissemination of the recommendations of the Task Force.

“(3) OPERATION.—In carrying out its responsibilities under paragraph (1), the Task Force is not subject to the provisions of Appendix 2 of title 5, United States Code.

“(b) PRIMARY CARE RESEARCH.—

“(1) IN GENERAL.—There is established within the Agency a Center for Primary Care Research (referred to in this subsection as the ‘Center’) that shall serve as the principal source of funding for primary care practice research in the Department of Health and Human Services. For purposes of this paragraph, primary care research focuses on the first contact when illness or health concerns arise, the diagnosis, treatment or referral to specialty care, preventive care, and the relationship between the clinician and the patient in the context of the family and community.

“(2) RESEARCH.—In carrying out this section, the Center shall conduct and support research concerning—

“(A) the nature and characteristics of primary care practice;

“(B) the management of commonly occurring clinical problems;

“(C) the management of undifferentiated clinical problems; and

“(D) the continuity and coordination of health services.

“SEC. 916. CLINICAL PRACTICE AND TECHNOLOGY INNOVATION.

“(a) IN GENERAL.—The Director shall promote innovation in evidence-based clinical practice and healthcare technologies by—

“(1) conducting and supporting research on the development, diffusion, and use of healthcare technology;

“(2) developing, evaluating, and disseminating methodologies for assessments of healthcare practices and healthcare technologies;

“(3) conducting intramural and supporting extramural assessments of existing and new healthcare practices and technologies;

“(4) promoting education, training, and providing technical assistance in the use of healthcare practice and healthcare technology assessment methodologies and results; and

“(5) working with the National Library of Medicine and the public and private sector to develop an electronic clearinghouse of currently available assessments and those in progress.

“(b) SPECIFICATION OF PROCESS.—

“(1) IN GENERAL.—Not later than December 31, 2000, the Director shall develop and publish a description of the methodology used by the Agency and its contractors in conducting practice and technology assessment.

“(2) CONSULTATIONS.—In carrying out this subsection, the Director shall cooperate and consult with the Assistant Secretary for Health, the Administrator of the Health Care Financing Administration, the Director of the National Institutes of Health, the Commissioner of Food and Drugs, and the heads of any other interested Federal department or agency, and shall seek input, where appropriate, from professional societies and other private and public entities.

“(3) METHODOLOGY.—The Director, in developing assessment methodology, shall consider—

"(A) safety, efficacy, and effectiveness;

"(B) legal, social, and ethical implications;

"(C) costs, benefits, and cost-effectiveness;

"(D) comparisons to alternate technologies and practices; and

"(E) requirements of Food and Drug Administration approval to avoid duplication.

"(c) SPECIFIC ASSESSMENTS.—

"(1) IN GENERAL.—The Director shall conduct or support specific assessments of healthcare technologies and practices.

"(2) REQUESTS FOR ASSESSMENTS.—The Director is authorized to conduct or support assessments, on a reimbursable basis, for the Health Care Financing Administration, the Department of Defense, the Department of Veterans Affairs, the Office of Personnel Management, and other public or private entities.

"(3) GRANTS AND CONTRACTS.—In addition to conducting assessments, the Director may make grants to, or enter into cooperative agreements or contracts with, entities described in paragraph (4) for the purpose of conducting assessments of experimental, emerging, existing, or potentially outmoded healthcare technologies, and for related activities.

"(4) ELIGIBLE ENTITIES.—An entity described in this paragraph is an entity that is determined to be appropriate by the Director, including academic medical centers, research institutions and organizations, professional organizations, third party payers, governmental agencies, and consortia of appropriate research entities established for the purpose of conducting technology assessments.

"SEC. 917. COORDINATION OF FEDERAL GOVERNMENT QUALITY IMPROVEMENT EFFORTS.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—To avoid duplication and ensure that Federal resources are used efficiently and effectively, the Secretary, acting through the Director, shall coordinate all research, evaluations, and demonstrations related to health services research, quality measurement and quality improvement activities undertaken and supported by the Federal Government.

"(2) SPECIFIC ACTIVITIES.—The Director, in collaboration with the appropriate Federal officials representing all concerned executive agencies and departments, shall develop and manage a process to—

"(A) improve interagency coordination, priority setting, and the use and sharing of research findings and data pertaining to Federal quality improvement programs, technology assessment, and health services research;

"(B) strengthen the research information infrastructure, including databases, pertaining to Federal health services research and healthcare quality improvement initiatives;

"(C) set specific goals for participating agencies and departments to further health services research and healthcare quality improvement; and

"(D) strengthen the management of Federal healthcare quality improvement programs.

"(b) STUDY BY THE INSTITUTE OF MEDICINE.—

"(1) IN GENERAL.—To provide Congress, the Department of Health and Human Services, and other relevant departments with an independent, external review of their quality oversight, quality improvement and quality research programs, the Secretary shall enter into a contract with the Institute of Medicine—

"(A) to describe and evaluate current quality improvement, quality research and quality monitoring processes through—

"(i) an overview of pertinent health services research activities and quality improvement efforts conducted by all Federal programs, with particular attention paid to those under titles XVIII, XIX, and XXI of the Social Security Act; and

"(ii) a summary of the partnerships that the Department of Health and Human Services has pursued with private accreditation, quality measurement and improvement organizations; and

"(B) to identify options and make recommendations to improve the efficiency and effectiveness of quality improvement programs through—

"(i) the improved coordination of activities across the medicare, medicaid and child health insurance programs under titles XVIII, XIX and XXI of the Social Security Act and health services research programs;

"(ii) the strengthening of patient choice and participation by incorporating state-of-the-art quality monitoring tools and making information on quality available; and

"(iii) the enhancement of the most effective programs, consolidation as appropriate, and elimination of duplicative activities within various federal agencies.

"(2) REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall enter into a contract with the Institute of Medicine for the preparation—

"(i) not later than 12 months after the date of enactment of this title, of a report providing an overview of the quality improvement programs of the Department of Health and Human Services for the medicare, medicaid, and CHIP programs under titles XVIII, XIX, and XXI of the Social Security Act; and

"(ii) not later than 24 months after the date of enactment of this title, of a final report containing recommendations.

"(B) REPORTS.—The Secretary shall submit the reports described in subparagraph (A) to the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means and the Committee on Commerce of the House of Representatives.

"PART C—GENERAL PROVISIONS

"SEC. 921. ADVISORY COUNCIL FOR HEALTHCARE RESEARCH AND QUALITY.

"(a) ESTABLISHMENT.—There is established an advisory council to be known as the Advisory Council for Healthcare Research and Quality.

"(b) DUTIES.—

"(1) IN GENERAL.—The Advisory Council shall advise the Secretary and the Director with respect to activities proposed or undertaken to carry out the purpose of the Agency under section 901(b).

"(2) CERTAIN RECOMMENDATIONS.—Activities of the Advisory Council under paragraph (1) shall include making recommendations to the Director regarding—

"(A) priorities regarding healthcare research, especially studies related to quality, outcomes, cost and the utilization of, and access to, healthcare services;

"(B) the field of healthcare research and related disciplines, especially issues related to training needs, and dissemination of information pertaining to healthcare quality; and

"(C) the appropriate role of the Agency in each of these areas in light of private sector activity and identification of opportunities for public-private sector partnerships.

"(c) MEMBERSHIP.—

"(1) IN GENERAL.—The Advisory Council shall, in accordance with this subsection, be composed of appointed members and ex officio members. All members of the Advisory Council shall be voting members other than the individuals designated under paragraph (3)(B) as ex officio members.

"(2) APPOINTED MEMBERS.—The Secretary shall appoint to the Advisory Council 21 appropriately qualified individuals. At least 17 members of the Advisory Council shall be representatives of the public who are not officers or employees of the United States. The Secretary shall ensure that the appointed members of the Council, as a group, are representative of professions and entities concerned with, or affected by, activities under this title and under section 1142 of the Social Security Act. Of such members—

"(A) 4 shall be individuals distinguished in the conduct of research, demonstration projects, and evaluations with respect to healthcare;

"(B) 4 shall be individuals distinguished in the practice of medicine of which at least 1 shall be a primary care practitioner;

"(C) 3 shall be individuals distinguished in the other health professions;

"(D) 4 shall be individuals either representing the private healthcare sector, including health plans, providers, and purchasers or individuals distinguished as administrators of healthcare delivery systems;

"(E) 4 shall be individuals distinguished in the fields of healthcare quality improvement, economics, information systems, law, ethics, business, or public policy, including at least 1 individual specializing in rural aspects in 1 or more of these fields; and

"(F) 2 shall be individuals representing the interests of patients and consumers of healthcare.

"(3) EX OFFICIO MEMBERS.—The Secretary shall designate as ex officio members of the Advisory Council—

"(A) the Assistant Secretary for Health, the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Care Financing Administration, the Assistant Secretary of Defense (Health Affairs), and the Under Secretary for Health of the Department of Veterans Affairs; and

"(B) such other Federal officials as the Secretary may consider appropriate.

"(d) TERMS.—Members of the Advisory Council appointed under subsection (c)(2) shall serve for a term of 3 years. A member of the Council appointed under such subsection may continue to serve after the expiration of the term of the members until a successor is appointed.

"(e) VACANCIES.—If a member of the Advisory Council appointed under subsection (c)(2) does not serve the full term applicable under subsection (d), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

"(f) CHAIR.—The Director shall, from among the members of the Advisory Council appointed under subsection (c)(2), designate an individual to serve as the chair of the Advisory Council.

"(g) MEETINGS.—The Advisory Council shall meet not less than once during each discrete 4-month period and shall otherwise meet at the call of the Director or the chair.

"(h) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

"(1) APPOINTED MEMBERS.—Members of the Advisory Council appointed under subsection (c)(2) shall receive compensation for each day (including travel time) engaged in carrying out the duties of the Advisory Council unless declined by the member. Such compensation may not be in an amount in excess of the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which such member is engaged in the performance of the duties of the Advisory Council.

“(2) EX OFFICIO MEMBERS.—Officials designated under subsection (c)(3) as ex officio members of the Advisory Council may not receive compensation for service on the Advisory Council in addition to the compensation otherwise received for duties carried out as officers of the United States.

“(i) STAFF.—The Director shall provide to the Advisory Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

“SEC. 922. PEER REVIEW WITH RESPECT TO GRANTS AND CONTRACTS.

“(a) REQUIREMENT OF REVIEW.—

“(1) IN GENERAL.—Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this title.

“(2) REPORTS TO DIRECTOR.—Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its finding and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

“(b) APPROVAL AS PRECONDITION OF AWARDS.—The Director may not approve an application described in subsection (a)(1) unless the application is recommended for approval by a peer review group established under subsection (c).

“(c) ESTABLISHMENT OF PEER REVIEW GROUPS.—

“(1) IN GENERAL.—The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subchapter III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

“(2) MEMBERSHIP.—The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for these duties carried out as such officers and employees.

“(3) DURATION.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section may continue in existence until otherwise provided by law.

“(4) QUALIFICATIONS.—Members of any peer-review group shall, at a minimum, meet the following requirements:

“(A) Such members shall agree in writing to treat information received, pursuant to their work for the group, as confidential information, except that this subparagraph shall not apply to public records and public information.

“(B) Such members shall agree in writing to recuse themselves from participation in the peer-review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in a directly affected organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer-review.

“(d) AUTHORITY FOR PROCEDURAL ADJUSTMENTS IN CERTAIN CASES.—In the case of applications for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented or provider-based research, and for such other purposes as the Director may determine to be appropriate.

“(e) REGULATIONS.—The Director shall issue regulations for the conduct of peer review under this section.

“SEC. 923. CERTAIN PROVISIONS WITH RESPECT TO DEVELOPMENT, COLLECTION, AND DISSEMINATION OF DATA.

“(a) STANDARDS WITH RESPECT TO UTILITY OF DATA.—

“(1) IN GENERAL.—To ensure the utility, accuracy, and sufficiency of data collected by or for the Agency for the purpose described in section 901(b), the Director shall establish standard methods for developing and collecting such data, taking into consideration—

“(A) other Federal health data collection standards; and

“(B) the differences between types of healthcare plans, delivery systems, healthcare providers, and provider arrangements.

“(2) RELATIONSHIP WITH OTHER DEPARTMENT PROGRAMS.—In any case where standards under paragraph (1) may affect the administration of other programs carried out by the Department of Health and Human Services, including the programs under title XVIII, XIX or XXI of the Social Security Act, or may affect health information that is subject to a standard developed under part C of title XI of the Social Security Act, they shall be in the form of recommendations to the Secretary for such program.

“(b) STATISTICS AND ANALYSES.—The Director shall—

“(1) take appropriate action to ensure that statistics and analyses developed under this title are of high quality, timely, and duly comprehensive, and that the statistics are specific, standardized, and adequately analyzed and indexed; and

“(2) publish, make available, and disseminate such statistics and analyses on as wide a basis as is practicable.

“(c) AUTHORITY REGARDING CERTAIN REQUESTS.—Upon request of a public or private entity, the Director may conduct or support research or analyses otherwise authorized by this title pursuant to arrangements under which such entity will pay the cost of the services provided. Amounts received by the Director under such arrangements shall be available to the Director for obligation until expended.

“SEC. 924. DISSEMINATION OF INFORMATION.

“(a) IN GENERAL.—The Director shall—

“(1) without regard to section 501 of title 44, United States Code, promptly publish, make available, and otherwise disseminate, in a form understandable and on as broad a basis as practicable so as to maximize its use, the results of research, demonstration projects, and evaluations conducted or supported under this title;

“(2) ensure that information disseminated by the Agency is science-based and objective and undertakes consultation as necessary to assess the appropriateness and usefulness of the presentation of information that is targeted to specific audiences;

“(3) promptly make available to the public data developed in such research, demonstration projects, and evaluations;

“(4) provide, in collaboration with the National Library of Medicine where appropriate, indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on research, demonstration projects, and evaluations with respect to healthcare to public and private entities and individuals engaged in the improvement of healthcare delivery and the general public, and undertake programs to develop new or improved methods for making such information available; and

“(5) as appropriate, provide technical assistance to State and local government and health agencies and conduct liaison activities to such agencies to foster dissemination.

“(b) PROHIBITION AGAINST RESTRICTIONS.—Except as provided in subsection (c), the Director may not restrict the publication or dissemination of data from, or the results of, projects conducted or supported under this title.

“(c) LIMITATION ON USE OF CERTAIN INFORMATION.—No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Director) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined under regulations of the Director) to its publication or release in other form.

“(d) PENALTY.—Any person who violates subsection (c) shall be subject to a civil monetary penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1128A of the Social Security Act are imposed and collected.

“SEC. 925. ADDITIONAL PROVISIONS WITH RESPECT TO GRANTS AND CONTRACTS.

“(a) FINANCIAL CONFLICTS OF INTEREST.—With respect to projects for which awards of grants, cooperative agreements, or contracts are authorized to be made under this title, the Director shall by regulation define—

“(1) the specific circumstances that constitute financial interests in such projects that will, or may be reasonably expected to, create a bias in favor of obtaining results in the projects that are consistent with such interests; and

“(2) the actions that will be taken by the Director in response to any such interests identified by the Director.

“(b) REQUIREMENT OF APPLICATION.—The Director may not, with respect to any program under this title authorizing the provision of grants, cooperative agreements, or contracts, provide any such financial assistance unless an application for the assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out the program in involved.

"(c) Provision of Supplies and Services in Lieu of Funds.—

"(1) In general.—Upon the request of an entity receiving a grant, cooperative agreement, or contract under this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the entity in carrying out the project involved and, for such purpose, may detail to the entity any officer or employee of the Department of Health and Human Services.

"(2) Corresponding reduction in funds.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of the financial assistance involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Director. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(d) Applicability of Certain Provisions With Respect to Contracts.—Contracts may be entered into under this part without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"SEC. 926. CERTAIN ADMINISTRATIVE AUTHORITIES.

"(a) Deputy Director and Other Officers and Employees.—

"(1) Deputy director.—The Director may appoint a deputy director for the Agency.

"(2) Other officers and employees.—The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

"(b) Facilities.—The Secretary, in carrying out this title—

"(1) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Director of General Services, buildings or portions of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed 10 years; and

"(2) may acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary.

"(c) Provision of Financial Assistance.—The Director, in carrying out this title, may make grants to public and nonprofit entities and individuals, and may enter into cooperative agreements or contracts with public and private entities and individuals.

"(d) Utilization of Certain Personnel and Resources.—

"(1) Department of health and human services.—The Director, in carrying out this title, may utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, and provide technical assistance and advice.

"(2) Other agencies.—The Director, in carrying out this title, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

"(e) Consultants.—The Secretary, in carrying out this title, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, United States Code, the assistance and advice of consultants from the United States or abroad.

"(f) Experts.—

"(1) In general.—The Secretary may, in carrying out this title, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, United States Code, except that the limitation in such section on the duration of service shall not apply.

"(2) Travel expenses.—

"(A) In general.—Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(C) of title 5, United States Code.

"(B) Limitation.—Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(g) Voluntary and Uncompensated Services.—The Director, in carrying out this title, may accept voluntary and uncompensated services.

"SEC. 927. FUNDING.

"(a) Intent.—To ensure that the United States's investment in biomedical research is rapidly translated into improvements in the quality of patient care, there must be a corresponding investment in research on the most effective clinical and organizational strategies for use of these findings in daily practice. The authorization levels in subsection (b) provide for a proportionate increase in healthcare research as the United States investment in biomedical research increases.

"(b) Authorization of Appropriations.—For the purpose of carrying out this title, there are authorized to be appropriated $250,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 through 2006.

"(c) Evaluations.—In addition to amounts available pursuant to subsection (b) for carrying out this title, there shall be made available for such purpose, from the amounts made available pursuant to section 241 (relating to evaluations), an amount equal to 40 percent of the maximum amount authorized in such section 241 to be made available for a fiscal year.

"SEC. 928. DEFINITIONS.

"In this title:

"(1) Advisory council.—The term 'Advisory Council' means the Advisory Council on Healthcare Research and Quality established under section 921.

"(2) Agency.—The term 'Agency' means the Agency for Healthcare Research and Quality.

"(3) Director.—The term 'Director' means the Director for the Agency for Healthcare Research and Quality.".

SEC. 303. REFERENCES.

Effective upon the date of enactment of this Act, any reference in law to the "Agency for Health Care Policy and Research" shall be deemed to be a reference to the "Agency for Healthcare Research and Quality".

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. SENSE OF THE COMMITTEE.

It is the sense of the Committee on Health, Education, Labor, and Pensions of the Senate that the Congress should take measures to further the purposes of this Act, including any necessary changes to the Internal Revenue Code of 1986 or to other Acts to—

(1) promote equity and prohibit discrimination based on genetic information with respect to the availability of health benefits;

(2) provide for the full deduction of health insurance costs for self-employed individuals;

(3) provide for the full availability of medical savings accounts;

(4) provide for the carryover of unused benefits from cafeteria plans, flexible spending arrangements, and health flexible spending accounts; and

(5) permit contributions towards medical savings account through the Federal employees health benefits program.

KENNEDY (AND OTHERS) AMENDMENT NO. 1233

Mr. DASCHLE (for Mr. Kennedy) (for himself, Mr. Reid, Mr. Durbin, Mr. Wellstone, Mr. Wyden, Mr. Reed, Mrs. Murray, Mr. Daschle, and Mr. Chafee) proposed an amendment to amendment No. 1232 proposed by Mr. Daschle to the bill, S. 1344, supra; as follows:

At the appropriate place insert the following:

SEC. ___. APPLICATION TO ALL HEALTH PLANS.

(a) ERISA.—Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 101(a)(2) of this Act, is amended by adding at the end the following:

"SEC. 730A. APPLICATION OF PROVISIONS.

"(a) Application to Group Health Plans.—The provisions of this subpart, and sections 714 and 503, shall apply to group health plans and health insurance issuers offering health insurance coverage in connection with a group health plan.

"(b) Treatment of Multiple Coverage Options.—In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of this subpart, other than section 722, shall apply separately with respect to each coverage option.

"(c) Plan Satisfaction of Certain Requirements.—

"(1) Satisfaction of certain requirements through insurance.—For purposes of subsection (a), insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the following requirements of this Act with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer:

"(A) section 721 (relating to access to emergency care).

"(B) Section 722 (relating to choice of coverage options), but only insofar as the plan is meeting such requirement through an agreement with the issuer to offer the option to purchase point-of-service coverage under such section.

"(C) Section 723, 724 and 725 (relating to access to specialty care).

"(D) Section 726) (relating to continuity in case of termination of provider (or, issuer in connection with health insurance coverage) contract) but only insofar as a replacement issuer assumes the obligation for continuity of care.

"(E) Section 727 (relating to patient-provider communications).

"(F) Section 728 (relating to prescription drugs).

"(G) Section 729 (relating to self-payment for certain services).

"(2) INFORMATION.—With respect to information required to be provided or made available under section 714, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide or make available the information (and is not liable for the issuer's failure to provide or make available the information), if the issuer is obligated to provide and make available (or provides and makes available) such information.

"(3) GRIEVANCE AND INTERNAL APPEALS.—With respect to the grievance system and internal appeals process required to be established under section 503, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide for such system and process (and is not liable for the issuer's failure to provide for such system and process), if the issuer is obligated to provide for (and provides for) such system and process.

"(4) EXTERNAL APPEALS.—Pursuant to rules of the Secretary, insofar as a group health plan enters into a contract with a qualified external appeal entity for the conduct of external appeal activities in accordance with section 503, the plan shall be treated as meeting the requirement of such section and is not liable for the entity's failure to meet any requirements under such section.

"(5) APPLICATION TO PROHIBITIONS.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of section 727, the group health plan shall not be liable for such violation unless the plan caused such violation.

"(6) CONSTRUCTION.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

"(d) CONFORMING REGULATIONS.—The Secretary may issue regulations to coordinate the requirements on group health plans under this section with the requirements imposed under the other provisions of this title.".

(b) APPLICATION TO GROUP MARKET UNDER PUBLIC HEALTH SERVICE ACT.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 203(a)(1)(B), is further amended by adding at the end the following new section:

"SEC. 2708. PATIENT PROTECTION STANDARDS.

"(a) IN GENERAL.—Each group health plan shall comply with the following patient protection requirements, and each health insurance issuer shall comply with such patient protection requirements with respect to group health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection:

"(1) The requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

"(2) The requirements of section 714 of the Employee Retirement Income Security Act of 1974.

"(3) The requirements of subsections (b) through (g) of section 503 of the Employee Retirement Income Security Act of 1974.

"(b) NOTICE.—A group health plan shall comply with the notice requirement under section 104(b)(1) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) and a health insurance issuer shall comply with such notice requirement as if such section applied to such issuer and such issuer were a group health plan.".

(c) APPLICATION TO INDIVIDUAL MARKET UNDER PUBLIC HEALTH SERVICE ACT.—Subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-51 et seq.), as amended by section 203(b)(2), is further amended by adding at the end the following new section:

"SEC. 2754. PATIENT PROTECTION STANDARDS.

"(a) IN GENERAL.—Each health insurance issuer shall comply with the following patient protection requirements with respect to individual health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection:

"(1) The requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

"(2) The requirements of section 714 of the Employee Retirement Income Security Act of 1974.

"(3) The requirements of section 503 of the Employee Retirement Income Security Act of 1974.

"(b) NOTICE.—A health insurance issuer under this part shall comply with the notice requirement under section 104(b)(1) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of such subtitle as if such section applied to such issuer and such issuer were a group health plan.

"(c) NONAPPLICATION OF CERTAIN PROVISION.—Section 2763(a) shall not apply to the provisions of this section.".

(d) APPLICATION TO GROUP HEALTH PLANS UNDER THE INTERNAL REVENUE CODE OF 1986.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Standard relating to patients' bill of rights."; and

(2) by inserting after section 9812 the following:

"SEC. 9813. STANDARD RELATING TO PATIENTS' BILL OF RIGHTS.

"A group health plan shall comply with the following requirements (as in effect as of the date of the enactment of such Act), and such requirements shall be deemed to be incorporated into this section:

"(1) The requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

"(2) The requirements of section 714 of the Employee Retirement Income Security Act of 1974.

"(3) The requirements of section 503 of the Employee Retirement Income Security Act of 1974.".

(e) CONFORMING AMENDMENT.—Section 2721(b)(2)(A) of the Public Health Service Act (42 U.S.C. 300gg-21(b)(2)(A)) is amended by inserting "(other than section 2708)" after "requirements of such subparts".

(f) NO IMPACT ON SOCIAL SECURITY TRUST FUND.—

(1) IN GENERAL.—Nothing in the amendments made by this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) TRANSFERS.—

(A) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(B) TRANSFER OF FUNDS.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

(g) INFORMATION REQUIREMENTS.—

(1) INFORMATION FROM GROUP HEALTH PLANS.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) INFORMATION FROM GROUP HEALTH PLANS.—

"(A) PROVISION OF INFORMATION BY GROUP HEALTH PLANS.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) PROVISION OF INFORMATION BY EMPLOYERS AND EMPLOYEE ORGANIZATIONS.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) INFORMATION ELEMENTS.—The information elements described in this subparagraph are the following:

"(i) ELEMENTS CONCERNING THE INDIVIDUAL.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) ELEMENTS CONCERNING THE FAMILY MEMBER WITH CURRENT OR FORMER EMPLOYMENT STATUS.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) PLAN ELEMENTS.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) ELEMENTS CONCERNING THE EMPLOYER.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) USE OF IDENTIFIERS.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) PENALTY FOR NONCOMPLIANCE.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a)."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(h) MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.—

(1) IN GENERAL.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(A) by striking "in the second preceding taxable year,", and

(B) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to credits arising in taxable years beginning after December 31, 2001.

(i) LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.—

(1) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(2) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of such Act (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

(j) MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.—

(1) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(A) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2)."

(B) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) of such Act are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(2) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of such Act (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SANTORUM (AND OTHERS) AMENDMENT NO. 1234

Mr. NICKLES (for Mr. SANTORUM) (for himself, Mr. BOND, Mr. NICKLES, Mr. HUTCHINSON, Mr. CRAIG, and Ms. COLLINS) proposed an amendment to amendment No. 1233 proposed by Mr. KENNEDY to the bill, S. 1344, supra; as folows:

Strike all after the first word in line three and insert the following:

SENSE OF THE SENATE CONCERNING THE SCOPE OF A PATIENTS' BILL OF RIGHTS.

(a) FINDINGS.—The Senate makes the following findings:

(1) Congress agreed that States should have primary responsibility for the regulation of health insurance when it passed the McCarran-Ferguson Act in 1945.

(2) The States have done a good job in responding to the consumer concerns associated with a rapidly evolving health care delivery system and have already adopted statutory and regulatory protections for consumers in fully-insured health plans and have tailored these protections to fit the needs of their States' consumers and health care marketplaces.

(3) 117,000,000 Americans who are enrolled in fully insured plans, governmental plans and individual policies are protected by State patient protections.

(4) Forty-two States have already enacted a Patient's Bill of Rights.

(5) Forty-seven States already enforce consumer protections regarding gag clauses on doctor-patient communications.

(6) Forty States already enforce consumer protections for access to emergency care services.

(7) Thirty-one States already enforce consumer protections requiring a prudent layperson standard for emergency care.

(8) The Employee Retirement Income Security Act of 1974 (referred to in this section as "ERISA") expressly prohibits States from regulating the self-funded employer sponsored plans that currently cover 48,000,000 Americans.

(9) The National Association of Insurance Commissioners has recommended that Congress should focus its legislative activities on consumers in self-funded ERISA plans, which are under the Federal Government's exclusive jurisdiction, and preserve the State protections that already exist for consumers in fully insured ERISA plans.

(10) The National Association of Insurance Commissioners has expressly stated that they do not endorse the concept of a Federal floor with regard to patient protections.

(11) Senate bill 6 (106th Congress) would greatly expand the Federal regulatory role over private health insurance.

(12) It would be inappropriate to set Federal health insurance standards that not only duplicate the responsibility of the 50 State insurance departments but that also would have to be enforced by the Health Care Financing Administration if a State fails to enact the standard.

(13) One size does not fit all, and what may be appropriate for one State may not be necessary in another.

(14) It is irresponsible to propose vastly expanding the Federal Government's role in regulating private health insurance at a time when the Health Care Financing Administration is having such a difficult time fulfilling its current and primary responsibilities for Medicare.

(15) In August, 1998, the United States Court of Appeals affirmed a district court ruling that the Health Care Financing Administration failed to enforce due process requirements and monitor health maintenance organization denials of medical service to medicare beneficiaries.

(16) On April 13, 1999, the General Accounting Office testified that the Health Care Financing Administration failed to use its authority to ensure that medicare beneficiaries were informed of their appeals rights under managed care plans.

(17) The General Accounting Office testified at a July, 1998 hearing in the Ways and

Means Committee of the House of Representatives that the Health Care Financing Administration missed 25 percent of the implementation deadlines for the consumer and quality improvements to the Medicare program under the Balanced Budget Act of 1997.

(18) The Health Care Financing Administration should not be given new, broad regulatory authority as they have not adequately met their current responsibilities.

(19) The Health Care Financing Administration took 10 years to implement a 1987 law establishing new nursing home standards.

(20) The Health Care Financing Administration has yet to update its 1985 fire safety standards for hospitals.

(21) The Health Care Financing Administration is utilizing 1976 health and safety standards for the treatment of end-stage kidney disease.

(22) ERISA preempts State requirements relating to coverage determinations, grievances and appeals, and requirements relating to independent external review.

(23) In a recent judicial decision in Texas (*Corporate Health Insurance, Inc. V. The Texas Department of Insurance*), the lower court held that ERISA does preempt the State's external review law as it relates to group health plans.

(b) DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.—IN GENERAL.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(c) CLARIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(l)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(c)(4)) of the taxpayer or the spouse of the taxpayer."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

GRAHAM (AND OTHERS) AMENDMENT NO. 1235

Mr. GRAHAM (for himself, Mr. REID, Mr. CHAFEE, Mrs. MURRAY, Mr. DURBIN, Ms. MIKULSKI, Mr. SCHUMER, Mr. KENNEDY, Mr. DASCHLE, Mr. BAUCUS, Mr. FEINGOLD, and Mr. DORGAN) proposed an amendment to amendment No. 1233 proposed by Mr. KENNEDY to the bill, S. 1344, supra; as follows:

At the appropriate place insert the following:

SEC. . ACCESS TO EMERGENCY CARE.

(a) ERISA.—Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 101(a)(2) of this Act, is amended by adding at the end the following:

"SEC. 730A. ACCESS TO EMERGENCY CARE.

"(a) COVERAGE OF EMERGENCY SERVICES.—

"(1) IN GENERAL.—If a group health plan, or a health insurance issuer in connection with group health insurance coverage, provides any benefits with respect to emergency services (as defined in paragraph (2)(B)), the plan or issuer shall cover emergency services furnished under the plan or coverage—

"(A) without the need for any prior authorization determination;

"(B) whether or not the health care provider furnishing such services is a participating provider with respect to such services;

"(C) in a manner so that, if such services are provided to a participant, beneficiary, or enrollee by a nonparticipating health care provider or without prior authorization by the plan or issuer, the participant, beneficiary or enrollee is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating health care provider with prior authorization by the plan or issuer; and

"(D) without regard to any other term or condition of such coverage (other than exclusion or coordination of benefits, or an affiliation or waiting period, permitted under section 701 (or section 2701 of the Public Health Service Act or section 9801 of the Internal Revenue Code of 1986 as applicable) and other than applicable cost-sharing).

"(2) DEFINITIONS.—In this section:

"(A) EMERGENCY MEDICAL CONDITION BASED ON PRUDENT LAYPERSON STANDARD.—The term 'emergency medical condition' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a condition described in clause (i), (ii), or (iii) of section 1867(e)(1)(A) of the Social Security Act.

"(B) EMERGENCY SERVICES.—The term 'emergency services' means—

"(i) a medical screening examination (as required under section 1867 of the Social Security Act) that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate an emergency medical condition (as defined in subparagraph (A)), and

"(ii) within the capabilities of the staff and facilities available at the hospital, such further medical examination and treatment as are required under section 1867 of such Act to stabilize the patient.

"(b) REIMBURSEMENT FOR MAINTENANCE CARE AND POST-STABILIZATION CARE.—In the case of services (other than emergency services) for which benefits are available under a group health plan, or a health insurance issuer in connection with group health insurance coverage, the plan or issuer shall provide for reimbursement with respect to such services provided to a participant, beneficiary or enrollee other than through a participating health care provider in a manner consistent with subsection (a)(1)(C) (and shall otherwise comply with the guidelines established under section 1852(d)(2) of the Social Security Act (relating to promoting efficient and timely coordination of appropriate maintenance and post-stabilization care of a participant, beneficiary or enrollee after a participant, beneficiary or enrollee has been determined to be stable), or, in the absence of guidelines under such section, such guidelines as the Secretary shall establish to carry out this subsection), if the services are maintenance care or post-stabilization care covered under such guidelines.

"(c) COVERAGE OF EMERGENCY AMBULANCE SERVICES.—

"(1) IN GENERAL.—If a group health plan, or health insurance coverage offered by a health insurance issuer, provides any benefits with respect to ambulance services and emergency services, the plan or issuer shall cover emergency ambulance services (as defined in paragraph (2)) furnished under the plan or coverage under the same terms and conditions under subparagraphs (A) through (D) of subsection (a)(1) under which coverage is provided for emergency services.

"(2) EMERGENCY AMBULANCE SERVICES.—For purposes of this subsection, the term 'emergency ambulance services' means ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably expect that the absence of such transport would result in placing the health of the individual in serious jeopardy, serious impairment of bodily function, or serious dysfunction of any bodily organ or part.

"(d) APPLICATION OF SECTION.—This section shall supersede the provisions of section 721 and section 721 shall have no effect.

"(e) REVIEW.—Failure to meet the requirements of this section shall constitute an appealable decision under this Act.

"(f) PLAN SATISFACTION OF CERTAIN REQUIREMENTS.—Pursuant to rules of the Secretary, if a health insurance issuer offers group health insurance coverage in connection with a group health plan and takes an action in violation of any provision of this subchapter, the group health plan shall not be liable for such violation unless the plan caused such violation.

"(g) APPLICABILITY.—The provisions of this section shall apply to group health plans and health insurance issuers as if included in—

"(1) subpart 2 of part A of title XXVII of the Public Health Service Act;

"(2) the first subpart 3 of part B of title XXVII of the Public Health Service Act (relating to other requirements); and

"(3) subchapter B of chapter 100 of the Internal Revenue Code of 1986.

"(h) NONAPPLICATION OF CERTAIN PROVISION.—Only for purposes of applying the requirements of this section under section 714 of the Employee Retirement Income Security Act of 1974 (as added by section 301 of this Act), sections 2707 and 2753 of the Public Health Service Act (as added by sections 201 and 202 of this Act), and section 9813 of the Internal Revenue Code of 1986 (as added by section 401 of this Act)—

"(1) section 2721(b)(2) of the Public Health Service Act and section 9831(a)(1) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section; and

"(2) with respect to limited scope dental benefits, subparagraph (A) of section 733(c)(2) of the Employee Retirement Income Security Act of 1974, subparagraph (A) of section 2791(c)(2) of the Public Health Service Act, and subparagraph (A) of section 9832(c)(2) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section.

"(i) NO IMPACT ON SOCIAL SECURITY TRUST FUND.—

"(1) IN GENERAL.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

"(2) TRANSFERS.—

"(A) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

"(B) TRANSFER OF FUNDS.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

"(j) LIMITATION ON ACTIONS.—

"(1) IN GENERAL.—Except as provided for in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of any provision in this section.

"(2) PERMISSIBLE ACTIONS.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of this section to the individual circumstances of that participant or beneficiary; except that—

"(A) such an action may not be brought or maintained as a class action; and

"(B) in such an action relief may only provide for the provision of (or payment for) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.

"(k) EFFECTIVE DATE.—The provisions of this section shall apply to group health plans for plan years beginning after, and to health insurance issuers for coverage offered or sold after, October 1, 2000.".

(b) INFORMATION REQUIREMENTS.—

(1) INFORMATION FROM GROUP HEALTH PLANS.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) INFORMATION FROM GROUP HEALTH PLANS.—

"(A) PROVISION OF INFORMATION BY GROUP HEALTH PLANS.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) PROVISION OF INFORMATION BY EMPLOYERS AND EMPLOYEE ORGANIZATIONS.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) INFORMATION ELEMENTS.—The information elements described in this subparagraph are the following:

"(i) ELEMENTS CONCERNING THE INDIVIDUAL.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) ELEMENTS CONCERNING THE FAMILY MEMBER WITH CURRENT OR FORMER EMPLOYMENT STATUS.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) PLAN ELEMENTS.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) ELEMENTS CONCERNING THE EMPLOYER.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) USE OF IDENTIFIERS.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) PENALTY FOR NONCOMPLIANCE.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a).".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(c) MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.—

(1) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(A) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2)."

(B) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) of such Act are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(2) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of such Act (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Senate Committee on Energy and Natural Resources.

The hearing will take place Wednesday, July 21, 1999, at 2 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 1184, a bill to authorize the Secretary of Agriculture to dispose of land for recreation or other public purposes. S. 1129, a bill to facilitate the acquisition of inholdings in Federal land management units and the disposal of surplus public land, and for other purposes, and H.R. 150, a bill to amend the act popularly known as the Recreation and Public Purposes Act to authorize disposal of certain public lands or national forest lands to local education agencies for use for elementary or secondary schools, including public charter schools, and for other purposes.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224–6170.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Senate Committee on Energy and Natural Resources.

The hearing will take place Wednesday, July 22, 1999, at 2 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony from the U.S. General Accounting Office on a recent GAO report, 99-166, regarding Forest Service land management priorities. Within this context, GAO will also provide an evaluation of title I and title II of S. 1320, a bill to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands, and for other purposes.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224-6170.

COMMITTEE ON INDIAN AFFAIRS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CAMPBELL. Mr. President, I announce that the Senate Committee on Indian Affairs and the Senate Committee on Energy and Natural Resources will meet during the session of the Senate on Wednesday, July 14, 1999, at 9:30 a.m., to conduct a joint oversight hearing on the Report of the General Accounting Office (GAO) on the Interior Department's Planned Trust Fund Reform. The hearing will be held in room 216 of the Hart Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs at (202) 224-2251.

ADDITIONAL STATEMENTS

OLIVER NORTH ARTICLE ON GENERAL CHUCK KRULAK, USMC

• Mr. BURNS. Mr. President, a couple of weeks ago, I stood on the floor in recognition of General Chuck Krulak's retirement as Commandant of the United States Marine Corps. Since then, I've attended the change of command ceremony at the Marine Barracks, and I must say, I was impressed with how General Krulak reminded us once again what makes Marines and the U.S. Marine Corps important.

I am equally impressed with the conduct of General James Jones, the new Commandant, and his recognition of the challenge he faces in following General Krulak's command. I wish him well and encourage him to continue the traditions maintained by his predecessor in dealing with Congress.

I come to the floor again today for one final addition to General Krulak's record before Congress. Oliver North wrote an excellent editorial recently in the Washington Times that captures the exceptional performance of the Commandant. I ask consent to have it printed in the RECORD.

The material follows:

SEMPER FIDELIS

(By Lt. Col. Oliver L. North (Ret.))

WASHINGTON, DC.—One recent morning, an invitation arrived in the mail. It was to a retirement ceremony at the Marine Barracks here in our nation's capital. I've probably been to more than a hundred of these rites of passage since I joined the Corps more than three decades ago. I won't be able to attend and had to send my sincere regrets for the invitation was to the retirement ceremony for a friend—General Charles C. Krulak, the 31st Commandant of the Marine Corps.

Now, Marine Lieutenant Colonels, even those of us no longer on active service, aren't in the habit of referring to Generals as friends—particularly when the General in question is the top Marine. And we sure don't offer a public critique of his performance as Commandant of all Marines. It just isn't done.

But in this case, somebody needs to do it. Because when Chuck Krulak takes off his Dress Blues with those four stars on the shoulders for the last time as he will at the end of this month, the conscience of the Joint Chiefs of Staff will have retired. And in this town, that kind of moral authority is going to be missed more than most people realize.

For four years, Chuck Krulak has been "the General who tells it like it is"—in public and in private. Whether in testimony on Capitol Hill, in the Pentagon's "tank" where the Joint Chiefs of Staff meet, or at the White House, Chuck Krulak could be counted upon to tell the truth—whether they wanted to hear it or not. His reputation for integrity in a city that too little values this virtue is unparalleled—and a credit to the Corps of Marines he has led through some of the most tumultuous events in our history. His steadfast devotion to his 174,000 Marines is evident in all that he has said and done as Commandant. And very little of it endeared him to an administration hell bent on downsizing, feminizing, and de-"moralizing" America's Armed Forces.

When General Krulak was appointed Commandant in 1995, the Clinton White House was busy taking an axe to America's defense establishment. By the time these draconian cuts were done, the Army would lose eight active combat divisions. The Air Force and Navy would lose 20 air wings—and 2,000 combat aircraft. Another 232 strategic bombers, 13 ballistic missile submarines, four aircraft carriers, all of our battleships, and more than 100 other combat vessels would be sent to the boneyard. Only the Marine Corps was able to withstand Commander-in-Chief Clinton's quest for a mothballed military.

And it didn't stop there. The Marines were badgered to make their boot camps co-ed. General Krulak said no. The Corps was told that it should put women in ground combat assignments in their expeditionary forces. Again, the top Marine said no. When the Pentagon started talking about relaxing the standard on sexual misconduct, Chuck Krulak just said, no. And when a Clinton political appointee responsible for "feminizing" the military decried the Marines as "extremists," the Commandant fired back a blistering response that yes, they were, "extremely fit, extremely faithful and extremely patriotic." In every case he was right.

And he didn't give an inch when the vaunted Clinton "National Security Team" acted as though the Marines had done so much for so long with so little that they could continue to do everything with nothing forever. Faced with unprecedented global commitments and the prospect of declining readiness, Krulak pulled no punches. He told the House and Senate Armed Services Committees that the Marines were ready to perform Mission Impossible—but that they needed to be better armed and equipped. He got what he wanted.

While the other branches of our Armed Forces struggle to meet recruiting and retention goals, lower their entrance standards, ease training requirements and try to make military service less "military"—the Corps has done exactly the opposite. Krulak extended boot camp—adding his "Crucible Training" to the already rigorous initiation into the Corps. His Marines loved him for it, and the Corps has thrived.

The power brokers in Washington, who favor "yes men" over honest men, probably won't miss Chuck Krulak very much. But his Marines will. And I will—mostly because I remember him as a young Captain of Infantry, thirty years ago, when we served together in a corner of hell called Vietnam. He was then, as he is today, a warrior and a man of principle, integrity and character. He embodied then, as he does today, the guiding ethos of the Marines—Semper Fidelis—Always Faithful.

Mr. BURNS. Mr. President, I believe you can see how fitting it is that this article be included in the RECORD.•

MEREDITH GARDNER

• Mr. MOYNIHAN. Mr. President, I rise today to pay tribute to Meredith Gardner, long unsung contributor to the identification of spies. Described by the FBI's Robert Joseph Lamphere as "the greatest counter-intelligence tool this country has ever known," Gardner was the National Security Agency's leading enabler of the reading of thousands of enciphered cables intercepted from Soviet foreign intelligence in the 1940's. The NSA, under its various names, spent four decades deciphering what Moscow intended to be an unbreakable Soviet cipher. Gardner and his team painstakingly worked on these messages in a project which came to be known eventually as "VENONA." The resulting VENONA decrypts, which were finally revealed publicly in 1995, detail the Soviet's espionage efforts in the United States during and after World War II.

Gardner has a genius for learning languages, and is fluent in German, Spanish, French and Russian and has had courses in Old High and Middle High German, Old Norse, Gothic, Lithuanian, and Sanskrit. He taught languages at the Universities of Texas and Wisconsin before being recruited by the U.S. Army's Signals Intelligence Service (the precursor to the National Security Agency) shortly after the Japanese bombed Pearl Harbor. The Army wanted people fluent in many languages to work on breaking German and Japanese codes. Until 1955 Gardner worked at Arlington Hall, a former girl's school located 10 miles outside Washington, which served as the Army's headquarters for code-breaking operations. Gardner soon added Japanese to his repertoire of languages. By chance, he became the first American to read in an intercepted message the Japanese word for atom bomb, "genshibakudan."

When the war with Japan ended, the NSA phased out its Japanese section. Gardner learned that there was a section working on Soviet Union messages (its existence was kept secret) and he transferred into it. Gardner insists that the most arduous efforts to make the messages readable had already been done before he came along. First, the messages had to be sorted into at least four varieties, each used by representatives of separate Soviet government departments. It had also been discovered that some messages could be paired as having been "randomized" by the same pad and page carrying random additive digits (and hence were solvable).

Such mixed pairs were worked on by a small group of women led by Katurah "Katie" McDonald. This group had already produced a remarkable amount of code text, and the code-groups that had appeared so far had even been indexed in context by a card machine. The material was just awaiting the appointment of a linguist, and Gardner "appointed himself" to be it. It was the easy stage, but without it all the preparatory work would have been for nothing.

Gardner's reconstruction of the foreign intelligence (VENONA) code book was slow at first, but gained momentum. Because some recruits were named in the messages and given cover names, it became obvious that the FBI ought to receive translations of the cables. Special agent Robert Joseph Lamphere was assigned to be the (very efficient) link between the NSA and FBI. The next is history.

Gardner spent 27 years working on the "Russian problem" before retiring in 1972. He and his wife of 56 years, Blanche, who also worked for the Army Security Agency, now spend part of their time teaching Latin to a small group of students. I commend Mr. Gardner for the invaluable assistance he has given to our country, which we are only now beginning to realize and understand. I salute Mr. Gardner for his dedicated and important service.●

TRIBUTE TO MR. LARRY STOLTE, ON HIS RETIREMENT

● Mr. SMITH of New Hampshire. Mr. President, I rise today to acknowledge and commend Mr. Larry Stolte as he retires from the United States Fish and Wildlife Service.

Larry's career in New England began as a fisheries biologist in 1969 with the New Hampshire Fish and Game Department, working on the introduction of Coho salmon in the Great Bay area. In 1975, he joined the United States Fish and Wildlife Service and became the Atlantic Salmon Planner for New England. Larry took the lead in developing an Atlantic salmon strategic plan for southern New England, and chaired the state committee that developed the Atlantic salmon plan for Maine's rivers.

While working to restore Atlantic salmon to New England's waterways, Larry began researching the "king of gamefish" in the Merrimack River. He documented his research in a book titled "The Forgotten Salmon of the Merrimack," which was published in 1981 and is recognized by many as the most accurate record of the history of the Atlantic salmon in the Merrimack River.

For the past 15 years, Larry has been the Fish and Wildlife Service's coordinator for anadromous fish restoration in the Merrimack River. He has also chaired the U.S. Atlantic Salmon Assessment Committee and has been a working member of the International Commission on the Exploration of the Seas' North Atlantic Salmon Working Group.

Larry has devoted his entire career to restoring anadromous fish to New England rivers. His dedication and perseverance has been an inspiration to those who have worked toward this effort. Upon his retirement from the United States Fish and Wildlife Service, Larry and his wife Tracy will reside in Montana. I would like to thank Larry for his hard work and dedication to the restoration efforts of New England Rivers. It is an honor to represent Larry in the United States Senate.●

OUR OUTSTANDING AMBASSADOR IN BEIJING—JIM SASSER

● Mr. KENNEDY. Mr. President. I join many other Senators in welcoming our former colleague, Ambassador James Sasser, back to the United States after his outstanding service as our Ambassador to the People's Republic of China.

America has vital foreign policy interests in China, and Ambassador Sasser has represented those interests skillfully and effectively for more than three years.

During his service as Ambassador, he has worked diligently to restore high level summitry between China and the United States. His able leadership has made the American Embassy in Beijing more responsive to the concerns and interests of American business. He has also worked tirelessly to promote dialogue with the Dalai Lama.

In the aftermath of the tragic, mistaken bombing of China's embassy in Belgrade in May, America's embassy in Beijing was under siege, and Ambassador Sasser was virtually held hostage in the embassy. During this extraordinarily difficult time, he ensured that American personnel were safe and accounted for. He displayed remarkable courage during this ordeal, and made America proud of him.

All of us who worked with Ambassador Sasser in the Senate knew he would excel when President Clinton nominated him for this position. I congratulate him on a job well done. We are proud of his remarkable accomplishments and the efforts he has made to strengthen the U.S.-China relationship.●

HONORING KBHP RADIO FOR THE CRYSTAL RADIO AWARD

● Mr. GRAMS. Mr. President, I rise today to pay tribute to a Minnesota radio station from Bemidji, KBHP–FM, for geing honored with the 1999 Crystal Radio Award given by the National Association of Broadcasters. The Crystal Radio Award recognizes stations for their year-round commitment to community service. KBHP–FM was one of ten stations chosen to receive Crystals, making this their third award since 1987. Since the Award's inception in 1987, eight other stations in Minnesota have joined the ranks receiving the Crystal. These stations are WJON–AM in St Cloud, KSJN–FM in St. Paul, WWTC–AM, WCCO–AM, KQRS–FM/AM in Minneapolis (twice), KCUE–AM in Red Wing, KWOA–AM in Worthington, and WLTE–FM in Minneapolis.

I congratulate KBHP–FM for this great achievement and enter into the RECORD a brief description of the Station's work from the Cyrystal Radio Award program.●

ROBERT B. CONROY

● Mr. LIBERMAN. Mr. Presdient, I rise today to pay tribute to Robert B. Conroy of Westport Connecticut. Captain Conroy is a dedicated Veteran of World War II, a proud family man, and a fine example of the powerful American Spirit that weaves it way through the nation's history.

A member of the 359th Fighter Squardon and the 356th Fighter Group, Captain Conroy's plane was shot down by German forces over France in Janaury of 1944. Despite his injuries, Captain Conroy survived as a prisoner of war in Stalag Luft I for sixteen months until the camp was liberated by Russian troops.

Captain Conroy's list of medals, including the Purple Heart and the Distinguished Flying Cross, only begin to tell the story about what makes him a true American hero. After his military career, Captain Conroy raised and supported a family while building a successful career in advertising. The principles of honor, integrity, and devotion to duty that he displayed during World War II have remained a critical part of his life and are the same principles he has instilled in his children. I hope my colleagues will join me in thanking Captain Robert Conroy for his service, both military and civilian, to this great nation.●

TRIBUTE TO SY MAHFUZ

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Sy

Mahfuz, of Nashua, New Hampshire, for being selected a 1999 Business Leader of the Year by *Business NH Magazine*.

Sy, the owner of Persian Rug Galleries, has lived in Nashua for 46 years. His business is a fixture on Main Street and draws customers from all over the Northeast and New York. Persian Rug Galleries is known for both the quality of its products and the expertise of its employees.

Sy dedicates his time both to his business and to the community. In 1994, he fought to pass a bill which protests consumers from "going out of business" sales. He also is a major organizer of many downtown events. His leadership role in planning Twist the Night Away brought an estimated 100,000 people to Nashua's Main Street in 1998.

Sy's sense of responsibility for both his colleagues and neighbors has brought him success in the past. With his determination to succeed rooted in this responsibility he will surely continue to be a positive role model for his community.

Mr. President, I would like to wish Sy my sincere congratulations and best wishes. While running a successful family business, Sy had dedicated much of his time to having a positive impact on his community. His accomplishments are truly remarkable. It is an honor to represent him in the United States Senate.•

50TH ANNIVERSARY OF THE AIR FORCE MEDICAL SERVICE

• Mr. INOUYE. Mr. President, this month marks the 50th anniversary of the Air Force Medical Service. On July 1, 1949, the Air Force Medical Service was created, beginning a strong and rich tradition of providing health care to military personnel and their families.

Since the Korean War, the Air Force Medical Service has provided aerospace medicine support to our aviators. From ensuring pilots are physically fit to stand the rigors of flight to bringing physiological expertise to the design of fighter jet aircraft, aerospace medical personnel have maximized the performance and safety of our pilots.

Aeromedical evacuation of casualties proved valuable during World War II, and became the preferred mode of casualty evacuation during the Korean War. The Air Force Medical Service is responsible for fixed wing aircraft evacuation and manages a world-wide system for peacetime and wartime aeromedical evacuation.

Today, the Air Force Medical Service operates 37 medical center and hospitals and 41 clinics around the world, providing health care to a wide range of beneficiaries. When the Air Force Medical Services was created, only 4 percent of military troops had dependents. However, seventy percent of military personnel serving today have families. These dynamic changes have broadened the needs and expectations for medical services. In recent years, constrained resources and the initiation of TRICARE have added to the challenges. The Air Force Medical Service has always found innovative ways to ensure the mission was accomplished.

I congratulate the 52,000 men and women of the Air Force Medical Service on this milestone. I am confident that the proud traditions of the Air Force Medical Service will continue as its men and women provide the best combat medical support, aeromedical evaluation of the sick and injured, and health care to Air Force communities.•

RECOGNITION OF GENE CLAWSON, JR.

• Mr. BURNS. Mr. President, I rise today to recognize a great Montanan who is a man of extraordinary talents and accomplishments, one of the most notable being President of the Amateur Trapshooting Association. This Association is the largest clay target shooting organization in the world with more than 100,000 members. This year as President, he will preside over the Grand American 100th Anniversary trapshoot in Vandalia, Ohio from August 12–21, 1999.

This past week in Missoula, Montana, July 8 was designated Gene Clawson, Jr. Day by the Montana State Trapshooting Association to recognize his dedication and service to this sport. Gene's dedication started over 40 years ago when he began shooting with his father and brother. When Gene started, he dominated state junior competitions and earned All-American status. His dedication and love for the sport propelled him to win 10 state championships, a national doubles Class AA championship. He was selected to the Montana All-State Team thirty-one times and in 1995 he was inducted into the Montana State Trapshooting Association Hall of Fame. One of his more phenomenal accomplishments was shooting the amazing "perfect" doubles score of 100 for a total of sixteen times.

Gene's service to trapshooting also has been an unusual example of unfaltering support and leadership. Gene started out helping his father with the duties of secretary-treasurer of the Missoula Trap and Skeet Club. From there his involvement grew to include being on the club's board of directors, Montana's delegate to the Amateur Trapshooting Association, and the Western Zone Vice-President for the Association in which he presided over 13 western States and Canadian provinces. Now as the President of the Amateur Trapshooting Association, he deals with virtually all of the Association's business. In all his endeavors, he has gained the respect and admiration of many people as well as to inspiring others to participate in the this exciting sport.

In addition to being a master of his sport, he is also a successful businessman. He has been President of the family-owned business, Clawson Manufacturing, for over 30 years. When his father started the business in 1948, they concentrated on unfinished furniture and cut stock. Since then, Gene has moved the company into designing, producing, and selling windows and roof trusses worldwide.

Gene is also a dedicated family man. Ranging in ages from 12 to 79, the Clawsons are an amazing example of family tradition, devotion, support, and success. For several years, three generations of Clawsons have hunted elk, waterfowl, and upland birds together. Three of Gene's sons (Nick, Bill, and Brad) have followed in their father's footsteps in excelling at trapshooting competitions. Now his grandson has joined the firing line. In these days when guns are associated with destroying families, it is refreshing to see an example of how the shooting sports can bring a family closer together.

Mr. President, I recognize Mr. Gene Clawson, Jr. and congratulate him for his accomplishments as an amateur trapshooter, father, and businessman. I was him and his family the best and much success in their future endeavors. Please join with me in recognizing this great Montanan and outstanding American.•

DEINSTITUTIONALIZATION OF THE MENTALLY ILL

Mr. MOYNIHAN. Mr. President, this past Friday (July 9, 1999), the Washington Post carried an excellent op-ed piece, "Deinstitutionalization Hasn't Worked," by E. Fuller Torrey and Mary T. Zdanowicz. The authors are the president and executive director, respectively, of the Treatment Advocacy Center. They write about the continued stigma attached to mental illness. They write about barriers to treatment. Most important, they write about the aftermaths of deinstitutionalization, and the seemingly horrific effects this policy has had.

In this morning's New York Times (July 12, 1999), Fox Butterfield writes about a Department of Justice report released yesterday which states that some 283,800 inmates in the nation's jails and prisons suffer from mental illness. (This is a conservative estimate.) As Butterfield puts it, ". . . jails and prisons have become the nation's new mental hospitals."

Over the past 45 years, we have emptied state mental hospitals, but we have not provided commensurate outpatient treatment. Increasingly, individuals with mental illnesses are left to fend for themselves on the streets.

where they victimize others or, more frequently, are victimized themselves. Eventually, many wind up in prison, where the likelihood of treatment is nearly as remote.

This is a cautionary tale, instructive of what is possible and also what we ought to be aware of. I was in the Harriman administration in New York in the 1950s. Early in 1955, Harriman met with his new Commissioner of Mental Hygiene, Paul Hoch, who described the development of a tranquilizer derived from rauwolfia by Dr. Nathan S. Kline at what was then known as Rockland State Hospital (it is now the Rockland Psychiatric Center) in Orangeburg. The medication had been clinically tested and appeared to be an effective treatment of many patients. Dr. Hoch recommended that it be used system wide; Harriman found the money.

That same year Congress created a Joint Commission on Mental Health and Illness with a view to formulating "comprehensive and realistic recommendations" in this area which was then a matter of considerable public concern. Year after year the population of mental institutions grew; year after year new facilities had to be built. Ballot measures to approve the issuance of general obligation bonds for building the facilities appeared just about every election. Or so it seemed.

The discovery of tranquilizers was adventitious. Physicians were seeking cures for disorders they were just beginning to understand. Even a limited success made it possible to believe that the incidence of this particular range of disorders, which had seemingly required persons to be confined against their will or even awareness, could be greatly reduced. The Congressional Commission submitted its report in 1961; it was seen to propose a nationwide program of deinstitutionalization.

Late in 1961 President Kennedy appointed an interagency committee to prepare legislative recommendations based on the report. I represented Secretary of Labor Arthur J. Goldberg on this committee and drafted its final submission. This included the recommendation of the National Institute of Mental Health that 2,000 "community mental health centers" (one for every 100,000 people) be built by 1980. A buoyant Presidential Message to Congress followed early in 1963. "If we apply our medical knowledge and social insights fully," President Kennedy stated, "all but a small portion of the mentally ill can eventually achieve a wholesome and a constructive social adjustment." A "concerted national attack on mental disorders [was] now possible and practical." The President signed the Community Mental Health Centers Construction Act on October 31, 1963—his last public bill signing ceremony. He gave me a pen.

The mental hospitals emptied out. The number of patients in state and county mental hospitals peaked in 1955 at 558,922 and has declined every year since then, to 61,722 in 1996. But we never came near to building the 2,000 community mental health centers. Only some 482 received Federal construction funds from 1963 to 1980. The next year, 1981, the program was folded into the Alcohol, Drug Abuse, and Mental Health block grant program, where it disappeared from view.

Even when centers were built, the results were hardly as hoped for. David Musto has noted that the planners had bet on improving national mental health "by improving the quality of general community life through expert knowledge [my emphasis], not merely by more effective treatment of the already ill." The problem was: there is no such knowledge. Nor is there. But the belief there was such knowledge took hold within sectors of the profession, which saw institutions as an unacceptable mode of social control. These activists subscribed to a redefining mode of their own, which they considered altruistic: mental patients were said to have been "labeled," and were not to be drugged. So as the Federal government turned to other matters, the mental institutions continued to release patients, essentially to fend for themselves. There was no connection made: we're quite capable of that in the public sphere. Professor Frederick F. Siegel of Cooper Union observed: "in the great wave of moral deregulation that began in the mid-1960s, the poor and the insane were freed from the fetters of middle-class mores." Soon, the homeless appeared. Only to be defined as victims of an insufficient supply of affordable housing. No argument, no amount of evidence has yet affected that fixed ideological view.

I commend these two articles to my colleagues and ask that they be printed in the RECORD.

The articles follow:

[From the Washington Post, July 9, 1999]

DEINSTITUTIONALIZATION HASN'T WORKED

"WE HAVE LOST EFFECTIVELY 93 PERCENT OF OUR STATE PSYCHIATRIC HOSPITAL BEDS SINCE 1955"

(By E. Fuller Torrey and Mary T. Zdanowicz)

The White House Conference on Mental Health identified stigma and discrimination as the most important barriers to treatment for the mentally ill. For the most severely ill, there are more significant barriers to treatment, such as laws that prevent treating individuals until they become dangerous. These laws and our failure to treat individuals with schizophrenia and manic-depressive illness are, ironically, the leading causes of stigma and discrimination against those with mental illnesses.

Stigma is created by the sort of headlines that result when a person is not being treated for mental illness and shoots two Capitol police officers to death, or pushes an innocent victim in front of a speeding subway train. Some 20 years of research has proven this point.

A 1996 study published in the Journal of Community Psychology demonstrated that negative attitudes toward people with mental illnesses increased greatly after people read newspaper articles reporting violent crimes by the mentally ill. Henry J. Steadman, an influential public opinion researcher, wrote as far back as 1981: "Recent research data on contemporary populations of ex-mental patients supports these public fears [of dangerousness] to an extent rarely acknowledged by mental health professionals. . . . It is [therefore] futile and inappropriate to badger the news and entertainment media with appeals to help destigmatize the mentally ill."

Tipper Gore and the White House must tackle 30 years of failed deinstitutionalization policy if they hope to win the battle of mental illness stigma and solve the nation's mental illness crisis. Hundreds of thousands of vulnerable Americans are eking out a pitiful existence on city streets, underground in subway tunnels or in jails and prisons because of the misguided efforts of civil rights advocates to keep the severely ill out of hospitals and out of treatment.

The images of these gravely ill citizens on our city landscapes are bleak reminders of the failure of deinstitutionalization. They are seen huddling over steam grates in the cold, animatedly carrying on conversations with invisible companions, wearing filthy, tattered clothing, urinating and defecating on sidewalks or threatening passersby. Worse still, they frequently are seen being carried away on stretchers as victims of suicide or violent crime, or in handcuffs as perpetrators of violence against others.

All of this occurs under the watchful eyes of fellow citizens and government officials who do nothing but shake their heads in blind tolerance. The consequences of failing to treat these illnesses are devastating. While Americans with untreated severe mental illnesses represent less than one percent of our population, they commit almost 1,000 homicides in the United States each year. At least one-third of the estimated 600,000 homeless suffer from schizophrenia or manic-depressive illness, and 28 percent of them forage for some of their food in garbage cans. About 170,000 individuals, or 10 percent, of our jail and prison populations suffer from these illnesses, costing American taxpayers a staggering $8.5 billion per year.

Moreover, studies suggest that delaying treatment results in permanent harm, including increased treatment resistance, worsening severity of symptoms, increased hospitalizations and delayed remission of symptoms. In addition, persons suffering from severe psychiatric illnesses are frequently victimized. Studies have shown that 22 percent of women with untreated schizophrenia have been raped. Suicide rates for these individuals are 10 to 15 times higher than the general population.

Weak state treatment laws coupled with inadequate psychiatric hospital beds have only served to compound the devastation for this population. Nearly half of those suffering from these insidious illnesses do not realize they are sick and in need of treatment, because their brain disease has affected their self-awareness. Because they do not believe they are sick, they refuse medication. Most state laws today prohibit treating individuals over their objection unless they pose an immediate danger to themselves. In other words, an individual must have a finger on the trigger of a gun before any medical care will be prescribed.

Studies have proved that outpatient commitment is effective in ensuring treatment compliance. While many states have some form of assisted treatment on the books, the challenge remains in getting them to utilize what is at their disposal rather than tolerating the revolving-door syndrome of hospital admissions, readmissions, abandonment to the streets and incarceration that engulfs those not receiving treatment.

Adequate care in psychiatric facilities also must be available. Between 5 and 10 percent of the 3.5 million people suffering from schizophrenia and manic-depressive illness require long-term hospitalization—which means hospitalization in state psychiatric hospitals. This critical need is not being met, since we have lost effectively 93 percent of our state psychiatric hospital beds since 1955.

It is time to recognize that feel-good mental health policies have caused grave suffering for those most ill and that real solutions must be developed. The lives of millions of Americans depend on it.

[From the New York Times July 12, 1999]

NATIONAL REPORT—PRISONS BRIM WITH MENTALLY ILL, STUDY FINDS

(By Fox Butterfield)

The first comprehensive study of the rapidly growing number of emotionally disturbed people in the nation's jails and prison has found that there are 283,800 inmates with mental illness, about 16 percent of the jail population. The report confirms the belief of many state, local and Federal experts that jails and prisons have become the nation's new mental hospitals.

The study, released by the Justice Department yesterday, paints a grim statistical portrait, detailing how mentally ill inmates tend to follow a revolving door from homelessness to incarceration and then back to the streets with little treatment, many of them arrested for crimes that grow out of their illnesses.

The report found that mentally ill inmates in state prisons were more than twice as likely to have been homeless before their arrests than other inmates, twice as likely to have been physically or sexually abused in childhood and far more likely to have been using drugs or alcohol.

In another reflection of their chaotic lives, the study found that emotionally disturbed inmates had many more incarcerations than other inmates. More than three-quarters of them had been sentenced to jail or prison before, and have had served three or more prior sentences.

One of the most striking findings in the study, and the one most likely to be disputed, is that mentally ill inmates in state prisons were more likely than other prisoners to have been convicted of a violent crime. Too, many emotionally disturbed inmates were arrested for little more than bizarre behavior or petty crimes, like loitering or public intoxication, but the report, by the Justice Department's Bureau of Justice Statistics, did not offer any breakdown on this category of convictions.

Moreover, once incarcerated, emotionally disturbed inmates in state prisons spend an average of 15 months longer behind bars than others, often because their delusions, hallucinations or paranoia make hem more likely to get into fights or receive disciplinary reports.

"This study provides data to show that the incarceration of the mentally ill is a disastrous, horrible social issue," said Kay Redfield Jamison, a professor of psychiatry at the Johns Hopkins School of Medicine. "There is something fundamentally broken in the system that covers both hospitals and jails," said Professor Jamison, the author of "Night Falls Fast: Understanding Suicide," to be published later this year by Knopf.

With the wholesale closings of public mental hospitals in the 1960's, and the prison boom of the last two decades, jails are often the only institutions open 24 hours a day and required to take the emotionally disturbed.

The hospitals were closed at a time when new antipsychotic drugs made medicating patients in the community seem a humane alternative to long-term hospitalization. From a high of 559,000 in 1955, the number of patients in state hospitals dropped to 69,000 in 1995.

But drugs work only when taken and many states failed to build a promised network of clinics to monitor patients. To compound the problem, for-profit hospitals began turning away the psychotic, who tend to be more expensive and stay longer than other patients, and are often without health insurance.

At the same time, the number of jail and prison beds has quadrupled in the last 25 years, with 1.8 million Americans now behind bars.

"Jails have become the poor person's mental hospitals," said Linda A. Teplin, a professor of psychiatry and director of the psycho-legal studies program at Northwestern University.

After years of inattention by the Government, the problem has generated a flurry of interest in the Clinton Administration, led by Tipper Gore and Attorney General Janet Reno, whose department is sponsoring a major conference on it next week.

All previous estimates of the number of emotionally disturbed inmates have been based on research by Professor Teplin in the Cook County Jail in Chicago. She found that 9.5 percent of male inmates there had experienced a severe mental disorder like schizophrenia, manic depression or major depression, four times the rate in the general population.

Professor Teplin said that while she welcomed the Justice Department count, it was open to question because the study relied on reports by the inmates themselves, who were asked whether they had a mental condition or had ever received treatment for a mental problem. People with emotional disorders often are not aware of them or do not want to report them, she said, so the Justice Department estimate of more than a quarter-million inmates with mental illness may actually be too low, Professor Teplin said.

In addition, she said, the study was not conducted by mental health professionals using diagnostic tests, so it was impossible to tell what mental disorders the inmates suffered from, and whether they were severe illnesses, like schizophrenia, or generally less severe problems, like anxiety disorders.

The study found that 53 percent of emotionally disturbed inmates in state prisons were sentenced for a violent crime, compared with 46 percent of other prisoners. Specifically, 13.2 percent of mentally ill inmates in prisons had been convicted of murder, compared with 11.4 percent of other prisoners, and 12.4 percent of mentally ill inmates had been convicted of sexual assault, compared with 7.9 percent of other prisoners.

Advocates for the mentally ill have worked hard to show that emotionally disturbed people are no more violent than others, to try to lessen the stigma surrounding mental illness. But recent research, while confirming that mentally ill people may not be more violent than others, suggests that they can become violent in a number of conditions, including when they are off their medications or are taking drugs or alcohol.

In another important finding, also subject to differing interpretations, the study found that reported rates of mental illness varied by race and gender, with white and female inmates reporting higher rates than black and male inmates. The highest rates of mental illness were among white female state prisoners, with an estimated 29 percent of them reporting emotional disorders, compared with 20 percent of black female prisoners. Overall, 22.6 percent of white state prisoners were identified as mentally ill, compared with 13.5 percent of black prisoners.

Dr. Dorothy Otnow-Lewis, a psychiatrist, said the differences were a result of white psychiatrists "being very bad at recognizing mental illness in minority individuals." Psychiatrists are more likely to dismiss aggressive behavior in men, particularly black men, as a result of their being bad, rather than being mad, said Dr. Lewis, who is a senior criminal justice fellow at the Center on Crime, Communities and Culture of the Soros Foundation.

Michael Faenza, the president of the National Mental Health Association, said the study "shows that the criminal justice system is just a revolving door for a person with mental illness, from the street to jail and back without treatment."

Professor Jamison noted that jails and prisons are not conducive to treatment, even when it is available. "Inmates get deprived of sleep," she said, "and isolation can exacerbate their hallucinations or delusions."●

TRIBUTE TO CLD CONSULTING ENGINEERS

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to CLD Consulting Engineering, a recipient of the "Business of the Year Award" from Business NH Magazine. They have shown incredible success, ingenuity, and community service, virtues that are indeed worthy of recognition.

CLD, a civil engineering firm, has specialized in public projects which benefit many New Hampshire residents. These projects include the transformation of Manchester's Elm Street into a more pedestrian-friendly environment, improving the traffic pattern at the Mall of New Hampshire, and a new project to design Manchester's new two-mile long Riverwalk.

In addition to engineering designs, CLD has had an extremely positive impact in the community. The firm has sponsored a Boy Scout Explorer Post, engineering competitions, high school internships, and mentoring programs at local schools. I applaud not only their business success, but also their dedication to serving their community.

As a former small business owner myself, I understand the hard work and dedication required for success in business. Once again, I wish to congratulate CLD Consulting Engineers for being selected as a 1999 Business of the Year by the Business NH Magazine. It is an honor to represent them in the United States Senate.●

OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF INTERNATIONAL TELECOMMUNICATIONS ACT

The text of S. 376, passed by the Senate on July 1, 1999, follows:

S. 376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Open-market Reorganization for the Betterment of International Telecommunications Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to promote a fully competitive domestic and international market for satellite communications services for the benefit of consumers and providers of satellite services by fully encouraging the privatization of the intergovernmental satellite organizations, INTELSAT and Inmarsat, and reforming the regulatory framework of the COMSAT Corporation.

SEC. 3. FINDINGS.

The Congress finds that:

(1) International satellite communications services constitute a critical component of global voice, video and data services, play a vital role in the integration of all nations into the global economy and contribute toward the ability of developing countries to achieve sustainable development.

(2) The United States played a pivotal role in stimulating the development of international satellite communications services by enactment of the Communications Satellite Act of 1962 (47 U.S.C. 701–744), and by its critical contributions, through its signatory, the COMSAT Corporation, in the establishment of INTELSAT, which has successfully established global satellite networks to provide member countries with worldwide access to telecommunications services, including critical lifeline services to the developing world.

(3) The United States played a pivotal role in stimulating the development of international satellite communications services by enactment of the International Maritime Satellite Telecommunications Act (47 U.S.C. 751–757), and by its critical contributions, through its signatory, COMSAT, in the establishment of Inmarsat, which enabled member countries to provide mobile satellite services such as international maritime and global maritime distress and safety services to include other satellite services, such as land mobile and aeronautical communications services.

(4) By statute, COMSAT, a publicly traded corporation, is the sole United States signatory to INTELSAT and, as such, is responsible for carrying out United States commitments under the INTELSAT Agreement and the INTELSAT Operating Agreement. Pursuant to a binding Headquarters Agreement, the United States, as a party to INTELSAT, has satisfied many of its obligations under the INTELSAT Agreement.

(5) In the 37 years since enactment of the Communications Satellite Act of 1962, satellite technology has advanced dramatically, large-scale financing options have improved immensely and international telecommunications policies have shifted from those of natural monopolies to those based on market forces, resulting in multiple private commercial companies around the world providing, or preparing to provide, the domestic, regional, and global satellite telecommunications services that only INTELSAT and Inmarsat had previously had the capabilities to offer.

(6) Private commercial satellite communications systems now offer the latest telecommunications services to more and more countries of the world with declining costs, making satellite communications an attractive complement as well as an alternative to terrestrial communications systems, particularly in lesser developed countries.

(7) To enable consumers to realize optimum benefits from international satellite communications services, and to enable these systems to be competitive with other international telecommunication systems, such as fiber optic cable, the global trade and regulatory environment must support vigorous and robust competition.

(8) In particular, all satellite systems should have unimpeded access to the markets that they are capable of serving, and the ability to compete in a fair and meaningful way within those markets.

(9) Transforming INTELSAT and Inmarsat from intergovernmental organizations into conventional satellite services companies is a key element in bringing about the emergence of a fully competitive global environment for satellite services.

(10) The issue of privatization of any State-owned firm is extremely complex and multifaceted. For that reason, the sale of a firm at arm's length does not automatically, and in all cases, extinguish any prior subsidies or government conferred advantages.

(11) It is in the interest of the United States to negotiate the removal of its reservation in the Fourth Protocol to the General Agreement on Trade in Services regarding INTELSAT's and Inmarsat's access to the United States market through COMSAT as soon as possible, but such reservation cannot be removed without adequate assurance that the United States market for satellite services will not be disrupted by such INTELSAT or Inmarsat access.

(12) The Communications Satellite Act of 1962, and other applicable United States laws, need to be updated to encourage and complete the pro-competitive privatization of INTELSAT and Inmarsat, to update the domestic United States regulatory regime governing COMSAT, and to ensure a competitively neutral United States framework for the provision of domestic and international telecommunications services via satellite systems.

SEC. 4. ESTABLISHMENT OF SATELLITE SERVICES COMPETITION; PRIVATIZATION.

The Communications Satellite Act of 1962 (47 U.S.C. 701) is amended by adding at the end the following:

"TITLE VI—SATELLITE SERVICES COMPETITION AND PRIVATIZATION

"Subtitle A—Transition to a Privatized INTELSAT

"SEC. 601. POLICY OF THE UNITED STATES.

"It is the policy of the United States to—

"(1) encourage INTELSAT to privatize in a pro-competitive manner as soon as possible, but not later than January 1, 2002, recognizing the need for a reasonable transition and process to achieve a full, pro-competitive restructuring; and

"(2) work constructively with its international partners in INTELSAT, and with INTELSAT itself, to bring about a prompt restructuring that will ensure fair competition, both in the United States as well as in the global markets served by the INTELSAT system; and

"(3) encourage Inmarsat's full implementation of the terms and conditions of its privatization agreement.

"SEC. 602. ROLE OF COMSAT.

"(a) Advocacy.—As the United States signatory to INTELSAT, COMSAT shall act as an aggressive advocate of pro-competitive privatization of INTELSAT. With respect to the consideration within INTELSAT of any matter related to its privatization, COMSAT shall fully consult with the United States Government prior to exercising its voting rights and shall exercise its voting rights in a manner fully consistent with any instructions issued. In the event that the United States signatory to INTELSAT is acquired after enactment of this section, the President and the Commission shall assure that the instructional process safeguards against conflicts of interest.

"(b) Annual Reports.—The President and the Commission shall report annually to the Committee on Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, respectively, on the progress being made by INTELSAT and Inmarsat to privatize and complete privatization in a pro-competitive manner.

"SEC. 603. RESTRICTIONS PENDING PRIVATIZATION.

"(a) INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to carriers (other than the United States signatory) or end users in the United States until July 1, 2001 or until INTELSAT achieves a pro-competitive privatization pursuant to section 613 (a) if privatization occurs earlier.

"(b) Notwithstanding subsection (a), INTELSAT shall be prohibited from entering the United States market directly to provide any satellite communications services or space segment capacity to any foreign signatory, or affiliate thereof, and no carrier, other than the United States signatory, nor any end user, shall be permitted to invest directly in INTELSAT.

"(c) Pending INTELSAT's privatization, the Commission shall ensure that the United States signatory is compensated by direct access users for the costs it incurs in fulfilling its obligations under this Act.

"(d) The provisions of subsections (b) and (c) shall remain in effect only until INTELSAT achieves a pro-competitive privatization pursuant to section 613 (a).

"Subtitle B—Actions to Ensure Pro-Competitive Satellite Services

"SEC. 611. PRIVATIZATION.

"(a) In General.—The President shall seek a pro-competitive privatization of INTELSAT as soon as practicable, but no later than January 1, 2002. Such privatization shall be confirmed by a final decision of the INTELSAT Assembly of Parties and shall be followed by a timely initial public offering taking into account relative market conditions.

"(b) Ensure Continuation of Privatization.—The President and the Commission shall seek to ensure that the privatization of Inmarsat continues in a pro-competitive manner.

"SEC. 612. PROVISION OF SERVICES IN THE UNITED STATES BY PRIVATIZED AFFILIATES OF INTERGOVERNMENTAL SATELLITE ORGANIZATIONS.

"(a) In General.—With respect to any application for a satellite earth station or space station under title III of the Communications Act of 1934 (47 U.S.C 301 et seq.) or any application under section 214 of that Act (47 U.S.C. 214), or any letter of intent to provide service in the United States via non-United States licensed space segment, submitted by a privatized IGO affiliate or successor, the Commission—

"(1) shall apply a presumption in favor of entry to an IGO affiliate or successor licensed by a WTO Member for services covered by United States commitments under the WTO Basic Telecom Agreement;

"(2) may attach conditions to any grant of authority to an IGO affiliate or successor that raises the potential for competitive harm; or

"(3) shall in the exceptional case in which an application by an IGO affiliate or successor would pose a very high risk to competition in the United States satellite market, deny the application.

"(b) DETERMINATION FACTORS.—In determining whether an application to serve the United States market by an IGO affiliate raises the potential for competitive harm or risk under subsection (a)(2), the Commission shall determine whether any potential anticompetitive or market distorting consequences of continued relationships or connections exist between an IGO and its affiliates including—

"(1) whether the IGO affiliate is structured to prevent anti-competitive practices such as collusive behavior or cross-subsidization;

"(2) the degree of affiliation between the IGO and its affiliate;

"(3) whether the IGO affiliate can directly or indirectly benefit from IGO privileges and immunities;

"(4) the ownership structure of the affiliate and the effect of IGO and other Signatory ownership and whether the affiliate is independent of IGO signatories or former signatories who control telecommunications market access in their home territories;

"(5) the existence of clearly defined arm's-length conditions governing the affiliate-IGO relationship including separate officers, directors, employees, and accounting systems;

"(6) the existence of fair market valuing for permissible business transactions between an IGO and its affiliate that is verifiable by an independent audit and consistent with normal commercial practice and generally accepted accounting principles;

"(7) the existence of common marketing;

"(8) the availability of recourse to IGO assets for credit or capital;

"(9) whether an IGO registers or coordinates spectrum or orbital locations on behalf of its affiliate; and

"(10) whether the IGO affiliate has corporate charter provisions prohibiting re-affiliation with the IGO after privatization.

"(c) SUNSET.—The provisions of subsection (b) shall cease to have effect upon approval of the application pursuant to section 613.

"(d) PUBLIC INTEREST DETERMINATION.—Nothing in this Act affects the Commission's ability to make a public interest determination concerning any application pertaining to entry into the United States market.

"SEC. 613. PRESIDENTIAL NEGOTIATING OBJECTIVES AND FCC CRITERIA FOR PRIVATIZED IGOs.

"(a) IN GENERAL.—Upon a final decision of the INTELSAT Assembly of Parties creating the legal structure and characteristics of the privatized INTELSAT and recognizing that Inmarsat transitioned into a private company on April 15, 1999, the President shall within 30 days report to the Congress on the extent to which such privatization framework meets each of the criteria in subsection (c), and whether taking into consideration all other relevant competitive factors, entry of a privatized INTELSAT or Inmarsat into the United States market will not be likely to distort competition.

"(b) PURPOSE OF PRIVATIZATION CRITERIA.—The criteria provided in subsection (c) shall be used as—

"(1) the negotiation objectives for achieving the privatization of INTELSAT no later than January 1, 2002, and also for Inmarsat;

"(2) the standard for measuring, pursuant to subsection (a), whether negotiations have resulted in an acceptable framework for achieving the pro-competitive privatization of INTELSAT and Inmarsat; and

"(3) licensing criteria by the Commission in making its independent determination of whether the certified framework for achieving the pro-competitive privatization of INTELSAT and Inmarsat has been properly implemented by the privatized INTELSAT and Inmarsat.

"(c) PRIVATIZATION CRITERIA.—A pro-competitively privatized INTELSAT or Inmarsat—

"(1) has no privileges or immunities limiting legal accountability, commercial transparency, or taxation and does not unfairly benefit from ownership by former signatories who control telecommunications market access to their home territories;

"(2) has submitted to the jurisdiction of competition and independent regulatory authorities of a nation that is a signatory to the World Trade Organization Agreement on Basic Telecommunications and that has implemented or accepted the agreement's reference paper on regulatory principles;

"(3) can offer assurance of an arm's-length relationship in all respects between itself and any IGO affiliate;

"(4) has given due consideration to the international connectivity requirements of thin route countries;

"(5) can demonstrate that the valuation of assets to be transferred post-privatization is in accordance with generally accepted accounting principles;

"(6) has access to orbital locations and associated spectrum post-privatization in accordance with the same regulatory processes and fees applicable to other commercial satellite systems;

"(7) conducts technical coordinations post-privatization under normal, established ITU procedures;

"(8) has an ownership structure in the form of a stock corporation or other similar and accepted commercial mechanism, and a commitment to a timely initial public offering has been established for the sale or purchase of company shares;

"(9) shall not acquire, or enjoy any agreements or arrangements which secure, exclusive access to any national telecommunications market; and

"(10) will have accomplished a privatization consistent with the criteria listed in this subsection at the earliest possible date, but not later than January 1, 2002, for INTELSAT and Inmarsat.

"(d) FCC INDEPENDENT DETERMINATION ON IMPLEMENTATION.—After the President has made a report to Congress pursuant to subsection (a), with respect to any application for a satellite earth station or space station under title III of the Communications Act of 1934 (47 U.S.C. 301) or any application under section 214 of the Communications Act of 1934 (47 U.S.C. 214), or any letter of intent to provide service in the United States via a non-United States licensed space segment, submitted by a privatized affiliate prior to the privatized IGO, or by a privatized IGO, the Commission shall determine whether the enumerated objectives for a pro-competitive privatization of INTELSAT and Inmarsat under this section have been implemented with respect to the privatized IGO, but in making that consideration, may neither contract or expand the privatization criteria in subsection (c).

"(e) AUTHORITY TO DENY AN APPLICATION.—Nothing in this section affects the Commission's authority to condition or deny an application on the basis of the public interest.

"SEC. 614. FAILURE TO PRIVATIZE IN A TIMELY MANNER.

"(a) REPORT.—In the event that INTELSAT fails to fully privatize as provided in section 611 by January 1, 2002, the President shall—

"(1) instruct all instrumentalities of the United States Government to grant a preference for procurement of satellite services from commercial private sector providers of satellite space segment rather than IGO providers;

"(2) immediately commence deliberations to determine what additional measures should be implemented to ensure the rapid privatization of INTELSAT;

"(3) no later than March 31, 2002, issue a report delineating such other measures to the Committee on Commerce of the House of Representatives, and Committee on Commerce, Science, and Transportation of the Senate; and

"(4) withdraw as a party from INTELSAT.

"(b) RESERVATION CLAUSE.—The President may determine, after consulting with Congress, that in consideration of privatization being imminent, it is in the national interest of the United States to provide a reasonable extension of time for completion of privatization.

"SUBTITLE C—COMSAT GOVERNANCE AND OPERATION

"SEC. 621. ELIMINATION OF PRIVILEGES AND IMMUNITIES.

"(a) COMSAT.—COMSAT shall not have any privilege or immunity on the basis of its status as a signatory or a representative of the United States to INTELSAT and Inmarsat, except that COMSAT retains its privileges and immunities—

"(1) for those actions taken in its role as the United States signatory to INTELSAT or Inmarsat upon instruction of the United States Government; and

"(2) for actions taken when acting as the United States signatory in fulfilling signatory obligations under the INTELSAT Operating Agreement.

"(b) NO JOINT OR SEVERAL LIABILITY.—If COMSAT is found liable for any action taken in its status as a signatory or a representative of the party to INTELSAT, any such liability shall be limited to the portion of the judgment that corresponds to COMSAT's percentage of the responsibility, as determined by the trier of fact.

"(c) PROSPECTIVE EFFECT OF ELIMINATION.—The elimination of privileges and immunities contained in this section shall apply only to actions or decisions taken by COMSAT after the date of enactment of the Open-market Reorganization for the Betterment of International Telecommunications Act.

"SEC 622. ABROGATION OF CONTRACTS PROHIBITED.

"Nothing in this Act or the Communications Act of 1934 (47 U.S.C. 151 et seq.) shall be construed to modify or invalidate any contract or agreement involving COMSAT, INTELSAT, or any terms or conditions of such agreement in force on the date of enactment of the Open-market Reorganization for the Betterment of International Telecommunications Act, or to give the Commission authority, by rule-making or any other means, to invalidate any such contract or agreement, or any terms and conditions of such contract or agreement.

"SEC. 623. PERMITTED COMSAT INVESTMENT.

"Nothing in this Act shall be construed as precluding COMSAT from investing in or owning satellites or other facilities independent from INTELSAT, or from providing services through reselling capacity over the facilities of satellite systems independent from INTELSAT. This section shall not be construed as restricting the types of contracts which can be executed or services which may be provided by COMSAT over the independent satellites or facilities described in this subsection.

"SUBTITLE D—GENERAL PROVISIONS

"SEC. 631. PROMOTION OF EFFICIENT USE OF ORBITAL SLOTS AND SPECTRUM.

"All satellite system operators authorized to access the United States market should make efficient and timely use of orbital and spectrum resources in order to ensure that these resources are not warehoused to the detriment of other new or existing satellite system operators. Where these assurances cannot be provided, satellite system operators shall arbitrate their rights to these resources according to ITU procedures.

"SEC. 632. PROHIBITION ON PROCUREMENT PREFERENCES.

"Except pursuant to section 615 of this Act, nothing in this title or the Communications Act of 1934 (47 U.S.C. 151 et seq.) shall be construed to authorize or require any preference in Federal Government procurement of telecommunications services, for the satellite space segment provided by INTELSAT or Inmarsat, nor shall anything in this title or that Act be construed to result in a bias against the use of INTELSAT or Inmarsat through existing or future contract awards.

"SEC. 633. SATELLITE AUCTIONS.

"Notwithstanding any other provision of law, the Commission shall not assign by competitive bidding orbital locations or spectrum used for the provision of international or global satellite communications services. The President shall oppose in the International Telecommunications Union and in other bilateral and multilateral negotiations any assignment by competitive bidding of orbital locations, licenses, or spectrum used for the provision of such services.

"SEC. 634. RELATIONSHIP TO OTHER LAWS.

"Whenever the application of the provisions of this Act is inconsistent with the provisions of the Communications Act of 1934, the provisions of this Act shall govern.

"SEC. 635. EXCLUSIVITY ARRANGEMENTS.

"(a) IN GENERAL.—No satellite operator shall acquire or enjoy the exclusive right of handling traffic to or from the United States, its territories or possessions, and any other country or territory by reason of any concession, contract, understanding, or working arrangement to which the satellite operator or any persons or companies controlling or controlled by the operator are parties.

"(b) EXCEPTION.—In enforcing the provisions of this subsection, the Commission—

"(1) shall not require the termination of existing satellite telecommunications services under contract with, or tariff commitment to, such satellite operator; but

"(2) may require the termination of new services only to the country that has provided the exclusive right to handle traffic, if the Commission determines the public interest, convenience, and necessity so requires.

"SUBTITLE E—DEFINITIONS

"SEC. 641. DEFINITIONS.

"(a) IN GENERAL.—In this title:

"(1) INTELSAT.—The term 'INTELSAT' means the International Telecommunications Satellite Organization established pursuant to the Agreement Relating to the International Telecommunications Satellite Organization.

"(2) INMARSAT.—The term 'Inmarsat' means the International Mobile Satellite Organization established pursuant to the Convention on the International Maritime Satellite Organization and may also refer to INMARSAT Limited when appropriate.

"(3) COMSAT.—The term 'COMSAT' means the corporation established pursuant to title III of this Act and its successors and assigns.

"(4) SIGNATORY.—The term 'signatory' means the telecommunications entity designated by a party that has signed the Operating Agreement and for which such Agreement has entered into force.

"(5) PARTY.—The term 'party' means, in the case of INTELSAT, a nation for which the INTELSAT agreement has entered into force or been provisionally applied, and in the case of INMARSAT, a nation for which the Inmarsat convention entered into force.

"(6) COMMISSION.—The term 'Commission' means the Federal Communications Commission.

"(7) INTERNATIONAL TELECOMMUNICATION UNION; ITU.—The terms 'International Telecommunication Union' and 'ITU' mean the intergovernmental organization that is a specialized agency of the United Nations in which member countries cooperate for the development of telecommunications, including adoption of international regulations governing terrestrial and space uses of the frequency spectrum as well as use of the geostationary orbital arc.

"(8) PRIVATIZED INTELSAT.—The term 'privatized INTELSAT' means any entity created from the privatization of INTELSAT from the assets of INTELSAT.

"(9) PRIVATIZED INMARSAT.—The term 'privatized Inmarsat' means any entity created from the privatization of Inmarsat from the assets of Inmarsat, namely INMARSAT, Ltd.

"(10) ORBITAL LOCATION.—The term 'orbital location' means the location for placement of a satellite in geostationary orbits as defined in the International Telecommunication Union Radio Regulations.

"(11) SPECTRUM.—The term 'spectrum' means the range of frequencies used to provide radio communication services.

"(12) SPACE SEGMENT.—The term 'space segment' means the satellites, and the tracking, telemetry, command, control, monitoring and related facilities and equipment used to support the operation of satellites owned or leased by INTELSAT and Inmarsat or an IGO successor or affiliate.

"(13) INTELSAT AGREEMENT.—The term 'INTELSAT agreement' means the agreement relating to the International Telecommunications Satellite Organization, including all of its annexes (TIAS 7532, 23 UST 3813).

"(14) OPERATING AGREEMENT.—The term 'operating agreement' means—

"(A) in the case of INTELSAT, the agreement, including its annex but excluding all titles of articles, opened for signature at Washington on August 20, 1971, by governments or telecommunications entities designated by governments in accordance with the provisions of The Agreement; and

"(B) in the case of Inmarsat, the Operating Agreement on the International Maritime Satellite Organization, including its annexes.

"(15) HEADQUARTERS AGREEMENT.—The term 'headquarters agreement' means the binding international agreement, dated November 24, 1976, between the United States and INTELSAT covering privileges, exemptions, and immunities with respect to the location of INTELSAT's headquarters in Washington, D.C.

"(16) DIRECT-TO-HOME SATELLITE SERVICES.—The term 'direct-to-home satellite services' means the distribution or broadcasting of programming or services by satellite directly to the subscriber's premises without the use of ground receiving or distribution equipment, except at the subscriber's premises or in the uplink process to the satellite.

"(17) IGO.—The term 'IGO' means the Intergovernmental Satellite organizations, INTELSAT and Inmarsat.

"(18) IGO AFFILIATE.—The term 'IGO affiliate' means any entity in which an IGO owns or has owned an equity interest of 10 percent or more.

"(19) IGO SUCCESSOR.—The term 'IGO Successor' means an entity which holds substantially all the assets of a pre-existing IGO.

"(20) GLOBAL MARITIME DISTRESS AND SAFETY SERVICES.—The term 'global maritime distress and safety services' means the automated ship-to-shore distress alerting system which uses satellite and advanced terrestrial systems for international distress communications and promoting maritime safety in general, permitting the worldwide alerting of vessels, coordinated search and rescue operations, and dissemination of maritime safety information.

"(b) COMMON TERMS.—Except as otherwise provided in subsection (a), terms used in this title that are defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153) have the meaning provided in that section.".

SEC. 5. CONFORMING CHANGES.

(a) REPEAL OF FEDERAL COORDINATION AND PLANNING PROVISIONS.—Section 201 of the Communications Satellite Act of 1962 (47 U.S.C. 721) is amended to read as follows:

"SEC. 201. IMPLEMENTATION OF POLICY.

"The Federal Communications Commission, in its administration of the Communications Act of 1934, shall make rules and regulations to carry out the provisions of this Act.".

(b) REPEAL OF GOVERNMENT-ESTABLISHED CORPORATION PROVISIONS.—

(1) IN GENERAL.—Section 301 of the Communications Satellite Act of 1962 (47 U.S.C. 731) is amended to read as follows:

"SEC. 301. CORPORATION.

"The corporation organized under the provisions of this title, as this title existed before the enactment of the Open-market Reorganization for the Betterment of International Telecommunications Act, known as COMSAT, and its successors and assigns, are subject to the provisions of this Act. The right to repeal, alter, or amend this Act at any time is expressly reserved.".

(2) CONFORMING CHANGES.—Title III of the Communications Satellite Act of 1962 (47 U.S.C. 731 et seq.) is amended—

(A) by striking "**CREATION OF A COMMUNICATIONS SATELLITE**" in the caption of title III;

(B) by striking sections 302, 303, and 304;

(C) by redesignating section 305 as section 302; and

(D) by striking subsection (c) of section 302, as redesignated.

(c) REPEAL OF CERTAIN MISCELLANEOUS PROVISIONS.—Title IV of the Communications Satellite Act of 1962 (47 U.S.C. 741 et seq.) is amended—

(1) by striking section 402;

(2) by striking subsection (a) of section 403 and redesignating subsections (b) and (c) as subsections (a) and (b), respectively; and

(3) by striking section 404.

SEC. 6. INTERNATIONAL MARITIME SATELLITE TELECOMMUNICATIONS ACT AMENDMENTS.

(a) Repeal of Superseded Authority.—Title V of the Communications Satellite Act of 1962 (47 U.S.C. 751 et seq.) is amended—

(1) by striking sections 502, 503, 504, and 505; and

(2) by inserting after section 501 the following:

"SEC. 502. GLOBAL SATELLITE SAFETY SERVICES AFTER PRIVATIZATION OF BUSINESS OPERATIONS OF INMARSAT.

"In order to ensure the continued provision of global maritime distress and safety satellite telecommunications services after privatization of the business operations of Inmarsat, the President may maintain membership in the International Mobile Satellite Organization on behalf of the United States.".

(b) Effective Date.—The amendments made by subsection (a) take effect on the date on which the International Mobile Satellite Organization ceases to operate directly a global mobile satellite system.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

the text of S. 1283, passed by the Senate on July 1, 1999, follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 2000, and for other purposes, namely:

FEDERAL FUNDS

Federal Payment to the District of Columbia Corrections Trustee Operations

For payment to the District of Columbia Corrections Trustee, $176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997, as amended: *Provided*, That said sums shall be paid quarterly by the Treasury of the United States based on quarterly apportionments approved by the Office of Management and Budget.

Federal Payment to the District of Columbia Courts

Notwithstanding any other provision of law, $136,440,000 for payment to the Joint Committee on Judicial Administration in the District of Columbia; of which not to exceed $128,440,000 shall be for District of Columbia Courts operation, to be allocated as follows: for the District of Columbia Court of Appeals, $7,403,000; for the District of Columbia Superior Court, $78,561,000; for the District of Columbia Court System, $42,476,000; and of which not to exceed $8,000,000 shall remain available until September 30, 2001 for capital improvements for District of Columbia courthouse facilities: *Provided*, That of amounts available for District of Columbia Courts operation, $6,900,000 shall be for the Counsel for Child Abuse and Neglect program pursuant to section 1101 of title 11, D.C. Code, and section 2304 of title 16, D.C. Code, and of which $26,036,000 shall be to carry out sections 2602 and 2604 of title 11, D.C. Code, relating to representation of indigents in criminal cases under the Criminal Justice Act, in total, $32,936,000: *Provided further*, That, subject to normal reprogramming requirements contained in section 116 of this Act, this $32,936,000 may be used for other purposes under this heading: *Provided further*, That funds under this heading to carry out the District of Columbia Criminal Justice Act (D.C. Code, sec. 11–2601 et seq.), shall be available for obligations incurred under the Act in each fiscal year since fiscal year 1975: *Provided further*, That funds under this heading to carry out the District of Columbia Neglect Representation Equity Act of 1984 (D.C. Code, sec. 16–2304), shall be available for obligations incurred under the Act in each fiscal year since fiscal year 1985: *Provided further*, That funds under this heading to carry out the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986 (D.C. Code, sec. 21–2060), shall be available for obligations incurred under the Act in each fiscal year since fiscal year 1989: *Provided further*, That all amounts under this heading shall be paid quarterly by the Treasury of the United States based on quarterly apportionments approved by the Office of Management and Budget, with payroll and financial services to be provided on a contractual basis with the General Services Administration [GSA], said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia

For payment to the Court Services and Offender Supervision Agency for the District of Columbia, $80,300,000, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, as amended; of which $47,100,000 shall be for necessary expenses of Parole Revocation, Adult Probation and Offender Supervision, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; $17,400,000 shall be available to the Public Defender Service; and $15,800,000 shall be available to the Pretrial Services Agency: *Provided*, That, notwithstanding any other provision of law, said sums shall be paid quarterly by the Treasury based on quarterly apportionments approved by the Office of Management and Budget. Upon the Agency's certification as a Federal entity, as authorized by such Act, and notwithstanding any other provision of law, the Public Defender Service shall be subject to quarterly apportionment by the Office of Management and Budget: *Provided further*, That, of the amounts made available under this heading, $5,873,000 shall be available only for individuals on probation or supervised release for drug screening and testing.

Federal Payment for District of Columbia Resident Tuition Support

For payment to the District of Columbia, $17,000,000, for a program, to be administered by the Mayor, for District of Columbia resident tuition support, subject to the enactment of authorizing legislation specifically referencing this program: *Provided*, That said funds will be used to pay the difference between in-State and out-of-State tuition at public institutions of higher education on behalf of eligible District of Columbia residents: *Provided further*, That awarding of said funds shall be prioritized on the basis of a resident's academic merit and other factors as authorized.

Federal Payment for Metropolitan Police Department

For payment to the Metropolitan Police Department, $1,000,000, for a program to eliminate open air drug trafficking in the District of Columbia.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

Division of Expenses

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

Governmental Direction and Support

Governmental direction and support, $162,356,000 (including $137,134,000 from local funds, $11,670,000 from Federal funds, and $13,552,000 from other funds): *Provided*, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further*, That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor: *Provided further*, That, notwithstanding any other provision of law now or hereafter enacted, no Member of the District of Columbia Council eligible to earn a part-time salary of $92,520, exclusive of the Council Chairman, shall be paid a salary of more than $84,635 during fiscal year 2000.

Economic Development and Regulation

Economic development and regulation, $190,335,000 (including $52,911,000 from local funds; $84,751,000 from Federal funds, and $52,673,000 from other funds), of which $15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (D.C. Law 12–23): *Provided*, That such funds are available for acquiring services provided by the General Services Administration: *Provided further*, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

Public Safety and Justice

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $778,470,000 (including $565,211,000 from local funds, $29,012,000 from Federal funds, and $184,247,000 from other funds): *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further*, That notwithstanding any other provision of law, or Mayor's Order 86-45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further*, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: *Provided further*, That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: *Provided further*, That $100,000 shall be available for inmates released on medical and geriatric parole: *Provided further*, That, commencing on December 31, 1999, the Metropolitan Police Department shall provide to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives, quarterly reports on the status of crime reduction in each of the 83 police service areas established throughout the District of Columbia: *Provided further*, That $900,000 in local funds shall be available for the operations of the Office of Citizen Complaint Review.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $867,411,000 (including $721,847,000 from local funds, $120,951,000 from Federal funds, and $24,613,000 from other funds), to be allocated as follows: $713,197,000 (including $600,936,000 from local funds, $106,213,000 from Federal funds, and $6,048,000 from other funds), for the public schools of the District of Columbia; $10,700,000 from local funds for the District of Columbia Teachers' Retirement Fund; $17,000,000 from local funds for a program for District of Columbia resident tuition support; $27,885,000 from local funds (not including funds already made available for District of Columbia public schools) for public charter schools: *Provided*, That if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall be available for new public charter schools on a per pupil basis: *Provided further*, That $480,000 of this amount shall be available to the District of Columbia Public Charter School Board for administrative costs: $72,347,000 (including $40,491,000 from local funds, $13,536,000 from Federal funds, and $18,320,000 from other funds) for the University of the District of Columbia; $24,171,000 (including $23,128,000 from local funds, $798,000 from Federal funds, and $245,000 from other funds) for the Public Library; $2,111,000 (including $1,707,000 from local funds and $404,000 from Federal funds) for the Commission on the Arts and Humanities: *Provided further*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: *Provided further*, That none of the funds contained in this Act may be made available to pay the salaries of any District of Columbia Public School teacher, principal, administrator, official, or employee who knowingly provides false enrollment or attendance information under article II, section 5 of the Act entitled "An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes", approved February 4, 1925 (D.C. Code, sec. 31-401 et seq.): *Provided further*, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary and secondary school during fiscal year 2000 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia which are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2000, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further*, That the District of Columbia Public Schools shall not spend less than $365,500,000 on local schools through the Weighted Student Formula in fiscal year 2000: *Provided further*, That notwithstanding any other provision of law, the Chief Financial Officer of the District of Columbia shall apportion from the budget of the Public Education System a sum totaling five percent (5 percent) of the total budget to be set aside until the current student count for Public and Charter schools has been completed, and that this amount shall be apportioned between the Public and Charter schools based on their respective student population count: *Provided further*, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina.

HUMAN SUPPORT SERVICES

Human support services, $1,526,111,000 (including $635,123,000 from local funds, $875,814,000 from Federal funds, and $15,174,000 from other funds): *Provided*, That $25,150,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That a peer review committee shall be established to review medical payments and the type of service received by a disability compensation claimant: *Provided further*, That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization, as defined in section 411(5) of the Stewart B. McKinney Homeless Assistance Act (101 Stat. 485; Public Law 100-77; 42 U.S.C. 11371), providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to such Act (101 Stat. 485; Public Law 100-77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, $271,395,000 (including $258,341,000 from local funds, $3,099,000 from Federal funds, and $9,955,000 from other funds): *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

RECEIVERSHIP PROGRAMS

For all agencies of the District of Columbia government under court ordered receivership, $337,077,000 (including $212,606,000 from local funds, $106,111,000 from Federal funds, and $18,360,000 from other funds).

WORKFORCE INVESTMENTS

For workforce investments, $8,500,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

RESERVE

For a reserve to be established by the Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority, $150,000,000.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104-8), $3,140,000.

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act, approved December 24, 1973, as amended, and that funds shall be allocated for expenses associated with the Wilson Building, $328,417,000 from local funds: *Provided*, That for equipment leases, the Mayor may finance $27,527,000 of equipment cost, plus cost of issuance not to exceed two percent of the par amount being financed on a lease purchase basis with a maturity not to exceed five years: *Provided further*, That $5,300,000 is allocated to the Metropolitan Police Department, $3,200,000 for the Fire and Emergency Medical Services Department, $350,000 for the Department of Corrections, $15,949,000 for the Department of Public Works and $2,728,000 for the Public Benefit Corporation.

Repayment of General Fund Recovery Debt

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,286,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act, approved December 24, 1973, as amended (105 Stat. 540; Public Law 102–106; D.C. Code, sec. 47–321(a)(1)).

Payment of Interest on Short-Term Borrowing

For payment of interest on short-term borrowing, $9,000,000 from local funds.

Certificates of Participation

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,950,000 from local funds.

Optical and Dental Insurance Payments

For optical and dental insurance payments, $1,295,000 from local funds.

Productivity Bank

The Chief Financial Officer of the District of Columbia shall, under the direction of the Mayor and the District of Columbia Finan- ial Responsibility and Management Assistance Authority, finance projects totaling $20,000,000 in local funds that result in cost savings or additional revenues, by an amount equal to such financing.

Productivity Savings

The Chief Financial Officer of the District of Columbia shall, under the direction of the Mayor and the District of Columbia Finan- ial Responsibility and Management Assist- nce Authority, make reductions totaling 20,000,000 in local funds to be allocated to rojects funded through the Productivity Bank that produce cost savings or additional evenues in an amount equal to the Produc- ivity Bank financing.

Procurement and Management Savings

The Chief Financial Officer of the District f Columbia shall, under the direction of the Mayor and the District of Columbia Finan- ial Responsibility and Management Assist- nce Authority, make reductions of 14,457,000 for general supply schedule sav- ngs and $7,000,000 for management reform avings, in local funds to one or more of the ppropriation headings in this Act: *Provided*, That the Mayor submits a resolution to the ouncil authorizing the management reform avings and the Council approves the resolu- ion.

ENTERPRISE AND OTHER FUNDS

Water and Sewer Authority and the Washington Aqueduct

For the Water and Sewer Authority and he Washington Aqueduct, $279,608,000 from ther funds (including $236,075,000 for the Water and Sewer Authority and $43,533,000 or the Washington Aqueduct) of which 35,222,000 shall be apportioned and payable o the District's debt service fund for repay- nent of loans and interest incurred for cap- al improvement projects.

For construction projects, $197,169,000, as authorized by An Act authorizing the laying of watermains and service sewers in the District of Columbia, the levying of assessments therefore, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58–140; D.C. Code, sec. 43–1512 et seq.): *Provided*, That the requirements and restrictions that are applicable to general fund capital improvements projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

Lottery and Charitable Games Enterprise Fund

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97–91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Code, secs. 2–2501 et seq. and 22–1516 et seq.), $234,400,000: *Provided*, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

Sports and Entertainment Commission

For the Sports and Entertainment Commission, $10,846,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by the Act entitled "An Act To Establish A District of Columbia Armory Board, and for other purposes", approved June 4, 1948 (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957, approved September 7, 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): *Provided*, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

D.C. Health and Hospitals Public Benefit Corporation

For the District of Columbia Health and Hospitals Public Benefit Corporation, established by D.C. Law 11–212, D.C. Code, sec. 32–262.2, effective April 9, 1997, $133,443,000 of which $44,435,000 shall be derived by transfer from the general fund and $89,008,000 from other funds.

D.C. Retirement Board

For the D.C. Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979, approved November 17, 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $9,892,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

Correctional Industries Fund

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act, approved October 3, 1964 (78 Stat. 1000; Public Law 88–622), $1,810,000 from other funds.

Washington Convention Center Enterprise Fund

For the Washington Convention Center Enterprise Fund, $50,226,000 from other funds.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

For construction projects, a net increase of $1,218,637,500 (including an increase of $1,260,524,000 and a rescission of $41,886,500 from local funds appropriated under this heading in prior fiscal years, and an additional $1,260,524,000 of which $929,450,000 is from local funds, $54,050,000 is from the highway trust fund, and $277,024,000 is from Federal funds), to remain available until expended: *Provided*, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 2001, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 2001: *Provided further*, That, upon expiration of any such project authorization, the funds provided herein for the project shall lapse.

GENERAL PROVISIONS

SECTION 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official, and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That, in the case of the Council of the District of Columbia, funds may be expended with the authorization of the chair of the Council.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for payment of the non-Federal share of funds necessary to qualify for grants under subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994.

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform, the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased by Congress in the Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) reestablishes through reprogramming any program or project previously deferred through reprogramming; (6) augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of $1,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project, or responsibility center; unless the Appropriations Committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 118. (a) Strike the last sentence of section 422(7) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(7)).

(b) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79–592; D.C. Code, sec. 5–803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 119. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 120. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 2000, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 2000 revenue estimates as of the end of the first quarter of fiscal year 2000. These estimates shall be used in the budget request for the fiscal year ending September 30, 2001. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 121. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: *Provided*, That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and approved by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 122. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 123. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

SEC. 124. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 2000 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided*, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

Sec. 125. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979, effective March 10, 1981 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

Sec. 126. (a) The University of the District of Columbia shall submit to the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget, broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last quarter in compliance with applicable law; and

(5) changes made in the last quarter to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

(b) The Mayor, the Authority, and the Council shall provide the Congress by February 1, 2000, a summary, analysis, and recommendations on the information provided in the quarterly reports.

Sec. 127. Funds authorized or previously appropriated to the government of the District of Columbia by this or any other Act to procure the necessary hardware and installation of new software, conversion, testing, and training to improve or replace its financial management system are also available for the acquisition of accounting and financial management services and the leasing of necessary hardware, software or any other related goods or services, as determined by the District of Columbia Financial Responsibility and Management Assistance Authority.

Sec. 128. None of the funds contained in this Act may be made available to pay the fees of an attorney who represents a party who prevails in an action, including an administrative proceeding, brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) if—

(1) the hourly rate of compensation of the attorney exceeds the hourly rate of compensation under section 11–2604(a), District of Columbia Code; or

(2) the maximum amount of compensation of the attorney exceeds the maximum amount of compensation under section 11–2604(b)(1), District of Columbia Code, except that compensation and reimbursement in excess of such maximum may be approved for extended or complex representation in accordance with section 11–2604(c), District of Columbia Code.

Sec. 129. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

Sec. 130. None of the funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9–114; D.C. Code, sec. 36–1401 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples (whether homosexual, heterosexual, or lesbian), including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

Sec. 131. The Superintendent of the District of Columbia Public Schools shall submit to the Congress, the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget, broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the District of Columbia Public Schools; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(5) changes made in the last quarter to the organizational structure of the D.C. Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

Sec. 132. (a) In General.—The Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia public schools and the University of the District of Columbia for fiscal year 1999, fiscal year 2000, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia public schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) Submission.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

Sec. 133. (a) No later than October 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, and each succeeding year, the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Home Rule Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301).

Sec. 134. The District of Columbia Financial Responsibility and Management Assistance Authority, acting on behalf of the District of Columbia Public Schools [DCPS] in formulating the DCPS budget, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the University of the District of Columbia School of Law shall vote on and approve the respective annual or revised budgets for such entities before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Home Rule Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

Sec. 135. (a) Ceiling on Total Operating Expenses.—

(1) In general.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2000 under the caption "Division of Expenses" shall not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year; or

(B) $5,486,829,000 (of which $152,753,000 shall be from intra-District funds and $3,108,304,000 shall be from local funds), which amount may be increased by the following:

(i) proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs approved by the District of Columbia Financial Responsibility and Management Assistance Authority; or

(ii) after notification to the Council, additional expenditures which the Chief Financial Officer of the District of Columbia certifies will produce additional revenues during such fiscal year at least equal to 200 percent of such additional expenditures, and that are approved by the Authority.

(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2000, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor, in consultation with the Chief Financial Officer, during a control year, as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (Public Law 104–8; 109 Stat. 152), may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District of Columbia submits to the Authority a report setting forth detailed information regarding such grant; and

(B) the Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) of this subsection or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) QUARTERLY REPORTS.—The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the quarter covered by the report.

(c) REPORT ON EXPENDITURES BY FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—Not later than 20 calendar days after the end of each fiscal quarter starting October 1, 1999, the Authority shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Government Reform of the House, and the Committee on Governmental Affairs of the Senate providing an itemized accounting of all non-appropriated funds obligated or expended by the Authority for the quarter. The report shall include information on the date, amount, purpose, and vendor name, and a description of the services or goods provided with respect to the expenditures of such funds.

SEC. 136. If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 2000 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–101 et seq.), the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.

SEC. 137. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia public schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

SEC. 138. (a) Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term "official duties" does not include travel between the officer's or employee's residence and workplace (except: (1) in the case of an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the D.C. Fire and Emergency Ambulance Department who resides in the District of Columbia and is on call 24 hours a day; (3) the Mayor of the District of Columbia; and (4) the Chairman of the Council of the District of Columbia).

(b) The Mayor of the District of Columbia shall submit, by November 15, 1999, an inventory, as of September 30, 1999, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

SEC. 139. (a) For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 2000 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity's budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(b) The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), as amended, is further amended in section 2408(a) by deleting "1999" and inserting, "2000"; in subsection (b), by deleting "1999" and inserting "2000"; in subsection (i), by deleting "1999" and inserting, "2000"; and in subsection (k), by deleting "1999" and inserting, "2000".

SEC. 140. Notwithstanding any other provision of law, not later than 120 days after the date that a District of Columbia Public Schools [DCPS] student is referred for evaluation or assessment—

(1) the District of Columbia Board of Education, or its successor, and DCPS shall assess or evaluate a student who may have a disability and who may require special education services; and

(2) if a student is classified as having a disability, as defined in section 101(a)(1) of the Individuals with Disabilities Education Act (84 Stat. 175; 20 U.S.C. 1401(a)(1)) or in section 7(8) of the Rehabilitation Act of 1973 (87 Stat. 359; 29 U.S.C. 706(8)), the Board and DCPS shall place that student in an appropriate program of special education services.

SEC. 141. Notwithstanding any provision of any Federally-granted charter or any other provision of law, beginning with fiscal year 1999 and for each fiscal year thereafter, the real property of the National Education Association located in the District of Columbia shall be subject to taxation by the District of Columbia in the same manner as any similar organization.

SEC. 142. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority) for fiscal year 2000 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Code, sec. 1–1182.8(a)(4)); and

(2) the audit includes a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year.

SEC. 143. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the District of Columbia Financial Responsibility and Management Assistance Authority. Appropriations made by this Act for such programs or functions are conditioned only on the approval by the Authority of the required reorganization plans.

SEC. 144. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 145. None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

SEC. 146. None of the funds contained in this Act may be used after April 1, 2000, to transfer or confine inmates classified above the medium security level, as defined by the Federal Bureau of Prisons classification instrument, to the Northeast Ohio Correctional Center located in Youngstown, Ohio.

SEC. 147. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, the Chief Financial Officer shall submit to the appropriate committees of Congress, the Mayor, and the District of Columbia Financial Responsibility and Management Assistance Authority a revised appropriated funds operating budget for all agencies of the District of Columbia government for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301).

SEC. 148. (a) Section 202(i) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8) is amended to read as follows:

"(i) RESERVE.—

"(1) IN GENERAL.—Beginning with fiscal year 2000, the plan or budget submitted pursuant to this Act shall contain $150,000,000 for a reserve to be established by the Mayor, Council of the District of Columbia, Chief Financial Officer for the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority.

"(2) CONDITIONS ON USE.—The reserve funds—

"(A) shall only be expended according to criteria established by the Chief Financial Officer and approved by the Mayor, Council of the District of Columbia, and District of Columbia Financial Responsibility and Management Assistance Authority, but, in no case may any of the reserve funds be expended until any other surplus funds have been used;

"(B) shall not be used to fund the agencies of the District of Columbia government under court ordered receivership; and

"(C) shall not be used to fund shortfalls in the projected reductions budgeted in the budget proposed by the District of Columbia government for general supply schedule savings and management reform savings.

"(3) REPORT REQUIREMENT.—The Authority shall notify the Appropriations Committees of both the Senate and House of Representatives in writing 30 days in advance of any expenditure of the reserve funds.".

(b) Section 202 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8) is amended by adding at the end the following:

"(j) POSITIVE FUND BALANCE.—

"(1) IN GENERAL.—The District of Columbia shall maintain at the end of a fiscal year an annual positive fund balance in the general fund of not less than 4 percent of the projected general fund expenditures for the following fiscal year.

"(2) EXCESS FUNDS.—Of funds remaining in excess of the amounts required by paragraph (1)—

"(A) not more than 50 percent may be used for authorized non-recurring expenses; and

"(B) not less than 50 percent shall be used to reduce the debt of the District of Columbia.".

SEC. 149. Notwithstanding any other provision of law, funds provided by section 131 of Division A of Public Law 105–277 (112 Stat. 2681–552) may also be used by the Mayor, in consultation with the Council of the District of Columbia and the National Capital Revitalization Corporation, for the purposes of providing offsets against local taxes for commercial revitalization in empowerment zones and low and moderate income areas.

SEC. 150. WIRELESS COMMUNICATIONS. (a) IN GENERAL.—Notwithstanding any other provision of law, not later than 7 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—

(1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and

(2) expend such sums as are necessary to carry out paragraph (1).

(b) ANTENNA APPLICATIONS.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, a Federal agency that receives an application to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.

(2) GUIDANCE.—In making a decision concerning wireless service in the District of Columbia or surrounding area, a Federal agency described in paragraph (1) may consider, but shall not be bound by, any decision or recommendation of—

(A) the National Capital Planning Commission; or

(B) any other area commission or authority.

SEC. 151. (a) FINDINGS.—The Senate finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376 of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including 2 charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with 1 exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that in considering the District of Columbia's fiscal year 2001 budget, the Senate will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

SEC. 152. The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

SEC. 153. GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM. Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of

the District of Columbia, in order to identify the components most in need of additional resources, including financial, personnel, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

SEC. 154. TERMINATION OF PAROLE FOR ILLEGAL DRUG USE. (a) ARREST FOR VIOLATION OF PAROLE.—Section 205 of title 24 of the District of Columbia Code is amended—

(1) in the first sentence, by striking "If the" and inserting the following:

"(a) If the"; and

(2) by adding at the end the following:

"(b) Notwithstanding subsection (a), with respect to a prisoner who is convicted of a crime of violence (as defined in §23-1331) and who is released on parole at any time during the term or terms of the prisoner's sentence for that offense, the Board of Parole shall issue a warrant for the retaking of the prisoner in accordance with this section, if the Board, or any member thereof, has reliable information (including positive drug test results) that the prisoner has illegally used a controlled substance (as defined in §33-501) at any time during the term or terms of the prisoner's sentence.".

(b) HEARING AFTER ARREST; TERMINATION OF PAROLE.—Section 206 of title 24 of the District of Columbia Code is amended by adding at the end the following:

"(c) Notwithstanding any other provision of this section, with respect to a prisoner with respect to whom a warrant is issued under section 205(b), if, after a hearing under this section, the Board of Parole determines that the prisoner has illegally used a controlled substance (as defined in §33-501) at any time during the term or terms of the prisoner's sentence, the Board shall terminate the parole of that prisoner.".

This Act may be cited as the "District of Columbia Appropriations Act, 2000".

ORDERS FOR TUESDAY, JULY 13, 1999

Mr. NICKLES. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:30 a.m. on Tuesday, July 13. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 10 a.m. with Senators speaking for up to 5 minutes each with the following exceptions:

Senator ASHCROFT, or his designee, 20 minutes;

Senator DASCHLE, or his designee, 10 minutes.

Mr. President, I further ask unanimous consent that the Senate stand in recess from the hours of 12:30 to 2:15 p.m. for the weekly policy conferences to meet. I finally ask unanimous consent that when the Senate reconvenes at 2:15 p.m. Senator SMITH of New Hampshire be recognized for a point of personal privilege for not to exceed 45 minutes.

Mr. REID. Reserving the right to object, Mr. President, I say to my friend, the majority whip, that I hope during the evening or in the morning the majority would agree that we can tomorrow, until this bill is concluded, alternate the offering of amendments. That way we don't have Senators trying to, in effect, jump ahead of someone else. I think it would add to much better movement of this bill. I hope my friend could move that along.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate Senator REID's suggestion. I think it is a good suggestion. It is certainly my intention to alternate. I think the unanimous consent request agreement that we have calls for alternating first-degree amendments and says that each side shall have a second-degree amendment. It didn't say we would be alternating from first-degree to second-degree amendments. I think the suggestion of my colleague from Nevada is a good one, and I will work with him to see that is the normal order of business. We may at some point have a unanimous consent agreement to do that but not at this time. I appreciate his suggestion, and as always, it is a pleasure for me to work with him to see if we can keep the Senate working together in a collegial and fair manner.

Mr. REID. Mr. President, further reserving the right to object, I also say to my friend that I hope tomorrow the two leaders can work out a time that we can vote. I assume it would be after the conferences—the problem being now, with Senator SMITH being recognized for a point of personal privilege, it would be sometime after that. But I hope the leaders can work that out as quickly as possible.

Mr. NICKLES. Mr. President, again I appreciate the clarification of my colleague from Nevada. I think it would be our intention to vote on the amendments. We now have a substitute offered. We have three amendments that are pending in line. I expect there will be additional amendments offered tomorrow and throughout the course of business.

For the information of all of our colleagues, we expect to have several votes in the next few days. With Senator SMITH's speech tomorrow afternoon, my guess is that we will be voting on the amendments as previously ordered sometime shortly after Senator SMITH's statement.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

PROGRAM

Mr. NICKLES. Mr. President, for the information of all Senators, the Senate will be in a period of morning business tomorrow until 10 a.m. Following morning business, the Senate will resume consideration of the Patients' Bill of Rights. Further amendments to the bill are expected to be offered and debated throughout Tuesday's session of the Senate. For the information of all Senators, votes can be expected on or in relation to the pending amendments throughout Tuesday's session.

Mr. REID. Mr. President, if the Senator will yield, I also alert Members that tomorrow at 10 o'clock when we come in we are going to complete debate on the emergency care amendment that was offered this evening. The majority has about 35 minutes and the minority about 10 minutes, so that Members have some idea of what we are going to be doing at 10 o'clock tomorrow morning. Those wishing to speak on that issue should be ready to do so.

Mr. NICKLES. Mr. President, I appreciate my colleague's thoughts on that. For the information of all Senators, we will be debating the emergency room amendment at 10 o'clock followed by subsequent amendments.

EFFORTS TO SECURE THE RELEASE OF HUMANITARIAN WORKERS IN THE FEDERAL REPUBLIC OF YUGOSLAVIA

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H. Con. Res. 144.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (H. Con. Res. 144) urging the United States Government and the United Nations to undertake urgent and strenuous efforts to secure the release of Branko Jelen, Steve Pratt, and Peter Wallace, 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International, who are being unjustly held as prisoners by the Government of the Federal Republic of Yugoslavia.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. NICKLES. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 144) was agreed to.

The preamble was agreed to.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. NICKLES. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 7:37 p.m., recessed until Tuesday, July 13, 1999, at 9:30 a.m.

EXTENSIONS OF REMARKS

FINANCIAL SERVICES ACT OF 1999

SPEECH OF

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes:

Mr. DUNCAN. Madam Chairman, I would like to thank the gentlelady from New Jersey for all of her hard work on this legislation and her efforts on this amendment. I would also like to discuss another accounting related matter.

I have been informed by a constituent that the Federal Accounting Standards Board (FASB) may propose a rule eliminating an accounting practice known as "pooling".

Pooling is an accounting method used when two companies merge to become one.

In a pooling, the acquiring and acquired companies simply combine their financial statements.

I believe it is important that this issue be discussed publicly before any final rule is implemented.

In addition, it is my understanding that in the past the Federal Accounting Standards Board has not always sought adequate input from the accounting or banking communities on proposed changes in regulations.

I would like to thank the chairwoman for her efforts on the pending amendment. I would also appreciate it if she would keep this in mind when the conference committee meets so that we include language either in this bill or future legislation to ensure that this process is an open and fair one.

I thank the gentlelady for her time and attention to this matter.

TRIBUTE TO DR. W. HAZAIAH WILLIAMS

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Ms. LEE. Mr. Speaker, I rise today to pay tribute to Dr. W. Hazaiah Williams, a great man of many talents who passed away from complications of diabetes April 24, 1999. Dr. Williams' accomplishments were considerable.

Dr. Williams brought to the Bay Area some of the world's leading artists, including Marian Anderson, Roland Hayes, Dorothy Maynor, Veronica Tyler, Theresa Berganza, Sherrill Milnes, Grace Bumbry, Jean-Phillippe Collard, Cyprien Katsaris, Grant Johannesen, Leon Bates, Tatayana Nikolaeva, Natalie Hinderas among hundreds of others.

William Hazaiah Williams Jr., was born in Columbus, Ohio, on May 14, 1930, and was the youngest of six children born to the Rev. W. Hazaiah Williams, Sr., and Cora Leon Williams. The Williams family moved to Detroit when William Hazaiah Williams, Jr., was 11 years old. He attended Adrian College in Adrian, MI, and received a Bachelor of Arts degree from Wayne State University School of Theology in Detroit, MI, and a Master of Theology degree from Boston University's School of Theology in Boston, MA. Dr. Williams did postgraduate work in Sociology at the University of California at Berkeley, and received two honorary Doctorate of Divinity degrees, one from the Pacific School of Religion and the other from the Church Divinity School of the Pacific, both located in Berkeley, CA.

Dr. Williams founded the Church For Today in Berkeley, CA, in 1956, the church in which he was active as the pastor until his death. Dr. Williams formed the Center for Urban-Black Studies at the Graduate Theological Union in 1969, where he served as the president, in addition to his service as a full professor for 20 years. He also taught at the San Francisco Theological Seminary and at the College of San Mateo, CA, and was the founder and president of the Alamo Black Clergy, an East Bay, California, consortium of ministers of various denominations. Dr. Williams led civil rights causes in the San Francisco Bay Area and served as Executive Director of the East Bay Conference on Race, Religion, and Social Justice. His community work also included eight years of service on the Berkeley Board of Education, during the period in which the Berkeley schools were integrated.

Dr. Williams lectured extensively at colleges, universities, and institutions throughout the United States, among them: the California Institute of Technology, Howard University, Stanford University, Vanderbilt University, University of Oklahoma, Lewis and Clark College, Beloit College, St. Procopius College, Georgia Technological University, University of Washington, Merritt College, Evergreen State College, University of Santa Clara, Claremont College, San Francisco Theological Seminary, American Baptist Seminary of the West, Interdenominational Theological Center, Gammon Theological Seminary, and the Pacific School of Religion. He delivered keynote addresses at conferences on racism for the National Protestant Episcopal Church, the United Church of Christ, and the Evangelical Lutheran Church in Mission. In the mid-1970s, he was a delegate to the World Council of Churches' Symposium on Black and Liberation Theology in Geneva, Switzerland.

In addition to religion and civil rights, Dr. Williams was profoundly devoted to music. Dr. Williams taught himself piano at the age of three, and held his first public performance at the age of five. Later, he studied piano at the Detroit Institute of Musical Art, the Detroit Conservatory of Music, and Detroit's Robert Nolan School of Music. At age 15, he was Concert Manager of the Robert Nolan Chorale. While in college in Adrian, MI, he hosted a musical program on local radio.

In 1958, Dr. Williams founded Today's Artists Concerts. For over three decades, this organization presented an annual concert series in the Bay Area, as well as concerts in New York, Paris, and Haifa, Israel. In 1981, he established the annual Yachats Music Festival in Oregon. In 1993, Dr. Williams created Four Seasons Concerts, of which he was the President and Artistic Director until his death. Dr. Williams served on the Board of Directors of the Oakland, California Symphony and the Ross McKee Foundation for the Musical Arts, and was an honorary board member of the Chicago Sinfonietta.

Dr. Williams leaves behind him a son, William Hazaiah III; a daughter-in-law, Linda Vanterpool; a granddaughter, Lauren of Elk Grove, CA; a daughter, Countess of Los Angeles, CA; a former wife, Countess of Berkeley, CA; a brother-in-law, Louis Irwin; sisters Ruth Williams and Naomi Sharp; brother William James Williams; and sister-in-law Rubye Williams of Detroit, MI; nephews Frederick Cornell Sharp of Southfield, MI, and Michael Hazaiah Williams of Detroit, MI; the members of the Church For Today; and the staff of Four Seasons Concerts. While Dr. Williams is sorely missed here, we honor and celebrate his legacy.

CONGRATULATIONS TO MARIE SEVELL

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today to recognize a true champion of the arts in New Jersey, Ms. Marie Sevell, and to offer my congratulations on her being honored with the sixth "Francis Albert Sinatra Tribute to the Performing Arts" award from the Garden State Arts Center Foundation.

The Garden State Arts Center Foundation was established in 1984 to support the Garden State Cultural Center Fund, now in its 32nd year. By raising money through benefit receptions, grants, donations and the sale of sponsorships, the Foundation has helped to provide free performances to New Jersey's school children, senior citizens, and other deserving residents.

Marie Sevell's commitment to the arts in New Jersey spans over thirty years. As the current Chairwoman of the Foundation, and as a long-time, generous financial contributor to the Cultural Fund, Marie has over the years helped to enable millions of school children and seniors enjoy the wonderful free programs presented at the PNC Bank Arts Center.

It is truly fitting that such a tireless advocate of the arts should receive an award as esteemed as the Francis Albert Sinatra Tribute to the Performing Arts, which recognizes dedication to improving the cultural life of residents in the state of New Jersey. Marie Sevell joins the ranks of this award's many distinguished past honorees, including the beloved Frank Sinatra himself, and I wish to join her family and friends in applauding her on the occasion of this outstanding achievement.

HONORING TODD OLSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor and recognize the hard work, strength and courage of one of Colorado's finest, Mr. Todd Olson of Carbondale, Colorado. I applaud his positive outlook and determination and wish him luck in his battle with leukemia.

For over 20 years, Mr. Olson has worked to help others enjoy and appreciate the natural beauty of Colorado. Guiding visitors on exciting river trips on the Colorado and Roaring Fork rivers, Mr. Olson came to love working outdoors. In 1970, he made his way to Aspen after growing up in Minnesota. He began work as a ski instructor for Aspen Skico and later became quite fond of summer rafting. His love of the outdoors and the rivers led him to become a guide for Glenwood's Whitewater Rafting.

At age 47, Mr. Todd Olson maintains a dual career as ski instructor in the winter and raft guide in the summer. Throughout his life and outdoor career he has experienced great challenges and has overcome many obstacles. Now as he faces a life threatening battle with leukemia, I hope that his battles with nature will give him encouragement and the will to continue fighting.

Mr. Speaker, it is with this in mind that I wish to pay tribute to Mr. Todd Olson for his work to maintain and help others enjoy the wilderness of Colorado. Mr. Olson is a man with spirit, a man who knows the meaning of enjoying life. I would like to thank Mr. Olson for the example he has set, and I would like to let him know that our thoughts and prayers are with him.

IN HONOR OF VOLNEY J. TEEPLE

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Ms. STABENOW. Mr. Speaker, I rise today to recognize the life and accomplishments of Mr. Volney J. Teeple, a life-long Michigan resident, who will be named Chevalier of the National Order of the Legion of Honor this week. This honor was ordered by the President of the French Republic and is the highest civilian award bestowed by the government of France.

Mr. Teeple was born in 1897 in Pinckney, Michigan, and enlisted in the armed forces in 1918. During World War I, he was sent to France where he helped assemble and maintain the U.S. air fleet.

After the war, Mr. Teeple returned to Michigan, where he married and had three sons. Each of his sons followed in their father's footsteps by serving in the military, and his eldest son, William, died serving his country in World War II.

In 1966, he retired after a 28-year career with Union Carbide. He is a member of the American Legion and the Veterans of Foreign Wars and played in both the American Legion and World War I drum and bugle corps. Volney Teeple has spent his recent years hunting and fishing in Northern Michigan, and he still enjoys listening to the Detroit Tigers games on the radio. At 102, he very well may be the Tigers longest fan.

Today I would like to join the French Ambassador in honoring Volney J. Teeple for his commitment to his country so many years ago. Thank you for your lifelong service and your commitment to the United States of America. Your contributions will not be forgotten.

PERSONAL EXPLANATION

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. MINGE. Mr. Speaker, due to the death of my mother, and in order that I might attend her June 18 funeral, I was not present during several rollcall votes on June 17 and June 18. I would like to enter into the RECORD votes that, had I been present, I would have cast on amendments to and final passage of H.R. 1501 and H.R. 2122.

Had I been present, I would have voted "aye" on rollcall votes 228, 229, 230, 231, 232, 233, 235, 236, 237, 238 and 242. I would have voted "nay" on rollcall votes 234, 240, 241 and 244.

The provisions I would have voted for are targeted at improving gun safety and at reducing the risk that firearms would fall into the hands of convicted felons and others who should not own firearms. These are common sense reforms that deserve support.

A TRIBUTE TO MS. SHIRLEY WARE

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Ms. LEE. Mr. Speaker, I rise today to pay tribute to Shirley Ware, a longtime resident of East Oakland, CA whose strong voice for labor will be remembered by the many people whose lives she so positively affected.

Ms. Ware was one of the first African-American women elected to lead a major union. She served as the Secretary/Treasurer of the Oakland-based Health Care Workers Union/SEIU Local 250 for more than ten years, managing the multimillion dollar budget of the second largest health care union in the United States. As Secretary/Treasurer, Shirley Ware and the "New Leadership Team" brought Local 250 from the brink of financial disaster into an era of economic stability. During her leadership tenure, Local 250's membership grew from 21,000 to 46,000 members. Ms. Ware left SEIU stronger, bigger, and better.

Ms. Ware was born in Shreveport, Louisiana on August 24, 1941 to Mary Jane Jones and the late Robert Wilson. When she was a child, her family moved to Oakland, where she attended Fremont High School; Ms. Ware later attended Chabot Community College, where she earned her certification as a licensed nurse.

Shirley Ware entered the labor movement as an organizer in 1963, when her co-workers in an East Bay nursing home complained to her about working conditions. Her natural instincts as an activist said, "organize." Her co-workers gathered around her. Confident and strong, Mrs. Ware knew what to do. They would organize, and, together, they did. Without knowing it at the time, Ms. Ware had begun a 30-year career in organizing, a calling to which she would dedicate the rest of her life.

Shirley Ware was a unique and a special role model for young people, African-Americans, women, union activists, and for all of us. In the years following her initiation into union work, she became an LVN. Then, as one of the fist two women hired by Local 250 as a field representative, she worked diligently to present the workers' point of view on a full-time basis. For the next two decades, health care workers would see Shirley as a tenacious, hardworking fighter, and a critical voice for patients' and workers' rights. Her opponents saw her as a dynamic and powerful adversary.

Ms. Ware was a member SEIU's Public Sector Board and, in 1998, was appointed as a trustee to the pension trust of the Service Employee International Union. Ms. Ware also was a delegate to the Alameda Central Labor Council for 31 years, was elected to the executive board in 1989, and was named "Unionist of the Year" in 1991. Since 1989, Ms. Ware was a delegate to the California State Democratic Central Committee and served as a delegate to the 1992 and 1996 Democratic National Conventions. In addition, Ms. Ware was a member of the Alameda County Human Relations Commission from 1970 to 1997, and served as the Commission's chair from 1992–1994. She was the Oakland Mayor's appointee to the Private Industry Council.

"Shirley dedicated her life to the cause of helping workers," said Sal Rosselli, president of Local 250. Throughout her career, even during the last year of her life, Ware expressed deep concern for the members of Local 250 as well as for other health care workers. Even after she learned last year that she had cancer, Shirley Ware remained fully engaged in the struggles and challenges of the Union.

Ms. Shirley Ware, lifelong organizer and advocate for working people, passed away on

April 23, 1999. Ware is survived by her mother, Mary J. Henson and her stepfather, Melton Henson of Calaveras County, CA; two daughters, Mary Marlene Williams and Jannis Tolvert Gideon; two sons, George Marvin Willoughby, Jr. and Jaddias O'Neil Franklin; one son-in-law, Andrew Williams; one daughter-in-law, Luctricia Franklin; 12 grandchildren: Dwayne Lawson, George M. Willoughby III, Dana Willoughby, Donald and Demerits Franklin III, Wakter A. Vachemin, V, and Marchael Gidion; one great-grandson, Solomon Tolvert; one stepbrother, Melton Ray Henson, Jr. and his wife, Shelia; one stepsister, Melinda Faye Henson; and other relatives and friends.

RECOGNIZING CLAY BADER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, it is with great pleasure that I now recognize Mr. Clay Bader of Mancos, Colorado. His years of service and dedication to the Mancos Water Conservancy District are worthy of the highest praise.

Appointed by the district court judge for four year terms, the Conservancy District board consists of five members. The seat held by Mr. Bader has only been held by one other, Mr. Bader's father-in-law, Ira Kelly. After 28 years as a member of the board, Mr. Bader has decided to retire.

Each member represents a different geographic division of the Mancos Valley. Since 1971, Mr. Clay Bader has served as a representative for the Upper Mancos division. For his years of service, involvement and leadership I would like to thank Mr. Bader. His efforts and the example he has set are to be commended.

It is with this in mind that I congratulate Mr. Bader on a job well done. Many have benefited from his hard work and expertise. I wish him the best of luck in all of his future pursuits as he enters into a new era of his life.

HONORING LIEUTENANT ROBERT SCHUTT

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Ms. STABENOW. Mr. Speaker, a ceremony will be held tomorrow to recognize Ionia County Police Officer Lieutenant Robert Schutt for his bravery, commitment, and concern for a fellow officer in a harrowing incident that occurred on May 1, 1998. I am proud to join officers from across Michigan in honoring Lieutenant Schutt, a distinguished twenty-five year veteran of the Ionia County Sheriff Department.

On the morning of May 1, Lieutenant Schutt and a fellow officer, Deputy Jeff Goss, were pursuing a dangerous suspect who began firing at them. Deputy Goss was wounded in the head, and Lieutenant Schutt was shot in the shoulder.

Despite his serious injury, Lieutenant Schutt took several selfless actions that ensured his fellow officer's safety and provided important information on the suspect. He not only relayed information about the suspect, his vehicle, and the incident to a 911 dispatcher, he also went to the aid of his fellow officer. His actions that morning saved his fellow officer's life.

Lieutenant Schutt's bravery and selflessness under extraordinary circumstances serves as an inspiration to us all. This year, Lieutenant Schutt was honored with a nomination for Deputy Sheriff of the year. I commend Lieutenant Robert Schutt for his courage and thank him for his twenty-five years of dedicated service.

RECOGNIZING MR. ARTHUR NELSON FOR HIS FIFTY-EIGHT YEARS OF SERVICE TO THE GOSHEN VOLUNTEER FIRE DEPARTMENT

HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. BASS. Mr. Speaker, I am pleased to have this opportunity to recognize a gentleman from Goshen, New Hampshire, who has dedicated fifty-eight years of his life to the Goshen Volunteer Fire Department. Mr. Arthur Nelson, ninety-two years young, has been associated with the Goshen Volunteer Fire Department since 1941. In addition to fighting fires in Goshen for decades, Mr. Nelson was also a Forest Fire Warden for fifty years and is an active member of his community. Mr. Nelson has served on the Goshen Conservation Commission, the Board of the Historical Society, and as a town selectman. He also remains a dedicated member of the Goshen Community Church.

On July 10, the Goshen Volunteer Fire Department will celebrate its 60th Anniversary. As part of their celebration, they will be recognizing Mr. Nelson's unparalleled service to the Department and the community. Arthur Nelson's commitment to the Goshen Volunteer Fire Department for nearly six decades exemplifies the importance of volunteerism and serves as a tribute to himself and the Town of Goshen. I would like to congratulate the Goshen Volunteer Fire Department on their 60th Anniversary and thank Mr. Nelson for his years of service protecting the citizens of Goshen, New Hampshire.

IN MEMORY OF RANDOLPH GUGGENHEIMER

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to Randolph Guggenheimer, a beloved member of the New York community who recently passed away. I ask my colleagues to join me in recognizing and honoring the memory and contributions of Mr. Guggenheimer, whose dedication to public service has improved the lives of countless individuals.

Mr. Guggenheimer was a man with vast and varied accomplishments. A graduate of Yale University and Harvard Law School, he earned a partnership in the law firm of Guggenheimer & Untermyer. During World War II, Mr. Guggenheimer answered his nation's call to service, enlisting in the U.S. Air Force and serving as an executive officer of a fighter squadron in Europe.

Mr. Guggenheimer's philanthropic activities were extensive and impressive; he believed passionately in contributing to the community. He was active in many organizations, including the Mount Sinai Hospital School for Nursing and the Jewish Child Care Association.

Mr. Guggenheimer also held the position of Chairman of the Board for North General Hospital, a hospital he saved from closing after championing the movement to insure adequate hospital service to the people of Harlem. Without Mr. Guggenheimer's dedication and perseverance, Harlem would have had only one hospital.

Randolph Guggenheimer dedicated himself to getting the necessary funding to keep North General meeting the needs of the community. Whenever North General faced financial difficulty, it was always able to rely on Mr. Guggenheimer's efforts to help secure the needed financing to weather the storm. Through Mr. Guggenheimer's oversight, North General grew even as other small community hospitals were forced to close.

Mr. Guggenheimer's dedication to the public good was well known in the New York community. Mr. Guggenheimer was awarded the United Hospital Annual Distinguished Trustee of the Year award. In 1991, he was honored by the Mayor of New York, David Dinkins. North General established the Randolph Guggenheimer Community award to acknowledge hospital staff that displayed excellence for community service.

Mr. Guggenheimer leaves behind a wife, Elinor, who shares his passion for philanthropy and community service. He is also survived by two sons, Charles and Randolph Jr., three grandchildren and six great-grandchildren.

Mr. Speaker, for all his good work and for his compassion and commitment to his community, his city, and country, Mr. Randolph Guggenheimer is deserving of a special tribute. I ask that my colleagues join me in acknowledging Randolph Guggenheimer's years of accomplishments as an inspirational leader to the community at large and as a devoted friend to the people of New York City. He will be deeply missed.

IN COMMEMORATION OF THE GRAND OPENING OF THE EASTMONT COMPUTING CENTER FOR THE OAKLAND COMMUNITY

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Ms. LEE. Mr. Speaker, I rise to recognize the Eastmont Computing Center, located in

East Oakland, California, on its grand opening. This multi-million dollar computing center is a project of The Oakland Citizens Committee for Urban Renewal (OCCUR), which was established in Oakland, California in 1954 for the purpose of raising the quality of life for all of Oakland's residents, with the emphasis on serving those in the greatest need of a balanced delivery of goods, effective public policy, and services. OCCUR created the Eastmont Computing Center (ECC) to serve as a community resource on information technologies in order to provide universal computer and Internet access and employment focused training to Oakland citizens.

The Eastmont Computing Center provides cutting-edge information technology training to youth and other residents of under-served communities. The Center provides a broad range of unique skills and employment training programs to youth, senior citizens, and community-based organizations.

The Center is one of only three California recipients of the highly competitive U.S. Department of Commerce Telecommunications and Information Infrastructure Assistance Program grants. Additional funding for the Center is provided by a number of government, foundation, corporate and individual donors including the Eastmont Town Center, Pacific Gas and Electric, Chevron, Pacific Bell, The San Francisco Foundation, Oracle, Hewlett Packard and IBM.

I wish to commend the management and staff of the Eastmont Computing Center for their tireless work and for their diligence. It has been through their perseverance that they have garnered the resources necessary to establish and operate this training facility for the benefit of all the citizens of Oakland.

I wish to extend to the Eastmont Computing Center, its staff, donors and support volunteers sincere best wishes for success as they begin to deliver technology access and employment training services to the citizens of Oakland.

RECOGNIZING JAN JACOBS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, it is with great pleasure that I now recognize Jan Jacobs of Creede, Colorado. After 29 years of dedication to education and long hours of planning as a teacher of History, Geography, and Government, Ms. Jacobs has retired. I would like to thank her for her commitment to the youth of Creede and for her involvement in the Creede community.

After graduating from Western State, Ms. Jacobs taught for three years in Nebraska before making Creede her home. Jan Jacobs not only taught, but she cared and was dedicated to her students. She served as a sponsor for trips to Washington, D.C. and annual trips to Mesa Verde. Trips to Denver and various other projects were made possible through her efforts.

Ms. Jan Jacobs touched the lives of countless individuals through her work in education. Students undoubtedly gained much and benefitted greatly from her expertise and kindness. As students, parents, and community members say farewell to this much-respected and loved teacher, I would like to wish her well as she enters a new era of her life, and congratulate her on a remarkable career of dedication and service.

TRIBUTE TO REV. LINDSAY G. FIELDS OF HUNTSVILLE, ALABAMA

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. CRAMER. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Rev. Lindsay G. Fields of Huntsville, Alabama, an extraordinary man whose one hundred and seven years were marked by a true sense of compassion and a dedication of God and his family.

Rev. L.G. Fields was born in Harris, Alabama on February 6, 1892 and spent over fifty years in the United Methodist ministry. He spent sixteen years in Gadsden as pastor of Sweet Home Methodist Church and then led Village view Methodist Church in Athens until his retirement.

The long and blessed life of Rev. Fields included a passion for education. He attended the American School of Correspondence in Chicago and then Gammon Theological Seminary in Atlanta. He continued his love of education by serving on the board of trustees for Clark and Rust Colleges.

For Rev. Fields, community service was a way of life. He worked with the Madison County Council on Aging, the Mental Health Centers, the Madison County Senior Center and the Model Cities Program. I believe this tribute is only fitting for one who has given so much of himself for others.

I commend the perseverance of Rev. Fields is the raising and educating of his twelve children with the late Rosa Perry Fields. With 24 grandchildren and 22 great-grandchildren, Rev. Fields has left a proud and beloved legacy. I offer my sympathy to the Fields family

On behalf of the people of Alabama's fifth Congressional District, I join them in celbrating the extraordinary life and honoring the memory of a man who filled his one hundred and seven years with a love of God, country and family.

CONGRATULATING DEE ARNTZ

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. INSLEE. Mr. Speaker, I am delighted to announce that one of my constituents, Ms. Dee Arntz, recently won the 1999 National Wetlands Award.

In 1990, Ms. Arntz co-founded the Washington Wetlands Network (Wetnet). The Wetnet organization connects citizens, local government officials, federal representatives, and others into a centralized network of people concerned about wetland protection and preservation. As a result, this important network approach gives small organizations information and links to larger state and national efforts. Through Ms. Arntz's efforts, citizens have joined together to protect thousands of wetland acres throughout Washington State.

In the process of building Wetnet, Ms. Arntz worked as a community development program administrator for King County and other Puget Sound local governments. Her experience also includes serving on the boards of the Seattle Audubon Society, the Nisqually Delta Association, and the Washington Environmental Council. In addition, Ms. Arntz earned a Certificate in Wetlands Science and Management from the University of Washington in 1995.

I would like to congratulate Ms. Arntz for winning the 1999 National Wetlands Award. Her dedication to wetland protection has led to major environmental accomplishments at both the state and national level. Ms. Arntz is an example of the enormous impact one citizen can have on the environment. This award is very well-deserved.

PERSONAL EXPLANATION

HON. KENNY C. HULSHOF

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. HULSHOF. Mr. Speaker, pursuant to rule changes for the 106th Congress, I am informing you that I missed one vote on Friday, June 25, 1999, rollcall No. 256. On this vote, I would have voted "aye".

VETERANS BENEFITS IMPROVEMENT ACT OF 1999

SPEECH OF

HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. HILL of Indiana. Mr. Speaker, I rise in support of H.R. 2280, the Veterans' Benefits Improvement Act of 1999.

I believe that this bill makes some important changes to the benefits available to veterans. I am a cosponsor of this bill. It increases rates of disability compensation and indemnity compensation to veterans. It enhances the quality assurance program at the Veterans Benefits Administration. It also provides permanent eligibility for housing loans for members of the Selected Reserve. And it reauthorizes important programs for homeless veterans.

I wanted to be sure to mention this bill because another of its provisions helps get construction of the World War II Memorial underway. This past Memorial Day, I attended a wonderful ceremony back in Versailles, Indiana. At that ceremony the American Legion Post in Versailles presented me with a check for one thousand dollars to forward to the American Battle Monuments Commission to help build the World War II Memorial. That struck me as uncommon generosity from men and women who have already given so much.

I salute them and all the people who are making this monument possible. The more we work toward building this memorial, the more World War II veterans will be able to see this proud symbol of what our "Greatest Generation" accomplished.

I ask my fellow members of Congress to support the Veterans' Benefits Improvement Act because it honors our veterans and helps to provide the benefits that they have earned.

Since taking office in January I have been talking to the House leadership about ways I could become more involved in Veterans' issues. Last week, I'm proud to say that I received a seat on the Veterans' Committee. I know that we owe a lot to those who currently serve our country and also to those who have served in the past. With this appointment I hope I can make a real difference for all our veterans.

This year, one of our nation's oldest and most distinguished service organizations, the Veterans of Foreign Wars of the United States, celebrates its 100-year anniversary. I was first reminded by constituents that this year marked that important anniversary.

The first bill I sponsored and the first speech I made in the United States House of Representatives was to celebrate and recognize the Veterans of Foreign Wars by requesting that the U.S. Postal Service issue a stamp commemorating the VFW's 100 year anniversary (H. Res. 115).

I still believe that we will be able to accomplish this task. I hope that my recent appointment will help move this process along.

MEGAN MONTONI'S ATHLETIC ACHIEVEMENTS

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. BROWN of Ohio. Mr. Speaker, I rise to highlight the recent athletic achievements of Megan Montoni, who hails from Wadsworth, Ohio in my Congressional District. As a sophomore at Ashland University this past school year, Megan recently earned All-American honors for her performance in the shot put at the NCAA Division II National Championships in Emporia, Kansas. She also participated in the shot put and the discuss at the Great Lakes Intercollegiate Athletic Conference, receiving silver and bronze medals, respectively.

Being recognized as an All-America athlete is a prestigious accomplishment in college athletics and in all of sports. Dedication and a solid work ethic have launched Megan to the top of her game. Remarkably, she underwent knee surgery one year before the NCAA championships. Her discipline, resilience, and passion to succeed were clearly illustrated at the NCAA championships. Megan's work ethic and determination are an inspiration to us all.

On behalf of the people of Ohio's 13th Congressional District, I am honored to congratulate Megan for earning All-America honors.

FLAG PROTECTION

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. BEREUTER. Mr. Speaker, this Member highly commends to his colleagues the following editorial, "Flag Deserves Extra Protection,"; which appeared in the Wednesday, June 30, 1999, edition of the Norfolk Daily News.

[From the Daily News, June 30, 1999]

FLAG DESERVES EXTRA PROTECTION

COURT'S RULING SHOULD BE SUBJECT TO FINAL DECISION BY AMENDMENT PROCESS

One member of the House of Representatives was careful to note what is sometimes ignored in the heat of debate. "We all believe in our country; this is an honest dispute about how we reflect patriotism," said Rep. Mel Watt. D-NC., of the proposal to amend the Constitution to allow Congress to ban desecration of the flag.

That is proper acknowledgment that people who believe flag burning is an offensive act but one protected by the First Amendment may be no less less sincere patriots than those who believe this symbol of the nation is sacred and deserves special protection.

Opponents to an amendment, however, seem too willing to accept court interpretations of First Amendment issues as final, irreversible truth. When such decisions—especially those so narrowly decided as in the flag burning case—are controversial enough, it is proper that they produce legislative reaction. That can take the form of utilizing the constitutional amendment procedure.

It is rarely invoked, and requires overwhelming popular support. But the amendment process should not be avoided either because it is difficult or because jurists are thought to have the last word. If it is otherwise, then America is not so much a nation governed by laws as one governed by lawyers—in this case, lawyers who have reached the stature of judges. However objective those learned men and women try to be, the American system did provide for amendments and there are some issues which deserve that attention.

It will not diminish the Bill of Rights to allow Congress to define and allow either state or federal enforcement of a law or laws which put Old Glory in a special category for protection. It will, instead, provide a small countermeasure to offensive behavior of a sort which deserves no First Amendment protection.

The argument is not about legitimate free expression, but rather the extent to which free people must tolerate offensive acts. The American people should be given a chance to decide whether or not they want their government to protect their flag from desecrators. The many exceptions to the First Amendment—libelous and slanderous statements, treasonous acts, defacement of property, incitement to riot among them—have been defined by court opinions. In this case, an exception would be made directly by the amendment process.

It should be allowed to go forward. The House of Representatives decided that it should, and by a 305–124 margin. The Senate ought to act positively this time, and acknowledge that the flag deserves to be treated as a living thing.

HONORING DEPUTY TOM PROUD

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, it is with great pleasure that I now take this opportunity to honor Deputy Tom Proud of the Pueblo County Sheriff's Department. I wish to recognize Deputy Proud for his dedication, hard work and involvement in the Pueblo community. I would like to commend him for his efforts and for receiving designation as the Outstanding Deputy of Pueblo County Sheriff's Department.

Serving in various capacities, Proud is particularly dedicated to protecting the youth of Pueblo. Assigned as Crime Prevention Officer to Pueblo West in 1993, he has continued to be involved in prevention efforts including Pueblo County Safety Fair and the implementation of the Pueblo West Crime Watch.

Deputy Proud is an active participant in the Pueblo West Substation Committee in which he contributed to the fulfillment of the Sheriff's Office vision of decentralization. He has taken a leadership role in the Child Safety Seat Program through his work to organize safety check-points to serve thirty families with installation of new car seats.

Currently, he has extended his duties to dedicating time as School Resource Officer for Pueblo West High School, Pueblo West Middle School, Pueblo West Elementary School, and Sierra Vista Primary School. He has undertaken many tasks, in particular, special missions on traffic control around the schools. Deputy Sheriff Proud is becoming a talented instructor in the subjects of drug and alcohol awareness.

Men like Tom Proud are a rare breed. I appreciate his involvement in the Pueblo community and his dedication to the citizens and youth of Pueblo. Deputy Sheriff Tom Proud is a great asset to the Pueblo County Sheriff's Office and to Pueblo. I would like to congratulate him on a job well done, and I hope that he will continue in his service.

LUPUS FOUNDATION OF AMERICA

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mrs. MEEK of Florida. Mr. Speaker, I rise to welcome to Washington the members of the Lupus Foundation of America, and my friend and Chairman of the Lupus Foundation of America—Mr. Terry Bell. The delegates are here this week to inform Members of Congress and their staff about the cataclysmic effects of lupus and to request support for my bill, H.R. 762—the Lupus Research and Care Amendments Act of 1999.

The members of the Lupus Foundation have long been on the front line of the fight against lupus, a devastating disease that affects over 1.4 million Americans. The Lupus Foundation is a national voluntary health agency, with more than 100 affiliate chapters across the country, representing people with lupus, their families, friends and others who are concerned about this destructive disease.

I know something about lupus. I lost a sister to lupus. It is because of my experience with this disease that I have introduced H.R. 762. This bill expands and intensifies the research effort of the NIH to diagnose, treat, and eventually cure lupus. My bill increases the funding for lupus research and education, and it establishes a grant program to expand the availability of lupus service. It also protects the poor and the uninsured from financial devastation, by limiting their annual out-of-pocket expenses for lupus services.

Lupus is an auto-immune disease that afflicts women nine times more than it does men, and has its most significant impact on women during the childbearing years. About 1.4 million Americans have some form of lupus—one out of every 185 Americans. An estimated 1 in 250 African American women between the ages of 15 and 65 develop lupus.

Thousands of women with lupus die each year. Many other victims suffer debilitating pain and fatigue, making it difficult to maintain employment and lead normal lives. Perhaps the most discouraging aspect of lupus for sufferers and family members is the fact that there is no cure. Lupus is devastating not only to the victim, but to family members as well.

Since my arrival in the House in 1993, I have urged the Congress to direct the NIH to mount an all-out campaign against lupus. We can and must do more this year to conquer lupus, while offering treatment and protection against financial devastation to the victims of lupus.

Without struggle, there can be no progress. The members of the Lupus Foundation are leading the struggle to inform Members of Congress about lupus and to help find a cure. In the past, Congressional support has proven to be an important factor in providing the much needed funds to help the National Institutes of Health make important medical breakthroughs in the fight against lupus. Mr. Speaker, I urge my colleagues to join me in welcoming the members and friends of the Lupus Foundation to Washington. I also urge my colleagues to sign on as a cosponsor of H.R. 762. With your help, we will win this fight.

TRIBUTE TO JACK RUDIN

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mrs. McCARTHY of New York. Mr. Speaker, I rise today to pay tribute to and wish a very happy birthday to a great New Yorker and wonderful American, Jack Rudin. Jack Rudin has served for many years on the boards of many of New York's prominent cultural, education and social service organizations. He is a current member of the executive committee and board of overseers and managers of Memorial Sloan Kettering Cancer Center; an honorary trustee of the American Museum of Natural History and of the Congregation Shearith Israel, the Spanish and Portugese Synagogue; vice chairman of Jazz at Lincoln Center and director of the Hebrew Free Loan Society and the George C. Marshall Foundation.

In addition, Mr. Rudin is a trustee emeritus of Iona College, where the Rudins established the Roberta C. Rudin Program in Judeo-Christian Studies. As the original sponsor of the New York City Marathon, he is also the chairman of that event.

As a veteran of World War II, he was awarded the Combat Infantryman's Badge and the Bronze Star for his courage and patriotism. He also holds awards from many organizations, including the Greater New York Councils of the Boy Scouts of America, Jewish Theological Seminary for America, the Jewish Foundation for Christian Rescuers/ADL, Catholic Charities of the Archdiocese of New York, Conservancy for Historic Battery Park, and the Congregation of Christian Brothers. Mr. Rudin has received honorary degrees from Iona College, City College, City University of New York and the Hebrew University of Jerusalem.

Jack Rudin has been a great friend to Long Island. On behalf of Long Island, Happy Birthday, Jack!

PERSONAL EXPLANATION

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. GREEN of Texas. Mr. Speaker, on July 1, 1999, I missed fifteen votes because of scheduled back surgery in Houston.

Had I been present, I would have voted:

Rollcall No. 262: Aye.
Rollcall No. 263: Aye.
Rollcall No. 264: No.
Rollcall No. 265: Aye.
Rollcall No. 266: Aye.
Rollcall No. 267: Aye.
Rollcall No. 268: No.
Rollcall No. 269: No.
Rollcall No. 270: No.
Rollcall No. 271: Aye.
Rollcall No. 272: Aye.
Rollcall No. 273: Aye.
Rollcall No. 274: Aye.
Rollcall No. 275: Aye.
Rollcall No. 276: Aye.

BROADBAND LEGISLATION WILL SPUR COMPETITION, BENEFIT CONSUMERS

HON. JOHN. D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. DINGELL. Mr. Speaker, we began to write the law that would become the Telecommunications Act of 1996 in 1993. At that time, the vast majority of the American people were scarcely aware of the Internet's existence and potential. In fact, it's amusing to recall that some of the people we today revere as visionaries—including those in, say, Redmond, Washington—initially failed to understand the importance of the World Wide Web.

Much has changed since then. The Internet is on the front page of every major daily newspaper, and every major daily newspaper is on the Internet. E-mail addresses are exchanged as freely as telephone numbers. And the effect on the nation's commerce has been staggering. But the most amazing thing about this technological revolution is that this is only the beginning.

That is why Representative BILLY TAUZIN (R–LA) and I introduced H.R. 2420, the "Internet Freedom and Broadband Deployment Act" on July 1, 1999. We want the exponential growth of the Internet to continue unabated. We want to remove outdated remnants of regulation written when we needed to safeguard and promote a different world of telecommunications. Today, those rules do little more than slow down progress. Out legislation is designed to take the speed limits off the Information Superhighway once and for all.

First, the bill makes sure that Internet service will not become a de facto monopoly for any one provider. As technological convergence allows the cable and telephone wires in every home to deliver virtually the same services to the American people, it makes no sense to treat these wires differently under the law. It grossly distorts the operation of the market by giving one wire an artificial advantage over the other. Our bill protects consumers from a new monopoly in the business of Internet access and guarantees all Americans the freedom to choose the very best service at the lowest possible price.

Second, our bill protects consumers against the increasing concentration of market power in the Internet backbone business. The backbone of the Internet is virtually invisible to the average user, but it's arguably the most important communications link in the chain. It also has the potential of becoming the bottleneck of the 21st century. Virtually every bit and byte that travels over the Internet must cross one or more of these backbone networks to reach its destination. It is imperative that these networks remain competitive, and our bill will make sure that is so.

We are embarking on a technological journey that has already transformed our lives. The public is clamoring for new, high tech services, but they will be slow in coming and more expensive under current rules. Chairman TAUZIN and I have put together a blueprint for change that we believe will bring tremendous benefits to American consumers and the nation's economy. We propose to leave behind any personal biases and battle scars from past telecom wars, and we look forward to an exciting and stimulating debate characterized first and foremost, by open minds, fresh ideas, and a singular focus on what's best for the American people.

HONORING ONI BUTTERFLY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor Ms. Oni Butterfly of Silt, Colorado, for her community involvement, leadership, and instrumental role in forming the Silt Area Chamber of Commerce in 1997. Her exceptional work ethic and willingness to serve and help others are to be commended.

After growing up in New Jersey, Ms. Butterfly attended college in Syracuse, New York where she earned a degree in bacteriology. Later she received her master's degree in environmental sciences. She has worked for the U.S. Army Corps of Engineers and for the Northeastern U.S. Water Supply Study for the Environmental Protection Agency.

Her integrity and ethics have aided her and have led her to become the executive director of the Silt Area Economic Development Council and the music director for the valley's Hot Strings Band. Ms. Butterfly also dedicates her time as the membership director for the mountain states region of the Better Business Bureau.

Ms. Oni Butterfly provides inspiration and an example to follow as she works to serve and better her community. I am grateful to her for her hard work and dedication. Ms. Butterfly is an amazing individual and it is for her commitment to the citizens of Silt and for her perseverance that I now pay tribute to this remarkable woman.

TRIBUTE TO BOBBY LANG LEGENDARY TRACK COACH AT FLORIDA A&M

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mrs. MEEK of Florida. Mr. Speaker, I rise to pay tribute to Coach Bobby Lang, the legendary track coach at Florida A&M University, who resigned this past Friday, after 40 years of service.

Coach Lang is the last in a long line of legendary Florida A&M coaches who took little and did much. A full time professor of health and physical education Coach Lang has also directed the men's track program at Florida A&M since 1966. He's coached men and women's track full-time since 1982. For many years, Lang coached track, was an assistant football coach, and taught classes.

During his tenure at Florida A&M, Coach Lang has pretty much done it all, and along the way, he's developed some pretty good talent, too; dozens of All-Americans and even an Olympian.

In forty year's, his teams have won 38 conference titles; including a rare triple crown this year where his team won conference championships in cross country, indoor track and outdoor track—the first Mid-Eastern Athletic Conference Coach to achieve this.

Few men have achieved the success that Bobby Lang has known in his profession. Few men have achieved such universal respect and admiration from his colleagues. Few men have known the thrill that has come to this compassionate giant in taking young men and women and instilling confidence and pride in them, to the extent that those lessons are never forgotten.

They don't make great men like Bobby Lang anymore. His presence at the Florida A&M track program will sorely be missed. He won't be there next year to train the next generation of Rattler track athletes; he'll be at home spending a little more time with his wife of many years, Gladys, and his family.

My colleagues, Bobby Lang is more than just a great track coach; he is a great teacher, a great motivator and innovator, a great human being, and indeed, a great American.

Coach Lang, we'll all miss you. Enjoy your retirement from track.

TRIBUTE TO COLONEL DALTON WRIGHT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. SKELTON. Mr. Speaker, let me take this means to pay tribute to an outstanding Missourian, Colonel Dalton Wright of Lebanon, Missouri.

On the morning of the 55th anniversary of the allied invasion of Normandy, the Missouri Army National Guard 35th Aviation Brigade held a time-honored military event, the change of command ceremony, with Colonel Dalton Wright passing command of the 35th Aviation Brigade to Colonel Michael Pace.

The ceremony was held at the 1st Battalion, 135th Aviation armory at Whiteman Air Force Base. Prior to turning over command to Colonel Pace, Major General John Havens, the Adjutant General of Missouri, presented Colonel Wright the Legion of Merit Medal for exceptionally meritorious performance of duty while serving as commander of the 35th Aviation Brigade. Colonel Wright had commanded the brigade since Jan. 1, 1995. He will be reassigned as the Missouri State Aviation Officer in Jefferson City. His next assignment is the highest position that any pilot in the Missouri National Guard can attain. He takes over that position in July.

Colonel Wright originally served in the U.S. Navy. He completed flight training in 1967 and flew the A–6 Intruder from 1968 to 1971. He had one tour in Vietnam where he was decorated with the Naval Commendation for Valor, the Air Medal (six awards) and the Navy Achievement Medal.

After Colonel Wright's service in the Navy, he returned to Missouri and joined the National Guard. He was instrumental in getting attack helicopter assets added to the Guard inventory.

Some of Wright's duties in Missouri included commander of the 1st Battalion, 135th Aviation in Warrensburg; commander of Detachment 1, 1107th AVCRAD in Springfield; and his latest as commander, 35th Division Aviation Brigade.

Colonel Wright was president of the National Newspaper Association from 1997 to 1998. He is the president and owner of Lebanon Publishing Company.

Mr. Speaker, I know that the other Members of the House join me in expressing congratulations to Colonel Wright for a job well done.

FINANCIAL SERVICES ACT OF 1999

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes:

Ms. JACKSON-LEE of Texas. Mr. Chairman, Today I rise in support of H.R. 10, the Financial Services Competition Act of 1999. I would be remiss if I did not acknowledge the hard work of the Banking and Commerce Committees in crafting this legislation.

I support the idea of updating the rules that our Nation's financial institutions operate under to bring their activity in line with the realities of life in today's America.

Today's vote represents groundbreaking financial services legislation that would dismantle many of the depression era laws currently hindering the financial services industry from engaging in a modern global marketplace.

In Congress, we have spent more than twenty years debating how to update the Nation's antiquated banking laws that prohibit banks, securities firms and insurance companies from entering into another's businesses. H.R. 10 would permit streamlining of the financial service industry thereby creating one-stop shopping with comprehensive services choices for consumers. The streamlining of financial services will not only mean increased consumer confidence, it would also mean increased savings for consumers. The Treasury Department estimates that financial services modernization could mean as much as $15 billion annually in savings to consumers.

I am heartened that many provisions of the Community reinvestment Act (CRA) remain in H.R. 10. The CRA, enacted in 1977 to combat discrimination in lending practices, encourages federally-insured financial institutions to help meet the credit needs of their entire communities by providing credit and deposit services in the communities they serve.

Indeed, in many respects, H.R. 10 strengthens the CRA. Under the bill, CRA would be extended to the newly created wholesale financial institutions, which are institutions that could only accept deposits above $100,000 and are not FDIC-insured. Additionally, H.R. 10, provides consumer protection provisions that require institutions to ensure that consumers are not confused about new financial products along with strong anti-tying and anti-coercion provisions governing the marketing of financial products. Further, the bill requires that all of a holding company's subsidiary depository institutions have at least a "satisfactory" CRA rating in order to affiliate as a financial holding company and in order to maintain that affiliation.

CRA is a success story. Between 1993 and 1997, the number of home purchase loans to African Americans soared 62 percent; Hispanics saw an increase of 58 percent, Asian

Americans nearly 30 percent; and loans to Native Americans increased by 25 percent. Since 1993, the number of home mortgages extended to low- and moderate-income borrowers has risen by 38 percent.

Indeed, in my district, Hispanic students from the east end district of Houston historically have had a high dropout rate. Using funds made available by the CRA, the Tejano Center for Community Concerns built the Raul Yzaguirre School for Success to meet the special needs of students from low-income families in this inner-city neighborhood. This school has performed outstandingly in its three years in existence. In fact, over the past two years, the school's students' average Texas assessment of academic skills scores increased 18 to 20 percent.

In addition to the school, funding made available by the CRA has helped the Tejano Center for Community Concerns build and sell 15 homes to new home buyers, with nine additional homes planned, as well as a health clinic that serves approximately 1,500 patients per year. Examples such as this speak volumes on the CRA's ability to positively impact people's lives.

This is why I am concerned that H.R. 10 does not extend the CRA to non-banking financial companies that affiliate with banks. Specifically, H.R. 10 does not require securities companies, insurance companies, real estate companies and commercial and industrial affiliates engaging in lending or offering banking products to meet the credit, investment and consumer needs of the local communities they serve.

The exclusion of nonbank affiliates' banking and lending products from the CRA is significant because increasingly, businesses such as car makers and credit card companies, securities firms and insurers are behaving like banks by offering products such as FDIC-insured depository services, consumer loans, as well as debit and commercial loans. Additionally, private investment capital is decreasingly covered by CRA requirements, making it more difficult for underserved rural and urban communities to access badly-needed capital for housing, economic development and infrastructure.

Madam Chairman, I am also troubled by the fact that rules committee did not make in order several key amendments offered by the democrats including my own to address issues such as redlinging, stronger financial and medical record privacy safeguards and community lending. I hope that during the course of our debate we can address these concerns.

Both our financial service laws and consumer protection laws need to be modernized. On balance, H.R. 10, is a positive step in the right direction to achieve this goal. I urge my colleagues to join with me in supporting this bill.

TRIBUTE TO DR. MYROSLAW M. HRESHCHYSHYN

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. QUINN. Mr. Speaker, I rise today in memory of Dr. Myroslaw M. Hreshchyshyn, a medical scientist, a professor of gynecologic oncology and obstretics at the University of Buffalo Medical School, and a leader in the Ukrainian-American community in Western New York.

I would like to read into the RECORD an article which appeared in the Buffalo News honoring the life of Dr. Hreshchyshyn.

> "Dr. Myroslaw M. Hreshchyshyn, 71, a medical scientist and professor of gynecologic oncology and obstetrics at the University at Buffalo Medical School, died Monday (May 24, 1999) in Lviv, Ukraine, while working on a gynecology and obstetrics textbook to be published there.
>
> He introduced the use of chemotherapy in gynecological oncology in the United States in the 1960s and at the time of his death was continuing an investigation he began in the late 1980s on diagnosing osteoporosis.
>
> Born in Kovel (Volya), Ukraine, he finished his doctorate at J.W. Goethe University in Frankfurt, Germany, 1951. He served as an intern in Yonkers, did his residency at Cumberland Hospital, Brooklyn, and was a clinic fellow in gynecologic cancer at Kings County Hospital, Brooklyn.
>
> He moved to Buffalo in 1957 after becoming a fellow in chemotherapy at Roswell Park Cancer Institute. He joined the UB Medical School faculty in 1970 and served as chairman of department of gynecology and obstetrics from 1982 to 1996.
>
> He also headed the gynecology and obstetrics departments at Children's Hospital, Buffalo General Hospital, Millard Fillmore Hospital and Erie County Medical Center until 1996. He oversaw the Reproductive Endocrinology Center, which is run by UB Medical School and Children's Hospital.
>
> He was a fellow of the American College of Obstetrics and Gynecology, founding chairman of the Gynecologic Oncology Group from 1971 to 1975 and president of the Buffalo Gynecologic and Obstetric Society from 1977 to 1978.
>
> Hreshchyshyn helped initiate the USAID American International Health Alliance Medical Partnerships Program, which exchanges medical personnel and information between two hospitals in Lviv and Millard Fillmore Hospital. He also was one of the investigators in the $10 million National Institutes of Health-funded Women's Health Initiative at UB.
>
> He was a member of more than 20 professional associations and societies and contributed much to civic and educational organizations, especially in the Ukrainian-American community.
>
> He and Lidia Warecha were married in 1958.
>
> In addition to his wife, survivors include two sons, Yuri of South Buffalo and Adrian of Scottsdale, Ariz.; three daughters, Marta Hreshchyshyn of Eagle River, Alaska, Nadia McQuiggen of Amherst and Kusia Hreshchyshyn of Oakland, Calif.; and four grandchildren."

Mr. Speaker, today I would like to join with the Ukrainian-American community, and indeed, all of Western New York to honor Dr. Myroslaw M. Hreshchyshyn. To that end, I would like to convey to the Hreshchyshyn family my deepest sympathies, and ask my colleagues in the House of Representatives to join with me in a moment of silence.

RECOGNIZING TROOPER SAM MITCHELL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize the dedication, service and outstanding efforts of one of Colorado's finest, Trooper Sam Mitchell of the Colorado State Patrol. As a former police officer, I know the time and commitment required and for his work and achievements I wish to pay tribute to Trooper Mitchell and commend him for receiving distinction as the Outstanding State Patrol Trooper by The Hundred Club.

Joining the Colorado State Patrol in October of 1985, Sam Mitchell served with the Golden troop before transferring to the Colorado Springs Troop and later to the Pueblo Troop. He is a distinguished D.U.I. officer averaging over 300 D.U.I. arrests per year. His commitment to protecting the citizens of Pueblo has helped to save many families the heartbreak of losing a loved one to drunk driving.

He not only dedicates his time to insuring the safety of those on the roads, he also gives of his time to attend court hearings in order to insure that the intoxicated drivers he arrests face justice for their crimes. I greatly appreciate Trooper Mitchell and his work for the people of Pueblo. Trooper Sam Mitchell is one of a kind and I am grateful for his service and dedication to protecting innocent people from the atrocities that may be inflicted by intoxicated drivers.

For his commitment, compassion, and willingness to help I wish to commend Trooper Sam Mitchell. I would also like to congratulate him on a job well done, and I hope that he will continue in his noble pursuits to see justice done.

IN MEMORY OF JUDGE ROBERT T. DONNELLY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. SKELTON. Mr. Speaker, it is with deep sadness that I inform the House of the death of former Missouri Supreme Court Judge Robert T. Donnelly, 74, of Jefferson City, Missouri.

Judge Donnelly was born Aug. 31, 1924, in Lebanon, Missouri, a son of Thomas J. and Sybil True Donnelly. He was married Nov. 16, 1946, in Little Rock, Arkansas, to Wanda Sue "Susie" Oates, who survives at the home.

A graduate of Lebanon High School, he attended the University of Tulsa and Ohio State University. He graduated from the University of Missouri-Columbia, receiving his law degree from the university in 1949. An Army veteran of World War II, he received the Purple Heart and a Bronze Star.

Judge Donnelly practiced law in Lebanon, Missouri, with Phil M. Donnelly and David Donnelly from 1952 to 1965. He was an assistant Attorney General of Missouri from 1957 to 1963.

He was appointed to the Missouri Supreme Court by Governor Warren E. Hearnes in 1965, and served as chief justice from 1973 to 1975, and from 1981 to 1983. He was the first chief justice to address the General Assembly of Missouri on the State of the Judiciary in January 1974.

Judge Donnelly was active in the community. He was a member and elder at First Presbyterian Church, a member of Lebanon Masonic Lodge, A.F. & A.M. and a 50-year member of the Missouri Bar. He served on the Lebanon Board of Education from 1959 to 1965; on the board of the School of Religion, Drury College, Springfield, from 1958 to 1963; and on the board of the Missouri School of Religion, Columbia, from 1971 to 1972.

He was deputy chairman of the National Conference of Chief Justices in 1975. In 1998 he published "A Whistle in the Night," his autobiography and memoir.

Judge Robert T. Donnelly will be missed by all who had the privilege to know him. I know the Members of the House will join me in extending heartfelt condolences to his family: his wife, Susie; his two sons, Thomas and Brian; his sister, Helen; and his three grandchildren.

YOUTH VIOLENCE AND THE MEDIA

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. STUMP. Mr. Speaker, last week, a very insightful article appeared on the Op-Ed page of The Washington Post. This article was written by William B. Ruger, Sr., chairman of the board of Sturm, Ruger & Company, which is located in Prescott, Arizona. Mr. Ruger is considered one of the most respected and responsible voices in the firearms industry. His motto, and the company's motto, has always been "Arms Makers for Responsible Citizens."

The article dealt with violence as part of the ongoing debate since the tragedy of Littleton, Colorado. Bill Rugar's well thought out article would be required reading for anyone concerned about the role of the media as it relates to youth violence. I submit the article to be printed in the RECORD.

[From the Washington Post]

OUR DAILY DOSE OF DEATH

(By William B. Ruger Sr.)

When was the last time the media portrayed the responsible use of recreational firearms? You wouldn't know it from reading the newspaper or watching television, but according to the National Safety Council, the firearms accident rate has declined 20 percent during the past decade, plummeting to a 90-year low. In 1998, only one percent of accidental deaths were attributable to firearms accidents.

There is a subconscious anti-gun bias on the part of major media. Certainly, our society has changed since I founded Sturm, Ruger & Co., but I can assure you that my reaction to a "gang-banger" on the news is precisely the same as that of every law-abiding American—profound outrage.

The antisocial elements of our society seem to hold the rest of us hostage. The media constantly portray carnage and gore, often in agonizingly slow motion, for no discernible reason. The same goes for incredibly violent video games that some young people play for hours on end. Such portrayals have their staunch defenders, but as a firearms manufacturer, I would implore them to stop using violence to make a killing. Let's not pretend it's anything else. The incessant desensitizing of our young people to mindless violence is beyond measure and beyond comprehension.

Graphic, vicious and sadistic films, television shows, video games and music lyrics that trumpet wanton killing—often directed against the police—are outrageous. Drug and alcohol abuse, the breakdown of the family, inadequate child supervision and the lack of "a decent respect for the opinions of others" (to paraphrase Jefferson) are far more pernicious and harder to address than simply passing another "gun law." But we won't accomplish much until we stop deluding ourselves into thinking that society's violence is because of firearms and that the media bear no responsibility for this witches' brew.

More law enforcement agents were mowed down by machine guns in "Die Hard II" than have been killed on duty in the history of the nation. The impression left is that "something must be done" to get machine guns off the streets. But they have been essentially illegal since 1936. We have so-called "assault weapon" bans, which do nothing but ban guns that look like machine guns but operate just like the shotgun President Clinton takes duck hunting—one shot at a time.

When anyone protests gratuitous violence or counsels restraint in portraying violence, the media take umbrage behind their right to do so. In 1955, we placed a full-page ad, "A Symbol of Responsibility," stating "with the right and enjoyment of owning a firearm goes that constant responsibility of handling it safely and using it wisely." Would not a little self-restraint similarly apply to the right to produce a movie, print a newspaper or record a song?

We recently protested to a major newspaper about its irresponsible behavior in bringing a child to a gun show display and then deliberately taking a photograph of him brandishing a pistol in an unsafe manner. The newspaper defended the photographer. We do not sell our products to minors and deplore their unsupervised use, yet we were cast as villains "promoting violence" by this same newspaper. Similarly, television networks that show ultra-violent films with guns portrayed in the most antisocial ways piously denounce firearms on their evening editorials. Some won't even run firearms safety spots because "they show a gun."

Isn't it ironic that those who scorn the Second Amendment are cavalier in treating the First Amendment as their right but not a responsibility? Let anyone ask for any restraint of those who would abuse their First Amendment rights to incite antisocial behavior, and the purveyors hide behind that amendment, loudly decrying "censorship." While there are legitimate adult uses for firearms, nothing justifies this excessively violent "free speech" aimed at our youth in the guise of "entertainment."

Our corporate motto is "Arms Makers for Responsible Citizens." We have strongly supported more than 20,000 gun control laws and "point-of-sale" background checks for new gun purchasers. We voluntarily ship our pistols in lockable boxes as a precautionary measure. I only wish that others would also become symbols of responsibility before they desensitize another generation of youth to the horror of violence. We are all sick of it.

FINANCIAL SERVICES ACT OF 1999

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial services providers, and for other purposes:

Ms. JACKSON-LEE of Texas. Madam Chairman, today I rise to voice my opposition to the structured rule to House Resolution 10, the Financial Services Competition Act of 1999. This rule stifles debate on critical issues from the modernization of the financial services industry. Forty Amendments offered by the Democrats, including my own, which addressed issues of redlining, stronger financial and medical record privacy safeguards and community lending were not made in order by the Rules Committee.

I support the idea of updating the rules that our nation's financial service institutions operate under to bring their activity in line with the realities of life in today's America. With that said, I believe that in our rush to modernize financial services, we are overlooking critical issues that the Democrats sought to address through the amendment process.

The Republicans failed to make in order Representative BARBARA LEE's anti-redlining amendment. Currently, CRA applies to only banks and thrifts. Representative LEE's proposed amendment would have required insurance companies and their affiliates to remain in compliance with the Fair Housing Act. Interestingly enough, this provision was included in the Banking Committee version of H.R. 10.

H.R. 10 allows virtually unlimited access by organizations such as insurance companies, employment agencies and credit bureaus of a patient's medical records. Under these provisions, patient information could be disclosed or even sold to the highest bidder for reasons that have nothing to do with the health of the patient. This will threaten the confidential relationship between a doctor and the patient—an essential component of high quality health care.

Similarly, the rule prohibited a discussion on creating parity between large and community banks with respect to sharing protected information. Large banks rely on sharing customer information with affiliates and subsidiaries, while smaller banks rely on the transfer of information between third parties.

The amendment offered by Representative MARKEY would have preserved the meaningful consumer financial privacy protections adopted on a bipartisan basis in the Commerce Committee. H.R. 10 will greatly accelerate mergers, creating huge money centers with access to once-confidential information about millions of customers.

The Commerce Committee, in a bipartisan manner, adopted a compromise approach to financial privacy by giving consumers an across-the-board "opt-out"—the ability to stop information from being disclosed to third parties and affiliates. H.R. 10 only permits consumers to opt-out of third party information sharing. Financial institutions are still free to share consumer information with their affiliates and subsidiaries.

Madam Chairman, the structured rule prohibits discussion of the lack of sufficient protections for the privacy of an individual's medical records. This bill allows virtually unlimited access by organizations such as insurance companies, employment agencies and credit bureaus of a patient's medical records without the patient's consent or knowledge. Under these provisions, patient information could be disclosed or even sold to the highest bidder for reasons that have nothing to do with the health of the patient. This will threaten the confidential relationship between a doctor and patient—an essential component of high quality health care.

Under the bill, Madam Chairman, health insurers could compel individuals to allow their medical records to be sold or disclosed to employers, direct marketing firms and others. While the bill technically requires individuals to consent to such disclosures, the consent process can and will be coercive. Insurers could refuse to provide health insurance to individuals who fail to provide blanket authorization for disclosure. Faced with such a choice, individuals will have no option but to sign away their privacy rights.

The amendment offered by Representative CONDIT and others would have stripped Section 351 from the bill in order to prevent this erosion of medical privacy. Section 351 of H.R. 10 purports to protect the privacy of medical records. In fact, it would do just the opposite by allowing a major invasion of consumer privacy.

Among other things, Section 351 would allow health insurers to sell health records, would preempt state privacy laws and would allow insurers to effectively coerce disclosure "consent" from consumers. This would have prevented by the adoption of the Condit Amendment.

I also oppose the rule, because it failed to contain my amendment which would have directed the Comptroller General of the United States to conduct a study of the extent to which the lack of availability of a full-range of financial services in low- and moderate-income neighborhoods has resulted in an undue reliance in such neighborhoods on check cashing services which impose a fee equal to 1 percent or more of the amount of a transaction.

This report would have also assessed to what extent check cashing services are regulated and audited by Federal, State, or local governments to prevent unscrupulous practices and fraud. This amendment would have also reviewed to what extent owners and employees of check cashing services are licensed or regulatory screened to prevent the infiltaration of elements of organized crime.

According to the National Association of Check Cashers, the industry cashes about 200 million checks a year, totaling $60 billion, and earned more than $1 billion last year. The number of check cashing outlets in the United States has nearly tripled about 6,000 compared to about 2,150 in the mid-1980s.

Banks are hard to find in the inner city, and I am sure that this fact has contributed to the presence of check cashers in the inner city. In the City of Houston 23 establishments are listed as offering check cashing services to poor or moderate income Houstonians.

It is estimated that 12% of the population in this country does not have a checking account. Resulting in one in every 13 U.S. households not having a bank account. This percentage is growing with the escalation of banking fees and the closing of full service bank branches.

In the state of Texas a low-income family may spend more than $200 a year in checks cashing fees.

Currently, no national law guarantees access to banking services for all Americans. Illinois, Massachusetts, New Jersey, New York and Minnesota require banks operating with their boarders to offer basic checking accounts with minimal fees for consumers making a limited number of transactions.

Some check cashing services offer short term credit called a payday loan to customers who are in need of cash. A customer writes a check for one amount and receives a lower amount in return. The check casher in turn agrees to hold off cashing the check until payday. A customer can choose to "roll" the check over by paying another fee to extend the loan, a process that can become extremely costly over time.

A class-action lawsuit in Tennessee describes a borrower who renewed cash advance loans 20 to 29 times. One plaintiff "rolled over' loans 24 time in 15 months, borrowing a total of $400 and paying $1,364 while still owing $248. The allowance of this amendment would have made sure that the reform of our nation's financial service industry includes benefits to all Americana.

Madam Chairman, H.R. 10, the Financial Services Act of 1999, represents a historic moment for America. I am supportive of a bill that would update our Depression era banking laws. Indeed, according to the Treasury Department, financial services modernization could provide as much as $15 billion annually in savings to consumers. Modernization will create a streamlined, one stop shopping with comprehensive choices for consumers.

I must state in no uncertain terms that notwithstanding the potential benefits that H.R. 10 represents for consumers, the structured rule prohibited dialogue on the key issues of redlining, financial and medical record privacy and community lending. Accordingly, I strongly oppose the rule. It is my desire that these important issues will be revisited in conference.

RECOGNIZING SERGEANT J. EMILIO TRUJILLO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, it is with great pleasure that I wish to recognize Sergeant J. Emilio Trujillo of the Pueblo Police Department for his years of outstanding service and for his dedication to protecting the citizens of Pueblo, Colorado. His hard work, commitment, and compassion are to be commended.

For 34 years, Mr. Trujillo has served in law enforcement, spending most of his time in the department's identification section. He is known as the best identification officer in Colorado. As supervisor of the section, he has served on and managed the crime-scene investigation of virtually every homicide, robbery, or serious crime committed in the Pueblo area.

Sergeant Trujillo's knowledge, experience, and work ethic are to be valued and appreciated. He is highly respected and admired in the law enforcement community for his technical knowledge and supervisory skills. Recognized throughout the nation as an expert in latent fingerprint examination, Emilio Trujillo is a qualified expert court witness in fingerprints, photography, and marijuana identification.

Not only has he served as an active policeman, he has also worked to prepare future police officers by teaching and sharing his experience with those attending the police academy. He has provided leadership and an example to follow for students of forensic investigation techniques. Men like Sergeant Trujillo are few and far between. I am thankful for his dedication to the citizens of Pueblo. It is for his efforts to uphold justice and serve and protect the people that I now pay tribute to Sergeant J. Emilio Trujillo.

RECOGNIZING EMERGENCY MEDICAL OFFICER RANDALL BRADFORD

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 12, 1999

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize Emergency Medical Officer Randall Bradford of Pueblo, Colorado. For his bravery, dedication and hard work. I would like to pay tribute to Mr. Bradford.

For 28 years, Randall Bradford has spent his time responding to medical emergencies of all kinds, and saving the lives of many individuals. Classified as a medical officer, he not only actively serves to protect life, he also trains other firefighters and the public to perform CPR and to work as EMTs. Known for his patience and composure while aiding the injured and the ill, Mr. Bradford is well liked by all he comes into contact with.

Mr. Bradford goes above and beyond the call of duty volunteering for and striving to complete tasks outside of his job description. He serves as a Medical Evaluator for the CSEPP Program, and as a member of the fire Department Critical Incident Debriefing Team. Credited with writing the Mass Fatality section of the Pueblo County Disaster Plan, he has also written and assembled the guide currently used by the Fire Department for medical reports.

Currently, Mr. Bradford is focusing on the "Drive Smart Pueblo" program to educate drivers in the selection and use of child safety seats. He has volunteered numerous hours toward working at child Safety Seat check points. I appreciate his efforts in protecting and educating the citizens of Pueblo. His dedication, hard work, kindness, and generosity of his time are to be commended and because of them, I wish to recognize Randall Bradford.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 13, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 14

9:30 a.m.
Indian Affairs
Energy and Natural Resources
To hold joint oversight hearings on the General Accounting Office report on Interior Department's trust funds reform.
SH–216

Health, Education, Labor, and Pensions
Children and Families Subcommittee
To hold oversight hearings on the implementation Family Medical Leave Act.
SD–430

Environment and Public Works
To hold hearings on conformity issues relating to the Clean Air Act.
SD–406

10 a.m.
Judiciary
To hold hearings to examine competition and consumer choice in high-speed internet services and technologies.
SD–628

Appropriations
Defense Subcommittee
To hold hearings on forward operating locations for counterdrug operations.
SD–192

Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on health care cost issues affecting rural hospitals.
SD–138

2 p.m.
Intelligence
Closed business meeting; to be followed by a closed hearing on pending intelligence matters.
SH–219

3 p.m.
Finance
International Trade Subcommittee
To hold hearings on managing global and regional trade policy without fast track negotiating authority.
SD–215

Governmental Affairs
To hold hearings on S. 1214, to ensure the liberties of the people by promoting federalism, to protect the reserved powers of the States, to impose accountability for Federal preemption of State and local laws.
SD–342

JULY 15

9 a.m.
Small Business
Business meeting to consider pending calendar business.
SR–428A

Year 2000 Technology Problem
To hold hearings on state and local preparedness for year 2000.
SD–192

9:30 a.m.
Energy and Natural Resources
To resume hearings on S. 161, to provide for a transition to market-based rates for power sold by the Federal Power Marketing Administrations and the Tennessee Valley Authority; S. 282, to provide that no electric utility shall be required to enter into a new contract or obligation to purchase or to sell electricity or capacity under section 210 of the Public Utility Regulatory Policies Act of 1978; S. 516, to benefit consumers by promoting competition in the electric power industry; and S. 1047, to provide for a more competitive electric power industry.
SH–216

Banking, Housing, and Urban Affairs
International Trade and Finance Subcommittee
Economic Policy Subcommittee
To hold joint hearings on the official dollarization in Latin America.
SD–538

Commerce, Science, and Transportation
Business meeting to consider proposed legislation authorizing expenditures by the committee;to be followed by hearings on proposed legislation authorizing funds for the National Transportation Safety Board.
SR–253

10 a.m.
Judiciary
Business meeting to consider pending calendar business.
SD–628

JULY 16

10 a.m.
Judiciary
Administrative Oversight and the Courts Subcommittee
To hold hearings on S. 253, to provide for the reorganization of the Ninth Circuit Court of Appeals; and review the report by the Commission on Structural Alternatives for the Federal Courts of Appeals regarding the Ninth Circuit.
SD–628

JULY 20

9:30 a.m.
Armed Services
To hold hearings on the nomination of F. Whitten Peters, of the District of Columbia, to be Secretary of the Air Force; and the nomination of Arthur L. Money, of Virginia, to be an Assistant Secretary of Defense.
SR–222

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 729, to ensure that Congress and the public have the right to participate in the declaration of national monuments on federal land.
SD–366

Aging
To hold hearings to examine the effects on drug switching in Medicare managed care plans.
SD–106

JULY 21

9:30 a.m.
Indian Affairs
To hold hearings on S. 985, to amend the Indian Gaming Regulatory Act.
SR–485

2 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 1184, to authorize the Secretary of Agriculture to dispose of land for recreation or other public purposes; S. 1129, to facilitate the acquisition of inholdings in Federal land management units and the disposal of surplus public land; and H.R. 150, to amend the Act popularly known as the Recreation and Public Purposes Act to authorize disposal of certain public lands or national forest lands to local education agencies for use for elementary or secondary schools, including public charter schools.
SD–366

JULY 22

9:30 a.m.
Environment and Public Works
To hold hearings on S. 835, to encourage the restoration of estuary habitat through more efficient project financing and enhanced coordination of Federal and non-Federal restoration programs; S. 878, to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program; S. 1119, to amend the Act of August 9, 1950, to continue funding of the Coastal Wetlands Planning, Protection and Restoration Act; S. 492, to amend the Federal Water Pollution Act to assist in the restoration of the Chesapeake Bay; S. 522, to amend the Federal Water Pollution Control Act to improve the quality of beaches and coastal recreation water; and H.R. 999, to amend the Federal Water Pollution Control Act to improve the quality of coastal recreation waters.
SD–406

2 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 1320, to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands, focusing

on Title I and Title II, and related Forest Service land management priorities.

SD–366

2:30 p.m.

Foreign Relations

To hold hearings on the nomination of J. Brady Anderson, of South Carolina, to be Administrator of the Agency for International Development.

SD–419

JULY 27

9:30 a.m.

Energy and Natural Resources

To hold hearings on S. 1052, to implement further the Act (Public Law 94-241) approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

SD–366

JULY 28

9:30 a.m.

Indian Affairs

To hold hearings on S. 979, to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes.

SR–485

AUGUST 4

9:30 a.m.

Indian Affairs

To hold hearings on S. 299, to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health; and S. 406, to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations; followed by a business meeting to consider pending calendar business.

SR–485

SEPTEMBER 28

9:30 a.m.

Veterans Affairs

To hold joint hearings with the House Committee on Veterans Affairs to review the legislative recommendations of the American Legion.

345 Cannon Building

SENATE—*Tuesday, July 13, 1999*

(Legislative day of Monday, July 12, 1999)

The Senate met at 9:31 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have shown us that there is no limit to the strength You give when we unite in the cause that You have guided. There is a wonderful sense of oneness when we call on Your help together. You are delighted when Your people work together in harmony to confront problems and discover Your solutions. Help us see that our task is not to defeat each other or simply to defend our points of view, but to discuss issues in a way that all aspects of truth are revealed and the best plan for America is agreed upon. So, together, Democrats and Republicans, we ask You to bless the debate on health care this week. Keep all the Senators united in the common goal of working through the issues until they can agree on what is best for all Americans. Keep them and all who work with them focused on positive solutions. Dear God, give us a win-win week for the good of America and for Your glory. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator BROWNBACK is designated to lead the Senate in the Pledge of Allegiance.

The Honorable SAM BROWNBACK, a Senator from the State of Kansas, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The acting majority leader is recognized.

SCHEDULE

Mr. BROWNBACK. Mr. President, today the Senate will immediately proceed to a period of morning business until 10 a.m. Following morning business, the Senate will resume consideration of the Patients' Bill of Rights. Debate will resume on the pending second-degree amendment regarding emergency medical care coverage. Further amendments are expected to be offered and debated during today's session, with votes to be scheduled for this afternoon. For the information of all Senators, the Senate will recess from 12:30 to 2:15 p.m. for the weekly party conference meetings. When the Senate reconvenes at 2:15 p.m., Senator SMITH of New Hampshire will be recognized for up to 45 minutes. I thank my colleagues for their attention.

MORNING BUSINESS

Mr. BROWNBACK. Mr. President, if I could go ahead and proceed this morning, Senator JOHN ASHCROFT, Senator KAY BAILEY HUTCHISON, and myself have reserved 20 minutes to discuss Chairman ROTH's tax package and the marriage penalty in particular. So I will begin that initial discussion in morning business.

TAX CUTS

Mr. BROWNBACK. Mr. President, the chairman of the Finance Committee will be coming out with his mark on tax cuts, and this is a critically important issue. It is an important one for the country. It is important, now that we are looking forward to having some surplus, that we say to the American people: You have been overpaying your taxes, and we want to give some of that back to you. This is over and above Social Security, the amount of the payroll tax that is going to Social Security. So we are setting aside the Social Security trust funds—a lockbox is what we call it, a lockbox for the Social Security surplus—and with the remainder talking about tax cuts, serious tax cuts.

One issue we want to discuss this morning is doing away with the marriage penalty. It seems extraordinary to me that we would have a tax policy in this country that actually penalizes people for getting married. With all the problems we have with families in our society, it seems, if anything, we would want to do just the opposite—we would want to give people a benefit for being married rather than taxing them for being married. And yet the way the code has evolved, today 21 million American married couples pay an average of $1,400 more in taxes just for the privilege of being married.

I think that is wrong. The Government should not use the coercive power of the Tax Code to erode one of the foundational units of our society, that of marriage. We should stop the taxation. We should put a stop to the marriage penalty tax. This year we can change that.

I am encouraged that the chairman of the Finance Committee, Senator ROTH, and his committee have put forward efforts to alleviate the marriage penalty. We have a unique opportunity to put that issue behind us.

I want to draw Senators' attention to another issue under the marriage penalty area which has not been talked about that much. That is the earned-income tax credit bias against married couples. A significant share of the marriage penalty occurs to low-income couples. It is caused by the loss of the earned-income tax credit when individuals' incomes are combined.

What happens is, you have two-wage-earner families that, if they were not married, if they were single and filing separately, would qualify for the earned-income tax credit. But if they get married and they earn over this mark, they get penalized again for being married.

Estimates by the CBO indicate that what we can do is double, for two-wage-earner families, the amount of income that can be received and still qualify for the earned-income tax credit. Virtually all the benefits of this adjustment in the earned-income tax credit would go to couples with incomes below $50,000. There are nearly 3.7 million couples in America today that do not receive the earned-income tax credit that would, if we double the amount that they can make, still qualify for the earned-income tax credit.

I point this out because people struggle mightily to raise families, and the notion that we would tax and then tax again low-income families, keeping them from receiving a benefit because they are married, makes absolutely no policy sense at all.

I don't see how on Earth anybody can argue this is a good idea or this is the right thing to do. I am hopeful the chairman of the Finance Committee has focused on this. We can do this. I hope the President will be willing to work with Members of Congress in both the House and the Senate in crafting a tax package we can all agree with, so the American people can stop overpaying their taxes—which they are currently doing.

The CBO is now projecting an onbudget surplus of $14 billion in fiscal year 2000, with the surplus growing to $996 billion over the 10-year period beginning in fiscal year 2000. We have this opportunity to eliminate the marriage penalty tax and to do away with

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

paying the marriage penalty tax on upper-income levels and for those not being given the earned-income tax credit on the lower-income level.

Of course, the surging surplus I was discussing is as a result of payroll tax receipts. I continue to emphasize that.

The majority side wants to put a lockbox around any Social Security surplus and have that maintained only for Social Security. We can do these things. We need to work across the aisle. We need to work with the President. I hope he will be willing to work with Members as we move forward in dealing with the marriage penalty tax, which is a terrible signal to send across society, to send to people across America. We will be working with the chairman of the Finance Committee. I hope this is one tax that can find its death in this round of tax cuts. We will hopefully be going to reconciliation and discussing tax cuts this month. It is a very important topic we will discuss.

I encourage people paying a marriage penalty tax to contact Members regarding how the marriage penalty tax has directly impacted your lives. I have had any number of couples write saying: We wanted to get married but we found out we were going to pay this huge tax for getting married and we could not afford to do that; this is money we wanted to use for a downpayment of a house or to get a car that would work.

They were not able to do it because of the pernicious fiscal effect of the marriage penalty tax. It is a terrible signal we are sending across our society.

Senator HUTCHISON from Texas has been a leader on this issue of dealing with the marriage penalty tax. She has come to the floor, as well, to discuss what we can do. Now is the time to eliminate this marriage penalty tax.

I yield the floor.

VISIT TO THE SENATE BY THE HONORABLE JOHN HOWARD, PRIME MINISTER OF AUSTRALIA

Mr. HAGEL. Mr. President, I ask unanimous consent that Members of the Senate greet the Honorable John Howard, Prime Minister of Australia.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate now stand in recess for 5 minutes to greet the Honorable John Howard, Prime Minister of Australia.

There being no objection, the Senate, at 9:45 a.m., recessed until 9:52 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. VOINOVICH).

ORDER OF PROCEDURE

Mrs. HUTCHISON. Mr. President, I wonder how much time do we have remaining, with the added time based upon the Prime Minister's appearance?

The PRESIDING OFFICER. The Senator has 7 minutes.

Mrs. HUTCHISON. Mr. President, then I ask you to notify me at 3½ minutes. I intend to give the other 3½ minutes to Senator ASHCROFT.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I was very pleased to meet the Prime Minister from Australia. He asked me where I was from, what State I represented. I said, "I represent the State that everyone says is just like Australia." He said, "Texas?" And I said, "Absolutely." I had a wonderful visit with him. He has a wonderful personality. We are pleased to welcome him to the Senate.

TAX CUTS

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank Senator BROWNBACK.

Senator ASHCROFT from Missouri, Senator BROWNBACK, I, and many others have been talking about the marriage penalty tax for two sessions, and even a session before that.

We were stunned when we discovered 44 percent of married couples in the middle-income brackets—in the $40,000 to $60,000 range—were paying a penalty just for the privilege of being married.

We have introduced legislation to cut the marriage tax penalty. In fact, both the House and Senate have tax cut plans that we will be discussing over the next few months to try to determine what we can give back to the hard-working Americans who have been sending their money to Washington to fund our Government.

When we start talking about how we are going to give people their money back, I think we have to step back and talk about the basic argument, which is: What do we do with the surplus? And are tax cuts the right way to spend the surplus?

I will quote from a Ft. Worth Star-Telegram opinion piece by one of the editorial writers on that newspaper, Bill Thompson, from June 30, 1999.

He says there is only one question to ask about the budget surplus, and that is:

> How should we go about giving the money back to its rightful owners?
>
> And the rightful owners, surely even the biggest nitwit in Washington can understand, are the taxpayers of the United States of America.
>
> The federal government is not a private business that can do whatever it wants to with unexpected profits.

Because, in fact, we are more of a coop. We are not a business that is trying to make a profit and then decide what to do with the profits.

> . . . [T]here should be no discussion about the fate of the money. . . .

If there is money left over, we give it back to the people who own that money. We in Washington, DC. do not own that money, The people who earned it own it. It is time we start giving them back the money they have earned.

We are doing what we should be doing. We are cutting back Government spending, so people can keep more of the money they earn. If we do not give it back to them, we will be abusing the power we have to tax the people. We are talking about giving the money back to the people who earn it, and the first place we ought to look is to people who are married who pay more taxes just because they are married. If they were each single they would be paying lower taxes, but because they got married the average is $1,400 in the marriage penalty tax. That is unconscionable.

Since 1969, we have seen the marriage tax penalty get worse and worse and worse. It was not meant to be that way. Congress did not intend to tax married people more. But because more women have gone into the workforce to make ends meet and to do better for their families, the Tax Code has gotten skewed and the deductions have become unfair. So today we are saying the first priority should be to eliminate the tax that is more on married people than it would be if they were single.

I yield the remainder of my time to Senator ASHCROFT, who is working with me on this very important issue. We will give the taxes that people are paying to the Government back to them because it does not belong to us. It belongs to the people who earn it.

Mr. President, I ask unanimous consent the article by Bill Thompson be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BUDGET SURPLUS: THERE'S ONLY ONE TOPIC THAT NEEDS DISCUSSING

(By Bill Thompson)

Nothing will get the politicians' juices flowing like an avalanche of money. Put large piles of cash in front of a herd of politicians, and the ensuing stampede will crush everything in its path.

Nowhere is this truer than in Washington, D.C., where the latest predictions of burgeoning federal budget surpluses have the president, Congress and everyone in between all but trampling one another in their fervor to dive into those irresistible mountains of money.

Not surprisingly, all the official and semiofficial public pronouncements, all the expert analyses and all the wide-eyed speculation about the fate of the extra money seem to arrive at the same conclusion: The politicians will spend it.

In fact, the only question that anyone who's anyone seems to be asking about this "windfall" revenue is: How should we spend it?

Well, call me naive or simple-minded or just plain dumb—many readers do so on a regular basis, after all—but in my humble opinion the deep-thinkers are asking the wrong question. The only legitimate question that anybody should be asking about the federal budget surplus is: How should we go about giving the money back to its rightful owners?

And the rightful owners, surely even the biggest nitwit in Washington can understand, are the taxpayers of the United States of America.

The federal government is not a private business that can do whatever it wants to with unexpected profits. It's not even one of those publicly traded corporations that can choose among options such as reinvesting in the company sharing the profits with employees or distributing the money to stockholders by means of increased dividends.

Government collects money from citizens in the form of taxes and fees for the purpose of providing designated services to those very same citizens. If for some reason the government should happen to collect more money than it needs to provide the designated services, there should be no discussion about the fate of the money: It goes back to the taxpayers who worked it over in the first place.

For politicians and bureaucrats to suggest that they are so much as considering any other use of a budget surplus should be looked upon as the worst sort of fiscal malfeasance.

True enough, the idea of using some of the budget surplus to bail out fiscally endangered programs such as Social Security and Medicare sounds tempting. But there's a problem—two problems, actually.

Problem No. 1 is that these breathtaking estimates of budget surpluses totaling trillions of dollars over the next 15 years are just that—estimates. An unexpected downturn in the nation's economy could blow the projections sky high and leave the taxpayers with mind-boggling financial commitments to those programs—and no money to meet them.

Problem No. 2: The commitment of future budget surpluses to these expensive entitlements is a phony solution that distracts attention from the desperate need for fundamental reforms to programs whose escalating costs simply must be brought under control sooner or later.

President Clinton's proposal to dedicate a portion of any budget surplus to pay down the national debt seems reasonable enough at firs glance. But consider this: How can Clinton brag about cutting up Washington's credit card when his plan to pay off the card's outstanding balance hinges on projected income?

We should be paying off the debt with actual revenue that would be available for debt reduction if the government would cut expenses instead of constantly seeking new ways to spend the taxpayers' money.

No, this raging debate about how to spend the surplus is the wrong debate. The only question that politicians need to debate is whether to give the money back to the taxpayers in the form of a reduction in income tax rates, or through some sort of tax credit that enables taxpayers to deduct their share of the surplus from their tax bills.

The money belongs to the people. It should be returned to the people.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I thank the Senator from Texas for her kind remarks and for allowing me to speak on this important issue.

Americans are now paying taxes at a higher rate than ever before. The burden and cost of the government are more, and the Federal Government is responsible for the overwhelming lion's share. As a matter of fact, we are not just responsible for the Federal taxes, because we have mandated so many programs on State and local governments we are responsible for a lot of what they are taxing people. So we are being taxed at the highest rates in history—at the highest rates in history.

Now we announced, in spite of that, we are paying more in those taxes than it costs to run Government. We are paying more in than it costs to fund the programs we are getting. If you go to a grocery store and you are buying $8 worth of groceries and you give them a $10 bill, you are paying more than it costs for the service and they give you a couple of dollars in change.

There is a stunning debate in Washington. We are debating over whether or not to give people the change back. They are paying more than is required for the programs they have requested, and we are debating whether or not we are going to give them the change back. We ought to give the money back. They own it. They have overpaid.

No. 1, we are paying the highest taxes in history. No. 2, those taxes pay for more than what our programs cost; therefore, we are overpaying. No. 3, we ought to refund that overpayment to the American people.

I submit among those who ought to be the first in line to get money back are those who have been particularly abused, those who have been the subject of discrimination, those who have been the subject of wrongful taking of the money by Government. That is where you come to this class of people who are not normally thought of as being a special class. They are married people. Forty-two percent of all the married people in the United States end up penalized for being married. That is 21 million families. Mr. President, 21 million families pay an average of over $100 a month—that is $1,400 a year—because we have what is called the marriage penalty tax.

Before we decide on tax relief for the population generally, let's take some of these gross inequities out of the system, especially inequities that target one of the most important, if not the most important, components of the community we call America—our families. Our families are the most important department of social services, the most important department of education. The most important fundamental component of the culture is the family. It is where we will either succeed or fail in the next century. Our Tax Code has been focusing on those families and has been saying we are going to take from you more than we would take from anybody else.

This idea of penalizing people for being married is a bankrupt idea, and it is time to take the marriage penalty part of this law and administer the death penalty to the marriage tax.

I say it is time for us to end the marriage penalty. This will mean a substantial improvement in income for people who have been suffering discrimination because they are married. It is time for us to end the marriage penalty in the tax law.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ASHCROFT. I thank the Chair.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I yield myself 5 minutes of the allotted 10 minutes, and I yield the remaining 5 minutes to the Senator from Maryland, Ms. MIKULSKI.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

CHILDREN'S HEALTH CARE

Mr. REED. Mr. President, we are engaged in a historic debate about the future of health care in the United States. I have tried very diligently to ensure that children are a large part of this debate.

In conjunction with those activities, yesterday I had the opportunity to visit with pediatricians and pediatric specialists in my State of Rhode Island at Hasbro Children's Hospital, an extraordinary hospital in Rhode Island. I am very proud of it. While listening to those professionals, I got a sense of the real needs we have to address in this debate on the Patients' Bill of Rights.

First of all, there is tremendous frustration by these physicians and medical professionals about their ability to care for children, their ability to effectively provide the kind of care which parents assume they paid for when they enrolled in the HMO. They are frustrated by the mindless rules. For example, one physician related to me there is the standard practice of giving a child a complete examination at the age of 1. He had a situation where a child came in at 11 months 28 days. They performed the examination, and the insurance company refused to pay because, obviously, the child was not yet 1 year old. That is the type of incredible, mindless bureaucracy these physicians are facing every day.

I had another physician tell me—and this was startling to me—she was treating a child for botulism. She was told the company was refusing to pay after the second day. She called—again, here is a physician who is spending valuable time calling to find out why there is no reimbursement—and she was told simply by the reviewer—not a physician, the reviewer—that according to the guidelines of that HMO, no one can survive 2 days with a case of botulism; therefore, they were not paying for more than 2 days. Mercifully, the child survived, and eventually I hope they were paid for their efforts.

These are the kinds of frustrations they experience. This is throughout the entire system of health care. There are some very specific issues when it comes to children. One is the issue of developmental progress. An adult is generally fully developed in cognition, in mobility, in all the things that children are still evolving. Yet managed care plans seldom take into consideration the developmental consequences of a decision when it comes to children. Unless we require them to do that, they will continue to avoid that particular aspect. So a child can be denied services.

For example, special formulas for infants can be denied because the HMO will say: Well, it is not life-threatening; there is no serious, immediate health consequence. But the problem, of course, is, unless the child gets this special nutrient, that child is not going to develop in a healthy fashion. Five, six, seven, eight years from now, that child is going to have serious problems, but, in the view of an HMO, a dollar saved today is a dollar saved today. Oh, and by the way, that child probably will not even be in their health care system 5 years from now, the way parents and employers change coverage.

We have to focus on developmental issues. We also have to ensure children have access to pediatric specialists. There is the presumption that a rose is a rose is a rose, a cardiologist is a cardiologist is a cardiologist, when, in fact, a pediatric cardiologist is a very specific discipline requiring different insights and different skills.

We also have to recognize that many very talented pediatricians find themselves overwhelmed today with the young children they are seeing. I had one physician tell me he sees children who have problems with deficit disorders, problems with attention issues, and they have prescribed some very sophisticated pharmaceutical pills and prescriptions that he, frankly, has trouble managing because he is not a child psychiatrist. Yet they have difficulty getting access from the general practitioner to the specialist, the child psychologist to the child psychiatrist.

The other thing is, the system has been built upon adult standards. One of the great examples given to me is that there are new standards now to reimburse physicians when they are doing a physical, but they are based upon adult standards. The important things a physician has to do to evaluate a child are not even compensated because they are immaterial to an adult. Why would the company spend money paying a doctor to do that? This whole bias towards adults distorts the care for children in the United States.

The Democratic alternative which is being presented today recognizes these issues in a very pronounced and emphatic way. We do explicitly provide for access to pediatric specialists; we do specifically require, in making judgments about health care, the development of a child must be considered as part of the medical necessity test; and we also talk about developing standards, measurements, and evaluations of health care plans that are based on children and not just adults.

I urge all of my colleagues to endorse this concept. The best reason to pass this Democratic alternative is to help the children of America.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. REED. I thank the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 5 minutes.

Ms. MIKULSKI. I thank the Chair.

ACCESS TO EMERGENCY CARE

Ms. MIKULSKI. Mr. President, I rise today to continue the discussion of the Patients' Bill of Rights and lend my voice to the Graham amendment for access to emergency care without penalty by an HMO when any prudent person presents their symptoms.

Before I do that, I congratulate the Senator from Rhode Island for his most eloquent and insightful remarks. For my colleagues, the Senator from Rhode Island has devoted his life to protecting the lives of Americans. As a West Point graduate serving in the U.S. military, he did that abroad, and now he does it in the Senate Chamber standing up for America's children. I thank him for his devotion and his gallantry. I am happy to be an able member of the Reed platoon.

I am pleased today to join with Senator BOB GRAHAM and other colleagues in speaking out about the people who go to an emergency room and want to be treated for their symptoms without fear of not having their visit covered by their HMO. When it comes to emergency care, people are afraid of both the symptoms they face as well as being denied coverage by their insurance company.

"ER" is not just a TV show; it is a real-life situation which thousands of Americans face every day. Yet I hear countless stories from friends and neighbors and constituents, as well as from talking to ER docs in my own State, who tell me they are afraid to see their doctor or take their child or parent to the emergency room because they will not be reimbursed and will be saddled with debt.

Patients must be covered for emergency visits that any prudent person would make. That means if they have symptoms that any prudent person says could constitute a threat to their life and safety, they should be reimbursed. The prudent layperson standard is at the heart of this amendment. It is supported by the American College of Emergency Physicians which has stated that the way the Republican bill is written, it "must be interpreted as constraints on a patient's use of the 'prudent layperson' standard."

The Republican bill only goes part way. We need to restore common sense to our health care system.

Let me give an example, the case of Jackie, a resident of Bethesda, MD. She went hiking in the Shenandoah mountains. She lost her footing and fell off a 40-foot cliff. She had to be airlifted to a hospital. Thanks to our American medical system, she survived. After she regained consciousness and was being treated at the hospital for these severe injuries, Jackie learned that her HMO refused to pay her hospital bill because she did not get prior authorization. This is outrageous. Imagine falling off of a 40-foot cliff, waking up in a hospital and being told that your HMO will not cover your bills because you did not call while you were unconscious.

In America, we think if you need emergency care, you should be able to call 911, not your HMO's 800 number.

Incredibly, some of my colleagues in the Senate say that all these stories are anecdotes and they are horror stories. These are not anecdotes. We are talking about people's lives.

If you would come with me to the emergency rooms at Johns Hopkins Hospital, the University of Maryland, Salisbury General on a major highway on the Eastern Shore, all over the State, you would learn that many people come to the ER because of not only accidents but they are experiencing symptoms where they wonder if their life could be threatened or the life of their child. The child is having acute breathing, and you do not know if that child is having an undetected asthma attack; or a man sitting at Oriole Park suddenly has shortness of breath, pains in his left side and leaves to go to the ER at the University of Maryland next to Camden Yards. Should they call 911 or should they call 800 HMO? I think they should call 911, and they should worry about themselves and their family and not about reimbursement.

So when we come to a vote, I really hope that we will pass the Graham amendment. The Republicans say they have an alternative. But it does not guarantee that a patient can go to the closest emergency room without financial penalty. Do not forget, it covers only 48 million Americans; it leaves out 113 million other Americans.

Let's do the right thing. Let's make sure that patients with insurance cannot be saddled with huge bills after emergency treatment.

I thank the Senate and yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

PATIENTS' BILL OF RIGHTS ACT OF 1999

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1344, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

Pending:

Daschle amendment No. 1232, in the nature of a substitute.

Daschle (for Kennedy) amendment No. 1233 (to Amendment No. 1232), to ensure that the protections provided for in the Patients' Bill of Rights apply to all patients with private health insurance.

Nickles (for Santorum) amendment No. 1234 (to Amendment No. 1233), to do no harm to Americans' health care coverage, and expand health care coverage in America.

Graham amendment No. 1235 (to amendment No. 1233), to provide for coverage of emergency medical care.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

AMENDMENT NO. 1235

Mr. FRIST. Mr. President, I understand we are currently on the Graham amendment. Could you tell us how much time remains on either side?

The PRESIDING OFFICER. There are 33 minutes 8 seconds for the majority; and 7 minutes 59 seconds for the minority.

Mr. FRIST. Thank you.

Mr. President, today we will be talking about a number of issues that have to do with the Patients' Bill of Rights. Yesterday, the discussions began on what I regard as a very significant, important piece of legislation that is called the Patients' Bill of Rights. The debates that we will be having on the floor address really two underlying bills that were introduced formally yesterday: One is the Kennedy bill from the Democratic side, and the other is the Republican leadership bill. Both bills set out to accomplish what I think we all absolutely must keep in mind as we go through this process, and that is to make sure that we are focusing on the patients in improving the quality and the access of care for those patients and at the same time help this pendulum swing back to where patients and doctors are empowered once again; not to have this be so much in favor of managed care that, when it comes down to an individual patient versus managed care on certain issues, managed care enters into this realm of practicing medicine.

Again, I think if we keep coming back to focusing on the individual patient, we are going to end up with a very good bill.

We left off last night with the discussion of the Graham amendment which focuses on emergency services. In the Republican bill, basically there are a list of patient protections which include a prohibition of gag clauses, access to medical specialists, access to an emergency room, which is the real thrust of the Graham amendment, continuity of care—a range of issues that we call patient protections.

A second very important part of our bill focuses on quality and how we can improve quality for all Americans. I am very excited about that aspect of the bill. We will be discussing that later this week. That is our responsibility as the Federal Government, to invest in figuring out what good quality of care actually is. It is similar to investing in the National Institutes of Health: The research behind determining where the quality is, and spreading that information around the country so that excellent quality can be practiced and people can have access to that.

A third component of the Republican bill which I think is, again, very important that we will keep coming back to, is the access issue, the problem of 43 million people in this country who are uninsured. Some people say: No, that is a separate issue; we can put it off for another day.

But when you look at patient protections, you look at quality and you look at access. It is almost like a triangle. If you push patient protections too far you end up hurting access. If you push issues beyond what is necessary, to get that balance between coordinated care and managed care and fee for service and individual physicians' and patients' rights, if you get too far out of kilter, all of a sudden premiums go sky-high.

When premiums go sky-high in the private sector, employers, small employers start dropping that insurance. It becomes too expensive for an individual to go out and purchase a policy, and therefore instead of having 43 million uninsured, you will have 44 million, 45 million, or 46 million, all of which is totally unacceptable. As trustees to the American people, we simply cannot let that happen. Therefore, you will hear this quality and access and patient protection discussion go on over the course of the week.

Last night and today over the next 45 minutes or so we will be focusing on this patient access to emergency medical care. Let me just say that I have had the opportunity to work in emergency rooms in Massachusetts for years, in California on and off for about a year and a half, in Tennessee for about 6 years, and almost a year in Southampton, England.

Whether it is a laceration, whether it is a sore throat, whether it is chest pain, whether it is cardiogenic shock from a heart attack, access to emergency room care is critically important to all Americans.

We have certain Federal legislation which guarantees that access, but it is clear there are certain barriers that are felt today by individuals that their managed care plan is not going to allow them to go to a certain emergency room or, once they go, those services are not covered. That is the gist of what we have in the Republican bill—a very strong provision for patient access to emergency medical care.

This Republican provision, as reported out of the Health, Education, Labor, and Pension Committee where this was debated several months ago, requires group health plans, covered by the scope of our bill, to pay, without any prior authorization, for an emergency medical screening exam and stabilization of whatever that problem is—whether it is cardiogenic shock, whether it is a laceration or a broken bone or falling down the steps or a broken hip—to pay for that screening and that stabilization process with no questions asked—no authorization, no preauthorization, whether you are in the network or outside of the network.

The prudent layperson standard is very important for people to understand. The prudent layperson standard is at the heart of the Republican bill. We use the words "prudent layperson." By prudent layperson, we define it as an individual who has an average knowledge of health and medicine. The example I have used before is, if you have a feeling in your chest, and you do not know if it is a heart attack or indigestion, and you go to the emergency room, a prudent layperson, an average person, would go to the emergency room in the event that that was a heart attack, and therefore is the standard that is at the heart of the Republican bill. Now, there are two issues that need to be addressed. We talked about them a little bit yesterday. One is what happens with the poststabilization period. You are at home. You have this feeling in your chest. You go to the emergency room. Under our bill, you are screened; you are examined. Initial treatment stabilization of that condition is given.

Then the question is, What happens with poststabilization? This is where I have great concern in terms of what my colleague from Florida has proposed and what is in the underlying Kennedy bill. That is, once you get in the door, you can't open that door so widely that any condition is taken care of out of network. Why? Because it blows open the whole idea of having coordinated care, having a more managed approach to the delivery of health care.

This is a huge door you could get into. Then, once you get into that hospital door, you might say: Well, I have a little ache over here. Can you examine that and put me through all the diagnostic tests, regardless of what my health plan says and what I have contracted with my health plan to do?

That is where the concern is. The issue of poststabilization needs to be addressed; we need to talk more about it. Over the course of last night and, actually, the last several weeks, we have worked very hard to look at that poststabilization period. In just a minute, I will turn the floor over to my colleague from Arkansas to talk more about that.

The other issue is on cost sharing. We need to make sure there is no barrier there that would prevent somebody going to the closest emergency room or the emergency room of choice. It is an issue, I believe, we, as a body, Democrat and Republican, are obligated to address, to make sure that barrier is not there —again, returning to the patient so if the patient has any question at all, they don't have to think about payment and barriers and will they turn me away or, once I get in the emergency room, will they refuse to treat, but basically can I get the necessary care.

That is what is in the Republican bill. I am very proud of that. Can it be improved? Let's discuss it and see if there is anything we can do to make it better.

That is where we were yesterday, and that is where we are this morning. We will have a number of amendments as we go forward. Right now we are on the Graham amendment on emergency services.

At this juncture, on the amendment, I yield the time necessary to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. I thank my colleague, the distinguished Senator from Tennessee. I express not only my appreciation but the appreciation of all Senators for the expertise that Senator FRIST brings to this important issue, as well as the care and compassion he has demonstrated throughout his career, even during his time in the Senate, in caring for other people in emergencies. He certainly brings a great deal of personal experience and expertise to this issue.

I rise to speak on this issue of access to emergency services and to explain why I believe my colleagues should oppose the Graham amendment. The amendment tree to which the Graham amendment was filed is now full. I alert my colleagues to an amendment I will be offering further along in the debate—I have been assured of the opportunity to do that—which will address the concerns raised by Senator Graham but, I think, addresses them in a far more responsible way.

Mr. GRAMM. That is GRAHAM of Florida.

Mr. HUTCHINSON. The Senator from Texas asks for that clarification.

I ask my colleagues to oppose the amendment by Senator GRAHAM of Florida, knowing they will have an opportunity to vote for a clarification amendment dealing with emergency services later on.

My amendment will remove the ambiguity that I think is so evident in the Graham amendment which will create such problems. The Republican provision, as reported out of the HELP Committee, requires group health plans covered by the scope of our bill to pay, without prior authorization, for an emergency medical screening exam and any additional emergency care required to stabilize the emergency condition for an individual who has sought emergency medical services as a prudent layperson.

As I listened to the comments of the distinguished Senator from Maryland, it is clear that what the Republican bill does and what my amendment will do needs clarification for my colleagues, because Jackie, the example that was given, would be covered, very clearly. The prior authorization issue is clearly covered. The closest emergency room issue is covered. The prudent layperson definition is repeatedly used.

Prudent layperson is defined as an individual who possesses an average knowledge of health and medicine. The purpose of this provision is to ensure that a person who has a reason to believe they are experiencing an emergency, according to the prudent layperson standard, will not, cannot, be denied coverage. If they are diagnosed with heartburn instead of a heart attack, they are still going to be covered under the prudent layperson definition.

In addition, by eliminating the requirement for prior authorization, no prior authorization will be required. Jackie doesn't have to make a phone call while she is unconscious; no one has to make a phone call asking for prior authorization. We ensure that individuals can go to the nearest emergency facility.

On the issue of cost sharing, plans may impose cost sharing on emergency services, but the cost-sharing requirement cannot be greater for out-of-network emergency services than they require for in-network services.

Mr. GRAHAM. Will the Senator yield for a question?

Mr. HUTCHINSON. I will be glad to yield when I conclude my comments. Let me go ahead because I think I may answer many of those questions as I go through.

An individual who has sought emergency services from a nonparticipating provider cannot be held liable for charges beyond what that individual would have paid for services from a participating provider.

Senator ENZI and I offered an amendment to this effect in the committee, and it was adopted by the committee. That amendment and the provision that is in the underlying Republican bill says that if a group health plan, other than a fully insured group health plan, provides any benefits with respect to emergency medical care as defined in subsection (c), the plan shall cover emergency medical care under the plan in a manner so that if such care is provided to a participant or beneficiary by a nonparticipating health care provider, the participant or beneficiary is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating provider. It is not going to cost the patient more if they go to a nonparticipating provider in that emergency room than they would if they went to one that was within their network.

As I think was pointed out by my colleague, Senator FRIST, and Senator GRAHAM of Florida last evening, the committee report language needs clarification on the committee's intention on cost sharing for in- and out-of-network emergency services. My amendment will certainly make that clarification.

My amendment will also improve the access to emergency services provision reported by the HELP Committee by requiring the plan to pay for necessary care provided in the emergency room to maintain medical stability following the stabilization of an emergency medical condition until the plan contacts the nonparticipating provider to arrange for transfer or discharge. If the plan fails to respond within a very narrow, specific time period, the plan is responsible for necessary stabilizing care in any setting, including in-patient admission.

We clearly state in the amendment which I will offer that these stabilizing services must be directly related to the emergency condition that has been stabilized. I think this was the point Senator FRIST made so very eloquently: If you do not make that connection, if you do not have the requirement that it has to be related to the emergency condition that has been stabilized, then you truly have a loophole. You open the door that totally undermines the concept of coordinated care.

To understand the true impact of the Republican access to emergency services provision as clarified and improved by my amendment, let me offer the following scenarios and show how they are addressed by our provision in the bill.

Several examples have been repeated a number of times by my colleagues across the aisle. Let me use their examples. They specifically mentioned the case of a mother with a febrile child who called her health plan before going to the emergency room and was required to go to an in-network emergency facility, passing several nearby facilities on the way. Her child, tragically, had a serious infection which, due to the delay in care, resulted in amputation. There were very moving pictures of this particular child. Under our bill, a mother with a sick child will be able to access the closest emergency room, and she won't get stuck with the bill because she did not get prior authorization.

In a case referred to by my colleague from North Dakota, Senator DORGAN, if someone has taken a 40-foot fall and has been helicoptered to a hospital and delivered to an emergency room in a state of unconsciousness with fractured bones in three parts of her body, does that person have a right to emergency care under the Republican bill? The answer is yes, because we eliminate the prior authorization requirement. The case cited by my colleague from Montana, Mr. BAUCUS, where a woman came into an emergency room after falling and sustaining a complex fracture to her elbow, and the emergency physician diagnosed the problem and stabilized the patient. The stabilization process took less than 2 hours, but the patient's stay in the emergency room lasted for another 10 hours while the staff attempted to coordinate the care with the patient's health plan. The plan was unable to make a timely decision.

Under the Republican bill, the woman in this case will not have to wait hours on end for a response from her health plan. Under our provision, as improved by my amendment, the health plan must respond to the nonparticipating provider within a specific timeframe to arrange for further care.

Under the Democrats' bill, plans are required to pay, without prior authorization, for emergency services and "maintenance and post stabilization services as defined by HCFA [Health Care Financing Administration] and Federal regulations to implement the Balanced Budget Act of 1997." I believe this is where the Democrat provision goes wrong and, quite frankly, it shows where we can make a much-needed improvement to the Balanced Budget Act language.

In the September 28th Federal Register, Volume 63, HCFA defines poststabilization as "medically necessary, nonemergency services furnished to an enrollee after he or she is stabilized following an emergency medical condition."

Now, that definition is completely vague and completely open-ended. I think it would be a serious mistake to take that language and to transport it into this very important bill.

Under this definition, a plan could conceivably be required to pay for services by a nonparticipating provider that are completely unrelated to the emergency conditions for which that patient was treated. To go in for one particular emergency, and while you are in that poststabilization period, to say: By the way, I also have a problem here and here; can you deal with that? And then require the plan to cover it, I think that would be a very serious mistake. The confusion and the ambiguity in the language is further perpetuated by conflicting statements on the meaning of "poststabilization" found in other places in the regulations.

So my amendment will provide for timely coordination of care. It ensures that the patient will receive the appropriate stabilizing services related to their emergency medical condition. The prudent layperson standard assures that a plan cannot retrospectively deny coverage for an event that was felt to be an emergency medical condition at the time the individual sought emergency care. It eliminates the prior authorization requirement so an individual can go to the nearest emergency facility and not have to worry about whether they are going to be covered if they go to a nonparticipating provider and that they might get stuck with the bill.

While my colleagues say they are simply adopting what was passed under Medicare, it is my contention that the provision I am offering will be an improvement on what is in Medicare because of the open-endedness and ambiguity of the language. I suggest that at some point we are going to have to revisit the Medicare provision and improve it as well.

In the meantime, I urge my colleagues to oppose the Graham of Florida emergency room amendment and vote for the amendment I will be offering later in the debate. Since this amendment tree is now full, I will have to offer that at a later point.

Mr. GRAHAM. Will the Senator from Arkansas yield?

Mr. HUTCHINSON. I will be glad to yield if I can yield on your time. We have limited time remaining on our side.

Mr. GRAHAM. I will try to ask short questions, and I will appreciate short answers.

One, you signed the committee report which, on page 29, says the committee believes it would be acceptable to have a differential cost sharing for in-network and out-of-network emergency charges. Are you saying that statement of explanation of the bill is incorrect?

Mr. HUTCHINSON. I believe that needs to be clarified, and my amendment will do that.

Mr. GRAHAM. When will you submit the language that will clarify what the committee report states?

Mr. HUTCHINSON. I will be glad to do that this morning.

Mr. GRAHAM. Two, with reference to poststabilization, what the current law for Medicare requires, and what this would require, is that the emergency room call the HMO and request the HMO's authorization as to what treatment to provide in the poststabilization environment. It is only when the HMO is unresponsive—in the case of Medicare, within 1 hour. If they fail to respond, then the emergency room has the right to do what it thinks is medically necessary for the patient.

Now, did the committee hear any testimony that there had been major abuses under the Medicare 1-hour-respond-to-call standard?

Mr. HUTCHINSON. What I suggest to the Senator is that my amendment will make that same requirement, only that the poststabilization services have to be related to the emergency room event.

Mr. GRAHAM. The question is, Was there any testimony to the kinds of abuses you have outlined under the current Medicare law?

Mr. HUTCHINSON. I am not certain at this point.

Mr. GRAHAM. Did the committee hold hearings on this bill, and did they not ask anybody what has happened under the 2½ years of experience we have had with Medicare and Medicaid?

Mr. HUTCHINSON. I say to the Senator from Florida that, in fact, there are abuses. I believe——

Mr. GRAHAM. Can the opponents of this amendment put into evidence before the full Senate and the American people what those abuses have been? We have had 2½ years of experience, covering 70 million Americans. If there have been abuses, they ought to be available and not just speculated about.

Mr. HUTCHINSON. In responding to the Senator, if there are no abuses, there should be no concern about clarifying language to ensure that, in fact, poststabilization treatment is related to the emergency room event. That is what I believe needs to be done. I think whether or not we can point to specific abuses in Medicare or not, the ambiguity in the language in Medicare is open to those kinds of abuses, and we will certainly see that occur if it is expanded to all managed care plans in the country. We certainly need to clarify that and ensure that the poststabilizations are related to the emergency room event.

Mr. GRAHAM. Let me go to a third issue. I discussed this yesterday. In the Republican bill, it states that while the person is stretched out in the emergency room under tremendous physical and emotional stress, they have the responsibility of monitoring the emergency room physician to determine if the type of diagnosis that the emergency room physician is rendering is appropriate. Could you explain how a person in an emergency room circumstance is supposed to provide that kind of second-guessing of an emergency room physician?

Mr. HUTCHINSON. To the extent that the word "appropriate" should be removed, our amendment will, in fact, remove that. I don't believe that is an accurate reflection of what the Republican underlying bill would do.

Mr. GRAHAM. That is another defect. The use of the word "appropriate" is a gaping loophole.

Mr. HUTCHINSON. And which will be removed and clarified.

Mr. GRAHAM. I am concerned about the further provision which says that the patient is responsible for second-guessing the appropriateness of care rendered by the emergency room physician. Is that going to be taken care of?

Mr. HUTCHINSON. I do not believe that is an accurate reflection of that provision.

Mr. GRAHAM. I suggest that the Senator might read the bill and see that it is precisely what the bill says. I am concerned because we had a discussion last night with Dr. FRIST, and now today, which indicates that the Republican proposal has a number of admitted inconsistencies, inaccuracies, and gaping holes. Rather than us relying upon an amendment nobody has seen that is supposed to rectify those, why don't we vote for the Democratic amendment that would solve these problems?

Mr. HUTCHINSON. I think I have very clearly outlined what my amendment will do, and I have expressed very clearly my concerns about the Graham of Florida amendment. I will read right now, if you would like, the entire summary of the amendment and what it would do. I think it will respond to the concerns that many of my colleagues on the other side simply have misrepresented. What you call "gaping holes" simply need clarification, which my amendment will do. It will address it in a much more rational and responsible way than the very ambiguous language that I believe the Graham amendment contains.

Mr. GRAHAM. Well, I just offer a conclusion—not a question but a statement of fact. We have had 2½ years of experience with 70 million Americans. Our proposal will be available to all Americans in the instances of rampant abuse. I think it is incumbent upon those who make these charges to document it rather than just pontificate.

Mr. HUTCHINSON. Reclaiming my time, I reserve the remainder of my time.

Mr. REID. Mr. President, I yield 4 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

PRIVILEGE OF THE FLOOR

Mr. DORGAN. I ask unanimous consent that Mina Addo, Leah Palmer, Jana Linderman, and Deborah Garcia be given floor privileges today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, yesterday I described a case dealing with emergency rooms which I understand my colleague referred to in his remarks. I want to go back to that case because I think it describes the difference between our two proposals with respect to protections for emergency room treatment for patients.

I described the case of little Jimmy Adams. This is a picture of Jimmy. This is a picture of a young, healthy Jimmy tugging on his big sister's shirt.

Here is a picture of Jimmy Adams after he lost both his hands and both his feet because he couldn't get care at the closest emergency room.

This is what happened. He was sick with a 104 degree fever. His mother called the family HMO. Officials there said you must go to a certain hospital in our network. So his parents loaded Jimmy up at 2 o'clock or so in the morning and started driving. They had to drive past the first hospital, the second hospital, and then drove past the third hospital. Finally they got to the hospital the HMO asked them to take Jimmy to. By that time, Jimmy's heart had stopped. They brought out the crash cart, intubated, and revived him. Regrettably, however, he suffered gangrene, and his hands and his feet had to be amputated.

Why didn't they stop at the first emergency room? Because they couldn't; the HMO said they won't pay for that. Why didn't they stop at the second hospital emergency room or the third? The HMO won't fully pay for that care. So they drove over an hour with a young, sick child who, because he didn't get medical treatment in time, lost his hands and his feet.

Now, my colleague says the Republican plan will solve little Jimmy's situation. Regrettably, it will not. Yes, the Republican plan will provide that that family could stop at that first hospital for emergency care, but it also allows the HMO to penalize the family financially for doing so. It allows the HMO to establish a financial penalty for this family to stop at out-of-network hospitals.

If their bill doesn't do that, I want to see it. As I read the Republican proposal, they say: We have protections here.

In fact, they don't have protections. In virtually every area of the two proposals on managed care, we see exactly the same thing. They have an emergency room provision. Is it better than currently exists? Yes, it is better. Does it solve the problem? No. This family would have been told: If you stop at the first emergency room with Jimmy, we will impose a penalty upon you. We have the right to impose a financial penalty for going to the nearest hospital emergency room.

If the other side wants to prevent that, I say, join us in supporting the Graham amendment, because we prevent that. We provide real protection for families with respect to emergency room treatment. Our amendment won't allow an HMO to say: Take that sick child to an emergency room but, by the way, you have to go to an emergency room four hospitals; if you stop sooner than that, we will penalize you.

That doesn't make any sense to me.

This issue is not about theory. It is about real people like Jimmy. It is about what the two pieces of legislation say regarding patient protection. My colleague from Florida, Senator GRAHAM, described the differences between the two bills on emergency care. He asked the questions and didn't get the answers, because satisfactory answers don't exist with respect to our opponents' proposal. Their proposal is, in fact, a shell. It does not offer the protections that we are offering in the proposal before the Senate.

Mr. MURRAY. Mr. President, I am pleased to join with Senator GRAHAM in support of access to emergency room care. During consideration of a Patients' Bill Rights in the Health, Education, Labor and Pensions Committee, I offered a similar amendment in an effort to prevent insurance companies from denying access to life saving emergency care. Unfortunately, my amendment was defeated on a straight party line vote.

I had offered the amendment because of problems that I have heard from emergency room doctors and administrators about creative ways insurance companies seek to deny access to emergency care. I offered the amendment because I have seen in my own state of Washington the inadequacy of simply saying care is provided if a prudent lay person deems it an emergency. We have a prudent lay person standard in the State yet we have seen where patients are turned away and reimbursement is denied.

The big flaw with the Republican bill regarding emergency room care is the lack of coverage of poststabilization care. This is the key different between our bill and that offered by the Republican leadership. We recognize the importance of not only administering emergency services but stabilizing the patient as well.

Let me give my colleagues an example of the important of poststabilization care; you rush your sick child to the emergency room with a fever close to 105. The fever escalates quickly and without warning. The emergency room doctors and nurses are able to control the fever and stabilize the child, but are concerned about determining the cause of the fever. They recommend poststabilization treatment to determine what caused the child to become so ill so quickly. The insurance company denies this treatment and the parents are told to take their child home and hope to get into see their own primary care physician the next day. Later that evening the child's fever escalates and the child begins to have seizures as a result. The child is then admitted to the hospital for more expensive acute care.

Why was follow-up poststabilization care not provided? What are the long-term effects on the child? Did the insurance company save a dime of the premium paid by hard working Americans? No, in fact their callous behavior resulted in additional costs that could have been prevented.

I cannot imagine anything more frightening than holding a child who is experiencing uncontrollable seizures because their tiny body could not endure the impact of a high raging fever. Poststabilization is essential.

I urge any of my colleagues who think the Republican bill is sufficient to talk to ER doctors and nurses. Ask them how a patient is treated when brought into the ER. Let me give you another example that was discovered by the insurance commissioner's office in Washington state:

A 17-year-old victim of a beating suffered serious head injuries and was taken to an emergency room. A CAT scan ordered by an ER physician was rejected by the insurance company because there was no prior authorization for this test. In other words, we can stabilize the patient, but cannot do any post stabilization treatment to determine the extent of the injuries without seeking authorization from an insurance company hundreds of miles away.

Another example, in a state with a prudent lay person standard: The insurance commissioner's office found that an insurance company denied ER coverage for a 15-year-old child who was taken to the emergency room with a broken leg. The claim was denied by the insurer as they ruled the circumstances did not constitute an emergency. This is outrageous. A broken leg is not an emergency? By any standard, prudent lay person or medical standard, treatment of a broken leg would be considered an emergency.

I use these examples of real people and real cases to illustrate the flaws in the Republican bill. You can say you cover emergency room care and you can keep saying it hoping that it is true. But, unfortunately, the Republican bill does not provide adequate emergency room coverage.

I was disappointed in the HELP Committee markup when my amendment was defeated. I had truly hoped that we could reach a bipartisan agreement on emergency room care coverage. I had seen that we could reach a bipartisan agreement when it came to Medicare and Medicaid beneficiaries. We approved these very same provisions for these beneficiaries during consideration of the Balanced Budget Act of 1997. I had assumed that we would give the same protections to all insured Americans. It was a priority in 1997 and should be a priority in 1999.

We have spent a great deal of public and private resources to build an emergency health care and trauma care infrastructure that is the envy of the world. This infrastructure has saved millions of lives and provides a standard of care that is hard to beat. Yet policies focusing on restricting access to this care threaten the very infrastructure of which we are so proud. The ER doctor must be the one to administer care without fear of insurance company retaliation.

I urge my colleagues to support this amendment to provide 160 million insured Americans with access to state-of-the-art emergency room and trauma care. Please do not close the emergency room doors on these families.

Mr. HUTCHINSON. Mr. President, I inquire as to how much time remains on each side.

The PRESIDING OFFICER. The Senator has 10 minutes 43 seconds. The time has expired for the minority.

Mr. HUTCHINSON. Mr. President, I will make a couple of clarifications. I am puzzled by the reference to a penalty, the allegation, the insinuation, that the Republican bill somehow would allow a penalty to be charged.

S. 326 as reported by the committee requires plans to pay for screening and stabilizing emergency care under the prudent layperson standard without prior authorization, and the plan cannot impose cost sharing for out-of-network emergency care that would exceed the amount of cost sharing for similar in-network services. There is no differential. There can be no penalty charged under the Republican bill.

The amendment I will offer requires that the plans must pay for emergency services required. To maintain the medical stability in the emergency department plan, the plan contacts the nonparticipating provider to arrange for discharge of transfer. If the plan does not respond—as under Medicare, does not respond—to authorization of a request within a set time period, the plan must pay for services required to maintain stability in any setting, including an inpatient admission.

The great difference is that under the language of the Graham of Florida amendment, the emergency room could be required to not only provide services unrelated to the emergency event but that the health insurance plan would then be required to pay for and reimburse.

It is a glaring ambiguity. It in fact is the gaping hole in the language, and it is that which needs to be rejected. I will ask my colleagues to oppose the Graham of Florida amendment because of that ambiguity of language. Simply taking language from the Medicare balanced budget amendment, transporting that into this without any concern for the poorly defined ambiguous language that is used, I think my colleagues——

Mr. GRAHAM. Will the Senator yield?

Mr. HUTCHINSON. I think I have yielded quite enough. We have used quite a bit of our time in yielding.

I think it is very difficult to argue that treatment in an emergency room should be related to the emergency event. That is what we want to ensure.

We do not believe you can preserve any sense of coordinated care if you require health plans to pay for, in the poststabilization period, medical needs totally unrelated to the emergency that brought that patient to the emergency room.

That is sufficient for rejection of the Graham of Florida language.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

If no one yields time, the time running is the majority's time.

Mr. REID. That is because there is no time left on this side?

The PRESIDING OFFICER. That is correct.

Mr. GRAHAM. With the additional time that the majority has, would they respond to questions on their time? Would they at least cite in the bill the language that they believe is insufficient and creates an ambiguity?

Mr. NICKLES. Mr. President, I inform my colleagues, since we are on managed time, they are more than welcome to use time on the bill. They have that option, and I am sure the Senator from Nevada will yield to the Senator.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I say to my friend, we can't have quorum calls. The time should be running so that in 10 minutes you can offer your next amendment. A quorum call is not in keeping with what we are supposed to be doing.

Mr. NICKLES. Mr. President, to respond to my colleague, we have had almost no quorum calls since the debate has begun. I am preparing to offer an amendment in a moment. That amendment will be ready.

I will suggest the absence of a quorum and send the amendment to the desk momentarily.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I want to take just one moment to respond to the question that was posed as to our specific concern about the language in the Graham of Florida amendment. The Graham of Florida amendment adopts the Medicare language. I will quote that Medicare language, from the September 28 Federal Register, volume 63. HCFA defines poststabilization, and I quote as I did before:

> . . . medically necessary nonemergency services furnished to an enrollee after he or she is stabilized following an emergency medical condition.

That is as vague and open-ended as any language I could conceive. It is, in effect, a blank check for the emergency room, for the provider, for the patient. That is the language that needs clarification.

We believe the poststabilization medical services that are provided must be related to the emergency event that caused the individual to go to the emergency room. That is the clarification that is necessary. I will be delighted to once again go through the amendment summary that I will be offering, but that is a critical flaw in the Graham of Florida amendment. Because of that flaw in the language, I ask my colleagues to oppose the Graham of Florida amendment.

Mr. GRAHAM. Does the Senator from Arkansas yield? The Senator from Arkansas will not yield?

The PRESIDING OFFICER. All time has expired on the amendment. The question is on agreeing to the amendment.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I think we have some colleagues who are out right now. It is my anticipation the majority leader will want to have the vote afterwards. If my colleague wants me to pursue it, I can send an amendment to the desk or I can ask for a quorum call and we can talk to the leaders to determine what time we want to vote.

Mr. REID. I say to my friend, I think it would be appropriate. I think there has been a general agreement as of yesterday that we would vote sometime this afternoon at the agreement of the two leaders. So I think it would be better to offer an amendment and move this matter along.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, momentarily I will send an amendment to the desk. I ask consent the time be charged on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1236

(Purpose: To protect Americans from steep health care cost increases or loss of health care insurance coverage)

Mr. NICKLES. Mr. President, one of the big concerns many of us have with the underlying legislation of the so-called Kennedy bill is its cost. How much will it cost employers? How much will it cost employees? What will it cost employees in lost wages? If employers have to pay increased costs for health insurance, are they not paying their employees as much as they would pay them?

Health care costs a lot. Many of us would say health care already costs too much. It is unaffordable for millions of Americans. They would like to have it. We have 43 million uninsured Americans today. Most of those Americans, I imagine, would like to be insured but they cannot afford it. So health care already costs too much. Unfortunately, the bill proposed by Senator Kennedy and many of the Democrats would make it worse. They would make the insurance a lot more expensive and therefore less affordable. As a result, millions of Americans would probably lose their health care insurance. We think that would be a mistake.

I said yesterday we should make sure we do no harm. We should not increase the number of uninsured. I am afraid the Kennedy bill, with its estimated increase of cost of 6.1 percent over and above the inflation already expected, would increase the number of uninsured by what is estimated to be about 1.8 million persons. That is too many. That is far too many. So the amendment I will be sending to the desk, as soon as I get a copy of it, will say we should not increase the cost of health insurance by more than 1 percent. If we do, the provisions of the bill are null and void.

Let's not do any damage. Let's make sure at the outset we say very plainly we are not going to increase the cost of health care by more than 1 percent. Let's not increase the number of uninsured by over 100,000. If we do that, we have done harm, we have done damage, we have done more damage than good.

Mr. President, I send an amendment to the desk on behalf of myself, Senator GRAMM, and Senator COLLINS, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself, Mr. GRAMM, and Ms. COLLINS, proposes an amendment numbered 1236.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ____ . EXEMPTIONS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, the provisions of this Act shall not apply with respect to a group health plan (or health insurance coverage offered in connection with the group health plan) if the provisions of this Act for a plan year during which this Act is fully implemented result in—

(1) a greater than 1 percent increase in the cost of the group health plan's premiums for the plan year, as determined under subsection (b); or

(2) a decrease, in the plan year, of 100,000 or more in the number of individuals in the United States with private health insurance, as determined under subsection (c).

(b) EXEMPTION FOR INCREASED COST.—For purposes of subsection (a)(1), if an actuary certified in accordance with generally recognized standards of actuarial practice by a member of the American Academy of Actuaries or by another individual whom the Secretary has determined to have an equivalent level of training and expertise certifies that the application of this Act to a group health plan (or health insurance coverage offered in connection with the group health plan) will result in the increase described in subsection (a)(1) for a plan year during which this Act is fully implemented, the provisions of this Act shall not apply with respect to the group health plan (or the coverage).

(c) EXEMPTION FOR DECREASED NUMBER OF INSURED PERSONS.—For purposes of subsection (a)(2), unless the Administrator of the Health Care Financing Administration certifies, on the basis of projections by the National Association of Insurance Commissioners, that the provisions of this Act will not result in the decrease described in subsection (a)(2) for a plan year during which this Act is fully implemented, the provisions of this Act shall not apply with respect to a group health plan (or health insurance coverage offered in connection with a group health plan).

Mr. NICKLES. Mr. President, let me back up a little bit and bring our colleagues, and maybe the public, up to speed as far as where we are because, from a parliamentary procedure standpoint, this is getting maybe a little bit confusing.

The Republicans offered as the underlying vehicle the so-called Kennedy bill, S. 6, the Patients' Bill of Rights. We did it because we wanted to expose that it has a lot of expensive provisions that, frankly, need to be deleted.

The Democrats offered a substitute yesterday, the Republicans' Patients' Bill of Rights Plus that was reported out of the HELP Committee. They offered that as a substitute.

Then Senator DASCHLE, on behalf of Senator KENNEDY, offered a perfecting amendment to the substitute—"the substitute" being the Republican bill—that said that should apply in scope to all plans. The Republican plan basically applies to self-insured plans. It does not duplicate State insurance, unlike the Democrats' bill that says we do not care what the States have done; we are going to insist you do everything we have dictated. They expanded the scope. That was a first-degree perfecting amendment.

The Republicans offered a second-degree amendment yesterday to the underlying first-degree amendment of the Democrats on scope that says two things: One, we think the primary function of regulating insurance should be maintained by the States. That was in the findings of the bill. And then in the legislative language: We should expand access and coverage to health care plans.

When the Democrats were so kind as to offer the Republican bill as a substitute, they forgot to offer our tax provisions. We included one of the tax provisions which we included in our Patients' Bill of Rights Plus, and that is 100 percent deductibility for the self-employed. We will be voting on that, and that will be the first vote this afternoon. We will probably be voting on that at the conclusion of Senator SMITH's statement or shortly thereafter. I expect that votes will occur on that sometime after 3 o'clock, maybe closer to 3:30.

The Democrats then were entitled to a second-degree amendment, and Senator GRAHAM of Florida offered a second-degree amendment dealing with emergency rooms. Senator HUTCHINSON and Senator FRIST debated against that and stated they would come up with an alternative dealing with emergency rooms. That will be voted on at some later point in the debate.

This afternoon we will have a debate on the Republican amendment dealing with 100-percent deductibility of self-employed persons, and we will have a vote on the Graham amendment dealing with the emergency room provision, and then the next amendment we will actually vote on, depending on whether or not either of these second-degree amendments is adopted, will be to the amendment tree or the side to which I just sent an amendment.

I sent an amendment to the first-degree amendment on the so-called Kennedy bill. This amendment says, whatever we do, let's not increase health care costs by more than 1 percent or increase the number of uninsured by over 100,000. It is very simple and very plain: Congress, don't do it; whatever you do, whatever mandates you are considering—and we recognize and applaud everybody for having good intentions—let's do no harm; let's not increase health care costs by more than 1 percent; let's not increase the number of uninsured by over 100,000.

If the Secretary of Health and Human Services determines that it would increase costs by that amount or increase the number of uninsured by that amount, then the underlying bill will not take effect.

Those are the basic provisions of the bill. I hope and expect all of our colleagues will support this amendment. I urge its adoption.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ENZI) Who yields time?

If neither side yields time, time runs equally.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

Mr. REID. Mr. President, I yield the Senator from North Dakota 5 minutes.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have not seen the specifics of this amendment, but I have heard the description. It is interesting to hear this discussion of costs because we already have experience on this issue. The President has implemented the Patients' Bill of Rights for the Federal Employees Health Benefits Program. This is already in place for Federal employees around the country. And we know what it costs; we don't have to guess. It costs $1 a month. CBO says the patients' protection bill will cost $2 a month. We know it costs $1 a month in the Federal employees health insurance program.

The costs that are described by my friend from Oklahoma are inflated for reasons I do not understand. We know what it costs. It costs $1 a month in the Federal health benefits program, because it is already implemented, and the Congressional Budget Office says it will cost $2 a month for our Patients' Bill of Rights.

Let's talk about costs from a different angle for a moment. I find it interesting that, when people talk about costs, they do not talk about the costs that have been imposed upon American citizens who need health care but are denied it by their HMO even though they have paid their premiums in good faith. What about the costs imposed on this young boy who was taken past three hospitals to go to the fourth because the family's HMO would not allow him to stop at the first. What is the cost imposed on that young boy who lost his hands and feet or the young boy I described yesterday whose HMO denied him therapy because it said a 50-percent chance of walking by age 5 is a minimum benefit?

Or let's talk about other costs, costs on the HMO side.

Let me read a table of the 25 highest paid HMO executives. I wonder if there is any interest or concern about their salaries while we are withholding treatment for people under the aegis of cost cutting. Let me list some of the 25 highest paid CEO executives.

Annual compensation, 1997: one CEO makes $30.7 million, another has a $12 million salary, a $8.6 million salary, a $7.3 million salary, a $6.9 million salary—these are annual salaries—$5.7 million, $5.3 million, $5.2 million, $5.1 million, all the way down the list of the 25 highest salaries.

Mr. REID. Will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. REID. The Senator from North Dakota has talked about the salaries these executives make. Mr. President, he has not included the value of their stock, has he?

Mr. DORGAN. I have not. I have that on the next page. Let me describe that, starting at the top. Twenty-five companies: $61 million in unexercised stock options, on top of the salary, for one person in 1997, $32.7 million, $19.9 million, $19.0 million, $17 million—all the way down the list of 25.

It is interesting when people talk about costs. Is there any interest in this, any interest in talking about $35 million, $37 million, $38 million in unrealized stock options?

Mr. REID. Will the Senator yield for a question?

Mr. DORGAN. I will be happy to yield.

Mr. REID. Will the Senator add the stock options for that one individual and find out what it comes out to per year?

Mr. DORGAN. I do not have it listed quite that way, but I can tell my colleague that the average compensation plus stock options for these 25 executives is $16.7 million.

Mr. REID. It is fair to say it is a huge amount of money; isn't that true?

Mr. DORGAN. Oh, yes. One of them, for example, makes well over $30 million. Another is over $40 million. Of course that is a substantial amount of money.

The only point I am making is this: There is a lot of money and a lot of profit in this system. This has a lot to do with profits in for-profit medicine. On the other side, on the counterbalance, is the care for patients. Some people objected yesterday because we cited examples of patients who have been mistreated. They said this debate is not about individual patients. Of course it is. That is exactly what it is about. This debate is not about theory, it is about what kind of health care patients are going to get when they need it.

When your child is sick, what kind of treatment is your child going to get? Or if your spouse has breast cancer and your employer changes HMO plans, will someone say—I ask for 1 additional minute by consent—you cannot keep your same oncologist, you have to change doctors, even though you are in the midst of treatment? If your child needs to go to an emergency room, will someone say: We're sorry, you can't go to the one 2 miles away, you must go to the one 20 miles away? These are the kinds of issues, real people with real problems, that this debate is about. That is what this is about.

Every health organization in the country supports our bill. USA Today, in an editorial said: If you want a Patients' Bill of Rights from the Republican plan, you had better be patient because it doesn't provide a Patients' Bill of Rights.

There is a difference in these plans. At least we are on the right subject. But while we are on the subject of cost, let's talk a little about who is making the money here—$30 million, $20 million, $15 million in annual compensation—and then you talk to us about cost. We can't afford $1 a month to provide protection to Jimmy Adams so he can go to the nearest emergency room when he is desperately ill? Of course we can do that.

The PRESIDING OFFICER. The time has expired.

Ms. COLLINS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maine.

Who yields time?

Ms. COLLINS. I yield myself such time on this amendment as I may consume.

Mr. President, this amendment goes to the heart of this debate. All of us agree HMOs must be held accountable for providing the care that they have promised. All of us agree we need a strong appeals process so that anyone who is denied medical treatment or medical care has an avenue that is cost free, expeditious, and easy to appeal an adverse decision from an HMO. That is not what this debate is about.

The debate is whether we solve these problems in a way that is going to cause health insurance premiums to soar, thus jeopardizing the health insurance coverage of millions of Americans, or are we going to take the approach that the HELP Committee bill takes, which is to address these problems in a way that is sensible and that addresses the concerns about quality, about unfair denial of care, without imposing such onerous and expensive Federal regulations that we drive up the cost of health insurance and cause some people to lose their coverage altogether.

That is the heart of this debate. That is the key difference between the bill advocated by my colleagues on the Democratic side of the aisle and the bill which we support.

This amendment is simple; it is straightforward. What this amendment says is, if the Kennedy bill, in fact, increases the cost of health insurance along the lines projected by the independent Congressional Budget Office, then it would be essentially no longer in effect for group health plans.

This is an important amendment. It recognizes that cost is the single biggest obstacle to providing health insurance. It addresses the issues the CBO has outlined in its report in which it warned about what would happen if the Kennedy bill goes into effect. What would happen is, under the Kennedy bill that is before us, 1.8 million Americans would most likely lose their health insurance; employers would drop coverage, particularly small businesses that may be operating on the margin already; self-employed individuals would find health insurance still further out of reach; and we would further exacerbate the problem of the growing number of uninsured in this Nation.

We have a record 43 million Americans without health insurance. We should not be increasing the number of uninsured.

So what our amendment does is very simple. It says if there is an increase in health insurance premiums beyond 1 percent, or if the number of uninsured Americans increases by more than 100,000 people, that we will take a second look, we will put a stop to the mandates that would be imposed by the Kennedy bill.

Surely, we should be able to come to an agreement that this is the right approach to take. If my colleagues on the Democratic side of the aisle believe that their bill will not have the kind of cost estimate that the independent CBO says it will have, then they should join with us in supporting this amendment because this amendment offers important safeguards.

It says the Senate should not be implementing, we should not be passing legislation that is going to drive up the cost of health insurance and further increase the number of uninsured Americans—a number that already stands far too high at 43 million people.

By contrast, the Republican approach seeks to expand, not contract, the number of Americans with insurance. We would do that, for example, by providing full deductibility for health insurance for self-employed individuals. This is a critical issue in my State of Maine where we have so many Mainers who are self-employed. Perhaps it is in keeping with the independent Yankee spirit of the State of Maine that we do have so many people who run their own businesses. We see them everywhere. It is the small businesses on Main Street of every town in Maine. It is our lobstermen, our fishermen, our gift shop owners, our electricians, our plumbers. We see it throughout our State. It would be the most important thing that we could do to help them to afford health insurance if we made their health insurance premium fully deductible.

So we have a very clear choice. Do we want the Kennedy approach, which is going to cause health insurance premiums to soar, causing small businesses to be unable to provide coverage at all and putting health insurance further out of reach for the 43 million uninsured Americans or do we want the approach that we have proposed through the HELP Committee bill?

Our legislation addresses the very real problems that do exist with managed care. Our approach would put treatment decisions back in the hands of physicians, not insurance company accountants, not trial lawyers. But our approach strikes that critical balance. We do so not by so overloading the system that we are going to drive up costs but, rather, by putting in commonsense safeguards that will solve the problems with managed care without jeopardizing the health insurance coverage of millions of Americans.

I urge my colleagues to join, I hope in a bipartisan way, in supporting this very important amendment. It is a way for the Senate to put itself on record as recognizing that cost is the single biggest obstacle to expanded health insurance coverage. I hope we will have bipartisan support for this amendment.

I thank my colleagues and yield the floor but reserve the remainder of our time.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma.

Mr. NICKLES. Mr. President, I want to respond just a little bit to our colleague from North Dakota who said: Well, the Democrat bill would only increase costs by $1 a month. CBO says —I just read the CBO report. CBO does not say it. Or if my colleague would show me where it says that, I would be happy to maybe consume that page on the floor of the Senate. I don't know, but I read rather quickly. Maybe I missed it. I read fairly fast.

But the section I am looking at in CBO says—this is talking about the Patients' Bill of Rights, S. 6:

> Most of the provisions would reach their full effect within the first 3 years after enactment. CBO estimates the premiums for employer-sponsored health care plans would rise by an average of 6.1 percent in the absence of any compensating changes on the part of employers.

That is 6.1 percent. The annual premium for health insurance for a family, according to Peat Marwick, in 1998, in an employer survey, was $5,800. And 6.1 percent of that is $355 per year.

If you divide that by 12, it is almost $30 a month—not $1 a month; $30 a month. That is not even close.

So I make mention of this. Again, I think people are entitled to their own opinion; they are not entitled to their own facts.

If CBO says this Kennedy bill only increases costs by $1 a month, I would like to see where it is. I just read the report—April 23, 1999. It says: 6.1 percent.

That is a fairly big difference. When I am saying the cost is almost $30 a month—$29.50 a month—versus $1 a month, we have a little difference. I am using CBO. Maybe my colleague from North Dakota reads it a little differently.

I think that is a rather significant difference: $30 a month will price a lot of people out of health insurance. This additional 6-percent increase, on top of the 9-percent increase which is already projected, is going to put a lot of people in the uninsured category. We don't want to do that. We should do no harm. We shouldn't put millions of people in the uninsured category.

I refer, again, to the CBO report, because I heard my colleague from Massachusetts assert that this will only cost a family one Big Mac a month. I don't know if he is using CBO, but we are using CBO. CBO says S. 6, the Patients' Bill of Rights, the Kennedy bill, will increase health care premiums by 6.1 percent, resulting in an $8 billion reduction in Social Security payroll taxes over the next 10 years. This is in the report. If Social Security taxes are going down by $8 billion, that means total payroll goes down over that same period of time by $64 billion, total payroll reduction.

Employers are going to say: Wait a minute, if you are driving up my health care costs, I can't pay you as much. I am going to pay you less or we will offset this reduction.

That is CBO. That is not the Republican organization. That is not DON NICKLES penciling it in. This is CBO, a nonpartisan group, saying there is $64 billion in lost wages if we pass the Kennedy bill. That is a whole lot of Big Macs. That is 32 billion Big Macs, if they cost $2 apiece. That isn't one Big Mac. As Senator GRAMM said, you can buy the McDonald's franchises for that. I expect you could.

For people who say the cost impact of the Kennedy bill is trivial and it would do no damage, if they believe that, have them vote for this amendment. I hope they will vote for this amendment.

We should do no harm. We should not increase the cost of health care by more than 1 percent. Shame on us if we do. We should do no harm. We should not increase the number of uninsured. We should not be passing bills that make matters worse. Let's work on quality. Let's improve access. Let's make sure more people have health care. Let's not do just the opposite. Let's not uninsure a couple million people by increasing the cost of health care so dramatically, as the Kennedy bill would do. That is the purpose of our amendment.

I compliment my colleague from Texas, who has been working on this amendment as the principal cosponsor with me, and also my colleague from Maine who spoke so eloquently on it earlier.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I yield, on the amendment, 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, virtually every provision in both versions of the Patients' Bill of Rights starts with a phrase similar to this: If a group health plan or health insurance coverage offered by a health insurer provides any benefits with respect to specialist care, emergency service care, primary care, then this is what they have to do. What does that say?

One, it says no health plan is required to offer virtually any of the services that are covered by this bill. It is all a matter of free contract between the HMO and those persons to whom an HMO contract is being sold. The analogy is, what is it that you buy when you sign an HMO contract that says you are going to get access to specialists.

To stay with the McDonald's example, the question is not what the hamburger costs. The question is whether there is any beef inside the hamburger or whether all you are paying for with your $2 is a couple of buns.

The fact is, if there is an increase in cost, it probably means people aren't getting the kind of services they think they are getting when they contract with an HMO. We found out, as it relates to Medicare, that 40 percent of the complaints by Medicare beneficiaries against their HMO were in the emergency room. They went to the emergency room, they got treatment, and then they were found not to have a heart attack, not to have the onset of a stroke. That was the good news. The bad news was the HMO said: Well, because you went to the emergency room and you didn't have a heart attack, we are not going to pay your bill.

Is that the way we want to hold down the cost of care, by having essentially a bait-and-switch process built into one of the most intimate aspects of an American family's relationships, and that is how their health care will be provided and paid for?

The issue is whether people are going to get what they contracted for. If they don't want to contract for these services and therefore have a lower cost product, they are at liberty to do so.

The irony is, to go back to the last discussion we were having on the emergency room, the very provision that apparently is going to be substantially altered, in the unseen, unread, unknown Republican amendment that is being offered as an alternative to my emergency room amendment, has to do with poststabilization care. According to the oldest and one of the largest HMOs in the country, Kaiser-Permanente, which has voluntarily adopted exactly the procedure we are suggesting should be the standard for emergency room contract provisions, their use of poststabilization has saved them money. How has that happened?

Take the case of a child who has a high fever. The parents take the child to the emergency room. It is determined the child does not have a life-threatening condition, but there is uncertainty as to why they have had this high fever.

Under the Kaiser plan, the emergency room calls the HMO and says: Here is what the situation is with this child. What do you think would be the appropriate medical treatment? The HMO, Kaiser, and the emergency room work out a coordinated plan of treatment. In many cases, what it says is the child can go back home if the child, at 9 o'clock in the morning, will come to Kaiser's primary care physician to be treated. That is why Kaiser says it is not only good health but also it saves money.

Ironically, the first amendment offered, after it is stated by the opposition that they are going to strip, dilute, adulterate this provision which has the potential of saving money, is to offer this saccharin amendment which says: Now we will put a limitation on increases in cost.

I think we are all concerned about cost. We are all concerned about making health care more affordable and reducing the number of uninsured. But we want people who contract with an HMO to get what they paid for, not to get the two buns but no beef in their McDonald's hamburger.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I yield myself 15 minutes.

I have to say we often see people do 180 degree turns around here. It never ceases to amaze me to hear our Democrat colleagues savaging HMOs. Let us remember they are the people who have been in love with HMOs for 25 years.

In fact, they loved HMOs so much that in these bills virtually crushing this ancient desk—the 1994 Clinton health care bill and the two Kennedy variations of it—they loved HMOs so much they would have set up health care collectives all over the Nation, run by the Federal Government, and would have fined Americans $5,000 for refusing to join their health care collective. They loved HMOs so much in 1994, they would have imposed a $50,000 fine on a doctor who prescribed medical treatment that was not dictated or allowed by their Government-run HMO health care collective.

They loved HMOs so much in 1994, if a doctor provided treatment you needed for your baby that was not provided for in their Government-run health care collective, and you paid him for it, he could go to prison for 15 years. That was their vision of a health care future for America.

But having loved HMOs so much that they wanted to mandate that everybody in America be a member of one run by the Government, now all of a sudden they have done a public opinion survey. They have gotten focus groups together, and they have decided Americans are not as much in love with HMOs as they are. And so as a result, now they have a bill that doesn't say, as they said in 1994, HMOs are the answer to everything. They have a bill that now says HMOs are the problem.

What we try to do in our bill is fix the problems, but we do something they will not do: We empower Americans to fire their HMO. We allow Americans to buy medical savings accounts.

where they have the right to choose for themselves.

Our Democrat colleagues are adamantly opposed to that freedom because they want the Government to run the health care system. And you can't get the Government running the health care system if you start giving people the power to fire their HMO. So they want to regulate the HMOs. They want to give you the ability to contact a bureaucrat if you are unhappy. They want to give you total freedom to hire a lawyer. You can hire whatever lawyer you want to hire.

But what they will not do is give you the ability to hire your doctor. Why don't they want to do it? Because this is simply one step in the direction of this health care bill that they want and love, and which we killed. But in their heart, they still want Government health care collectives, and they want people fined and imprisoned if they don't provide medicine exactly the way the Democrats want it provided.

Now they say, well, something is wrong with the Republican bill because they are not overriding State law. They think that somehow Senator KENNEDY and President Clinton know more about Texas than the people in the Texas Legislature and the Texas Governor. They believe we should trample State law and we ought to make every decision in Washington, DC. We don't agree. They say they want America to know the difference. Please know that this is the difference.

If Senator KENNEDY and President Clinton know so much about Texas, when President Clinton finishes in the White House, maybe he ought to move to Texas and run for some public office. It would be an educational experience, I can assure you, both for him and the people of Texas.

But the point is, I am not going to let Senator KENNEDY and President Clinton tell the people in Texas how to run their State. I am not going to do it either. If I wanted to do that, I would run for the state legislature.

Let's get to the issue we are talking about here. The problem with the Kennedy bill is it drives up costs. The problem with the Kennedy bill is that the Congressional Budget Office has concluded that the Kennedy bill would drive up health care costs by 6.1 percent.

What that means is two things: One, 1.8 million Americans would lose their health insurance. Now, granted, if their bill passed, you would have the ability to pick up the phone book, look in the blue pages and call any government agency you wanted; you could hire any lawyer you wanted. But 1.8 million people would not have health insurance under this bill. Their bill would drive up health costs for those who got to keep their insurance by $72.7 billion over a 5-year period.

Let me convert that into something people understand. By 1.8 million people being denied health insurance because of the cost of all these lawyers and Government bureaucrats and therefore losing their insurance under the Kennedy bill, that would mean that in breast exams, 188,595 American women would lose breast exams that they would have under current law because Senator Kennedy's bill would drive up health insurance costs so much.

Because 1.8 million people would lose their health insurance under the Kennedy bill, there would be 52,973 fewer mammograms. Why? Is Senator Kennedy against mammograms? Of course he is not. But the point is, his bill, by driving up costs, by hiring all these bureaucrats and all these lawyers, where 60 percent of what comes out of these lawsuits goes to lawyers and not to people who have been damaged, hurt, or are sick—by imposing those new costs, 52,973 women per year would lose mammograms that they are getting, which are funded today under their health insurance policies.

Under Senator KENNEDY's bill, 135,122 women that get annual pap tests funded by their insurance policy would not get them because they would lose their insurance.

And so that no one thinks I am totally discriminating against men, prostate screenings would decline by 23,135. That's 23,135 men who would not get screened, who might die of prostate cancer because Senator KENNEDY thinks it is more important to be able to hire a lawyer than it is for people to have insurance so that they can get prostate screening.

Really, the bill before us is not about doctors. Nothing in Senator KENNEDY's bill lets you choose your doctor or fire your HMO. It lets you choose a lawyer and contact a bureaucrat. In doing so, it drives up costs by 6.1 percent and it denies 1.8 million people their health insurance. As a result, we get less care, not more; we get more expensive care, not cheaper. And anybody that believes that being able to hire a lawyer or contact a bureaucrat heals people clearly does not understand how medicine works.

The amendment before us is a very simple amendment. My guess is that after they pray over it a while, everybody will vote for it. It kills the Kennedy bill, no question about that. But I don't think they are going to want to vote against it because what this amendment says very simply is this: It sets up a triggering mechanism. It says that if this bill were to be adopted—which it won't be because we are going to defeat it this week because we have a better bill that works better—if it was found and certified that in any year, when fully implemented, this bill would drive up costs by more than 1 percent, the law would not go into effect. Or if in any year more than 100,000 people lost their health insurance as a result of the cost increase also imposed, then this bill would not be operative.

Now we know from CBO estimates that both of these things will occur. We have offered this amendment basically to point out the fact that the problem with the Kennedy bill is that it drives up costs, and it denies people health insurance.

Finally, let me say do I believe this is the end game? Suppose for a moment that we could pass their bill, if President Clinton could override every legislature and State, and we could have the Government decide, by law, what is the preferred service, what is the means of treating every disease so we would set by Federal statute all those things. Suppose that we did all those things and drove up health care costs, would the Democrats be happy? No, and neither would the American people.

Next year, they would come back with their old faithful, the Clinton health care bill, and they would say: Medical costs have risen by 6.1 percent, 1.8 million people have lost their health insurance, and there is only one solution. We have to have the Government take over the health care system. We will make everybody join an HMO. We will take their freedom completely away, and, in fact, we will fine them $5,000 if they refuse to do it, and we will make doctors practice medicine our way. We will fine them $50,000 if they give a treatment we don't approve, or we will put them in prison if they provide medical care that is not on our approved Federal list. That will be their answer to the problem they create with this bill. That is what this debate is about.

I am sure, having looked at their bill, they have done a poll, they have looked at a focus group, and they have determined that somehow they are going to gain some political points by the bill they put forward.

We have gone about it a little bit differently. We have spent 2 years with people such as BILL FRIST—who has actually practiced medicine; not only practiced, he is one of the premier doctors in America—putting together a bill that fixes the problems with HMOs, that doesn't write medical practice into law. If we had written medical practice into law 100 years ago, we would still be bleeding people for fevers.

We have put together a bill that tries to deal with abuses in HMOs so a final decision is made by an independent doctor as to what "necessity" is. We go a step further. We expand freedom so that people get a chance with our reforms, if they are not happy with their HMO, they can say something under our bill to the HMO that they can't say under Senator KENNEDY's bill. Under our bill, if all else fails, they can say to their HMO: You didn't do the job. You didn't take care of me, you didn't take care of my children, and you are fired. I'm going to get a medical savings account. I'm going to make my own decisions.

That is the difference between what Democrats call rights and what Republicans call freedom. Their rights are the right to more government, the right to more regulation, the right to look in the blue pages and call up a government bureaucrat, to look in the Yellow Pages under "Attorney" and call up a lawyer.

But their health care rights do not include the right to hire your own doctor or to fire your HMO. What kind of right is it when you have a right to complain and petition but you don't have a right to act?

Our bill is about freedom, the freedom to choose. That is the difference. Our Democrat colleagues don't support that freedom, because they want a government-run system.

Senator KENNEDY is not deterred. We may have killed the Clinton-Kennedy bill in 1994 taking over the health care system, but he dreams of bringing it back. If he can win on his bill this week, it is a step in that direction. But he is not going to be successful.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

If no time is yielded, the time is shared equally.

Mr. NICKLES. Mr. President, I want to make a couple more comments. I think some people have been loose with facts on saying the Kennedy bill would only cost $1 a month. One Member said it would only cost one Big Mac a month. That is absolutely, totally false.

I have been looking at the Congressional Budget Office cost estimate of the Kennedy bill, S. 6, the Patients' Bill of Rights of 1999. I will read a couple of provisions. If this report is wrong, I wish to be corrected. Members are making statements that it will only cost $2 a month, or one hamburger a month—unless they are buying that hamburger in Cape Cod or Hyannis Port. Maybe that is $30 a month. It is not a Big Mac in Oklahoma.

Page 3 of the CBO report says most of the provisions would reach the full effect within the first 3 years after enactment. CBO estimates the premiums for employer-sponsored health care plans would rise by an average of 6.1 percent in the absence of any compensating changes on the part of employers.

What would the compensating changes be? CBO says, on page 4, employers could drop health insurance entirely if we pass the Kennedy bill. Employers could drop health insurance entirely, which I am afraid many would do. They could reduce the generosity of the benefit package, according to CBO, increase the cost sharing by beneficiaries, or increase the employee's share of the premium.

This is CBO. This is not just DON NICKLES. This is not some right-wing conspiracy. They are saying if health care costs are increased this much, some employers will drop plans. Some employers will say employees have to pay a lot more. Some employers will come up with cheaper plans. CBO said some will reduce the generosity of the benefit package, come up with cheaper plans, not cover so much.

I thought the purpose of the bill was to improve health care quality, not come up with cheaper plans, not come up with fewer plans, not come up with greater uninsured. That is what CBO is saying increased costs would be.

How much would it cost? Again, I am a stickler for having facts. What is the estimated budgetary impact of the Kennedy bill? CBO says it would reduce Social Security payroll taxes by about $8 billion over the next 10 years, reducing Social Security payroll taxes by $8 billion. That means total payroll goes down by $64 billion. That is a big reduction. That is a lot of money coming out. That is a lot of money that people won't receive in wages, according to the CBO, because Congress passed a bill. Congress said: We know better; we should micromanage health care from Washington, DC. The net result is lost wages of $64 billion. That is not one Big Mac per month.

What is the cost per month? Family premium for health insurance, according to Peat Marwick: $5,826 in 1998; 6.1 percent of that is $355 per year. That is right at $30 per month an employer would pay. What does CBO say the employer would do if they were saddled with those kinds of increases? They would drop plans, drop health insurance entirely, reduce the generosity of the benefit package, increase cost sharing by beneficiaries, or increase the employees' share of the premium.

We should use facts. The cost of the Kennedy bill is not one Big Mac; it is about $30 a month for a family plan. According to CBO, I am afraid a couple of million people, at least 1.8 million people, would lose the insurance they already have. We should not do that. That would be a serious mistake.

Mr. FRIST. Will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. FRIST. It is important for us to look at the CBO reports because they have obviously looked at various mandates in this bill. I ask the Senator if this is correct. It says:

> CBO finds the bill as introduced [Senator KENNEDY's bill] would increase the cost of health insurance premiums by 6.1 percent.

Is that correct?

Mr. NICKLES. That is correct.

Mr. FRIST. Does that 6.1-percent increase include the cost of inflation in health care? Or is that separate from that?

Mr. NICKLES. The Senator makes an excellent point. That is over and above whatever inflation is already anticipated for health care costs.

Mr. FRIST. So we have health care inflation. We know we worked hard to reduce it, but the rate of health care inflation already is two or three times that of general inflation. So that is already built into the equation. The increase, because of the Kennedy bill, is an additional 6.1 percent; is that correct?

Mr. NICKLES. That is correct.

Mr. FRIST. So we are talking about a potential increase of 9, 10, 11 percent in premiums?

Mr. NICKLES. Even higher than that. I think the estimate I have, that was done by the National Survey of the Employee-Sponsored Health Care Plans, Mercer, which is probably one of the biggest actuaries in health care, estimates a 9-percent increase for next year in health care costs. So if you put 6.1 percent on top of that, that is a 15-percent increase in health care costs for next year.

Mr. FRIST. So we have health care going to 10, 11, 12, 13, 14, 15 percent, possibly higher because of the bill, coupled with things we cannot control. Yet we know this bill is something we can control.

For every 1 percent increase in premiums—you say it is going to be 10, 12, 13, 14, 15—how many people are driven to the ranks of the uninsured?

Mr. NICKLES. Most of the professionals and actuaries usually estimate about 300,000.

Mr. FRIST. The reasons for that seem to me to be fairly obvious. With premiums going sky high, and you are a small employer and trying to do the very best to take care of your employees and offer them insurance and you are barely scraping by with your margins, as small businesspeople are working so hard to do, is it not correct that an 11-, 12-, 15-percent increase is enough to make you say I just cannot do it anymore?

Mr. NICKLES. Unfortunately, that is the case.

Mr. FRIST. Is it correct, what the CBO says, responding to, "How will employers deal with these costs?" Do you agree with what the CBO says:

> Employers could respond to premium increases in a variety of ways. They could drop health insurance entirely, reduce the generosity of the benefit package . . .

I tell you, as a physician, neither of those sound very attractive to me. We have to be very careful in this body that we don't cause them to drop their insurance or decrease their benefits package. I continue back with the quote:

> . . . increase cost sharing by beneficiaries . . .

As an aside, I am not sure we want to throw that increased cost sharing on our beneficiaries unless it is absolutely necessary.

> . . . increase the employees' share of the premium. CBO assumed employers would deflect about 60 percent of the increase in premiums through these strategies.

Mr. President, 60 percent, that is almost unconscionable unless these mandates are entirely necessary.

Mr. NICKLES. I thank my friend and colleague. He makes an excellent point. Again, this is CBO saying if we do this, employers are going to drop health insurance or they are going to drop the quality of the package. He makes an excellent point.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Parliamentary inquiry. How much time remains?

The PRESIDING OFFICER. The Senator has 6 minutes 10 seconds.

Mr. FRIST. And on the other side?

The PRESIDING OFFICER. On the other side, 5 minutes 51 seconds.

Mr. FRIST. Mr. President, this Patients' Bill of Rights is critical. For us to come in and return the balance between physicians and patients in managed care—and I think managed care has gone too far—we need to absolutely make sure patients and physicians are empowered so the very best care is given to that patient. It means we in this body have to be very careful not to drive the cost just sky high, through the roof. Why? Because all the information, all the data presented to us is if we make these premiums skyrocket people are going to lose their insurance.

We have not talked about that very much. I mentioned it to my colleagues. Is very important to get some insurance coverage. Some coverage gets you into the door. That makes sure you have access to health care.

If we look at the President's own advisory commission on managed care, they were very careful to consider costs. I think we should be, just as they were, very careful.

This is one of their guiding principles of President Clinton's Advisory Commission on Consumer Protection and Quality in the Health Care Industry. They basically say:

> Costs matter . . . the commission has sought to balance the need for stronger consumer rights . . .

As an aside, we have to do that and accomplish that in this bill we have before us this week.

> . . . with the need to keep coverage affordable . . . Health coverage is the best consumer protection.

I agree with this. We need to come back to this guiding principle and consider cost.

We talk about the mandates. Let me say, because I mentioned the commission, we have a lot of mandates in the underlying Kennedy bill. I think we need to go through and see what other people have said about these mandates; are they necessary? Because we know unlimited mandates imposed on insurance companies, States, individuals, if they are not necessary, are going to drive costs up and decrease access. If we look at the Democratic mandates—and I just put a few on here to see whether or not President Clinton's Advisory Commission on Consumer Protection and Quality recommended them—you will find the following.

Under a medical necessities definition, something we will be debating over the next couple of days: Rejected under the President's commission.

Under the health plan liability, coming back to bringing the lawyers into the emergency room and suing everyone: Rejected; mandatory repeal of standardized data, rejected by President Clinton's commission; State-run ombudsman program, rejected by the President's commission; restriction on provider financial incentives, rejected by the President's commission. All of these are mandates in the Kennedy bill today, all of which were rejected by the President's own commission.

Rules for utilization review, section 115 in S. 6, the Kennedy bill: Rejected by the commission. Provider nondiscrimination based on licensure, rejected by the commission.

The point is not so much each of these and the sections I have enumerated here, 151, 302, 112, 151. The point is, in this body, as we go forward, we have to be very careful in all of the rhetoric and all of our commitment and all of our hard work, legitimately, on both sides, to protect patients. We have to be very careful not to go too far out of good intentions, to the point that it is unnecessary, if they do not need those rights, and it also drives the cost up.

So when you go through the Kennedy bill and see these mandates, President Clinton's own Advisory Commission on Consumer Protection and Quality looked at them, considered them, but rejected them.

Why? I cannot tell you for sure why because I was not in the room, but I think it comes back to the amendment we are talking about today and to what they have actually said in their guiding principles: Costs do matter.

> The commission has sought to balance the need for stronger consumer rights——

Just as we are in our Republican Patients' Bill of Rights Plus bill——

> with the need to keep coverage affordable. . . . Health coverage is the best consumer protection.

I look back at Tennessee. Looking at the uninsured and the costs associated with the underlying Kennedy bill, the number in Tennessee that we throw to the ranks of the uninsured would be 20,872. Again, we talked about the 1.8 million nationwide. Look to our own individual States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FRIST. Mr. President, I will close simply by saying I am very glad this amendment was brought to the floor because very early on it says this debate is more, it is in addition to just patient protections. Why? Because the ultimate patient protection means you get good quality of care and you have access to that care. So over the next several days our primary objective is to increase that quality of care, strong patient protections, but do all that without hurting people, without throwing them to the ranks of the uninsured.

That is our challenge. That is why I am very proud of our underlying Republican bill and look forward to supporting it and gathering more support as we go over the next several days.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

If neither side yields time, time will be charged equally.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, what is the time situation?

The PRESIDING OFFICER. The side of the Senator from Massachusetts has 35 minutes; the other side has used up all its time.

Mr. KENNEDY. It is our intention to respond to these arguments briefly and then offer an amendment. I yield myself 5 minutes.

Mr. President, as we see in this institution, there are amendments which are offered that are poison pill amendments. They are amendments that effectively kill legislation. That is really the purpose of this; we ought to be very clear about it. Senator GRAMM of Texas has indicated if that amendment is accepted, this whole debate comes to a halt and it ends any possibility of a Patients' Bill of Rights. That is what we are faced with at this time.

We will have an opportunity to judge whether the Senate wants to end any consideration of a Patients' Bill of Rights—or whether this is an issue that ought to be considered—when we vote on that particular amendment. We will have a chance to vote on the various amendments we have outlined and presented in different forms. We will continue to discuss these amendments over the course of this debate.

One of the techniques used in this institution—perhaps less so now than in the past—is to present the opposition's arguments with distortion and misrepresentation, and then differ with the distortions and misrepresentations. We saw a classic example of that with my good friend, the Senator from Texas, Mr. GRAMM. He went through this whole routine about what was in this bill and then he, in his wonderful way, differed with it, like only he had common sense and understanding of what is in that legislation.

Before responding to that, I start out with the basic core issues, which have been raised again and again by those who are opposed to our bill: One, costs; and, two, coverage.

When all is said and done and after we have listened to the distortions and misrepresentations of our good Republican friends, here is, majority leader TRENT LOTT on NBC "Meet the Press" saying: By the way, the Democrat's bill would add a 4.8 percent cost.

This is the Republican majority leader agreeing with the Congressional Budget Office figures. Maybe the other side gets a great deal of satisfaction—they certainly take a lot of time to distort and misrepresent the facts. But let's look at 4.8 percent—or even 5 percent—impact on a family's premium over 5 years. The family's premium might be $5,000 a year. Looking cumulatively at 5 percent—1 percent a year—that would be $250 for the total of 5 years, $50 a year.

You can misrepresent the figures, you can distort the figures, you can frighten the American people, which is a common technique; it was done on family and medical leave. Do you remember that argument put out by the Chamber of Commerce about the cost of family and medical leave to American business? They still cannot document it. Do you remember, when we had the minimum wage debate, claims about the cost to American business? They still cannot document it. As a matter of fact, Business Week even supports an increase in the minimum wage.

Now on the third issue, here it comes again, the bought-and-paid-for studies by the insurance industry. That is what these studies are all about. They are bought and paid for by the insurance companies, and they distort and misrepresent.

Mr. NICKLES. Will the Senator yield?

Mr. KENNEDY. I will not yield at this time. You would not yield last evening when I was trying to ask Republicans about particular provisions.

How many times did we hear from the other side: Let's rely on the Congressional Budget Office, they know what is best. We were just with the President of the United States. He said every time he sat down with the Republican leadership, they said: We will not do anything unless we get the CBO figures.

We have given you the CBO figure. The majority leader agrees with the CBO figure. Let's put that aside.

The second issue is coverage. The issue is whether more people will lose their health insurance coverage because we are going to do all of the things that Senator GRAMM talked about. I yield to no one on the passage of health care in order to expand coverage. The idea that the groups in support of this particular proposal would support a proposal which means that 2 million Americans would lose coverage is preposterous on its face. On the one hand, they are so busy over here saying: Look who is supporting your program, the AFL-CIO. Do you think they are going to support legislation—I yield myself 2 more minutes—that will cause 2 million Americans to lose coverage? Are we supposed to actually believe that? Or all the many groups—I will not take the time to enumerate them—that support a comprehensive program to expand coverage? That is poppycock. That is baloney. They even understand that in Texas. It is baloney.

The idea that 180,000 women are going to lose breast cancer screening, 52,000 a year are going to lose mammograms, 135,000 women in this country are going to lose Pap tests when the American Cancer Society supports us lock, stock, and barrel—come on, let's get real. Whom do you think you are talking to, the insurance companies again? Can you imagine a preposterous statement and comment like that coming from the Senator from Texas? That just goes beyond belief.

I will make a final comment or two about freedom. We heard a lot about freedom. Remember that, we heard all yesterday afternoon about freedom? We heard about freedom this morning. We heard about freedom: We are for freedom. The other side is not for freedom, but we are for freedom. Support our position, you will be for freedom.

The insurance companies want freedom from accountability. That is what they want, freedom to undermine good quality health care for children, for women who have cancer, for the disabled. That is what they want—freedom from accountability and responsibility.

That is baloney, too. We want accountability. I am surprised to hear from the other side all the time about how they want personal responsibility and accountability.

I ask for another 2 minutes.

They always want personal responsibility and accountability with the exception of HMOs. Sue your doctors, fine, but not your HMOs, not your insurance companies, not those that have paid $100 million and effectively bought this Republican bill—yes; that is right—those provisions are dictated by the insurance companies.

That is what we have. The American people are too smart to buy that.

I know there are others who want to speak. I yield back my time.

AMENDMENT NO. 1237 TO AMENDMENT NO. 1236

(Purpose: To provide coverage for certain items and services related to the treatment of breast cancer and to provide access to appropriate obstetrical and gynecological care, and to accelerate the deductibility of health insurance for the self-employed)

Mr. KENNEDY. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative assistant read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for Mr. ROBB, for himself, Mrs. MURRAY, Mrs. BOXER, Ms. MIKULSKI, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. FEINGOLD, Mrs. LINCOLN, Mr. DASCHLE and Mr. BYRD proposes an amendment numbered 1237 to amendment No. 1236.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Parliamentary inquiry. That amendment is offered on behalf of Senator ROBB and others; is that so?

The PRESIDING OFFICER. Yes.

Mr. REID. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I would like to make a few comments. I will not address the amendment that was just sent to the desk, but I would like to respond to my colleague.

First, I started to call Senator FRIST. Sometimes I call him because we need help on the floor to debate things, such as medical necessity or other medical procedures. This time I thought I would call him because I thought we might need him because I was afraid somebody might have a heart attack getting so excited in the debate.

But let me just touch on a couple of comments that my good friend and colleague, Senator KENNEDY, made. He said: Enough about this cost stuff. He said: That was done by some study that was bought and paid for by the insurance companies.

Correct me if I am wrong, but I stand corrected if the Congressional Budget Office is bought and paid for by the insurance companies. If so, I would like to know it. I am not aware of that.

My colleague alluded to the fact that Republicans are bought and paid for. He was close to getting a rule invoked. I do not think he meant to say that. I will let that go.

I am not going to make allusions that trial lawyers have bought one side or that the unions have bought one side, although he did mention that the unions support his bill. It just happens to be that the unions are exempt from his bill. That is interesting. They are exempt for the duration of their contracts.

So his bill basically tells every private employer: You have to rewrite your contract next year, except for unions. Oh, if you have unions, you don't have to redo it until the end of your contract. If the contract is for 4 years, you don't have to touch it for 4 years. But anybody else, you rewrite it next year.

Maybe that is the reason the unions have signed on. Maybe there are other reasons or other special interest groups that have gotten into his bill.

But back to the cost. My colleague says: Well, it is only 1 percent per year. CBO says the cost would be 6 percent when it is fully implemented in 3 years—not 5 years. So Senator KENNEDY is able to say: Well, we think it is about 5 percent over 5 years; therefore, it is a 1-percent per year cost increase. And employees only pay 20 percent, which is how he gets his one Big Mac per month. It just does not work. It does not equate. The bill, when fully implemented, is 6.1 percent. That is in 3 years, and the cost is $355 per year.

If that happens, you are going to have a lot of people, according to CBO—not some study financed by the insurance companies—who are going to lose their coverage, a lot of people who are going to get less quality coverage, people who are going to have to pay a greater percentage of the coverage, people who are going to have to pay a greater percentage of the premiums if we pass the Kennedy bill. That is the bad news. The good news is we are not going to pass it.

But I think we have to stay with the facts. The facts are that the Kennedy bill increases costs dramatically and increases the number of uninsured dramatically. That would be a serious mistake. That is something we are not going to allow to happen.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 10 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WELLSTONE. Before the Senator speaks, may I do two quick things?

PRIVILEGE OF THE FLOOR

Mr. President, I ask unanimous consent that Renato Mariotti, an intern, be allowed on the floor during this debate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I ask unanimous consent that I follow Senator ROBB after we get back from caucuses, that I be first in order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia has 10 minutes.

Mr. ROBB. Thank you, Mr. President. And I thank my colleague from Massachusetts.

Mr. President, while I would concede that most Members of this body are very concerned about issues that have special relevance to women, we all too often leave much of the advocacy on those issues to women who are colleagues in the Senate. In a legislative body with only 9 women and 91 men, the amount of time focused on issues of special concern to women is often skewed. As someone who has always prided himself on standing up for equality of opportunity, that seems profoundly unfair.

Women's health—and, specifically, the choices women have in our health care system—ought to be a special concern to everyone.

As a father of three daughters, I have come to better understand that the types of health care women need and the way they access it are often very different from the health care needs of men.

Unfortunately, our health care system has long ignored some important facts about women's health. During this important debate on the Patients' Bill of Rights, I have offered an amendment that would do something to correct that. I rise to explain the amendment which was just sent to the desk which will help women get the medical care they need.

The amendment has been crafted with Senators MURRAY, BOXER, and MIKULSKI and will remove two of the greatest obstacles to quality care that women face in our current system today: No. 1, inadequate access to obstetricians and gynecologists; and, No. 2, inadequate hospital care after a mastectomy.

We know today that for many women, their OB/GYN is the only physician they regularly see. While they have a special focus on women's reproductive health, obstetricians and gynecologists provide a full range of preventive health services to women, and many women consider their OB/GYN to be their primary care physician.

Unfortunately, some insurers have failed to recognize the ways in which women access health care services. Some managed care companies require a woman to first visit a primary care doctor before she is granted permission to see an obstetrician or gynecologist. Others will allow a woman to obtain some primary care services from her OB/GYN but then prohibit her from visiting any specialists to whom her OB/GYN refers her without first visiting a standard primary care physician. This isn't just cumbersome to women; it is bad for their health.

According to a survey by the Commonwealth Fund, women who regularly see an OB/GYN are more likely to have had a complete physical exam and other preventative services—like mammograms, cholesterol tests, and Pap smears.

At a time when we need to focus our health care dollars more toward prevention, allowing insurers to restrict access to health professionals most likely to offer women preventative care only increases the possibility that greater complications and greater expenditures arise down the road.

We ought to grant women the right to access medical care from obstetricians and gynecologists without any interference from remote insurance company representatives. This amendment is designed to do just that.

I offer this amendment on behalf of my colleagues because the Republican bill, which has been offered for the purposes of debate by Senator DASCHLE, will not grant women direct access to care.

First of all, their bill only covers a limited percentage of the women who have health care insurance in our country, leaving more than 113 million Americans without any basic floor for patient protections. Then, for the minority of patients that they do cover, the Republicans offer only a hollow set of protections but leave many women without direct access to the care they need. While their bill would allow a woman to obtain routine care from an OB/GYN, such as an annual checkup, the bill would not ensure that a woman can directly access important followup obstetrical or gynecological care after her initial visit. For example, if a woman were to have a Pap smear during a routine checkup at her gynecologist, and that Pap smear came back abnormal, the Republican bill would not guarantee that she could access important followup care from the same doctor.

Instead, their bill would allow insurers to force her to go back to a primary care gatekeeper physician to get permission for a followup visit to her gynecologist. This may sound unbelievable, but a recent survey showed that women face this obstacle 75 percent of the time. In addition, the Republican bill will now allow a woman to designate her OB/GYN as her primary care provider.

Their provision ignores one of the basic facts about the ways women receive health care in America today. While OB/GYNs have a special expertise on women's reproductive systems, they are also trained at primary care. For women, their OB/GYN is the only doctor that they see on a regular basis.

Because many of these women consider their OB/GYN to be their primary care physician, they depend on him or her for the full range of diagnostic and preventative services that are offered by other general practitioners. Statistics show that women are more likely to have had a physical from an OB/GYN in the past year than from any other doctor. One survey from the University of Maryland showed that OB/GYNs provide 57 percent of the general physical exams given to women. In another survey, when asked who they go to for primary care, 54 percent of the women said it is to their OB/GYN.

We know how women access primary care and we know that by allowing them to get this care, their health care will improve. Yet insurers often ignore the fact that many women rely on their OB/GYN for primary care, making it more difficult for them to access preventative care and other services.

Our amendment will grant women more direct access to health care professionals that they have come to depend upon.

The second piece of this amendment will address the inhumane treatment that some women have received after they have experienced the trauma of a mastectomy. Each year, millions of women are screened for cancer by mammogram and, sadly, nearly 200,000 of them are diagnosed with breast cancer.

The options women face in such circumstances are difficult, and in a time of great uncertainty, women ought not be forced to face unnecessary additional burdens. Unfortunately, some women have been told by their health insurer that a mastectomy will only be covered on an outpatient basis. Given the trauma that a woman faces with such major surgery, both physical and emotional, it is unconscionable that some insurers refuse to cover proper hospital care after a mastectomy. Much like the restrictions on access to obstetricians and gynecologists, these restrictions on hospital care after such traumatic surgery are simply bad for women's health. After a mastectomy, doctors tell us that hospitalization is often critical to foster proper healing, as well as to provide support to women who have just experienced the emotional trauma of such major surgery.

Our amendment will return control over this important medical decision to the medical professionals and ensure that doctors who actually know and examine their patients, not some distant, impersonal insurance company representative, make decisions about the length of stay in the hospital following a mastectomy. It would put into law the recommendations of the American Association of Health Plans, who said in 1996, that:

> The decision about whether outpatient or inpatient care best meets the needs of a woman undergoing removal of a breast should be made by the woman's physician after consultation with the patient . . . as a matter of practice, physicians should make all medical treatment decisions based on the best available scientific information and the unique characteristics of each patient.

Although this commonsense, important provision was included in legislation offered by the other side of the aisle last year, it has inexplicably been dropped from their bill this year. We cannot, however, retreat from our commitment to the health and well-being of the women of America.

Finally, this amendment would help self-employed women and, indeed, all self-employed Americans better access affordable health insurance by making the cost of their insurance fully tax deductible.

The PRESIDING OFFICER. The Senator's 10 minutes has expired.

Mr. ROBB. I ask for 1 additional minute.

Mr. KENNEDY. Fine. Are we still recessing at 12:30?

The PRESIDING OFFICER. Yes. That is the order.

Mr. ROBB. Finally, this amendment would help self-employed women and, indeed, all self-employed Americans better access affordable health care by making the cost of their insurance fully tax deductible. The current tax system penalizes self-employed individuals, and this amendment will ensure they are treated equally.

I am concerned that the bill offered by the other side doesn't even cover 70 percent of Americans with health insurance. I am even more concerned, however, that the protections they offered to this limited number of Americans doesn't reflect the health needs of half of our population, the women in our population.

I know we can do better. We should do better. I urge my colleagues to support this amendment which recognizes the critical needs facing the women in this country today.

With that, I yield the floor, and I reserve any time remaining on my side.

The PRESIDING OFFICER. Under the previous unanimous consent, the Senator from Minnesota——

Mr. KENNEDY. Mr. President, I ask unanimous consent that that consent agreement be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I yield 2½ minutes to the Senator from Washington and 2½ minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I rise as a sponsor of this amendment to protect women's health. This amendment offers true security to women; it deals with women's access to health care and women's treatment when they receive that care. This amendment ensures women get more than just routine care when they visit their obstetrician/gynecologist and it protects women against the pain and danger of so-called drive-through mastectomies.

While the underlying Republican bill does allow access to OB/GYN care, the HELP Committee went to great lengths to ensure women only had access for routine care—and nothing more. Let me quote from the committee report, "The purpose of this section is to provide women with access to routine OB/GYN care by removing any barriers that could deter women from seeking this type of preventive care." While the Republicans recognize the need for direct access, the language of their bill and their report makes it clear that direct access is guaranteed only for routine care.

Let me explain what that means. If during a routine examination, a woman's OB/GYN finds a lump or an inconsistency in her breast, the OB/GYN would not be allowed to refer the patient for further examination. Instead, the woman would have to go back to the gate keeper and hope that her primary care physician approved the referral. We should all agree this is a waste of time and energy—time and energy that would be better spent dealing with the potential breast cancer.

A recent study conducted by the American College of Obstetricians and Gynecologists shows that managed care plans are keeping women from receiving the health care they need and seeing the providers they choose. Sixty percent of all women who need gynecological care and 28 percent of all women who need obstetric care are either limited or barred from seeing their OB/GYNs without first getting permission from another physician. Once the patient is able to gain access to her own OB/GYN, she is forced to return to her primary care gate keeper for permission to allow her OB/GYN to provide necessary follow-up care almost 75 percent of the time.

What my Republican colleagues fail to understand is that women need OB/GYN care for much more than simple routine care. They also fail to understand the important relationship between a woman and her own OB/GYN. OB/GYN providers are often a women's only point of entry into the health care system.

Our amendment would allow women direct access to OB/GYN care and follow-up care as well. It would also allow a woman to designate an OB/GYN provider as her primary care physician. We know historically that women have not been treated equally in receiving health care. We know that some physicians do not treat women with the same aggressive strategies as they treat their male patients, especially when women complain about depression or stress.

What we do know is that OB/GYNs have traditionally been strong advocates for women's health. They understand the physical and emotional changes a women experiences throughout her life. The 1993 Commonwealth Fund Survey of Women's Health found the number of preventive services received by women, including a complete physical exam, blood pressure test, cholesterol test, breast exam, mammogram, pelvic exam, and pap smear, are higher for those whose regular physician is an OB/GYN than for those whose primary care doctor is not. Women are simply afforded greater access to preventive and aggressive health care services with OB/GYNs.

I am not sure why some of my Republican colleagues want to deny unobstructed access to important health care services for women. It cannot be about costs. The Congressional Budget Office estimated that the cost of direct access and primary care by OB/GYNs as only 0.1 percent of premiums. If my colleagues are so concerned about costs, can't they at least guarantee that women get the quality health care they pay for? This amendment ensures they will.

The other important provision in this amendment prohibits drive through mastectomies. It is outrageous that current trends in health care could force women to endure a mastectomy on an outpatient basis. It is wrong to send these women home to deal with the emotional and physical pain of the operation—as well as with the responsibility for draining surgical wounds and performing other post-surgical care. These women should not be abandoned during their time of need.

However, our amendment does not require a woman to stay in the hospital. Our amendment does not require a hospital stay for a set number of hours. Our amendment does require that the physician, in consultation with the patient, decides how long the woman should remain in the hospital. The physician determines what is medically necessary and what is in the patient's best interest.

I cannot believe there is anyone in this chamber who would want to see a loved one go through a mastectomy and be forced by her insurance company to go home immediately. If we have any compassion at all we should adopt this provision.

Let me respond to one criticism I've heard about this amendment from insurance companies. Some have claimed they do not have a policy of drive through mastectomies. I commend them and hope they would support this amendment to prohibit this cruel practice by other companies. I would also add that while most insurance companies may not engage in this kind of outrageous behavior today, how can we insure they will not tomorrow?

Our amendment is about protecting and improving women's health. For that reason, the College of Obstetricians and Gynecologists support it. If my colleagues truly consider themselves champions of women's health, they must vote for this amendment. I can assure you that women will not be fooled by the empty promises in the Republican bill. We know the difference between routine and comprehensive OB/GYN care. We know how traumatic and life-altering a mastectomy can be. We know we need real protection and this amendment provides it.

Mr. President, I especially thank Senator ROBB for his leadership on this issue.

He is right. There are only nine women in the Senate. We shouldn't have to rush to the floor to defend all of the women in this country every time an issue comes up that affects women's health. This is an issue that affects men as well. It affects their daughters, their wives and mothers, their aunts. I appreciate Senator ROBB and his leadership in making sure that women are protected when it comes to their health care.

Senator ROBB did an excellent job of outlining what our amendment does. It does two basic things:

It allows a woman the right to choose an OB/GYN as her primary care physician. As every woman in this country knows, their OB/GYN, their obstetrician/gynecologist, is the doctor they go to, whether it is for pregnancy, whether it is for breast cancer, whether it is for health care decisions that affect them later on in life. We want to make sure that women have access to those doctors without having to go back to a primary care physician.

When a woman is pregnant and she gets an ear infection, she may be treated dramatically different than someone else who has an ear infection, for example. A woman needs to have access to the OB/GYN, and this amendment Senator ROBB and I and the other Democratic women are offering assures the woman that access.

Secondly, it deals with the so-called drive-through mastectomy legislation where too many HMOs today are telling a woman after this radical surgery——

The PRESIDING OFFICER. The time of the Senator has expired.

Mrs. MURRAY. I ask unanimous consent for an additional 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Too many women today are told they need to go home before they are ready to take care of themselves or their families. This amendment doesn't designate a time. It says the doctor will determine whether that woman is ready to go home after this radical surgery.

I commend my colleagues for this issue. I urge the Members of the Senate to stand up, finally, for women's health and vote for this amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland.

Ms. MIKULSKI. I thank the Chair.

Mr. President, I thank Senator Robb and Senator KENNEDY for their support of this very crucial legislation. We, the women of the Senate, really turn to men we call the "Galahads," who have stood with us and been advocates on very important issues concerning women's health.

Often we have had bipartisan support. I ask today that the good men on the other side of the aisle come together and support the Robb amendment. We have raced for the cure together. We have done it on a bipartisan basis. Certainly, today we could pass this amendment. I challenge the other party to vote for this amendment because what it will do is absolutely save lives and save misery.

There are many things that a woman faces in her life, but one of the most terrible things that she fears is that she will go to visit her doctor and find out from her mammogram and her physician that she has breast cancer. The worst thing after that is that she needs a mastectomy. Make no mistake, a mastectomy is an amputation, and it has all of the horrible, terrible consequences of having an amputation. Therefore, when the woman is told she can come in and only stay a few hours—after this significant surgery that changes her body, changes the relationships in her family, she is told she is supposed to call a cab and go back home; it only adds to the trauma for her.

Well, the Robb amendment, which many of us support, really says that it is the doctor and the patient that decides how long a woman should stay in the hospital after she has had the surgery. Certainly, we should leave this to the doctor and to the patient. An 80 year old is different than a 38 year old. This legislation parallels the D'AMATO legislation that had such tremendous support on both sides of the aisle. I say to my colleagues, if we are going to race for the cure, let's race to support this amendment.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, Senator BYRD is on his way here. He has asked for 1 minute. If the Senator from Oklahoma would indulge me, he should be here momentarily. I ask unanimous consent that Senator BYRD be entitled to 1 minute when he gets here, which should be momentarily.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, how much time remains before the recess?

The PRESIDING OFFICER. The unanimous consent allows 1 minute.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak for not to exceed 3 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. Mr. President. I am pleased that the Senate is finally considering managed care reform legislation. I believe that the Democratic version of the Patients' Bill of Rights is the right vehicle on which to bring reform to the nation.

Our colleague from Virginia, Mr. ROBB, has offered an amendment that highlights an important aspect of managed care that needs to be fine-tuned, and that is women's access to health care. This amendment would allow a woman to designate her obstetrician/gynecologist (ob/gyn) as her primary care provider and to seek care from her ob/gyn without needing to get preauthorization from the plan or from her primary care provider. Even though many women consider their ob/gyn as their regular doctor, a number of plans require women to first see their primary care provider before seeing their ob/gyn. This means that a costly and potentially dangerous level of delay is built into the system for women. This amendment would allow a woman's ob/gyn to refer her to other specialists and order tests without jumping through the additional hoop of visiting the general practitioner.

This amendment would also address the care a woman receives when undergoing the traumatic surgery of mastectomy. This provision would leave the decision about how long a woman would stay in the hospital following a mastectomy up to the physician and the woman. Some plans have required that this major surgery be done on an outpatient basis. In other instances, women have been sent home shortly after the procedure with tubes still in their bodies and still feeling the effects of anesthesia. This should not be allowed to happen. Plans should not put concern about costs before the well-being of women.

The Republican bill does not provide women with sufficient access to care. Plans would not be required to allow women to choose their ob/gyn as their primary care provider. In addition, the Republican bill would allow health plans to limit women's direct access to her ob/gyn to routine care which could potentially be defined by a plan as one visit a year. In addition, "drive-through mastectomies" would not be prevented under their bill.

Mr. President, the Robb amendment contains commonsense protections women need and deserve. I urge my colleagues to support this important amendment.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:36 p.m., recessed until 2:16 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. BENNETT).

The PRESIDING OFFICER. Under the previous order, the Senator from New Hampshire is recognized to speak for up to 45 minutes.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH of New Hampshire. Mr. President, I ask I be recognized for a period of time, approximately 45 minutes.

The PRESIDING OFFICER. Under the order, the Senator from New Hampshire is recognized for 45 minutes.

LEAVING THE REPUBLICAN PARTY, A DECISION OF CONSCIENCE

Mr. SMITH of New Hampshire. Mr. President, as many of you know, it has been a very difficult period of time for me these past several days. I want to recognize the sacrifices of my wife and three children over the past several weeks as I agonized through this gut-wrenching political decision. My wife, Mary Jo, and my daughter, Jenny, and son, Bobby, and son, Jason, have had to endure the ups and the downs and the difficulties of making such a decision. I am deeply grateful to them for their support and comfort because, without them, I could not really have gotten through it all.

My first political memories are of talking to my grandfather, who was a died-in-the-wool Republican. He always said he would vote for a gorilla on the Republican ticket if he had to. I remember conversations with him about the Dewey-Truman campaign. He was obviously for Dewey. It didn't work out very well. But I can also remember having conversations with my classmates, telling them that I, too, was for Dewey and explaining why I was for Dewey in that election.

At that time I was 7 years old. Years went by, and, in 1952, in the Eisenhower-Stevenson election, I was 11 years old. I bet a friend, who lived down the road and had a farm, a dollar versus a chicken that Eisenhower would win the election. I won, and my grandfather immediately drove me down to my neighbor's farm to pick up the chicken I had won. The young man's parents graciously acknowledged that I won the bet and provided me a nice barred rock hen that laid a lot of eggs over the next year or so.

In 1956, I volunteered to pass out literature for Eisenhower, and, as a college student, I worked for Nixon in 1964. But 1964 was the first election I voted in. Barry Goldwater's campaign was the one that really sparked my conservative passions. I worked as a volunteer in the Nixon campaigns in 1968 and 1972, but it wasn't like the Goldwater campaign. I remember walking into the booth, saying, this is a man I really believe in, and I said I really felt good about that vote.

In 1976, these conservative passions were again awakened while I worked for the conservative Ronald Reagan in the New Hampshire primaries against the incumbent President of the United States, Gerald Ford—not an easy thing to do for a lot of us who were basically grassroots idealists, if you will, who believed that Ronald Reagan should win that primary. In those days I was not a political operative; I was not a Senator; I was not a candidate; I was not an elected official. I was a teacher, a coach, a school board member, husband, father, small businessman—just an ordinary guy who cared about his country. I got involved because I cared, and I believed deeply in the Republican Party.

I came to this party on principle, pretty much initiating with Barry Goldwater but certainly finalized with Ronald Reagan. I was disappointed in Reagan's loss in 1976 because I believed that grassroots conservatives in the party, who had worked so hard for Reagan, lost to what I considered the party elitists, the establishment, who were there for Ford because he was President, not with the same passion that was out there for Reagan.

Watching that convention in 1976, I remember those enthusiastic grassroots party members who were unable to defeat that party machinery that was so firmly behind the incumbent President. I remember seeing the tears in their eyes, and the passion. It was a difficult decision. It was close, as we all remember—just a few delegates. That was 1976. At that time, as a result of the election, it inspired me to run for political office for the first time.

When Reagan sought the nomination again in 1980 I ran in the primary, hoping to be part of this great Reagan revolution. Reagan was pro-life. He was for strengthening our military. He was anti-Communist. He was patriotic. He brought the best out in the American people. I was excited. In all those years that Reagan was President, the criticism, the hostile questions, the political cheap shots, he rose above it all. And most of them, indeed probably all who criticized him, weren't qualified to kiss the hem of his garment. He rose above them all. He was the best.

As a result of that, I began a grassroots campaign in 1979, and I lost by about a thousand votes with seven or eight candidates in the race, including one candidate, ironically, who was from my hometown. It was tough, but I decided to come back again in 1982, after losing, because I still wanted so much to be a part of the Reagan revolution. So I did come back in 1982. And that, my colleagues and friends, is when I had the first taste of the Republican establishment.

I had a phone call that I thought was a great sign. I had a call from the National Republican Party. Boy, was I excited. They told me that some representatives wanted to come up to New Hampshire from Washington to meet with me. They came to New Hampshire. We sat down at a meeting. It was brief. They asked me to get out of the race, please, because my opponent in the primary had more money than I did and had a better chance to win. I had been a Republican all my life, a Republican in philosophy, but that was my first experience with what we would call the national Republican establishment. I did not get out of the race. I beat my wealthy opponent in the primary, and I received the highest vote percentage against the incumbent Democrat that any Republican had ever received against him, and it was 1982, which was a pretty bad year for Republicans, as you all remember.

In 1984, several candidates joined the Republican primary again for an open seat in the Reagan landslide. Now everybody wanted it because the seat was open. I was just a school board chairman from a small town of 1,500, no political power base, no money, but I beat, in that primary, the president of the State senate, who was well known, and an Under Secretary of Commerce who was well financed. They still do not know how I did it, but it was door to door, and I fulfilled my dream of coming to Washington as part of the Reagan revolution in Congress.

I then had successful reelections in 1986 and 1988 and, of course, was elected to the Senate in 1990 and 1996. In the Reagan era, as in the Goldwater era, the pragmatists took a back seat to those who stood on principle. Idealists ruled; those who stood up for the right to life, a strong national defense, the second amendment, less spending, less taxes, less government. Man, it was exciting. Even though we were a minority in the Congress, it was exciting because Reagan was there. Principles in, pragmatism out. Man, it was great to be a Republican.

In 1988, a skeptical—including me—conservative movement rallied behind the Vice President in hopes that he would continue the revolution.

The signal that this revolution was over was when the President broke his "no new tax" pledge. We let pragmatism prevail. We compromised our pledge to the voters and our core principles, and we allowed the Democrats to take over the Government.

In 1994, idealism again came back. The idealistic wing of the party took charge. Led by Newt Gingrich, we crafted an issues-based campaign embodied in the Contract With America. We put idealism over pragmatism, and we were rewarded with a tremendous electoral victory in 1994, none like I have ever seen. I remember sitting there seeing those results come in on the House. I was happy for the Senate, but I was a lot happier for the House. Those of us who were there know how it felt.

As we moved into the 1996 elections, we again began to see this tug-of-war between the principal ideals of the party and the pragmatism of those who said we need "Republican" victories. Conservatives became a problem: We have to keep the conservatives quiet; let's not antagonize the conservatives, while the pragmatists talked about how we must win more Republican seats. Conservatives should be grateful, we were told, because we were playing smart politics, we were broadening the case. Elect more Republicans to Congress, elect more Republicans to the Senate and win the White House. What do we get? Power. We are going to govern.

In meeting after meeting, conference after conference, the pollsters and the consultants—and I have been a part of all of this. Mea culpa, mea culpa, mea maxima culpa. I have been involved in it. I am not saying I have not, but the pollsters and consultants advised us not to debate the controversial issues. Ignore them. We can win elections if we do not talk about abortion and other controversial issues, even though past elections have proven that when we ignore our principles, we lose, and when we stick to our principles, we win. In spite of all this, we continued to listen to the pollsters and to the consultants who insisted day in and day out they were right. Harry Truman, a good Democrat—my grandfather did not like him, but I did—said, "Party platforms are contracts with the people." Harry Truman was right.

Why did we change? We won the revolution on issues. We won the revolution on principles. But the desire to stay in power caused us to start listening to the pollsters and the consultants again who are now telling us, for some inexplicable reason, that we need to walk away from the issues that got us here to remain in power. Maybe somebody can tell me why.

Some of the pollsters who are here now who we are listening to were here in 1984. Indeed, they were here in 1980 when I first ran. I had always thought the purpose of a party was to effect policy, to advocate principles, to elect candidates who generally support the values we espouse, but it is not.

Let me be very specific on where we are ignoring the core values of our party.

"We defend the constitutional right to keep and bear arms," says the platform of the Republican Party, but vote after vote, day after day, that right is eroded with Republican support. I announced my intention to filibuster the gun control bill. Not only does it violate the Republican platform, but it violates the Constitution itself, which I took an oath to support and defend.

Then I hear my own party is planning to work with the other side to allow more gun control to be steamrolled through the Congress which violates our platform. Not only does it violate our platform, it insults millions and millions of law-abiding, peaceful gun owners in this country whose rights we have an obligation to protect under the Constitution.

The Republican platform says:

> We will make further improvement of relations with Vietnam and North Korea contingent upon their cooperation in achieving a full and complete accounting of our POWs and MIAs from those Asian conflicts.

Sounds great. So I got up on the floor a short time ago and offered an amendment saying that "further improvement of relations with Vietnam are contingent upon achieving a full and complete accounting of our POWs and MIAs. . ."—right out of the platform word for word. Thirty-three Republicans supported me. The amendment lost.

The platform says:

> Republicans will not subordinate the United States sovereignty to any international authority.

Only one—right here, BOB SMITH—voted against funding for the U.N. I can go through a litany—NAFTA, GATT, chemical weapons, and so forth. Vote after vote, with Republican support, the sovereignty of the United States takes a hit in violation of the platform of the Republican Party and the Constitution.

The establishment of our party and, indeed, the majority of our party voted to send $18 billion to the IMF. Let me make something very clear. I am not criticizing anybody's motives. Everybody has a right to make a vote here, and there is no argument from me on that. But I am talking about the relationship between the platform and those of us who serve.

This $18 billion came from the taxpayers of the United States of America, and it went to a faceless bureaucracy with no guarantee that it would be spent in the interest of the United States. We have no idea where this money will go and no control of it once it goes there.

Meanwhile, while $18 billion goes to the IMF, I drive into work and I find Vietnam veterans and other veterans lying homeless on the grates in Washington, DC, in the Capital of our Nation. How many of them could we take care of with a pittance of that $18 billion?

As Republicans who supposedly support tax relief for the American family, can we really say that $18 billion to IMF justifies taking the money out of the pocket of that farmer in Iowa who is trying to make his mortgage payment? Can we really say that? I do not think so.

Another quote out of the Republican platform:

> As a first step in reforming Government, we support elimination of the Departments of Commerce, Housing and Urban Development, Education, and Energy, the elimination, defunding or privatization of agencies which are obsolete, redundant, of limited value, or too regional in focus. Examples of agencies we seek to defund or privatize are the National Endowment for the Arts, the National Endowment for the Humanities, the Corporation for Public Broadcasting, and the Legal Services Corporation.

That is right out of the Republican platform. If I were to hold a vote today to eliminate any of these agencies, it would fail overwhelmingly, and it would be Republican votes that would take it down. Every Republican in this body knows it.

Can you imagine how much money we could save the taxpayers of this country if we eliminated those agencies and those Departments that the platform I just quoted calls for us to eliminate? It is not what I call for; it is what our party platform calls for. Why don't we do it? The answer is obvious why we don't do it: because we do not mean it, because the platform does not mean it. We do not mean it.

In education, our platform:

> Our formula is as simple as it is sweeping: The Federal Government has no constitutional authority to be involved in school curricula or to control jobs in the workplace. That is why we will abolish the Department of Education, end Federal meddling in our schools, and promote family choice at all levels of learning. We therefore call for prompt repeal of the Goals 2000 and the School to Work Act of 1994 which put new Federal controls, as well as unfunded mandates, on the States. We further urge that Federal attempts to impose outcome- or performance-based education on local schools be ended.

If I were to introduce a bill on the Senate floor to end the Department of Education, to abolish it, how many votes do you think I would get? How many Republican votes do you think I would get?

If, as Truman said, it is a contract, then we broke it. Where I went to school, breaking a contract is immoral, it is unethical, and it is unprincipled, and we ought not to write it if we are going to break it. Let's not have a platform.

Our party platform says also:

> We support the appointment of judges who respect traditional family values and the sanctity of innocent human life.

Listen carefully, I say to my colleagues.

In 1987, when President Ronald Reagan nominated Robert Bork to the Supreme Court, six Republicans voted against him, and he was rejected. What was Robert Bork's offense? That he stood up for what he believed in, that he was pro-life? He told us. He answered the questions in the hearing. God forbid he should do that. But when President Clinton nominated Ruth Bader Ginsburg, an ACLU lawyer who is stridently pro-abortion, only three Republicans voted no—Senator HELMS, Senator NICKLES, and myself.

Of course, all of the Republicans who voted against Bork voted for Ginsburg. I voted against Ginsburg because, as the Republican platform says, I want judges who respect the sanctity of innocent human life. I want my party to stand for something. Thirty-five million unborn children have died since that decision in 1973—35 million of our best—never to get a chance to be a Senator, to be a spectator in the gallery, to be a staff person, to be a teacher, to be a father, a mother—denied—35 million, one-ninth of the entire population of the United States of America. And we are going to do it for the next 25 years because we will not stand up. And I am not going to stand up any more as a Republican and allow it to happen. I am not going to do it.

Most interestingly, since that Roe V. Wade decision was written by a Republican, I might add, a Republican appointee, and upheld most recently in the Casey case, it is interesting there was only one Democrat appointee on the Court, Byron White, who voted pro-life. He voted with the four-Justice, pro-life minority. Five Republican appointments gave us that decision.

We are to blame. This is not a party. Maybe it is a party in the sense of wearing hats and blowing whistles, but it is not a political party that means anything.

About a week ago, my daughter, who works in my campaign office, told me the story of a 9-year-old girl whose dad called our office to say that his little daughter, 9-year-old Mary Frances—I will protect her privacy by giving only her first name—had said that she was born because of an aborted pregnancy, not an intentional one, an aborted pregnancy, a miscarriage at 22 weeks—22 weeks, 5½ months—and she lived.

She is 9 years old. She said: I want to empty my piggy bank, Senator SMITH, and send that to you because of your stand for life because I know that children who are 5½ months in the womb can live.

That is power.

Let me read from the pro-life plank of the Republican Party:

> [W]e endorse legislation to make clear that the Fourteenth Amendment's protections apply to unborn children.

Anything complicated about that? Anything my colleagues don't understand about that?

> We endorse legislation to make clear that the Fourteenth Amendment's protections apply to unborn children.

We are not going to apply any protections to unborn children. We will pass a few votes here, 50–49, if you can switch somebody at the last minute. I have been involved in those. Yes, we will do that, but we will not win. We are not going to commit to putting judges on the courts to get it done. Oh, no, we can't do that because we might lose some votes. So meanwhile another 35 million children are going to die.

This year I sponsored a bill out of the platform that says the 14th amendment's protections apply to unborn children. Do you want to know how many sponsors I have? You are looking at him. One. Me. That is it. Not one other Republican cosponsor.

In his letter to me—nice letter that it was—from Chairman Nicholson, he claims that "every one of our Republican candidates shares your proven commitment to life"—he says. Gee, could have fooled me. Then how come every candidate isn't endorsing the bill or speaking out on the platform if they don't want to endorse the bill?

The party, to put it bluntly, is hypocritical. It criticizes Bill Clinton, a Democrat, for vetoing partial-birth abortion and for being pro-abortion, but it does not criticize our own. It does not criticize the Republicans who are pro-choice. So why criticize Bill Clinton? Or why criticize any Democrat? We cannot get it done. We don't say anything about those people.

How about the Governors who vetoed the bill, the partial-birth abortion bill? You know, there are a lot of fancy words in the Republican platform. Every 4 years we go to the convention and we fight over the wording. Sometimes even a nominee says: Well, I haven't read it. At least he is being honest. Or, which is probably more the truth, we just ignore it. It is a charade. And I am not going to take part in it any more. I am not going to take part in it any more.

In the movie "Mr. Smith Goes to Washington," after his own political party has launched attacks on him for daring to raise an independent voice, Jimmy Stewart's character is seated on the steps of the Lincoln Memorial, and here is what he says: "There are a lot of fancy words around this town. Some of them are carved in stone. Some of 'em, I guess, were put there so suckers like me can read 'em."

You ought to watch the movie. It is a good movie. It will make you feel good.

Mr. President, I have come to the cold realization that the Republican Party is more interested in winning elections than supporting the principles of the platform. There is nothing wrong with winning elections. I am all for it. I have helped a few and I have won some myself, and there is nothing wrong with it. But what is wrong with it is when you put winning ahead of principle.

The Republican platform is a meaningless document that has been put out there so suckers like me and maybe suckers like you out there can read it. I did not come here for that reason. I did not come here to compromise my values to promote the interests of a political party.

I came here to promote the interests of my country. And after a lot of soul-searching, and no anger—no anger—I have decided to change my registration from Republican to Independent. There is no contempt; there is no anger. It is a decision of conscience.

Many of my colleagues have called me, and I deeply appreciate the conversations that I have had privately with many of you on both sides, but I ask my colleagues to respect this decision. It is a decision of conscience. Millions and millions of Independents and conservative Democrats and members of other political parties have already made this decision of conscience. As a matter of fact, there are more Independents than there are Republicans or Democrats.

I would ask you to give me the same respect that you give them when you ask them to vote for you in election after election. Indeed, we win elections because of Independents.

I found a poem, written by a man by the name of Edgar Guest, which my father, who was killed at the end of the Second World War, when I was 3 years old, had placed in his Navy scrapbook in 1941, just prior to going off to war in the Pacific—newly married about 2½ years. I can imagine what was going through his mind. But he placed it in his scrapbook and highlighted it.

I am just going to quote one excerpt. The poem is entitled, "Plea for Strength."

> Grant me the fighting spirit and fashion me stout of will,
> Arouse in me that strange something that fear cannot chill.
> Let me not whimper at hardship.
> This is the gift that I ask.
> Not ease and escape from trial,
> But strength for the difficult task.

Many have said that what I am doing is foolish. I have heard it from a lot of people—friends and colleagues. But you know what Mark Twain said—I think the Chaplain will like this:

> I am a great and sublime fool. But, then I am God's fool. And all His works must be contemplated with respect.

I called Senator LOTT last week personally. It was the most difficult telephone call I think I had ever made.

I told him it was my intention to continue to vote in caucus with the Republicans, if he wanted me, provided that there was no retaliatory or punitive action taken against me. He was very gracious. He didn't like it—I don't blame him—but he was gracious. I appreciate his understanding, and I appreciate the compassion and understanding of many of my colleagues on both sides who have spoken with me these past few days.

I made another phone call, Mr. President. I called the chairman of the Republican Party, Mr. Jim Nicholson, last week to inform him of my decision and asked him if he could please maintain confidentiality until I had a chance to make my decision public. Before I had a chance to do that—indeed, about 20 hours after I had made the call—my home was staked out in New Hampshire. Where I was going to visit friends, their homes were staked out, sometimes until late into the evening, by the media, because the chairman put out a letter attacking me personally.

I am not going to dignify the letter by reading it here on the Senate floor. I do ask unanimous consent that the letter be printed into the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

REPUBLICAN NATIONAL COMMITTEE,
Washington, DC, July 9, 1999.

Hon. ROBERT C. SMITH,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR SMITH, I am writing concerning published reports that you have decided to abandon the Republican party and seek the Presidential nomination of a third party instead.

I believe this would be a serious mistake for you personally, with only a marginal political impact—and a counterproductive one, at that.

This would not be a case of the party leaving you, Bob, but rather of you leaving our party. Far from turning away from the conservative themes we both share, the party has championed them—and become America's majority party by doing so.

I truly believe, Bob, that your 1% standing in New Hampshire doesn't reflect Republican primary voters' rejection of your message, but rather its redundancy. Every one of our Republican candidates shares your proven commitment to life and to the goals of smaller government, lower taxes and less regulation of our lives and livelihoods—as does the party itself. In other words, I hope you do not confuse the success of our shared message with your own failure as its messenger.

I also urge that you reconsider turning your back on your many Republican friends and supporters, people who've always stood by you, even in the most difficult and challenging times. Most of all, I hope you will think of your legacy: it would be tragic for your decades of work in the conservative movement to be undone by a short-sighted decision whose only negligible impact would be to provide marginal help to Al Gore, the most extreme liberal in a generation.

Sincerely,

JIM NICHOLSON,
Chairman.

Mr. SMITH of New Hampshire. I will only characterize the letter in the following way: It is petty, it is vindictive, and it is insulting. It is beneath the dignity of the chairman of any political party. It is an affront to the millions of voters who choose not to carry a Republican membership card but have given the party its margin of victory in election after election.

Remember that little girl I talked to you about a little while ago, Mary Frances? I do not know what she is going to grow up to be. She might be a Democrat. She might be a Republican. Maybe she will be an Independent. Maybe she won't vote. I don't know. But I'll tell you what, in the old baseball tradition, I wouldn't trade her for 1,000 Jim Nicholsons, not in a minute.

There was talk on the shows this weekend that I might be removed as chairman of the Ethics Committee. I must say, I was disappointed at the intensity of the attacks on me by unidentified sources, I might add, in the Republican Party. Interestingly, one of those reports was that the party is considering suing me for the money it spent during my reelection.

I want to make it very clear, because press reports were inaccurate on one point. Senator MCCONNELL called me personally yesterday to clarify that this particular report of a lawsuit is not true, and I accept his answer as absolute fact with no question. But some faceless party bureaucrat had a really good time writing that and then leaking it to the press. That is what is wrong with politics. He ought to be fired, but you will never find out who it is.

Another interesting report was that a different party operative presumed to suggest that "Smith should be booted out of the conference altogether if he is not a Republican; he shouldn't be in the Republican caucus." I wonder how much he is being paid to sit up there using up the party faithful's contributions to write that kind of garbage.

The chairman of the New Hampshire Republican Party, where for 15 years I have been a member, went on "Crossfire" the other night to debate BOB SMITH, but BOB SMITH wasn't there to answer for himself. He took the anti-BOB position. He attacked me viciously, saying it was a selfish move and that it meant the end of my political career.

There is something a little strange in that. If it is selfish and I am throwing away my political career, maybe somebody can explain what he means. Not a mention of 15 years of service to the State and to the party. Even Bill Press said: Can't you find something nice to say about BOB?

That is what is wrong with politics. It is the ugly. It is the bad. It is the worst. It is the worst.

In 1866 Abraham Lincoln said this—it is a very famous quote:

> If I were to try to read, much less answer, all the attacks made on me, this shop might as well be closed for any other business. I do the very best I know how, the very best I can, and I am going to keep right on doing so until the end. If the end brings me out all right, what is said against me won't amount to anything. If the end brings me out wrong, 10 angels swearing I was right will make no difference.

Lincoln really knew how to say it. In a way, perhaps Chairman Duprey is right about my being selfish. I am putting my selfish desire to save my country ahead of the interests of the Republican Party, and some nameless, faceless bureaucrat in the party machinery decides to take off on me. I wish he would surface. I would like to meet him.

If that is selfish, then Duprey is right. If putting your country ahead of your party, if standing up for the principles you believe in is wrong, maybe it is time to get out of politics.

Over the past 15 years I have traveled all over America helping Republican candidates. I don't very often ask for help. I don't remember ever asking for help from the Republican Party to do it. I spent hours and hours on the phone raising money. And the party has helped me; I will be the first to admit it. Some have made a big deal out of that. They should help me. I think that is what the party is there for. I went to California, Louisiana, Iowa, Missouri, and North Carolina during the last year on behalf of Republican candidates. It had nothing to do with my Presidential campaign; it was entirely on behalf of other candidates. When the chairman of the senatorial committee asked Members to pony up money, he gave me a bill. He said: You have X in your account, and you owe me $25,000. I wrote him a check the next day. Everybody didn't do it though, did they, Mr. Chairman?

I have a bureaucrat out there somewhere in the party saying throw me out of the caucus. Frankly, I gave without hesitation because I believed things were changing. I don't take a back seat in my willingness as a Republican to help candidates in need. But oh, no, I have committed the unforgivable sin here in Washington; I have exposed the fraud. It is a fraud, and everybody in here knows it.

It is true in both parties that the party platform is not worth the paper it is written on. That is why I am an Independent. That is why I am going to stay an Independent, whatever happens in the future. I am still the same formula. I am still Classic Coke. I am not a new Coke. I am the same ingredients. I have merely redesigned the label. It is the same BOB SMITH. My colleagues over there looking for help, you are not going to get it. You know where my votes come from, so don't get excited.

In my travels, I have attended hundreds of Republican Party events, but the most consistent message I hear from the voters is one of frustration, deep frustration that the party is not standing on principle. Last year CQ published a list of leading scorers on party unity. This is a list they do every year, ranking the most loyal Republican votes.

It is interesting because I don't look at them as loyalty votes. I just make the votes. Well, guess what. Let's see—LARRY CRAIG was here. He is not here right now. LARRY CRAIG and I were No. 1—very interesting, when you look down the list. So I am No. 1 in party loyalty. How many major committee chairmen in the conference are on the list? Take a look at the list. I am not going to embarrass colleagues.

I am the most reliable Republican vote in the Senate, but I am attacked—not by colleagues, not by colleagues. It is obvious from these kinds of attacks that it is not about me. What it shows is a complete and final divorce between the party machinery and the principles for which it professes to stand. I say, with all due respect to my colleagues in the Senate, whether you are running a campaign for President or whether you are in the House or something else, we have to stop it. We have to get a handle on it. I think it is true in the other party as well.

We have to get a handle on it. They don't represent us well. It is an injustice to the candidates who run for and the people who serve in the Republican Party, and it has to stop. It is a cancer, and it is eating away at the two great political parties that rose to power; in this case, the Republican Party that rose to power on the moral opposition to slavery; and it killed the Whig Party, because it wouldn't stand up against slavery. It will kill the Republican Party if it doesn't stand up for what it believes in, especially against abortion.

I told you I watched the movie "Mr. Smith Goes To Washington" again over the weekend. I remember talking to Mike Mansfield, who was here a few weeks ago for one of the seminars that the leader puts on. He said that after he left the Senate was the first time he really went around and looked at the monuments; he read the writings; he took the time to smell the roses. He said: These just aren't hollow words or statues anymore; they have meaning to me.

This morning—I am not trying to be melodramatic—but I did it. I left early, about 5:45. I took Jimmy Stewart's example from the movie "Mr. Smith Goes To Washington."

I went to the Lincoln Memorial, the Jefferson Memorial, the Vietnam Wall, and the Arlington Cemetery where my parents are buried. I tried to smell the roses. Do you know what? These aren't memorials to people who fought for political parties. Lincoln helped to destroy his own political party. On that visit to Arlington this morning, I stopped at my parents' grave site. My father didn't fight for a political party. He didn't die for a political party. He fought for his country, as millions of others have done, and the ideals for which it was founded. I looked out at those stones all across Arlington Cemetery, and I didn't see any R's or D's next to their names. Then I went to the Vietnam Wall, and I didn't see any R's or D's next to anybody's name there. How about that?

Like Jimmy Stewart's character in the movie, I stand right here at the desk of Daniel Webster, one of the greatest lawyers of all time, one of the greatest Senators of all time, whose picture is on statues everywhere. Most people probably could not even tell you what party he belonged to, unless you are a history buff. Who cares what party he belonged to? You will remember that he stood up against slavery, and his quote, "Nothing is so powerful but the truth." And the opposite was John C. Calhoun, Henry Clay, the great orators of their time. You remember them for what they were and what they said, not for their party. Webster was an abolitionist and Calhoun the defender of slavery.

Calhoun said:

> The very essence of a free government consists in considering offices as public trusts, bestowed for the good of the country, and not for the benefit of an individual or a party.

We have lost sight of it. Man, there is so much history in this place. My wife conducts tours for people from New Hampshire and at times people she finds on the streets. If we would just take a few moments away from the bickering and the arguing and look around and enjoy it, do you know what. It would inspire us. It inspired me today. Maybe I should be doing it every day. Every year, a Senator is chosen to read Washington's Farewell Address. I have been here 9 years and was never asked. I never understood how that person gets picked, but they do. How many of us have actually taken the time to sit and listen to that Farewell Address? Well, Washington, in that Farewell Address, warns us that:

> The common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

He spends a large part of his speech expounding on this point, and I encourage my colleagues to read it.

I ask unanimous consent that the relevant sections of Washington's Farewell Address be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. SMITH of New Hampshire. In the spirit of what Washington is saying, I think we need to rid ourselves of the nastiness and the partisanship that has destroyed the comity of this great body and has become a barrier to a full and spirited discussion of the issues in America generally. You may say: That is pretty good coming from SMITH; he is as partisan as they come. There is a time and place for partisanship. HARRY REID knows when I put the partisanship at the door. He knows, as cochair of the Ethics Committee with me.

Americans deserve an honest debate, an honest exchange of ideas. They want us to put these partisan interests aside.

It is not partisan if somebody is against abortion or is for abortion; it is issue generated.

Americans want people who will lead, not follow polls. The American people are losing the faith in their ability to effect change, and rightfully so.

Since I came to Washington, I have seen Senators and Congressmen come and go. Do you know what. I will tell you what doesn't go. I refer to the entrenched political industry that is here to stay. Oh, it changes a little bit at the top when somebody else becomes the chairman. But the entrenchment is still there. The pollsters, the spin doctors, and the campaign consultants are all there. They all have their hands in your pockets, and they are doing pretty well.

They run the show, for the most part. They don't directly choose candidates in the sense of a smoke-filled backroom, but they do influence it because they are the ones who tried to talk me out of running in 1980—the same ones.

Some of the pollsters in the party have been around since I first came to town. Every time there is a Republican retreat—and I assume it is the same for the other party—and often at Republican conferences here in the Senate, we hear from the professional consultants and pollsters. They tell us what the message should be. They tell us how to make ourselves look good and how to make the other guys look bad.

We need to get out the fumigation equipment. We need to clean out the pollsters, the consultants, the spin doctors, and the bloated staffs who tell us what to say, how to say it, when to say it, and how long to say it. The American people elected us. Isn't it time we start thinking for ourselves and leading?

This well-paid political industry, let me tell you, colleagues, is not interested in whether or not you believe in the issues of your party. Don't kid yourselves. This is about power, access, and jobs. I can have tea and crumpets with the President of the United States if I help him win it. As long as you look like a winner, it doesn't matter what you believe. Don't kid yourselves. They seek out the candidates who have the package they want—name ID, money, slickness. But, most importantly, they want candidates who won't make waves, or say anything controversial about an issue that might cost us a seat. They package you, wrap you up, put a little bow on it, tell you what to say, and then they sell you to the American voters.

The political professionals tell us all the time, "Don't be controversial; it can cause you to lose your election."

Why are we afraid of controversy? Was Lincoln afraid of it? Was FDR? Was Calhoun? Was Washington? With controversy comes change—positive change sometimes. Imagine Patrick Henry, striding up to the podium in 1773 before the Virginia Assembly, prepared to give his great speech: "Give me liberty or give me . . ." and then he turns to his pollster and says: I wonder whether they want liberty or death. I better take a poll and find out.

Let's not declare our independence; that is pretty controversial. They could have said that in 1776. Let's not abolish slavery; that is controversial.

In the 1850s, the great Whig Party said:

> Let's not talk about slavery, it's too controversial. Let's put the issue aside and focus on electing more Whigs.

But a loyal Whig Congressman named Abraham Lincoln thought otherwise.

The pollsters come into the hallowed Halls in meetings of Senators to tell us how we can talk to people, to all the men who are 35 and over, what to say to them; and women 25 and under, what to say to them; to Social Security people; to black people; and what we should say to Hispanics; or white people; what do we say to pro-choice or to pro-life. Pollsters, pollsters, pollsters.

We are looking at polls to decide whether or not to go to Kosovo. We take a poll to decide whether or not we should send our kids to die in a foreign country. Did Roosevelt do a poll on whether or not to retaliate against the Japanese? Partisanship is poisoning this town. The pollsters are poisoning this town. Help members of your own party and destroy the other guy.

My proudest moment in the Senate in the 9 years I have been here—other than some of the meetings HARRY REID and I have had together where we have to discuss the futures of some of you quietly—was when we went into the Old Senate Chamber and talked during the impeachment trial. You know it, all of you; it was the best moment we have had since we have been here. We took the hats off and we sat down and talked about things, and we did it the right way.

I wanted to have every caucus that we had on the impeachment trial bipartisan; I didn't want any separation. But we didn't get that. Boy, what a delight it would have been had we done that. I am not saying it would have made the difference; maybe it would not have. But that is not the purpose of bringing it up. It is my belief that if we had come together and looked at the evidence—you never know.

I am proudest of my service on the Senate Ethics Committee where six Senators, including my good friend, Senator REID, and I, discuss issues without one iota of partisanship.

When we investigated Bob Packwood, a fellow Republican came up to me after that vote in which we voted to expel a colleague, and he was angry. He was a powerful Republican, and this was not an easy conversation. He scolded me, saying, "I can't believe that you would vote to expel a fellow Republican. It's outrageous. How can you do that?" I said, "You will have the opportunity to sustain or overrule that vote on the floor of the Senate very shortly."

He came back later and said: Thank you for saving me a difficult vote.

We on the committee ignored the partisan mud balls. We did what was right.

I am not ashamed of being a member of a political party. The question is, Does party take precedence over principle? I want the 21st century to be remembered for debating important and controversial issues in public: Abortion, taxes, size of government, restoring our sovereignty, gun control, moral decadence, freedom. Don't avoid these issues simply to help our own political fortunes or to destroy our opponents.

Lt. William Hobby, Jr., wrote a poem called "The Navigator" during the Second World War. I think it captures the vision and spirit of what I believe America should be.

> The Morning Watch is mustered, and the middle watch withdrawn
> Now Ghostlike glides the vessel in the hush before the dawn.
> Friendly gleams polaris on the gently rolling sea,
> He set the course for sailors and tonight he shines for me.

We have the opportunity to take America into the 21st century of freedom, morality, support for the Constitution, respect for life, respect for the sacrifices made for us by our founders and the millions of veterans who have given so much of their precious blood. Politics should be about each one of us joining together to rediscover our moral compass, to reignite the torch of freedom, to return to our navigational chart: The Constitution, the Declaration of Independence, and the Bible.

In conclusion, in the movie "Mr. Smith Goes to Washington," Jimmy Stewart portrayed a U.S. Senator who believed that America was good, that politics was good, and that the American people deserve good, honest leaders. I agree.

Chaplain Ogilvie said to me a few weeks ago:

> Our time in History is God's gift to us. What we do with it is our gift to him. Let's not squander it with petty partisan politics.

EXHIBIT 1

EXCERPTS FROM WASHINGTON'S FAREWELL ADDRESS

TO THE PEOPLE OF THE UNITED STATES

FRIENDS AND FELLOW CITIZENS: The period for a new election of a Citizen, to administer the Executive Government of the United States, being not far distant, and the time actually arrived, when your thoughts must be employed in designating the person, who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation, which binds a dutiful citizen to his country—and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest, no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in, the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire.—I constantly hoped, that it would have been much earlier in my power, consistently with motives, which I was not at liberty to disregard, to return to that retirement, from which I had been reluctantly drawn.—The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign Nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.—

* * * * *

I have already intimated to you the danger of Parties in the State, with particular reference to the founding of them on Geographical discriminations.—Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the Spirit of Party, generally.

This Spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all Governments, more or less stifled, controuled, or repressed; but, in those of the popular form, it is seen in its greatest rankness, and is truly their worst enemy.—

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism.—The disorders and miseries, which result, gradually incline the minds of men to seek security and repose in the absolute power of an Individual: and sooner or later the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purposes of his own elevation, on the ruins of Public Liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight,) the common and continual mischiefs of the spirit of Party are sufficient to make it the interest and duty of a wise People to discourage and restrain it.—

It serves always to distract the Public Councils, and enfeeble the Public administration.—It agitates the community with ill-founded jealousies and false alarms, kindles the animosity of one part against another, foments occasionally by riot and insurrection.—It opens the doors to foreign influence and corruption, which find a facilitated access to the Government itself through the channels of party passions. Thus the policy and the will of one country, are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the Administration of the Government, and serve to keep alive the Spirit of Liberty.—This within certain limits is probably true—and in Governments of a Monarchical cast, Patriotism may look with indulgence, if not with favour, upon the spirit of party.—But in those of the popular character, in Governments purely elective, it is a spirit not to be encouraged.—From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose,—and there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it.—A fire not to be quenched; it demands a uniform vigilance to prevent its bursting into a flame, lest, instead of warming, it should consume.—

It is important likewise, that the habits of thinking in a free country should inspire caution in those entrusted with its administration, to confine themselves within their respective constitutional spheres; avoiding in the exercise of the powers of one department to encroach upon another.—The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism.—A just estimate of that love of power, and proneness to abuse it, which predominates in the human heart, is sufficient to satisfy us of the truth of this position.—The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the Guardian of the Public Weal against invasions by the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If in the opinion of the People, the distribution or modification of the Constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.—The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.—

Of all the dispositions and habits which lead to political prosperity, Religion and morality are indispensable supports.—In vain would that man claim the tribute of Patriotism, who should labor to subvert these great Pillars of human happiness, these firmest props of the duties of Men and Citizens.—The mere Politician, equally with the pious man, ought to respect and to cherish them.—A volume could not trace all their connexions with private and public felicity.—Let it simply be asked where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths, which are the instruments of investigation in Courts of Justice? And let us with caution indulge the supposition, that morality can be maintained without religion.—Whatever may be conceded to the influence of refined education on minds of peculiar structure—reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.—

'T is substantially true, that virtue or morality is a necessary spring of popular government.—The rule indeed extends with more or less force to every species of Free Government.—Who that is a sincere friend to it, can look with indifference upon attempts to shake the foundation of the fabric?—

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge.—In proportion as the structure of a government gives force to public opinion, it is essential that the public opinion should be enlightened.—

* * * * *

Observe good faith and justice towards all Nations. Cultivate peace and harmony with all. Religion and Morality enjoin this conduct; and can it be that good policy does not equally enjoin it?—It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a People always guided by an exalted justice and benevolence.—Who can doubt that in the course of time and things, the fruits of such a plan would richly repay any temporary advantages, which might be lost by a steady adherence to it? Can it be, that Providence has not connected the permanent felicity of a Nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature.—Alas! is it rendered impossible by its vices?

In the execution of such a plan nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachment, for others should be excluded; and that in place of them just and amicable feelings towards all should be cultivated.—The Nation, which indulges towards another an habitual hatred or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest.—Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable, when accidental or trifling occasions of dispute occur.—Hence frequent collisions, obstinate, envenomed and bloody contests.—The Nation prompted by ill-will and resentment sometimes impels to War the Government, contrary to the best calculations of policy.—The Government sometimes participates in the national propensity, and adopts through passion what reason would reject;—at other times, it makes the animosity of the Nation subservient to projects of hostility instigated by pride, ambition, and other sinister and pernicious motives.—The peace often, sometimes perhaps the Liberty, of Nations has been the victim.—

So likewise a passionate attachment of one Nation for another produces a variety of evils.—Sympathy for the favourite nation, facilitating the illusion of an imaginary common interest in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducement or justification: It leads also to concessions to the favourite Nation of privileges denied to others, which is apt doubly to injure the Nation making the concessions; by unnecessarily parting with what ought to have been retained, and by exciting jealously, ill-will, and a disposition to retaliate, in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted, or deluded citizens, (who devote themselves to the favourite Nation) facility to betray, or sacrifice the interests of their own country, without odium, sometimes even with popularity:—gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent Patriot.—How many opportunities do they afford to tamper with domestic factions, to practise the arts of seduction, to mislead public opinion, to influence or awe the public councils! Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

* * * * *

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man, who views in it the native soil of himself and his progenitors for several generations;—I anticipate with pleasing expectation that retreat, in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow-citizens, the benign influence of good Laws under a free Government,—the ever favourite object of my heart, and the happy reward, as I trust, of our mutual cares, labours and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

Mr. LOTT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PATIENTS' BILL OF RIGHTS ACT OF 1999

AMENDMENT NO. 1237

Mr. NICKLES. Mr. President, for the information of our colleagues, we were in the process of debating the Robb amendment dealing with mandatory length of stays for mastectomies. That is a second-degree amendment to an amendment I offered on behalf of myself, Senator GRAMM, and Senator COLLINS that had a limitation on the cost. The cost of the underlying bill cannot exceed 1 percent, nor could it increase the costs or increase the number of uninsured by over 100,000 or the bill would not be in effect.

Senator ROBB's amendment strikes the amendment that limits the 1-percent cost. It is our intention to finish the debate on the Robb amendment. We will vote on the Robb amendment, and it will be our intention for the Republican side to offer a second-degree amendment. We will debate that amendment and vote on it and work our way through the amendments that have been stacked today.

I ask the Parliamentarian how much time remains on the Robb amendment?

The PRESIDING OFFICER. The majority has 46 minutes remaining and the minority has 28 minutes remaining.

Mr. NICKLES. I yield the floor.

Mr. KENNEDY. I yield 5 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 5 minutes.

Ms. MIKULSKI. Mr. President, what does a woman do in a few days before she is scheduled to have a mastectomy? How should she spend her time? What should she be doing? Should she be on the phone calling her HMO, trying to figure out what will happen to her after surgery? Who will take care of her, how long will she be in the hospital? Should she be on the phone, dealing with bureaucracy? Should she be dealing with paperwork? Should she be on the phone, dealing with an insurance gatekeeper?

No, I do not think that is what she should be doing and I think the Senate will agree with me. I think she should be with her family. I think she should be talking with her husband, because he is as scared as she is. He is terrified that she might die. He is wondering how can he support her when she comes home.

She needs to talk to her children so that they understand that even though she is going in for an operation, they know their mother will be there when she comes back home but she might not be quite the same. She needs to be with her family. She needs to be with her clergyman. She needs to be with those who love her and support her.

This is what we are voting on here today. Who should be in charge of this decision? When a woman has a mastectomy she needs to recover where she can recover best. That should be decided by the doctor and the patient. We hear about these drive through mastectomies, where women are in and out in outpatient therapy. They are dumped back home, often sent home still groggy with anesthesia, sometimes with drainage tubes still in place or even at great risk for infection.

Make no mistake, we cannot practice cookbook medicine and insurance gatekeepers cannot give cookbook answers. An 80-year-old woman who needs a mastectomy needs a different type of care than a 38-year-old woman. And a 70-year-old woman whose spouse himself may be 80 might have different family resources than a 40-year-old woman.

Even the board of directors of the American Association of Health Plans states this: ". . . the decision about whether outpatient or inpatient care meets the needs of a woman undergoing removal of a breast should be made by the woman's physician after consultation with the patient."

As I said earlier, we go out there and we Race for the Cure. Now we have to race to support this amendment. Let's look at what we have done with our discoveries. We in America have discovered more medical and scientific breakthroughs than any other country in world history. It is America who knew how to handle infectious diseases. It is America who comes up with lifesaving pharmaceuticals.

We have been working together on a bipartisan basis to double the NIH budget. We have joined together on a bipartisan basis to have mammogram quality standards for women. Now we have to join together on a bipartisan basis and pass this amendment.

We must continue our discovery, we must continue our research, and we must continue to make sure that we have access to the discoveries we have made.

This is what this amendment is all about. It allows a woman and her physician to make this decision.

Some time ago very similar legislation was offered by the former Senator of New York, Mr. D'Amato. People on the other side of the aisle had cosponsored this bill. What we are saying here is, if you cosponsored it under Senator D'Amato, vote for it under the Robb-Mikulski-Boxer-Murray amendment. This should not be about partisan politics.

Let's put patients first. Let's understand what is going to happen to a woman. Let's understand what is going to happen to her family. And let the doctors decide. I told my colleagues a few weeks ago—I recalled a few months ago I had gall bladder surgery. I could stay overnight because it was medically necessary and medically appropriate. Surely if I can stay overnight for gall bladder surgery a woman should be able to stay overnight when she has had a mastectomy.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mrs. BOXER. Mr. President, I thank Senator KENNEDY for his work on this, and Senator MIKULSKI for her inspirational talk, and Senator ROBB for offering an amendment that I think is crucial to the women of this country. I am eternally grateful to him for putting this amendment together.

Earlier, Senator SMITH made a very eloquent talk about the need to set aside politics and do what is right for the people. I think we have an extraordinary opportunity to do that on this Patients' Bill of Rights. It is really very simple to do. Whether we are Democrats or Republicans or Independents, we can set all that aside and follow this simple rule, asking every time we vote: What is best for the people of our Nation? That is it, the simple question: What is best for the children? What is best for the women? What is best for the men? What is best for the families, the old or the young, et cetera.

The Robb amendment is good for American women. As a matter of fact, the Robb amendment is crucially needed. It is desperately needed. The Senator from Maryland was eloquent on the point. Think about finding out you have breast cancer and learning you have to have a mastectomy. You do not need to be a genius to understand that you want a doctor making the decision as to how long you stay in the hospital.

It is very simple: Mastectomies are major surgery. Cancer is life-threatening and difficult. It is physical pain. It is mental anguish for you and your family. You don't want an accountant or a chief operating officer in an HMO telling you to leave after a few hours, with tubes running up and down you and being sick as a dog and throwing up and all the rest. I hate to be graphic about it, but we have to come to our senses in this debate. What is the argument against this? It is going to cost more? We know the CBO says it is maybe $2 a month to obtain all the benefits in the Patients' Bill of Rights. I think it is worth $2 a month to know a doctor makes the decision.

I want to talk about the CEOs of these HMOs. They make millions of dollars a year. They are skimming off the top, off of our health care quality, and putting it in their pockets. They make $10 million a year, $20 million a year, $30 million a year—one person. If his wife comes down with cancer and needs a mastectomy, do you think he is going to leave the decision to an accountant in an HMO? You know he is not. He is going to dig into his pocket, into his $30-million-a-year pocket, and pay for her to obtain good care.

What about the average woman? What about our aunts and our uncles and our neighbors? They deserve the same kind of attention and care. That is what the Robb amendment will do.

It will do something else. Again, I am so grateful to the Senator from Virginia on this point. Senator MURRAY had offered the mastectomy amendment in committee, and even Senators who were on the original Feinstein-D'Amato bill, Republican Senators, voted against her amendment in the committee. She is on the floor fighting for this.

Senator SNOWE and I, in a bipartisan way, introduced a bill that would require your OB/GYN, your obstetrician/gynecologist, to be your basic health care provider. Senator ROBB has included that in his amendment.

The reality is that a woman does consider her OB/GYN as her primary care physician. Let's make it a guarantee that her OB/GYN can refer her to a specialist. You do not have to jump through hoops.

Mr. President, 70 percent of the women in this country use their OB/GYN as their only physician from the time they are quite young. So the Robb amendment recognizes the reality.

Let me tell you why we should come together, both parties, on this amendment. Let's look at what happens to women who regularly see an OB/GYN. A woman whose OB/GYN is her regular doctor is more likely to have a complete physical exam, blood pressure readings, cholesterol test, clinical breast exam, mammogram, pelvic exam, and Pap test.

This is why it is so important. These are the threats to women.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mrs. BOXER. I ask unanimous consent for 1 additional minute.

Mr. KENNEDY. I yield 1 minute.

Mrs. BOXER. So you can see that the women who use their OB/GYN on a regular basis get what is necessary for them to stay healthy, to avoid the traumas, to avoid the problem of missing, for example, a breast cancer because they do not have that regular mammogram.

In conclusion, we have Senator ROBB who has long been a champion for women's health, and I can tell you chapter and verse that I have worked with him over these years and he has taken the most important issues to the women of this country and has rolled them into one, plus an additional part that deals with the deductibility of premiums if you are self-employed.

This is a wonderful amendment. This is not an amendment that responds to Democrats, Republicans, or any other party. It is for American women and their families. I urge us to support this fine amendment.

I yield back my time.

Mr. KENNEDY. Mr. President, I take 30 seconds to note that on Tuesday afternoon at 3:30 on the Patients' Bill of Rights, on an issue that is so basic and fundamental and important to American women, we have our Members who are prepared to debate this issue, an issue on which, if my colleagues on the other side have a difference, we ought to be debating. We cannot even get an engagement of debate on this.

I do not know if that means they are willing to accept it. I would have thought they would have the respect at least for the position of several Members, led by our friend and colleague from Virginia, to speak to this issue.

I yield the Senator from Arkansas 3 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mrs. LINCOLN. I thank my colleague.

Mr. President, I rise today to make clear my position on such a very important issue. In the forefront of the managed care debate in the early nineties, I diligently supported the concept of trying to manage care, to control the cost of health care in this country in order to provide more health care to more Americans. When we did that, we in Congress never envisioned that medical decisions would be taken away from medical professionals or that an insurance company would circumvent a patient's access to specialists.

Again we are debating this issue of how to provide better health care for more Americans. Today we are talking about the Robb amendment which is absolutely essential to women across this country.

Managed care has been a very necessary and useful tool in our nationwide health care network. It has helped us cut the costs, especially in Medicare. But the issue of making sure women have the opportunity to choose as their primary care giver an OB/GYN is absolutely essential. Most women in this day and age go from a pediatrician to an OB/GYN. To have to go back through a primary care giver in order to see an OB/GYN is absolutely ridiculous.

It is so important to do more to see that women have access to quality care. The Robb amendment takes us in the right direction with three very important provisions. It provides women with direct access to an OB/GYN. They should not have to obtain permission from a gatekeeper. I have had staffers in the past who had awful experiences of having to go to a primary care giver and not even bothering to see their OB/GYN to get the speciality care they needed because it took so much time to go through a primary care giver. That is absolutely inexcusable in this day and age with the kind of speciality care, research, and knowledge we have in our medical professionals.

A great example: A lump is discovered in a woman's breast during a routine checkup. The OB/GYN ought to be able to refer that woman for a mammogram rather than sending her back to the primary care physician. The Robb amendment would designate the OB/GYN as the primary care giver. Most women try to do that already. They already view their OB/GYN as their primary physician.

It is especially important for women in rural areas. They are limited in their access and capability to get to their physicians, and if they cannot see an OB/GYN from a rural area, then they likely are never going to get the speciality care they need and deserve.

Most important, we have to make sure our physicians are able to make those medical decisions. One of the most frustrating comments I ever heard from my husband, who is a physician, is when he spent 1 hour 45 minutes on the telephone with an insurance adjustor after seeing one of his partner's patients who had come through surgery. She was still running a fever, and the nurse called him and said: We have to send this woman home because the insurance company said we had to.

He spent 1 hour 45 minutes on the phone with that insurance adjustor, and at the end of that conversation he finally said: If you can send me your medical diploma and if you will sign an affidavit that you will take complete responsibility for this woman's life, then, and only then, should I be able to discharge her from this hospital, because she is sick.

Yet they were not going to pay for it. He said: We are going to keep her in the hospital, and you are going to be responsible, you are going to pay for that bill, and we are going to ensure the woman is well taken care of.

It is so important for the women across this country to know they will have the primary care they need through their OB/GYN.

I appreciate my colleagues' involvement.

Mr. REID. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. REID. Mr. President, I say to the Senator, the manager of the bill, can he indicate to me why no debate is taking place on the most important amendment we have had to the Patients' Bill of Rights in the 2 days we have been here? What has happened?

Mr. KENNEDY. The Senator raises a good question. We are not going to take advantage of the absence of our Republican colleagues. We are asking where they are. We know they are someplace. I can understand why they do not want to engage in this debate. We have a limited period of time. We are ready to debate. Our cosponsors are here and ready to debate this basic, very important issue. I believe they have made a very strong case.

I guess what they are waiting for is for us to run through the time and perhaps they will come out. Wherever they are, they will come out perhaps at least to try to defend their indefensible position on their legislation.

I note the Senator from Minnesota is here and wants to speak for 5 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. WELLSTONE. Mr. President, I did not rise to defend the Republican Party position. I am sorry to disappoint my colleagues. I say to the good Senator from Virginia, I am not here to speak against his amendment.

I do find it interesting. I do not think I can repeat with the same eloquence and power what my colleagues have said about what this debate is about in personal terms when we are talking about women. But we could also be talking about a child having to get access to the services he or she needs. This is really a life-or-death issue. It is very important for people to make sure their loved ones, whether it be a wife, a husband, or children, get the care they need and deserve. That is what this debate is all about.

I notice that the insurance industry is spending millions and millions of dollars on all sorts of ads talking about how we are going to have 1.8 million more people lose coverage.

All of a sudden, the insurance industry is concerned about the cost of health care insurance. All of a sudden, the insurance industry in the United States of America is concerned about the uninsured. My colleague from Massachusetts says: Where are our colleagues on the other side of the aisle? Not too long ago, just a couple of hours ago, I heard colleagues come out on the Republican side and talk about how this patient protection was too expensive, families would lose their insurance company, the poor insurance industry—which is making record profits—cannot afford to provide this coverage. Where are they now?

As I look at the figures, 10 leading managed care companies recorded profits of $1.5 billion last year. United Health Care Corporation, $21 million to its CEO; CIGNA Corporation, $12 million to its CEO; and the figures go on and on. Yet we have colleagues coming out to this Chamber—apparently not now—trying to make the argument, even though the Congressional Budget Office says otherwise, even though independent studies say otherwise, that we cannot provide decent patient protection for women because it will be too expensive.

It is not going to be too expensive. What will be too expensive and what will be too costly is when women and children and our family members do not get the care they need and deserve and, as a result of that, maybe lose their lives, as a result of that they are sicker, as a result that there is more illness.

Where do the patients fit in? Where do the women fit in? Where do the children fit in? Where do the families fit in?

I say to Senator KENNEDY, we know where the insurance industry fits in. Here are their ads: Sure, the Kennedy-Dingell bill will change health care; people will lose coverage.

This is outrageous. The insurance industry thinks that by pouring $100 million, or whatever, into TV ads and scaring people, they are going to be able to defeat this effort. They are wrong. The vote on this amendment, and on other amendments, and on this legislation, will be all about whether Senators belong to the insurance industry or Senators belong to the people who elected us. We should be here advocating for people, not for the insurance industry.

I yield the floor.

Mr. KENNEDY. How much time remains?

The PRESIDING OFFICER. The Senator has 7 minutes 14 seconds.

Mr. KENNEDY. I yield the Senator from Virginia 2 minutes.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I thank you. And I thank our distinguished colleague from Massachusetts for his leadership on this whole bill.

I use this moment to simply commend our colleagues, who happen to be women, who have made the most passionate, persuasive case for this particular amendment that could be made.

Frankly, in listening to my colleague from Maryland about the agony women go through before they have to make a decision about a mastectomy, talking about the difficult choices that women have to make, and adding to it the bureaucracy, where we bounce them back and forth, and talking about money—for this particular amendment, I have heard one estimate that it will be 12 cents a year for the increased cost—we will probably, I suggest, save more money in the lack of administration and bureaucracy than it would cost if we allow women to have as their designated primary care provider their obstetrician or gynecologist. This is the person they go to right now to receive their health care, as pointed out so eloquently by the Senator from California.

As the Senator from Arkansas has noted, this is a very real problem. Her husband happens to practice this particular form of medicine. She gave us a compelling reason as to why we should not subject the women of America to this kind of burden.

I am very grateful to my colleague from Washington, who has long led the fight on this particular issue, and my colleague from Minnesota, and others who have spoken out.

I, frankly, do not understand the argument against this particular proposal. There is no one here to make that argument. I am, frankly, surprised. This makes sense for the women of America.

The PRESIDING OFFICER. The time has expired.

Mr. ROBB. Mr. President, with that, I yield back my time to the Senator from Massachusetts so we might hear again from the Senator from Washington.

Mr. KENNEDY. I yield 3 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Thank you, Mr. President.

Again, I thank my colleague from Virginia, Senator ROBB, and all of the women and men on the Democratic side who have come out to speak for the Robb-Murray-Mikulski-Boxer amendment, which is so essential to women in this country.

I am astounded that the Republicans have fled the Chamber and have not returned to either agree with us in fighting for women's health or to explain why they are going to vote no.

I was astounded in committee when I offered this amendment and it was defeated on a partisan vote. Where are our colleagues on the Republican side who have come before us so many times and said that they are going to be there at the Race for the Cure? Where are the men of the Senate, when they have been there so many times, saying: You bet we stand for women's health.

This is a women's health issue. Young girls go to a pediatrician until they are 12, 13, or 14. At that time, they change doctors, not a primary care physician but an OB/GYN. Why should they be subjected now to HMO rules that say: We are going to change this, and you are going to have to go to a primary care physician in order to be sent to an OB/GYN? OB/GYNs are our primary care physicians.

As I stated this morning, if you are pregnant and have a serious cold or ear infection, or any other challenging problem that develops when you are pregnant, you will be given a different medication, a different procedure that you need to go through than if you are not pregnant.

Your OB/GYN is your primary care physician from the time you are a teenager until the time you reach menopause, whether you are there because you are pregnant or there because a physician is examining you to determine treatment. But you are there. The OB/GYN is your primary care physician. This amendment will guarantee it.

As Senator MIKULSKI so eloquently stated, a woman who has a mastectomy should not be sent home too soon whether she is 25 years old or 80 years old. In this country, on a daily basis, women are sent home too soon because it is considered, by HMOs, to be cosmetic surgery. This is not cosmetic surgery. A mastectomy is serious surgery. Women should be sent home when their doctor determines they are able to go home. That is what this amendment is about.

We urge our colleagues on the other side to vote with us, to join with us in being for women's health care.

I thank my colleagues who have been here to debate this issue. I especially thank Senator ROBB, who has been a champion for all of us. I look forward, obviously, to the adoption of this amendment since no one has spoken out against it.

The PRESIDING OFFICER. The Senator's side has 2 minutes remaining.

Mr. KENNEDY. Mr. President, we are reaching the final moments for considering this amendment. We, on this side, who have been strong supporters of the Patients' Bill of Rights, think this is one of the most important issues to be raised in the course of this debate. It is an extremely basic, fundamental, and important issue for women in this country.

Our outstanding colleagues have presented an absolutely powerful and indisputable case for our positions. We are troubled that we have had silence from the other side.

We listened yesterday about how beneficial the Republican bill was—when it refuses to provide protections to the millions of Americans our colleagues have talked about.

We are down to the most basic and fundamental purpose of our bill; that doctors and, in this case, women are going to make the decision on their health care needs, not the bureaucrats in the insurance industry.

This is one more example of the need for protections. Our colleagues have demonstrated what this issue is really all about. That is why I hope those Members on the other side that really care about women's health will support this amendment.

Mr. President, we are prepared to move ahead and vote on this amendment.

The PRESIDING OFFICER. Who yields time?

If neither side yields time, time runs equally against both sides.

Mr. KENNEDY. Do I have 1 minute left?

The PRESIDING OFFICER. Seventeen seconds.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. How much time do we have?

The PRESIDING OFFICER. Twenty-five minutes 15 seconds.

Mr. JEFFORDS. Mr. President, I know that my worthy opponents have made note of our absence. We are not ignoring this issue. We have a better answer. There will be a Snowe-Abraham amendment presented, probably tomorrow, that will handle this issue. I think the Members will agree that the approach we take will be preferable to the one being taken right now.

I would like to address my colleagues generally on the situation at this time. The Patients' Bill of Rights Act addresses those areas of health quality on which there is broad consensus. It is solid legislation that will result in a greatly improved health care system for all Americans.

The Committee on Health, Education, Labor, and Pensions, the HELP Committee, has been long dedicated to action in order to improve the quality of health care. Our commitment to developing appropriate managed care standards has been demonstrated by the 17 additional hearings related to health care quality. Senator FRIST's Public Health and Safety Subcommittee held three hearings on the work of the Agency for Health Care Policy and Research, sometimes referred to as AHCPR. Each of these hearings helped us to develop the separate pieces of legislation that are reflected in S. 326, the Patients' Bill of Rights Act. People need to know what their plan will cover and how they will get their health care.

The Patients' Bill of Rights requires full disclosure by an employer about health plans it offers to employees. Patients also need to know how adverse decisions by a plan can be appealed, both internally—that is, within the HMO—and externally, through an independent medical reviewer. Under our bill, the reviewer's decision will be binding on the health plan. We are talking about an external, outside reviewer, and it is binding. There is no appeal. It is binding. They have to do it. However, the patient will retain his or her current rights to go to court.

Timely utilization decisions and a defined process for appealing such decisions are the keys to restoring trust in the health care system. Our legislation also provides Americans covered by health insurance with new rights to prevent discrimination based on predictive genetic information. This is a crucial provision. It ensures that medical decisions are made by physicians in consultation with their patients and are based on the best scientific evidence. That is the key phrase. We want to remember that one because you won't see it on the other side.

It provides a stronger emphasis on quality improvement in our health care system with a refocused role for AHCPR, taking advantage of all the abilities we have now to understand better what is going on with respect to health care in this country, to sift through the information that comes through AHCPR and make judgments on what the best medicine is.

Some believe that the answer to improving our Nation's health care quality is to allow greater access to the tort system, maybe a better lawsuit. However, you simply cannot sue your way to better health. We believe that patients must get the care they need when they need it. They ought not to have to go to court with a lawsuit. They ought to get it when they need it. It is a question of whether you want good health or you want a good lawsuit.

In the Patients' Bill of Rights, we make sure each patient is afforded every opportunity to have the right treatment decision made by health care professionals. In the event that does not occur, patients have the recourse of pursuing an outside appeal to get medical decisions by medical people to give them good medical treatment. Prevention, not litigation, is the best medicine.

Our bill creates new, enforceable Federal health standards to cover those 48 million people of the 124 million Americans covered by employer-sponsored plans. These are the very same people that the States, through their regulation of private health insurance companies, cannot protect. We will protect them.

What are these standards? They include, first, a prudent layperson standard for emergency care; second, a mandatory point of service option; direct access to OB/GYNs and pediatricians—that has not been recognized by the opposition—continuity of care; a prohibition on gag rules; access to medication; access to specialists; and self-pay for behavioral health.

It would be inappropriate to set Federal health insurance standards that duplicate the responsibility of the 50 State insurance departments.

Mr. KENNEDY. Will the Senator yield on that issue?

Mr. JEFFORDS. I am happy to yield.

Mr. KENNEDY. Can the Senator show us one State that has the patient protections included in our proposal? Is there just one State in this country, one State that provides those types of protections?

Mr. JEFFORDS. I believe Vermont does.

Mr. KENNEDY. All of the protections for the patients? I know the Senator understands his State well, but does the Senator know of any other State that provides these kinds of protections?

Mr. JEFFORDS. We are going to provide them with better protections.

Mr. KENNEDY. The scope of your legislation only includes a third of all the people who have private health coverage.

Mr. JEFFORDS. Well, in some areas we go beyond that, as the Senator well knows.

Mr. KENNEDY. No, I don't know. I don't know, because you talk about self-insured plans, and there are only 48 million Americans in those plans. You don't cover the 110 million Americans who have other health insurance plans.

Does the Senator know a single State that provides specialized care for children if they have a critical need for specialty care—one State in the country? We provide that kind of protection. Does the Senator know a single State that has that kind of protection?

Mr. JEFFORDS. I tell you, we have a better health care bill. That is all I am telling you. It will protect more people at less cost. Your bill is so expensive that you are going to affect a million people, and those people are the ones we want most to protect. Those are the people who are working low-income jobs and who will be torn off and removed from health care protection by your bill. We will not do that. We are going to protect those people who need the protection the most from being denied health insurance.

I take back the remainder of my time.

It would be inappropriate to set Federal health insurance standards that duplicate the responsibility of the 50 State insurance departments. As the National Association of Insurance Commissioners put it:

> We do not want States to be preempted by Congressional or administrative actions. . .Congress should focus attention on those consumers who have no protections in the self-funded ERISA plans.

Senator KENNEDY's approach would set health insurance standards that duplicate the responsibility of the 50 State insurance departments. Worse yet, it would mandate that the Health Care Financing Administration, HCFA, enforce them, if the State decides otherwise. It would be a disaster—HCFA can't even handle the small things they have with HIPAA, the Medicare and Medicaid problems—to get involved in the demands that would be placed upon them by the Democratic bill.

This past recess, Senator LEAHY and I held a meeting in Vermont to let New England home health providers meet with HCFA. It was a packed and angry house, with providers traveling from New Hampshire, Massachusetts, and Connecticut. That is who the Democrats would have enforce their bill. It is in no one's best interests to build a dual system of overlapping State and Federal health insurance regulation.

Increasing health insurance premiums causes significant losses in coverage. The Congressional Budget Office, CBO, pegged the cost of the Democratic bill at six times higher than S. 326. Based on our best estimates, passage of the Democratic bill would result in the loss of coverage for over 1.5 million working Americans and their families.

Now, why do you want to charge forward with that plan? To put this in perspective, this would mean they would have their family's coverage canceled under the Democratic bill—canceled. Let me repeat that. Adoption of the Democratic approach would cancel the insurance policies of almost 1.5 million Americans, CBO estimates. I cannot support legislation that would result in the loss of health insurance coverage for the combined population of the States of Virginia, Delaware, South Dakota, and Wyoming—no coverage.

Mrs. MURRAY. Will the Senator yield for a question?

Mr. JEFFORDS. Fortunately, we can provide the key protections that consumers want, at a minimal cost and without the disruption of coverage, if we apply these protections responsibly and where they are needed.

In sharp contrast to the Democratic alternative, our bill would actually increase coverage. With the additional Tax Code provisions of S. 326, the Patients' Bill of Rights Act, our bill allows for full deduction of health insurance for the self-employed, the full availability of medical savings accounts, and the carryover of unused benefits from flexible spending accounts.

Mrs. MURRAY. Will the Senator from Vermont yield for a question?

Mr. JEFFORDS. With the Patients' Bill of Rights Plus Act, we provide Americans with greater choice of more affordable health insurance.

Mrs. MURRAY. Will the Senator from Vermont yield for a question?

Mr. JEFFORDS. Yes.

Mrs. MURRAY. I thank the Senator. I was listening to his discussion about the Republican bill. The current pending amendment, the Robb-Murray amendment, allows women access to OB/GYNs as their primary care physicians. Will the bill the Senator is discussing provide direct access for all of those women who are not in self-insured programs in this country?

Mr. JEFFORDS. We will have an amendment which will deal with that problem.

Mrs. MURRAY. All women in this country who are not in self-insured programs will have access under the amendment you are going to be offering?

Mr. JEFFORDS. First of all, we defer to the States in that regard.

Mrs. MURRAY. Then I can assume that the women who are not in self-insured programs will not be covered by the Republican amendment.

Mr. JEFFORDS. Our bill covers, as we intended to cover, those who need the coverage now who have no coverage and get the protection to those who need the protection. We will have an amendment that will take care of the problems that are——

Mrs. MURRAY. Not the self-employed. That is the answer.

Mrs. BOXER. Will the Senator yield for a question?

Mr. JEFFORDS. I think the Senator has her own time.

Mrs. BOXER. I wanted to ask the Senator one question.

Mr. JEFFORDS. Yes.

Mrs. BOXER. Is the Senator aware that when he talks about people losing their insurance, there is a $100 million effort going on by the HMOs to scare people into thinking that if the Democratic Patients' Bill of Rights passes—which is supported by all the health care advocate groups in the country—they will lose their insurance?

Is the Senator aware that his own Congressional Budget Office has clearly stated the maximum cost of the Democratic Patients' Bill of Rights is $2 a month?

And further, is the Senator aware that the President, by executive order, gave the Patients' Bill of Rights to Federal employees, and there has been no increase in the premium?

So what I am asking the Senator is, is he aware of this campaign by the HMOs? Has he seen the commercials? Does he believe the HMOs that who have an interest in this, the CEOs of which are getting $30 million a year, really have the interests of patients in their heart?

Mr. JEFFORDS. I say that the Senator was successful in stealing some time from me. Let me say that we have differences of opinions on these bills. There is no question that your bill is much more expensive, that it is going to cost 6 percent, and that CBO estimates 1.5 million people—all of which you say you care most about, I say to the Senator from California, the low-income people, the people who are just barely able to have plans right now, and small businesses that won't be able—1.5 million people will lose their health insurance if your plan is put in.

Mrs. BOXER. I say to the Senator——

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. JEFFORDS. S. 326, the Patients' Bill of Rights Plus Act, provides necessary consumer protections without adding significant new costs, without increasing litigation, and without micromanaging health plans.

Our goal is to give Americans the protections they want and need in a package they can afford and that we can enact. This is why I hope the Patients' Bill of Rights we are offering today will be enacted and signed into law by the President.

Mr. President, I yield to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. FRIST. Mr. President, I want to take a few minutes to return to the underlying amendment. It has taken me a while to read through the amendment. The first time I saw the amendment was 30 minutes ago. I have just read through the amendment offered by Senator KENNEDY and others which relates to certain breast cancer treatment and access to appropriate obstetrical and gynecological care.

I apologize for not being able to participate directly on in this issue earlier. At the outset, I will say that about 2 years ago, Senator Bradley from New Jersey and I had the opportunity to participate in writing an amendment that actually eventually became law which addressed the issue of postmaternity stay, postdelivery stay. We wrote that particular piece of legislation because we felt strongly that managed care had gone too far in dictating how long people stayed in the hospital and pushing them out after deliveries, and it was a little controversial, although I think a very good bill for the time, because it sent a message very loudly and clearly to the managed care industry that you need to leave those decisions, as much as possible, at the local level where physicians and patients, in consultation with each other, determine that type of care.

The amendment on the floor is different in that it focuses on another aspect of women's care and that is breast cancer treatment. As to the debate from the other side of the aisle, I agree with 98 percent of what was said in terms of the importance of having a woman be able to access her obstetrician and gynecologist in an appropriate manner, the need for looking at inpatient care, to some extent as it relates to breast disease. Yet I think the approach that Senator KENNEDY and others have put on the floor is a good start but has several problems. Therefore, I urge all of my colleagues to vote against that amendment, with the understanding we can take the good efforts from that amendment, correct the deficiencies, and address the very same issues that have been identified so eloquently by my colleagues across the aisle.

Now, in looking at the Kennedy-Robb amendment, on page 2, they talk about:

> . . . health insurance coverage, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in his or her professional judgment. . . .

So far, I agree wholeheartedly. But where I cannot vote in good conscience, or allow my colleagues to, without fully understanding the implications, is where they continue and say:

> . . . consistent with generally accepted medical standards, and the patient, to be medically appropriate following—(A) a mastectomy; (B) a lumpectomy; or (C) a lymph node dissection.

I agree with all of that and inpatient care. The part that bothers me is the "consistent with generally accepted medical standards." This goes into the debate we will go into tomorrow, or the next day, on medical necessity and what medical necessity means.

When we talk about what is medically appropriate and medically necessary, you are going to hear me say again and again that we should not try to put that into law, Federal statute. We should not define "medical necessity" as generally accepted medical practices or standards. The reason is, as exemplified in this chart, nobody can define generally accepted medical standards. You will go up to a physician and a physician will say: That is what I do every day.

Well, that is not much of a definition, I don't think. Therefore, I am not sure we should use those terms and put them into a law and pass it as an amendment and make it part of the Patients' Bill of Rights.

This chart is a chart that shows the significant variation of the way medicine is practiced today, and that generally accepted medical standards has such huge variations that the definition means nothing. Therefore, I am not going to put into a Federal statute a definition that means very little because I think, downstream, that can cause some harm because maybe a bunch of bureaucrats will try to give that definition.

Mr. SANTORUM. If the Senator will yield, he is arguing that it doesn't mean anything. It means everything.

Really it is sort of the opposite of that. It has such an expansive character to it that it can include inappropriate medicine, which is, I think, the point the Senator is making.

Mr. FRIST. I think that is right. My colleague said it much more clearly than I. The definition itself of "medically necessary and appropriate" is so important that we should not lock the definition into something that is so small, so rigid, that we can't take into consideration the new advances that are coming along. That is why when we say generally accepted medical standards or practices, it leaves out the best evidence, the new types of discoveries that are coming on line. That decision should be made locally and should not be definitions put into a statute. Therefore, I am going to oppose this amendment.

Mr. ROBB. Will the Senator yield?

Mr. FRIST. Let me try to get through my presentation.

Mr. ROBB. Will the Senator yield?

Mr. FRIST. I will not yield.

Let me go through for my colleagues why the variation in medical practice has implications that may be unintended and therefore we cannot let the amendment pass.

Reviewing regional medical variations for breast-sparing surgery—basically for breast cancer today—I don't want to categorize this too much because the indications change a little bit. In a lumpectomy—taking out the lump itself and radiating because it is the least disfiguring—the outcome is equally good as doing a mastectomy and taking off the whole breast.

In my training—not that long ago, 25 years—the only treatment was mastectomy. As we learned more and more and radiation therapy became more powerful, we began to understand there are synergies in doing surgical operations and radiation therapy and chemotherapy. We didn't have to remove or disfigure the whole breast. The new therapy ended up being better for the patient but was not generally accepted medically. That sort of variation is shown in this chart.

In this chart, the very dark areas use lumpectomy versus mastectomy. Comparing the two, the high ratio of around 20 to 50 percent, versus going down to the light colors on the chart where this procedure is not used very much, there is tremendous variation. The different patterns of color on the chart demonstrate that a procedure generally accepted in one part of the country may be very different in another part of the country.

For example, in South Dakota, using this ratio of lumpectomy versus mastectomy, the ratio is only 1.4 percent.

In Paterson, NJ, the generally accepted medical standards in that community go up almost fortyfold to 37.8 percent—the relative use of one procedure, an older procedure, versus a newer procedure.

Which of those are generally accepted medical standards? That shows the definition itself has such huge variation that we have to be very careful when putting it into Federal statute. We will come back to that because it is a fundamentally important issue. Medicine is practiced differently around the country. Therefore, the words "generally accepted medical standards" have huge variations. We have to be careful what we write into law.

What I am about to say builds on the work of Senators SNOWE and ABRAHAM.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 20 minutes 50 seconds.

Mr. FRIST. Again, Senators SNOWE and ABRAHAM will talk more about this a little bit later.

Instead of using language such as "generally accepted medical standards," it has a built-in inherent danger because it defines what "medical necessity and appropriate" are.

We should be looking at words as follows: That provides a group health plan and a health insurance issuer providing health insurance coverage, that provides medical and surgical benefits, shall ensure that inpatient coverage—just like the Kennedy-Robb amendment with respect to the treatment of breast cancer—is provided for a period of time as determined by the attending physician, as the Kennedy-Robb amendment does, in consultation with the patient. I think this is "in consultation with the patient."

No, they do not have in their bill "in consultation with the patient." I suggest "in consultation with the patient" should be part of their amendment.

We would put in "in consultation with the patient" to be "medically necessary and appropriate," instead of using their words "generally accepted medical standards," which has such huge variation.

Why not use the better terminology, "medically necessary and appropriate"?

Use the same indications. Mastectomy is what we will propose, what they propose. Lumpectomy is what we propose, what they will propose. Lymph node dissection, we will use that language.

But "generally accepted medical standards" is dangerous. We ought to use such words as "medically necessary and appropriate." Then we are not locked into the variation where there is a fortyfold difference in mastectomies versus lumpectomy, which shows the importance of being very careful before placing Federal definitions of what is "medically necessary and appropriate" in Federal law.

Mr. LEAHY. Mr. President, I was going to make a unanimous consent request.

Mr. FRIST. I yield to the unanimous consent request.

PRIVILEGE OF THE FLOOR

Mr. LEAHY. I ask unanimous consent that Alex Steele of my office be granted privilege of the floor today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. In the Kennedy-Robb amendment is the issue of access.

Again, my colleagues on the other side hit it right on the head: Women today want to have access to their obstetrician. They don't want to go through gatekeepers to have to get to their obstetrician or gynecologist. That relationship is very special and very important when we are talking about women's health and women's diseases.

In the Kennedy-Robb amendment, the language is that the plan or insurer shall permit such an individual who is a female to designate a participating physician who specializes in obstetrics and gynecology as the individual's primary care provider.

It is true that in our underlying bill we don't say the plan has to say that all obstetricians and gynecologists are primary care providers. That is exactly right. The reasons for that are manyfold.

Let me share with Members what one person told me. Dr. Robert Yelverton, chairman of the American College of Obstetricians and Gynecologists' Primary Care Committee, stated:

> The vast majority of OB/GYNs in this country have opted to remain as specialists rather than act as primary care physicians.

He attributes this to the high standards that health plans have for primary care physicians, saying:

> None of us could really qualify as primary care physicians under most of the plans, and most OB/GYNs would have to go back to school for a year or more to do so.

You can argue whether that is good or bad, but it shows that automatically taking specialists and making them primary care physicians and putting it in Federal statute is a little bit like taking BILL FRIST, heart and lung transplant surgeon, and saying: You ought to take care of all of the primary care of anybody who walks into your office.

Mrs. BOXER. Will the Senator yield?

Mr. FRIST. I will finish my one presentation, and we will come back to this.

Mrs. BOXER. Will the Senator yield?

The PRESIDING OFFICER. The Senator does not yield.

Mrs. BOXER. Why do you not yield?

The PRESIDING OFFICER. The Senator did not agree to yield.

Mr. FRIST. I simply want the courtesy of completing my statement. I know people want to jump in and ask questions, but we have listened to the other side for 50 minutes on this very topic. I am trying to use our time in an instructive manner, point by point, if people could just wait a bit and allow me to get through my initial presentation of why I think this amendment must be defeated with a very good alternative.

I want to get into this issue of access to obstetricians and gynecologists. In our bill that has been introduced, we take care of this. I believe strongly we take care of it. We say, in section 723: The plan shall waive the referral requirement in the case of a female participant or beneficiary who seeks coverage for routine obstetrical care or routine gynecological care.

We are talking about routine women's health issues. We waive the referral process. There is not a gatekeeper. A patient goes straight to their obstetrician and gynecologist. That is what women tell me they want in terms of access to that particular specialized, trained individual.

It is written in our bill. Let me read what is in our bill.

> The plan shall waive the referring requirement in the case of a female participant or beneficiary who seeks routine obstetrical care or routine gynecological care.

Therefore, I think the access provisions in the Kennedy-Robb amendment are unnecessary and are addressed in our underlying bill. Plus, they go one step further in saying that this specialist is the individual's primary care provider. I am just not sure of the total implications of that, especially after an obstetrician who is the chairman of the American College of Obstetrics and Gynecology very clearly states that merely assuming that a specialist is a good primary care physician is not necessarily correct.

Also, in our bill, beyond the routine care—this is in section 725 of our bill where we address access to specialists—we say:

> A group health plan other than a fully insured health plan shall ensure that participants and beneficiaries have access to specialty care when such care is covered under the plan.

So they have access to specialty care when obstetrics care and gynecological care is part of that plan.

So both here and in the earlier provision of section 723, where we talk about routine obstetrical care, there is no gatekeeper; there is no barrier; a woman can go directly to her obstetrician and her gynecologist, which is what they want. Or, if you fall into the specialty category in provision 725, you have access to specialty care when such care is covered under the plan.

As I go through the Kennedy-Robb plan, and this is obviously the amendment that we are debating on the floor, there are a number of very reasonable issues in there. Again, I think the intent of the amendment is very good. I do notice secondary consultations in the amendment. I think, as we address the issue of women's health, obstetrical care, breast cancer treatment, access to appropriate care, which we plan on addressing and we will address, I believe, this is the amendment Senators SNOWE and ABRAHAM have been working on so diligently, the idea of secondary consultations.

About 2 months ago we did a women's health conference. It was wonderful. It was in Memphis, TN. It was on women's health issues. Maybe 200 or 300 people attended, focusing on women's health issues. We talked about the range of issues, whether it was breast cancer, cervical cancer, osteoporosis, diseases of the aging process, but an issue which came up was the issue of secondary consultations. Because it is dealing with something that is very personal to them, women say: Is there any way we can reach out in some way with health plans to lower the barriers for us to get a second opinion?

Why is that important? Part of that is important because of this huge variation. If you go to one doctor and he says do a mastectomy, which is very disfiguring, it is very clearly indicated—there are clear-cut indications for mastectomy or lumpectomy today. If you hear two different versions, you may want to get a secondary opinion or a secondary consultation.

What we are looking at in that regard is language similar to this: to provide coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields.

"Medical fields," I think we need to go a little bit further and focus on whether it is pathology or radiology or oncology or surgery to confirm—and I think it should be part of the language—to confirm or to refute the diagnosis itself. That is full coverage by the plan for secondary consultations for cancer as it deals with women's health issues.

I think that will be an important part to include as we address this very specific field. It is totally absent in the Kennedy-Robb amendment. I propose offering an amendment which does much of what they say in terms of inpatient care, changing this terminology from "generally accepted medical standards," which I think is potentially dangerous, and move on to the language which I think should be used, which is "medically necessary and appropriate."

The access issue, I believe, we have developed. There are other issues in the bill that I will work with Senators ABRAHAM and SNOWE to address, in a systematically and well-thought-out way, so we can do what is best for women in this treatment of cancer, breast cancer, mastectomy, and access to obstetricians and gynecologists. That is something about which we need to ensure that no managed care plan says: No, you cannot go see your obstetrician; or, no, you cannot go see your gynecologist; or, no, you have to hop through a barrier; or, no, you have to go see a gatekeeper before you can see your obstetrician/gynecologist. We are going to stop that practice, and we are going to stop that in the Republican bill we put forward.

I have introduced the concept today—again, it is very important—of medical necessity and how we define what is medically necessary and appropriate. It is something critical. It is something we are going to come back to. I think with all the issues we are discussing, if we try to put in Federal law, Federal statute, a definition of what is medically necessary and appropriate instead of leaving it up to a physician who is trained in the field, a specialist, we are going in the wrong direction and have the potential for broadly harming people.

I urge defeat of this amendment with the understanding we are going to come back and very specifically address the issues I have talked about today.

I yield the floor.

Mr. LIEBERMAN. Mr. President, I rise today to express my support for the Robb-Murray amendment, which provides our mothers, wives, daughters and sisters with direct access to OB/GYN care and strengthens the ability of a woman and her doctor to make personal medical decisions.

The sponsors of this amendment, along with most women and most Americans, believe that a woman should have the choice and the freedom to select an OB/GYN physician as her primary care provider and to determine, in consultation with her doctor, how long she should stay in the hospital following surgery.

Those critical and deeply personal judgments should not be trumped by the arbitrary guidelines of managed care companies. The women in our lives deserve better than drive-by mastectomies. With the Robb-Murray amendment, we will say so in law, and ensure that women receive the services they need and the respect they are owed.

Studies show that when women have a primary care physician trained in OB/GYN, they receive more comprehensive care and greater personal satisfaction when they are treated by doctors trained in other specialties.

We should consider, too, that breast cancer is the second leading killer of women in this country. New cases of this disease occur more than twice as often as second most common type of cancer, lung cancer. More than 178,000 women in this country were diagnosed with breast cancer in 1998. I have no doubt we will someday find the origin and cure for this terrible malady. Until then, though, we have a duty to make the system charged with treating these women respectful and responsive to their needs.

Sadly, the evidence suggests we have a long way to go. We continue to receive disturbing reports about the insistence of some insurance companies to force women out of the hospital immediately after physically demanding and emotionally traumatic surgeries. We have been shocked by stories of women being sent home with drainage tubes still in their bodies and groggy from general anesthesia. This is distressing to me not just as a policymaker, but as a son, father, and husband.

Now, some critics of the Robb-Murray Amendment want to sidestep this problem, and suggest that we are legislating by body part. To that, I say:

Those who oppose this provision are wasting a valuable opportunity to increase the quality of physical health care for over half the population of the United States.

Those who oppose are ignoring the suffering and inconvenience of women throughout this country trying to receive the basic health care that they have every right to expect.

Those who oppose are failing to right a wrong that we have tolerated for too long.

Mr. President, women are being denied the quality of care they are paying for and to which they have a moral right. And this Senate has a chance today to begin fixing this inequity. I urge my colleagues to look beyond the rhetoric and see the very simple and fair logic that calls for the passage of this amendment, and join us in supporting it.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Mr. President, how much time remains on this amendment?

The PRESIDING OFFICER. There are 7 minutes and 26 seconds on the side of the Senator from Oklahoma. The other side has used all its time.

Mr. NICKLES. Mr. President, let me make a couple of comments. I heard my friend and colleague from Massachusetts say: Where is everybody in the debate? We have just received the amendment. I would like to look at it, and I had a chance to look at it while some of the debate was going on. I would like to make a couple of comments on it.

I found in the amendment—

Mr. KENNEDY. On that point, will the Senator yield?

Just on the point of the representation you just made. It is virtually the same amendment that was offered in the committee.

The PRESIDING OFFICER. Does the Senator yield?

Mr. NICKLES. No, I do not.

Mr. KENNEDY. It is not a surprise. It is the same amendment, effectively.

Mr. NICKLES. The Senator from Massachusetts says it is the same amendment offered in committee, but that is not factual. The Senator can correct me if I am wrong, but this amendment deals with Superfund. This amendment deals with transferring money from general revenue into Social Security. That was not offered in committee. There are few tax provisions in here. I asked somebody: What is this extension of taxes on page 17? My staff tells me it is a tax increase of $6.7 billion on Superfund. I don't know what that has to do with breast cancer, but it is a tax increase on Superfund.

I know we need to reauthorize Superfund. I didn't know we were going to do it on this bill. I stated in the past we are not going to pass the Superfund extension until we reauthorize it. We should do the two together. Why are we doing it on this bill?

So there are tax increases in here that nobody has looked at. They did not do that in the Labor Committee or the health committee, I do not think. I asked the Chairman of the committee. I don't think they passed tax increases on Superfund. That does not belong in the HELP Committee.

Certainly transferring money from the general revenue fund, as this bill does, into the Social Security trust fund, was not done in the HELP Committee, I do not think. It should not have been done. My guess is the Finance Committee might have some objections. Senator ROTH is going to be on the floor saying: Wait a minute, what is going on?

So there is a lot of mischief in these amendments. Some of us have not had enough time. One of the crazy things about this agreement is we are going to have amendments coming at us quickly. We have to have a little time to study them. Sometimes we find some things stuck in the amendments which some of us might have some objections with.

I want to make a couple of comments on the amendment. In addition to the big tax increases hidden in the bill, this amendment also strikes the underlying amendment that many of us have proposed on this side that says, whatever we should do we should do no harm. If we are going to increase premiums by over 1 percent; let us not do a bill. Maybe people forgot about that, but that is an amendment we offered earlier. This amendment, the Robb amendment, says, let's strike that provision. We do not care how much the Kennedy bill costs.

Some of us do care how much it costs. We do not want to put millions of people into the ranks of the uninsured. We do not want to do harm. Unfortunately, the amendment proposed by Senator ROBB and others would do that. It would strike that provision. It would eliminate that provision.

On the issue of breast cancer and mastectomy and lumpectomy and so on, Senator FRIST has addressed it a little bit. Senator SNOWE and others will be offering an amendment that is related and, I will tell you, far superior to the amendment we have on the floor.

I do not know if we will get to it tonight. Certainly, we will get to it tomorrow. It is a much better amendment. It is an amendment that has been thought out. It is an amendment that does not have Superfund taxes in it. It is an amendment that includes, as this bill does, transfers from the general revenue fund into the Social Security trust.

I urge my colleagues at the appropriate time to vote "no" on the Robb amendment, and then let's adopt the underlying amendment which says we should not increase health care costs by more than 1 percent; let's not do damage to the system; let's not put people into the ranks of uninsured by playing games, maybe trying to score points with one group or another group. Let's not do that. Let's not make those kinds of mistakes.

If people have serious concerns dealing with breast cancer and how that should be treated, again, Senator SNOWE, Senator ABRAHAM, and Senator FRIST have an amendment they have worked on for some time that I believe is much better drafted. It does not have Superfund taxes in it. It does not have a transfer of general revenue funds into the Social Security trust fund. It does not make these kinds of mistakes that we have, unfortunately, with this pending amendment.

Mr. GREGG. Will the Senator yield for a question?

Mr. NICKLES. I ask how much time we have?

The PRESIDING OFFICER. The Senator has 2½ minutes.

Mr. GREGG. As I understand it, by repealing the underlying amendment, which would limit the cost increase to 1 percent and would say, in the alternative, if 100,000 people are knocked off the rolls of insured, the bill will not go forward. If we repeal that and those 100,000 people are knocked off the rolls, they are not going to have any insurance for mastectomies; right?

Mr. NICKLES. The Senator is exactly right.

Mr. GREGG. Basically, the proposal of the Senator from Virginia, supported by Senator KENNEDY, uninsures potentially 100,000 women from any mastectomy coverage as a result of their amendment or any other coverage.

Mr. NICKLES. The Senator makes a good point, but probably not 100,000. Estimates would probably be much closer to 2 million people would be uninsured and have no coverage whatsoever in any insurance proposal if we adopt the underlying Kennedy amendment.

Mr. GREGG. Of those 2 million people, we can assume potentially half would be women. So we have approximately 1 million women who would not have insurance as a result of this amendment being put forward on the other side.

Mr. NICKLES. The Senator is correct.

Mr. SANTORUM. Mr. President, will the Senator from Oklahoma yield for a question? As a matter of fact, we have some information just provided to us that under the Kennedy legislation, S. 6, with 1.9 million people no longer being insured, you would have 188,595 fewer breast examinations. If people had their routine breast examinations, of those 1.9 million, a certain percentage would be women, that would be the number of breast exams that would no longer take place if this legislation passed.

We hear so much talk about "in human terms," and they say this argument does not cut. These people are going to lose insurance. They will lose insurance. They will not get coverage so you do not have to worry about covering them for a mastectomy. They are going to find out, in many cases, unfortunately, far too late for even those kinds of treatments to be helpful. That is what we are trying to prevent in not passing a bill that drives up costs dramatically which drives people out of the insurance area.

Mr. NICKLES. I appreciate my colleague's comment. I yield back the remainder of my time and ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KENNEDY. Mr. President, the more we debate, the more confused our good colleagues on the other side, quite frankly, become. The underlying amendment dealing with the OB/GYN is the amendment that was offered in committee and that is no surprise.

The other provision the Senator from Oklahoma talks about is funding the self-insurance tax deduction introduced by the Senator from Oklahoma without paying for it. This would subject the bill to a point of order if it was carried all the way through. He did not pay for it.

It is a red herring. Time and time again we have put in the General Accounting Office document which states that the protections in this bill will enhance the number of people insured, not reduce the number.

Does the Senator from Pennsylvania actually believe we are endangering breast cancer tests for women, reducing Pap tests, reducing examinations for breast cancer and yet the breast cancer coalition supports our proposal? Is he suggesting any logic to his position?

Mr. President, I yield back the remainder of the time and look forward to the vote.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield myself 1 minute on the bill.

The Senator from Pennsylvania is right. The whole essence of the second-degree amendment is to kill the underlying amendment because the Senator from Massachusetts does not want to say we will not increase costs by more than 1 percent, because, frankly, he wants to, and expects to, increase costs by 5 or 6 percent. The net result of that will be to uninsure a couple million people, half of which could be women, half of which will not get those exams, half of which will not get those screenings, half of which will not get the care they need. That is the purpose of the amendment.

In the process, he also increases Superfund taxes and also comes up with general transfers of money from the general revenue fund to the Social Security fund. That is a mistake.

I urge my colleagues to vote no and keep in mind that in dealing with breast cancer, Senator SNOWE, Senator FRIST, and Senator ABRAHAM will offer a much better proposal later in this debate. I yield the floor.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to amendment No. 1237. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

The result was announced—yeas 48, nays 52, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Warner
Wellstone
Wyden

NAYS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich

The amendment (No. 1237) was rejected.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1238 TO AMENDMENT NO. 1236

(Purpose: To make health care plans accountable for their decisions, enhancing the quality of patients' care in America)

Mr. NICKLES. Mr. President, I send an amendment to the desk on behalf of Senator FRIST, Senator JEFFORDS, and others, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HAGEL). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for Mr. FRIST, for himself and Mr. JEFFORDS, proposes an amendment numbered 1238 to amendment No. 1236.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. NICKLES. Mr. President, for the information of our colleagues, we have now disposed of the Democrats' second-degree amendment to the first-degree amendment proposed by the Republicans, which first-degree amendment would limit the cost of the Kennedy health care bill to 1 percent. Now I have sent a second-degree amendment up under the unanimous consent agreement. Each side could offer a second-degree.

The amendment I sent to the desk on behalf of Senators FRIST, JEFFORDS, and others, is a very important amendment, so I hope all of our colleagues will listen to it. The amendment would strike the medical necessity definition that was in the Kennedy bill and replace it with the grievance/appeals process we have in our bill. In other words, it is a very significant amendment, one that we had significant discussion on last week. Some of our colleagues said they really wanted to vote on it last week. We will get to vote on it, depending on the majority leader's intention. If the time runs on this amendment, all time would be used, and we would probably be ready for a vote at about 6:40. Of course, it would be the majority leader's call whether or not to have a vote.

The amendment deals with medical necessity. It replaces the definition in the Kennedy bill with the grievance and appeals process that we have in the Republican package, which I think is a far superior package as far as improving the quality of care. I compliment Senator JEFFORDS, Senator FRIST, and others for putting this together.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, this is an extremely important amendment. I think everyone ought to understand exactly what we are trying to do.

We are entering into a new era with respect to the availability of health care, good health care, excellent health care. We have seen pharmaceuticals being devised which would do miraculous things. We are also having medical procedures designed and devices created. But what we have not seen is their being available everywhere, or a standard that will make them available in areas where they ought to be available.

What we are trying to do today is establish that every American is entitled to the best medical care available, not that which is generally available in your area; not be different from one end of the country to the other but that everyone is entitled to that health care, especially if you are in an HMO. They should be, and must be, aware of what is the best health care that would serve you to make you a well person.

For a couple of days now, we have heard many tragic stories about children who were born with birth defects or who were injured because the private health care system failed them in some manner. I know my colleagues on the other side of the aisle have a bill they believe would address these situations. The Republican health care bill addresses the concerns people have about their health care without causing new problems.

Americans want assurance that they will get the health care they need when they need it. I am going to describe exactly how the Republican bill does just that. I am also going to describe how the Republican bill will create new patient rights and protections which would have prevented the tragic situations described by my colleagues on the other side of the aisle.

Finally, I want to talk about how the Republican bill achieves these goals in an accountable manner, without increasing health care costs, without a massive new Federal Government bureaucracy, and without taking health care insurance away from children and families. It doesn't cost money to increase your ability to make sure you are aware of what is available. The heart of the Republican Patients' Bill of Rights Plus Act is a fair process for independent external review that addresses consumer concerns about getting access to appropriate and timely medical care in a managed care plan.

The Republican bill establishes gateways that ensure medical disputes get heard by an independent, external reviewer. The plan does not have veto power in these decisions. Denials or disputes about medical necessity and appropriateness are eligible for review, period. If a plan considers a treatment to be experimental or investigational, it is eligible for external review. The reviewer is an independent physician of the same specialty as the treating physician. In addition, the reviewer must have adequate expertise and qualifications, including age-appropriate expertise in the patient's diagnosis.

So, in other words, a pediatrician must review a pediatric case and a cardiologist must review a cardiology case. In the Republican bill, only qualified physicians are permitted to overturn medical decisions by treating physicians. The reviewer then makes an independent medical decision based on the valid, relevant scientific and clinical evidence. This standard ensures that patients get medical care based on the most up-to-date science and technology.

The Kennedy bill describes medical necessity in the statute. It does not define it in a manner that ensures that patients will get the highest quality care and the most up-to-date technology.

The Republican bill ensures that physicians will make independent determinations based on the best available scientific evidence. That is the standard, the best available scientific evidence. It is that simple. Health plans cannot game the system and block access to external review. To ensure this is the case, I have asked the private law firm of Ivins, Phillips & Baker to analyze the Republican external review provision, asking two key questions: First, could a plan block a patient from getting access to external review in a manner that is inconsistent with the intent of our provision?

Second, is there any factor that would prevent the external reviewer from rendering a fair and independent medical decision?

I request that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

IVINS, PHILLIPS & BARKER,
Washington, DC, July 12, 1999.

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Health, Education, Labor and Pensions, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: You have asked us to provide you with our opinion on the outcomes of certain medical claims denials under the bill reported out of your Committee, The Patients' Bill of Rights Act of 1999, S. 326 (the "Bill").

In each of these examples, a claim is made for coverage or reimbursements under an employer-provided health plan, and the claim is denied. You have specifically asked us to comment on whether the claims would be eligible for independent external review under the Bill, which provides the right to such review for denials of items that would be covered under the plan but for a determination that the item is not medically necessary and appropriate, or is experimental or investigational.

A. Bill's provisions for independent external review

If a participant or beneficiary in an employer-provided health plan makes a claim for coverage or reimbursement under the plan, and the claim is denied, the Bill amends the Employee Retirement Income Security Act of 1974 (ERISA) to provide that he or she has the right to written notice and internal appeal of the denial within certain time-frames set forth by statute.[1] If the adverse coverage determination is upheld on internal appeal, the Bill provides that the participant or beneficiary in certain cases has the right to independent external review.[2]

The right to independent external review exists for denial of an item or service that (1) would be a covered benefit when medically necessary and appropriate under the terms of the plan, and has been determined not to be medically necessary and appropriate; or (2) would be a covered benefit when not experimental or investigational under the terms of the plan, and has been determined to be experimental or investigational.[3]

A participant or beneficiary who seeks an independent external review must request one in writing, and the plan must select an entity qualified under the Bill to designate an independent external reviewer. Under the Bill's standard of review, the independent external reviewer must make an "independent determination" based on "valid, relevant, scientific and clinical evidence" to determine the medical necessity and appropriateness, or experimental or investigational nature of the proposed treatment.[5]

B. Fact patterns

You have asked us to review whether the following fact patterns would be eligible for external review under the terms of the Bill. You have also asked for our judgment on whether any factor in these examples would compromise the reviewer's ability to make an independent decision.

Fact Pattern 1: An employer contracts with an HMO. The HMO contract (the plan document) states that the "HMO will cover everything that is medically necessary" and that the "HMO has the sole discretion to determine what is medically necessary."

Question 1: Would any denial of coverage or treatment based on medical necessity be eligible for external review?

Answer: All claims denials would be eligible for independent external review under the Bill.

The hypothetical employer who drafted this plan may have thought that, by covering all "medically necessary" items, the plan incorporates medical necessity as one of the plan's terms. Under this apparent view, any coverage denial by the HMO at its sole discretion, would be a fiduciary act of plan interpretation, rather than a medical judgment. Under this view, then, all claims denials would be contract decisions rather than medical ones, and no denials would be eligible for independent external review.

The terms of the Bill clearly prevent this end-run around its intent. The Bill provides that the right of external review exists for any denial of an item that is covered but for a determination based on medical necessity, etc., "under the terms of the plan." That is, the statutory language provides for external review of any determination of medical necessity, etc., even when that determination is intertwined with an interpretation of the plan's terms.

The report of your Committee clarifies that intent. The report explicitly notes that "some coverage discussions involve an element of medical judgment or a determination of medical necessity." After walking

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Footnotes at end of letter.

through an example of a coverage decision which involves such a judgment, the report concludes that your Committee intends that such "coverage denials that involved a determination about medical necessity and appropriateness" would be eligible for independent external review.[5]

That is, under the Bill any interpretation of the plan's terms triggers independent external review when that interpretation involves an "element of medical judgment."

To further remove any ambiguity on this point, the Committee report states that any determination of medical necessity is eligible for independent external review, even if the criteria of medical necessity are partly included as plan terms requiring contract interpretation: "The committee is interested in ensuring that, in cases where a plan document's coverage policy on experimental or investigational treatment is not explicit or is linked to another policy that requires interpretation, disputes arising out of these kinds of situations will be eligible for external review."[6]

Thus, even assuming that the HMO's determinations in this example are plan interpretations by a fiduciary, they are not saved from independent external review under your bill. Any coverage determination by the HMO in this example involves "an element of medical judgment or a determination of medical necessity," and is therefore eligible for independent external review under the Bill and Committee report. Moreover, the standard used by the HMO in this example for determining medical necessity is not "explicit," and is therefore eligible for independent external review under the Bill and Committee report.

In short, under the hypothetical plan of this example, all claims would involve determinations of medical necessity, and all denials would be eligible for independent external review.

Question 2: Is there any factor that would prevent the reviewer from rendering an independent decision?

Answer. No. The reviewer's decision must be independent. Under the Bill, the reviewer shall consider the standards and evidence used by the plan, but is intended to use other appropriate standards as well. It is expressly intended that the review not defer to the plan's judgment under the deferential "arbitrary and capricious" standard of review.

Under the Bill, the independent external review must make an "independent determination" based on "valid, relevant, scientific and clinical evidence," to determine medical necessity, etc. In making his or her determination, the independent external reviewer must "take into consideration appropriate and available information," which includes any "evidence based decision making or clinical practice guidelines used by the group health plan," as well as timely evidence or information submitted by the plan, the patient or the patient's physician, the patient's medical record, expert consensus, and medical literature.[7]

That is, under the Bill the reviewer is instructed to consider standards and evidence used by the plan, but is intended to include other standards and evidence as well. The Committee report clarifies this by stating that the external review shall "make an assessment that takes into account the *spectrum* of appropriate and available information."[8] Fleshing out the above-cited list set forth in the statute, the report further clarifies that such information can include, for example, peer-reviewed scientific studies, literature, medical journals, and the research results of Federal agency studies.[9]

Moreover, the reviewer is not bound by the standard or evidence use by the plan, but must rather "make an independent determination and not be bound by any one particular element."[10] The Committee report further states that the independent reviewer should not use an "arbitrary and capricious" standard in reviewing the plan's decision.[11] That is, the reviewer is specifically prohibited from using the deferential standard now used by federal courts in reviewing certain coverage determinations by ERISA plan fiduciaries.

In short, the Bill provides that the reviewer shall use not only the standards and evidence considered by the plan, but other appropriate standards as well, in rendering its independent judgment.

Fact Pattern 2: A plan covers medically necessary procedures but specifically excludes cosmetic procedures. An infant born to a participant is born with a severe cleft palate. The infant's physician contends that plastic surgery to correct the cleft palate is necessary so the child can perform normal functions like eating and speaking. The plan denies the request on the grounds that it does not cover cosmetic surgery. The participant appeals the decision, arguing that the procedure is medically necessary. The treating physician provides supporting documentation that the procedure is medically necessary.

Question 1: Is the denial of surgery in this example eligible for external review?

Answer: Yes, the denial of surgery in this example is eligible for independent external review under the Bill.

The plan in this example covers surgery generally, but excludes "cosmetic" surgery. As with many plans, the term "cosmetic" is not defined. There is therefore no express basis in the plan's terms for inferring that "cosmetic" is defined as a procedure that is not "medically necessary and appropriate." Does this mean that the claims denial in this example is merely an act of plan interpretation, without any determination of medical necessity? And if so, does this mean that the denial is not eligible for external review?

No. Under the terms of the Bill, any denial based on medical necessity, etc., is eligible for external review. This is so even if the denial is based on plan terms that do not expressly incorporate a reference to medical necessity, as long as interpretation of those terms involves "an element of medical judgment."

This intent is spelled out in the report of your Committee, which, as already noted, states that "The committee recognizes that *some coverage determinations involve an element of medical judgment or a determination of medical necessity and appropriateness.*"[12] The report goes on to give an example: "For instance, a plan might cover surgery that is medically necessary and appropriate, but exclude from coverage surgery that is performed solely to enhance physical appearance. In these cases, a plan must make a determination of medical necessity and appropriateness in order to determine whether the procedure is a covered benefit."

The report concludes that, "It is the committee's intention that coverage denials that involved a determination about medical necessity and appropriateness, such as the example above, would be eligible for external review."

In the example discussed here, the plan's denial is based on its determination that the procedure is "cosmetic" under the terms of the plan. This interpretation of the plan includes a significant element of medical judgment. This is so despite the fact that plan uses the term "cosmetic" without an express reference to medical necessity. The essential element of medical judgment is evidenced in part by the fact that the treating physician provides documentation for his or her judgment that the treatment is necessary for certain basic life functions.

In short, the coverage dispute in this example turns on whether the procedure is cosmetic under the plan's terms. Under the Bill as amplified by the report of your Committee, this determination includes an "element of medical judgment or determination of medical necessity." Therefore, the denial is eligible for independent external review under the Bill.

Question 2: Is there any factor that would prevent the reviewer from rendering an independent decision?

Answer: No, the reviewer's decision is independent, for the reasons set forth in our answer to this question in the above Fact Pattern 1. That is, under the Bill the reviewer shall use not only the standards and evidence considered by the plan, but other appropriate standards as well, in rendering its independent, nondeferential judgment as to whether the requested treatment is medically necessary and appropriate or experimental and investigational.

Fact Pattern 3: The employer contracts with an HMO that has a closed-panel network of providers which includes pediatricians. A baby born to a participant is born with a severe and rare heart defect. The infant's own network pediatrician, who is not a pediatric cardiologist (i.e., a pediatric subspecialist), recommends that the infant be treated by such a specialist. The network does not include a pediatric cardiologist. The plan denies coverage for a non-network pediatric sub-specialist, saying that one of the plan's network pediatricians can provide any medically necessary care for the infant.

Question 1: Is the denial in this case eligible for independent external review?

Answer: Yes, the denial of pediatric subspecialist care in this example is eligible for independent external review under the Bill.

The Bill requires that participants have access to specialty care if covered under the plan.[13] The report of your Committee explains that a health plan must "ensure that plan enrollees have access to specialty care when such care is needed by an enrollee and covered under the plan and when such access is not otherwise available under the plan."[14]

The bill defines specialty care with respect to a condition as "care and treatment provided by a health care practitioner . . . that has adequate expertise (including age appropriate expertise) through appropriate training and experience."[15]

In short, the Bill defines specialty care in terms of whether the care is "needed" by the enrollee, and by reference to whether the care is "adequate," and the expertise "appropriate."

Under the terms of the Bill, then, a physician's determination that specialty care is required is by its terms a judgment based on the medical necessity and appropriateness of that care. Therefore, the treating physician's recommendation in this example that the infant be treated by a pediatric subspecialist is a judgment of medical necessity. The plan's denial of such specialty care is a denial of an otherwise covered service, based on a judgment of the medical necessity or appropriateness of that service. The denial is eligible for independent external review under the terms of the Bill.

Question 2: Is there any factor that would prevent the reviewer from rendering an independent decision in this case?

Answer: No, the reviewer's decision is independent, for the reasons set forth in our answer to this questions in the above Fact Patterns 1 and 2. That is, under the Bill the reviewer shall use not only the standards and evidence considered by the plan, but other appropriate standards as well, in rendering its independent judgment as to whether the requested treatment is medically necessary and appropriate or experimental and investigations.

Fact Pattern 4: A participant calls the plan to report that the participant's infant is very sick, and inquiries about emergency services. The plan representative pre-authorizes coverage in a participating emergency facility, which is 20 miles away. Alarmed by the infant's various severe symptoms, the participant instead takes the infant to a nearby emergency facility which is only 5 minutes away. Shortly after arrival, the baby is diagnosed as having spinal meningitis, and goes into respiratory arrest. The baby is immediately treated and stabilized, and tissue damage that might otherwise have resulted is avoided. The participant submits a claim to the plan for reimbursement of the emergency treatment. The claim for reimbursement is denied on the grounds that coverage was preauthorized only if provided in the more distant, in-network, emergency facility specified by the plan representative.

Question 1: Would the denial of reimbursement in this case be eligible for independent external review?

Answer: Yes, under the Bill the denial of reimbursement would be eligible for review by an independent external reviewer.

The Bill requires that if a plan covers emergency services, it must in some cases cover such services without pre-authorization, and without regard to whether the services are provide out-of-network.

Specifically, such coverage must be provided for "appropriate emergency medical screening examinations" and for additional medical care to "stabilize the emergency medical condition," to the extent a "prudent layperson who possesses an average knowledge of health and medicine" would determine that an examination was needed to determine whether "emergency medical care" is needed.[16] "Emergency medical care" is defined as care to evaluate or stabilize a medical condition manifesting itself by "acute symptoms of sufficient severity (including severe pain)" such that a "prudent layperson who possesses an average knowledge of health and medicine" could reasonably expect the absence of medical care to endanger the health of the patient or result in serious impairment of a bodily function or serious dysfunction of any bodily organ or part.[17]

That is, under the Bill, reimbursement for the services in this example must be provided if the services satisfy the "prudent layperson" standard of the bill. The prudent layperson standard is met if an individual without specialized medical knowledge could reasonably reach the decision, based on the patient's symptoms, that lack of medical care could possibly result in severely worsened health or injury, and that expert medical observation is therefore necessary.

A determination made by the "prudent layperson" is therefore a determination of medical necessity or appropriateness—albeit one made under a nontechnical, nonexpert, standard. Under the Bill, a plan is required to incorporate this lower, non-expert or "prudent layperson" standard in evaluating whether to cover non-pre-authorized, out-of-network emergency medical care.

In this example, the participant's judgment, based on the baby's symptoms, that the baby should be observed as quickly as possible by medical experts at the nearer facility, is a judgment of medical necessity and appropriateness, made under this lower, non-expert standard. Likewise, the plan's denial of coverage in this case is based on the plan's determination that the participant's judgment concerning medical necessity was in error even under this lower standard.

In short, the coverage dispute in this case involves a judgment of medical necessity and appropriateness under the "prudent layperson" standard mandated by the Bill, and is therefore eligible for independent external review under the Bill.

Question 2: Is there any factor that would prevent the reviewer from rendering an independent decision?

Answer: No, the reviewer's decision is independent, for the reasons set forth in our answer to this question in the above Fact Patterns 1, 2 and 3. That is, under the Bill the reviewer shall use not only the standards and evidence considered by the plan, but other appropriate standards as well, in rendering its independent judgment as to whether the requested treatment is medically necessary and appropriate or experimental and investigational.

I hope this letter has been responsive to your request. Please do not hesitate to have your staff contact me for any questions with respect to the points here discussed.

Very truly yours,

ROSINA B. BARKER.

FOOTNOTES

[1] ERISA §§503(b), (d), as added by S. 326 §121(a).

[2] ERISA §503(e), as added by S. 326 §121(a).

[3] ERISA §503(e)(1)(A), as added by S. 326 §121(a).

[4] ERISA §503(e)(4), as added by S. 326 §121(a).

[5] S. Rep. No. 82, 106th Cong., 1st Sess. 46 (1999).

[6] *Id.* at 47.

[7] ERISA §503(e)(4), as added by S. 326 §121(a).

[8] S. Rep. No. 82, 106th Cong., 1st Sess. 48 (1999) [emphasis supplied].

[9] *Id.* at 49.

[10] *Id.* at 48.

[11] *Id.* at 48.

[12] *Id.* at 46 [emphasis supplied].

[13] ERISA §725(a), as added by S. 326 §101(a).

[14] S. Rep. No. 82, 106th Cong., 1st Sess. 32 (1999).

[15] ERISA §725(d), as added by S. 326 §101(a).

[16] ERISA §721(a), as added by S. 326 §101(a).

[17] ERISA §721(c), as added by S. 326 §101(a).

Mr. JEFFORDS. Let me provide examples of how our external review provisions ensure that patients and children get medical care.

Chart 1 illustrates under the Republican bill that the health plan cannot "game the system" by blocking access to external review or using some cleverly worded definition of "medical necessity." The Republican provision ensures that people get the medical care they need.

Here is an example of an HMO that has a planned contract which says the HMO will cover "medically necessary care" but the HMO has the sole discretion to determine what is "medically necessary."

Of course, this is an extreme example. Let's see if it holds up under our external review provision. In this example, the patient and physician may not know the plan's rationale for denying a claim since it is the HMO's sole discretion to determine medical necessity. This can be frustrating for both the patient and the physician.

Under the Republican bill, a denied claim would be eligible for an outside independent medical review. In fact, all denied medical claims under this example would be eligible for review under our provision. This is confirmed by the outside legal analysis which I have submitted for the RECORD. The legal opinion says:

> The statutory language provides for external review of any determination of medical necessity and appropriateness, even when that determination is intertwined with an interpretation of the plan's terms.

The external reviewer would make an independent medical determination. There is nothing in the HMO contract or in the legislative provision that prevents the reviewer from making the best decision for the patient. If the patient needs the medical care, the reviewer will make this assessment. They will get the care. The independent reviewer's decision is binding on the plan.

Chart 2 is an example of a cleft palate. This chart illustrates that patients, and especially children, will get necessary health care services. Plans will not be able to deem a procedure as "cosmetic" and thus block access to external review. Only physicians can make coverage decisions involving medical judgment.

An example we have heard many times from our colleagues on the other side of the aisle is of an infant born with a cleft palate. The infant's physician recommends surgery so the child can perform normal daily functions, such as eating and speaking normally. The treating physician says this surgery is medically necessary and appropriate. In this example, the HMO planned contract states: "The plan does not cover cosmetic surgery." It was denied as a claim, saying the child's surgery is not a covered benefit because it is a cosmetic procedure, despite the recommendations of the treating physician.

What does this mean? Does this mean this is the end of the road for this child's family? No. Under the Republican bill, this denial of coverage would be eligible for appeal because the decision involves an "element of medical judgment." Under the Republican bill, medical decisions are made by physicians with appropriate expertise. In this case, it means an independent reviewer would be required to have pediatric expertise.

Finally, the independent medical reviewer would look at the range of appropriate clinical information and would have the ability to overturn the plan's decision. The child would receive the surgery to correct the cleft palate, and the plan would cover this procedure because the reviewer's decision is binding on the plan.

The next chart is on emergency room coverage. The primary point of this chart is that under the prudent layperson standard, parents can use their judgment and take their sick child to the nearest emergency room without worrying about whether the plan will deny coverage.

Another example we are all familiar with is of little Jimmy whose tragic story has been told by Senator DURBIN. His parents called the HMO when their baby fell ill. The HMO nurse recommended the parents take their sick child to a participating hospital an hour's drive away. During their long drive, the family passed several closer hospitals along the way. The child's symptoms grew worse and the baby went into respiratory arrest. By the time they got to the hospital, the one that the HMO said was covered by a plan, it was too late. The tissue damage resulted in the loss of a limb and little Jimmy had to endure a quadruple amputation. This is a horrible situation.

Let's look at what the Republican bill would do to address this type of tragic and unnecessary situation. First, under our prudent layperson standard, a parent would not have to call the HMO to get permission to go to the nearest emergency room. In this case, the parents could have gone to the closest emergency room and little Jimmy would not have gone into respiratory arrest. This tragedy would have been averted under the Republican provision because our bill ensures that emergency room services must be provided without preauthorization and without regard to whether the services are provided out of network.

Say for the sake of argument that the plan denies reimbursements after the hospital has provided the treatment. Under the Republican bill, little Jimmy's family would not be stuck with the hospital charges. They could appeal this decision to an outside reviewer because the decisions about whether care is medically necessary are eligible for external review.

The law firm of Ivins, Phillips & Baker says that under our provision:

> The coverage dispute in this case involves a judgment of medical necessity and appropriateness under the prudent layperson standard mandated by the bill, and therefore is eligible for independent external review under the bill.

This is a quote from the letter that has been previously printed in the RECORD.

Mr. SCHUMER. Will the Senator yield?

Mr. JEFFORDS. The independent medical reviewer can make an independent decision and overturn the plan denying reimbursement. This decision is binding on the plan and not appealable.

Mr SCHUMER. Would the Senator from Vermont yield for a question?

Mr. JEFFORDS. Let me finish.

Mr. SCHUMER. I thank the Senator.

Mr. JEFFORDS. As Members can see from the examples on these charts, the Republican Patients' Bill of Rights ensures patients get the medical care they need, that parents can be assured their children will be cared for by appropriate specialists, and that people can go forward to emergency rooms when they are sick, when the children are sick, and can do so with the assurance that their health plan will cover these services.

Establishing these important rights will help families avoid illness, injury, and improve the quality of health care. I believe this is why we are debating this issue today. You can't sue your way to health care. Congress can't create a definition of "medical necessity" that is better than letting physician experts make decisions on the best available science. They must practice the best available science.

However, we can improve access to health care services and ensure that people get timely access to the medical care they need. We can ensure that health care we provide is high quality health care. Most important, we can do all these things without increasing health care costs and causing more Americans to lose their coverage.

We accomplish all these goals with the Republican Patients' Bill of Rights.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, this amendment goes to the heart of the issue. I urge our colleagues to pay attention to the exchange we are going to have on the floor of the Senate.

Let us look, first, at what is in the Democratic bill. In the Democratic bill, "medical necessity," as defined on page 86, is "medically necessary or appropriate." That is the standard definition medicine has used for 200 years. It is the standard recommended by none other than the Health Insurance Association of America itself, on page 269:

> Medical necessity. Term used by insurers to describe medical treatment that is appropriate and rendered in accordance with generally accepted standards of medical practice.

Our legislation does what the Health Insurance Association of America recommended. This is the standard that has been used for 200 years. This is the standard that is supported by the medical profession.

The Republican plan knocks that standard out. It knocks it out. What do they put in as a substitute? As a substitute, on page 148, they say "medical necessity" used in making coverage determinations is determined "by each plan." "By each plan." The plan can define medical necessity any way it wants.

In their appeals procedure we find that medical necessity issues can be appealed, but medical necessity is defined by the HMO.

That sounds complicated. What does it mean in real terms? Let me read you a few examples of how HMOs have defined medical necessity. Here is a company—I will not give its name—and their definition. The company:

> . . . will have the sole discretion to determine whether care is medically necessary. The fact that care has been recommended, provided, prescribed or approved by a physician or other provider will not establish the care is medically necessary.

In other words, medical necessity is whatever the HMO says. Whatever the HMO says.

Here is an example of Aetna U.S. Health Care, the provision in their Texas contract:

> The least costly of alternative supplies. . . .

Here is another HMO:

> The shortest, least expensive, or least intensive level. . . .

They throw out the medical necessity standard used for 200 years and say, medical necessity will be whatever the HMO wants it to be. That is the heart of this issue.

What do we find when the HMO uses their own medical necessity definition? Who makes the judgment? It is an insurance company bureaucrat. That is what this amendment is all about.

Finally, when you see the appeals procedures which will be addressed by my other colleagues, all you have to do is look at the Consumers Union and many other consumer groups. The consumer groups believe their appeals procedure does not provide adequate protections.

The American Bar Association believes basic consumer protections are not met. The American Arbitration Association makes the same judgment.

This is a status quo amendment. If you want to do nothing about the pain and injury being experienced by children, women, and family members in our country, go ahead and support this program. It is an industry protection amendment. It will protect the profits of the industry; it puts the profits of the industry ahead of protecting patients.

I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, the Senator from Massachusetts is absolutely correct. This amendment essentially puts into the bill the basic premise of the Republican plan, which is to let the HMO define what is medically necessary, decide what the treatment should be, what the length of hospitalization should be for a patient, not based on that patient, not based on medical necessity, but based on standards that individuals who have not even seen the patient determine.

I must tell you I have a very real problem with that. The insurance plan would determine medical necessity, not the physician who sees the patient. It would substitute an independent review process for the knowledge and the skill of the independent physician who is actually seeing the patient, who has done the diagnosis, who knows the patient, the patient's history the patient's problems.

This past week I spent a good deal of time in California talking with physicians and patients up and down the State. I probably talked with more than 50 people, including patients, hospital administrators, county medical societies of many different counties as well as the California Medical Association. What I found was a dispirited, demoralized medical profession because medical decisionmaking was being taken out of their hands. I learned that a physician would prescribe medication, the patient would go to the druggist to have the medication filled and the druggist would make a substitution, often without even the doctor knowing. The patient would say: I cannot take this drug. And the pharmacist would have to say: We cannot furnish what your physician prescribed because it was not on your plan's list. This is what we mean by medical necessity —the most appropriate medical treatment for that particular patient in the judgment of the treating physician.

I contend there is not anyone who has not seen a patient, who doesn't know what patient is all about, who can adequately prescribe for that individual. That, in fact, is what is happening.

Let me read a statement by someone who testified before a congressional House committee a couple of years ago in a hearing. This individual was the reviewer for an HMO. As an HMO reviewer, she countermanded a physician. Let me read her words:

> Since that day I have lived with this act and many others eating into my heart and soul. For me, a physician is the professional charged with the care of healing of his or her fellow human beings. The primary ethical norm is, 'Do no harm.' I did worse. I caused death.
>
> Instead of using a clumsy weapon, I used the simplest, cleanest of tools, my words. This man died because I denied him a necessary operation to save his heart. I felt little pain or remorse at the time. The man's faceless distance soothed my conscience. Like a skilled soldier, I was trained for this moment. When any moral qualms arose I was to remember I am not denying care, I am only denying payment.

That is why this Republican amendment is so fallacious. Let me read the actual language in the bill:

> A review of an appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity and appropriateness, or based on a experimental or investigational treatment, shall be made only by a physician with appropriate expertise including age appropriate expertise, who was not involved in the initial determination.

My father, chief of surgery at the University of California, would turn over in his grave with this kind of language. That is not what someone goes to medical school and does a residency, does a surgical residency, does graduate school work for, to get overturned by an insurance company reviewer who has not even seen the patient. This amendment, I contend, is in the worst of medical practice because it allows a panel that has never seen the patient to make the determination of whether a patient gets a lifesaving operation, gets a drug that might make them well, gets a treatment from which the physician thinks they might benefit.

The PRESIDING OFFICER. The time of the Senator has expired.

Mrs. FEINSTEIN. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I would like to answer my good friend from California. I do not believe she was listening to my explanation of what this bill does. In fact, we do throw out 200 years of law practice. That shakes the legal community up a bit because they have to learn what is going on in modern medical situations. They have to become aware of how they find out what the best medicine is, not necessarily what is used in that area. It is the best medicine available.

We set a higher standard, and that is why the legal profession is a little bit upset. They do not want to have to learn all this medical stuff. They want to go back to the good old days when they could just call the local doctor and say: What is the general medical practice? And whatever that doctor does is the general medical practice. That is the present standard. We say that is not good enough now.

We are going to make sure that every person in an HMO has the right to the best medical care available, and that is what we explained with chart 1, chart 2, and chart 3. The decision is made by the external reviewer who says: Look, you can use this treatment now, you can use this pharmacy prescription, and that can be cured. You did not use it, you are not going to use it—that is wrong. Give them that care.

Mrs. FEINSTEIN. Will the Senator yield for a question?

Mr. JEFFORDS. Certainly.

Mrs. FEINSTEIN. Does the Senator from Vermont really believe the best treatment can be provided by a reviewer who has never seen the patient?

Mr. JEFFORDS. There is nothing that says the reviewer never sees the patient. The reviewer is an expert. He is the one who is qualified in that profession to know, who reviews the records. There is nothing that says he cannot also see the patient and interview the patient. This is not going to be a judgment done in some courthouse with a jury determining something. This is going to be done by an expert in the field who is dealing with a patient to make sure that patient gets the best available health care, the best of medicine that is available.

Mrs. FEINSTEIN. Will the Senator yield to me a moment?

I met some of the reviewers this past week. They did not see the patient. They made the decisions based on their insurance companies' definitions of medical necessity, not based on the particular needs of the individual patients.

Mr. JEFFORDS. This is new. This does not exist anywhere. We are creating a new policy to ensure the best health care possible for every American.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Massachusetts.

Mr. KENNEDY. I want to ask the Senator from California a question. Where in the earlier response does it say they will use the best practices?

Mrs. FEINSTEIN. It does not.

Mr. KENNEDY. It does not say that. To the contrary, does the Senator not agree that we have example after example where HMOs have used definition based on lowest cost?

Mrs. FEINSTEIN. As a matter of fact, I can read terminology right out of insurance contracts, which I was going to read had my amendment been able to come to the floor. As the Senator knows, the purpose of this amendment is essentially to defeat the amendment I was going to offer, that I did offer to the Agriculture Appropriations bill and that I said last week that I was going to offer to this bill, to allow the physician to give the treatment and prevent the HMO from arbitrarily interfering with or altering the treating physician's decision, whether it be the treatment or the hospital length of stay.

Mr. KENNEDY. I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I thank the Senator from Massachusetts.

There are two pernicious parts to this amendment. One is removing the accurate definition of medical necessity, as the Senators from Massachusetts and California have pointed out, and the second is putting in an appeals process that is nothing short of bogus in a whole variety of ways. When you look at the appeals process that is being substituted by the Senator from Vermont, you understand how grudging it is, how imperfect it is, how it will not do the job. Let me give a few examples.

First, there is no timeliness. The HMO can initiate the appeals process whenever it wants. It could wait 3 months or 6 months or 9 months before review. Our amendment, which the Senator from North Carolina and I will offer, requires the review process to start when the patient asks.

Second, there is no requirement that the appeals process, after it is finished, be implemented. The HMO can appeal and appeal and appeal.

The two I want to focus on this afternoon are these: First, it is much more limited in scope. I say to my friends and my fellow Americans who are watching this debate, this is not two competing bills; this is one bill that does the job and one bill that seeks to please the insurance industry and still make it look as if the job is being done.

One of the main issues is scope: 160 million covered versus 48 million covered for emergency room, for medical necessity, and for other things. Thirty-eight million people would be included in the Schumer-Edwards amendment who are excluded by this amendment.

Perhaps the greatest area where this amendment is a false promise, is a hoax, is the independent review. The Senator from Vermont said the review is independent. Not so. In the amendment offered by the Senator from Vermont, the reviewer is appointed by the HMO. The reviewer is not even required to have no financial relationship with the HMO. Theoretically, under this proposal, the HMO could pay an "independent" reviewer. If we want an independent external review, why shouldn't that reviewer have no ties to the HMO?

How can we tell people that an independent review is independent when the insurer selects the reviewer? If you have ever heard of the fox guarding the chicken coop, here it is. An independent review, as in the amendment we will be voting on in the next few days, requires that the HMO not pick the reviewer. I know the Senator from Vermont has stressed that a pediatrician would review a child's case. I say to my colleagues, if I were a member of an HMO, I would not want a pediatrician who has a financial relationship with the HMO to review the case.

Mr. JEFFORDS. Will the Senator yield for a question?

Mr. SCHUMER. The Senator did not yield to me. I will wait until his time to answer a question.

What I am saying is this: If you want a real review, and hundreds of thousands of Americans want such a review, then vote against this amendment, wait for the Schumer-Edwards amendment, and you will get a true independent review.

In conclusion, this is not so different from the gun debate we had a month and a half ago, where we had a powerful special interest on one side and the American people on the other side, and there were a series of proposals put forward that the powerful special interests liked but were intended to make the American people believe we were making progress.

I cannot tell you how or where or when, but just as in the gun debate, the American people will not be fooled. They want, they demand, a real Patients' Bill of Rights, one that covers 160 million Americans, not 48 million, one that has a real review process, not a sham review process where the reviewer can be paid by the HMO. Please vote down this amendment.

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Who yields time to the Senator from Pennsylvania?

Mr. JEFFORDS. I yield the Senator from Pennsylvania 10 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, it is extraordinarily complex to work your way through the various provisions. Representations are being made on both sides of the aisle which are contradictory.

The Senator from New York has just made a contention that the independent reviewer is not independent at all. My reading of the provisions in S. 326 at page 177 set forth the qualified entities as the reviewers and the designation of independent and external reviewer by the external appeals entity which specifies independence.

I will not take the time now to read it. But that reference, I think, would establish the true independence of the reviewer.

My principal purpose in seeking recognition was to deal with the comparison of the standards for "medical necessity," which is the core of the argument at the present time.

The pending amendment seeks to strike the language of the Kennedy amendment, which defines medical necessity as "medical necessity or appropriate means with respect to a service or benefit which is consistent with generally accepted principles of professional medical practice."

The language of the pending amendment, which would be substituted, provides for a standard of review as follows, at pages 179 and 180:

> IN GENERAL.—An independent external reviewer shall—
>
> (I) make an independent determination based on the valid, relevant, scientific and clinical evidence to determine the medical necessity, appropriateness, experimental or investigational nature of the proposed treatment; and
>
> (ii) take into consideration appropriate and available information, including any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer; timely evidence or information submitted by the plan, issuer, patient or patient's physician; the patient's medical record; expert consensus; and medical literature . . .

The accompanying report amplifies "expert consensus" as "including both what is generally accepted medical practice and recognized best practice" so that the language of the statute itself is more expansive in defining "medical necessity." The commentary goes on to include generally accepted medical practice and adds to it: the recognized best practice.

There is no doubt that in the articulation of these competing provisions, an effort is being made by one side of the aisle to top the other side of the aisle. It is a little hard, candidly, to follow the intricacies of these provisions because, as is our practice in the Senate, an amendment can be offered at any time, and to work through the sections and subsections is a very challenging undertaking.

Mr. SCHUMER. Would the Senator from Pennsylvania yield?

Mr. SPECTER. No, I will not, but I will yield in a minute. I will not now because I am right in the middle of my train of thought. I will be glad to yield in a moment and respond to whatever question the Senator from New York may have.

I supported the Robb amendment, the last vote, because the Robb amendment had provided a standard for medical necessity, generally accepted medical principles, important operative procedures. At this stage of the record, without that definition of the requirement, as articulated in the Robb amendment, I thought that was improvement.

Now we are fencing. To say that the air is filled with politics in this Chamber today would be a vast understatement. But in at least my effort to try to understand what is going on and to make an informed judgment, I am prepared to make a judgment for the Robb amendment or the Kennedy amendment or the Schumer amendment contrasted with the Nickles amendment or the Jeffords amendment. It requires a lot of analysis.

But as I read these plans, I believe that Senator JEFFORDS, Senator FRIST, and Senator NICKLES are correct, that when you take a look at the language they are substituting, it places a higher standard on the HMO, the managed care operation, than does the provision in the Kennedy amendment which they are striking.

Now I would be glad to yield to the Senator from New York on his time.

Mr. SCHUMER. I thank the Senator for yielding.

Mr. SPECTER. I am yielding for a question.

Mr. SCHUMER. I appreciate the Senator searching to come up with the right solution here. I would ask him—he is an excellent lawyer, far better than I am—on page 179 of the bill, (iv), says:

> receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the independent external review . . .

It seems to me—and I ask the Senator the question—that the plan proposed in the substitute envisions the insurer paying the reviewer. That seems to me not to be an independent review.

Mr. SPECTER. I ask the Senator, where are you reading from?

Mr. SCHUMER. This is S. 326, page 179. That is, as I understand it, the exact language of the amendment offered by the Senator from Vermont.

Mr. SPECTER. Would the Senator restate the question?

Mr. SCHUMER. Yes. My question is, given that the amendment envisions the insurer paying the reviewer, as listed in little number (iv) on page 179, how can we say the review in the Jeffords amendment is independent?

Mr. SPECTER. The fact that the insurer pays the reviewer does not impugn or impinge upon the reviewer's objectivity when there are specific standards for the selection of the reviewer and specific standards that the reviewer has to follow.

If I could use an analogy from a practice that I engaged in for a long time as district attorney of Philadelphia, the State paid the fee for the defendant in first-degree murder cases. But there was no doubt that notwithstanding the fact that the Commonwealth of Pennsylvania paid defense counsel, the defense counsel worked in the interests of the defendant.

When you have a determination as to what the HMO ought to be doing, that is something they ought to pay for. But there ought to be a structure to guarantee objectivity by the decisionmaker.

Similarly, if I can amplify, if you have a Federal judge paid by the Federal Government, and the Federal Government is a party to the process, nobody would say that Federal judge is going to be biased toward the Federal Government simply because the Federal Government pays his salary.

Mr. SCHUMER. Would the Senator yield for a question?

Mr. SPECTER. I do.

Mr. SCHUMER. If we could give these reviewers lifetime appointments and salary, I might agree with the analogy of a federal judge. But, of course, these reviewers could be immediately——

Mr. SPECTER. The defense lawyers do not have lifetime appointments.

Mr. SCHUMER. I understand.

The second question: On page 175, this reviewer is selected by the HMO, whereas in our plan there is an independent selection process. Again, I rely on the Senator's much greater knowledge of the law. If the reviewer were not selected by the HMO, they would obviously be more independent. That is on page 175.

Mr. SPECTER. If I may respond, on page 177, the qualified entities are defined, and they are the ones that make the determination of the independent reviewer. And a qualified entity is defined to be:

(I) an independent external review entity licensed or accredited by a State;

(II) a State agency established for the purpose of conducting independent external reviews;

(III) any entity under contract with the Federal Government to provide independent external review services;

(IV) any entity accredited as an independent external review entity by an accrediting body recognized by the Secretary for such purpose; or

(V) any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

I think that language answers the question of the Senator from New York about independence and expertise.

Mr. SCHUMER. I ask the Senator, wouldn't we be better in guaranteeing independence by having the selection of the review panel be made independently of the HMO, given that the HMO—I understand there are some criteria here, but if we are trying to get a truly independent process, it strikes me that it would be a lot better to have the selection be made truly independently, not by the HMO, which obviously has an interest, albeit, as the Senator certainly recognizes and pointed out, with a bunch of criteria.

Mr. SPECTER. Mr. President, if I may respond, I don't understand the question. The reason I don't understand the question is that the specification of independence here is so comprehensive that it guarantees independence.

Mr. SCHUMER. I thank the Senator.

Mr. KENNEDY. Mr. President, I yield 8 minutes to the Senator from North Carolina.

Mr. EDWARDS. Mr. President, if the Senator from Pennsylvania will respond to a question.

Mr. SPECTER. I am glad to respond to a question at this time.

Mr. EDWARDS. I am looking at page 30 of the actual amendment that has been offered. Looking under subsection (B)(ii), this is the designation of independent external reviewer, which goes to the very heart of whether the review is independent or, in fact, is not independent. In subsection (ii) it says there is a requirement that the reviewer "not have any material, professional, familial, or financial affiliation with the case under review."

My question to the Senator is—and I would like to see the language in the actual amendment, if he could point to it—what is it that requires that the reviewer not have an ongoing financial relationship with the health insurance company or with the HMO, which would in fact, as the Senator I am sure would recognize, make them not independent?

Mr. SPECTER. Well, I believe that that is provided by the high level of independence specified in the preceding section (3)(A)(ii) which establishes the independence of the qualified entity which selects the independent reviewer.

Mr. EDWARDS. My question is, Can you point to specific language in the bill that requires that the reviewer, in order to be independent, not have an ongoing financial relationship with the health insurance company?

Mr. SPECTER. Well, there is no suggestion that there would be that kind of a relationship. The language which the Senator from North Carolina cited takes care of one category of potential conflict of interest, that they will not have any material, professional, familial, or financial affiliation with the case under review, the participant or beneficiary involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer of any drug, device, procedure, or other therapy proposed for the participant or beneficiary whose treatment is under review.

If your question is, Would there be a triple firewall if you also specify the HMO? I would be inclined to have all the firewalls I could, as I do when I draft documents, as my distinguished colleague did when he practiced law.

Mr. EDWARDS. I thank the Senator very much, and I reclaim the remainder of my time.

Mr. President, there are two fundamental problems with this amendment that go to the very heart of this debate. First, as my colleague from New York pointed out, this review is not an independent review. It is not an independent review by any definition of independence. The reason is, No. 1, the health insurance company, the HMO, chooses the entity which chooses the reviewer. I want to be precise here. That is exactly what the bill provides. The health insurance company chooses an entity; that entity chooses the reviewer. So the health insurance company has control over who ultimately does the review.

No. 2, the only requirement with respect to financial independence or professional independence is the requirement that I just read to the Senator from Pennsylvania, that the reviewing entity not have a financial or professional relationship with the very specific case under review, which means there is nothing to prohibit a reviewer, the so-called independent reviewing body under their amendment, from being somebody who has a longstanding, ongoing relationship with the health insurance company or with the HMO.

Nobody in America, certainly none of my colleagues in the Senate, would believe that an independent review could be conducted by somebody who has an ongoing contractual relationship and receives money from the health insurance company. There is absolutely nothing in this bill which prohibits that. That is why the Senator from New York and I have proposed an amendment that makes it very clear that there is a truly independent reviewing body. That independence is critical and to the very heart of the review process. It is why we need it.

I notice both the junior and the senior Senators from Pennsylvania are on the floor now. In Pennsylvania, these reviews are conducted by a State regulatory body. They are not conducted by some person chosen by an HMO or a health insurance company. Second, in terms of what can be reviewed under the State law of Pennsylvania, any consumer grievance can be reviewed. It is not, as this bill is, limited to what constitutes medical necessity.

Third, under the law of the State of Pennsylvania, the review is de novo, which is absolutely not what this amendment provides.

Let me go back and summarize where we are. No. 1, we don't have, under this amendment, an independent review. We don't have it for two fundamental reasons: No. 1, the health insurance company, the HMO, is allowed to select the body that picks the reviewer. No. 2, the reviewing body is allowed to have a longstanding professional or financial relationship with the HMO that has denied the claim. There is absolutely nothing to prohibit that under this bill. Our amendment, which will be considered at a later time, would not allow that. So there is no independent review.

The second problem is—and this goes to the amendment offered by my colleague from California—this review process is meaningless so long as the reviewing body is bound by the definition of medical necessity contained and written by the HMO. It is absolutely bound by the language of the HMO.

I will add, in committee—I see my colleagues from Massachusetts and Tennessee are here—Senator KENNEDY asked a question to Senator FRIST. The question was:

> Would the Senator accept language that mentions that the decision would be made independent of the words of the contract?

The question Senator KENNEDY posed was: Would you agree that in the appeals process, the determination could be made without regard to the HMO-written definition of medical necessity?

Senator FRIST's answer was: "No, sir," in the committee. So he would not concur to not be bound by the language in the HMO or health insurance contract.

So there are two fundamental problems, and they work in concert to be devastating and to make this amendment devastating to the whole concept of the Patients' Bill of Rights.

No. 1, there is no independent review. The people are picked by the HMO, and they are allowed to have an ongoing financial relationship with the HMO. No. 2, they are bound by an HMO-written definition of medical necessity. That is the very heart of the amendment of my colleague from California, because what this debate is ultimately about is whether health care decisions are going to be made by medical professionals, doctors, or whether they are going to be made by insurance company bureaucrats.

Mrs. FEINSTEIN. Will the Senator yield?

The PRESIDING OFFICER. The Senator's 8 minutes have expired.

Who yields time?

Mr. KENNEDY. Mr. President, I yield 10 minutes to the Senator from Rhode Island.

Mr. CHAFEE. I thank the Chair.

First of all, it is with deep regret that I find myself on the opposite side of an issue from my good friend, the senior Senator from Vermont.

The question before us this afternoon is medical necessity. I believe this medical necessity provision is one of the most widely misunderstood issues in this entire debate.

I think what we want to make clear is what we are not talking about this afternoon. We are not talking about erasing the gains managed care has made in bringing down costs. We are not talking about forcing plans to cover unnecessary, outmoded, or harmful practices. We are not talking about forcing plans to pay for any service or treatment which is not already a covered benefit. This is absolutely not about giving doctors a blank check. What we are talking about is making sure that patients get what they pay for with their premium dollars. It is about ensuring that an objective standard of what constitutes prudent medical care is used to guide physicians and insurers in making treatment and coverage decisions.

This provision is about making sure that an infant suffering from chronic ear infections gets drainage tubes to ameliorate his or her condition. It is about making sure that a patient with a broken hip is not relegated to a wheelchair in perpetuity but, rather, given the hip replacement surgery that prudent medical practice dictates.

Although some would have us believe that "medical necessity" would undo managed care by giving doctors the power to dictate what treatments and services insurers must cover, this isn't accurate. The real issue is, how will questions of coverage and treatment be decided?

S. 1344—a bipartisan bill that I have had the privilege of introducing earlier this year with Senators GRAHAM, LIEBERMAN, SPECTER, BAUCUS, ROBB, and BAYH—would codify the professional standard of medical necessity.

As defined, medically necessary services are those "services or benefits which are consistent with generally accepted principles of professional medical practice." This means the care that a prudent practitioner would give. The medical necessity standard is a well-settled principle of legal jurisprudence which has been used by the courts to adjudicate health law cases for nearly a century.

Many insurance contracts in force today contain some version of this standard. In fact, remarkably similar language is found in contracts written by Prudential and Blue Cross and Blue Shield, to name a few. The contractual definition of medical necessity from a Blue Cross contract is care which is ". . . consistent with standards of good medical practice in the U.S."

One of the reasons managed care plans are so adamantly opposed to putting this standard into the law is that some in the industry are beginning to move in a very troubling direction, away from this standard. Here is how an insurance regulator in the State of Missouri explained this very alarming trend:

> Increasingly, insurance regulators in my State are finding that insurers are writing "sole discretion" clauses into their contracts—meaning that it is solely up to the insurer to determine whether treatment is medically necessary. Therefore, without an objective standard of what constitutes medically necessary care, and a requirement that treatment and coverage decisions are supported by credible medical evidence, any external appeals process is meaningless.

If an insurance contract gives the plan sole discretion to determine what constitutes medically necessary care, an external review panel's hands are tied; it will have no choice but to enforce the terms of the contract, even if the coverage decision in question is completely irresponsible. Thus, if we don't codify the professional standard, any external review provision we pass in the Senate could be entirely meaningless.

I have a chart here. This includes the actual medical necessity provision from an insurance contract in force today. I have eliminated the company's name, but this tells the whole story. If a plan has the sole discretion to determine what is medically necessary care, it can ignore the doctor's recommendations, the patient's medical record, and any other evidence it cares to overlook in making its determination. You will see it here. Here is the name of the company. That company will have the sole discretion to determine whether the care is medically necessary. The fact that the care has been recommended, provided, described, or approved by a physician or other provider will not establish that care is medically necessary. In other words, talk about putting the fox in charge of the chicken coop. This is it. Here we have the company deciding whether care is medically necessary, and they have the final decision.

Let me give you a real world example of what can happen when a plan has an imprudent definition of medical necessity. A child named Ethan Bedrick was born with cerebral palsy and needed physical therapy to maintain some degree of mobility. The insurer paid for the physical therapy for a while but one day cut off payment for the services—which, by the way, were covered as an unlimited benefit under the plan's contract. The child's doctor thought the care was medically necessary to prevent further deterioration in Ethan's condition, and physical therapy is routinely provided to patients with cerebral palsy.

When the plan was questioned in court as to why the care had been denied, the response was given that it was not medically necessary because, under the plan's definition, medically necessary care is that which will restore a person to "full normalcy." Well, this child has cerebral palsy and he is not going to be restored to full normalcy.

If we do not include an objective standard of medical necessity in this legislation, insurers will be able to bait and switch when it comes to the delivery of services, just as they tried to do with Ethan Bedrick.

The professional objective standard—and not an insurer's practice guidelines or opinions—should be used to determine if care is medically necessary. Without the objective standard, what measure would an appeals body use to determine whether a treatment or coverage decision was accurate or appropriate? Let me deal with two arguments used by those against this medical necessity provision.

First, they say it will prevent "best practices" and will force plans to practice substandard care. I have trouble with that. Since the professional standard of medical necessity has been the standard used by the courts for over a hundred years and it is a feature of many insurance contracts today, why hasn't this already had the effect of preventing "best practice" medicine? In other words, I don't get the argument that somehow you are not going to practice the best medicine because you have to use what is medically necessary. The fact is that this standard does not lock in the state of medical practice today. Why do we make these giant strides forward? Because we are not locked in, as has been suggested.

Second, it is suggested that adopting this standard is tantamount to giving doctors a blank check and will force plans to cover a whole array of services which are not covered benefits, such as aromatherapy.

The plain fact is, if a plan excludes aromatherapy, or any other service, that is the end of the story. It excludes it. It is out. There is no fuss after that. If it is written in there, it is out. A patient would have no basis for an external appeal in a case where a denied service was clearly excluded.

In summary, I urge colleagues not to be swayed by the health insurance industry. Both Democrats and Republicans alike acknowledge the need for an external appeals process. But make no mistake about it, without a provision to ensure that plans are held to an objective standard of professional medical practice, legislation giving patients access to the external process will be ineffective.

I thank the Chair and the managers of the legislation.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. Mr. President, I yield myself 5 minutes, and then I will yield 5 minutes to the Senator from Maine.

My amendment is pending. I will review where we are today. My amendment does two things. No. 1, it strikes certain provisions that we believe will be harmful to the quality of health care, and it goes back to medical necessity and defining medical necessity in Federal statute. We will come back and talk about that. My colleagues will talk further about that shortly. We also strike certain provisions that will increase cost and ultimately reduce access to health insurance coverage. Again, people have heard me again and again going back to the patients. We can simply not do anything. I believe it diminishes quality and at the same time diminishes access to make ourselves feel good.

Now, what we have done, we struck that and we replaced that part of the bill—the accountability provisions, the provisions on internal appeal, on external appeal, the issues we have been talking about in the last 15 or 20 minutes—although there is a lot of misconception that we need to straighten out before we actually vote on this bill, because the internal appeals process and external appeals process, which in many ways are the heart of the Patients' Bill of Rights bill, are important to ensure that patients do get the medical care they need and ensure that ultimately it is physicians, not trial lawyers, not bureaucrats, who make the coverage decisions regarding medical necessity. That is what this amendment is all about. I want to steer the discussion right there.

To simplify things, so we will know how the process works, if you are a doctor and you are a patient, and you say that a particular procedure should be covered, and your plan for some reason says no, well, you need an appeals process if that is what you really believe is appropriate to get that sort of care. What you do under our bill is go to an internal appeals process and work through. That is something in the managed care network. It might be going to another physician within the network. It is a process that has to be set up by each and every managed care plan. That is what we call an internal appeals process.

The bill on the other side of the aisle also had an internal appeals process. If the doctor and patient and the managed care internally could not come to an agreement after going through a specified process, at that point the doctor and patient can go outside the plan. This is where the accountability is so important: Should my plan cover what is medically necessary and appropriate? Outside the external appeals process is where much of the discussion has taken place.

Our bill has that final decision of whether or not something is covered, whether or not it is medically necessary or appropriate, made by a medical specialist—these are words actually in the bill—independent medical specialist, physician making the final decision, not some bureaucrat, not some health care plan, not some trial lawyer. An independent medical specialist is making the final decision in this external process.

Mr. President, 20 minutes ago we had discussed that the external reviewer has to be independent—it is written into the bill that way—has to be a medical person from the same field, a specialist, if necessary. Are they part of the Health Maintenance Organization? Does the Health Maintenance Organization actually hire that person to make a decision?

We have not talked about what our bill does. Our bill says in this external review process there has to be a designated entity. Nobody has talked about that today. Words such as "unbiased, external entity" are in the bill. This unbiased entity is regulated by either the Secretary of Health and Human Services in Washington, DC, by the Federal Government, or by the State government. They regulate that entity, not the plan itself.

What about the independent reviewer? Where do they come from? The impression which I have heard again and again is the independent reviewer has ties to the medical care plan and will give a biased view. No; the independent medical specialist making the binding final decision is appointed by the third party entity—not the plan itself but this third party entity regulated by the Federal Government, State government, or signed off for by the Secretary of Health and Human Services. This independence from plan to entity has to be unbiased. That is No. 1, to assure independence.

No. 2, the entity is regulated by the Federal Government or the State government or the Secretary of Health and Human Services.

No. 3, it is written in the bill that that entity does the appointment of the independent medical specialist who makes the final decision.

What information does that medical specialist use to make the final decision? We don't limit the information. In fact, we encourage them to consider all information. It is very specifically written in the bill that the "independent medical specialist will make an independent determination based on the valid relevant scientific and clinical evidence to determine the medical necessity, appropriateness, experimental or investigational nature of the proposed treatment." They will take into consideration "all appropriate and available information, including any evidence-based decisionmaking or clinical practice guidelines."

The point is this external review person is independent and separate from the entity and separate from the HMO.

I yield 5 minutes to the Senator from Maine.

Ms. COLLINS. First, I commend the Senator from Tennessee for his very lucid explanation clearing up a lot of the misinformation about what is in the Republican package with regard to the independent, impartial, unbiased external review.

This is a very complicated issue. On the surface, the Kennedy bill appears to have a great deal of appeal. It sounds so simple. It reminds me of that expression by H.L. Mencken when he said that for every complicated problem there is a solution that is simple, easy, and invariably wrong.

That fits the Kennedy bill on medical necessity.

Physicians clearly must play a central role in care decisions. No one disputes or wants to minimize the critical role of treating physicians in the process of determining what is medically appropriate and necessary care. However, the very same patient can go to different physicians, be told different things, and receive markedly different care.

This chart illustrates the problem. The Washington Family Physicians Collaborative Research Network studied how physicians treat bladder infections for adult women. This is the second most common problem seen in a physician's office. Mr. President, 137 treating physicians were asked to describe their treatment recommendations for a 30-year-old woman with a 1-day history of the infection and an uncomplicated urinary tract infection. They responded with 82 different treatment options.

Which of these is the prudent physician? Which of these 82 different treatments is the generally accepted principle of medical practice as provided by the Kennedy bill? The Kennedy bill would require health plans to cover all 82 different treatments without any thought being given to what is the best treatment, what is the most effective treatment, what is the newest treatment based on the latest in medical research.

Even if something is consistent with generally accepted principles and professional practice, it may not necessarily be the medically best treatment for that patient. Dr. Jack Wennberg is Dartmouth's premier expert in studying quality and medical outcomes. He testified before our committee recently that medical necessity in one community is unnecessary care in another.

Let me give an example from my home State of Maine. The Maine Medical Assessment Foundation conducts peer review and studies area variations in practice patterns in an effort to identify cases in which too many procedures being performed, unnecessarily putting patients at risk. They did a study that showed that physicians in one city in Maine were performing a disproportionately high rate of hysterectomies. They counseled the physicians in that city and were able to lower the rate, thus saving women from being exposed to unnecessary risks of surgery.

I ask my friends on the other side of the aisle, wasn't that review appropriate? Wasn't that review necessary? Wasn't that review a good idea to save these women from undergoing unnecessary hysterectomies?

Let me give some other examples. The Centers for Disease Control estimates that physicians performed 349,000 unnecessary C-sections in 1991. Again, these women were placed at risk for unnecessary surgery. Isn't it a good idea to question in some of these cases the decision of the physician to order this unnecessary surgery?

Let me give yet another example. Despite solid evidence that women who undergo breast-sparing surgery followed by chemotherapy or radiation and women who undergo total mastectomies have similar survival rates, regional preferences—as opposed to medical necessity—still prevail in determining treatment.

There was a recent article in the New York Times which showed that the rate of mastectomies was 35 times higher for Medicare patients in one region of the country than in another. According to another study at Dartmouth, women in Rapid City, SD, were 33 times less likely to have breast-sparing surgery than women in a similar city in Ohio.

Yet another example involves children. Today, treatment for frequent ear infections includes the implantation of tubes. I have a nephew who had this procedure, and I am sure many of my colleagues have children who have gone through this as well. In fact, almost 700,000 children in the United States have had this procedure. According to a 1994 study published in the Journal of the American Medical Association, however, this treatment is inappropriate for more than a quarter of these children.

The PRESIDING OFFICER. The Senator has used her time.

Mr. FRIST. Mr. President, I yield an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized for an additional 3 minutes.

Ms. COLLINS. In another 41 percent of the cases reviewed, the clinical indications for having the tubes implanted were inconclusive at best.

A 1997 study showed that only 21 percent of elderly patients were treated with beta blockers after a heart attack, despite evidence that mortality rates are 75 percent higher for those not receiving treatment.

I would note, in contrast, that HMO members in plans that submit data to the National Committee on Quality Assurance are 2½ times more likely than members of fee-for-service plans to receive beta blockers.

I could go on and on and on. Perhaps the President's own commission said it best. It concluded that excessive procedures—procedures that lack scientific justification—could account for as much as 30 percent of our Nation's medical bills.

Not to mention posing unnecessary risks as well as pain an suffering for those who undergo these unnecessary procedures.

As we can see by these examples and countless more, there may well be valid, indeed, very worthwhile. In fact, there may be very good reasons for the health plan, in some cases, to suggest an alternative treatment to the one the treating physician has initially selected. It may be far better for the patient than the initial recommendation of his or her physician. These examples show that, even if something is consistent with generally accepted principles of professional medical practice, it is not necessarily appropriate high quality care. That should be our goal. Our goal should be to put the patient first and to provide the best quality care to that patient.

The Republican bill deals with the issue of medical necessity through a strong, independent, external appeals process. That is the way to deal with disputes about medical coverage. A Federal statutory definition of medical necessity is unwarranted and unwise.

I yield the floor, and I reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator has 5 minutes 30 seconds; the Senator from Massachusetts has 13 minutes 30 seconds.

Mr. NICKLES. Mr. President, that means there is about 20 minutes remaining. Just for the information of our colleagues, I think they can expect a rollcall vote on this and subsequent amendments to begin at about 6:45. So those offices should notify their Senators to expect rollcall votes beginning about 6:45.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mrs. FEINSTEIN. Mr. President, if this definition, the definitions we have been debating on what is medical necessity—if the Republican definitions were supported by medical organizations, I might think they are pretty good. But there is virtually no physician-oriented organization anywhere in the United States that I know of that supports this particular definition of medical necessity. Every single one of them supports the definition in the Daschle bill.

I think the Senator from Rhode Island and the Senator from North Carolina spoke eloquently as to why. Since the Senator from North Carolina remains on the floor, I would like to ask him this question. The Senator from Rhode Island read the definition from a particular insurer. Let me reread it:

> [This company] will have the sole discretion to determine whether care is medically necessary. The fact that care has been recommended, provided, prescribed or approved by a physician or other provider will not establish that the care is medically necessary.

Then, in view of that, if you read on the top of page 180, in the bill, which sets out the guidelines for the standard of review for the independent reviewer, at the top of the page and the bottom of page 179:

> The independent reviewer will take into consideration appropriate and available information including any evidence-based decisionmaking or clinical practice guidelines used by the group health plan or insurance issuer.

How would an independent reviewer make a decision?

Mr. EDWARDS. Under the definition the Senator has just read—and I might point out the appeals process that is contained in this amendment is completely controlled by the HMO or health insurance company's definition of medical necessity. Throughout the process it is totally controlled by it.

Mrs. FEINSTEIN. Then if I understand you correctly, if an insurer had in its plan that they will use the least costly alternative available, the independent reviewer would have to find for the least costly alternative?

Mr. EDWARDS. That is absolutely correct.

Let's suppose we had a young child who needed a particular kind of care and every physician who had treated that child recommended the care for the child. But there was a less costly procedure that could be used, so the care was denied. Throughout the appeals process, the determination of whether it ought to be reversed or not would be based on what is the least costly, because it is totally controlled by the definition written by the HMO.

In the language the Senator from California has just read to me, where it says it shall be within the "sole discretion," what that ultimately means is whatever appealing body is deciding, which is bound by that definition, which they are by this amendment—if they are bound by that definition, every appealing body would be left with no alternative but to affirm the decision because the contract says it is left within the sole discretion of the HMO.

It goes to the very heart of the Senator's amendment. It goes to the very heart of this debate. The whole question is, Are health insurance bureaucrats going to make health care decisions or are health care decisions going to be made by doctors and health care professionals?

Mrs. FEINSTEIN. I just read the language. There is no language in this that says the independent reviewer, even in a case of life or death, would necessarily see the patient.

Mr. EDWARDS. That is absolutely correct. There is nothing that requires the independent reviewer to see the patient. You could have some doctor who is nothing but a bureaucrat, who has not seen the patient, does not know what the patient needs, making the decision.

If I could add one thing, another problem with this so-called independent review process is the HMO, the health insurance company, are the ones that are determining. Remember, they choose this entity that chooses the reviewer. They determine who is biased or unbiased.

Mrs. FEINSTEIN. And the entity pays the reviewer as well.

Mr. EDWARDS. They pay the reviewer. We have said it now five different times, but talk about putting the fox in charge of the chicken coop. What we need to be doing is to have some truly independent body making these determinations. They need to be able to make the determination based upon what the patient, in my example the child, really needs, based on what the doctor says the child needs.

Mr. NICKLES. Will the Senator yield?

Mr. EDWARDS. No, I will not.

It is not based on what some insurance company has written into a HMO or health insurance contract.

Mrs. FEINSTEIN. So, in other words——

Mr. NICKLES. Mr. President, regular order.

Mrs. FEINSTEIN. I believe I have the floor, Mr. President.

Mr. NICKLES. Parliamentary inquiry. Aren't Senators supposed to go through the Chair?

Mr. KENNEDY. Regular order. Senators are permitted to inquire and ask questions. That is the regular order, Mr. President. I insist on the regular order, not the interruption of the Senator from North Carolina. Whose time is this on, Mr. President?

Mr. NICKLES. The Senator from North Carolina——

The PRESIDING OFFICER. The time right now, at this point, is not being charged. The Senator from California had 5 minutes that she was controlling after it was allotted by the Senator from Massachusetts.

Mr. KENNEDY. Parliamentary inquiry. Can the Senator be inquired of by a Member of the Senate and answer a question?

The PRESIDING OFFICER. The questions are most appropriately addressed through the Chair.

Mr. KENNEDY. But the Senator is entitled, the Senator from North Carolina, to inquire of the Senator from California, is he not?

Mrs. FEINSTEIN. Or vice versa.

The PRESIDING OFFICER. If he does so through the Chair.

Mr. KENNEDY. I thank the Chair.

Mrs. FEINSTEIN. I inquire of the Senator from North Carolina, through the Chair, if I were a woman suffering from ovarian cancer and I have this policy that I read from, and my physician said there is a small chance a bone marrow transplant might help you——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. I yield an additional 3 minutes.

Mrs. FEINSTEIN. But there is a small chance a bone marrow transplant might help you, I would advise that you have it, and if the health plan with this language turned it down, I would have no opportunity to have that bone marrow transplant?

Mr. EDWARDS. You would have absolutely no opportunity and no opportunity to have the decision reversed. I might add, there is a double whammy in this amendment. The double whammy is that the only thing that can be appealed is the determination of what is medically necessary, and what is medically necessary, under the language of their bill is—and I am reading now from the bill—"when medically necessary and appropriate under the terms and conditions of the plan," which is what the HMO and the health insurance company's contract says.

People are getting whammied twice: No. 1, you cannot appeal but one thing, which is: Is it medically necessary? No. 2, that determination is based on what the health insurance company or the HMO wrote into the plan.

Mrs. FEINSTEIN. In other words, if I may, through the Chair, if this amendment were to be adopted, every enrollee of an HMO plan would have to read the fine print very carefully, because all an HMO would have to do is put in a disclaimer, either medical necessity based on least cost or medical necessity based on the fact that the plan would have the ultimate say on how medical necessity is defined.

Mr. EDWARDS. The Senator is correct, and the patient would be stuck with that decision initially by the HMO and would be stuck with it throughout the entire appeals process and would have absolutely—it goes to the very heart of this debate: Do we want health insurance companies deciding what is medically necessary, or do we want health care providers, doctors, and patients making the decisions?

Mrs. FEINSTEIN. Who have seen the patient.

Mr. EDWARDS. Absolutely, doctors who have seen the patients. We believe doctors ought to make the decisions.

Mrs. FEINSTEIN. I thank the Senator very much. This has been a helpful clarification. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes on the bill.

Mr. NICKLES. Mr. President, I was trying to make sure our colleagues understand the procedure in the Senate. When you have colloquies, you go through the Chair. I have noticed some colloquies on this side have bypassed the Chair. Some colloquies on that side have bypassed the Chair. That is not the rule of the Senate. It is important we have discussions according to the rules of the Senate. That is the way we should do it. That way, we do not freeze out other colleagues who want to participate in colloquies. I was not trying to get under my colleagues' skin. It is important we follow the rules of the Senate.

I want to point out that a couple of the statements made by our colleagues are actually very inaccurate. Actually who pays for the plans and entities are very similar in both bills. Under the Democrat bill, S. 6, on page 66: A plan or insurer shall be conducted under contract between the plan or insurer in one or more qualified external appeals entities.

That is page 66.

Under the Republican bill, it is the same thing, the plan selects the entity. They do not select the person who does the review, they select the entity. The entity is licensed by the State, or it is a State agency established for that purpose, or it is an entity with a contract with the Federal Government and they have the reviewers.

My point is, both the Democrat plan and the Republican plan select the entities. They are the same. For them to say, oh, the Republican plan selects the reviewer is false. The Democrat plan, as well as the Republican plan pay for the entities, they select the entities, and the entities themselves are independent, and the entities select the individual reviewer.

There is a little—I do not want to use the word "hypocrisy": it is not a word I often use on the floor. But to be railing against the Republican plan, not stating the facts, and then say, oh, by the way; oh, the Democrat plan, the plan selects the entities as well, I just find it to be very inconsistent.

I urge my colleagues to see that in the Republican plan, the proposal we have before us, we say the plans select the entity, and the entity is a qualified entity if it is an independent external reviewer and credentialed by the State or a State agency established for the purpose of conducting the external review, or it is an entity under contract with the Federal Government, or it is an entity accredited as an independent external review entity by an accrediting body recognized by the Secretary of HHS.

I just mention that. It is important we be consistent and that people understand on both sides, the Democrat proposal selects an entity very similar to that of the Republican proposal.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 1 minute to the Senator from California and then 1 minute to the Senator from North Carolina.

Mrs. FEINSTEIN. Mr. President, I must respond to the Senator from Oklahoma because he mischaracterizes the Democratic plan. His statement might be correct if it were taken in an isolated sense. But if you take it with the medical necessity definitions on page 85 of the Democratic plan, you will see that "a group health plan and a health insurer, in connection with a provision of health insurance coverage, may not arbitrarily interfere with or alter the decision of the treating physician regarding the manner or setting in which particular services are delivered if the services are medically necessary or appropriate for treatment."

Then it goes on to define medical necessity as a service or benefit which is consistent with generally accepted principles of professional medical practice. It does not give the plan the opportunity in its fine print to throw out medical necessity.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I yield the Senator 2 minutes.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 2 minutes.

Mr. EDWARDS. Mr. President, I say respectfully in response to my colleague from Oklahoma that there are two things about which I fundamentally disagree with him. No. 1, under our proposal, the State—totally independent—chooses the reviewing body. If my colleagues are really looking for an independent review, I ask them whether they would agree to allow the State to choose the reviewing body instead of the health insurance company, instead of the HMO choosing the entity that chooses the reviewing body. I cannot imagine how they would disagree with that if they are looking for a truly independent review.

Secondly, the entire issue revolves around what is medical necessity. I say to my colleagues, would they agree to change the language of this amendment so that the initial decision and every appeals decision of the appeals deciding body is not bound by the definition of "medical necessity" contained in the insurance written contract? Because so long as the appeals process is controlled by what the HMO wrote, what the health insurance company wrote at the beginning and all the way through the process, the patient does not have a chance. They will never have a chance. My question is to my colleagues——

Mr. GREGG. Will the Senator yield?

Mr. EDWARDS. I will give the Senator an opportunity to respond. My question is whether they will agree, No. 1, with the State choosing a truly independent reviewing body, and, No. 2, whether they will agree that the reviewing body is not bound by a definition written by the health insurance or HMO company.

I yield for a question.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. GREGG. We have no time.

Mr. FRIST. We have 5 minutes.

Mr. KENNEDY. I yield 1 minute to the Senator for a question.

Mr. GREGG. I appreciate that.

Mr. KENNEDY. Does the Senator still have time left?

The PRESIDING OFFICER. The majority side controls 5 minutes 20 seconds, the minority side, 5 minutes 4 seconds.

Mr. GREGG. Mr. President, I have a question for the Senator from North Carolina which is in reference to the Kennedy bill, section 133, subsection (1)(ii), on page 67:

> If an applicable authority permits—

That will be the State authority—

> more than one entity to qualify as a qualified external appeals entity with respect to a group health plan or health insurer issuer, then the plan or issuer may select among such qualified entities the applicable plan.

So basically if the State picks two or three different reviewers, under your plan, then the plan gets to choose; isn't that correct?

Mr. FRIST. Whose time is this on?

The PRESIDING OFFICER. On the majority side.

Mr. FRIST. I yield another 30 seconds.

Mr. GREGG. So there is an option under your proposal where plans would have a choice because that is what the language says?

The PRESIDING OFFICER. Who yields time?

Mr. EDWARDS. Am I allowed to respond?

Mr. KENNEDY. I yield the Senator 1 minute.

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. EDWARDS. My response is very simple.

The language on the preceding page requires that the independent external review entity be designated by the State. That is, if I am reading the language correctly, contained on the preceding page. That is designated by the

State. In fact, we say—this is at page 11, I say to the Senator—that "No party to the dispute shall be permitted to select the entity conducting the review."

So there are two things operating, I think, in combination in our bill. No. 1, the State has to designate an independent body, and, No. 2, we specifically require that no party to the dispute be involved in designating the reviewing entity.

I might add to that, I think it is also critically important who determines what is medically necessary and what the appeal decision body is bound by in terms of what is medically necessary because I think all of this becomes meaningless if they are bound by what the HMO or health insurance company wrote.

The PRESIDING OFFICER. The time has expired.

Mr. GREGG. Will the Senator yield me another 30 seconds?

Mr. FRIST. How much time do we have?

The PRESIDING OFFICER. Four minutes 20 seconds. The minority has 4 minutes.

Mr. FRIST. I yield 30 seconds to the Senator.

Mr. GREGG. I, therefore, take it in the Kennedy plan, when it says, "the plan or issuer may select among such qualified entities," that that language is not operative, that that does not exist, that that language is a nonfactor.

Let's get serious. This is what your bill says. It says the plans can be selected from the qualified entities. You can pick two or three plans, that the States have chosen to qualify two or three plans, and the people pick the plans. So you are totally inconsistent with your argument.

Mr. EDWARDS. May I respond?

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield the Senator 30 seconds.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 30 seconds.

Mr. EDWARDS. There is a very simple, straightforward answer to the question. I understand the Senator is reading the old bill. He is not reading the bill that is presently before the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. Mr. President, I yield 4½ minutes—how much time is remaining?

The PRESIDING OFFICER. The majority side controls 4 minutes on the amendment.

Mr. FRIST. Mr. President, I yield the remaining time to the Senator from Wyoming.

Mr. GREGG. Would the Senator yield me 10 seconds? Because a misstatement was made.

Mr. FRIST. I yield another 30 seconds to the Senator from New Hampshire.

Mr. GREGG. I am reading from S. 6. That is the bill that was laid down. That is the bill we are debating.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. I yield 4½ minutes to the Senator from Wyoming.

The PRESIDING OFFICER. There are only 3 minutes 50 seconds remaining on the majority side. The Senator from Wyoming is recognized for that time.

Mr. ENZI. Mr. President, I rise in strong support of improved, reliable quality care for all Americans. To that end, I am pleased to join my colleagues in debating the dangerous concept of putting into law a definition of medical necessity.

The minority argues that putting a definition of medical necessity into the law would assure health care providers absolute autonomy in making all treatment decisions for their patients. They say that is exactly what they want. It is their prescription for high quality health care.

Well then, when asked what patients and providers would use as a guide for the choice of treatment options and delivery of care, particularly in such a dynamic and constantly innovating field such as health care, the minority relies squarely on "generally accepted medical practice."

The Democrat plan is a trial lawyer's dream. "Generally accepted medical practice" is lawsuit bait. But I can tell you that with the Democrat plan "medical necessity" would be absolutely necessary because it is the only way to bridge the bureaucracy.

This is the bill we are looking at from the Democrats. Who can follow the lines? Each one of those lines represent a lawsuit trap. This is lawsuit bait.

Unfortunately, for patients, "generally accepted medical practice" is the strict application of medical opinion versus the combination of your doctor's good judgment or opinion and the prevailing evidence-based practice of medicine. The minority approach turns its back on the scientific foundation of medicine. But what other solid ground is there upon which we could build greater quality into our health care system?

The minority, for the first time in Federal law, wants to carve this variability into law, and that law will be followed by rule and regulation—more lawsuit bait. This is a Federal one-size-fits-all budget-busting bureaucracy with lots of lawsuit bait and difficulty in following the whole process.

Let me share with my colleagues the language from the minority bill. Under the subtitle of "Promoting Good Medical Practice,"—a good title—lies a provision which, in my estimation, would have the exact opposite effect. The bill reads:

> A group health plan, and a health insurance issuer in connection with the provision of health insurance coverage, may not arbitrarily interfere with or alter the decision of the treating physician regarding the manner or setting in which particular services are delivered if the services are medically necessary or appropriate for treatment or diagnosis to the extent that such treatment or diagnosis is otherwise a covered benefit.

Now, let me loop through the rest of their proposal to demonstrate how they essentially "ban" the use of trustworthy science and evidence-based medicine. At the end of the same subtitle, we are offered a definition of medical necessity or appropriateness. It reads, "medically necessary or appropriate means, with respect to a service or benefit, a service or benefit which is consistent with generally accepted principles of professional medical practice."

To recap the minority policy proposal, they've suggested that doctors make decisions about their patients based just on opinion, and that health plans would, by law, have to cover any and every treatment opinion prescribed by providers. The minority may argue that their proposal limits what plans must pay for to the terms of the contract. However, their plan requires plans to cover all treatments deemed medically necessary, so this provision would, in fact, encompass the universe of health care, heedless of quality and contract alike.

It's my opinion, and a major thrust of the Republican bill, that we should be doing everything we can to help health care providers in their efforts to provide the highest possible quality of care to patients. The minority tells doctors, who are now busier than ever and doing their best to stay atop the innovations in medicine, that "it's all on you."

Mr. President, since there has been an effort to infuse real life examples into this debate, it might be helpful for all of the health care consumers at home if we talk about how medical science versus "generally accepted practices" actually translates into real life. In the following examples, you'll begin to understand that "generally accepted practices" vary from town to town, and the gap gets wider from state to state. This basically means that the quality of your health care may depend more on where you live than on what the prevailing best medical science is on your illness.

Here's an example where I can use my home state of Wyoming. The average number of days spent in the hospital during the last 6 months of life for people living in Wyoming was between 4.4 days and 8 days. In contrast, the average number of days spent in the hospital for the last 6 months of life for people living in New York was between 12 and 22 days. This means that there is nearly a 250 percent variation among States for hospital length-of-stay at the end of life. Who's responsible for this variation and what does it mean about the quality of care we're receiving?

More importantly, how does this jibe with legislating a definition of medical necessity? Remember, the minority want us, for the first time, to carve this variability into law. The law will be followed by rule and regulation. Does this mean that for health plans that have beneficiaries in Wyoming and in New York that what might be determined a medically appropriate treatment for a New Yorker would be deemed medically inappropriate for a patient in Wyoming?

This variation is comprehensive, going beyond hospital lengths-of-stay, from the use of drug therapies to surgical practices. One of the most disheartening and horrifying statistic is regarding women with breast cancer. Despite the solid evidence that women who undergo breast-sparing surgery followed by chemotherapy or radiation and women who undergo radical mastectomies have similar survival rates, it is regional preferences, that is, the general practices of a region, that still prevail in determining a woman's course of treatment. In 1996, women with breast cancer in Rapid City, SD were 33 times less likely to have breast-sparing surgery than women in Elyria, OH. How can anybody look at these variations and view them as the only answer to good medicine?

These inconsistencies in the medical care Americans receive are something we all need to address; that includes health plans and doctors, and ourselves. Make no mistake about our potential as Congress to derail the efforts at quality improvement in American's health care if we're not very careful and very thoughtful about what it is we're doing here today.

On a positive note, we are seeing signs of improvement when it comes to doctors and health plans working together to improve the consistency and overall quality of health care. For example, according to a 1997 Quality Compass report by the National Committee on Quality Assurance, over 50 percent of elderly heart attack patients in HMOs that submitted data were treated with beta blockers, which can reduce mortality rates by 75 percent in those patients. In the same year, patients in regular fee-for-service plans received beta blocker only 21 percent of the time. This is almost a three-fold difference when you compare a coordinated approach to care with a "generally accepted practices" approach.

I am very concerned that we need to pass a proposal that responds to these "consistent inconsistencies" in the quality and practice of medicine in this country, while also guarding the doctor-patient relationship. After all, outside of family, many of us view our relationship with our doctor as our most trusted.

The solution lies in building on the doctor-patient relationship and infusing our health care system with evidence-based medicine. Our bill does that. Our bill does not turn a blind eye to either the strengths or the weaknesses of today's health care system. Our bill takes a look at what we need to preserve and what we need to improve upon, and offers a responsible solution to enhancing quality and ensuring access.

Our bill will provide patients and their doctors with a new, iron clad support system that will insure access to medically necessary care. An independent, external appeals process will be available for patients whose plan has initially denied a treatment request that the patient and doctor have decided is necessary. In other words, our bill gets patients the right treatment, right away. And it's based on the independent decision of a medical professional who is expert in the patient's health care needs. In rendering a decision on the medical necessity of the treatment request, the expert review will consider the patient's medical record, evidence offered by the patient's doctor and any other documents introduced during the internal review. This covers the "generally accepted practice" standard that the minority offers as a singular solution.

Our bill goes further, capturing the other half of good quality health care, which is the evidence-based medicine rooted in science that I spoke about earlier. We would require the expert reviewer to also consider expert consensus and peer-reviewed literature and evidence-based medical practices. Let me say that again: evidence-based medicine, not the varied, town-by-town, tried but not necessarily true, general practice of medicine.

Because we feel so strongly about preserving the trusted relationship between doctors and patients by providing them with the best evidence-based medicine in making treatment decisions, we've included another lynchpin in our bill. We establish the Agency for Healthcare Research and Quality, whose purpose it is to foster overall improvement in health care quality, firmly bridging the gap between what we know about good medicine and what we actually do in health care today. The Agency is built on the platform of the current Agency for Health Care Policy and Research, but is refocused and enhanced to become the hub and driving force of Federal efforts to improve the quality of health care in all practice environments.

The Agency will assist, not burden physicians, by aggressively supporting state-of-the-art information systems for health care quality. This is in stark contrast to the minority proposal, which would require the Secretary of Health and Human Services to Mandate a new, onerous data collection bureaucracy. The Agency would support research in primary care delivery, priority populations and, critical to my state of Wyoming, access in underserved areas. Most important with regard to this research, is that it would target quality improvement in all types of health care, not just managed care. The Agency would also conduct statistically and scientifically accurate, sample-based surveys, using existing structures, to provide high quality, reliable data on health outcomes. Last, the Agency would achieve its mission of promoting quality by sharing information with doctors, health plans and the public, not tying it up in the knots of an expanded Federal bureaucracy. We need to assist the providers on the front lines. Their job is to make clinical decisions. We need to give them the tools to make these medical decisions based on the proven medical advances made every day through our investment in medical research. It would be a huge mistake to put the Secretary and a Federal bureaucracy between doctors and patients.

Clearly, medical necessity is a long and complicated issue. It is also where the rubber meets the road on improving the quality of medicine in the purest sense. This is where we all must pony up on the true intent of our proposals regarding medical necessity. This is where we peel away the rhetoric and reveal the true implications of our vastly different standards regarding the quality of care we are willing to demand for Americans. I, for one, am demanding that my constituents get the best care possible, with a solid basis in proven, quality, evidence-based medicine and timely access to the advancements and innovations in health care.

Mr. President, I understand and greatly respect the role of doctors and all health care providers in this country. It is for that very reason that I support the creation of a new, independent appeals mechanism to support their efforts in treating their patients. This, in conjunction with strengthening the health care system through strong Federal support for access to evidence-based medicine.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, much of this debate may seem technical, but the definition of medical necessity and a fair and independent appeals process are at the heart of any serious effort to end insurance company abuse. Our plan has it; their program does not. That is why Consumers Union—the outfit that publishes Consumer Reports—calls the Republican program "woefully inadequate" and "far from independent."

No one supports their program but the insurance companies and the

HMOs, the very organizations that profit from the abuses of the status quo. Their program is opposed by the American Cancer Society, and virtually every cancer organization in the country. It is opposed by the American Heart Association. It is opposed by the disability community. It is opposed by the women's community, and the people who represent children. These are the patient groups that have the most to lose from low quality and the most to gain from high quality. And they lose under the Republican program.

This amendment will determine whether Senators stand with the patients or with the HMOs.

We yield back the remainder of our time and are prepared to vote.

Mr. NICKLES addressed the Chair.

Mr. KENNEDY. I reserve my time.

Mr. NICKLES. Just to clarify, I think my colleague from Massachusetts spoke incorrectly. The insurance industry does not support our amendment. I think he said that they do. He happens to be factually wrong. I would like to have the record be clear. We ought to be stating facts and we ought to be stating the truth. What he said was not correct. They do not like our bill, either. They have not supported our bill.

My colleague from Massachusetts earlier said they wrote our bill. He is absolutely wrong. I just want to make sure people have the facts.

Mr. President, I will yield back the remainder of our time.

First, I ask unanimous consent that at the expiration of debate time on the pending amendment, votes occur on the following pending amendments: amendment No. 1238, medical necessity, that is the pending amendment; the next amendment would be amendment No. 1236, which is the cost cap, limiting it to 1 percent; the next amendment would be amendment No. 1235 which deals with emergency rooms, by Senator GRAHAM; the next amendment would be amendment No. 1234, deductibility for the self-employed; and the next amendment would be amendment No. 1233, dealing with the scope.

I further ask unanimous consent that following the first vote, there be 4 minutes equally divided for closing remarks prior to the beginning of each vote.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Reserving the right to object, and I will not object, just in response to the Senator's earlier statement, I wonder why the insurance companies are spending more than $2 million opposing our program.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. Mr. President, I reserve the right to object. Unless I am entitled to speak, I will object, Mr. President.

Mr. CHAFEE addressed the Chair.

Mr. KENNEDY. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CHAFEE. I wonder if we could have an agreement that on the successive votes the Senator from Oklahoma outlined there be a 10-minute break, or whatever he suggests, in there.

Mr. NICKLES. I think our friend from Rhode Island has made a good suggestion. I suggested possibly doing that. I think we will possibly do that after the first vote.

The PRESIDING OFFICER. Is there an objection to the request? Without objection, it is so ordered.

Mr. NICKLES. For the information of all of our colleagues, we are now getting ready to begin a series of votes, beginning with the first vote dealing with medical necessity. We expect there will be four votes tonight, so I encourage all our colleagues to come to the floor to vote.

I encourage all of our colleagues to stay on the floor because it is our intention to reduce the time allotted to each vote to 10 minutes after the first vote.

Mr. REID. Reserving the right to object——

Mr. NICKLES. I did not make a UC.

Mr. REID. Are we going to allow a minute of explanation? Is that in the unanimous consent request?

Mr. NICKLES. Under the unanimous consent that has already been agreed to, we have 4 minutes equally divided.

Mr. REID. I missed that. I apologize.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. KENNEDY. Just 30 seconds of the time to point out, in response to the comments of the Senator from Oklahoma, the insurance industry has just spent $2 million in opposition to our program, which basically includes the provisions so eloquently commented on by the Senators from California and North Carolina. Zero has been spent by the insurance companies in opposition, to my best understanding, to the Republican proposal. If it looks like a duck and quacks like a duck, it is a duck.

This is the insurance company's proposal, the HMO proposal. They are the ones that will gain if this amendment of the Republicans is accepted. There is no question about that. It is the disabled, the cancer groups, and the children who will gain if our proposal prevails.

I yield back the remainder of the time.

Mr. NICKLES. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1238.

The yeas and nays have not been ordered.

Mr. NICKLES. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1238. The yeas and nays have been ordered. The clerk will call the roll.

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—52

Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—48

Abraham
Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

The amendment (No. 1238) was agreed to.

Mr. LOTT. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

Mr. LOTT. Mr. President, I ask unanimous consent that remaining votes in this series be limited to 10 minutes in length. I urge Senators to stay in the Senate Chamber or not to go any farther than the cloakrooms so we can actually hold these next three votes to 10 minutes. Please do so. Senator DASCHLE and I intend to cut off the vote after about 10 or 11 minutes. Please stay in the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1236

The PRESIDING OFFICER. There are 4 minutes equally divided.

Mr. NICKLES. Mr. President, I yield the Senator from Texas 1 minute.

Mr. GRAMM. Mr. President, the Kennedy Patients' Bill of Rights drives up health care costs by 6.1 percent. It causes 1.8 million Americans to lose their health insurance. It raises the cost of health care for those who don't lose their health insurance by $72.5 billion. By driving up labor costs, it would destroy 194,041 jobs in the American economy by the year 2003. These are not our numbers. These are numbers based on estimates done by the CBO and private research firms that have used those numbers to project the economic impact.

Our amendment simply says if the Kennedy bill drives up health care costs by more than 1 percent when it is fully implemented, or if it pushes more than 100,000 Americans off the private insurance rolls by driving up cost, then the law will not go into effect; it will be suspended.

The PRESIDING OFFICER. Who yields time?

Mr. REID. The Senator from Rhode Island is yielded 2 minutes.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, once again we hear the same old misestimate of the costs associated with the legislation. The true cost calculated by the Congressional Budget Office is 4.87 percent over 5 years. That is exactly what Senator LOTT said on "Meet The Press" on July 11. In his words, "By the way, the Democratic bill would add 4.8 percent cost. That is less than 1 percent a year."

Mr. GRAMM. Mr. President, may we have order. I can't hear the Senator.

The PRESIDING OFFICER. The Senate will be in order. Those of you who have conversations, please take them to the Cloakroom. This is important debate.

The Senator from Rhode Island.

Mr. REED. I thank the Chair.

As I indicated, the true cost is 4.8 percent over 5 years. "That is less than 1 percent a year." That is what Senator LOTT said on "Meet The Press." Indeed, if you calculate that down to a monthly cost, it is about $2 extra a month to the average family paying health care premiums. It is not going to cause a huge eruption of costs.

It is also to me somewhat disconcerting to think that the insurance industry is worried about people losing their health care coverage. They raise costs every day. They will raise costs to protect their profits.

What this legislation wants to do is guarantee that there is quality in the American health care system.

Make no mistake, this amendment is calculated and designed to undercut all the protections in the Patients' Bill of Rights. It is calculated within 2 years to undercut and remove all of the protections that are so necessary to the American family, which we are fighting for.

This would be a recipe also to reward those companies that have excessive costs, and it would be virtually impossible to figure out what costs are associated with their need for profits versus what costs are associated with the increase in quality in the system. They would be doing the audits. They would essentially be exempting themselves. We are giving them a key to let them out of the responsibilities to their patients and to their consumers. We can't do that.

This is just another red herring, another ruse, and another device to prevent the American people from achieving what they definitely want—rights in the health care system.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, just to correct my colleague from Rhode Island, he said the cost of the Kennedy bill is about $2 a month. That is not correct. That is not in CBO's report. CBO says most of the provisions would take full effect within the first 3 years, not 5 years; not 1 percent, but a total of 6.1 percent. That is S. 6. That is what we are debating. That is what we are amending.

We are saying that costs shouldn't increase by more than 1 percent.

The Congressional Budget Office says the total costs would be $8 billion in lost Social Security taxes and total lost wages would be $64 billion. That is not a McDonald's hamburger. That is $64 billion in lost wages, according to the Congressional Budget Office. That is not a Republican insurance study. That was the Congressional Budget Office that said people would lose $64 billion in lost wages.

They also said as a result of the Kennedy amendment that people would drop insurance entirely; would reduce the generosity of health benefit packages; they would increase cost sharing by beneficiaries.

I urge my colleagues to vote for this amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NICKLES. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to Amendment No. 1236, as amended. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

The amendment (No. 1236), as amended, was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1235

The PRESIDING OFFICER. The question is on the Graham of Florida amendment. There are 4 minutes equally divided.

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, most of us here have already voted in favor of the amendment which is before us. In 1997 we adopted virtually this identical language as it relates to the 70 million Americans who are covered either by Medicare or Medicaid. So the question before us is, Should we adopt a different standard of emergency room care for the rest, for the other 190 million Americans?

There are two principal differences between the current law for Medicare and Medicaid and what the Republican alternative would propose. First, as to access to the nearest available emergency room, the current Medicare/Medicaid law says you have the right to go to the nearest emergency room without any additional charge. That is the same provision that is in this amendment. The Republican provision says that a differential charge can be made so you would have to pay more if it happened that the closest emergency room was not an emergency room affiliated with your health maintenance organization.

The second difference is poststabilization care. What is poststabilization care? I quote the language from the Medicare regulations:

> Poststabilization care means medically necessary nonemergency services needed to assure that the enrollee remains stabilized from the time that the treating hospital requests authorization from the health maintenance organization.

Medicare and Medicaid beneficiaries get the benefit of poststabilization care. Our amendment would make that benefit available to all 190 million non-Medicare/Medicaid Americans. The Republican bill would not. It would not say that you are entitled to medically necessary services to continue you in a stabilized condition after you had contacted your HMO and received authorization to do so.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAHAM. Mr. President, there is no reason why all Americans should not have the same benefits that we voted less than 3 years ago to make available to the 70 million Medicare and Medicaid beneficiaries.

Mr. NICKLES. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senate will come to order.

Mr. NICKLES. I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I say to my colleagues, in the area of emergency group services, both bills eliminate prior authorization, and they should. You should not have to call your insurance company before you go to the emergency room. Both bills establish a process for timely coordination of care, including services to maintain stability of the patient.

I will be offering an amendment that will make it perfectly clear in the Republican bill that there can be no greater costs charged for those going to an out-of-network emergency room as those going to an in-network emergency room. There should not be a differential. I will make very certain in my amendment that there is no such differential.

The Graham amendment is flawed, and it is seriously flawed because it uses language that is confusing for patients, confusing for plans and providers, it is vague and ambiguous, and it does not ensure that poststabilization services are related to the emergency condition. That is a gaping loophole. It is a blank check to say you have to provide services for a condition that is absolutely unrelated to the reason you went to the emergency room.

My amendment I will be offering will fix that vague and ambiguous language to be sure that what is provided in the emergency room for poststabilization services are related to the condition for which the patient went to the emergency room.

This is a very dangerous amendment in that it is vague and ambiguous and leaves a blank check, a gaping loophole that needs to be fixed. I ask my colleagues to reject the Graham amendment.

Mr. NICKLES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1235. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 53, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The amendment (No. 1235) was rejected.

Mr. NICKLES. I move to reconsider the vote.

Mr. HUTCHINSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1234

The PRESIDING OFFICER. The question is on amendment No. 1234 by Senator NICKLES for Senator SANTORUM. There are 4 minutes equally divided. Who seeks recognition?

Mr. NICKLES. Mr. President, I yield the principal sponsor of the amendment, Senator SANTORUM, 1 minute.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I rise in strong support and encourage all my colleagues to support this amendment. The amendment does basically two things. No. 1, it establishes 100-percent deductibility for the self-employed, something for which I know many Members of both sides of the aisle have been striving. One of the things we have said about our health care proposal is that ours is much more comprehensive than the Democratic plan. It looks at the issue of access.

Mr. NICKLES. Could we have order?

The PRESIDING OFFICER. The Senate will please come to order. Again, this is an important debate.

The Senator from Pennsylvania is recognized.

Mr. SANTORUM. As I said, our bill is much more comprehensive. We looked at the question of access and making health insurance more affordable to cover more people, to bring them into the insurance market. Our bill, with this amendment, does that.

The other thing we do is we emphasize that we do not want the Federal Government, the Health Care Financing Administration, to oversee State-regulated plans. Almost all 50 States have passed a Patients' Bill of Rights. They traditionally regulate health insurance. They are doing a very good job. We do not need to impose HCFA regulations and HCFA control over every State insurance department. It is the wrong approach. It is Washington getting its teeth into the State pie. That is unnecessary.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DASCHLE. I yield 1 minute to the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, this vote is directly related to whether the Senate is really interested in covering all Americans who have insurance or whether whatever passes applies to only the 48 million persons who are included in the Republican bill.

In the House of Representatives, all of the leading Republican legislation applies to all patients with insurance through their private employers—the whole 123 million here. The proposals put forward by the House Republicans who happen to be doctors also cover the people in the individual market. But not the Senate Republican bill.

It is an extraordinary irony, but HMOs are found in all of these other categories—under the 75 million, the 15 million, the 25 million—not in self-funded employer plans. So the Republican bill does not even cover the individuals who first raised the whole question of whether their current coverage is adequate. Whatever we are going to do, Republican program or Democrat, let's make sure we provide protections to all patients. Every category here on this chart. That is what our amendment does.

But their amendment would leave out more than 100 million Americans like Frank Raffa, a fire fighter for the city of Worcester, Massachusetts. He puts his life on the line every day, but he and millions of others are left out and left behind with the Republican program. Let's make sure we are going to cover all of them, all the workers in this country.

The PRESIDING OFFICER. The time has expired.

Who yields time?

Mr. NICKLES. Mr. President, I yield 1 minute to the Senator from Missouri, Senator BOND.

The PRESIDING OFFICER. Before the Senator from Missouri starts, the Senate will be in order.

The Senator from Missouri.

Mr. BOND. Mr. President, the opponents of this amendment overlook the fact that the States are involved. The States do regulate health insurance. The States are taking care of those they can cover.

This amendment says we should not wipe out State regulation. It also completes the job of ending the tremendous inequity in our health care system which said formerly that self-employed people could only deduct 25 percent of their health insurance premiums. Thanks to the bipartisan support we have had, we say now, by 2003, that there will be 100-percent deductibility. Right now, however, there are 5.1 million uninsured, 1.3 million children. For the woman who is starting a new business, the fastest growing sector of our economy, she starts up an information technology business and she is not able to deduct 100 percent of health care insurance for herself and her family until 2003. She cannot afford to wait to get sick until 2003.

I urge my colleagues to support immediate deductibility.

The PRESIDING OFFICER (Mr. GORTON). The distinguished minority leader is recognized.

Mr. DASCHLE. Mr. President, I think the distinguished Senator from Pennsylvania had it right. We all support 100-percent deductibility for the self-employed. We just voted for it an hour or so ago. There is no question all of the Senate supports it. We are on record in support of it. The question is whether we should accelerate it. We just voted to accelerate it on this side on the Robb amendment. That isn't the question on this amendment. This amendment is about whether or not we offer 100 million additional Americans the patient protections under the Patients' Bill of Rights.

In order to clarify that, I ask unanimous consent that the deductibility language be added to both the Republican bill, S. 1344, and the Daschle substitute.

Mr. NICKLES. I object.

Mr. DASCHLE. I ask unanimous consent that at least the deductibility amendment be allowed as part of the Kennedy amendment as well.

Mr. NICKLES. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DASCHLE. That makes it very clear. This vote is about denying millions of Americans the right to patient protections, not about health and deductibility for self-employed businessmen.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. NICKLES. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1234. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

The amendment (No. 1234) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1233, AS AMENDED

The PRESIDING OFFICER. The question now is on agreeing to amendment No. 1233, as amended.

The amendment (No. 1233), as amended, was agreed to.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

AMENDMENT NO. 1239 TO AMENDMENT NO. 1232

(Purpose: To provide coverage for individuals participating in approved clinical trials and for approved drugs and medical devices)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] for himself, Mrs. BOXER, Mr. HARKIN, Mr. KENNEDY, Mr. REID, Mrs. MURRAY, Mr. DURBIN, Mr. ROCKEFELLER, Mr. FEINGOLD, Mrs. FEINSTEIN, and Mr. DASCHLE, proposes an amendment numbered 1239 to amendment No. 1232.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DODD. Mr. President, I offer this amendment on behalf of myself, Senators HARKIN, BOXER, FEINGOLD, FEINSTEIN, JOHNSON, ROCKEFELLER, KENNEDY, MURRAY, and REID of Nevada.

As I understand it, we will debate it briefly this evening, and then it will be one of the first orders of business tomorrow morning.

This amendment has two parts to it. It would ensure that patients have access to the best possible care in two areas—cutting edge clinical trials and medically necessary prescription drugs.

Until recently, health plans routinely paid for the doctor and hospital costs associated with clinical trials, and many still do. But a growing number of insurance plans are now refusing to pay, disrupting an arrangement that immediately benefited individual patients and advanced our ability to treat future patients.

As my colleague from Vermont will recall from our debate in the Health and Education Committee, which he chairs, this amendment is a moderate one. It would require insurance plans to cover the costs of a patient's participation in clinical trials in only those circumstances that meet the following criteria: One, the clinical trial must be sponsored or funded by the National Institutes of Health, the Department of Defense, or the Veterans' Administration; two, the patient must fit the trial protocol; three, there is no other effective standard treatment available for the patient; four, the patient has a serious or life-threatening illness.

It seems to me that if a patient's situation meets those criteria, insurance plans ought not to deny access to clinical trials. This ought not to be a controversial proposal.

Let me lastly add that the plan's obligation is to pay only for the routine patient costs, not for the costs of running the trial that ought to be paid for by the sponsor of the trial—such as the experimental drug or medical device.

The cost of providing coverage for clinical trials is negligible. After all, similar routine patient costs for blood tests, physicians' visits, and hospital stays are covered for standard treatment anyway.

The Congressional Budget Office found that this patient protection would increase premiums a mere four-tenths of a percent over the next 10 years. That is less than 12 cents per person per month.

Many researchers believe even this minuscule amount is a dramatic overstatement of the cost. In fact, when the Memorial Sloan-Kettering Cancer Center, and the MD Anderson Cancer Center compared the cost of clinical trials to standard cancer therapies, both of these world-renowned cancer centers found that the average cost per patient actually was lower for those patients enrolled in clinical trials. So it actually can save money to give patients access to clinical trials, if you believe Sloan-Kettering and the Anderson Cancer Center.

The American Association of Health Plans—the trade association for the managed care plans—has urged its members to allow patients to participate in clinical trials and to pay the associated doctor and hospital costs. Let me quote from a news release of the American Association of Health Plans. They said:

> AAHP supports patients having access to NIH-approved clinical studies, and supports individual health plan linkages with NIH-sponsored clinical trials. AAHP also believes that it is appropriate for health plans choosing to participate in NIH research studies to pay the routine patient-care costs associated with these trials.

This is the very trade association of the insurance plans urging its members to allow access to clinical trials and suggesting they ought to pick up the cost

The release goes on to cite the benefits of participating in clinical trials for patients and for the advancement of medicine.

We are asking that health plans do nothing more than what they already said they want and they intend to do.

The Republican proposal? What do they say about the clinical trials? They say the managed care bill should study this issue further. With all due respect, further studies will only cause unnecessary delays. We already have answers to many of the questions they want to study. We know what hinders a patient's participation in clinical trials. It is the plans' refusal to pay for them. We know what the costs are. They are minuscule. And plans presumably have figured out how to differentiate between costs of running the trials and costs of patient care since many of them already are doing it.

All we would get from another year of delay is more patients with life-threatening conditions being denied access to research that can save their lives.

I know this does not have to be a partisan issue. Republicans have not only supported related legislation but some—including Senator MACK, and my colleague, Senator SNOWE who is on the floor, and Senator FRIST—have been leaders on this issue. Our good friend and colleague from Maine, Senator SNOWE, has authored excellent legislation widely supported, I might add, by patient groups which would broadly provide access to almost all clinical trials for all privately ensured patients. I commend her for that bill. Thirteen of our Republican colleagues have cosponsored the Mack-Rockefeller bill that would require Medicare to cover the cost of cancer clinical trials. The Representative from my State, Republican Congresswoman NANCY JOHNSON, has introduced a companion bill with several Republican cosponsors.

What I am offering has broad bipartisan support in a variety of legislative proposals. All we are saying is this Patients' Bill of Rights ought to include it.

Clearly, there is bipartisan interest in making sure patients all over this country with breast cancer, colon cancer, liver cancer, congestive heart failure, lupus, Alzheimer's, Parkinson's, diabetes, AIDS, along with a host of other deadly illnesses, have access to cutting-edge treatments. To allow a plan to deny a patient access to clinical trials is an outrage.

I hope this body will find it in its good judgment to adopt this amendment tomorrow when it comes up for a vote and to allow people to have access to these critical clinical trials.

The second part of this amendment deals with prescription drugs.

Nearly all HMOs and other insurance plans use a preferred list called a formulary to extract discounts from drug companies and to save on drug costs. Many of the best plans already take steps to ensure these formularies aren't unreasonably rigid by putting processes in place that allows patients access to nonformulary medicines when their own doctors say those drugs are absolutely needed. In fact, the HMO trade association supports this practice as part of its Code of Conduct for member plans.

Why would a patient need a drug that is not in the plan's formulary? Patients have allergies in some cases to drugs on the formulary. They may be taking medications that would have bad interactions with the plan's preferred drugs, or simply have a medical need for access to some product that is not listed in the formulary—rather commonsensical reasons.

Without access to a reasonable process for making exceptions to the formulary, patients may be forced to try two or three different types of older, less effective medications and demonstrate that those drugs don't work or have negative side effects before the plan would allow access to offer formulary prescription drugs.

No patient, in my view, should be exposed to dangerous side effects, or ineffective treatment, just because the cheaper drug in their plan that was chosen does not work as well as the one their doctor would recommend.

I was pleased that during our committee markup our chairman, who is on the floor, and our Republican colleagues agreed to support a portion of the protection in the Democratic Patients' Bill of Rights plan that relates to access to prescription drugs. I will point out that, as with the majority of provisions in the Republican bill, even its limited protection would be denied to more than 100 million Americans whose employers don't self-insure their own health care coverage.

In addition, their provision contains a significant loophole that needs to be corrected. The Republican proposal requires plans to provide access to drugs off the formulary. However, it also says that the insurers can charge patients whatever they want to get those off-formulary products, even if they are medically necessary, and even if the drug is the only drug that can save that patient's life.

This subverts the purported intent of the very provision the Republican bill proposes; and that is to ensure that patients have access to medically necessary care. If a determination has been made by a doctor and the plan that a patient needs that specific drug and no other, why should that patient be subjected to higher costs—conceivably even a 99-percent copay?

The issue is not about patients simply preferring one brand over another. Our concern is for patients for whom a certain product is medically necessary. It is inconceivable they should be charged more for the care they need just because it doesn't make the plans formulary. This amendment would remedy that situation.

Lastly, our amendment would also address another roadblock that patients encounter trying to get life-saving prescription drugs. That is the practice of a plan issuing blanket denials on the ground that a drug is experimental even when it is an FDA-approved product.

If there is any question in your mind why the plans would resort to such a practice, I think it's useful to listen to their own explanation. In a letter to the majority leader in July of last year, the American Association of Health Plans, Blue Cross and Blue Shield, and the Health Insurance Association of America wrote:

> If health plans are not allowed to deny coverage on the basis that the device is investigational, the health plans would have to perform a much more costly case-by-case review on the basis of "medical necessity".

They state the case for me.

In other words, according to the health plans themselves, their fear is that if they are prevented from issuing blanket, unfounded denials they might actually have to look at an individual patient's medical needs.

These two provisions of this amendment are critically important. Patients need access to clinical trials and they need access to prescription drugs. It doesn't get more basic than that.

Denying access to clinical trials doesn't just deny good care to the patient today who is desperately in need of a cure, but it denies state of the art health care to future patients as well, by impeding the development of knowledge about new therapies.

Senator MACK, Senator SNOWE, and many others have strongly supported legislation in this area. Some of their bills go further than my amendment does.

I hope tomorrow when the vote occurs we will have the support of a broad bipartisan coalition.

Mr. REID. Will the Senator yield?

Mr. DODD. I am happy to yield to the Senator.

Mr. REID. I say to my friend from Connecticut, isn't it true we spend billions of dollars at the National Institutes of Health, the Veterans' Administration, and the Department of Defense on medical research that can only be made effective if they have clinical trials?

Mr. DODD. That is correct. The process of finding cures starts with an unknown product first being tested in the laboratory. The second place it is tested is with animals. Third is the clinical trial before it is on the market for general use.

If insurers impede enrollment in clinical trials that phase of research development will be adversely affected and valuable, life-saving products will be delayed from getting on the market for general use by the public.

It is an excellent question.

Mr. REID. I say to my friend, all the money, the billions and billions of dollars, spent by the entities I previously talked about, the money we spend is basically worthless unless we can have clinical trials.

Mr. DODD. To answer my colleague from Nevada, the Senator is absolutely correct. This is a tremendous waste of taxpayer money. There are those, I suppose, who are only concerned about that issue. I appreciate the Senator raising the point because it is indeed a waste of money.

It is also a waste of human lives. I think that people watching this debate here on the floor of the Senate will ask the question: What did the Senate do when it had a chance to protect my family, my child, my wife or my husband, to give them access to the cutting edge technologies when my insurer says no. I think they will be outraged if we don't provide them this protection.

In addition to the monetary cost issue, which our distinguished friend from Nevada has raised, to cause a human life to be lost because we denied access to clinical trials, I argue, is an even greater loss.

Mr. REID. There have been some who say it is too expensive. The Senator is aware of plans that have cut off clinical trials because it is "too expensive."

What I hear my friend saying is, the real expense is in the pain and suffering of the families who suffer from Parkinson's, Alzheimer's, lupus, and all the other diseases that the Senator has outlined so clearly.

Is it not true that is where the real suffering comes and that is where the expense comes—in the pain and suffering to those people—if we don't allow the clinical trials?

Mr. DODD. I appreciate the question of my colleague.

He is absolutely correct. I will make a dollars-and-cents case. The cost is 12 cents per patient per month, a negligible cost.

As I mentioned in earlier remarks, when Sloan-Kettering Cancer Institute and the MD Anderson Cancer Center examined the issue of cost—two world-class cancer research centers—their conclusion was that clinical trials are actually less costly than the standard care that will be used in the absence of clinical trials. "Less costly" is their conclusion.

If your argument is we cannot do this because it costs too much, one estimate suggests 12 cents per patient per month, and two of the world-class cancer centers in the world think it is actually a lower cost using the clinical trials.

Mr. REID. The final question I ask my friend from Connecticut: Isn't it true that huge amounts of money will be saved if these clinical trials are proved effective? The Senator knows that half the people in our rest and extended care facilities are there because of Parkinson's and Alzheimer's.

Assume, for example, that these clinical trials would delay the onset of one of these two diseases or if some miracle would occur we could cure those diseases. Would that save this country money?

Mr. DODD. The cost in savings would be astronomical.

When we delay a product going from the research phase to general use because patients are shut out of clinical trials, not only do patients today suffer, but future patients suffer, and the costs to the health care system as a whole go up.

AIDS is a wonderful example of this—the AIDS clinical trials have saved literally thousands of lives. People are working today who would not have been able to do so had it not been for clinical trials that helped to develop powerful new drugs. Imagine if the treatments that exist today existed a few years ago, what a different world it would be and how many lives would not have been lost—productive citizens today who would make a contribution to our society.

I reserve the remainder of our time.

Mr. JEFFORDS. Mr. President, I commend my good friend on the committee for the work he has done in this area. This is an area where we have joined together. It will ensure that we have a change, a positive change in the clinical trial aspect. I want to work together with the Senator in that regard.

I also want to say this bill is not finished yet. We have places to go and time to spend to bring it to a better form than it is now. I look forward to continuing to work to improve the bill.

I reserve the remainder of my time.

Mr. DODD. How much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 29 minutes 33 seconds, and the Senator from Vermont has 49 minutes 15 seconds.

Mr. REID. Mr. President, I think we are ready to do wrap-up.

Mr. JEFFORDS. That is my intention.

Mr. REID. The time has stopped running on the bill for both the majority and minority.

Mr. MCCAIN. Mr. President, this evening I cast several difficult votes regarding core principles facing this body as we work to ensure the health care rights of Americans are protected.

I voted for an amendment creating an external appeals process for patients who are denied medical care by their health plan. While I strongly support this initiative, I am concerned that this specific proposal needs further strengthening ensuring that the individual health care rights of Americans are the priority. I will be working with my colleagues on both sides of the aisle to strengthen the external appeals process, including access to reasonable legal remedies while ensuring that the external review process is conducted by unbiased and independent entities whose sole purpose is to protect the rights of American patients.

In addition, I support guaranteeing an individual medical care in an emergency room without prior approval from their HMO if the person believes that it is an emergency situation. However, I was forced to vote against an amendment which provided this protection but then superseded state rights and created an opportunity for emergency rooms to begin providing a litany of treatments outside of the realm of the perceived emergency which could have negative financial repercussions.

Finally, I support providing American women with direct access to OB/GYNs and ensuring they receive quality health care while battling breast cancer. However, I was forced to vote against an amendment providing this critical access because it eliminated an important provision ensuring that health care costs do not skyrocket thereby causing thousands, if not millions of new Americans to lose their health care coverage.

Mr. CAMPBELL. Mr. President, today I take this opportunity to comment on the pending bill.

In my view, what we are discussing today is the most costly big-government health care plan since the Clinton health care reform plan was debated earlier this decade. We all know the fate of that attempt, and it is my hope we might now allow common sense to play a part in creating a Patients' Bill of Rights.

The demands on our health care system have changed dramatically in the past decade. So has our health care system. But, those changes have not affected all people evenly, and it's clear many people have had unfortunate experiences.

Going from the traditional doctor-patient relationship into a system where all aspects of care are subject to approval and authorization is understandably difficult. But, as the cost of quality care became an obstacle to access, the concept of managing care has evolved as the predominate method of insured medical service.

While health care in America, and our advances in medical technology remain the envy of the world, it would be a serious mistake to pretend that all are well-served by our present health care system.

The Federal Government, in an effort to give all Americans access to affordable care, has, in fact, encouraged participation in managed care plans. All federally-sponsored health care, which includes Medicare, Medicaid, the Federal Employees Health Benefit program and military health care, has experienced the emergence of managed care. Now we must deal with the issue of ensuring health care quality as a first priority. And we must do it in a way that will not raise costs of care or cause employers to stop offering health insurance.

While managed care has become the dominant delivery method of cost-effective healthcare in our nation, what is missing are standards that will ensure fairness to both patients and providers, and clarify what are often confusing medical and legal terms and hidden rules for both parties. The question before us now is how best to protect these patients while giving the health care industry incentives for finding efficient methods of delivering care.

All of us expect the highest quality health care for the citizens of this country, but, that care must be affordable. Anyone that believes having Congress dictate a costly, one-size-fits-all mandate will make health care more affordable or more available is, I believe, severely out of touch with reality.

That is why I am concerned about the pending legislation. This bill mandates new regulations which would increase premiums by 6.1 percent, not including inflation. It could raise the cost of a typical family's health insurance policy by more than $300 per year. That is not logical, responsible or acceptable. We have been down this road before with the "catastrophic health" bill of 10 years ago. The Senate passed it because people were told premium increases would be minimal. Then people got their bill. This pending bill will drive up the number of uninsured Americans. In my State of Colorado, it is estimated that this legislation would add more than 32,000 persons to the rolls of the uninsured. Our biggest health care problem already is that there are currently 43.5 million uninsured Americans. Who pays for their inevitable medical care? You, I, and every other taxpayer. It is clear that increased mandates increase costs, and that those increased costs reduce coverage.

It is no secret that higher health insurance premiums will force employers to drop optional medical coverage they offer employees. That should not be the intention of this legislation, but it is the reality. Every time a mandate raises the cost of insurance by one percent, more than 200,000 Americans lose their coverage.

Small businesses would drop coverage if exposed to the pending bill's liability provisions. Canceling coverage leaves patients exposed to expensive medical bills. That's not patient protection. We cannot pass legislation that forces employers to provide health care. They will close shop, because they can't afford it. The pending bill will lead to government-run health care. The bill's mandates could cost the private sector more than $56 billion, greatly exceeding the annual threshold established in the Unfunded Mandates Reform Act, which most Members of this body voted for.

Many States are currently developing patient-protection legislation through their State legislatures and assemblies. My State of Colorado has already established mandates concerning an independent external review process for denied claims, a ban on gag clauses, and direct access to OB–GYN services.

Despite that fact, the pending bill, in an attempt to tighten federal control over the entire U.S. health system, applies federal mandates to all health insurance products.

Mr. President, I believe it is time to put the brakes on the runaway one-size-fits-all mandates which are inflicting hardship on our most vulnerable citizens and legitimate health care providers. The time to protect patients and providers is before costly mandates are enacted into law.

Let us think ahead. We have already seen through our experience with the Balanced Budget Act of 1997, that well-intentioned solutions enacted by Congress can turn into unworkable, burdensome regulations when imposed on the entire health care system. We are discussing sweeping legislation which, if passed and enacted, will have significant consequences for all Americans and their health care. I believe we can best protect these Americans by making reasonable changes which give them more choices. Let's provide access to affordable, quality care without inventing unnecessary new federal mandates for an already top-heavy health care structure.

I believe the Republican Patients' Bill of Rights Plus will do just that. It will improve quality of care and expand consumer choice as well as protect patients' rights.

It will hold HMOs accountable for providing the care they promised. It places treatment decisions in the hands of doctors, not lawyers. And, patients have the right to coverage for emergency care that a prudent lay-person would consider medically necessary.

The purpose of our bill is to solve problems when care is needed, not later after harm has occurred. Common sense demands we act reasonably. More importantly, the future health care of hundreds of millions of Americans demands we act with their interests in mind.

I thank the Chair.

Mr. ALLARD. Mr. President, in the 1970s, the State of Colorado adopted a well-child care law, legislation concerning the treatment of alcoholism and mental health, as well as legislation concerning insurance coverage of psychologists. In the 1980s home health care, hospice care, and mammography screening legislation was passed into law. In the 1990s, those who represent the people of Colorado in the State House saw fit to pass laws concerning the coverage of nurses, nurse midwives, nurse anesthetists, nurse practitioners, psychiatric nurses, the continuation of coverage for dependents and employees, and conversion to non-group health care.

This decade the Colorado Legislature also passed consumer grievance procedures, children's dental anesthesia and general dental provisions, direct access to OB–GYN, direct access to midwives for OB–GYN, emergency room services legislation, a ban on gag clauses, prostate cancer screening, breast reconstruction, maternity stay, and mental health parity legislation. Last, but certainly not least, among State laws enacted in my home State is a law concerning independent external appeals for patients and a comprehensive Patients' Bill of Rights, passed in 1997.

I am proud to have served in the Colorado State Senate, and I am proud to say that today I represent a state that has been responsive and aggressive in addressing health care issues and patients' rights.

At the same time, Mr. President, I am deeply troubled that there are those in this body who are advocates of Senator KENNEDY's Patients' Bill of Rights that would preempt a number of the laws that I just mentioned in the

State of Colorado. In this country of 260 million Americans throughout the fifty states I believe that the people of those States are in the best position to make these specific decisions. I come from our nation's 8th largest State with a population of just 3.9 million people. I will not assume that any federal entity is more prepared to develop policy for Colorado than the people of Colorado, nor would I impose the policies unique to Colorado's needs on another State.

Something I find equally troubling is that in addition to infringing on the laws of the State of Colorado, the legislation that Senator KENNEDY and the Democrats have developed has the potential to increase health care costs, deprive 1.9 million Americans of health insurance who are currently covered, and cast heavy mandates down on individual states who are in a far better position to make these decisions for themselves.

I will speak today about a number of things I believe will enhance the quality of health care, increase access to care, and provide important protections for patients without unnecessarily placing mandates on individual states. These provisions are all part of a comprehensive package called the Patients' Bill of Rights Plus Act, which I feel properly addresses the needs of America's patients, physicians and health care providers.

The Patients' Bill of Rights Plus Act establishes consumer protection standards for self-funded plans currently governed by the Employee Retirement and Income Security Act (ERISA). 48 million Americans are currently covered by plans governed by ERISA—these are American health care consumers who are not under the jurisdiction of state laws.

Our bill would eliminate gag rule clauses in providers' contracts and ensure that patients have access to specialty care. The legislation also requires that health plans that use formularies to provide prescription medications ensure the participation of doctors and pharmacists in the construction of the formulary. Further addressing patient choice and access, health plans would be required to allow women direct access to obstetricians and gynecologists, and direct access to pediatricians for children, without referrals from general practitioners.

These provisions are important steps in removing barriers that may prevent patients covered under ERISA from receiving necessary and proper treatment in a timely manner.

As a former small business owner I have a keen understanding of the issues that confront the self-employed. I also have experience in balancing the wages and benefits you extend to an employee with a healthy bottom line. I think it is important that we remember throughout the course of this debate that employers provide health care benefits as a voluntary form of compensation for their employees. We must be wary of legislation that will increase costs and liability for employers in a way that may reduce the quality and scope of benefit packages for employees.

Our bill, the Patients' Bill of Rights Plus, would make health insurance deductible for the self-employed and increase the availability of medical savings accounts. I believe that each of these provisions would give greater power to the individual and make private insurance more affordable for families and individuals. Large corporations can claim a 100 percent deduction for health care and small business should be treated the same.

Medical savings accounts, otherwise known as MSAs, combine a high deductible and low cost catastrophic policy with tax free savings that can be used for routine medical expenses. We should increase the availability to all families who desire MSAs. These efforts will prove particularly helpful to those individuals working for small business, and those in transition from one job to another since MSAs are fully portable.

I want to stress that our legislation will not mandate these accounts for everyone, but will simply establish the accounts as an option to those who feel they will be best served by MSAs. I believe that medical savings accounts are particularly important for uninsured, lower income Americans. Allowing consumers to pay for medical expenses through these affordable tax-deductible plans, tailored to their needs, is a viable free-market approach to decreasing the number of uninsured in America. This is a question of providing greater choice for health care consumers.

The Patients' Bill of Rights Plus Act would also permit the carryover of unused benefits from flexible spending accounts, again increasing the number of options available to the consumers of health care.

In keeping with presenting more options to the consumer, The Patients' Bill of Rights Plus Act includes language that would require all group health plans to provide a wide range of comparative information about the health coverage they provide. This information would include descriptions of health insurance coverage and the networks who provide care so that consumers covered by self insured and fully insured group health plans can make the best decisions based on their needs and preferences.

One of the most contentious issues in health care has been the issue of malpractice liability, grievance procedures and the mechanism for the appeal of decisions made by managed care companies. My colleagues across the aisle are interested in taking the grievance procedure into a court of law, allowing a patient greater access to litigation as a means of challenging a managed care organization's decision.

Lawsuits and the increased threat of litigation will demand that more money to be funneled into non-medical administration and away from what patients really want—quality health care. Furthermore, making the courts a de facto arbiter of health care decisions seems to me to be less efficient and less effective in dealing with the interests of the patient. The Kennedy bill is an enormous gift for the trial lawyers in America who stand to profit by high cost, long-term cases. Patients, not lawyers, will fare far better under the Patients' Bill of Rights Plus.

I am also concerned that expanding medical malpractice liability will lead to more defensive medical decisions regardless of the merit of a particular treatment. High liability exposure and cost has driven countless physicians from their profession for years, particularly in high-need rural areas.

This is not a provision we can afford in rural areas of western States like Colorado that are already underserved.

Rather than take health care out of the doctor's office and into the courts, the Patients' Bill of Rights Plus Act establishes strict time frames for internal and external appeals for the 124 million Americans who receive care from self insured and fully insured group plans. Routine requests would need to be completed within 30 days, or 72 hours in specific cases when a delay would be detrimental to the patient. Rather than use the courts in cases of health care appeals our legislation would establish a system of independent, internal and external review by physicians with appropriate expertise. We are talking about doctors with years of experience and medical training making health care decisions, not legal arguments.

I believe that such a system will be more responsive and more tailored to the needs of every individual patient—and it will do so without creating unnecessary bureaucracy. It is also important to note that these internal and external appeals will cost patients and employers considerably less than the alternative proposal that is heavy on lawsuits, lawyers and litigation.

Another area of concern that I believe needs to be incorporated in any sensible managed care reform legislation is the inclusion of protections for patients from genetic discrimination. The Patients' Bill of Rights Plus Act would prohibit all group health plans and insurers from denying coverage or adjusting premiums based on predictive genetic information. The protected genetic information includes an individual's genetic tests, genetic tests of family members, or information about the medical history of family members.

No one should live in fear of being without health care based on genetic traits that may not develop into a health problem.

Mr. President, I believe these provisions will empower the individual, not the lawyers or bureaucracies. I am committed to the notion that each individual American consumer of health care is in the best position to chose where his or her health care dollar is best spent.

An administrative issue involved in this debate that I am very concerned with is the effort to attempt to force all health plans—not just HMOs—to report the medical outcomes of their subscribers and the physicians who treat them. This makes sense for a managed care plan such as an HMO, but it would be virtually impossible for a PPO or indemnity plan to monitor and classify this data without becoming involved in individual medical cases.

I believe that if we require all health plans to collect and report data like this we will be requiring all plans to be organized like an HMO. This would significantly reduce the number of choices consumers and employers currently enjoy in selecting their health care.

The Congressional Budget Office recently determined that if S. 6, the Kennedy version of the Patients' Bill of Rights, were to pass that this country would see private health insurance premiums increase 6.1 percent above inflation. What appears to be a minor increase to health care premiums would have disastrous and immediate consequences around the country, adding 1.9 million Americans to the ranks of the uninsured. In my home state that translates to 32,384 people. In Colorado the average household would lose $203 in wages and 2,989 jobs would be lost by 2003 for this "minor" increase.

We are talking about people in Colorado losing their jobs and their health care coverage because Washington wants to do what the State of Colorado has been working on for the last thirty years.

The Congressional Budget Office determined that our bill, the Patients' Bill of Rights Plus Act, would increase costs by less than 1 percent. While I urge my colleagues to be wary of any potential increase in costs for the American people, I also believe that the Patients' Bill of Rights Plus, and not the current Kennedy bill, directly addresses health care quality issues and increases choice for consumers with a minimal cost.

Mr. AKAKA. Mr. President, I rise today to speak on a very important piece of legislation—legislation that is vital to the future of health care in this country, the Patients' Bill of Rights. Democrats have fought long and hard to debate this bill on the floor of the Senate and I am thankful for the opportunity to speak in support of the underlying measure.

Today more than 160 million Americans, over 75 percent of the insured population, obtain health coverage through some form of managed care. Managed care arrangements can and do provide affordable, quality health care to large numbers of people. Yet reports of financial consideration taking precedence over patients health needs deserve our attention. We hear stories and read news articles about people who have paid for health insurance or received employer-sponsored insurance, became ill, only to discover that their insurance does not provide coverage. Recent surveys indicate that Americans are increasingly worried about their health care coverage. 115 million Americans report having a bad experience with a health insurance company or knowing someone who has. This undermining of confidence in our health care system must be addressed. We must act to restore the peace of mind of families in knowing that their health insurance will be there when they need it most. We can accomplish this by establishing real consumer protections, restoring the doctors decision-making authority, and ensuring that patients get the care they need.

Some of the important issues that we are debating include the scope of coverage, definition of who determines "medically necessity," protecting the doctor/patient relationship, access to care, and accountability.

True managed care reform cannot come from a narrow bill that covers only a certain segment of the population. Today much of the regulation of managed care plans comes form the states. However, federal laws such as the Employee Retirement Income Security Act of 1974 (ERISA) and the Health Insurance Portability and Accountability Act, combined with the various state regulations, form a patchwork of regulation for managed care plans. Some in this chamber believe that the protections we are considering should only apply to ERISA-covered plans and not to the 113 million Americans who have private insurance that is regulated by the states. They argue that these issues should be left to the states to address. Democrats believe that everyone deserves equal protection, regardless of where they may live or work. The Patients' Bill of Rights would not interfere with patient protection laws passed by the states, it would simply extend these patient protection rights to all Americans.

As managed care has grown, so has the pressure on doctors and other health care providers to control costs. Complaints receiving widespread attention include denials of necessary care, lack of accountability, limited choice of providers, inadequate access to care, and deficient information disclosure for consumers to make informed plan decisions. Mr. President, a strong Patients' Bill of Rights should address the shortcomings of managed care. S. 6 takes a comprehensive approach in dealing with these issues, which is why I am a cosponsor of the measure.

The dominance of managed care has undermined the doctor-patient relationship. Often tools are used to restrain doctors from communicating freely with patients or providing them with incentives to limit care. We need to ensure that insurers cannot arbitrarily interfere in the medical decision making. The Patients' Bill of Rights includes a number of provisions to prevent arbitrary interference by insurers. Our bill establishes an independent definition of medical necessity, prohibits gag clauses on physicians and other restrictions on medical communications, and protects providers from retaliation if they advocate for their patients.

The issue of who decides what is medically necessary is probably the most fundamental issue of this debate. We must empower patients so they receive appropriate medical treatment, not necessarily the cheapest treatment, not necessarily the treatment that an insurance company determines is appropriate, but the best treatment. Currently, many doctors are finding insurance plans second-guessing and overriding their medical decisions. Democrats believe that the "medical necessity" of patient care should be determined by physicians, consistent with generally accepted standards of medical practice. Doctors are trained to diagnose and make treatment decisions based on the best professional medical practice. We need to keep the medical decisions in the hands of doctors and not insurance company bureaucrats.

Families in managed care plans often face numerous obstacles when seeking access to doctors and health care services. Some of these barriers include restrictions on access to emergency room services, specialists, needed drugs, and clinical trials. S. 6 would ensure access to the closest emergency room, without requiring prior authorization. It would provide access to qualified specialists, including providers outside of the network if the managed care company's choices are inadequate, and direct access to obstetricians and gynecologists for women and pediatricians for children. S. 6 would also ensure access to drugs not included in a managed care plan's covered list when medically indicated and provide access to quality clinical trials.

Finally, the underlying bill allows consumers to hold managed care companies accountable for medical negligence. Currently, insurers make decisions with almost no accountability. Patients deserve the right to a timely internal appeal and an unbiased external review process when they disagree with a decision made by the insurer. Patients also deserve recourse when the misconduct of managed care plans results in serious injury or death. However, under ERISA plans, patients have no right to obtain remedy under state law. These patients are limited to the narrow federal remedy under ERISA, which covers only the cost of the procedure the plan failed to pay for. S. 6 would ensure that managed care companies can be held accountable for their actions. It does not establish a right to sue, but prevents federal law from blocking what the states deem to be appropriate remedies. A strong legal liability provision will discourage insurers from improper treatment denials or delays and result in better health care.

Mr. President, only a comprehensive bill will guarantee patient protection with access to quality, affordable health care. We should not miss this important opportunity to enact meaningful legislation that is federally enforceable and will improve care and restore confidence in our health care system.

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, I now ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO DR. MARY E. STUCKEY, THE 1999 ELSIE M. HOOD OUTSTANDING TEACHER

Mr. LOTT. Mr. President, it is with great pleasure that I pay tribute to The University of Mississippi's 1999 Outstanding Teacher of the Year, Dr. Mary E. Stuckey.

Each year my alma mater The University of Mississippi, known as Ole Miss, recognizes excellence in the classroom with the Elsie M. Hood Outstanding Teacher Award during its Honors Day Convocation. Nominations for this honor are accepted from students, alumni, and faculty. A committee of former recipients then selects the faculty member who best demonstrates enthusiasm and engages students intellectually.

Dr. Mary E. Stuckey is an Associate Professor of Political Science. An 11-year veteran of the Ole Miss Political Science Department, Dr. Stuckey's teaching interests include the Presidency and political communications as well as American Indian politics. Her research focuses on Presidential rhetoric, media coverage of the President, and institutional aspects of Presidential communication. Dr. Stuckey is also working on several projects regarding depictions of American Indians in the media and in national politics. In addition to these areas of interest, she also teaches in the McDonnell-Barksdale Honors College.

Dr. Stuckey's research has earned her several prestigious grants. These include the President Gerald R. Ford Library, the C-SPAN in the Classroom Faculty Development, a National Endowment for the Humanities Fellowship, and the Canadian Studies Faculty Research. She has also published several studies such as "The President as Interpreter-in-Chief" and "Strategic Failures in the Modern Presidency."

A native of southern California, Dr. Stuckey earned a bachelor's degree in political science from the University of California at Davis. She then completed her graduate studies at the University of Notre Dame and joined the Ole Miss faculty in 1987.

Now, Mr. President, let me tell you that Dr. Stuckey and I probably will not agree on much when it comes to political issues. But three members of my current staff, Steven Wall, Beth Miller, and Brian Wilson, tell me she is outstanding in the classroom. They all agree that she is an equal opportunity challenger, regardless of political views, when it comes to the study of politics. She requires her students to use logic rather than emotions when advocating any viewpoint. Dr. Stuckey does not penalize her students when they don't share her views; rather she rewards academic scholarship.

The study of political science is essential to any society. And I believe it is even more incumbent on us, as Americans, to do so. Thomas Jefferson once said, "Self-government is not possible unless the citizens are educated sufficiently to enable them to exercise oversight." He was right. Universities are an important institution to help instill in each generation an appreciation for the unique and honorable character required for our democratic republic. Americans want to learn from their past mistakes so they can strive to build a better society for their children and grandchildren. Dedicated and inspiring teachers, such as Dr. Mary E. Stuckey, this year's Elsie M. Hood Award recipient, are key to ensuring that our next generation of political leaders will have the necessary knowledge and character to make America strong.

ECONOMIC REFORMS IN RUSSIA

Mr. KERREY. Mr. President, I draw my colleagues' attention to an article that appeared earlier this year in Economic Reform Today. I ask unanimous consent that the full text of "Safeguarding Russian Investors: Securities Chief Speaks Out" be printed at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KERREY. Mr. President, Economic Reform Today is a quarterly magazine published by the Center for International Private Investment. CIPE is one of the core grantees of the National Endowment for Democracy and is dedicated to promoting democratic governance and market oriented economic reform. Their work has been particularly important in assisting the ongoing transition to free markets in the former communist countries of Eastern Europe and the former Soviet Union.

The article I will include in the RECORD, highlights Russia's continuing effort to implement political and economic reforms. This has been a painful process in Russia. However, it is my firm belief that Russia's transition to a free-market democracy will be measured in decades, not years. During this important time—CIPE and the other NED grantees—have been working to ensure that the Russian people have access to the information and resources necessary to make a successful transition.

Again, I encourage my colleagues to read this important article.

EXHIBIT 1

SAFEGUARDING RUSSIAN INVESTORS: SECURITIES CHIEF SPEAKS OUT

(If Russia is to gain economic stability and attract foreign investors it will need to respond better to the needs and concerns of investors. Dmitry Vasiliyev has made this the chief reform priority of the securities commission that he heads. He is one of the strongest voices in Russia today calling for more efficient and transparent markets to provide the necessary foreign and domestic capital to jump start Russia's newly privatized enterprises. In this interview with Economic Reform Today, Vasiliyev underscores the importance of establishing strong shareholders' rights as a cornerstone of economic reform)

ERT: You have made upholding shareholder rights one of the top priorities of the Federal Securities Commission (FSC). Why is this so important?

Mr. Vasiliyev: Protecting investors' rights is an important prerequisite for attracting foreign investment, and, unfortunately, Russia faces serious problems in this area. Although we are gradually improving the quality of corporate governance, Russia is losing billions of dollars in investments because of poor investor safeguards, both in corporate and government securities. This is reflected in the lower value of Russian stock prices as compared with those of other emerging market countries. Better protection of investors' rights will attract more investors and allow companies to raise more capital and lead to the development of new technologies and more production.

ERT: Can you gauge the damage that denying these shareholder rights inflicts on the Russian economy?

Mr. Vasiliyev: The Russian economy faces serious consequences unless it can offer adequate safeguards. Not only are foreigners reluctant to invest in Russia, but Russians do not trust it either. People are putting their savings into dollars because other forms of investment don't offer enough protection.

That's why we have concentrated our efforts on protecting the market from low-quality securities. Last year we denied registration to 2,600 issues; that is, we turned down 14% of all submitted prospectuses. That means we prevented 2,600 possible violations of shareholder rights. Of course we also had to cancel some issues that were already registered; for example, the well-publicized cases involving the largest Russian oil companies, such as Sidanko and Sibneft. Last week the Commission launched an investigation into the case of Yukos. We are determined to use all measure necessary to defend minority shareholders. In some cases the exchange or brokers themselves violate shareholder rights through manipulation. Our investigations have increased sevenfold in the last two years. We recognize, however, that we are only at the beginning of a long process.

A responsible government should observe a strict financial policy and minimize its borrowing, including issuing government bonds. The crisis over the past year was also a crisis of sovereign debt: the crash of the GKO (government bond) pyramid caused tremendous losses to the real economy and to the financial sector. As a result, the government is developing twelve new laws aimed at protecting investors. In March, Parliament adopted one of these laws, which protects investors in the securities markets. We also need to improve our joint stock company law in order to reduce share dilution and asset stripping, as well as to allow shareholders to dismiss management and stop asset theft. We also want to change the criminal code and make nondisclosure to investors and crime. I believe that we can learn from other countries' experiences, including the United States, in this area.

There are several typical violations of shareholder rights in Russia. The first is share dilution, which we have been trying to counter by denying issue registrations. The bill approved in March also introduces stricter procedures that should protect against share dilution.

The second is nondisclosure or provision of false information. We have begun to address this issue through the same bill, which allows the FSC to fine issuers of securities if they provide insufficient disclosure or misleading data. For example, if a prospectus contains false information, those who have signed it—the CEO, the auditor and the independent appraiser—bear a subsidiary responsibility if investors lost money because the information was false. Of course this is only the first step; we still have to iron out how to enforce the law and other procedural matters. In the West, for instance, you have "class action" suits, but courts do not hear such cases in Russia.

Another typical violation is transfer pricing abuse; that is, when commodities or securities are sold at artificial prices between or among affiliated companies. Here, as in the case of asset stripping, shareholders need to have stricter control over the actions of management. The FSC is trying to prevent the execution of large transactions without prior shareholders' approval. While we do not always succeed, we are trying to close this important loophole.

The issue of share conversion between a holding company and its subsidiaries is very serious. Shareholders of both the holding company and the subsidiaries must insist on a fair and independent appraisal of assets and establishment of a fair conversion rate. Government officials cannot solve this question; it's a matter for management and the shareholders and points up the importance of appropriate procedures for corporate decision making. For example, in some cases, such as Lukoil's, the share conversion process went pretty smoothly because Lukoil management took a balanced and well-conceived position. Other cases, such as Sibneft, resulted in huge scandals. This is a long-term process and the FSC will be focusing on this issue indefinitely.

ERT: Financial industrial groups have a very strong presence in the Russian economy. Experts argue that they need to be reformed or regulated. In your view, what type of regulation is necessary?

Mr. Vasiliyev: The economic crisis last year delivered a very serious blow to financial industrial groups (FIGs). It destroyed many of them, and weakened many of the so-called "oligarchs," who were forced to sell off parts of their empires. Yukos is just one example of the troubles facing these groups.

I believe that FIGs are not the most efficient way to achieve economic development. Equity or investment financing through the securities market and the banking system should be kept—and regulated—as separate systems. The experiences of other countries, including the US, show that heavy investment in industry by banks and financial institutions can have catastrophic consequences. Back in 1997, I was already insisting that Russia needs banks to stay away from risky speculative operations, not to hold stock in companies and not to invest in industry. What we had in the August 1998 crisis was the collapse of the settlement system.

At the same time we need investment banks involved in corporate finance, but investors know that many Russian banks are used for speculative operations not for settlement purposes. Russia's President Yeltsin recently sent a message to the Federation Council stating that the country needs both "settlement" banks and "investment" banks. The fact that President Yeltsin highlighted this critical issue is an encouraging sign for the ailing banking sector.

Creditors' rights also need to be protected. In Russia creditors are not offered adequate protection. The banks say that they need a controlling interest in a company in order to be able to lend money to it. Creditors' rights should be protected, but the solution to that is for banks not to participate in a company's equity capital. If banks would lend to companies rather than invest in government bonds, they would not be so involved in speculation and not be so dependent on getting controlling interest in companies.

State involvement in the economy should be minimal, but today it is still very high. Sweeping privatization is not the most important objective; the goal should be to privatize the land held by industrial companies so they can use it as collateral for loans. The sooner this is done the better, but this process has moved very slowly since 1994. In my opinion this aspect of privatization is more important than agricultural reform.

ERT: Can you delineate the responsibilities of the FSC and the Central Bank in regulating corporate transactions and capital markets? In what areas should they cooperate and in what areas should they have separate responsibilities?

Mr. Vasiliyev: I believe that each has its own functions—the main objective of the Central Bank, just like in any other country, is supporting the national currency. My task at the FSC is to protect investors and regulate the securities market.

ERT: In your view, what is the Russian public's perception of the local business community? If it is negative, how should businesses work to revamp this perception?

Mr. Vasiliyev: The attitude toward business people is not very good. I believe that the country's private sector should work on changing its tarnished image. It should be prestigious to be involved in business and society should appreciate that it has an important function. Changing the poor image of business will, of course, take a long time. The ideology of the old Soviet regime won't disappear overnight. In Russia it is the younger generation that is leaning toward capitalism.

The private sector, of course, will play a key role in the economy. It already plays an important role, but often in the form of speculation and the "shadow" economy. The Russian economy needs to move from the shadows to the daylight through simplification of regulation and licensing. We need to make it profitable to pay taxes. (See ERT No. 4, 1997 pp. 6-9 for a detailed discussion of how Russia's "shadow" economy operates.)

ERT: In Russia, much of the public perceives the privatization process as unfair. How would the changes in regulations that you have outlined in this interview improve this process?

Mr. Vasiliyev: We believe that the structure of ownership will gradually change. Many companies that were privatized as joint stock companies will probably leave the securities market. They are not interested in remaining publicly traded. We will probably have 500 to 1,000 publicly traded companies. Most small shops or factories employing less than 100 persons will gradually end up being privately owned or become closely held companies, which is fine. The number of publicly traded companies is declining in countries that went through mass privatization. We see this happening in the Czech Republic and it will eventually happen in Russia, too.

There were two components of Russia's privatization process. One was land privatization—the land "under" companies—and the other was securities markets development intended to rectify privatizations that were not done in a very efficient manner. We were forced to implement privatizations in the way we did. Other options then were not politically or psychologically acceptable in our country. I still believe this. But it is obvious that we encountered a lot of insider influence and very limited transparency because of the very fast pace of transition.

When we were first starting to privatize, I worked in the state property commission as a deputy to Mr. Anatoly Chubais, its chairman, and I drafted many documents on privatization. One of the main conditions we asked for was that companies become open joint stock corporations so that stock could be sold and bought. Now that there is a battle for control of these companies and the advent of outside shareholders is beginning to strengthen their positions, Russian companies are changing bit by bit. The securities markets are helping this transition.

The use of a central depository as a privatization mechanism has been adopted by many emerging market countries and is accepted by all securities commissions. If we could establish a central depository, we would be able to reduce the number of registrars and eventually move toward not using them at all. Later we could introduce centralized clearing settlements. These will lower investors' costs and significantly improve protection of their rights since they would then be protected from registrar-related risks. The attractiveness of the Russian market would benefit significantly from the results. So my position was and is that sooner or later this central depository will be created in Russia.

Right now our policy is that no single issuer can control more than 20% of a registrar, and that registrars handle a large number of issuers. They gradually are becoming more independent. Our largest registrars handle 200 to 300 issuers and millions of accounts so that they are no longer dependent on a particular issuer.

Of course, there are still registrars who are under the strong influence of a single issuer—Yukos, for example. But they are subject to strict control by the Commission. In the past year, we checked up on three-fourths of all registrars and have 125 of them left to check. Almost all of them are checked once a year.

ERT: More broadly, what lessons should policymakers in other developing countries learn from Russia's ongoing transition to a market-oriented economy?

Mr. Vasiliyev: The first lesson is that emerging markets cannot borrow the experience of Western countries. You cannot just transfer their legislation to other countries. We are at a different stage of development. The Russian economy and its financial instruments are nearly a century behind those of the US, for example, in terms of our legal base, the capitalization of our institutions, and our familiarity with how a market economy works.

The Russian economy faces several key obstacles. First is a lack of expertise among Russian managers. A typical manager cannot write a reasonable plan for investors. A manager may have a project and an investor may have cash to invest, but without a decent plan, nothing will develop. Second, Russia must simplify its taxation rules and reduce the tax burden. Only then will we see real economic growth and more revenues. Third, we must greatly simplify procedures for the control and licensing of businesses. Starting up and/or liquidating a business should be easy. This would enable us to reduce crime and corruption and transfer part of the informal economy to the formal sector.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, July 12, 1999, the Federal debt stood at $5,621,471,104,821.73 (Five trillion, six hundred twenty-one billion, four hundred seventy-one million, one hundred four thousand, eight hundred twenty-one dollars and seventy-three cents).

Five years ago, July 12, 1994, the Federal debt stood at $4,621,828,000,000 (Four trillion, six hundred twenty-one billion, eight hundred twenty-eight million).

Ten years ago, July 12, 1989, the Federal debt stood at $2,800,467,000,000 (Two trillion, eight hundred billion, four hundred sixty-seven million).

Fifteen years ago, July 12, 1984, the Federal debt stood at $1,534,664,000,000 (One trillion, five hundred thirty-four billion, six hundred sixty-four million).

Twenty-five years ago, July 12, 1974, the Federal debt stood at $472,596,000,000 (Four hundred seventy-two billion, five hundred ninety-six million) which reflects a debt increase of more than $5 trillion—$5,148,875,104,821.73 (Five trillion, one hundred forty-eight billion, eight hundred seventy-five million, one hundred four thousand, eight hundred twenty-one dollars and seventy-three cents) during the past 25 years.

PRESERVING ACCESS TO CARE IN THE HOME ACT OF 1999

Mr. FEINGOLD. Mr. President, I rise today to commend my colleague Senator JAMES JEFFORDS of Vermont on legislation he introduced that makes several important first steps in addressing some serious access problems in the Medicare home health care program. Senator JEFFORDS' legislation, the Preserving Access to Care in the Home (PATCH) Act of 1999, contains several important provisions to ensure that all Medicare beneficiaries have access to home health services.

Mr. President, I have been working to promote the availability of home care and long-term care options for my entire public life. I believe it is vitally important that we in Congress work to enable people to stay in their own homes. Ensuring the availability of home health services is integral to preserving independence, dignity and hope for some of our frailest and most vulnerable fellow Americans. I feel strongly that where there is a choice, we should do our best to allow patients to choose home health care. I think Seniors need and deserve that choice. I applaud Senator JEFFORDS for his leadership on this issue, and I look forward to working with him to ensure that Seniors have access to the care that they need.

INDIVIDUAL DEVELOPMENT ACCOUNTS

Mr. ABRAHAM. Mr. President, within the next several weeks, the Senate will debate an issue of extreme importance to the future of our economy—whether and in what manner to return nearly $800 billion in tax relief to the American people over the next ten years.

I strongly support this tax cut. I believe we owe it to the American people, who after all provided the hard work that produced our current surpluses. I also believe that these surpluses provide us with a unique opportunity to reduce and simplify our current onerous, Byzantine tax code. Finally, and most important for my purposes here today, we now have an important opportunity to target and encourage further saving and investment.

To keep our economy growing and our budget balanced, we must do more to encourage saving and investment. Therefore, it is my view that part of the tax cut should be crafted following an innovative concept called Individual Development Accounts or IDAs. IDAs are emerging as one of the most promising tools to help low income working families save money, build wealth, and achieve economic independence. This pro-asset building idea is designed to reward the monthly savings of working-poor families who are trying to buy their first home, pay for post-secondary education, or start a small business. The reward or incentive can be provided through the use of tax credits to financial institutions that provide matching contributions to savings deposited by low income people. In this way those savings will accumulate more quickly, building assets and further incentives to save.

I believe so strongly in the many benefits that IDAs can provide to low income families that I have cosponsored S. 895, the Savings for Working Families Act written by my colleagues, Senators LIEBERMAN and SANTORUM. Similar to 401(k) plans, IDAs will make it easier for low income families to build the financial assets they need to achieve their economic goals. But availability is not enough. We also must empower the working poor in America to make use of this important economic tool. That is why a second key component of the IDA concept consists of financial education and counseling services to IDA account-holders. These services will allow IDA users to further improve their ability to save and improve their quality of life.

Let me briefly outline the four key reasons why I believe the IDA concept is so crucial to a well-crafted tax cut.

First, asset building is crucial to the long-term health and well being of low income families. Assets not only provide an economic cushion and enable people to make investments in their futures, they also provide a psychological orientation—toward the future, about one's children, about having a stake in the community—that income alone cannot provide. Put simply, families that fail to save fail to move up the ladder of economic success and well-being. Unfortunately, saving strategies have been ignored in the poverty assistance programs established over the past 35 years. IDAs will fill this critical gap in our social policy.

Second, our great Nation needs to address the wealth gap, and bring more people into the financial mainstream. While there has been considerable attention given to the income cap among our citizens, I wonder how many Americans realize that ten percent of the families control two-thirds of our Nation's wealth or that one-half of all American households have less that $1,000 in net financial assets, or that 20 percent of all American households do not have a checking or a savings account?

Current Federal tax policy provides more than $300 billion per year in incentives for middle-class and wealthy families to purchase housing, prepare for retirement, and invest in businesses and job creation. Yet, public policies have largely penalized low income people who try to save and build assets and savings incentives in the tax code are beyond their reach. It is time for us to find ways to expand these tax incentives so that they can reach low income families who want to work and save.

Third, IDAs are a good national investment, yielding over $5 for every $1 invested. According to the Corporation for Enterprise Development or CFED, the initial investment in IDAs would be multiplied more than five times in the form of new businesses, new jobs, increased earnings, higher tax receipts, and reduced welfare expenditures. And these increases will come from genuinely new asset development. Savings will be produced that could not have been produced by other, more general means, and in areas where there were no savings before.

Finally, IDAs have a successful track record we should not ignore. IDAs are working now in our communities and they are having a tremendous effect on families who choose to save for the future. There are already 150 active IDA programs around the country, with at least another 100 in development. Approximately 3,000 people are regularly saving in their IDAs. The CFED has compiled encouraging evidence from their IDA pilot programs showing that poor people, with proper incentives and support will save regularly and acquire productive assets. There are almost 1,000 families participating in CFEDs privately funded IDA demonstration and as of December 31, 1998 these families saved over $165,000, an amount which leveraged another $343,000 in matching funds.

IDAs are already a tremendous success. But, unless additional resources can be found to provide the matching contributions so essential for IDAs to succeed, most low income families will never have the opportunity to save and build assets for the future. The major factor in delaying the creation of IDAs in the 100 communities mentioned above is the lack of a funding source that can provide the needed matching contributions. Our tax cut bill will and should provide nearly $800 billion in tax cuts over the next ten years. I believe that, within this bill, we should make a small investment of only $5–$10 billion in IDAs. This would ensure that millions of working, low income families who want to work and save for their first home, provide a post-secondary education for a child, or start a small business could establish their own IDA accounts.

I strongly encourage the Senate Finance Committee to look closely at IDAs as a means of helping low income families build the financial assets they need to achieve the American Dream.

FAIRNESS FOR FEDERAL WORKERS IN RHODE ISLAND

Mr. REED. Mr. President, I rise today to address an issue of critical importance to nearly 6,000 federal workers in the state of Rhode Island and to the agencies that employ them.

The absence of federal locality pay for workers in Rhode Island has created serious recruitment and retention problems for federal offices due to the substantial federal pay differential between Rhode Island and the neighboring states of Massachusetts and Connecticut.

Let me briefly give the background on this complex issue. Nine years ago, Congress enacted the Federal Employees Pay Comparability Act of 1990 to correct disparities between Federal and private salaries. The Act authorized the President to grant interim geographic pay adjustments of up to 8% in certain areas with significant pay disparities during 1991–1993. Beginning in 1994, the Act provided for a nationwide system of locality pay intended to close the gap between Federal and private salaries over a nine-year period.

Unfortunately, implementation of the Act has created significant pay disparities among Federal employees in southern New England, in particular between Federal employees in Rhode Island and those in Massachusetts and Connecticut.

Rhode Island is literally surrounded by locality pay areas. On its western border, Rhode Island is adjacent to the Hartford locality pay area, which includes all of New London County, Connecticut. Rhode Island's entire northern border is adjacent to the Boston-Worcester-Lawrence locality pay area, which includes the towns of Douglas, Uxbridge, Millville, and Blackstone in Worcester County, Massachusetts; and all of Norfolk County, Massachusetts. The Boston pay locality even reaches around the state of Rhode Island to encompass the adjacent town of Thompson, Connecticut, which lies directly west of Woonsocket, Rhode Island, on the opposite side of our state from Boston. Finally, Rhode Island's eastern border is separated from the Boston locality pay area by as little as four miles.

One facility within a few miles of the Boston locality pay area, the Naval Undersea Warfare Center in Newport—a premier Navy R&D laboratory with world class facilities and progressive employee benefits—has seen its starting salaries continue to fall below the industry average. As a result, the Center's acceptance rate has dropped to approximately 40% and the average GPA of new employees is down.

The Federal Salary Council's eligibility criteria have created what I frequently refer to as a "donut hole" in locality pay in our region that leaves thousands of federal employees in Rhode Island with a minus 3.45% pay differential in 1999 when compared to federal employees just a few miles to the north, east, and west.

Mr. CHAFEE. Will the Senator yield?

Mr. REED. I will be happy to yield to the senior Senator from Rhode Island.

Mr. CHAFEE. It is no wonder that Federal agencies in Rhode Island have trouble recruiting and retaining qualified employees given the very short travel time to the higher-paying Boston or Hartford locality pay areas. Most Americans know that Rhode Island is the smallest state in the nation, but I think it is worth emphasizing just how small the dimensions are, and the impact that has on commuting patterns in our region.

It is only 35 miles from the eastern edge of the Hartford locality pay area in Connecticut to the Boston locality pay area in Dartmouth, Massachusetts. In between, a little more than 30 miles across, is the state of Rhode Island and 3,700 federal employees without locality pay in Newport County. Where is the incentive for a federal employee living in central Rhode Island to continue working for a federal agency in our state when he or she could drive less than 20 miles in any direction and receive a nearly 4% raise?

Mr. REED. The Senator is correct. This situation makes no sense given the similar cost of labor across southern New England and the unusually heavy commuting patterns between Rhode Island and the Boston and Hartford pay localities, especially with the Boston area. It is only 45 miles from Providence to downtown Boston.

The question before us now is, how did we get into this situation, and how can we correct it? The main obstacle to federal locality pay in Rhode Island is the federal government's use of county data to determine the eligibility of "Areas of Application" to existing pay localities. First of all, I would note that Rhode Island has no county governments, and the Federal Salary Council's use of county data is, therefore, impractical and arbitrary. Secondly, the criteria for application are structured in such a way that our state cannot become eligible. To be considered, a county must be contiguous to a pay locality; contain at least 2,000 General Schedule employees; have a significant level of urbanization; and demonstrate some economic linkage with the pay locality, defined as commuting at a level of 5% or more into or from the areas in question.

Mr. CHAFEE. If the Senator will yield, I would point out that in our state, Newport County surpasses the employee requirement but is not contiguous to a pay locality because the President's Pay Agent excluded the towns of Westport and Fall River, Massachusetts from the Boston-Worcester-Lawrence pay locality. As a result, less than four miles separate the 3,700 Federal employees in Newport County from the locality pay provided to employees in the Boston pay locality.

Given our State's extremely small size and, as the Senator mentioned, the fact that Rhode Island has no county governments, the Salary Council's use of county data is inappropriate. The total land area of Rhode Island is only about two-thirds the size of Worcester

County, Massachusetts, nearly all of which falls inside the Boston pay locality. As long as the Pay Agent applies its criteria on a county-by-county basis, no part of Rhode Island will be eligible for a higher level of locality pay, and existing Federal pay disparities between Rhode Island and its neighbors will continue to degrade Federal services in our state.

Simply put, the FEPCA law was intended to resolve a public-private pay disparity. In southern New England, however, it has created a public-public pay disparity.

Mr. REED. The Senator is absolutely right. And to remedy this situation, the bill we have introduced, S. 1313, the Rhode Island Federal Worker Fairness Act, will require the President's Pay Agent to consider the State of Rhode Island as one county strictly for the purposes of locality pay. We believe this bill will enable Rhode Island, the smallest state in the nation and about the same size as the average county in the United States, to apply for locality pay on an equal footing with county governments in other parts of the country.

We look forward to working with the distinguished Chairman of the Governmental Affairs Committee, Senator THOMPSON, and the Committee's ranking member, Senator LIEBERMAN, in our effort to reduce the inequities among Federal employees in our region and enable federal offices in Rhode Island to attract and retain qualified employees.

I yield the floor.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a treaty which was referred to the Committee on Foreign Relations.

REPORT ON THE NATIONAL EMERGENCY CONCERNING WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT—PM 47

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 204 of the International Emergency Economics Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month report on the national emergency declared by Executive Order 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and of the means of delivering such weapons.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 13, 1999.*

MESSAGE FROM THE HOUSE

At 2 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2035. An act to correct errors in the authorizations of certain programs administered by the National Highway Traffic Administration.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 107. Concurrent resolution expressing the sense of Congress rejecting the conclusions of a recent article published by the American Psychological Association that suggests that sexual relationships between adults and children might be positive for children.

H. Con. Res. 117. Concurrent resolution concerning United Nations General Assembly Resolution ES–10/6.

MEASURES REFERRED

The following bill, previously received from the House of Representative for the concurrence of the Senate, was read the first and second times by unanimous consent and referred as indicated:

H.R. 592. An act to designate a portion of Gateway National Recreation Area as "World War Veterans Park at Miller Field"; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 107. Concurrent resolution expressing the sense of Congress rejecting the conclusions of a recent article published by the American Psychological Association that suggests that sexual relationships between adults and children might be positive for children.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4144. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–4145. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–4146. A communication from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting, pursuant to law, the annual report of the Farm Credit System for calendar year 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4147. A communication from the Director, Retirement and Insurance Services, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Federal Employees Health Benefits Program and Department of Defense Demonstration Project-Amendments to 48 CFR, Chapter 16" (RIN3206–AI67), received July 12, 1999; to the Committee on Governmental Affairs.

EC–4148. A communication from the Director, Retirement and Insurance Services, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Federal Employees Health Benefits Program and Department of Defense Demonstration Project-Amendments to 5 CFR, Part 890 (RIN3206–AI67), received July 12, 1999; to the Committee on Governmental Affairs.

EC–4149. A communication from the Executive Director, Committee for the Purchase from People who are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule entitled "Additions to and Deletions from the Procurement List", received July 12, 1999; to the Committee on Governmental Affairs.

EC–4150. A communication from the Acting Deputy Director for Management, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "Electronic Purchasing and Payment in the Federal Government"; to the Committee on Governmental Affairs.

EC–4151. A communication from the Public Printer, Government Printing Office, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC–4152. A communication from the Executive Director, Committee for the Purchase from People who are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule entitled "Additions to the Procurement List", received July 6, 1999; to the Committee on Governmental Affairs.

EC–4153. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the elimination of the danger pay allowance for the Central African Republic; to the Committee on Foreign Relations.

EC–4154. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, a report of the International Labor Organization relative to general conditions to stimulate job creation in small and medium-sized enterprises; to the Committee on Foreign Relations.

EC–4155. A communication from the President of the United States, transmitting, pursuant to law, a report of a safeguard action on imports of lamb meat; to the Committee on Finance.

EC–4156. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Regulations under Section 1502 of the Internal Revenue Code of 1986; Limitations on Net Operating Loss Carryforwards and Certain Built-in Losses and Credits Following an Ownership Change of a Consolidated Group"

(RIN1545–AU32) (TD8824), received June 29, 1999; to the Committee on Finance.

EC–4157. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Regulations under Section 382 of the Internal Revenue Code of 1986; Application of Section 382 in Short Taxable Years and with Respect to Controlled Groups" (RIN1545–AU33) (TD8825), received Jume 29, 1999; to the Committee on Finance.

EC–4158. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Removal of Regulations Providing Guidance under Subpart F Relating to Partnerships and Branches" (TD8827), received July 9, 1999; to the Committee on Finance.

EC–4159. A communication from the Chief Counsel, Fiscal Service, Bureau of the Public Debt, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Final Rule to Amend 31 CFR Parts 315, 353, 357, and 370 to Consolidate Provisions Relating to Electronic Transactions and Funds Relating to United States Securities," received July 6, 1999; to the Committee on Finance.

EC–4160. A communication from the Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Canadian Border Boat Landing Program" (RIN1115–AE53) (INS No. 1796–96), received July 8, 1999; to the Committee on the Judiciary.

EC–4161. A communication from the Principal Deputy Director, Office of Community Oriented Policing Services, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Police Recruitment Program Guidelines" (RIN11015–AAE58), received July 6, 1999; to the Committee on the Judiciary.

EC–4162. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report for fiscal year 1998; to the Committee on Energy and Natural Resources.

EC–4163. A communication from the Acting Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Electronic Reporting" (RIN1010–AC40), received June 30, 1999; to the Committee on the Budget.

EC–4164. A communication from the Assistant General Counsel for Regulatory Law. Office of Procurement and Assistance Management, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Consortium Buying" (AL 99–04), received July 12, 1999; to the Committee on Energy and Natural Resources.

EC–4165. A communication from the Director, Office of Regulatory Management, Office of Acquisition and Materiel Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "VA Acquisition Regulation: Taxes" (RIN2900–AJ32); to the Committee on Veterans' Affairs.

EC–4166. A communication from the Regulations Officer, Federal Highway Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "National Standards for Traffic Control Devices; Metric Conversion and Correction of Effective Date" (RIN2125–AD63), received July 8, 1999; to the Committee on Environment and Public Works.

EC–4167. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plan; Illinois" (FRL #6374–1), received July 8, 1999; to the Committee on Environment and Public Works.

EC–4168. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Massachusetts; Plan for Controlling MWC Emissions from Existing MWC Plants" (FRL #6377–1), received July 8, 1999; to the Committee on Environment and Public Works.

EC–4169. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants for Source Categories: Off-Site Waste and Recovery" (FRL #6377–5), received July 9, 1999; to the Committee on Environment and Public Works.

EC–4170. A communication from the Director, Office of Congressional Affairs, Office of State Programs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "NRC Management Directive 5.6, 'Integrated Materials Performance Evaluation Program'", received July 12, 1999; to the Committee on Environment and Public Works.

EC–4171. A communication from the Secretary of Health and Human Services, transmitting, a draft of proposed legislation entitled "Medicaid and Children's Health Insurance Program Amendments of 1999"; to the Committee on Finance.

EC–4172. A communication from the Administrator, Small Business Administration, transmitting, a draft of proposed legislation entitled "The Small Business Programs Enhancement Act of 1999"; to the Committee on Small Business.

EC–4173. A communication from the Secretary of Housing and Urban Development, transmitting, a draft of proposed legislation relative to the President's fiscal year 2000 budget; to the Committee on Banking, Housing, and Urban Affairs.

EC–4174. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report entitled "Importing Noncomplying Motor Vehicles" for calendar year 1998; to the Committee on Commerce, Science, and Transportation.

EC–4175. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Shelby and Dutton Montana" (MM Docket No. 99–63) (RM–9398), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4176. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Lordsburg and Hurley, NM" (MM Docket No. 98–222) (RM–9407), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4177. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Madison, Indiana" (MM Docket No. 98–105) (RM–9295), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4178. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Belfield, ND; Medina, ND; Burlington, ND; Hazelton, ND; Gacke, ND; New England, ND" (MM Docket Nos. 98–224; 98–225; 98–226; 98–230; 98–231; 98–232), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4179. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table Allotments; FM Broadcast Stations; Buda and Giddings, Texas" (MM Docket No. 99–69), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4180. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.606(b), Table of Allotments; TV Broadcast Stations; El Dorado and Camden, Arkansas" (MM Docket No. 99–4569) (RM 9401), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4181. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revise Fees to Number Undocumented Vessels in Alaska (USCG–1998–3386)" (RIN2115–AF62) (1999–0001), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4182. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Fenwick Fireworks Display, Long Island Sound (CGD01–99–095)" (RIN2115–AA97) (1999–0043), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4183. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Koechlin Wedding Fireworks, Western Long Island Sound, Rye, New York (CGD01–99–030)" (RIN2115–AA97) (1999–0040), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4184. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Royal Handel Fireworks, Boston, MA (CGD01–99–102)" (RIN2115–AA97) (1999–0041), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4185. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Madison 4th of July Celebration, Long Island Sound (CGD01-99-092)" (RIN2115-AA97) (1999-0042), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4186. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; T E L Enterprises Fireworks Display, Great South Bay Off Davis Park, NY (CGD01-99-115)" (RIN2115-AA97) (1999-0044), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4187. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Rules of Practice, Procedure, and Evidence for Administrative Proceedings of the Coast Guard (USCG-1998-3472)" (RIN2115-AF59) (1999-0002), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4188. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Technical Amendments to USCG Regulations to Update RIN Numbers; Correction" (RIN2115-AA97) (1999-0046), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4189. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Harbour Town Fireworks Display, Calibogue Sound, Hilton Head, SC (CGD13-99-007)" (RIN2115-AE47) (1999-0026), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4190. A communication from the Chief, Office of Regulations and Administrative Law, US Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Staten Island Fireworks, Raritan Bay and Lower New York Bay (CGD01-99-083)" (RIN2115-AA97) (1999-0045), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-248. A resolution adopted by the Municipal Assembly of Isabela, Puerto Rico relative to U.S. Navy activity around the Island of Vieques, Puerto Rico; to the Committee on Energy and Natural Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HELMS:

S. 1352. A bill to impose conditions on assistance authorized for North Korea, to impose restrictions on nuclear cooperation and other transactions with North Korea, and for other purposes; to the Committee on Foreign Relations.

By Mr. TORRICELLI:

S. 1353. A bill to combat criminal misuse of explosives; to the Committee on the Judiciary.

By Mr. KOHL (for himself and Mr. Feingold):

S. 1354. A bill to provide for the eventual termination of milk marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DODD (for himself, Mr. Kennedy, Mr. Leahy, and Mrs. Murray):

S. 1355. A bill to establish demonstration projects to provide family income to respond to significant transitions, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MOYNIHAN (for himself and Mr. Schumer):

S. 1356. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to clarify the limitation on the dumping of dredged material in Long Island Sound; to the Committee on Environment and Public Works.

By Mr. JEFFORDS:

S. 1357. A bill to amend the Internal Revenue Code of 1986 to enhance the portability of retirement benefits, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. Reed, Mr. Enzi, and Mr. Leahy):

S. 1358. A bill to amend title XVIII of the Social Security Act to provide more equitable payments to home health agencies under the medicare program; to the Committee on Finance.

By Mr. HOLLINGS:

S. 1359. A bill to amend chapter 51 of title 49, United States Code, to extend the coverage of the rules governing the transportation of hazardous materials, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEAHY:

S. 1360. A bill to preserve the effectiveness of Secret Service protection by establishing a protective function privilege, and for other purposes; to the Committee on the Judiciary.

By Mr. STEVENS (for himself, Mr. Inouye, Mr. Lott, Mrs. Feinstein, Mr. Akaka, and Mr. Graham):

S. 1361. A bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TORRICELLI:

S. 1353. A bill to combat criminal misuse of explosives; to the Committee on the Judiciary.

DANGEROUS EXPLOSIVES BACKGROUND CHECKS REQUIREMENT ACT

Mr. TORRICELLI. Mr. President, every year, thousands of people are killed or maimed because of the use or misuse of illegal explosive devices, and millions of dollars in property is lost. Between 1991 and 1995, there were more than 14,000 actual and attempted criminal bombings. Three hundred and twenty-six people were killed in those incidents and another 2,970 injured. More than $6 million in property damage resulted.

One bombing in particular, is carved into the national memory. On the morning of April 19, 1995, in one horrible moment, an explosion devastated the Alfred P. Murrah Federal Building in Oklahoma City, OK, and took the lives of 168 Americans. This tragedy, together with the bombing of the World Trade Center in New York, took the lives of many innocent men, women, and children, left others permanently scarred, and caused great suffering for the families of the victims—as well as all of America. These crimes were intended to tear the very fabric of our society; instead, their tragic consequences served to strengthen our resolve to stand firm against the insanity of terrorism and the criminal use of explosives.

In the wake of the Oklahoma City bombing, I was stunned—as were many—to learn how few restrictions on the use and sale of explosives really exist. I soon after introduced legislation to take a first step towards protecting the American people from those who would use explosives to do them harm. That bill, the Explosives Protection Act, would bring explosives law into line with gun laws. Specifically, it would take the list of categories of people who cannot obtain firearms and would add any of those categories not currently covered under the explosives law.

Today, I am taking the next step by introducing the Dangerous Explosives Background Check Requirement Act requiring background checks before the sale of explosives material identical to those already mandated for firearms sales. Current law prohibits felons and others from possessing explosives, but does little to actually stop these materials from getting into the wrong hands. This failure defies logic when we already have a system in place to facilitate background checks and assure that persons who are legally prohibited from purchasing explosives are not able to do so.

In November, 1998, the National Instant Criminal Background Check System (NICS) became operational. NICS is a new national database accessible to licensed firearms dealers that allows them to perform over-the-counter background checks on potential firearms purchasers. NICS, which checks national criminal history databases as well as information on other prohibited categories, such as illegal aliens and persons under domestic violence restraining orders, has already processed more than 3.7 million background checks and has stopped more than 39,000 felons and other prohibited persons from getting guns. In so doing, it has undoubtedly saved lives and prevented crimes from occurring.

Once again, it is time to bring the explosives law into line with gun laws by taking advantage of the success of the NICS system and expanding its use to include explosives purchases. In so doing, we will make it harder for many of the most dangerous or least accountable members of society to obtain materials which can result in a great loss of life. My hope is that this bill will, in some small way, prevent future bombings—whether by terrorists of symbolic targets, malcontents of random ones, or even spouses involved in marital disputes.

I hope we can quickly move to get this passed and protect Americans from future acts of explosive destruction. I ask unanimous consent that a copy of the legislation appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Dangerous Explosives Background Checks Requirement Act".

SEC. 2. PERMITS AND BACKGROUND CHECKS FOR PURCHASES OF EXPLOSIVES.

(a) PERMITS FOR PURCHASE OF EXPLOSIVES IN GENERAL.—

(1) IN GENERAL.—Section 842 of title 18, United States Code, is amended—

(A) in subsection (a)(3), by striking subparagraphs (A) and (B) and inserting the following:

"(A) to transport, ship, cause to be transported, or receive any explosive materials; or

"(B) to distribute explosive materials to any person other than a licensee or permittee."; and

(B) in subsection (b)—

(i) by adding "or" at the end of paragraph (1);

(ii) by striking "; or" at the end of paragraph (2) and inserting a period; and

(iii) by striking paragraph (3).

(2) REGULATIONS.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Treasury shall promulgate final regulations with respect to the amendments made by paragraph (1).

(B) NOTICE TO STATES.—On the promulgation of final regulations under subparagraph (A), the Secretary of the Treasury shall notify the States of the regulations in order that the States may consider legislation to amend relevant State laws relating to explosives.

(b) BACKGROUND CHECKS.—Section 842 of title 18, United States Code, is amended by adding at the end the following:

"(p) BACKGROUND CHECKS.—

"(1) DEFINITIONS.—In this subsection:

"(A) CHIEF LAW ENFORCEMENT OFFICER.—The term 'chief law enforcement officer' means the chief of police, the sheriff, or an equivalent officer or the designee of such an individual.

"(B) SYSTEM.—The term 'system' means the national instant criminal background check system established under section 103 of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note).

"(2) PROHIBITION.—A licensed importer, licensed manufacturer, or licensed dealer shall not transfer explosive materials to a permitee unless—

"(A) before the completion of the transfer, the licensee contacts the system;

"(B)(i) the system provides the licensee with a unique identification number; or

"(ii) 5 days on which State offices are open have elapsed since the licensee contacted the system, and the system has not notified the licensee that the receipt of explosive materials by the transferee would violate subsection (i);

"(C) the transferor has verified the identity of the transferee by examining a valid identification document (as defined in section 1028) of the transferee containing a photograph of the transferee; and

"(D) the transferor has examined the permit issued to the transferee under section 843 and recorded the permit number on the record of the transfer.

"(3) IDENTIFICATION NUMBER.—If receipt of explosive materials would not violate section 842(i) or State law, the system shall—

"(A) assign a unique identification number to the transfer; and

"(B) provide the licensee with the number.

"(4) EXCEPTIONS.—Paragraph (2) shall not apply to a transfer of explosive materials between a licensee and another person if, on application of the transferor, the Secretary has certified that compliance with paragraph (2)(A) is impracticable because—

"(A) the ratio of the number of law enforcement officers of the State in which the transfer is to occur to the number of square miles of land area of the State does not exceed 0.0025;

"(B) the business premises of the licensee at which the transfer is to occur are extremely remote in relation to the chief law enforcement officer; and

"(C) there is an absence of telecommunications facilities in the geographical area in which the business premises are located.

"(5) INCLUSION OF IDENTIFICATION NUMBER.—If the system notifies the licensee that the information available to the system does not demonstrate that the receipt of explosive materials by the transferee would violate subsection (i) or State law, and the licensee transfers explosive materials to the transferee, the licensee shall include in the record of the transfer the unique identification number provided by the system with respect to the transfer.

"(6) PENALTIES.—If the licensee knowingly transfers explosive materials to another person and knowingly fails to comply with paragraph (2) with respect to the transfer, the Secretary may, after notice and opportunity for a hearing—

"(A) suspend for not more than 6 months or revoke any license issued to the licensee under section 843; and

"(B) impose on the licensee a civil penalty of not more than $5,000.

"(7) NO LIABILITY.—Neither a local government nor an employee of the Federal Government or of any State or local government, responsible for providing information to the system shall be liable in an action at law for damages—

"(A) for failure to prevent the transfer of explosive materials to a person whose receipt or possession of the explosive material is unlawful under this section; or

"(B) for preventing such a transfer to a person who may lawfully receive or possess explosive materials.

"(8) DETERMINATION OF INELIGIBILITY.—

"(A) WRITTEN REASONS PROVIDED ON REQUEST.—If the system determines that an individual is ineligible to receive explosive materials and the individual requests the system to provide the reasons for the determination, the system shall provide such reasons to the individual, in writing, not later than 5 business days after the date of the request.

"(B) CORRECTION OF ERRONEOUS SYSTEM INFORMATION.—

"(i) IN GENERAL.—If the system informs an individual contacting the system that receipt of explosive materials by a prospective transferee would violate subsection (i) or applicable State law, the prospective transferee may request the Attorney General to provide the prospective transferee with the reasons for the determination.

"(ii) TREATMENT OF REQUESTS.—On receipt a request under subparagraph (A), the Attorney General shall immediately comply with the request.

"(iii) SUBMISSION OF ADDITIONAL INFORMATION.—

"(I) IN GENERAL.—A prospective transferee may submit to the Attorney General information to correct, clarify, or supplement records of the system with respect to the prospective transferee.

"(II) ACTION BY THE ATTORNEY GENERAL.—After receipt of information under clause (i), the Attorney General shall—

"(aa) immediately consider the information;

"(bb) investigate the matter further; and

"(cc) correct all erroneous Federal records relating to the prospective transferee and give notice of the error to any Federal department or agency or any State that was the source of such erroneous records.".

(c) REMEDY FOR ERRONEOUS DENIAL OF EXPLOSIVE MATERIALS.—

(1) IN GENERAL.—Chapter 40 of title 18, United States Code, is amended by inserting after section 843 the following:

"§ 843A. Remedy for erroneous denial of explosive materials

"(a) IN GENERAL.—Any person denied explosive materials under section 842(p)—

"(1) due to the provision of erroneous information relating to the person by any State or political subdivision of a State or by the national instant criminal background check system referred to in section 922(t); or

"(2) who was not prohibited from receiving explosive materials under section 842(i);

may bring an action against an entity described in subsection (b) for an order directing that the erroneous information be corrected or that the transfer be approved, as the case may be.

"(b) ENTITIES DESCRIBED.—An entity referred to in subsection (a) is the State or political subdivision responsible for providing the erroneous information referred to in subsection (a)(1) or denying the transfer of explosives or the United States, as the case may be.

"(c) ATTORNEY'S FEES.—In any action brought under this section, the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.".

(2) TECHNICAL AMENDMENT.—The analysis for chapter 40 of title 18, United States Code, is amended by inserting after the item relating to section 843 the following:

"843A. Remedy for erroneous denial of explosive materials.".

(d) LICENSES AND USER PERMITS.—Section 843(a) of title 18, United States Code, is amended—

(1) by inserting ", including fingerprints and a photograph of the applicant" before the period at the end of the first sentence; and

(2) by striking the second sentence and inserting the following: "Each applicant for a license shall pay for each license a fee established by the Secretary in an amount not to exceed $300. Each applicant for a permit shall pay for each permit a fee established by the Secretary in an amount not to exceed $100.".

(e) PENALTIES.—Section 844(a) of title 18, United States Code, is amended—

(1) by inserting "(1) after "(a)"; and

(2) by adding at the end the following:

"(2) BACKGROUND CHECKS.—A person who violates section 842(p) shall be fined under this title, imprisoned not more than 5 years, or both.".

(f) EFFECTIVE DATE.—The amendments made by subsections (a), (b), (c), and (e) take effect 18 months after the date of enactment of this Act.

By Mr. KOHL (for himself and Mr. FEINGOLD):

S. 1354: A bill to provide for the eventual termination of milk marketing orders; to the Committee on Agriculture, Nutrition, and Forestry.

CONSUMER DAIRY RELIEF ACT

Mr. KOHL. Mr. President, today I am introducing the Consumers Dairy Relief Act, a bill that will save American consumers $500 million a year on their milk, cheese and dairy purchases. This legislation terminates the Federal Milk Marketing Orders by the year 2001.

Consumers are paying far more than necessary for their dairy purchases because our current system encourages milk production in high cost areas. Our nation's milk pricing laws, which were designed in the 1930's, are seriously outdated and long overdue to be reformed. Dairy farmers in Wisconsin have suffered under the present system for too long. Wisconsin loses, 1,500 dairy farmers a year, not because they are inefficient, but because a federal law discriminates against them by preventing them from competing on a level playing field.

Opponents of this legislation will tell you that we need to keep the present system in order to maintain a fresh milk supply in their states. While that may have been true in the 1930's, when we lacked the refrigeration technology necessary to store and transport milk, it is certainly not true today. We can now easily and safely transport perishable milk and cheese products between regions of the United States. In fact, the industry has actually perfected the system to such a degree that we now export cheese to countries around the world.

Mr. President, as the United States expands its role in the export dairy market and enters into more trade agreements, our domestic agricultural policy is coming under intense scrutiny. Another reason to eliminate our antiquated milk pricing system is that it will give us another negotiating tool to use during the next round of WTO discussions scheduled to take place in Seattle this fall.

Our trading partners are growing increasingly concerned about the intervention of the federal government in the pricing of milk. Earlier this month, The Dutch Ministry of Agriculture, Nature Management and Fisheries said they want to put the issue of USDA's Federal Milk Marketing Orders and dairy compacts on the table for discussion at the next round of Agricultural discussions in Seattle this fall.

By passing this legislation and reforming our milk pricing laws, we can eliminate another hurdle currently in the way of negotiating agricultural trade agreements that would open up new markets for our farmers.

Mr. President, if the Senate decides to discuss reforming our milk pricing system, we must give serious consideration to eliminating the present system. Today I have touched on a few of the reasons we need to scrap our current milk pricing system. There are many others, but I will save those for another time.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. EVENTUAL TERMINATION OF MILK MARKETING ORDERS.

(a) TERMINATION.—Notwithstanding the implementation of the final decision for the consolidation and reform of Federal milk marketing orders, as required by section 143 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7253), effective January 1, 2001, section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking paragraphs (5) and (18).

(b) PROHIBITION ON SUBSEQUENT ORDERS REGARDING MILK.—Section 8c(2) of the Agricultural Adjustment Act (7 U.S.C. 608c(2)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended in the first sentence—

(1) in subparagraph (A), by striking "Milk, fruits" and inserting "Fruits"; and

(2) in subparagraph (B), by inserting "milk," after "honey,".

(c) CONFORMING AMENDMENTS.—

(1) Section 2(3) of the Agricultural Adjustment Act (7 U.S.C. 602(3), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking ", other than milk and its products,".

(2) Section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(A) in paragraph (6), by striking ", other than milk and its products,";

(B) in paragraph (7)(B), by striking "(except for milk and cream to be sold for consumption in fluid form)";

(C) in paragraph (11)(B), by striking "Except in the case of milk and its products, orders" and inserting "Orders";

(D) in paragraph (13)(A), by striking ", except to a retailer in his capacity as a retailer of milk and its products"; and

(E) in paragraph (17), by striking the second proviso.

(3) Section 8d(2) of the Agricultural Adjustment Act (7 U.S.C. 608d(2)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking the second sentence.

(4) Section 10(b)(2) of the Agricultural Adjustment Act (7 U.S.C. 610(b)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(A) by striking clause (i);

(B) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(C) in the first sentence of clause (i) (as so redesignated), by striking "other commodity" and inserting "commodity".

(5) Section 11 of the Agricultural Adjustment Act (7 U.S.C. 611), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended in the first sentence by striking "and milk, and its products,".

(6) Section 715 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1994 (7 U.S.C. 608d note; Public Law 103-111; 107 Stat. 1079), is amended by striking the third proviso.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on January 1, 2001.

By Mr. DODD (for himself, Mr. KENNEDY, Mr. LEAHY, and Mrs. MURRAY):

S. 1355. A bill to establish demonstration projects to provide family income to respond to significant transitions, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE FAMILY INCOME TO RESPOND TO SIGNIFICANT TRANSITIONS (FIRST) INSURANCE ACT

Ms. DODD. Mr. President. These last several weeks have been filled with profound questions about the strength of the American family and the priority we place on our children and on meeting the responsibilities of parenthood.

In my view, we must start at the very beginning. We know that some of the key moments of parenthood are in the first days and weeks of a child's life. These are the moments when parents fall in love with their children—when they learn the feel of their soft hair, the joy of their touch and the immense peacefulness of their sleeping faces.

These emotional bonds carry parents and children through all the challenging years that intervene between infancy and adulthood—from the terrible twos to adolescence.

Research tells us this bonding with parents is critical to a child's emotional, cognitive, and physical development. Scientists have produced vivid pictures of children's functioning brains—so not only do we know, we can also see that there is a difference between the way the brain of a neglected child and the brain of a nurtured child works.

Parents bonding with their children is not something one can mandate by law—but we must make sure that our policies support parents in these early days. And frankly, today as we sit on the cusp of the next millennium, we offer parents very limited support at this most critical time.

Today's working parents have less time to spend with their infants than past generations. Compared to 30 years ago, there has been an average decrease of 22 hours per week in time that parents spend with their children. That is nearly one day out of every week—or 52 days a year.

More parents work today than every before—fully 46 percent of workers are parents. Nearly one in five employed parents. Nearly one in five employed parents are single, and among these 27 percent are single fathers. The number of parents who were employed increased from 18.3 million in 1985 to 24.1 million in 1997.

One could argue whether these trends are going in the right direction. But no one can argue that they are the facts—the reality in which American families live everyday. And, my view, that reality is where public policy must operate.

Since 1986, I've worked, with many of my colleagues, to help working Americans meet these demands and care for new children and their close family members. In 1993, the Family and Medical Leave Act was finally signed into law, establishing a key safety net for America's families. I couldn't have done it without the support of my colleagues here in the Senate and the House, and without the support of the President.

But let's face it—the FMLA is like 911 for working Americans. It provides up to 12 weeks of unpaid leave to qualifying employees for the birth or adoption of a child, their own illness or the serious illness of a parent, child or spouse without fear of losing their jobs or health insurance. But the fact remains this leave is unpaid—and that is a high bar for most American families.

While millions of Americans—many estimate over twenty million families—have benefitted from the law and have taken the time they needed, for many it has been at major financial cost. In fact, taking an unpaid leave often drives employees earning low wages into poverty. Twenty-one percent of low-wage earners who take a leave without full wage replacement wind up on public assistance; 40 percent cut their leaves short because of financial concerns; 39 percent put off paying bills; and, 25 percent borrow money.

And there are many more families who do not take a needed leave because they can't afford it. Nearly two-thirds of employees who need to take a family or medical leave, but do not do so, report that the reason they did not take the leave was that they could not afford it. These are families with brand new children or where a spouse, parent or child is seriously ill.

Many employers do provide workers with some pay during these difficult times—but the benefit of these policies is not distributed equally. Employees with less education, lower income, female employees, employees from racial minority groups and younger employees are less likely to receive any income during leaves.

Our nation is a leader in so many areas. And yet not when it comes to helping families balance the responsibilities of work and home. Nearly every industrialized nation other than the United States, as well as most developing nations, provide parents with paid leave for infant care.

I believe that we should learn from these nations, our own experiences, and the calls of American families and provide parents with the means to access desperately needed leave to care for new babies. This effort cannot be out of reach for a nation as rich and prosperous as our own.

The bi-partisan Commission on Leave, established as a part of the Family and Medical Leave Act and which I chaired, recommended further consideration and exploration of paid leave policies. Specifically, and I quote from the unanimous recommendations of the Commission, "the Commission recommends that the development of a uniform system of wage replacement for periods of family and medical leave be given serious consideration by employers, employee representatives and others." The Commission went on to recommend that we should look to expanding employer-provided systems of paid leave, and expanding state systems like unemployment insurance or temporary disability insurance, in states with those systems.

Mr. President, this is not a pie in the sky idea. Many states have already recognized the need for such support for new parents. California, New Jersey, three other states and Puerto Rico have in place temporary disability insurance programs, that at a minimal cost to employees and employers, provide support to mothers who are temporarily disabled after pregnancy and childbirth as well as other workers temporarily disabled.

Other states are moving to provide income to families through different mechanisms. Massachusetts, Vermont, Washington and several other states are all considering legislation to expand their state unemployment compensation systems to provide partial wage replacement to workers taking family or medical leave. Just a few weeks ago, President Clinton announced his support of these bold initiatives and directed the Department of Labor to work with the states to allow for this expansion of these state unemployment insurance systems.

But I believe there is more for the federal government to do. We should be a partner in these state efforts and help spur the development of the unemployment insurance model as well as other financial mechanism that will, I hope, make paid leave a reality for all new parents in America.

I am proposing today legislation that would establish a federal demonstration program—which I am calling FIRST (Family Income to Respond to Significant Transitions) Insurance.

FIRST Insurance would support state demonstration projects that provide partial or full wage replacement to new parents who take time off from work for the birth or adoption of a child. States could also choose to expand these benefits to support other care giving needs, such as taking time to care for an ill parent, spouse or child, or to support parents who choose to stay home with an infant.

These would be state or community-based projects, entirely voluntary—in no way mandated by federal law. Clearly, there is already much going on in this area. Thousands of employers offer their employees and their families paid leave. There are private insurance systems that cover wages in various circumstances including the birth of a new child. There are state and local dollars that supplement the incomes of new families as well as protect families at other times of economic crisis. These federal dollars would leverage these state, private and other dollars to expand access to paid leave to more parents.

The demonstrations funded will form the basis of a large-scale investigation of the most effective way to provide support to families at these critical times in a family's life. Key questions to be answered include the costs of these projects, the reach and the impact on families and children. The demonstrations will also allow comparisons of different mechanisms to provide leave—including expansion of state unemployment insurance systems, temporary disability programs, and other viable mechanisms.

Mr. President, when a person is injured on the job, or when someone loses their job because of a plant closing or some other factor beyond their control, our nation rightly protects their families from the risk of catastrophic financial loss. That's the purpose of workman's compensation and unemployment insurance.

If we can protect families at times like this, shouldn't we protect them at another time of crucial family need as they struggle to meet the joyful challenge of raising a newborn?

Mr. President, this initiative is just one part of a better deal we owe to America's families. Just as the horrible tragedy in Littleton, Colorado was a wake up call to parents across the country, it must be a wake up call to us to re-examine our policies around children, families and parenthood.

There is much to be done—child care, education, expanding the basic protection of the Family and Medical Leave

Act to more workers, intelligent gun control policies, and better alternatives for our youth out of school. But I believe a key piece is supporting parents in the very first days, weeks and months of a child's life—and hope that we can work together to make sure these all important days are possible for all parents.

Mr. President, I ask unanimous consent that this measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 1355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Family Income to Respond to Significant Transitions Insurance Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) nearly every industrialized nation other than the United States, and most developing nations, provide parents with paid leave for infant care;

(2)(A) parents' interactions with their infants have a major influence on the physical, cognitive, and social development of the infants; and

(B) optimal development of an infant depends on a strong attachment between an infant and the infant's parents;

(3) nearly ⅔ of employees, who need to take family or medical leave, but do not take the leave, report that they cannot afford to take the leave;

(4) although some employees in the United States receive wage replacement during periods of family or medical leave, the benefit of wage replacement is not shared equally in the workforce, as demonstrated by the fact that—

(A) employees with less education and lower income are less likely to receive wage replacement than employees with more education and higher salaries; and

(B) female employees, employees from racial minority groups, and younger employees are slightly less likely to receive wage replacement than male employees, white employees, and older employees, respectively;

(5) in order to cope financially with taking family or medical leave, of persons taking that leave without full wage replacement—

(A) 40 percent cut their leave short;

(B) 39 percent put off paying bills;

(C) 25 percent borrowed money; and

(D) 9 percent obtained public assistance;

(6) taking family or medical leave often drives employees earning low wages into poverty, and 21 percent of such low-wage employees who take family or medical leave without full wage replacement resort to public assistance;

(7) studies document shortages in the supply of infant care, and that the shortages are expected to worsen as welfare reform measures are implemented; and

(8) compared to 30 years ago, families have experienced an average decrease of 22 hours per week in time that parents spend with their children.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to establish a demonstration program that supports the efforts of States and political subdivisions to provide partial or full wage replacement, often referred to as FIRST insurance, to new parents so that the new parents are able to spend time with a new infant or newly adopted child, and to other employees; and

(2) to learn about the most effective mechanisms for providing the wage replacement assistance.

SEC. 4. DEFINITIONS.

In this Act:

(1) SECRETARY.—The term "Secretary" means the Secretary of Labor, acting after consultation with the Secretary of Health and Human Services.

(2) SON OR DAUGHTER; STATE.—The terms "son or daughter" and "State" have the meanings given the terms in section 101 of the Family and Medical Leave Act of 1993 (29 U.S.C. 2611).

SEC. 5. DEMONSTRATION PROJECTS.

(a) GRANTS.—The Secretary shall make grants to eligible entities to pay for the Federal share of the cost of carrying out projects that assist families by providing, through various mechanisms, wage replacement for eligible individuals that are responding to caregiving needs resulting from the birth or adoption of a son or daughter or other family caregiving needs. The Secretary shall make the grants for periods of 5 years.

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall be a State or political subdivision of a State.

(c) USE OF FUNDS.—

(1) IN GENERAL.—An entity that receives a grant under this section may use the funds made available through the grant to provide partial or full wage replacement as described in subsection (a) to eligible individuals—

(A) directly;

(B) through an insurance program, such as a State temporary disability insurance program or the State unemployment compensation benefit program;

(C) through a private disability or other insurance plan, or another mechanism provided by a private employer; or

(D) through another mechanism.

(2) ADMINISTRATIVE COSTS.—No entity may use more than 10 percent of the total funds made available through the grant during the 5-year period of the grant to pay for the administrative costs relating to a project described in subsection (a).

(d) ELIGIBLE INDIVIDUALS.—To be eligible to receive wage replacement under subsection (a), an individual shall—

(1) meet such eligibility criteria as the eligible entity providing the wage replacement may specify in an application described in subsection (e); and

(2) be—

(A) an individual who is taking leave, under the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), other Federal, State, or local law, or a private plan, for a reason described in subparagraph (A) or (B) of section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1));

(B) at the option of the eligible entity, an individual who—

(i) is taking leave, under that Act, other Federal, State, or local law, or a private plan, for a reason described in subparagraph (C) or (D) of section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1)); or

(ii) leaves employment because the individual has elected to care for a son or daughter under age 1; or

(C) at the option of the eligible entity, an individual with other characteristics specified by the eligible entity in an application described in subsection (e).

(e) APPLICATION.—To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require, including, at a minimum—

(1) a plan for the project to be carried out with the grant;

(2) information demonstrating that the applicant consulted representatives of employers and employees, including labor organizations, in developing the plan;

(3) estimates of the costs and benefits of the project;

(4)(A) information on the number and type of families to be covered by the project, and the extent of such coverage in the area served under the grant; and

(B) information on any criteria or characteristics that the entity will use to determine whether an individual is eligible for wage replacement under subsection (a), as described in paragraphs (1) and (2)(C) of subsection (d);

(5) if the project will expand on State and private systems of wage replacement for eligible individuals, information on the manner in which the project will expand on the systems;

(6) information demonstrating the manner in which the wage replacement assistance provided through the project will assist families in which an individual takes leave as described in subsection (d)(1); and

(7) an assurance that the applicant will participate in efforts to evaluate the effectiveness of the project.

(f) SELECTION CRITERIA.—In selecting entities to receive grants for projects under this section, the Secretary shall—

(1) take into consideration—

(A) the scope of the proposed projects;

(B) the cost-effectiveness, feasibility, and financial soundness of the proposed projects;

(C) the extent to which the proposed projects would expand access to wage replacement in response to family caregiving needs, particularly for low-wage employees, in the area served by the grant; and

(D) the benefits that would be offered to families and children through the proposed projects; and

(2) to the extent feasible, select entities proposing projects that utilize diverse mechanisms, including expansion of State unemployment compensation benefit programs, and establishment or expansion of State temporary disability insurance programs, to provide the wage replacement.

(g) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost described in subsection (a) shall be—

(A) 50 percent for the first year of the grant period;

(B) 40 percent for the second year of that period;

(C) 30 percent for the third year of that period; and

(D) 20 percent for each subsequent year.

(2) NON-FEDERAL SHARE.—The non-Federal share of the cost may be in cash or in kind, fairly evaluated, including plant, equipment, and services and may be provided from State, local, or private sources, or Federal sources other than this Act.

(h) SUPPLEMENT NOT SUPPLANT.—Funds appropriated pursuant to the authority of this Act shall be used to supplement and not supplant other Federal, State, and local public funds and private funds expended to provide wage replacement.

(i) EFFECT ON EXISTING RIGHTS.—Nothing in this Act shall be construed to supersede, preempt, or otherwise infringe on the provisions of any collective bargaining agreement or any employment benefit program or plan that provides greater rights to employees than the rights established under this Act.

SEC. 6. EVALUATIONS AND REPORTS.

(a) AVAILABLE FUNDS.—The Secretary shall use not more than 2 percent of the funds made available under section 5 to carry out this section.

(b) EVALUATIONS.—The Secretary shall, directly or by contract, evaluate the effectiveness of projects carried out with grants made under section 5, including conducting—

(1) research relating to the projects, including research comparing—

(A) the scope of the projects, including the type of insurance or other wage replacement mechanism used, the method of financing used, the eligibility requirements, the level of the wage replacement benefit provided (such as the percentage of salary replaced), and the length of the benefit provided, for the projects;

(B) the utilization of the projects, including the characteristics of individuals who benefit from the projects, particularly low-wage workers, and factors that determine the ability of eligible individuals to obtain wage replacement through the projects; and

(C) the costs of and savings achieved by the projects, including the cost-effectiveness of the projects and their benefits for children and families;

(2) analysis of the overall need for wage replacement; and

(3) analysis of the impact of the projects on the overall availability of wage replacement.

(c) REPORTS.—

(1) INITIAL REPORT.—Not later than 3 years after the beginning of the grant period for the first grant made under section 5, the Secretary shall prepare and submit to Congress a report that contains information resulting from the evaluations conducted under subsection (b).

(2) SUBSEQUENT REPORTS.—Not later than 4 years after the beginning of that grant period, and annually thereafter, the Secretary shall prepare and submit to Congress a report that contains—

(A) information resulting from the evaluations conducted under subsection (b); and

(B) usage data for the demonstration projects, for the most recent year for which data are available.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act $400,000,000 for fiscal year 2000 and such sums as may be necessary for each subsequent fiscal year.

Mr. KENNEDY. Mr. President, I am honored to join as a cosponsor of Senator DODD's "Family Income to Respond to Significant Transitions" (FIRST) Insurance Demonstration Project Act. From his work on the Family and Medical Leave Act of 1993 to his countless efforts to improve the quality and accessibility of child care, Senator DODD has been a tireless advocate for families and children, and I commend his leadership on this important new initiation.

Millions of families have benefited from the Family and Medical Leave Act, but we must do more to support working families. Nearly two-thirds of employees cannot afford to take family or medical leave when a new child is born or a family member becomes ill. According to a survey by the National Partnership for Women and Families, 64 percent of Americans believe that the time pressures on working families are getting worse, not better. Two-thirds of women and men under the age of 45 believe that they will need to take a family or medical leave in the next 10 years. But, many of these families won't be able to afford it.

We should stop paying lip service to family values and find a way to help families afford family leave when they need it. This bill will provide grants to states and local communities to experiment with methods of wage replacement for workers who take family leave. States will use the grants for demonstration projects implementing wage replacement strategies to allow more employees to spend time with their families when family needs require it.

Under the Family and Medical Leave Act, businesses with 50 or more employees must provide up to 12 weeks of unpaid leave to employees to care for a newborn or newly-adopted child, or to care for a child, a spouse, or a parent who is ill. The Act has helped millions of workers care for their families, but too many obstacles prevent too many workers from taking leave. Forty-one million people, nearly half the private workforce, are not protected by the law because their company is too small to be covered, or because they haven't worked there long enough to qualify for the leave.

Others are covered and entitled to a leave, but cannot benefit from the Act because they cannot afford to take an unpaid leave of absence. Although some workers are fortunate enough to receive wage replacement during periods of family or medical leave, most hard-working low-wage earners do not receive this benefit. Low-income employees are less likely to receive wage replacement than more highly educated, well-paid employees. Women, minorities, and younger employees are less likely than men, white Americans, and older workers to receive wage replacement benefits when taking family leave.

As a result, 40 percent employees without full wage replacement cut their leaves short, 39 percent put-off paying bills, 25 percent borrow money, and 9 percent turn to public assistance to cover their loss wages. Taking unpaid leave often drives low-wage earners into poverty. Workers who need to care for an ill family member, an elderly parent, or a new baby should not be plunged into poverty.

Our bill will help families take needed leave by allowing states to implement alternative funding programs. For example, states may choose to expand state or private Temporary Disability Insurance plans to provide partial or full replacement of wages for those taking time off form work to care for a new child. States may also expand their Unemployment Insurance Compensation to make leave from work economically feasible. The FIRST Act is an important step in the right direction. This bill will provide states with $400 million for fiscal year 2000 to fund demonstration programs, assisting states which are already working to establish wage replacement leave programs.

I am proud that Massachusetts is moving forward to address this problem. A bill to establish a Family and Employment Security Trust Fund has already been introduced, providing family leave replacement through the unemployment insurance system. Thousands of workers in Massachusetts will be able to care for their families without falling into poverty—including low-income employees living from paycheck to paycheck. Groups in Maryland, Vermont, and Washington are taking the lead with similar legislation.

We need to put families first and this bill does that. I urge my colleagues to support this needed initiative.

By Mr. MOYNIHAN (for himself and Mr. SCHUMER):

S. 1356. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to clarify the limitation on the dumping of dredged material in Long Island Sound; to the Committee on Environment and Public Works.

THE LONG ISLAND SOUND PROTECTION ACT OF 1999

Mr. MOYNIHAN. Mr. President, I rise today to introduce a bill that will protect the natural beauty and resources of the Long Island Sound from current dredging policies that allow large amounts of material to be dumped into the estuary without stringent environmental review. The Long Island Sound Protection Act of 1999 would require all large dredging projects in the Sound to comply with sediment testing provisions of the Marine Protection Research and Sanctuaries Act, commonly known as the Ocean Dumping Act.

Under the Ocean Dumping Act, any Long Island Sound dredging project that disposes of more than 25,000 tons of dredged material must undergo toxicity and bioaccumulation tests before it is safe to dump. However, smaller nonfederal projects need only comply with the Clean Water Act, which does not require testing. In recent years, the Army Corps of Engineers has begun an unfortunate practice of avoiding the more rigorous requirements of the Ocean Dumping Act by individually permitting smaller projects that are clearly a part of larger dredging operations. Individually permitted, these projects need only comply with the Clean Water Act, even though they are dumped together in the Long Island Sound and have the same cumulative effect as one large project would to the local ecosystem. The Long Island Sound Protection Act would end this practice of stacking permits and would ensure that at least one environmentally acceptable disposal site is designated by the Environmental Protection Agency within a two-year period.

Dredging projects are critical to the people and businesses who rely extensively on the Sound to transport goods, services, and people every day. However, the health of the Long Island Sound ecosystem is also important to the 8 million people living within the boundaries of the Long Island Sound watershed, with more than $5 billion generated annually from boating, commercial and sport fishing, swimming, and beachgoing. The Long Island Sound is also an estuary of national significance that my State, in cooperation with the Environmental Protection Agency, has worked diligently to restore under the 1992 Long Island Sound Comprehensive Conservation and Management Plan. This bill would remove one of the barriers to achieving the laudable goals of this Plan.

A clean and safe Sound is important to us all. I urge my colleagues to join me in supporting this important legislation.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Long Island Sound Protection Act".

SEC. 2. LONG ISLAND SOUND PROTECTION.

Section 106 of the Marine Protection, Research, and Sanctuaries Act (33 U.S.C. 1416) is amended—

(1) by striking "(f) In" and inserting the following:

"(f) LONG ISLAND SOUND.—

"(1) IN GENERAL.—In"; and

(2) by adding at the end the following:

"(2) MULTIPLE PROJECTS.—

"(A) IN GENERAL.—Paragraph (1) shall apply to a project described in paragraph (1) if—

"(i) 1 or more projects of that type produce, in the aggregate, dredged material in excess of 25,000 cubic yards; and

"(ii)(I) the project or projects are carried out in a proximate geographical area; or

"(II) the aggregate quantity of dredged material produced by the project or projects is transported, for dumping purposes, by the same barge.

"(B) REGULATIONS.—As soon as practicable, but not later than 60 days after the date of enactment of this paragraph, the Administrator shall promulgate regulations that define the term 'proximate geographical area' for purposes of subparagraph (A)(i).

"(3) DESIGNATED SITE.—Not later than 2 years after the date of enactment of this paragraph, the Administrator shall designate under section 102(c) at least 1 site for the dumping of dredged material generated in the vicinity of Long Island Sound.

"(4) PROHIBITION ON DUMPING OF DREDGED MATERIAL.—Except at the site or sites designated under paragraph (3) (if the site or sites are located in Long Island Sound), no dredged material shall be dumped in Long Island Sound after the date on which the Administrator designates at least 1 site under paragraph (3).".

By Mr. JEFFORDS:

s. 1357. A. bill to amend the Internal Revenue Code of 1986 to enhance the portability of retirement benefits, and for other purposes; to the Committee on Finance.

THE RETIREMENT ACCOUNT PORTABILITY ACT

Mr. JEFFORDS. Mr. President, today I am introducing S. 1357, the Retirement Account Portability (RAP) Act. This bill is a close companion to H.R. 738, the bill introduced by Congressman EARL POMEROY of North Dakota. It was also included as title III of the Pension Coverage and Portability Act, S. 741, introduced earlier this year by myself and Senators GRAHAM and GRASSLEY. Generally this bill is intended to be a further iteration of the concepts embodied in both of those bills.

The RAP Act standardizes the rules in the Internal Revenue Code (IRC) which regulate how portable a worker's retirement savings account is, and while it does not make portability of pension benefits perfect, it greatly improves the status quo. No employer will be "required" to accept rollovers from other plans, however. A rollover will occur when the employee offers, and the employer agrees to accept, a rollover from another plan.

Under current law, it is not possible for an individual to move an accumulated retirement savings account from a section 401(k) (for-profit) plan to a section 457 (state and local government) deferred compensation plan, to an Individual Retirement Account (IRA), then to a section 403(b) (nonprofit organization or public school) deferred annuity plan and ultimately back into a section 401(k) plan, without violating various restrictions on the movement of their money. The RAP Act will make it possible for workers to take their retirement savings with them when they change jobs regardless of the type of employer for which they work.

This bill will also help make IRAs more portable and will improve the use of conduit IRAs. Conduit IRAs are individual retirement accounts to which certain distributions from a qualified retirement plan or from another individual retirement account have been transferred. RAP changes the rules regulating these IRAs so that workers leaving the for-profit, non-profit or governmental field can use a conduit IRA as a parking spot for a pre-retirement distribution. These special accounts are needed by many workers until they have another employer-sponsored plan in which to rollover their savings.

In many instances, this bill will allow an individual to rollover an IRA consisting exclusively of tax-deductible contributions into a retirement plan at his or her new place of employment, thus helping the individual consolidate retirement savings in a single account. Under certain circumstances, the RAP Act will also allow workers to rollover any after-tax contributions made at his or her previous workplace, into a new retirement plan. Under the provisions of the bill as drafted, after-tax contributions will be rollable from a plan to an IRA and from an IRA to an IRA, but not from a IRA to a plan, nor on a direct plan to plan basis. I am open to recommendations on how we can improve the treatment of after-tax rollovers and I look forward to hearing from my colleagues and the public on that topic.

Current law requires a worker who changes jobs to face a deadline of 60 days within which to roll over any retirement savings benefits either into an Individual Retirement Account, or into the retirement plan of his or her new employer. Failure to meet the deadline can result in both income and excise taxes being imposed on the account. We believe that this deadline should be waived under certain circumstances and we have outlined them in the bill. Consistent with the Pomeroy bill, in case of a Presidentially-declared natural disaster or military service in a combat zone, the Treasury Department will have the authority to disallow imposition of any tax penalty for the account holder. Consistent with the additional changes incorporated by Congressman POMEROY this year, however, we have included a waiver of tax penalties in the case of undue hardship, such as a serious personal injury or illness and we have given the Department of the Treasury the authority to waive the deadline.

The Retirement Account Portability Act will also change two complicated rules which harm both plan sponsors and plan participants; one dealing with certain business sales (the so-called "same desk" rule) and the other dealing with retirement plan distribution options. Each of these rules has impeded true portability of pensions and we believe they ought to be changed.

In addition, this bill will extend the Pension Benefit Guaranty Corporation's (PBGC) Missing Participant program to defined benefit multiemployer pension plans. Under current law, the PBGC has jurisdiction over both single-employer and multiemployer defined benefit pension plans. A few years ago, the agency initiated a program to locate missing participants from terminated, single-employer plans. The program attempts to locate individuals who are due a benefit, but who have not filed for benefits owed to them, or who have attempted to find their former employer but failed to receive their benefits. This bill expands the missing participant program to multiemployer pension plans.

I know of no reason why individuals covered by a multiemployer pension plans should not have the same protections as participants of single-employer pension plans and this change will help more former employees receive all the benefits to which they are entitled. This bill does not expand the missing participants program to defined contribution plans. Supervision of defined contribution plans is outside the statutory jurisdiction of the PBGC and I have not heard strong arguments for including those plans within the jurisdiction of the agency. I would be pleased to hear the recommendations of any of my colleagues on this matter.

In a particularly important provision, the Retirement Account Portability bill will allow public school teachers and other state and local employees who move between different states and localities to use their savings in their section 403(b) plan or section 457 deferred compensation arrangement to purchase "service credit" in the defined benefit plan in which they are currently participating, and thus obtain greater pension benefits in the plan in which they conclude their career.

As a final note, this bill, this bill does not reduce the vesting schedule from the current five year cliff vesting (or seven year graded) to a three year cliff or six year graded vesting schedule that has been contained in other bills. I support the shorter vesting schedules, but I feel that the abbreviated schedule makes a dramatic change to tax law without removing some of the disincentives to maintaining a pension plan that businesses—especially small businesses—desperately need. More discussion of this matter is needed.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Retirement Account Portability Act of 1999".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. ROLLOVERS ALLOWED AMONG VARIOUS TYPES OF PLANS.

(a) ROLLOVERS FROM AND TO SECTION 457 PLANS.—

(1) ROLLOVERS FROM SECTION 457 PLANS.—

(A) IN GENERAL.—Section 457(e) (relating to other definitions and special rules) is amended by adding at the end the following:

"(16) ROLLOVER AMOUNTS.—

"(A) GENERAL RULE.—In the case of an eligible deferred compensation plan, if—

"(i) any portion of the balance to the credit of an employee in such plan is paid to such employee in an eligible rollover distribution (within the meaning of section 402(c)(4) without regard to subparagraph (C) thereof),

"(ii) the employee transfers any portion of the property such employee receives in such distribution to an eligible retirement plan described in section 402(c)(8)(B), and

"(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed, then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

"(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) (other than paragraph (4)(C)) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A).

"(C) REPORTING.—Rollovers under this paragraph shall be reported to the Secretary in the same manner as rollovers from qualified retirement plans (as defined in section 4974(c))."

(B) DEFERRAL LIMIT DETERMINED WITHOUT REGARD TO ROLLOVER AMOUNTS.—Section 457(b)(2) (defining eligible deferred compensation plan) is amended by inserting "(other than rollover amounts)" after "taxable year".

(C) DIRECT ROLLOVER.—Paragraph (1) of section 457(d) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by inserting after subparagraph (B) the following:

"(C) the plan meets requirements similar to the requirements of section 401(a)(31).

Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of transfer."

(D) WITHHOLDING.—

(i) Paragraph (12) of section 3401(a) is amended by adding at the end the following:

"(E) under or to an eligible deferred compensation plan which, at the time of such payment, is a plan described in section 457(b); or".

(ii) Paragraph (5) of section 3405(e) is amended by adding at the end the following: "Such term shall include an eligible deferred compensation plan described in section 457(b)."

(iii) Paragraph (3) of section 3405(c) is amended to read as follows:

"(3) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this subsection, the term 'eligible rollover distribution' has the meaning given such term by section 402(f)(2)(A)."

(iv) LIABILITY FOR WITHHOLDING.—Subparagraph (B) of section 3405(d)(2) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end the following:

'(iv) section 457(b)."

(2) ROLLOVERS TO SECTION 457 PLANS.—

(A) Section 402(c)(8)(B) (defining eligible retirement plan) is amended by striking "and" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", and", and by adding at the end the following:

"(v) an eligible deferred compensation plan described in section 457(b) of an eligible employer described in section 457(e)(1)(A)."

(B) Paragraph (9) of section 402(c) is amended by striking "except that" and all that follows and inserting "except that only an account or annuity described in clause (i) or (ii) of paragraph (8)(B) shall be treated as an eligible retirement plan with respect to such distribution."

(C) Subsection (a) of section 457 (relating to year of inclusion in gross income) is amended by striking "or otherwise made available".

(3) MINIMUM DISTRIBUTIONS.—Paragraph (2) of section 457(d) is amended to read as follows:

"(2) MINIMUM DISTRIBUTION REQUIREMENTS.—A plan meets the distribution requirements of this paragraph if the plan meets the requirements of section 401(a)(9)."

(4) CONFORMING AMENDMENT.—Paragraph (9) of section 457(e) is amended to read as follows:

"(9) BENEFITS NOT TREATED AS FAILING TO MEET DISTRIBUTION REQUIREMENTS OF SUBSECTION (d).—A plan shall not be treated as failing to meet the distribution requirements of subsection (d) by reason of a distribution of the total amount payable to a participant under the plan if—

"(A) such amount does not exceed the dollar limit under section 411(a)(11)(A), and

"(B) such amount may be distributed only if—

"(i) no amount has been deferred under the plan with respect to such participant during the 2-year period ending on the date of the distribution, and

"(ii) there has been no prior distribution under the plan to such participant to which this paragraph applied."

(b) ALLOWANCE OF ROLLOVERS FROM AND TO 403(b) PLANS.—

(1) ROLLOVERS FROM SECTION 403(b) PLANS.—Section 403(b)(8)(A)(ii) (relating to rollover amounts) is amended by striking "such distribution" and all that follows and inserting "such distribution to an eligible retirement plan described in section 402(c)(8)(B), and".

(2) ROLLOVERS TO SECTION 403(b) PLANS.—Section 402(c)(8)(B) (defining eligible retirement plan), as amended by subsection (a), is amended by striking "and" at the end of clause (iv), by striking the period at the end of clause (v) and inserting ", and", and by adding at the end the following:

"(vi) an annuity contract described in section 403(b)."

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 403(b)(8) is amended by striking "Rules similar to the" and inserting "The".

(c) EXPANDED EXPLANATION TO RECIPIENTS OF ROLLOVER DISTRIBUTIONS.—Paragraph (1) of section 402(f) (relating to written explanation to recipients of distributions eligible for rollover treatment) is amended by striking "and" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ", and", and by adding at the end the following new subparagraph:

"(E) of the provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution."

(d) CONFORMING AMENDMENTS.—

(1) Section 72(o)(4) is amended by striking "and 408(d)(3)" and inserting "403(b)(8), 408(d)(3), and 457(e)(16)".

(2) Section 219(d)(2) is amended by striking "or 408(d)(3)" and inserting "408(d)(3), or 457(e)(16)".

(3) Section 401(a)(31)(B) is amended by striking "and 403(a)(4)" and inserting ", 403(a)(4), 403(b)(8), and 457(e)(16)".

(4) Subparagraph (A) of section 402(f)(2) is amended by striking "or paragraph (4) of section 403(a)" and inserting ", paragraph (4) of section 403(a), subparagraph (A) of section 403(b)(8), or subparagraph (A) of section 457(e)(16)".

(5) Paragraph (1) of section 402(f) is amended by striking "from an eligible retirement plan".

(6) Subparagraphs (A) and (B) of section 402(f)(1) are amended by striking "another eligible retirement plan" and inserting "an eligible retirement plan".

(7) Subparagraph (B) of section 403(b)(8) is amended by striking "shall apply for purposes of subparagraph (A)" and inserting "and section 402(f) shall apply for purposes of subparagraph (A), except that section 402(f) shall be applied to the payor in lieu of the plan administrator".

(8) Subparagraph (B) of section 403(b)(8) is amended by inserting "and (9)" after "through (7)".

(9) Section 408(a)(1) is amended by striking "or 403(b)(8)" and inserting ", 403(b)(8), or 457(e)(16)".

(10) Subparagraphs (A) and (B) of section 415(b)(2) are each amended by striking "and 408(d)(3)" and inserting "403(b)(8), 408(d)(3), and 457(e)(16)".

(11) Section 415(c)(2) is amended by striking "and 408(d)(3)" and inserting "408(d)(3), and 457(e)(16)".

(12) Section 4973(b)(1)(A) is amended by striking "or 408(d)(3)" and inserting "408(d)(3), or 457(e)(16)".

(e) EFFECTIVE DATE: SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 1999.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan described in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986 on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of any amendment made by this section.

SEC. 3. ROLLOVERS OF IRAS INTO WORKPLACE RETIREMENT PLANS.

(a) IN GENERAL.—Subparagraph (A) of section 408(d)(3) (relating to rollover amounts) is amended by adding "or" at the end of clause (i), by striking clauses (ii) and (iii), and by adding at the end the following:

"(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan for the benefit of such individual not later than the 60th day after the date on which the individual receives the payment or distribution.

For purposes of clause (ii), the term 'eligible retirement plan' means an eligible retirement plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B)."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 403(b) is amended by striking "section 408(d)(3)(A)(iii)" and inserting "section 408(d)(3)(A)(ii)".

(2) Clause (i) of section 408(d)(3)(D) is amended by striking "(i), (ii), or (iii)" and inserting "(i) or (ii)".

(3) Subparagraph (G) of section 408(d)(3) is amended to read as follows:

"(G) SIMPLE RETIREMENT ACCOUNTS.—In the case of any payment or distribution out of a simple retirement account (as defined in subsection (p)) to which section 72(t)(6) applies, this paragraph shall not apply unless such payment or distribution is paid into another simple retirement account."

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 1999.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan described in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986 on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of the amendments made by this section.

SEC. 4. ROLLOVERS OF AFTER-TAX CONTRIBUTIONS; HARDSHIP EXCEPTION.

(a) AFTER-TAX CONTRIBUTIONS.—

(1) ROLLOVERS.—Subsection (c) of section 402 (relating to rules applicable to rollovers from exempt trusts) (as amended by section 2) is amended by striking paragraph (2) and redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively.

(2) DIRECT TRANSFERS.—Paragraph (31) of section 401(a) (relating to optional direct transfer of eligible rollover distributions) is amended by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(3) ANNUITIES.—Subparagraph (B) of section 408(d)(3) (relating to rollover contributions) is amended by striking "which was not includible in his gross income because of the application of this paragraph" and inserting "to which this paragraph applied".

(4) ELIGIBLE RETIREMENT PLAN.—Paragraph (7)(B) of section 402(c) (as redesignated by subsection (a)(1) and as amended by section 2) is amended—

(A) by striking "The term" and inserting "Except as provided in this subparagraph, the term", and

(B) by adding at the end the following:

"Arrangements described in clauses (iii), (iv) (v), and (vi) shall not be treated as eligible retirement plans for purposes of receiving a rollover contribution of an eligible rollover distribution to the extent that such eligible rollover distribution is not includible in gross income (determined without regard to paragraph (1))."

(5) TAXATION OF DISTRIBUTIONS.—Paragraph (2) of section 408(d) is amended—

(A) by striking "For purposes" and inserting the following:

"(A) IN GENERAL.—Except as provided in this paragraph, for purposes",

(B) by striking "(A) all" and inserting "(i) all";

(C) by striking "(B) all" and inserting "(ii) all";

(D) by striking "(C) the" and inserting "(iii) the",

(E) by striking "subparagraph (C)" and inserting "clause (iii)", and

(F) by inserting at the end the following:

"(B) APPLICATION OF SECTION 72.—For purposes of applying section 72, if—

"(i) a distribution is made from an individual retirement plan, and

"(ii) a rollover contribution described in paragraph (3) is made to an eligible retirement plan described in section 402(c)(7)(B)(iii), (iv), (v), or (vi) with respect to all or part of such distribution,

the includible amount in the individual's individual retirement plans shall be reduced by the amount described in subparagraph (C). As of the close of the calendar year in which the taxable year begins, the reduction of all amounts described in subparagraph (C)(i) shall be applied prior to the computations described in subparagraph (A)(iii). The amount of any distribution with respect to which there is a rollover contribution described in clause (ii) shall not be treated as a distribution for purposes of subparagraph (A).

"(C) AMOUNT DESCRIBED.—The amount described in this subparagraph is the sum of—

"(i) the amount of the rollover contribution described in subparagraph (B)(ii), and

"(ii) in the case of any portion of the distribution with respect to which there is not a rollover contribution described in paragraph (3), the amount of such portion that is included in gross income under section 72.

"(D) INCLUDIBLE AMOUNT.—For purposes of this paragraph, the term 'includible amount' shall mean the amount that is not investment in the contract (as defined in section 72)."

(6) TRANSFERS TO IRAS.—Subparagraph (C) of section 402(c)(5) (as redesignated by subsection (a)(1)) is amended by inserting after "other than money" the following: "or where the amount of the distribution exceeds the amount of the rollover contribution".

(b) HARDSHIP EXCEPTION TO 60-DAY RULE.—

(1) PLAN ROLLOVERS.—Paragraph (2) of section 402(c) (as so redesignated) is amended to read as follows:

"(2) TRANSFER MUST BE MADE WITHIN 60 DAYS OF RECEIPT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

"(B) HARDSHIP EXCEPTION.—The Secretary may waive the 60-day requirement under subparagraph (A) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement."

(2) IRA ROLLOVERS.—Paragraph (3) of section 408(d) (relating to rollover contributions) is amended by adding at the end the following new subparagraph:

"(H) WAIVER OF 60-DAY REQUIREMENT.—The Secretary may waive the 60-day requirement under subparagraphs (A) and (D) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement."

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (4) of section 402(c) (as redesignated by subsection (a)(1)) is amended by striking "(8)(B)" and inserting "(7)(B)".

(2) Subparagraph (B) of section 403(a)(4) is amended by striking "(2) through (7)" and inserting "(2) through (6)".

(3) Section 403(b)(8)(A)(ii) (as amended by section 2) is amended by striking "section 402(c)(8)(B)" and inserting "section 402(c)(7)(B)".

(4) Subparagraph (B) of section 403(b)(8) (as amended by section 2) is amended by striking "(2) through (7) and (9) of section 402(c)" and inserting "(2) through (6) and (8) of section 402(c)".

(5) Subparagraph (A) of section 408(d)(3) (as amended by section 3) is amended by striking "402(c)(8)" and inserting "402(c)(7)".

(6) Paragraph (16) of section 457(e) (as added by section 2) is amended—

(A) in subparagraph (A)(i) by striking "402(c)(4)" and inserting "402(c)(3)",

(B) in subparagraph (A)(ii) by striking "402(c)(8)(B)" and inserting "402(c)(7)(B)", and

(C) in subparagraph (B) by striking "paragraphs (2) through (7) (other than paragraph

(4)(C)) and (9) of section 402(c)" and inserting "paragraphs (2) through (6) (other than paragraph (3)(C)) and (8) of section 402(c)".

(d) Effective Date.—

(1) In general.—Except as provided by paragraph (2), the amendments made by this section shall apply to distributions made after December 31, 1999.

(2) Hardship exception.—The amendments made by subsection (b) shall apply to 60-day periods ending after the date of the enactment of this Act.

SEC. 5. EXTENSION OF MISSING PARTICIPANTS PROGRAM TO MULTIEMPLOYER PLANS.

(a) In General.—Section 4050 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1350) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Multiemployer Plans.—The corporation shall prescribe rules similar to the rules in subsection (a) for multiemployer plans covered by this title that terminate under section 4041A."

(b) Conforming Amendment.—Section 206(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(f)) is amended by striking "the plan shall provide that,".

(c) Effective Date.—The amendments made by this section shall apply to distributions made after final regulations implementing subsection (c) of section 4050 of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)) are prescribed.

SEC. 6. RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS FROM DEFINED CONTRIBUTION PLANS.

(a) Distributions Permitted on Severance From Employment.—

(1) 401(k) plans.—Section 401(k)(2)(B)(i)(I) (relating to qualified cash or deferred arrangements) is amended by striking "separation from service" and inserting "severance from employment".

(2) 403(b) contracts.—

(A) Clause (ii) of section 403(b)(7)(A) is amended by striking "separates from service" and inserting "severs from employment".

(B) Paragraph (11) of section 403(b) is amended—

(i) by striking "SEPARATION FROM SERVICE" in the heading and inserting "SEVERANCE FROM EMPLOYMENT", and

(ii) by striking "separates from service" and inserting "severs from employment".

(3) 457 plans.—Clause (ii) of section 457(d)(1)(A) is amended by striking "is separated from service" and inserting "has a severance from employment".

(b) Business Sale Requirements Deleted.—

(1) In general.—Section 401(k)(2)(B)(i)(II) (relating to qualified cash or deferred arrangements) is amended by striking "an event" and inserting "a plan termination".

(2) Conforming amendments.—Section 401(k)(10) is amended—

(A) by striking subparagraph (A) and inserting the following:

"(A) In general.—A plan termination is described in this paragraph if the termination of the plan does not involve the establishment or maintenance of another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7)).",

(B) in subparagraph (B)—

(i) by striking "An event" and inserting "A termination", and

(ii) by striking "the event" and inserting "the termination",

(C) by striking subparagraph (C), and

(D) by striking "OR DISPOSITION OF ASSETS OR SUBSIDIARY" in the heading.

(c) Effective Date.—The amendments made by this section shall apply to distributions after December 31, 1999.

SEC. 7. TRANSFEREE DEFINED CONTRIBUTION PLAN NEED NOT HAVE SAME DISTRIBUTION OPTIONS AS TRANSFEROR DEFINED CONTRIBUTION PLAN.

(a) In General.—Section 411(d)(6) (relating to accrued benefit not to be decreased by amendment) is amended by adding at the end the following new subparagraph:

"(D) Plan transfers.—A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this paragraph merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the 'transferor plan') to the extent that—

"(i) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan,

"(ii) the terms of both the transferor plan and the transferee plan authorize the transfer described in clause (i),

"(iii) the transfer described in clause (i) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan,

"(iv) the election described in clause (iii) was made after the participant or beneficiary received a notice describing the consequences of making the election,

"(v) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 417, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 417(a)(2), and

"(vi) the transferee plan allows the participant or beneficiary described in clause (iii) to receive any distribution to which the participant or beneficiary is entitled under transferee plan in the form of a single sum distribution."

(b) Amendment to ERISA.—Section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) is amended by adding at the end the following new paragraph:

"(4) A defined contribution plan (in this paragraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this paragraph referred to as the 'transferor plan') to the extent that—

"(A) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan,

"(B) the terms of both the transferor plan and the transferee plan authorize the transfer described in subparagraph (A),

"(C) the transfer described in subparagraph (A) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan,

"(D) the election described in subparagraph (C) was made after the participant or beneficiary received a notice describing the consequences of making the election,

"(E) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 205, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 205(c)(2), and

"(F) the transferee plan allows the participant or beneficiary described in subparagraph (C) to receive any distribution to which the participant or beneficiary is entitled under transferee plan in the form of a single sum distribution."

(b) Effective Date.—The amendments made by this section shall apply to transfers after December 31, 1999.

SEC. 8. EMPLOYERS MAY DISREGARD ROLLOVERS FOR PURPOSES OF CASH-OUT AMOUNTS.

(a) Amendments to 1986 Code.—

(1) Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

"(D) Special rule for rollover contributions.—A plan shall not fail to meet the requirements of this paragraph if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16)."

(2) Clause (i) of section 457(e)(9)(A) is amended by striking "such amount" and inserting "the portion of such amount which is not attributable to rollover contributions (as defined in section 411(a)(11)(D))".

(b) Amendment to ERISA.—Section 203(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(e)) is amended by adding at the end the following:

"(4) A plan shall not fail to meet the requirements of this subsection if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this paragraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Internal Revenue Code of 1986."

(c) Effective Date.—The amendments made by this section shall apply to distributions after December 31, 1999.

SEC. 9. PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS.

(a) 403(b) Plans.—Subsection (b) of section 403 is amended by adding at the end the following new paragraph:

"(13) Trustee-to-trustee transfers to purchase permissive service credit.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

"(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

"(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof."

(b) 457 Plans.—

(1) Subsection (e) of section 457 is amended by adding at the end the following new paragraph:

"(17) Trustee-to-trustee transfers to purchase permissive service credit.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

"(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

"(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof."

(2) Section 457(b)(2), as amended by section 2, is amended by striking "(other than rollover amounts)" and inserting "(other than rollover amounts and amounts received in a transfer referred to in subsection (e)(17))".

(c) Effective Date.—The amendments made by this section shall apply to trustee-to-trustee transfers after December 31, 1999.

SEC. 10. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) In General.—If this section applies to any plan or contract amendment—

(1) such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A), and

(2) such plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 or section 204(g) of the Employee Retirement Income Security Act of 1974 by reason of such amendment.

(b) Amendments to Which Section Applies.—

(1) In general.—This section shall apply to any amendment to any plan or annuity contract which is made—

(A) pursuant to any amendment made by this Act or pursuant to any guidance issued by the Secretary of the Treasury (or the Secretary's delegate) under any such amendment, and

(B) on or before the last day of the first plan year beginning on or after January 1, 2002.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this paragraph shall be applied by substituting "2004" for "2002".

(2) Conditions.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative amendment or guidance described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative amendment or guidance, the effective date specified by the plan), and

(ii) ending on the date described in paragraph (1)(B) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and

(B) such plan or contract amendment applies retroactively for such period.

By Mr. JEFFORDS (for himself, Mr. Reed, Mr. Enzi, and Mr. Leahy):

S. 1358. A bill to amend title XVIII of the Social Security Act to provide more equitable payments to home health agencies under the Medicare Program; to the Committee on Finance.

THE PRESERVING ACCESS TO CARE IN THE HOME ACT OF 1999

Mr. JEFFORDS. Mr. President, I rise today to introduce the Preserving Access to Care in the Home Act of 1999, also known as the PATCH Act. This important bill has been crafted to protect access to care for those most in need, relieve the cash flow problems faced by agencies, and improve the interaction between home health agencies and HCFA. I want to recognize Senator Reed, Senator Enzi, and Senator Leahy. These cosponsors have shown tremendous effort and dedication in dealing with the crisis in home health care.

Abraham Lincoln said "The legitimate object of government is to do for a community of people, whatever they need to have done, but cannot do at all, or cannot so well do for themselves, in their separate and individual capacities." This is the essence of home health care.

Home health care means so much to so many people: it means that people recovering from surgery can go home sooner—it means that someone recovering from an accident can get physical therapy in their home, it means our seniors can stay at home, and out of nursing homes. It is smart policy from human and financial standpoints.

My own State of Vermont is a model for providing high-quality, comprehensive care with a low price tag. For the past eight years, the average Medicare expenditure for home health care in Vermont has been the lowest in the nation. Vermont's home care system was designed to efficiently meet the needs of frail and elderly citizens in our largely rural State, but the Health Care Financing Administration's (HCFA) reimbursement system was not. HCFA's interim payment system (IPS) has been implemented in a manner that inadequately reimburses agencies for the care that they provide.

The Balanced Budget Act (BBA) did a lot of good, providing health care coverage for millions of low income children, providing targeted tax relief for families and students, tax incentives to encourage pensions savings, and extending the life of Medicare. However, as with most things in life, it was not perfect.

The BBA failed to recognize how the new home health reimbursement would affect small rural home health care providers. The IPS has caused such significant cash flow problems, that many agencies are struggling to meet their payroll needs. Home health care agencies are now facing the prospect of 15 percent budget cut next year. This budget cut, on top of already stretched budgets, would be disastrous for providers and patients alike.

The PATCH Act will rectify these problems.

First, the PATCH Act eliminates the 15-percent cut scheduled for next year. The actual savings under IPS have exceeded initial expectations, so the 15-percent cut is unnecessary to achieve the savings originally projected as needed.

Second, the PATCH Act clarifies the definition of "homebound" so that coverage decisions are based on the condition of the individual and not on an arbitrary number of absences from the home. Many seniors have found themselves virtual prisoners in their homes, threatened with loss of coverage if they attend adult day care, weekly religious services, or even visit family members in the hospital. This makes no sense because all of these activities are steps on the road to successful and healthy recovery. Often, home care professionals want patients to get outside a little bit, as part of their care plan. This helps fight off depression. Eligibility for home care should depend on the health of the patient.

Third, the PATCH Act creates an "outlier" provision so that medically complex patients suffering from multiple ailments are not excluded by the Medicare program. Agencies will receive reimbursements for reasonable costs so that they can continue to provide care for these complex patients without going bankrupt. Home health agencies can provide care to long-term chronic care patients at a lower cost than nursing homes, or hospitals.

Next, the PATCH Act also matches the rate of review to the rate of denial and provides a reward to agencies for "good behavior" and incentive to submit "good claims." Conducting high cost, intense audits on all agencies, regardless of the past efficiency of the agency, is expensive and unproductive. Many agencies are finding themselves swamped by pre-payment reviews for claims that they submit. These reviews require that health professionals spend a substantial amount of their time filling out forms instead of providing urgently needed care to the elderly. Matching the rate of review to the rate of denial adds to the efficiency of home health agencies, and the efficiency of the regulatory. If the finalized denial rate of claims for a home health agency is less than 5 percent then (a) there will be no prepayment reviews, and (b) the post-payment review shall not exceed 10 percent of the claims.

Finally, the bill restores the periodic interim payment system (PIP) and provides guidelines to HCFA on the development of a prospective payment system (PPS) that will be fair to Vermont's low-cost, rural providers.

The sooner you can return patients to their homes, the sooner they can recover. The familiar environment of the home, family, and friends is more nurturing to recovering patients than the often stressful and unfamiliar surroundings of a hospital. Home health allows them to receive treatment for their medical conditions while being integrated back into independence. Home health is also a great avenue for education. It empowers families to assist in the care of their loved ones. This, too, results in lower costs because family members, in addition to health professionals, provide some of the care. Access to care in the home must be saved.

I look forward to turning this legislation into law. The women and men who provide home care are on the front line every day and deserve nothing but our best efforts.

By Mr. HOLLINGS:

S. 1359. A bill to amend chapter 51 of title 49, United States Code, to extend the coverage of the rules governing the transportation of hazardous materials, and for other purposes; to the Committee on Commerce, Science, and Transportation.

POSTAL HAZARDOUS MATERIALS SAFETY ENHANCEMENT ACT OF 1999

Mr. HOLLINGS. Mr. President, I rise to introduce a bill to insure the safe transportation of hazardous materials (hazmat) via the United States Postal Service and its contract carriers.

The Hazardous Materials Transportation Safety Improvement Act of 1990, P.L. 103-311, specifically exempted the U.S. Postal Service from Department of Transportation (DOT) hazmat enforcement. Although they are exempt from DOT hazmat enforcement, the U.S. Postal Service self-governs hazardous materials transportation through internal regulations and inspections.

The National Transportation Safety Board has made numerous recommendations over the years to subject the U.S. Postal Service to DOT inspections and increased enforcement efforts. In addition, they have also recommended that the Postal Service be subject to enforcement obligations similar to those observed by other package and express mail operations. Due to the fact that only a small percentage of mail is transported exclusively by the U.S. Postal Service and most of it is contracted out to other carriers, it makes sense that all mail and package transporters be subject to the same DOT regulations and inspections.

We all remember the horrifying crash of ValuJet Airlines, flight 592, into the Everglades in May of 1996. Although the cause of the ValuJet accident was not attributed to the U.S. Postal Service, the situation in which it occurred demonstrated the importance of accurate labeling in the transportation of hazardous materials. Following the ValuJet accident, the NTSB made multiple recommendations to the U.S. Postal Service about increased safety in the transport of hazmat. However, in the year following the ValuJet incident there were thirteen additional hazardous materials incidents that occurred when U.S. mail was transported via air. There should be a better safety net for the public and the employees who are charged with the safe transport of the packages, mail and express items.

Similarly, the frightening success of the Unabomber throughout the 1980's and 1990's underscores the need for tougher controls over hazardous materials sent via the U.S. Postal Service. Ted Kaczynski repeatedly sent explosive devices in packages through the mail system resulting in three deaths and 29 injuries. These packages, which weighed on average between five and ten pounds, were never inspected for hazardous contents. Largely in response to the Unabomber, the U.S. Postal Service implemented new requirements addressing package mail, however if a hazmat package is not identified at the source, it is important that the Department of Transportation hazmat inspectors have the authority to inspect packages carried by surface and air carriers.

These accidents clearly demonstrate that the shipment of undeclared hazardous materials is a serious problem that needs more attention. While the U.S. Postal Service has worked hard to train its employees to recognize hazmat shipments, much of the transportation of postal material is done via contract carriers who are not U.S. Postal Service employees. Efforts to address this issue have been hindered by the exclusion of DOT inspectors from regulating hazardous materials shipped via the U.S. Postal Service.

Mr. President, I believe that the U.S. Postal Service and the DOT hazmat inspectors are faced with an enormous task—keeping our mail and our transportation systems safe. My bill would provide for increased authority in hazmat inspections by authorizing DOT inspectors to work in tandem with U.S. Postal Inspectors. The safety of our transportation system is dependent on the safety of the cargo it is carrying—all hazmat packages should be adequately inspected and if found unsafe, they should be treated appropriately, expeditiously and equally.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Postal Hazardous Materials Safety Enhancement Act".

SEC. 2. APPLICATION OF HAZMAT REQUIREMENTS.

(a) IN GENERAL.—Section 5102(9)(B) of title 49, United States Code, is amended to read as follows:

"(B) for purposes of sections 5123 and 5124 of this title, does not include a department, agency, or instrumentality of the Government."

(b) COORDINATION.—In carrying out the provisions of chapter 51 of title 49, United States Code, the Secretary of Transportation shall consult with the Postmaster General in order to coordinate, to the greatest extent feasible, the enforcement of that chapter.

SEC. 3 TRANSPORTATION OF HAZARDOUS MATERIALS VIA THE UNITED STATES MAIL.

(a) IN GENERAL.—Section 5102 of title 49, United States Code, is amended by—

(1) redesignating paragraph (13) as paragraph (14); and

(2) inserting after paragraph (12) the following:

"(13) 'transportation of hazardous material in commerce' and 'transporting hazardous material in commerce' include the transportation of hazardous material in the United States mail.".

(b) REPEAL OF EXCEPTION.—Section 5126(b) of such title is amended to read as follows:

"(b) NONAPPLICATION.—This chapter does not apply to a pipeline subject to regulation under chapter 601 of this title.".

By Mr. LEAHY:

S. 1360. A bill to preserve the effectiveness of Secret Service protection by establishing a protective function privilege, and for other purposes; to the Committee on the Judiciary.

SECRET SERVICE PROTECTION PRIVILEGE ACT OF 1999

Mr. LEAHY. Mr. President, I rise today to introduce the Secret Service Protective Privilege Act of 1999. This legislation is intended to ensure the ability of the United States Secret Service to fulfill its vital mission of protecting the life and safety of the President and other important persons.

Almost five months have passed since the impeachment proceedings against President Clinton were concluded, and the time has come for Congress to repair some of the damage that was done during that divisive episode. I refer to the misguided efforts of Independent Counsel Kenneth Starr to compel Secret Service agents to answer questions about what may have observed or overheard while protecting the life of the President.

Few national interests are more compelling than protecting the life of the President of the United States. The Supreme Court has said that the nation has "an overwhelming interest in protecting the safety of its Chief Executive and in allowing him to perform his duties without interference from threats of physical violence." [Watts v. United States, 394 U.S. 705, 707 (1969).] What's at stake is not merely the safety of one person. What's at stake is the ability of the Executive Branch to function in an effective and orderly fashion, and the capacity of the United States to respond to threats and crises. Think of the shock waves that rocked the world in November 1963 when President Kennedy was assassinated. The assassination of a President has international repercussions and threatens the security and future of the entire nation.

The threat to our national security and to our democracy extends beyond the life of the President to those in direct line of the Office of the President—the Vice President, the President-elect, and the Vice President elect. By Act of Congress, these officials are required to accept the protection of the Secret Service—they may not turn it down. This statutory mandate reflects the critical importance that Congress has attached to the physical safety of these officials.

Congress has also charged the Secret Service with responsibility for protecting visiting heads of foreign states and foreign governments. The assassination of a foreign head of state on American soil could be catastrophic from a foreign relations standpoint and could seriously threaten national security.

The Secret Service Protective Privilege Act of 1999 would enhance the Secret Service's ability to protect these officials, and the nation, from the risk of assassination. It would do this by facilitating the relationship of trust between these officials and their Secret Service protectors that is essential to the Service's protective strategy.

The Service uses a "protective envelope" method of protection. Agents and officers surround the protectee with an all-encompassing zone of protection on a 24-hour-a-day basis. In the face of danger, they will shield the protectee's body with their own bodies and move him to a secure location.

That is how the Secret Service averted a national tragedy on March 30, 1981, when John Hinckley attempted to assassinate President Reagan. Within seconds of the first shot being fired, Secret Service personnel had shielded the President's body and maneuvered him into the waiting limousine. One agent in particular, Agent Tim McCarthy, positioned his body to intercept a bullet intended for the President. If Agent McCarthy had been even a few feet farther from the President, history might have gone very differently.

For the Secret Service to maintain this sort of close, unremitting proximity to the President and other protectees, it must have their complete, unhesitating trust and confidence. Secret Service personnel must be able to remain at the President's side even during confidential and sensitive conversations, when they may overhear military secrets, diplomatic exchanges, and family and private matters. If our Presidents do not have complete trust in the Secret Service personnel who protect them, they could try to push away the Service's "protective envelope" or undermine it to the point where it could no longer be fully effective.

This is more than a theoretical possibility. Consider what former President Bush wrote last April, after hearing of the independent counsel's efforts to compel Secret Service testimony:

> The bottom line is I hope that [Secret Service] agents will be exempted from testifying before the Grand Jury. What's at stake here it the protection of the life of the President and his family and the confidence and trust that a President must have in the [Secret Service].
>
> If a President feels that Secret Service agents can be called to testify about what they might have seen or heard then it is likely that the President will be uncomfortable having the agents near by.
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> I allowed the agents to have proximity first because they had my full confidence and secondly because I knew them to be totally discreet and honorable. . . .
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> . . . I can assure you that had I felt they would be compelled to testify as to what they had seen or heard, no matter what the subject, I would not have felt comfortable having them close in
>
> . . . I feel very strongly that the [Secret Service] agents should not be made to appear in court to discuss that which they might or might not have seen or heard.
>
> What's at stake here is the confidence of the President in the discretion of the [Secret Service]. If that confidence evaporates the agents, denied proximity, cannot properly protect the President.

As President Bush's letter makes plain, requiring Secret Service agents to betray the confidence of the people whose lives they protect could seriously jeopardize the ability of the Service to perform its crucial national security function.

The possibility that Secret Service personnel might be compelled to testify about their protectees could have a particularly devastating affect on the Service's ability to protect foreign dignitaries. The mere fact that this issue has surfaced is likely to make foreign governments less willing to accommodate Secret Service both with respect to the protection of the President and Vice President on foreign trips, and the protection of foreign heads of state traveling in the United States.

The recent court decisions, which refused to recognize a protective function privilege, could have a devastating impact upon the Secret Service's ability to provide effective protection. The courts ignored the voices of experience—former Presidents, Secret Service Directors, and others—who warned of the potentially deadly consequences. The courts disregarded the lessons of history. We cannot afford to be so cavalier; the stakes are just too high.

The security of our chief executive officers and visiting foreign heads of state is a matter that transcends all partisan politics. I urge my colleagues to support this legislation and ask unanimous consent that the bill and a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1360

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Secret Service Protective Privilege Act of 1999".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) The physical safety of the Nation's top elected officials is a public good of transcendent importance.

(2) By virtue of the critical importance of the Office of the President, the President and those in direct line of the Presidency are subject to unique and mortal jeopardy—jeopardy that in turn threatens profound disruption to our system of representative government and to the security and future of the Nation.

(3) The physical safety of visiting heads of foreign states and foreign governments is also a matter of paramount importance. The assassination of such a person while on American soil could have calamitous consequences for our foreign relations and national security.

(4) Given these grave concerns, Congress has provided for the Secret Service to protect the President and those in direct line of the Presidency, and has directed that these officials may not waive such protection. Congress has also provided for the Secret Service to protect visiting heads of foreign states and foreign governments.

(5) The protective strategy of the Secret Service depends critically on the ability of its personnel to maintain close and unremitting physical proximity to the protectee.

(6) Secret Service personnel must remain at the side of the protectee on occasions of confidential conversations and, as a result, may overhear top secret discussions, diplomatic exchanges, sensitive conversations, and matters of personal privacy.

(7) The necessary level of proximity can be maintained only in an atmosphere of complete trust and confidence between the protectee and his or her protectors.

(8) If a protectee has reason to doubt the confidentiality of actions or conversations taken in sight or hearing of Secret Service personnel, the protectee may seek to push the protective envelope away or undermine it to the point at which it could no longer be fully effective.

(9) The possibility that Secret Service personnel might be compelled to testify against their protectees could induce foreign nations to refuse Secret Service protection in future state visits, making it impossible for the Secret Service to fulfill its important statutory mission of protecting the life and safety of foreign dignitaries.

(10) A privilege protecting information acquired by Secret Service personnel while performing their protective function in physical proximity to a protectee will preserve the security of the protectee by lessening the incentive of the protectee to distance Secret Service personnel in situations in which there is some risk to the safety of the protectee.

(11) Recognition of a protective function privilege for the President and those in direct line of the Presidency, and for visiting heads of foreign states and foreign governments, will promote sufficiently important interests to outweigh the need for probative evidence.

(12) Because Secret Service personnel retain law enforcement responsibility even while engaged in their protective function, the privilege must be subject to a crime/treason exception.

(b) PURPOSES.—The purposes of this Act are—

(1) to facilitate the relationship of trust and confidence between Secret Service personnel and certain protected officials that is essential to the ability of the Secret Service to protect these officials, and the Nation, from the risk of assassination; and

(2) to ensure that Secret Service personnel are not precluded from testifying in a criminal investigation or prosecution about unlawful activity committed within their view or hearing.

SEC. 3. ESTABLISHMENT OF PROTECTIVE FUNCTION PRIVILEGE.

(a) ADMISSIBILITY OF INFORMATION ACQUIRED BY SECRET SERVICE PERSONNEL WHILE PERFORMING THEIR PROTECTIVE FUNCTION.—Chapter 203 of title 18, United States Code, is amended by inserting after section 3056 the following:

"§ 3056A. Testimony by Secret Service personnel; protective function privilege

"(a) DEFINITIONS.—In this section:

"(1) PROTECTEE.—The term 'protectee' means—

"(A) the President;

"(B) the Vice President (or other officer next in the order of succession to the Office of President);

"(C) the President-elect;

"(D) the Vice President-elect; and

"(E) visiting heads of foreign states or foreign governments who, at the time and place concerned, are being provided protection by the United States Secret Service.

"(2) SECRET SERVICE PERSONNEL.—The term 'Secret Service personnel' means any officer or agent of the United States Secret Service.

"(b) GENERAL RULE OF PRIVILEGE.—Subject to subsection (c), testimony by Secret Service personnel or former Secret Service personnel regarding information affecting a protectee that was acquired during the performance of a protective function in physical proximity to the protectee shall not be received in evidence or otherwise disclosed in any trial, hearing, or other proceeding in or before any court, grand jury, department, officer, agency, regulatory body, or other authority of the United States, a State, or a political subdivision thereof.

"(c) EXCEPTIONS.—There is no privilege under this section—

"(1) with respect to information that, at the time the information was acquired by Secret Service personnel, was sufficient to provide reasonable grounds to believe that a crime had been, was being, or would be committed; or

"(2) if the privilege is waived by the protectee or the legal representative of a protectee or deceased protectee.

"(d) CONCURRENT PRIVILEGES.—The proximity of Secret Service personnel to a protectee engaged in a privileged communication with another shall not, by itself, defeat an otherwise valid claim of privilege.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The analysis for chapter 203 of title 18, United States Code, is amended by inserting after the item relating to section 3056 the following:

"3056A. Testimony by Secret Service personnel; protective function privilege.".

SEC. 4. APPLICATION.

This Act and the amendments made by this Act shall apply to any proceeding commenced on or after the date of enactment of this Act.

SUMMARY OF THE SECRET SERVICE PROTECTIVE PRIVILEGE ACT OF 1999

The proposed legislation would add a new section 2056A to title 18, United States Code, establishing a protective function privilege. There are four subsections.

Subsection (a) establishes the definitions used in the section.

Subsection (b) states the general rule that testimony by Secret Service personnel or former Secret Service personnel regarding information affecting a protectee that was acquired during the performance of a protective function in physical proximity to the protectee shall not be received in evidence or otherwise disclosed. The privilege operates only with respect to the President, the Vice President (or other officer next in the order of succession to the Office of President), the President-elect, the Vice President-elect, and visiting heads of foreign states or foreign governments.

Subsection (c) creates a crime-fraud exception to the privilege, which applies with respect to information that, at the time it was acquired by Secret Service personnel, was sufficient to provide reasonable grounds to believe that a crime had been, was being, or would be committed. This subsection also provides that the privilege may be waived by a protectee or by his or her legal representative.

Subsection (d) provides that the proximity of Secret Service personnel to a protectee shall not, by itself, defeat an otherwise valid claim of privilege. This addresses the situation in which Secret Service personnel overhear confidential communications between the protectee and, say, the protectee's spouse or attorney.

By Mr. STEVENS (for himself, (Mr. INOUYE, Mr. LOTT, Mrs. FEINSTEIN, Mr. AKAKA, and Mr. GRAHAM):

S. 1361. A bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATURAL DISASTER PROTECTION AND INSURANCE ACT OF 1999

Mr. STEVENS. Mr. President, today I am introducing the Natural Disaster Protection and Insurance Act of 1999. This bill will provide the Nation with a way of dealing with major national disasters. As many of my colleagues are aware I have maintained an interest in this area for some time. Over the last decade we have witnessed natural disasters and the devastating effect that they can have on our property, economy and quality of life.

Damages from Hurricane Andrew resulted in the insolvency of insurance companies and a lack of confidence within the industry to deal with similar catastrophes in the future. Major hurricane risk is increasing. Some scientists predict that the next decade will bring more favorable conditions for a major hurricane hitting the U.S. than existed in the period leading up the Hurricane Andrew.

Over half of the population of the United States resides within the coastal zone (approximately 300 km centered at the coastline). Infrastructure and population along our coast is growing rapidly and so our vulnerability to hurricanes is increasing dramatically.

My Home State of Alaska has had at least nine major earthquakes of 7.4 magnitude or more on the Richter scale. Alaska's 1964 Good Friday Earthquake was one of the world's most powerful, registering, a magnitude of 9.2 on the Richter scale.

The Alaska quake of 1964 destroyed the economic basis of entire communities. Whole fishing fleets, harbors, and canneries were lost. The shaking caused tidal waves. Petroleum storage tanks ruptured and the contents caught fire. Burning oil ran into the bay and was carried to the waterfront by large waves. These waves of fire destroyed docks, piers, and small-boat harbors. Total property damage was $311 million in 1964 dollars. Experts predict that a quake this size in the lower 48 would kill thousands and cost up to $200 billion.

According to Michael J. Armstrong, associate director, mitigation directorate of the Federal Emergency Management Agency:

> Earthquakes represent the largest single potential for casualties and damage from a natural hazard facing this country. They represent a national threat, as all but seven States in the U.S. are at some level of risk.
>
> In our most recent earthquake disaster, Northridge, (CA), a moderate earthquake centered on the fringe of a major metropolitan area caused an estimated $40 billion in damage. A large magnitude earthquake located under one of several urban regions in the United States could cause thousands of casualties and losses approaching $200 billion.
>
> Accordingly, reducing earthquake losses is a matter of national concern—recent findings show a significantly increased potential for damaging earthquake in southern California, and in northern California on the Hayward Fault. Studies also show higher potential earthquakes for the Pacific Northwest and Coastal South Carolina. This is in addition to areas of earthquake risk that have already been identified, such as the New Madrid Fault Zone in the Central U.S. and Wasatch Front in Utah.

Before 1989, the United States had never experienced a disaster costing more than $1 billion in insured losses. Since then, we have had nine disasters that have cost more than $1 billion.

Today, Senators INOUYE, LOTT, BOB GRAHAM, FEINSTEIN, AKAKA, and I introduce this bill to reduce the cost to the Federal Government of earthquakes, hurricanes, and other natural disasters.

First, the bill will reduce Federal costs by expanding the use and availability of private insurance.

Second, the bill will provide incentives to improve State disaster strategic planning.

And, third, the bill will create a national, privately funded catastrophic insurance pool to shoulder the risk of very large disasters.

Mr. President, the more private insurance individuals buy, the less disaster relief Federal taxpayers must pay. For instance, if this bill had been in place before Hurricane Andrew and California's Northridge Earthquake, I am advised that it could have reduced Federal costs by at least $5 billion.

I ask my colleagues to join me and the cosponsors in supporting this bill. Because major natural catastrophes are increasingly common and costly for U.S. citizens, we must be willing to make a commitment now to prepare for these future events in advance.

Mr. GRAHAM. Mr. President, I rise to join the distinguished chairman and Ranking Member of the Senate Appropriations Committee in introducing legislation that creates a federal complement to efforts of state governments, local communities, and the private sector to make future disasters cost less.

Mr. President, I am a life-long Floridian. When children grow up in Florida they learn, usually from first hand experience, to expect devastating storm activity in their communities. Hurricane Season is an annual event. Florida suffers from often violent summer storms, tornadoes, and wildfires. With all of this natural disaster activity in my state alone, you can image that the costs of paying for the damages incurred by these events is quite staggering. These costs require the immediate action of Congress.

In August of 1992, Hurricane Andrew roared ashore in the middle of the night and devastated much of South Florida. The total costs of cleanup and rebuilding from Hurricane Andrew was $36 billion. This includes nearly $16 billion in total insured loses, of which $12 billion were homeowner policies. After Andrew 10 private insurance companies in the State of Florida were rendered insolvent and had to leave the state. Nearly 960,000 insurance policies were canceled or not renewed.

There may be more Hurricane Andrew's in our future. The National Weather Service has predicted 1999 will be an extremely active hurricane season. They have estimated that up to 14 named storms will develop in the Atlantic Ocean, 10 of those are expected to become hurricanes.

The rising costs associated with events such as Hurricane Andrew have also demonstrated that insurers face the risk of insolvency if they are overly concentrated in vulnerable regions of our country. Since 1992, insurers have widely avoided writing policies in disaster prone areas of Florida. A congressional report on this subject revealed that the total supply of available reinsurance is approximately $7 billion. This is only 10 percent of the potential loss which might occur from a worst case natural disaster scenario.

Companies that provide insurance of last resort have entered disaster-vulnerable insurance markets and filled this vacuum. Generally, these products of last resort provide less coverage than a commercial property insurance policy, but at much greater price. In Florida, such a policy averages in excess of 500 percent as compared to a commercial policy.

State Insurance Commissions and state legislatures have literally created rainy day funds in an attempt to prevent an insurance availability crisis. This includes: Florida Catastrophe Reinsurance Fund, the California Earthquake Authority, and the Hawaii Hurricane Relief Fund. In my State of Florida, we have also created programs to provide insurance for those who cannot purchase insurance from any private source because of the risk involved including the Florida Joint Underwriters Associations, and the expansion of the Florida Windstorm Underwriters Association.

Our recent experience tells us that it is time for Congress to help reverse the rising costs of natural disasters. The Natural Disaster Protection and Insurance Act of 1999 is a step in the right direction. This legislation directs the Secretary of the Treasury to carry out a program to make reinsurance available for purchase by eligible state programs, private insurers and reinsurers by way of auctions. It provides a backstop for state-operated insurance programs, and complements existing insurance industry efforts without encroaching upon the private sector.

This initiative appropriately allows state and industry leaders to assist in addressing local needs. Specifically,

Contractural coverage would include residential property losses resulting from disasters.

The Treasury Department would be prohibited from offering any coverage that competes with or replaces private insurers.

A portion of the premiums would go to a mitigation fund to support state level emergency preparedness.

This initiative is a bipartisan and bicameral effort. My Florida colleague, Congressman BILL MCCOLLUM, has joined Representative LAZIO to lead this effort in the House of Representatives. We have been working closely with the Administration, affected state and local level organizations, and private realtors and insurers. We all agree that the insurance industry cannot endure the ravage of large scale natural disasters alone. Action at the federal level is needed to continue insuring individual homeowners and business in areas vulnerable to catastrophe.

Mr. President, we have an opportunity today to continue the working partnership between the federal government, states, local communities and the private sector. The consequences of insurance shortages and exposure to known hazards must be addressed immediately. I encourage my colleagues to support this initiative.

ADDITIONAL COSPONSORS

S. 57

At the request of Ms. MIKULSKI, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 57, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants, and for other purposes.

S. 211

At the request of Mr. MOYNIHAN, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 211, a bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion for employer-provided educational assistance programs, and for other purposes.

S. 253

At the request of Mr. MURKOWSKI, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 253, a bill to provide for the reorganization of the Ninth Circuit Court of Appeals, and for other purposes.

S. 335

At the request of Ms. COLLINS, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 335, a bill to amend chapter 30 of title 39, United States Code, to provide for the nonmailability of certain deceptive matter relating to games of chance, administrative procedures, orders, and civil penalties relating to such matter, and for other purposes.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

At the request of Ms. COLLINS, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 345, supra.

S. 429

At the request of Mr. DURBIN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 429, a bill to designate the legal public holiday of "Washington's Birthday" as "Presidents' Day" in honor of George Washington, Abraham Lincoln, and Franklin Roosevelt and in recognition of the importance of the institution of the Presidency and the contributions that Presidents have made to the development of our Nation and the principles of freedom and democracy.

S. 459

At the request of Mr. BREAUX, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 472

At the request of Mr. GRASSLEY, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 632

At the request of Mr. DEWINE, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 632, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 717

At the request of Ms. MIKULSKI, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 717, a bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation.

S. 821

At the request of Mr. LAUTENBERG, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 821, a bill to provide for the collection of data on traffic stops.

S. 836

At the request of Mr. GRAHAM, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 836, a bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that group health plans and health insurance issuers provide women with adequate access to providers of obstetric and gynecological services.

S. 861

At the request of Mr. DURBIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 861, a bill to designate certain Federal land in the State of Utah as wilderness, and for other purposes.

S. 875

At the request of Mr. ALLARD, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 875, a bill to amend the Internal Revenue Code of 1986 to expand S corporation eligibility for banks, and for other purposes.

S. 877

At the request of Mr. BROWNBACK, the names of the Senator from Montana (Mr. BURNS) and the Senator from Michigan (Mr. ABRAHAM) were added as cosponsors of S. 877, a bill to encourage the provision of advanced service, and for other purposes.

S. 879

At the request of Mr. CONRAD, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements.

S. 892

At the request of Mr. HATCH, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 892, a bill to amend the Internal Revenue Code of 1986 to permanently extend the subpart F exemption for active financing income.

S. 926

At the request of Mr. DODD, the names of the Senator from Maryland (Ms. MIKULSKI) and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of S. 926, a bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes.

S. 984

At the request of Ms. COLLINS, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 984, a bill to amend the Internal Revenue Code of 1986 to modify the tax credit for electricity produced from certain renewable resources.

S. 1006

At the request of Mr. TORRICELLI, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 1006, a bill to end the use of conventional steel-jawed leghold traps on animals in the United States.

S. 1016

At the request of Mr. DEWINE, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1016, a bill to provide collective bargaining for rights for public safety officers employed by States or their political subdivisions.

S. 1025

At the request of Mr. MOYNIHAN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1025, a bill to amend title XVIII of the Social Security Act to ensure the proper payment of approved nursing and allied health education programs under the medicare program.

S. 1038

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1038, a bill to amend the Internal Revenue Code of 1986 to exempt small issue bonds for agriculture from the State volume cap.

S. 1053

At the request of Mr. BOND, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1053, a bill to amend the Clean Air Act to incorporate certain provisions of the transportation conformity regulations, as in effect on March 1, 1999.

S. 1087

At the request of Mr. HUTCHINSON, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1087, a bill to amend title 38, United States Code, to add bronchioloalveolar carcinoma to the list of diseases presumed to be service-connected for certain radiation-exposed veterans.

S. 1091

At the request of Mr. DEWINE, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1091, a bill to amend the Public Health Service Act to provide for the establishment of a pediatric research initiative.

S. 1144

At the request of Mr. VOINOVICH, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 1144, a bill to provide increased flexibility in use of highway funding, and for other purposes.

At the request of Mr. VOINOVICH, the name of the Senator from New York (Mr. SCHUMER) was withdrawn as a cosponsor of S. 1144, supra.

S. 1166

At the request of Mr. NICKLES, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1166, a bill to amend the Internal Revenue Code of 1986 to clarify that natural gas gathering lines are 7-year property for purposes of depreciation.

S. 1216

At the request of Mr. TORRICELLI, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1216, a bill to amend the Marine Mammal Protection Act of 1972 to establish a Marine Mammal Rescue Grant Program, and for other purposes.

S. 1232

At the request of Mr. COCHRAN, the names of the Senator from Tennessee (Mr. THOMPSON), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Virginia (Mr. WARNER), the Senator from Maryland (Mr. SARBANES), and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1232, a bill to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code.

S. 1266

At the request of Mr. GORTON, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1266, a bill to allow a State to combine certain funds to improve the academic achievement of all its students.

S. 1274

At the request of Mr. GRAMS, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1274, a bill to amend the Internal Revenue Code of 1986 to increase the accessibility to and affordability of health care, and for other purposes.

S. 1277

At the request of Mr. GRASSLEY, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1293

At the request of Mr. COCHRAN, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1293, a bill to establish a Congressional Recognition for Excellence in Arts Education Board.

S. 1296

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1296, a bill to designate portions of the lower Delaware River and associated tributaries as a component of the National Wild and Scenic Rivers System.

S. 1317

At the request of Mr. AKAKA, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1317, a bill to reauthorize the Welfare-To-Work program to provide additional resources and flexibility to improve the administration of the program.

S. 1332

At the request of Mr. BAYH, the names of the Senator from Oregon (Mr. SMITH), and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 1332, a bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community.

SENATE RESOLUTION 99

At the request of Mr. REID, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of Senate Resolution 99, a resolution designating November 20, 1999, as "National Survivors for Prevention of Suicide Day."

AMENDMENTS SUBMITTED

PATIENTS' BILL OF RIGHTS ACT

NICKLES (AND OTHERS) AMENDMENT NO. 1236

Mr. NICKLES (for himself, Mr. GRAMM, and Ms. COLLINS) proposed an amendment to the bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; as follows:

At the appropriate place, insert the following:

SEC. . EXEMPTIONS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, the provisions of this Act shall not apply with respect to a group health plan (or health insurance coverage offered in connection with the group health plan) if the provisions of this Act for a plan year during which this Act is fully implemented result in—

(1) a greater than 1 percent increase in the cost of the group health plan's premiums for the plan year, as determined under subsection (b); or

(2) a decrease, in the plan year, of 100,000 or more in the number of individuals in the United States with private health insurance, as determined under subsection (c).

(b) EXEMPTION FOR INCREASED COST.—For purposes of subsection (a)(1), if an actuary certified in accordance with generally recognized standards of actuarial practice by a member of the American Academy of Actuaries or by another individual whom the Secretary has determined to have an equivalent level of training and expertise certifies that the application of this Act to a group health plan (or health insurance coverage offered in connection with the group health plan) will result in the increase described in subsection (a)(1) for a plan year during which this Act is fully implemented, the provisions of this Act shall not apply with respect to the group health plan (or the coverage).

(c) EXEMPTION FOR DECREASED NUMBER OF INSURED PERSONS.—For purposes of subsection (a)(2), unless the Administrator of the Health Care Financing Administration certifies, on the basis of projections by the National Association of Insurance Commissioners, that the provisions of this Act will not result in the decrease described in subsection (a)(2) for a plan year during which this Act is fully implemented, the provisions of this Act shall not apply with respect to a group health plan (or health insurance coverage offered in connection with a group health plan).

ROBB (AND OTHERS) AMENDMENT NO. 1237

Mr. KENNEDY (for Mr. ROBB (for himself, Mrs. MURRAY, Mrs. BOXER, Ms. MIKULSKI, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. FEINGOLD, Mrs. LINCOLN, Mr. DASCHLE, Mr. BYRD, Mr. LIEBERMAN, Mr. BINGAMAN, Mr. BRYAN, and Mr. HARKIN)) proposed an amendment to amendment No. 1236 proposed by Mr. NICKLES to the bill, S. 1344, supra; as follows:

In the amendment, strike all after the first word and insert the following: standards relating to benefits for certain breast cancer treatment and access to appropriate obstetrical and gynecological care.

(a) BREAST CANCER TREATMENT.—

(1) INPATIENT CARE.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with generally accepted medical standards, and the patient, to be medically appropriate following—

(A) a mastectomy;

(B) a lumpectomy; or

(C) a lymph node dissection for the treatment of breast cancer.

(2) PROHIBITIONS.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, may not—

(A) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan or coverage, solely for the purpose of avoiding the requirements of this subsection;

(B) provide monetary payments or rebates to patients to encourage such patients to accept less than the minimum protections available under this subsection;

(C) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant, beneficiary or enrollee in accordance with this subsection;

(D) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant, beneficiary or enrollee in a manner inconsistent with this subsection; or

(E) subject to paragraph (3)(B), restrict benefits for any portion of a period within a hospital length of stay required under paragraph (1) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

(3) RULES OF CONSTRUCTION.—

(A) Nothing in this subsection shall be construed to require a patient who is a participant, beneficiary or enrollee—

(i) to undergo a mastectomy, lumpectomy or lymph node dissection in a hospital; or

(ii) to stay in the hospital for a fixed period of time following a mastectomy, lumpectomy or lymph node dissection.

(B) Nothing in this subsection shall be construed as preventing a group health plan or a health insurance issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy, lumpectomy or lymph node dissection for the treatment of breast cancer under the plan except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under paragraph (1) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

(4) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this subsection shall be construed to prevent a group health plan or a health insurance issuer from negotiating the level

and type of reimbursement with a provider for care provided in accordance with this subsection.

(5) Definition.—In this subsection, the term "mastectomy" means the surgical removal of all or part of a breast.

(b) Obstetrical and Gynecological Care.—

(1) In general.—If a group health plan, or a health insurance issuer in connection with the provision of group health insurance coverage, requires or provides for a participant, beneficiary, or enrollee to designate a participating primary care provider—

(A) the plan or issuer shall permit such an individual who is a female to designate a participating physician who specializes in obstetrics and gynecology as the individual's primary care provider; and

(B) if such an individual has not designated such a provider as a primary care provider, the plan or issuer—

(i) shall not require authorization or a referral by the individual's primary care provider or otherwise for coverage of covered gynecological care and pregnancy-related services provided by a participating health care professional who specializes in obstetrics and gynecology to the extent such care is otherwise covered, and

(ii) shall treat the ordering of other obstetrical and gynecological care by such a participating health professional as the authorization of the primary care provider with respect to such care under the plan or coverage.

(2) Construction.—Nothing in paragraph (1)(B)(ii) shall waive any requirements of coverage relating to medical necessity or appropriateness with respect to coverage of obstetrical and gynecological care so ordered.

(c) Special Rule.—Nothing in subsection (b) shall be construed as preventing a plan or issuer from offering (but not requiring a participant or beneficiary to accept) a health care professional trained, credentialed, and operating within the scope of their licensure to perform gynecological and obstetric care.

(d) Application of Section.—This section shall supersede the provisions of sections 104(a) and 152.

(e) Review.—Failure to meet the requirements of this section shall constitute an appealable decision under section 132(a)(2).

(f) Plan Satisfaction of Certain Requirements.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any provision of this subchapter, the group health plan shall not be liable for such violation unless the plan caused such violation.

(g) Nonapplication of Certain Provision.—Only for purposes of applying the requirements of this section under section 714 of the Employee Retirement Income Security Act of 1974 (as added by section 301 of this Act), sections 2707 and 2753 of the Public Health Service Act (as added by sections 201 and 202 of this Act), and section 9813 of the Internal Revenue Code of 1986 (as added by section 401 of this Act)—

(1) section 2721(b)(2) of the Public Health Service Act and section 9831(a)(1) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section; and

(2) with respect to limited scope dental benefits, subparagraph (A) of section 733(c)(2) of the Employee Retirement Income Security Act of 1974, subparagraph (A) of section 2791(c)(2) of the Public Health Service Act, and subparagraph (A) of section 9832(c)(2) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section.

(h) No Impact on Social Security Trust Fund.—

(1) In general.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) Transfers.—

(A) Estimate of secretary.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(B) Transfer of funds.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

(i) Limitation on actions.—

(1) In general.—Except as provided for in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of any provision in this section.

(2) Permissible actions.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of this section to the individual circumstances of that participant or beneficiary; except that—

(A) such an action may not be brought or maintained as a class action; and

(B) in such an action relief may only provide for the provision of (or payment for) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

(3) Rule of construction.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.

(j) Effective Date.—The provisions of this section shall apply to group health plans for plan years beginning after, and to health insurance issuers for coverage offered or sold after, October 1, 2000.".

(k) Information Requirements.—

(1) Information from group health plans.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) Information from group health plans.—

"(A) Provision of information by group health plans.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) Provision of information by employers and employee organizations.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) Information elements.—The information elements described in this subparagraph are the following:

"(i) Elements concerning the individual.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) Elements concerning the family member with current or former employment status.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) Plan elements.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) Elements concerning the employer.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) Use of identifiers.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) Penalty for noncompliance.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a).".

(2) Effective date.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(l) Limitations on Welfare Benefit Funds of 10 or More Employer Plans.—

(1) Benefits to which exception applies.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(2) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of such Act (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

(d) DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.—

(1) IN GENERAL.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(e)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(2) CERTIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(l)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(e)(4)) of the taxpayer or the spouse of the taxpayer."

(3) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

(e) EXTENSION OF TAXES.—

(1) ENVIRONMENTAL TAX.—Section 59A(e) of the Internal Revenue Code of 1986 is amended to read as follows:

"(e) APPLICATION OF TAX.—The tax imposed by this section shall apply to taxable years beginning after December 31, 1986, and before January 1, 1996, and to taxable years beginning after December 31, 1999, and before January 1, 2009."

(2) EFFECTIVE DATES.—The amendment made by subsection (e)(1) shall apply to taxable years beginning after December 31, 1999.

FRIST (AND JEFFORDS) AMENDMENT NO. 1238

Mr. NICKLES (for Mr. FRIST (for himself and Mr. JEFFORDS)) proposed an amendment to amendment No. 1236 proposed by Mr. NICKLES to the bill, S. 1344, supra; as follows:

At the end add the following:

Notwithstanding any other provision of this Act, subtitle D of title I and all that follows through section 151 is null, void, and shall have no effect.

Subtitle E—Protecting the Doctor-Patient Relationship

SEC. 141. PROHIBITION OF INTERFERENCE WITH CERTAIN MEDICAL COMMUNICATIONS.

(a) PROHIBITION.—

(1) GENERAL RULE.—The provisions of any contract or agreement, or the operation of any contract or agreement, between a group health plan or health insurance issuer in relation to health insurance coverage (including any partnership, association, or other organization that enters into or administers such a contract or agreement) and a health care provider (or group of health care providers) shall not prohibit or restrict the provider from engaging in medical communications with the provider's patient.

(2) NULLIFICATION.—Any contract provision or agreement that restricts or prohibits medical communications in violation of paragraph (1) shall be null and void.

(b) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

(1) to prohibit the enforcement, as part of a contract or agreement to which a health care provider is a party, of any mutually agreed upon terms and conditions, including terms and conditions requiring a health care provider to participate in, and cooperate with, all programs, policies, and procedures developed or operated by a group health plan or health insurance issuer to assure, review, or improve the quality and effective utilization of health care services (if such utilization is according to guidelines or protocols that are based on clinical or scientific evidence and the professional judgment of the provider) but only if the guidelines or protocols under such utilization do not prohibit or restrict medical communications between providers and their patients; or

(2) to permit a health care provider to misrepresent the scope of benefits covered under the group health plan or health insurance coverage or to otherwise require a group health plan health insurance issuer to reimburse providers for benefits not covered under the plan or coverage.

(c) MEDICAL COMMUNICATION DEFINED.—In this section:

(1) IN GENERAL.—The term "medical communication" means any communication made by a health care provider with a patient of the health care provider (or the guardian or legal representative of such patient) with respect to—

(A) the patient's health status, medical care, or treatment options;

(B) any utilization review requirements that may affect treatment options for the patient; or

(C) any financial incentives that may affect the treatment of the patient.

(2) MISREPRESENTATION.—The term "medical communication" does not include a communication by a health care provider with a patient of the health care provider (or the guardian or legal representative of such patient) if the communication involves a knowing or willful misrepresentation by such provider.

SEC. 142. PROHIBITION AGAINST TRANSFER OF INDEMNIFICATION OR IMPROPER INCENTIVE ARRANGEMENTS.

(a) PROHIBITION OF TRANSFER OF INDEMNIFICATION.—

(1) IN GENERAL.—No contract or agreement between a group health plan or health insurance issuer (or any agent acting on behalf of such a plan or issuer) and a health care provider shall contain any provision purporting to transfer to the health care provider by indemnification or otherwise any liability relating to activities, actions, or omissions of the plan, issuer, or agent (as opposed to the provider).

(2) NULLIFICATION.—Any contract or agreement provision described in paragraph (1) shall be null and void.

(b) PROHIBITION OF IMPROPER PHYSICIAN INCENTIVE PLANS.—

(1) IN GENERAL.—A group health plan and a health insurance issuer offering health insurance coverage may not operate any physician incentive plan (as defined in subparagraph (B) of section 1876(i)(8) of the Social Security Act) unless the requirements described in subparagraph (A) of such section are met with respect to such a plan.

(2) APPLICATION.—For purposes of carrying out paragraph (1), any reference in section 1876(i)(8) of the Social Security Act to the Secretary, an eligible organization, or an individual enrolled with the organization shall be treated as a reference to the applicable authority, a group health plan or health insurance issuer, respectively, and a participant, beneficiary, or enrollee with the plan or organization, respectively.

SEC. 143. ADDITIONAL RULES REGARDING PARTICIPATION OF HEALTH CARE PROFESSIONALS.

(a) PROCEDURES.—Insofar as a group health plan, or health insurance issuer that offers health insurance coverage, provides benefits through participating health care professionals, the plan or issuer shall establish reasonable procedures relating to the participation (under an agreement between a professional and the plan or issuer) of such professionals under the plan or coverage. Such procedures shall include—

(1) providing notice of the rules regarding participation;

(2) providing written notice of participation decisions that are adverse to professionals; and

(3) providing a process within the plan or issuer for appealing such adverse decisions, including the presentation of information and views of the professional regarding such decision.

(b) CONSULTATION IN MEDICAL POLICIES.—A group health plan, and health insurance issuer that offers health insurance coverage, shall consult with participating physicians (if any) regarding the plan's or issuer's medical policy, quality, and medical management procedures.

SEC. 144. PROTECTION FOR PATIENT ADVOCACY.

(a) PROTECTION FOR USE OF UTILIZATION REVIEW AND GRIEVANCE PROCESS.—In accordance with section 510 of the Employee Retirement Income Security Act, a group health plan, and a health insurance issuer with respect to the provision of health insurance coverage, may not retaliate against a participant, beneficiary, enrollee, or health care provider based on the participant's, beneficiary's, enrollee's or provider's use of, or participation in, a utilization review process or a grievance process of the plan or issuer (including an internal or external review or appeal process) under this title.

(b) Protection for Quality Advocacy by Health Care Professionals.—

(1) In general.—A group health plan or health insurance issuer may not retaliate or discriminate against a protected health care professional because the professional in good faith—

(A) discloses information relating to the care, services, or conditions affecting one or more participants, beneficiaries, or enrollees of the plan or issuer to an appropriate public regulatory agency, an appropriate private accreditation body, or appropriate management personnel of the plan or issuer; or

(B) initiates, cooperates, or otherwise participates in an investigation or proceeding by such an agency with respect to such care, services, or conditions.

If an institutional health care provider is a participating provider with such a plan or issuer or otherwise receives payments for benefits provided by such a plan or issuer, the provisions of the previous sentence shall apply to the provider in relation to care, services, or conditions affecting one or more patients within an institutional health care provider in the same manner as they apply to the plan or issuer in relation to care, services, or conditions provided to one or more participants, beneficiaries, or enrollees; and for purposes of applying this sentence, any reference to a plan or issuer is deemed a reference to the institutional health care provider.

(2) Good faith action.—For purposes of paragraph (1), a protected health care professional is considered to be acting in good faith with respect to disclosure of information or participation if, with respect to the information disclosed as part of the action—

(A) the disclosure is made on the basis of personal knowledge and is consistent with that degree of learning and skill ordinarily possessed by health care professionals with the same licensure or certification and the same experience;

(B) the professional reasonably believes the information to be true;

(C) the information evidences either a violation of a law, rule, or regulation, of an applicable accreditation standard, or of a generally recognized professional or clinical standard or that a patient is in imminent hazard of loss of life or serious injury; and

(D) subject to subparagraphs (B) and (C) of paragraph (3), the professional has followed reasonable internal procedures of the plan, issuer, or institutional health care provider established for the purpose of addressing quality concerns before making the disclosure.

(3) Exception and special rule.—

(A) General exception.—Paragraph (1) does not protect disclosures that would violate Federal or State law or diminish or impair the rights of any person to the continued protection of confidentiality of communications provided by such law.

(B) Notice of internal procedures.—Subparagraph (D) of paragraph (2) shall not apply unless the internal procedures involved are reasonably expected to be known to the health care professional involved. For purposes of this subparagraph, a health care professional is reasonably expected to know of internal procedures if those procedures have been made available to the professional through distribution or posting.

(C) Internal procedure exception.—Subparagraph (D) of paragraph (2) also shall not apply if—

(i) the disclosure relates to an imminent hazard of loss of life or serious injury to a patient;

(ii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(iii) the disclosure is in response to an inquiry made in an investigation or proceeding of an appropriate public regulatory agency and the information disclosed is limited to the scope of the investigation or proceeding.

(4) Additional considerations.—It shall not be a violation of paragraph (1) to take an adverse action against a protected health care professional if the plan, issuer, or provider taking the adverse action involved demonstrates that it would have taken the same adverse action even in the absence of the activities protected under such paragraph.

(5) Notice.—A group health plan, health insurance issuer, and institutional health care provider shall post a notice, to be provided or approved by the Secretary of Labor, setting forth excerpts from, or summaries of, the pertinent provisions of this subsection and information pertaining to enforcement of such provisions.

(6) Constructions.—

(A) Determinations of coverage.—Nothing in this subsection shall be construed to prohibit a plan or issuer from making a determination not to pay for a particular medical treatment or service or the services of a type of health care professional.

(B) Enforcement of peer review protocols and internal procedures.—Nothing in this subsection shall be construed to prohibit a plan, issuer, or provider from establishing and enforcing reasonable peer review or utilization review protocols or determining whether a protected health care professional has complied with those protocols or from establishing and enforcing internal procedures for the purpose of addressing quality concerns.

(C) Relation to other rights.—Nothing in this subsection shall be construed to abridge rights of participants, beneficiaries, enrollees, and protected health care professionals under other applicable Federal or State laws.

(7) Protected health care professional defined.—For purposes of this subsection, the term "protected health care professional" means an individual who is a licensed or certified health care professional and who—

(A) with respect to a group health plan or health insurance issuer, is an employee of the plan or issuer or has a contract with the plan or issuer for provision of services for which benefits are available under the plan or issuer; or

(B) with respect to an institutional health care provider, is an employee of the provider or has a contract or other arrangement with the provider respecting the provision of health care services.

SEC. 145. AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) In General.—Notwithstanding section 301(b), section 503 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1133) is amended to read as follows:

"SEC. 503. CLAIMS PROCEDURE, COVERAGE DETERMINATION, GRIEVANCES AND APPEALS.

"(a) Claims Procedure.—In accordance with regulations of the Secretary, every employee benefit plan shall—

"(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant; and

"(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

"(b) Coverage Determinations Under Group Health Plans.—

"(1) Procedures.—

"(A) In general.—A group health plan or health insurance issuer conducting utilization review shall ensure that procedures are in place for—

"(i) making determinations regarding whether a participant or beneficiary is eligible to receive a payment or coverage for health services under the plan or coverage involved and any cost-sharing amount that the participant or beneficiary is required to pay with respect to such service;

"(ii) notifying a covered participant or beneficiary (or the authorized representative of such participant or beneficiary) and the treating health care professionals involved regarding determinations made under the plan or issuer and any additional payments that the participant or beneficiary may be required to make with respect to such service; and

"(iii) responding to requests, either written or oral, for coverage determinations or for internal appeals from a participant or beneficiary (or the authorized representative of such participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary.

"(B) Oral requests.—With respect to an oral request described in subparagraph (A)(iii), a group health plan or health insurance issuer may require that the requesting individual provide written evidence of such request.

"(2) Timeline for making determinations.—

"(A) Routine determination.—A group health plan or a health insurance issuer shall maintain procedures to ensure that prior authorization determinations concerning the provision of non-emergency items or services are made within 30 days from the date on which the request for a determination is submitted, except that such period may be extended where certain circumstances exist that are determined by the Secretary to be beyond control of the plan or issuer.

"(B) Expedited determination.—

"(i) In general.—A prior authorization determination under this subsection shall be made within 72 hours, in accordance with the medical exigencies of the case, after a request is received by the plan or issuer under clause (ii) or (iii).

"(ii) Request by participant or beneficiary.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

"(iii) Documentation by health care professional.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies, that a determination under the procedures described in subparagraph (A) could seriously jeopardize the life or health of the participant or beneficiary.

“(C) Concurrent determinations.—A plan or issuer shall maintain procedures to certify or deny coverage of an extended stay or additional services.

“(D) Retrospective determination.—A plan or issuer shall maintain procedures to ensure that, with respect to the retrospective review of a determination made under paragraph (1), the determination shall be made within 30 working days of the date on which the plan or issuer receives necessary information.

“(3) Notice of determinations.—

“(A) Routine determination.—With respect to a coverage determination of a plan or issuer under paragraph (2)(A), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and, consistent with the medical exigencies of the case, to the treating health care professional involved not later than 2 working days after the date on which the determination is made.

“(B) Expedited determination.—With respect to a coverage determination of a plan or issuer under paragraph (2)(B), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary), and consistent with the medical exigencies of the case, to the treating health care professional involved within the 72 hour period described in paragraph (2)(B).

“(C) Concurrent reviews.—With respect to the determination under a plan or issuer under paragraph (2)(C) to certify or deny coverage of an extended stay or additional services, the plan or issuer shall issue notice of such determination to the treating health care professional and to the participant or beneficiary involved (or the authorized representative of the participant or beneficiary) within 1 working day of the determination.

“(D) Retrospective reviews.—With respect to the retrospective review under a plan or issuer of a determination made under paragraph (2)(D), the plan or issuer shall issue written notice of an approval or disapproval of a determination under this subparagraph to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and health care provider involved within 5 working days of the date on which such determination is made.

“(E) Requirements of notice of adverse coverage determinations.—A written notice of an adverse coverage determination under this subsection, or of an expedited adverse coverage determination under paragraph (2)(B), shall be provided to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and treating health care professional (if any) involved and shall include—

“(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

“(ii) the procedures for obtaining additional information concerning the determination; and

“(iii) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (d).

“(c) Grievances.—A group health plan or a health insurance issuer shall have written procedures for addressing grievances between the plan or issuer offering health insurance coverage in connection with a group health plan and a participant or beneficiary. Determinations under such procedures shall be non-appealable.

“(d) Internal Appeal of Coverage Determinations.—

“(1) Right to appeal.—

“(A) In general.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary), may appeal any adverse coverage determination under subsection (b) under the procedures described in this subsection.

“(B) Time for appeal.—A plan or issuer shall ensure that a participant or beneficiary has a period of not less than 180 days beginning on the date of an adverse coverage determination under subsection (b) in which to appeal such determination under this subsection.

“(C) Failure to act.—The failure of a plan or issuer to issue a determination under subsection (b) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to internal review under this subsection.

“(2) Records.—A group health plan and a health insurance issuer shall maintain written records, for at least 6 years, with respect to any appeal under this subsection for purposes of internal quality assurance and improvement. Nothing in the preceding sentence shall be construed as preventing a plan and issuer from entering into an agreement under which the issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

“(3) Routine determinations.—A group health plan or a health insurance issuer shall complete the consideration of an appeal of an adverse routine determination under this subsection not later than 30 working days after the date on which a request for such appeal is received.

“(4) Expedited determination.—

“(A) In general.—An expedited determination with respect to an appeal under this subsection shall be made in accordance with the medical exigencies of the case, but in no case more than 72 hours after the request for such appeal is received by the plan or issuer under subparagraph (B) or (C).

“(B) Request by participant or beneficiary.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

“(C) Documentation by health care professional.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies of the case that a determination under the procedures described in paragraph (2) could seriously jeopardize the life or health of the participant or beneficiary.

“(5) Conduct of review.—A review of an adverse coverage determination under this subsection shall be conducted by an individual with appropriate expertise who was not directly involved in the initial determination.

“(6) Lack of medical necessity.—A review of an appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, shall be made only by a physician with appropriate expertise, including age-appropriate expertise, who was not involved in the initial determination.

“(7) Notice.—

“(A) In general.—Written notice of a determination made under an internal review process shall be issued to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the treating health care professional not later than 2 working days after the completion of the review (or within the 72-hour period referred to in paragraph (4) if applicable).

“(B) Adverse coverage determinations.—With respect to an adverse coverage determination made under this subsection, the notice described in subparagraph (A) shall include—

“(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

“(ii) the procedures for obtaining additional information concerning the determination; and

“(iii) notification of the right to an independent external review under subsection (e) and instructions on how to initiate such a review.

“(e) Independent External Review.—

“(1) Access to review.—

“(A) In general.—A group health plan or a health insurance issuer offering health insurance coverage in connection with a group health plan shall have written procedures to permit a participant or beneficiary (or the authorized representative of the participant or beneficiary) access to an independent external review with respect to an adverse coverage determination concerning a particular item or service (including a circumstance treated as an adverse coverage determination under subparagraph (B)) where—

“(i) the particular item or service involved—

“(I)(aa) would be a covered benefit, when medically necessary and appropriate under the terms and conditions of the plan, and the item or service has been determined not to be medically necessary and appropriate under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

“(bb)(AA) the amount of such item or service involved exceeds a significant financial threshold; or

“(BB) there is a significant risk of placing the life or health of the participant or beneficiary in jeopardy; or

“(II) would be a covered benefit, when not considered experimental or investigational under the terms and conditions of the plan, and the item or service has been determined to be experimental or investigational under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

“(ii) the participant or beneficiary has completed the internal appeals process under subsection (d) with respect to such determination.

“(B) Failure to act.—The failure of a plan or issuer to issue a coverage determination under subsection (d)(6) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to independent external review under this subsection.

“(2) INITIATION OF THE INDEPENDENT EXTERNAL REVIEW PROCESS.—

“(A) FILING OF REQUEST.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) who desires to have an independent external review conducted under this subsection shall file a written request for such a review with the plan or issuer involved not later than 30 working days after the receipt of a final denial of a claim under subsection (d). Any such request shall include the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary) for the release of medical information and records to independent external reviewers regarding the participant or beneficiary.

“(B) INFORMATION AND NOTICE.—Not later than 5 working days after the receipt of a request under subparagraph (A), or earlier in accordance with the medical exigencies of the case, the plan or issuer involved shall select an external appeals entity under paragraph (3)(A) that shall be responsible for designating an independent external reviewer under paragraph (3)(B).

“(C) PROVISION OF INFORMATION.—The plan or issuer involved shall forward necessary information (including medical records, any relevant review criteria, the clinical rationale consistent with the terms and conditions of the contract between the plan or issuer and the participant or beneficiary for the coverage denial, and evidence of the coverage of the participant or beneficiary) to the independent external reviewer selected under paragraph (3)(B).

“(D) NOTIFICATION.—The plan or issuer involved shall send a written notification to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the plan administrator, indicating that an independent external review has been initiated.

“(3) CONDUCT OF INDEPENDENT EXTERNAL REVIEW.—

“(A) DESIGNATION OF EXTERNAL APPEALS ENTITY BY PLAN OR ISSUER.—

“(i) IN GENERAL.—A plan or issuer that receives a request for an independent external review under paragraph (2)(A) shall designate a qualified entity described in clause (ii), in a manner designed to ensure that the entity so designated will make a decision in an unbiased manner, to serve as the external appeals entity.

“(ii) QUALIFIED ENTITIES.—A qualified entity shall be—

“(I) an independent external review entity licensed or credentialed by a State;

“(II) a State agency established for the purpose of conducting independent external reviews;

“(III) any entity under contract with the Federal Government to provide independent external review services;

“(IV) any entity accredited as an independent external review entity by an accrediting body recognized by the Secretary for such purpose; or

“(V) any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

“(B) DESIGNATION OF INDEPENDENT EXTERNAL REVIEWER BY EXTERNAL APPEALS ENTITY.—The external appeals entity designated under subparagraph (A) shall, not later than 30 days after the date on which such entity is designated under subparagraph (A), or earlier in accordance with the medical exigencies of the case, designate one or more individuals to serve as independent external reviewers with respect to a request received under paragraph (2)(A). Such reviewers shall be independent medical experts who shall—

“(i) be appropriately credentialed or licensed in any State to deliver health care services;

“(ii) not have any material, professional, familial, or financial affiliation with the case under review, the participant or beneficiary involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer of any drug, device, procedure, or other therapy proposed for the participant or beneficiary whose treatment is under review;

“(iii) have expertise (including age-appropriate expertise) in the diagnosis or treatment under review and, when reasonably available, be of the same specialty as the physician treating the participant or beneficiary or recommending or prescribing the treatment in question;

“(iv) receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the independent external review that is not contingent on the decision rendered by the reviewer; and

“(v) not be held liable for decisions regarding medical determinations (but may be held liable for actions that are arbitrary and capricious).

“(4) STANDARD OF REVIEW.—

“(A) IN GENERAL.—An independent external reviewer shall—

“(i) make an independent determination based on the valid, relevant, scientific and clinical evidence to determine the medical necessity, appropriateness, experimental or investigational nature of the proposed treatment; and

“(ii) take into consideration appropriate and available information, including any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer; timely evidence or information submitted by the plan, issuer, patient or patient's physician; the patient's medical record; expert consensus; and medical literature as defined in section 556(5) of the Federal Food, Drug, and Cosmetic Act.

“(B) NOTICE.—The plan or issuer involved shall ensure that the participant or beneficiary receives notice, within 30 days after the determination of the independent medical expert, regarding the actions of the plan or issuer with respect to the determination of such expert under the independent external review.

“(5) TIMEFRAME FOR REVIEW.—

“(A) IN GENERAL.—The independent external reviewer shall complete a review of an adverse coverage determination in accordance with the medical exigencies of the case.

“(B) LIMITATION.—Notwithstanding subparagraph (A), a review described in such subparagraph shall be completed not later than 30 working days after the later of—

“(i) the date on which such reviewer is designated; or

“(ii) the date on which all information necessary to completing such review is received.

“(6) BINDING DETERMINATION.—The determination of an independent external reviewer under this subsection shall be binding upon the plan or issuer if the provisions of this subsection or the procedures implemented under such provisions were complied with by the independent external reviewer.

“(7) STUDY.—Not later than 2 years after the date of enactment of this section, the General Accounting Office shall conduct a study of a statistically appropriate sample of completed independent external reviews. Such study shall include an assessment of the process involved during an independent external review and the basis of decisionmaking by the independent external reviewer. The results of such study shall be submitted to the appropriate committees of Congress.

“(8) EFFECT ON CERTAIN PROVISIONS.—Nothing in this section shall be construed as affecting or modifying section 514 of this Act with respect to a group health plan.

“(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan administrator or plan fiduciary or health plan medical director from requesting an independent external review by an independent external reviewer without first completing the internal review process.

“(g) DEFINITIONS.—In this section:

“(1) ADVERSE COVERAGE DETERMINATION.—The term ‘adverse coverage determination’ means a coverage determination under the plan which results in a denial of coverage or reimbursement.

“(2) COVERAGE DETERMINATION.—The term ‘coverage determination’ means with respect to items and services for which coverage may be provided under a health plan, a determination of whether or not such items and services are covered or reimbursable under the coverage and terms of the contract.

“(3) GRIEVANCE.—The term ‘grievance’ means any complaint made by a participant or beneficiary that does not involve a coverage determination.

“(4) GROUP HEALTH PLAN.—The term ‘group health plan’ shall have the meaning given such term in section 733(a). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

“(5) HEALTH INSURANCE COVERAGE.—The term ‘health insurance coverage’ has the meaning given such term in section 733(b)(1). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

“(6) HEALTH INSURANCE ISSUER.—The term ‘health insurance issuer’ has the meaning given such term in section 733(b)(2).

“(7) PRIOR AUTHORIZATION DETERMINATION.—The term ‘prior authorization determination’ means a coverage determination prior to the provision of the items and services as a condition of coverage of the items and services under the coverage.

“(8) TREATING HEALTH CARE PROFESSIONAL.—The term ‘treating health care professional’ with respect to a group health plan, health insurance issuer or provider sponsored organization means a physician (medical doctor or doctor of osteopathy) or other health care practitioner who is acting within the scope of his or her State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the participant or beneficiary.

“(9) UTILIZATION REVIEW.—The term ‘utilization review’ with respect to a group health plan or health insurance coverage means a set of formal techniques designed to monitor the use of, or evaluate the clinical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning or retrospective review."

(b) Enforcement.—Section 502(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(1)) is amended by inserting after "or section 101(e)(1)" the following: ", or fails to comply with a coverage determination as required under section 503(e)(6),".

(c) Conforming Amendment.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by striking the item relating to section 503 and inserting the following new item:

"Sec. 503. Claims procedures, coverage determination, grievances and appeals.".

(d) Effective Date.—The amendments made by this section shall apply with respect to plan years beginning on or after October 1, 2000. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

DODD (AND OTHERS) AMENDMENT NO. 1239

Mr. DODD (for himself, Mrs. Boxer, Mr. Harkin, Mr. Kennedy, Mr. Reid, Mrs. Murray, Mr. Durbin, Mr. Rockefeller, Mr. Feingold, Mrs. Feinstein, and Mr. Daschle) proposed an amendment to amendment No. 1232 proposed by Mr. Daschle to the bill, S. 1344, supra; as follows:

At the appropriate place in subtitle A of title I, insert the following:

SEC. . COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CLINICAL TRIALS AND ACCESS TO APPROVED DRUGS AND DEVICES.

(a) ERISA.—Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 101(a)(2) of this Act, is amended by adding at the end the following:

"SEC. 730A. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CLINICAL TRIALS AND ACCESS TO APPROVED DRUGS AND DEVICES.

"(a) Coverage for Individuals Participating in Approved Clinical Trials.—

"(1) Coverage.—

"(A) In general.—If a group health plan, or a health insurance issuer in connection with group health insurance coverage, provides coverage to a qualified individual (as defined in paragraph (2)), the plan or issuer—

"(i) may not deny the individual participation in the clinical trial referred to in paragraph (2)(B);

"(ii) subject to paragraph (3), may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

"(iii) may not discriminate against the individual on the basis of the participant's, beneficiaries or enrollee's participation in such trial.

"(B) Exclusion of certain costs.—For purposes of subparagraph (A)(ii), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.

"(C) Use of in-network providers.—If one or more participating providers is participating in a clinical trial, nothing in subparagraph (A) shall be construed as preventing a plan or issuer from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

"(2) Qualified individual defined.—For purposes of paragraph (1), the term 'qualified individual' means an individual who is a participant or beneficiary in a group health plan or enrollee under health insurance coverage and who meets the following conditions:

"(A)(i) The individual has a life-threatening or serious illness for which no standard treatment is effective.

"(ii) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

"(iii) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.

"(B) Either—

"(i) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in subparagraph (A); or

"(ii) the participant, beneficiary or enrollee provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in subparagraph (A).

"(3) Payment.—

"(A) In general.—Under this subsection a group health plan, or a health insurance issuer in connection with group health insurance coverage, shall provide for payment for routine patient costs described in paragraph (1)(B) but is not required to pay for costs of items and services that are reasonably expected (as determined by the Secretary) to be paid for by the sponsors of an approved clinical trial.

"(B) Payment rate.—In the case of covered items and services provided by—

"(i) a participating provider, the payment rate shall be at the agreed upon rate, or

"(ii) a nonparticipating provider, the payment rate shall be at the rate the plan or issuer would normally pay for comparable services under clause (i).

"(4) Approved clinical trial defined.—

"(A) In general.—In this subsection, the term 'approved clinical trial' means a clinical research study or clinical investigation approved and funded (which may include funding through in-kind contributions) by one or more of the following:

"(i) The National Institutes of Health.

"(ii) A cooperative group or center of the National Institutes of Health.

"(iii) Either of the following if the conditions described in subparagraph (B) are met:

"(I) The Department of Veterans Affairs.

"(II) The Department of Defense.

"(B) Conditions for departments.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the Secretary determines—

"(i) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health, and

"(ii) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.

"(5) Construction.—Nothing in this section shall be construed to limit a plan's or issuer's coverage with respect to clinical trials.

"(b) Access to Needed Prescription Drugs.—If a group health plan, or health insurance issuer that offers group health insurance coverage, provides benefits with respect to prescription drugs but the coverage limits such benefits to drugs included in a formulary, the plan or issuer shall—

"(1) ensure participation of participating physicians and pharmacists in the development of the formulary;

"(2) disclose to providers and, disclose upon request to participants, beneficiaries, and enrollees, the nature of the formulary restrictions; and

"(3) consistent with the standards for a utilization review program, provide for exceptions from the formulary limitation when a non-formulary alternative is medically indicated, except that—

"(A) an exception provided under this paragraph shall be provided in accordance with cost-sharing rules in effect for drugs included in the formulary; and

"(B) nothing in this paragraph shall be construed to prevent the plan or issuer from implementing a program of differential cost-sharing for drugs included in the formulary and drugs not included in the formulary, if the drugs that are not included in the formulary do not meet the conditions described in this section.

"(c) Access to Approved Drugs and Devices.—

"(1) In general.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, that provides any coverage of prescription drugs or medical devices shall not deny coverage of such a drug or device on the basis that the use is investigational, if the use—

"(A) in the case of a prescription drug—

"(i) is included in the labeling authorized by the application in effect for the drug pursuant to subsection (b) or (j) of section 505 of the Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply under such Act; or

"(ii) is included in the labeling authorized by the application in effect for the drug under section 351 of the Public Health Service Act, without regard to any postmarketing requirements that may apply pursuant to such section; or

"(B) in the case of a medical device, is included in the labeling authorized by a regulation under subsection (d) or (3) of section 513 of the Federal Food, Drug, and Cosmetic Act, an order under subsection (f) of such section, or an application approved under section 515 of such Act, without regard to any postmarketing requirements that may apply under such Act.

"(2) Construction.—Nothing in this subsection shall be construed as requiring a group health plan or health insurance issuer to provide any coverage of prescription drugs or medical devices.

"(d) Application of Section.—This section shall supersede the provisions of section 728.

"(e) Review.—Failure to meet the requirements of this section shall constitute an appealable decision under this Act.

"(f) Plan Satisfaction of Certain Requirements.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any provision of this subchapter, the group health plan shall not be liable for such violation unless the plan caused such violation.

"(g) Applicability.—The provisions of this section shall apply to group health plans and health insurance issuers as if included in—

"(1) subpart 2 of part A of title XXVII of the Public Health Service Act;

"(2) the first subpart 3 of part B of title XXVII of the Public Health Service Act (relating to other requirements); and

"(3) subchapter B of chapter 100 of the Internal Revenue Code of 1986.

"(h) Nonapplication of Certain Provision.—Only for purposes of applying the requirements of this section under section 714 of the Employee Retirement Income Security Act of 1974 (as added by section 301 of this Act), sections 2707 and 2753 of the Public Health Service Act (as added by sections 201 and 202 of this Act), and section 9813 of the Internal Revenue Code of 1986 (as added by section 401 of this Act)—

"(1) section 2721(b)(2) of the Public Health Service Act and section 9831(a)(1) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section; and

"(2) with respect to limited scope dental benefits, subparagraph (A) of section 733(c)(2) of the Employee Retirement Income Security Act of 1974, subparagraph (A) of section 2791(c)(2) of the Public Health Service Act, and subparagraph (A) of section 9832(c)(2) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section.

"(i) No Impact on Social Security Trust Fund.—

"(1) In general.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

"(2) Transfers.—

"(A) Estimate of secretary.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

"(B) Transfer of funds.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

"(j) Limitation on actions.—

"(1) In general.—Except as provided for in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of any provision in this section.

"(2) Permissible actions.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of this section to the individual circumstances of that participant or beneficiary; except that—

"(A) such an action may not be brought or maintained as a class action; and

"(B) in such an action relief may only provide for the provision of (or payment for) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

"(3) Rule of construction.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.

"(k) Effective Date.—The provisions of this section shall apply to group health plans for plan years beginning after, and to health insurance issuers for coverage offered or sold after, October 1, 2000.".

(b) Information Requirements.—

(1) Information from group health plans.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) Information from group health plans.—

"(A) Provision of information by group health plans.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) Provision of information by employers and employee organizations.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) Information elements.—The information elements described in this subparagraph are the following:

"(i) Elements concerning the individual.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) Elements concerning the family member with current or former employment status.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) Plan elements.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) Elements concerning the employer.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) Use of identifiers.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) Penalty for noncompliance.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a).".

(2) Effective date.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(c) Modification to Foreign Tax Credit Carryback and Carryover Periods.—

(1) In general.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(A) by striking "in the second preceding taxable year,", and

(B) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(2) Effective date.—The amendment made by paragraph (1) shall apply to credits arising in taxable years beginning after December 31, 2001.

(d) Limitations on Welfare Benefit Funds of 10 or More Employer Plans.—

(1) Benefits to which exception applies.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) In general.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(2) Limitation on use of amounts for other purposes.—Section 4976(b) of such Act (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) Special rule for 10 or more employer plans exempted from prefunding limits.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(3) Effective date.—The amendments made by this subsection shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

TREASURY-POSTAL SERVICE APPROPRIATIONS

CAMPBELL AMENDMENT NO. 1240

Mr. JEFFORDS (for Mr. CAMPBELL) proposed an amendment to the bill (S. 1282) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes; as follows:

Amend page 57, line 14 by reducing the dollar figure by $17,000,000.

On page 11, line 16 strike "$569,225,000" and insert in lieu thereof "$570,345,000".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce that on Friday, July 16, 1999, the Committee on Energy and Natural Resources will hold an oversight hearing on Damage to the National Security from Chinese Espionage at DOE Nuclear Weapons Laboratories. The hearing will be held at 9:00 a.m. in room 366 of the Dirksen Senate Office Building in Washington. D.C.

Those who wish further information may wright to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Wednesday, July 21, 1999, at 9:30 a.m. to conduct a hearing on S. 985, *the Intergovernmental Gaming Agreement Act of 1999*. The hearing will be held in room 485, Russell Senate Building.

Please direct any inquiries to committee staff at 202/224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. NICKLES. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for a hearing re judicial nominations, during the session of the Senate on Tuesday, July 13, 1999, at 2:00 p.m., in SD226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. NICKLES. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, July 13, for purposes of conducting a subcommittee hearing which is schedules to begin at 2:30 p.m. The purpose of this hearing is to receive testimony on issues relating to. S. 1330, a bill to give the city of Mesquite, Nevada, the right to purchase at fair market value certain parcels of public land in the city, and S. 1329, a bill to direct the Secretary of the Interior to convey certain land to Nye County, Nevada, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. NICKLES. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on "ESEA: Drug Free Schools" during the session of the Senate on Tuesday, July 13, 1999, at 9:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SEIZING THE MILE

• Mr. SCHUMER. Mr. President, I rise to commend John Sexton, Dean of New York University Law School, for his many years of hard work and dedication to the Law School, the residents of New York State, and to the improvement of legal education for all Americans. Since 1988, when Sexton became Dean, NYU Law School has become one of America's finest law schools. Dean Sexton should be recognized for his efforts. I ask that the text of "John Sexton Seizing the Mile" by Stephen Englund be printed in the CONGRESSIONAL RECORD.

The text follows:

[From Lifestyles, Pre-Spring 1999]

JOHN SEXTON SEIZING THE MILE

(By Stephen Englund)

In the late spring of 1997, veteran reporter James Traub asked, in a headline to a New York Times Magazine feature article, "Is NYU's law school challenging Harvard's as the nation's best?" It was a fair question. NYU Law had come a long way in a short time. A law school that had been little more than a commuter school at the end of World War II was, by 1997, considered by anyone familiar with current developments in legal education to be, as one professor said, "one of the five or six law schools that could plausibly claim to be among the top three in the country." Distinguished academics like Harvard's Laurence Tribe and Arthur Miller had placed NYU (with their own school and with Yale, Stanford and Chicago) in that group. As Tribe put it: "The array of faculty that has moved to NYU over the last decade or so has created a level of scholarship and intellectual distinction and range that is extremely impressive."

In 1997, the notion that NYU's School of Law might be the best was certainly provocative. But 18 months later, after an astonishing (indeed unprecedented) day-long forum at the school titled "Strengthening Democracy in the Global Economy"—a meeting that brought to Washington Square President Clinton, Britain's Prime Minister Tony Blair, Italy's President Romano Prodi and Bulgaria's President Peter Stoyanov, as well as First Lady Hillary Rodham Clinton and a supporting cast of respected intellectuals and other leaders—many people are answering Traub's question with a resounding "Yes!"

Indeed, the rise of NYU over the past few years has been one of the most noted advances on the academic scene—with a growing number of those both in the academy and at the bar offering the view that NYU has become the nation's premier site for legal education. For instance, Michael Ryan, senior partner at New York's oldest law firm, Cadwalader, Wickersham, and Taft—himself a Harvard Law School graduate—told me: "NYU is a more exciting and innovative place that any other law school. The place combines the energy, vitality and diversity like that of the Lexington Avenue subway with the cohesiveness and spirit. The school's innovative global initiative is alone worth the price of admission. If I were a student, I'd choose it over any other school." Chief Judge Harry Edwards of the United States Court of Appeals for the District of Columbia Circuit, viewed by many as the nation's second most important court, said virtually the same thing: NYU is absolutely the place to be these days. I hear more comments about the quality, excitement, and originality of what's going on there than I do about any other law school." As did Pasquale Pasquino, one of Europe's foremost political theorists, who is teaching at the law school this year" "NYU surely has the most prominent, the most productive and the most interesting faculty. Its programs raise some of the most interesting questions raised in any law school." And when I spoke with Dwight Opperman, who for decades was the leader of West Publishing, the world's largest publisher of law books, he volunteered: "NYU surpasses Harvard in many areas."

Frankly, when I first read Traub's article, and even more when I began to hear views like those of Ryan, Edwards, Pasquino and Opperman, I was more than a little bit surprised. How was it that NYU had come to be seen as seriously challenging—or even surpassing—"name brand" schools like Harvard, Yale, Chicago and Stanford? And how had it happened so quickly? As a former academic, I know that the academy is one of the least variable theaters on the world stage. Far more than in other realms, reputations of colleges, universities and professional schools are improved, if at all at a glacial creep, though they may decline precipitously. Little wonder, then, that NYU's rise to the top of legal education continues to be the topic of so much discussion.

What does explain NYU's ascendancy? Well, one key element is surely the astonishing migration of academic stars from other leading law schools to Washington Square. In academe, it is big news when an established professor at a leading school makes a "lateral move" to a peer institution—even more so when the professor leaves a distinguished chaired professorship in making the move. In legal education, such moves have been relatively rare, in part because law faculties are small (the largest in the country has only 70 to 80 members). Yet over the last 10 years, there has been an unprecedented migration to NYU from schools like Chicago, Harvard, Michigan Pennsylvania, Stanford, Virginia, and Yale, and NYU can now boast the most distinguished set or "laterals" of any law school.

Another element is its student body. For decades, NYU has drawn strong students, but today the school attracts many of the very best in the country. Today, by any objective criteria-grade point. averages, LSAT scores, the number of graduate academic degrees earned, the languages spoken-NYU's student body is among the three of four most selective in the nation.

And then, too, there is NYU's remarkable record in providing those students, as they graduate, with the most coveted legal jobs. NYU's graduates long have dominated the public service bar, but the dramatic development of the past decade is that NYU has edged ahead of Harvard in providing the greatest number of hires by the American Lawyer's 50 leading law firms.

The school's arrival at the top has been ratified in perhaps the most brutal arena of them all: fund-raising. In December 1998, NYU Law completed an extraordinary successful five-year fund-raising campaign. Under the leadership of Martin Payson ('61), the campaign's chairman; Board Chair Martin Lipton ('55); and Vice-Chair Lester Pollack ('57), the campaign has generated 45 gifts in excess of $1 million. Eight have been in excess of $5 million, including gifts from Alfred ('65) and Gail Engelberg, Jay ('71) and Gail Furman, Rita ('59) and Gustave Hauser, LL.M. ('57), Jerome Kern ('60) Dwight Opperman, Ingeborg and Ira Rennert, and the Wachtell, Lipton, Rosen & Katz law firm. It took NYU just three years to reach its original five-year goal of $125 million, and it easily surpassed its revised goal of $175 million. Only Yale and Harvard law schools join NYU at this level.

Once I discovered these facts, the startling idea that NYU Law School may be the best in the country—perhaps in the world—began to grow on me. And I also realized that this transformation was a riveting tale of "from there to here"—one of the most remarkable in education history. Here it is in a nutshell.

A HISTORICAL PERSPECTIVE

Fade in. Scene One. It is 1942. Arthur T. Vanderbilt becomes dean of NYU Law School. Though already more than a century old (it was founded in 1835) and boasting graduates like Samuel J. Tilden, Elihu Root and Jacob Javits, NYU is not an impressive place. Its facilities are limited to two floor of an antiquated factory building in Greenwich Village. It is a "commuter school," drawing its students from the New York metropolitan area. Justice Felix Frankfurter, in his biography, described it as one of the worst schools in the country.

But the visionary Vanderbilt sees the potential oak lurking within the acorn. He sees NYU as a national and international "center of the law." Many in the upper reaches of the university see his dream as "Vanderbilt's folly," but the determined Vanderbilt, dedicated to the dream, presses on.

First, he begins to exploit the school's unique asset: its Greenwich Village location in the legal, financial, cultural and intellectual hub of the world, New York City. Methodically, he plans for an expansion of the school's physical plant. Soon he opens an attractive new classroom building that the law school can call its own, and he follows three years later, in 1955, with the school's first residence hall.

Along the way, seeking to raise much-needed cash, the dean's natural financial savvy intersects with luck, when he purchases the C.F. Mueller Macaroni Company for the law school. The company generates profits each year and gives the school lasting security, for when the Mueller Company is sold in 1977, it is worth more than 20 times the school's original investment. Even after providing $40 million to the then-financially pressed university, the law school realizes a gain of nearly $80 million. And, in return for having shared its profits with the university, the law school is granted a degree of autonomy unprecedented in education. It will henceforth do its own planning, and its decisions will be a product of its dean, its faculty and its own independent Board of Trustees.

Vanderbilt officially resigns in 1947 to become Chief Justice of the New Jersey Supreme Court, but he continues to play Pygmalion with the school until his death in 1957. He adds significant new programs designed to give the school a national reputation, he deploys a merit scholarship program to attract the best students and he begins the process of building a strong faculty. Still, though NYU Law School now is a very good school, Vanderbilt's dream is not nearly realized. Fade out.

Fade in Scene Two. It is the opening of the 1990 academic year. We are seated in a hall at the law school, listening to a distinguished leader of the faculty explain "How NYU became a Major Law School." The words spoken by Prof. Norman Dorsen are appealing—for their modesty as well as for their insight and depth. Dorsen, an eminent scholar and defender of civil rights, has just retired as president of the American Civil Liberties Union. Reading between the lines of his talk, it is clear he is also a painfully honest man. It's not difficult to sense that he is not entirely convinced that his law school is altogether as eminent a place as some have claimed it to be. Indeed, he tells his audience that recent years have been a time of "deceleration" in NYU's "steady drive to the summit of American legal education, which seemed inexorable a few years before."

What does Dorsen mean? After all, in the quarter century since Vanderbilt, the law school has added eight new buildings, including two splendid residence halls and a magnificent underground library—all state of the art. Its student body has become more selective and much more diverse, boasting students from a dozen countries. Its faculty now has a core of highly regarded scholars and clinicians. Still, in the previous five years, NYU has made only one addition to its tenure track faculty, and two junior leading lights have defected to Columbia (one of whom, David Leebron, would later become Columbia's dean). There was the discomfiting prospect that Columbia— and other schools would persuade more faculty members to move. This is not good, Dorsen says. It should be NYU that is doing the luring and hiring. In his view, the mood of contentment reigning at the law school, though understandable, is potentially destructive.

On the positive side, Dorsen says, the school does have a dynamic new dean, John Sexton. However, Sexton has been dean only two years now, and it is too soon to assay his potential. If Sexton succeeds in reigniting the law school's "steady drive" to the top, says Dorsen, it will be because he has managed to replenish the school's slipping endowment, to stanch the incipient hemorrhage of top scholars to other law schools and galvanize NYU Law with a sense of mission. Dorsen allows as how "there is ample ground to hope" this all might happen, so that "within a few years NYU will be firmly established in fact and in the consciousness of the profession and the public as being among the best in the nation." Fade out.

Fade in. Scene Three. It is 1994. Richard Stewart, formerly a chaired professor and associate dean at Harvard Law School and recently assistant attorney general for the environment, is sitting in John Sexton's office at NYU. Stewart is a towering figure in law, widely recognized as the nation's leading scholar in environmental and administrative law. Harvard wants him back. Columbia, where Stewart's former Harvard colleague and co-author is dean, has launched a major effort to attract him. But Sexton thinks Stewart should come to Washington Square—that he should become part of what he calls "the Enterprise," the group of NYU faculty who are devoted to making the school the world's leading center of the study of law.

The Enterprise is committed to several principles, Sexton tells Stewart. It rejects the notion, prevalent in elite schools, that faculty members are "independent contractors" teaching what they want to teach when they want to teach it, and available to colleagues and students as much or as little as they please. Instead, faculty in the Enterprise undertake a reciprocal obligation to each other and to their students—they pledge to be engaged with each other in a learning community, reading drafts and being present for one another in an ongoing conversation about law.

Sexton continues: "The Enterprise rejects contentment in favor of constant improvement and aspiration. The school always should be asking: How can we become better? Members of the Enterprise are willing, occasionally at least, to subordinate personal interests to those of the collective. They delight in having colleagues who challenge their ideas; they are not afraid to be around people who are smarter than they are."

In making his case to Stewart, Sexton reaches back to a phrase he first heard from the Jesuits: "Most of all, the Enterprise is committed to thinking constantly about the ratio studiorum of the school: why do we do things the way we do?" The Enterprise, Sexton tells Stewart, is open to everyone who wishes to join. It is the center of gravity of NYU's faculty, and NYU's unique attraction.

"Count me in, Stewart says. Fade out.

Fade in. Scene four. It is 1998. We are seated in another auditorium on the Washington Square campus of NYU, this time listening to Dr. L. Jay Oliva expatiate to NYU alumni and friends about his aspirations for the university he has presided over since he succeeded John Brademas in 1992. Some college presidents, he observes, especially those in the Midwest, strive to make their institutions as good as their football team. Others want it to be as fine as the music conservatory or the medical school. Here at NYU, Oliva says with a smile, "I will be satisfied when I leave office if the university matches the quality and the renown of its law school." Fade out.

THE NEW DEAN

NYU Law's ascent unquestionably has been the product of many factors. No. 1, just as Vanderbilt foresaw, is its unique location. By the dawn of the '90's, as Professor Richard Revesz notes, New York City itself was "no longer a minus" in hiring faculty. The city had solved many of its worst problems and was becoming attractive again, especially to academics in two-career families (Revesz's wife, Vicki Been, for instance is also professor at the law school). And Greenwich Village is a particularly attractive part of the city. However, to invoke "other factors" in accounting for NYU's rise to the top of legal education while downplaying the role of Dean John Sexton would be like trying to discuss the right of judicial review without highlighting John Marshall; it's talking "Scopes" while soft-pedaling Darrow. It's To Kill A Mockingbird without Atticus Finch. When Norman Redlich retired in 1988 and John Sexton, a member of the Enterprise, was selected as his successor, the law school got more than it expected. The dean calls himself "a catalyst, not the cause" of the law school's arrival at the top, but any measure and by all accounts, he is a catalyst nonpareil.

We owe to the ancient Greek poet Archilochus the familiar observation that "the fox knows many things, but the hedgehog knows one great thing." John Sexton, with his round cheeks, his bright eyes, and bushy hair, resembles as well as personifies the hedgehog. There is about Sexton a deep intelligence and a grand sense of humor, but the one "great thing" that he knows, and knows well, is single-minded devotion to a team or institution.

Sexton came to teach at NYU in 1981, immediately following a clerkship with Chief Justice Warren Burger, and was granted tenure a mere three years later. He has run NYU Law School for a decade now, and recently, happily signed on for another term of five years. This alone is rare. Law schools these days are desperate for deans because deans are desperate to leave their posts. The average tenure of an American law dean is fewer than four years. In the words of Chief Judge Harry Edwards: "John is a truly visionary dean, and if that statement sounds like an oxymoron, it's because no one these days thinks of law deans as visionary. They aren't thought to hold a job that allows them to be visionary. Even if some deans might want to do something special, the drudgery of running a law school, especially of holding its factions together, doesn't permit it. That's why deans turn over so quickly."

Sexton's personality is haimish-warm and embracing, your quintessential "good guy." John (as he urges everyone, including his students, to call him) is disarmingly self-effacing, gracious, ready and eager to brag about others, to share credit even for things he has largely accomplished on his own. He is above all eager to elicit people's counsel and ideas, to involve them in his grand project of building up the law school. Despite his Harvard J.D. and his Fordham Ph.D. (in religion), he is profoundly non-elitist. A Brooklynite who has kept (indeed cultivated) the accent, he is absolutely comfortable with himself. Being around the super-wealthy, the super-powerful, or the super-brilliant neither fazes nor inhibits him in the least. And he's no clothes-horse, either. There's often a slightly rumpled or professorial air about him.

In short, this man is, in style and appearance, closer to a New York ward heeler than, say, the cosmopolitan director of the Metropolitan Museum. From his nasal Brooklynese to the show-and-tell hands, from the wide-open, explosive laugh and the rapid-fire banter to the sharing of jokes and stories, Sexton is more like a New York mayor in the Ed Koch mold than he is a white-shoe lawyer or John Houseman's Professor Kingsfield in The Paper Chase. He can out—Rudin the Rudin Brothers at boostering New York—he follows and knows the Yankees, Knicks, Jets and Giants as few who aren't sports journalists do, and he can (and will) tell you where to find the best bagel in the five boroughs.

Among his skills is the ability to take the edge off irritability or anger, to foster a sense of camaraderie among the disparate group of people. And if he is no expert on culture (and doesn't pretend to be), Sexton is yet reminiscent of that mesmerizing czar of New York's not-for-profit theater, the late Joseph Papp. For, like the founder of the New York Shakespeare Festival, Sexton is a salesman, par excellence, of his "idea" and institution. He knows he's got the greatest thing in the world, and he's gonna buttonhole, assault, cajole, and wear you down until you know it too. And if at first you don't agree with him, that's okay, he just hasn't done a good enough job of persuading you—yet.

With his students and faculty, Sexton can be—everyone says so—like a parish priest. As confidant and counselor, he is peerless, inclined, as he himself puts it, to "hear confessions" and impart advice, including no small amount of moral exhortation, with a helpfulness and zeal that are both legendary and unusual in the secular academy. "John gets this quizzical, almost surprised, look on his face while he's listening to you," a student in his civil procedure course said recently "as if he's not sure he grasps all of what you are saying—only he does. He seems bemused, but he isn't. When he speaks, he talks quickly and a lot, but he's helpful." A faculty colleague of Sexton's notes, "John is more expansive and discursive than articulate and concise, but he can also be dead-on cogent when he needs to be. He'll present all aspects of a subject, he'll summarize his opponents' viewpoints with a fairness they cannot reproach, but then, after all the praise and prefatory remarks and analysis, he'll bear in for the kill. When he gets to his point, watch out. It's not for nothing he was a national debating champ and coach when he was younger."

Though it is unusual for a law school dean to have a heavy teaching load (many do no teaching), Sexton teaches—and teaches. Indeed, he teaches more than many faculty who have no administrative responsibilities. This fall he is teaching three courses. "I draw energy from the students," Sexton says. "Being with them reminds me why we do everything else. They keep my eye on the ultimate goal. The students incarnate our possibilities." Even outside of class, Sexton spends a huge amount of time with students. His students congregate for casual hours in his office on Monday evenings—and the sessions often run past midnight. Students may raise any topic they like, except the day's lecture. Asked how he can spare so many hours for students and the classroom, Sexton replies, "I don't do the usual flag carrying, the external things. If you go back over my eleven years as dean, you could count on the fingers of one hand the number of black-tie dinners and dais-sittings I've done. I avoid events where I am introduced as a 'comma person' you know, John Sexton, comma, dean of .'" In short, if it isn't students, or meetings, or intellectual events, Dean Sexton is at home with his family.

Sexton at home differs little from Sexton in public. He is a paterfamilias who readily assumes tasks and responsibilities, from helping his daughter, Katie, 10, with her homework, to working out a solution to his aging mother-in-law's care needs. You wouldn't describe John as "uxorious" where his wife, Lisa Goldberg, is concerned (she, like her husband, is a Harvard-trained lawyer, and the executive vice president of the Charles H. Revson Foundation), but his devotion to her is such that the word passes through your mind. Home and hearth mean a great deal to John, and if "family" certainly starts with Lisa, Katie and grown son Jed, an actor, and Jed's wife, Danielle, it also includes others, for John and Lisa readily invite additions to the mishpocha. He enjoys contributing—he almost needs to contribute—to the sense of fulfillment and well-being of those around him.

A hedgehog in his devotion to one great idea, Sexton also is a hedgehog in the way he pursues it. The NYU Law dean hasn't the chameleon's morphing talent, and only some of the fox's canniness, but he is the exemplar of the persistent sell. Unlike any other leading law dean, Sexton, in service to his ideal, is not afraid to give himself away, to look ridiculous, to give everyone he talks to his or her full due—and maybe a little (actually, a lot) more—often at his own expense. Sexton readily refers to himself as "the P.T. Barnum of legal education," and if the listener actually goes away thinking "that is truly what this guy is," that's okay, as long as he or she has come to understand Sexton's "great idea" and agreed to serve it in some fashion.

In short, Sexton's is a personality that couldn't work for a standard academic mandarin, someone with a brittle ego or ticklish vanity. "Being John Sexton" requires too much self-confidence and idealism—above all too much ease with himself—for that. For only a man who knows who he is and who believes in his ideal will so willingly run the risk of being labeled "Crusader Babbitt," as a critic of Sexton recently described him.

Nowhere is Sexton's personality more, let's-say-it, profitable to NYU than in his job as fund-raiser. Like it or not—and no dean likes to admit it—fund-raising is the basis of the top job. It is necessary, if not sufficient; in legal terminology, it's dispositive—and it has been for decades.

Deans of professional schools hold a major trump card in raising money: they represent the school that graduated (read that, credentialed) the people to whom they are appealing. The appeal to alumni turns first and last on self-interest: helping us is helping yourself. This often works, but its success speaks less to the talents of the fund-seeker than it does to the motives of the potential donor.

John Sexton has raised a huge amount of money from NYU Law School's graduates, but he has raised still more from other sources. And he has done both less by appealing to self-interest than by stimulating interest in and commitment to ideas, and evoking collaboration in common causes and projects.

Chief Judge Edwards, a graduate of Harvard says, "John adds value to his appeal because he is able to convince people that they are an integral part of NYU's educational enterprise. He shows them how the law school will be a better place, better able to do its job, if they are a part of it, in this or that specific way or program. He's the first dean most people have met who has made a thought-out overture to them for their personalities, their ideas, their ongoing involvement, not just their money."

West Publishing's Dwight Opperman is a graduate of Drake University Law School, yet he has given millions of dollars to NYU. As he puts it: " I am approached all the time by people with their hands out. There are so many worthy causes and bright people to choose from. What John Sexton does better than anybody else I've ever met is to show me how I can be part of something original and interesting." Recently, for example, Opperman gave several hundred thousand dollars so that NYU could host the forum with President Clinton, Tony Blair and the other leaders.

Then, too, Sexton knows how to give even when he's not getting. A few months ago, the

Las Vegas entrepreneur James Rogers was profiled in the New York Times for his record-setting gift of $115 million to his alma mater, the University of Arizona Law School. In the quest to make the best use of this generosity, Rogers and Arizona's law school dean, Joel Seligman, toured the country seeking advice from leaders at the nation's top law schools. In the end, Rogers asked Sexton to help them shape their plans. Why Sexton? Rogers says that he was impressed by NYU Law's "incredibly swift" rise in prominence: "It already has bested Harvard in some areas. It has great potential to get out in front and stay in front." And he was no less emphatic about "the spirit of the place." "The NYU people have high IQs and strong opinions, but they're united in their focus on being the best. They're a team."

On short notice, Sexton recently flew to Tucson for a weekend. In a series of intense discussions with Rogers, Seligman and the Arizona faculty, they discussed options for the University of Arizona Law School Foundation. (Sexton will be one of the seven members of the board.) He asked nothing for NYU, nor did he press Arizona to use NYU as a model. When asked, "What's in it for NYU?" Sexton responded: "That's an irrelevant consideration. Generosity like Jim's commands the sweat equity of everyone who cares about legal education and the law."

Rogers hasn't given a nickel to NYU Law school, but he's impressed with its dean. "John is generous and unself-seeking. He's genuine in his feelings. You know he means what he says. He isn't hidebound like a lot of academics can be. Some of the deans are caught up in their traditions and styles. But John is unfettered, in his imagination as much as his personality. They're all smart, of course, but John's inspiring, a true visionary. In his persuasiveness and energy level, he's above everyone else. You're ready to go out and conquer the world after a meeting with him."

When pressed, Sexton had little to say about his role as consigliere for Arizona, stressing only the generosity of Rogers' gift and the care that has gone into allocating it. As Judge Edwards puts it: "One of John's best traits is how self-effacing he is. He has no desire to come between someone else and the credit they deserve, or don't deserve. But he himself has big ideas that benefit people, and people know it. He has galvanized them in their self-interest and made them care."

MAKING NYU LAW SCHOOL THE BEST IT CAN BE

When Sexton took over as dean in the fall of 1988, the NYU law faculty already boasted more than a handful of men and women of great talent and considerable achievement. A few, such as Anthony Amsterdam, the criminal law scholar and renowned death penalty opponent, had national reputations. NYU's strengths as a law school were quadripolar: traditional meat and potatoes ("booklarnin'") curricula, clinical (practical) education, a developing cadre devoted to an interdisciplinary approach and a tradition of supplying legal talent to the public sector. In all these areas, the past decade has seen the law school advance both quantitatively and qualitatively.

The biggest advance has been the growth of its faculty. From the beginning of his tenure, Sexton told all who would listen that the key to making NYU the finest law school it could be would be using the faculty already at the school and the special notion of professional education articulated by the Enterprise to attract ever more outstanding scholar-teachers.

Since then, NYU's ability to attract brilliant lateral appointments has become legendary. In the last decade, the school snapped up nearly a score of celebrated scholars—names like Barry Adler (formerly of Virginia); Stephen Holmes (formerly of Chicago); Benedict Kingsbury (formerly of Duke); Larry Kramer (formerly of Michigan); Geoffrey Miller (formerly of Chicago); Daniel Shaviro (formerly of Chicago) Michael Schill (formerly of Pennsylvania); and Richard Stewart (formerly of Harvard). Moreover, NYU has made a conscious decision not to use outsized salaries to attract these top scholars—in other words, not to enter into the academic equivalent of what the sports world calls free agency. Instead, as Sexton puts it: "We seek to make ourselves irresistibly attractive to the people for whom we are right. If you want the benefits of the kind of reciprocal community the Enterprise has created, and if you are willing to undertake the obligations associated with that community, we want you, and we can offer you exactly what you want."

And let there be no doubt that the degree and kind of intellectual heat and light generated at NYU is doubtless a draw to faculty and students alike. A weekly bulletin informs the reader of an astonishing number of events, lectures, and meetings, usually animated by a vast array of eminent guests. Supreme Court Justices are regular visitors to NYU, as are their equivalents from foreign lands. So are leading corporate, labor, political and cultural leaders from the United States and abroad. As one faculty member put it: "Each week, there are two or three events here, any one of which would be the major intellectual event at most other schools."

A visiting professor summarized his recent year at NYU this way: "I've spent time at most of the leading law schools; simply put, none has the level of intellectual activity I found here." Another said, "Before I spent a semester here, I knew that NYU's faculty was among the very best in the country. What I didn't know was how much interaction there was among the faculty and students. I certainly didn't anticipate the steady flow of the leading thinkers and players in the law. It seems that everybody who is anybody in law either is at NYU, is about to be at NYU, or has just been at NYU."

Part of the extraordinary intellectual vitality of NYU can be captured in a word unfamiliar to an outsider—"colloquia." A colloquium is a specific and rigorous "meta-seminar" designed to engage faculty and students in demanding discourse at the most advanced level. Typically, a student's formal classroom time in one of the ten colloquia is divided between a session of several hours devoted to grilling a leader in the field (the "guest" participant) and an independent seminar session devoted to student work related to the week's topic. The distinction between teacher and student often dissolves in the colloquia, replaced by a joint pursuit of advanced study not only of the law but—more usually—of other disciplines as well. There are ten colloquia ranging from traditional topics such as "Legal History," "Constitutional Theory," and "Tax Policy," to the less expected "Law and Society" and Law, Philosophy and Political Theory." In short, interdisciplinary work is not only a priority, it is central—in no small part because the law school has an unusual number of world-class scholars from disciplines other than law—in fields ranging from economics, to politics, to philosophy, to psychology, to sociology. In fact, NYU Law School boasts one of the finest philosophy "departments" in the world, with Ronald Dworkin, Jurgen Habermas, Liam Murphy, Thomas Nagel, David Richards and Lawrence Sager all in residence. And Jerome Bruner, viewed by many as the father of cognitive psychology, is also at the law school.

The fact that Bruner is at NYU is itself a testament to creative thinking. Over the psychologist's protests that he "knew no law," the faculty brought him to NYU in 1992 to help the faculty and students analyze and understand legal cognition more profoundly. The a priori questions he studies, and which now valuably inform the general awareness of faculty and students not only at NYU but at other schools as well, include: "What does law presuppose about the function of the mind? How does the human penchant for categorization affect legal thinking? How do lawyers listen? Does stare decisis (the strength of precedent) apply to all human decision-making, not just legal?" This type of "meta" question is routine at NYU Law.

THE GLOBAL LAW SCHOOL INITIATIVE

There is another factor in the remarkable story of NYU's growth—a factor that has both helped to attract faculty and generated an unparalleled intellectual activity: the willingness to take risks. A common, if often rued, characteristic of most elite schools is that they tend to be conservative, risk-averse. As one dean candidly put it, "We change as slowly as an aircraft carrier turns." Such an approach is not the approach of NYU Law School. As Sexton puts it: "We embrace the positive doctrine of original sin. If we are not to be perfect in this life, we should seize our imperfection as an opportunity always to improve—to follow Martin Luther's advice to 'sin boldly.'" This led the National Law Journal to say about NYU in 1995: "NYU, already a powerhouse, has become the leader in innovation among elite law schools."

The best example of all is NYU's boldest gamble to date—what will turn out, incontrovertibly, to be the most extraordinary innovation of Sexton's tenure at the law school—NYU's Global Law School Initiative.

In proposing the initiative six years ago, Sexton and Norman Dorsen, the faculty member he calls the "father" of this venture, precipitated a revolution in legal education. Hailed today by many as the most significant step since Langdell developed the case method, the initiative is predicated on an inevitability of the next century, that the world will become smaller and increasingly interdependent. The importance of the rule of law as the basis of economic interdependence and the foundation of national and international human rights will become self-evident. As governments adopt legal systems based on the rule of law, more and more people will experience political and economic justice for the first time.

Taking globalization seriously means understanding that there are no significant legal or social problems today that are purely domestic—from labor standards and NAFTA to intellectual property and trade, to the impact of foreign creditors on domestic monetary policy.

NYU's faculty has long been interested in international issues, and its curriculum has reflected this. Its student body, composed of a high proportion of foreign students, have always been able to choose from array of traditional, clinical, and interdisciplinary courses offered by scholars in public and private international law, comparative law, international taxation and jurisprudence. But the Global Law School initiative is something different—subtler, grander, more challenging. It is not a program for the study of international or comparative law, it is about bringing a global perspective to every aspect of the study of law, leading to a new way of seeing and understanding not only law, but the world. Its central premise is that there is value in viewing and reviewing law and society from new vantage points; the more you widen the cultural-conceptual circle of discussants, the more the discussion widens, and the more likely it is that the overall fund of good ideas will grow.

Of the four major components of the Global Law School, the most important is the Global Law Faculty, a score of leading legal scholars and practitioners from around the world, who, though they retain their "day jobs," agree to come to Washington Square for a minimum of two months a year. The Global Faculty, which supplements and complements NYU's extraordinary American Faculty, represents six continents and eighteen nations and boasts the names of many of the planet's leading scholars: Sir John Baker, the eminent Cambridge University law historian and dean of Cambridge's law faculty; Uprendra Baxi,. vice chancellor of New Delhi University; Menachem Elon, retired deputy president of the Supreme Court of Israel; and Hisashi Owada, permanent representative of Japan to the United Nations, are just a few. These men and women are not "visiting professors" in the usual sense. They come in far greater numbers, are in residence longer, and they maintain a continuing relationship with NYU after they have returned to their home countries. Most return for second and third teaching and research stints at NYU. In Dorsen's words, "They are part of us, and we of them."

Fifty years ago, Arthur T. Vanderbilt saw the value of attracting students from abroad to the school, and he instituted a special program to bring experienced foreign lawyers to the school for a year of study. The Global Law School initiative takes Vanderbilt's notion to a new level. Stimulated in part by a $5 million gift from Rita and Gustave Hauser, NYU established what is now the world's premier legal scholarship program for foreign students, the Hauser Scholars Program. (Sir Robert Jennings, immediate past president of the World Court, has called it "the Rhodes Scholarship of Law.") Each year, a committee chaired by the president of the World Court chooses the finest young lawyers in the world and brings them to NYU. This has led others to come as well, and the result has been the creation of the most diverse student body anywhere: This academic year, there are more than 300 full-time students studying at the law school who are citizens of foreign countries; they come from almost three dozen countries and six continents.

Not surprisingly, the curriculum that flows from the Global Law School initiative goes well beyond supplementing a traditional American legal education with doses of comparative and international law. Mere supplementation would only reinforce the notion that foreign law is something peripheral, lurking on the outskirts of what a "good American lawyer" needs to know to ply his trade. Instead, NYU has forged a pedagogy and curriculum that give every student a deeper understanding of the global dimension of the life of a modern lawyer. Members of the Global Faculty teach a wide array of courses, including "basic" courses like dispute resolution, property or tax law, bringing new and critical thinking to fields that have long needed them.

The foreign students, too, bring different and important perspectives. As one American professor told me: "I was teaching Roe v. Wade (the abortion case) as usual when a female Chinese student asked me to use Justice Blackmun's decision to assess her government's policy which had required her to have an abortion. An American student never would have asked that wonderful question."

The Global School initiative has led NYU to create a broad range of inter-university agreements, institutes and centers designed to advance the global perspective. And the school's success with the program has generated conferences, forums and special events that have brought the world to NYU—and NYU to the world's attention. So, for example, a conference on the enforcement ability in domestic courts of judgments rendered by the array of new international tribunals brought three U.S. Supreme Court justices to NYU, where they spent three days in conversation with counterparts from around the world—using a set of papers prepared and presented by students as springboards for discussion. A conference on constitutional adjudication attracted U.S. Supreme Court Justices to Washington Square for four days of talks with twelve justices from the Constitutional Courts of Germany, Italy, and Russia.

And then there was last fall's day-long forum, "Strengthening Democracy in the Global Economy: An Opening Dialogue." There never had been an event like it at any university. The cast of participants was overwhelming. In a room packed with NYU's faculty and students, and before a world wide television and media audience (Ten networks were present and 350 journalists were credentialed), leaders grappled in genuine conversation with the need for new political and economic answers in a globalized world. When the capstone panel of the day (a two-hour reflection on the earlier discussions moderated by Dean Sexton and featuring the four heads of state) concluded with a look forward to the continuation of the dialogue under the auspices of the law school, it was clear that NYU Law had become the venue for a global conversation about law.

Successfully incorporating what Dorsen calls "the inevitable but only faintly understood globalization of law" is obviously a long-term proposition. So also is effecting the transformation of perspective that will change legal education. And everyone at NYU acknowledges that the Global Law School initiative faces challenges that will not be met easily—for instance, the difficulty of truly integrating foreign and American law students and faculty, day to day. Still, as First Lady Hillary Rodham Clinton put it, it is now clear that "NYU Law School has arrived at a place where the rest of legal education will strive to be five or ten years from now."

A COMMUNITY WITH HEART . . .

When you ask Dorsen what he believes "excellence" in legal education is all about, the Stokes professor is quick to explain that, for him, it goes well beyond intellectual quality and attainment. The two additional factors Dorsen deems necessary—"and which have epitomized NYU Law School for me"—are "variety and heart." "Variety" of course refers to NYU's diversity, not only in gender and the social, ethnic, racial, and national backgrounds of its students and teachers, but also in the teaching styles and scholarly traditions, educational activities, programs, institutes, and opportunities; and, far from least, the array of legal and public vocations elected by graduates, far from all of whom go into corporate law.

As to "heart," this is "not a simple concept," Dorsen concedes, for all that it is absolutely pivotal. "Heart" is what it all rests on and serves—reputation, quality, prestige, success. It refers to judgement, morality, higher goals, and to the sense of community that comes with being united in a common pursuit. "Heart" is a fragile thing, "constantly at risk" in a world where "intense preoccupation" with individual pursuits easily drives out concern for public welfare and community values.

If you press members of the NYU Law School on this topic, "heart" (or some similar word or phrase) is what they answer to the questions of why they love the place and why it has fared so well. The challenge, beyond attracting faculty stars, the best students and terrific administrators, is to create an environment that is not only intellectually fulfilling but also socially congenial and inspiring to everyone. This is perhaps Sexton's most important contribution to NYU. With him as its catalytic stimulus, the law school has moved from the "independent contractor" model of an academic institution—with its competition and factionalism—to being what the dean, with his Jesuit education, loves to call "a communitas" of mutual collaboration and commitment.

As I looked at NYU Law 18 months after the publication of his profile of its dean, I again asked James Traub the question the New York Times had asked in the headline to his piece: "Is NYU's law school challenging Harvard's as the nation's best?" He replied: "Where NYU might beat even Harvard or Yale is as a place to be. NYU is ahead of everybody as a happy place. Law professors are notoriously critical and skeptical. They have trouble feeling part of any institution. You can feel the unease and the disarray at many of the best law schools in the country, but not at NYU."

As Richard Revesz, one of NYU's brightest young stars, says: "The possibilities in this place come together remarkably, combining individual freedom with the dean's sense of community. We have a pluralistic, not a homogeneous, community at NYU." His colleague, Stephen Holmes, a leading political theorist, formerly of the University of Chicago, puts it a little differently: "There is a poisonousness in academic life, and a degree of backbiting and professorial whining that are absent here. John's genius is creating opportunities for the faculty that take the edge of this tendency. He can take energies that can easily turn into mutual recrimination, energies that have done so in other places, and manage to make them productive. NYU is the least bitter institution I've worked at. There's a mutuality and purposiveness here. The administration makes it possible for each of us to do his or her best work without obsessing over our neighbor's advantage. No one seems to get a stomachache here because someone else is doing well."

When asked if that is due to a sense of community, Holmes says he doesn't especially like that word, but he affirms that "discussion at the law school mainly goes on, as in the colloquia, in a public setting. This is a very public-minded institution. It isn't dominated by the corridor setting and the gossip that that setting usually creates."

. . . and a dean with soul

At the drop of a very small pin, Sexton will expand warmly upon his current plans for the law school: to bring the global initiative to full fruition, to develop a curriculum for the 21st century that "addresses a broader range of the cognitive talents we in the law use in working with the law," to build the finest center in the world for research and teaching about law in order to ensure that law and lawyers are used to make our world better.

And—another bold idea—to make NYU tuition free. This last dream, especially close to his heart these days, would be funded partly by building the law school's endowment so that it generates more income and partly by a structured plan that will see NYU graduates who go into corporate law contributing back to the law school the tuition they never had to pay when they were law students. As president of the Association of American Law Schools—legal education's oldest and most distinguished collectivity—Sexton was remorseless in advocating his idea that practicing lawyers should contribute 1% of their income over $50,000 to the law school from which they graduated. "It is imperative," Sexton says, "to reduce the enormous debt our graduates incur to pay for their education." (It is not unusual for a student to graduate with $120,000 in law-school-related debt.) He continues: "If we do not reduce their debt, they will be forced to choose income over service."

Where did all these ideas come from? When asked, Sexton will remind you of Arthur Vanderbilt's hopes, of the dreams of "the Enterprise," and of Dorsen's expansive notion of "heart." But, too, he speaks of "the Tocquevillian ideal of the law," infusing that ideal with his own insights, as he did in a recent "President's column" in the newsletter of the Association of American Law Schools:

> "From the beginning America has been a society based on law and forged by lawyers; for us, the law has been the great arbiter and the principal means by which we have been able to knit one nation out of a people whose dominant characteristic always has been our diversity. Just as the law has been the means for founding, defining, preserving, reforming and democratizing a united America, America's lawyers have been charged with setting the nation's values. Unlike other countries, America has no unifying religion or ethnicity; our principle of unification is law."

Lest this be heard as after-dinner boiler plate, or, worse, an attempt to promote self-satisfaction in his audience, Sexton is quick to point to the historical irony that the American Constitution is becoming a model for nations that have never known the rule of law, precisely at a time "when we in America are becoming more humble about how much we don't know, how much we haven't managed to get right."

Sexton's high-minded idealism, some have noted, is suffused and informed by an Irish-Catholic religiousness lurking just below the surface of his energy, as between the words of all his speeches. It often leads him to enunciate strange definitions in the tin ears of a secular age. "Legal research," in the Sextonian reading, becomes "serious thinking about the 'ought' of the law, not the parody evoked by the phrase 'yet another law review article.'" Where most are content to speak of law as a profession, Sexton lovingly dubs it "a vocation, a deep calling, that governs or ought to govern our professional lives."

It is in this elucidation of ideals and the moral exhortation with which they are pressed home that Sexton is most himself. The single-mindedness of his dedication to his cause permits him more leeway than others allow themselves. As Chief Judge Harry Edwards puts it, "People with true values and beliefs have a big head start in any conversation." The school's former Board chair, Martin Lipton, who recently became chair of the university's Board, adds, "Anyone who knows or works with John soon realizes that he is a man not only of vision but of complexity, a man whose drive toward meaning is not encompassed or summed up by the standard references of the academic marketplace: prestige, rankings, or VIPs."

A friend of the Sexton family, the writer and literary scholar Peter Pitzele, recalling John's original vocation as a professor of religion, puts it another way: "I would set John in the historic context of Americans who have worked to create an institution—a corporate body—that in some strange way is, or seeks to be, sanctified. I think it is this drive to sacralize that really animates what John is doing." He adds, "Though genius and genial are etymologically related, in life they rarely are. It seems to me that—rare though the combination is—John is both."

Another friend of Sexton's, and his colleague to boot, Richard Revesz recalls one of the biggest bestsellers of the early 1980s, a novel written by a professor of his at Princeton. In The Vicar of Christ, Walter Murphy tells the story of an American law school dean who ends up as Pope. Notes Revesz, with a smile, "Every time John starts out a conversation saying to me, 'Let me be your pastor, Ricky, tell me what's on your mind,' I think to myself of Murphy's novel and I wonder . . ."●

TRIBUTE TO LILLIAN A. HART

● Mr. McCONNELL. Mr. President, I rise today to pay tribute to the late Lillian A. Hart, a committed public servant and devoted wife, mother and grandmother, who bravely battled cancer in the last several months of her life.

Lillian has made it easy for us to remember her—she has left behind an impressive list of accomplishments that most people only hope to achieve in their lifetime. Lillian was a leader in the community and a role model for many women. She was a pioneer, exploring occupations and civic positions women had never held before.

Lillian was the first woman to be the state executive director of the Agricultural Stabilization and Conservation Service in Kentucky, her most recent public position. Lillian served Kentucky in this capacity from 1981 to 1989, and received a national award in 1987, for her work on behalf of farmers and all Kentuckians.

Before Lillian became state executive director, she was also the first woman to be appointed a district director of the Agricultural Stabilization and Conservation Service. She served 19 Northern Kentucky counties as district director for 12 years, including in her home county of Pendleton.

Lillian was active in her community, once serving as president of the Pendleton County Republican Women's Club and being chosen as a delegate to the Republican National Convention. She also founded a chapter of Habitat for Humanity in Pendleton County, and was a member of the Kincaid Regional Theatre board of directors.

I am certain that the legacy of excellence that Lillian Hart has left will continue on, and will encourage and inspire others. Hopefully it will be a comfort to the family and friends she leaves behind to know that her efforts to better the community will be felt for years to come. On behalf of myself and my colleagues, we offer our deepest condolences to Lillian's loved ones, and express our gratitude for all she contributed to Pendleton County, the State of Kentucky, and to our great Nation.●

TRIBUTE TO MEG GREENFIELD

● Ms. MIKULSKI. Mr. President, I rise today to reflect on the passing of a truly remarkable woman: Washington Post Editorial Page Editor Meg Greenfield. A tough, tenacious and trailblazing woman, Ms. Greenfield had a sharp intellect, a vibrant sense of humor, and a keen political instinct.

Meg Greenfield was at the center of many of Washington's intellectual, cultural and political developments in the past three decades. Her fiercely independent eye for news gave her the ability to cultivate relationships with individuals from every political, cultural and economic background. Her insightful portraits of life in our nation's capital were profound and memorable.

Ms. Greenfield forever changed the access and acceptance women have in the field of journalism. She astutely examined tough issues such as global disarmament and international affairs which were traditionally seen as "male" issues. She commanded respect and demanded fairness and impartiality from her staff.

In 1978, Ms. Greenfield moved the world with her commentary on issues of international affairs, civil rights and the press. For her efforts she claimed the much coveted Pulitzer Prize for editorial writing. One year later, she moved into the post of Editor for the Washington Post editorial page. A responsibility she undertook with dignity, grace, a keen wit and what she would call "the sensibility of 1950s liberals—conservative on foreign policy and national defense, but liberal on social issues" for over 20 years.

For these and many other reasons I admired Meg Greenfield and her vastly important work. She also played a critical role in my own career. When I ran for the United States Senate, I met with the Washington Post editorial board, and I had heard about the tough, no-nonsense Meg Greenfield. I was very impressed with her, and she believed in me and my ideas for Maryland.

The endorsement I received from the Washington Post in the 1986 Democratic primary was a turning point in the campaign. I was running against two very good friends of mine: the terrific Congressman from Montgomery County, Mike Barnes, and Maryland's

Governor Harry Hughes. The confidence and support I received from Meg Greenfield and the Post editorial board gave me pride and momentum, and helped lead me to victory.

Meg Greenfield's colleagues at the editorial page wrote the day after her death, "The anonymity typical of editorial pages could not disguise the hand of Meg Greenfield. As a writer her work was often instantly recognizable . . . for its felicity and stateliness and not least for its wry and mischievous humor. As an editor she imprinted her special blend of a wise skepticism and a reach for the public good on a long generation of Post editorials." In this tribute, they describe not only her as the consummate professional, but as the wonderful and caring woman that she was.

Meg Greenfield will be dearly missed in the many circles of Washington life. Her spirit and legacy will inspire us for years to come.•

FREEMEN PROSECUTION AWARD

• Mr. BURNS. Mr. President, I am pleased to come to the floor to honor a Department of Justice team that is receiving the top prosecution award today at Constitution Hall. This team of 12 prosecutors and investigators was faced with the challenging task of bringing LeRoy Schweitzer, Richard Clark, Daniel Petersen, Rodney Skurdal, Dale Jacobi, Russell Landers, and others, known as the "Freemen," to justice.

As you may remember, the Montana Freemen were a group of individuals who refused to recognize any authority by U.S. officials. Instead, they created their own "republic" and court system. After warrants were prepared for multiple counts of fraud, armed robbery, and firearms violations, they holed up on their ranch for 81 days in a tense standoff. The team recognized today were critical in preparing the warrants, negotiating the peaceful resolution of the standoff, and convicting twenty-one members of the group. In addition, this team worked with many other prosecution teams to prepare and present related cases in over thirty federal districts.

It makes me especially proud that there were seven Montanans among the group being recognized. They are Assistant U.S. Attorney James Seykora, Paralegal Specialist Deborah Boyle, IRS Special Agents Michael Mayott and Loretta Rodriquez, FBI Senior Resident Agent Daniel Vierthaler, FBI Special Agent Randall Jackson, and Montana Department of Justice Agent Bryan Costigan. I also appreciate the contribution of Robertson Park, George Toscas, David Kris, Tommie Canady, and Timothy Healy as award winners contributing from agencies outside of the state. I also think it's only appropriate to recognize the investigation and prosecution leader, Montana U.S. Attorney Sherry Matteucci. Although this entire prosecution effort fell under her responsibility, as a political appointee, she is not eligible for this award.

The Attorney General's Award for Exceptional Service is given once each year, with the decision based upon the following: performance of a special service in the public interest that is over and above the normal requirements and of an outstanding and distinctive character in terms of improved operations, public understanding of the department's mission, or accomplishment of one of the major goals of the department, exceptionally outstanding contributions to the Department of Justice or exceptionally outstanding leadership in the administration of major programs that resulted in highly successful accomplishments to meet unique or emergency situations, or extraordinary courage and voluntary risk of life in performing an act resulting in direct benefits to the department or nation. From where I sit, this team has met or exceeded all of these high standards during the course of the investigation. Few other prosecutions have received the external scrutiny in the press, Justice management, and the public eye as did the Freemen prosecution. A terrific amount of juggling priorities and concerns was necessary to pull off a peaceful resolution of this crisis. Their conviction record on this case was solid, and will likely be the model from any similar situations in the future.

So, it gives me great pleasure to bring our attention to this team's success, and I add my thanks for a job well done. We wish them nothing but continued success as they move on to other jobs within their home agencies. Again, congratulations on this great, well-deserved honor.•

BEATRIZ RIVAS ROGALSKI

• Mrs. BOXER. Mr. President, I rise to salute my Deputy Chief of Staff, Beatriz (Bea) Rivas Rogalski, on the occasion of her upcoming retirement after 25 years of distinguished service to the people of the United States. As director of casework in my House and Senate offices for more than 16 years, she has helped literally thousands of Californians get the timely assistance they need from their federal government. As Deputy Chief of Staff, she is beloved by staff members and constituents alike.

Bea began her public service as I did, in the office of then-Congressman John Burton. In 1974, Bea Rivas was a recent immigrant from El Salvador. While working at Macy's department store in San Francisco, she took a second part-time job to help support her mother.

Bea went to work in John Burton's campaign office on a temporary basis as a key-punch operator. Given a six-month project, Bea completed it in two months. Following the election, she went to work as a staff assistant in Congressman Burton's district office, answering phones and tracking bills. Her diligence and demeanor quickly impressed her supervisors, who promoted her to case worker.

It was a perfect fit. She quickly learned the most arcane workings of government and did her utmost to help constituents negotiate the shoals of bureaucracy.

Bea has what it takes to help people get their due from their government. She is kind, considerate, generous, and above all patient. I cannot overstate how she always listens carefully, always acts diligently, always goes the extra mile to take care of constituents' needs. She is incomparable and irrepressible. She will also be irreplaceable.

Mr. President, by serving the people of California so well, Beatriz Rogalski has brought honor on this institution and the United States Government. I hope you will join me in thanking her and sending best wishes to her, her husband Hans Rogalski, and their son Hans, Jr.•

TRIBUTE TO HITCHINER MANUFACTURING COMPANY

• Mr. SMITH of New Hampshire. Mr. President I rise today to pay tribute to Hitchiner Manufacturing Co., Inc. for receiving Business NH Magazine's 1999 Business of the Year Award.

Since the company moved to Milford, New Hampshire in 1951, Hitchiner has been extremely active within the community. Hitchiner supports the community through contributions to the arts, education, and community welfare. Specifically, they offer much-needed dollars to local and state non-profits and they make time available for their employees to participate in community affairs. Hitchiner President/CEO, John Morison III, believes when employees work in the community their experiences will translate into a positive experience for the company as a whole.

In addition to being involved in community affairs, Hitchiner Manufacturing is a leader in technology. The company is an international player for investment castings for customers such as General Motors, BMW and General Electric. Hitchiner will soon acquire their tenth patent, thereby establishing themselves as the leader in metaliurgical advances.

Hitchiner's profit sharing philosophy has helped create a spirit of team work among its employees. President Morison believes that by sharing the profits and risks, of working as a team, the company will be better equipped to stay on the cutting edge of technology—this is the key to future success.

Mr. President, I salute Hitchiner Manufacturing Company, Inc. and commend their president, John Morison, for his innovative ideas and spirit of community. It is an honor to represent them in the United States Senate.•

SOUTH CAROLINA PEACHES

• Mr. HOLLINGS. Mr. President, I rise today to recognize South Carolina's peach farmers for their hard work and their delicious peaches.

My staff has been delivering South Carolina peaches to offices throughout the Senate and the U.S. Capitol all day. Thanks to South Carolina peach farmers, those of us here in Washington will be able to cool off from the summer heat with delicious South Carolina peaches.

For a relatively small state, South Carolina is second in the nation in peach production. In fact, this year farmers across South Carolina planted more than 16,000 acres of peaches. As my colleagues can attest, these are some of the finest peaches produced anywhere in the United States.

As we savor the taste of these South Carolina peaches, we should remember the work and labor that goes into producing such a delicious fruit. While Americans enjoy peaches for appetizers, entrees, and desserts, most do not stop to consider where they come from. Farmers will be laboring all summer in the heat and humidity to bring us what we call the "perfect candy." What else curbs a sweet tooth—is delicious, nutritious, and satisfying, but not fattening? The truth is, Mr. President, that our farmers are too often the forgotten workers in our country. Through their dedication and commitment, our nation is able to enjoy a wonderful selection of fresh fruit, vegetables, and other foods. In fact, our agricultural system, at times, is the envy of the world.

Mr. President, as Senators and their staff feast on these delicious peaches, I hope they will remember the people in South Carolina who made this endeavor possible: David Winkles and the entire South Carolina Farm Bureau; and the South Carolina Peach Council. They have all worked extremely hard to ensure that the Senate gets a taste of South Carolina.

I hope everyone in our Nation's Capitol will be smiling as they enjoy the pleasure of South Carolina peaches.•

TRIBUTE TO TOM RECHTIN, SR.

• Mr. McCONNELL. Mr. President, I rise today to honor a fine Kentucky businessman, Tom Rechtin, Sr., President of Tom Rechtin Heating, Air Conditioning and Electric Company.

Tom was recently named "1999 Outstanding Business Person" by the Northern Kentucky Chamber of Commerce for his community leadership and 35 years of education advocacy. The honor was given as part of the A.D. Albright awards program, which is named for Northern Kentucky University's president emeritus, who was known for encouraging educational excellence in the region.

The Albright Award recognizes Tom's commitment to supporting and encouraging educational activities in the workplace and in the community. His own company serves as a model for his philosophy, as his employees attend and participate in numerous classes and seminars he facilitates. Tom Rechtin's company also employs student interns who are seeking certification.

Tom was also recently named the "1998 National Contractor of the Year" by the National Association of Plumbing, Heating and Cooling Contractors, and "Kentucky Contractor of the Year" by the Kentucky Association of Plumbing, Heating and Cooling Contractors.

Tom began working in the industry after high school and, over the years, moved through the ranks from an entry-level position to eventually owning his own company. Today, Tom is one of the most well-known and well-respected businessmen in the state, with over 12,000 customers in Northern Kentucky, Eastern Indiana, and Southern Ohio.

Tom is a three-time appointee by the Governor to the Kentucky HVAC Licensing Board, which oversees the licensing and continuing education programs for the state's HVAC journeymen and Master License holders. He has been an example to board members and the entire industry by implementing his own rigorous employee training programs. His leadership and success in the field is one of the reasons Tom has been named Vice President of the Kentucky HVAC Licensing Board.

My colleagues and I congratulate you, Tom, on your recent accomplishments and commend your many years of service to Northern Kentucky's business community. Best wishes for many years of continued success.

Mr. President, I ask that the following Campbell County Recorder article from June 17, 1999, be printed in the Record.

The article follows:

[From the Campbell County Recorder, June 17, 1999]

CHAMBER ANNOUNCES ALBRIGHT WINNERS

TOM RECHTIN

This year's Outstanding Business Person recipient, Tom Rechtin, has been a community leader, role model and an advocate for education for more than 35 years. Rechtin has used his personal and professional experience, knowledge and ability to include others to advance the educational system and consequently the economy in Northern Kentucky.

This recipient of the Albright Award encourages employees to attend certification classes, participate in seminars and get involved in company educational programs. He provides tuition assistance for employees and currently employs four student interns who are seeking certification.

He supports education within his company and is an educational advocate in the community. Coupled with Cincinnati Public Schools, he helped found the first apprenticeship and continuing education program in the Tristate. Along with the Northern Kentucky Home Builders Association, he helped develop the first heating and cooling apprenticeship program in Northern Kentucky, and as chairman of the apprenticeship committee, he continues to develop new programs and lead efforts to fund the program.

Further, Rechtin is a member of the Kentucky State Licensing Board, serves on a Citizens Task Force aimed at evaluating and improving Bellevue Schools, and founded SMART TECH—a class that is offered at NKU annually to journeymen to meet state licensing requirements. Most recently, he sought to carry out a federal School-To-Work federal initiative promoting schools and businesses to share knowledge and develop practical curriculums for students entering the workforce.

Outside of his work with education and his company, he is a member of the Chamber of Commerce's Workforce Readiness Council, a Master with the Boy Scouts of America, an athletic sponsor with the Bellevue Vets, a member of the Bellevue Renewal Committee and a council member of Sacred Heart Catholic Church.

The Chamber of Commerce is the largest volunteer business organization in Northern Kentucky. It works to encourage and promote economic well being, quality growth and community development for both Northern Kentucky and the region.•

TRI-CITIES, TN-VA: 1999 RECIPIENT OF THE ALL-AMERICA CITY AWARD

• Mr. FRIST. Mr. President, when our Founding Fathers began their fight for our Nation's independence, they had a vision of what America would be like. They saw a free and self-reliant people, ruled by State and local governments, who took responsibility for their own welfare and progress, and cared for themselves and for others in their own communities.

When Alexis de Tocqueville came to America almost a century later, that is what he saw. He later wrote that, In America, when a citizen saw a problem that needed solving, he would cross the street and discuss it with a neighbor, together the neighbors would form a committee, and before long the problem would be solved. "You may not believe this," he said, "but not a single bureaucrat would ever have been involved."

While today our citizens are increasingly ruled, not by local governments, but by Washington, the essence of what it means to be an American has not changed: We are a people willing to lend a hand, lift a spirit, and work together to make our land a better place.

For 50 years, the All-America City Awards have designated—from among all the cities in America—10 communities that have carried on this time-honored tradition and kept the spirit of America alive. And I'm proud to say that among this year's winners is Tri-Cities, TN–VA, a place our founding fathers would recognize as a fulfillment of their vision of what a free people, living and working together, can accomplish.

Among the criteria by which all participants were judged were citizen involvement, effective government performance, philanthropic and volunteer resources, a strong capacity for cooperation, and community vision and pride. And, Tri-Cities—the first-ever region to be so honored by this award—possesses those qualities in spades.

Included in the presentation which tipped the judges' decision in their favor were their efforts to involve youth in the decision-making process; improve health care in isolated communities and create an interest in rural medicine among future physicians; and celebrate and preserve the Appalachian region's oral and musical traditions. And they did it all without government handouts or mandates from Washington. Their message, set to the sound of bluegrass music: we are willing to work; we are willing to lead.

I think the song, written by a local storyteller and sung by all the Tri-Cities delegates, says it all:

If you call, we will answer;
If you need us, we will come.
We'll lend a hand—there's strength in numbers;
If we work together, we can get it done.

Mr. President, on behalf of all the people of Tennessee, and all Americans everywhere, I congratulate the citizens of Tri-Cities, Tennessee-Virginia for their accomplishment. Not only they, but all of us, are winners because of their efforts.•

CLEVELAND SCHOLARSHIP AND TUTORING PROGRAM

• Mr. VOINOVICH. Mr. President, today I rise to recognize the achievements of the Cleveland Scholarship and Tutoring Program. Now in its third school year, this program, which is one of only two school choice experiments in the country, continues to offer hope and promise to nearly 3,700 inner city children and their parents by making private schools, including religious schools, affordable. I have been a longtime supporter of the Scholarship Program, as well as the school choice concept in general. Believing that competition fosters improvement, I made the implementation of this pilot school scholarship plan one of my education reform priorities by signing a 2-year budget package that included $5 million for the introduction of the program in 1995.

The Cleveland Scholarship Program is the first of its kind in the country that offers state-funded scholarships for use at both secular and religious private schools, giving low-income students access to an otherwise unattainable private school education in Cleveland, where schools graduate a mere 36 percent of its high school seniors. In September of 1996, during it's first school year, the program provided scholarships to approximately 1,855 students for the public, private, or religious school of their choice. Recent growth of the program's budget enabled the parents of nearly 3,700 students to use vouchers to enroll in 59 participating area schools during the 1998–1999 school year.

Two separate studies by Harvard University on the Cleveland Scholarship Program found parents of voucher recipients were more satisfied with many aspects of their school than were parents of students in Cleveland public schools. That satisfaction included the school's academic program, school safety, school discipline, teacher skills, the teaching of moral values, and class size. A separate study found that test score results in mathematics and reading show substantial gains for Cleveland Scholarship Program students attending the Hope schools, two non-sectarian schools which were created in response to the establishment of the program. Additionally, parents of voucher recipients reported lower levels of disruption in their child's school—including fighting, racial conflict, and vandalism.

The results of these studies further underscore the success of this program. Time and again, data and surveys from the state have confirmed the Cleveland Scholarship Program meets the one true test of any taxpayer-supported program—it works. Although the program is not without its critics, I believe the best way to put these criticisms to rest is to continue demonstrating the program's effectiveness in Cleveland as we continue to look beyond the conventional and pursue creative and imaginative approaches to education.

I applaud the achievements of the Cleveland Scholarship Program and its contributions to the education of our children, and am proud to say that my hometown serves as a model for the rest of the Nation.•

TRIBUTE TO CHRISTOPHER R. ROVZAR ON BEING NAMED PRESIDENTIAL SCHOLAR

• Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Christopher R. Rovzar, of Exeter, New Hampshire, for being selected as a 1999 Presidential Scholar by the U.S. Secretary of Education.

Of the over 2.5 million graduating seniors nationwide, Christopher is one of only 141 seniors to receive this distinction for academics. This impressive young man is well-deserving of the title of Presidential Scholar. I wish to commend Christopher for his outstanding achievement.

As a student at Phillips Exeter Academy in New Hampshire, Christopher has served as a role model for his peers through his commitment to excellence. Christopher's determination promises to guide him in the future.

It is certain that Christopher will continue to excel in his future endeavors. I wish to offer my most sincere congratulations and best wishes to Christopher. His achievements are truly remarkable. It is an honor to represent him in the United States Senate.•

IN RECOGNITION OF REAR ADMIRAL LEONARD VINCENT, SUPPLY CORPS, U.S. NAVY

• Mr. INHOFE. Mr. President, I recognize and honor Rear Admiral Leonard Vincent, U.S. Navy as he retires upon completion of 32 years of service to the Navy, The Department of Defense and the Nation.

Born in Tulsa, Oklahoma, a graduate of McAlester High School, Oklahoma he enlisted in the Navy Reserve in 1961. He graduated from Southeastern State College, Durant, Oklahoma, in 1965 and received his commission as a Ensign in the Navy Supply Corps that same year. In 1976 he receive his Masters in Business Administration from George Washington University.

A distinguished professional, Admiral Vincent currently commands the Defense Systems Management College (DSMC). As the Commandant of DSMC, he has been a leader of change agents for acquisition reform. And he has brought a wealth of acquisition, logistics, and contract management experience to the vital task of training our nation's Department of Defense Acquisition Workforce.

Afloat he has served as the Supply Officer of an amphibious ship, the USS *Pensacola* (LSD 38) and the Supply Officer of a submarine tender, the USS *Dixon* (AS 37).

Ashore his assignments have included duty as Supply Officer with Naval Special Warfare Group and with Naval Inshore Warfare Command, Atlantic, both in Little Creek, Virginia.

His varied acquisition assignments include Director of Contracts, Naval Supply Center, Puget Sound; Contracting Officer for the Supervisor, Shipbuilding and Repair, Bath, Maine; Director of the Combat Systems department and Director of the Contracts department at the Navy's inventory control point, Mechanicsburg, Pennsylvania; Assistant Commander for Contracts, Naval Air Systems Command; Deputy Director for Acquisition for the Defense Logistics Agency; and prior to his current assignment, RADM Vincent was the Deputy Chief of Staff for Logistics, Fleet Supply and Ordnance, Pacific Fleet.

In addition to his current assignment, his command tours have included Commander, Defense Contract Administration Services Region, Los Angeles, California; Commander, Defense Contract Management Command International, Dayton, Ohio; and Commander, Contract Management Command, Washington, D.C.

Throughout his career Admiral Vincent has displayed exemplary performance of duty, extraordinary initiative and leadership, keen judgment, and dedication to the highest principles of devotion to his country. He leaves the military and the acquisition community better by having served them. His contributions will have lasting consequence.

Mr. President, Leonard Vincent, his wife Shirley and their three children, Lori, Tiffany and Stephen have made many sacrifices during his 32 year Navy career. A man of his leadership, enthusiasm and integrity is rare and while his honorable service will be genuinely missed, it gives me great pleasure today to recognize him before my colleagues and wish to him "Fair Winds and Following Seas" as he brings to a close a long and distinguished career in the United States Naval Service.

I ask that an article and narrative on Rear Admiral Vincent be printed in the RECORD.

The article and narrative follows:

REAR ADMIRAL LEONARD VINCENT—COMMANDANT, DEFENSE SYSTEMS MANAGEMENT COLLEGE

Rear Admiral Leonard "Lenn" Vincent became the Commandant Defense Systems Management College (DSMC), Fort Belvoir, Virginia, in January 1998. The College is a graduate-level institution that promotes sound systems-management principles by the acquisition workforce through education, research, consulting, and information dissemination.

Admiral Vincent entered the Naval Reserve program as a sea-man recruit in October 1961. Upon graduation from Southeastern State Teachers College in Oklahoma, he received a commission in July 1965 from the Officers Candidate School, Newport, Rhode Island, as an ensign in the Supply Corps, U.S. Navy.

Since returning to the Navy in 1970, RADM Vincent's wide variety of afloat and shore-based assignments have provided him extensive contracting, contract management, and logistics experience.

Afloat he has served as the Supply Officer of an amphibious ship, the USS PENSACOLA (LSD 38) and the Supply Officer of a submarine tender, the USS DIXON (AS 37).

Ashore his assignments have included duty as Supply Officer with Naval Special Warfare Group and with Naval Inshore Warfare Command, Atlantic, both in Little Creek, Virginia. He attended the Armed Forces Staff College, Norfolk, Virginia; and then in Washington, D.C., he earned a Masters in Business Administration from George Washington University.

His varied acquisition assignments include Director of Contracts, Naval Supply Center, Puget Sound; Contracting Officer for the Supervisor, Shipbuilding and Repair, Bath, Maine; Director of the Combat Systems department and Director of the Contracts department at the Navy's inventory control point, Mechanicsburg, Pennsylvania; Assistant Commander for Contracts, Naval Air Systems Command; Deputy Director for Acquisition for the Defense Logistics Agency; and prior to his current assignment, RADM Vincent was the Deputy Chief of Staff for Logistics, Fleet Supply and Ordnance, Pacific Fleet.

In addition to his current assignment as Commandant, DSMC, his command tours have included Commander, Defense Contract Administration Services Region, Los Angeles, Contract Administration Services Region, Los Angeles, California; Commander, Defense Contract Management Command International, Dayton, Ohio; and Commander, Contract Management Command, Washington, D.C.

His military decorations include the Defense Superior Service Medal with gold star, Legion of Merit with gold star, Defense Meritorious Service Medal, Meritorious Service Medal with three gold stars, Navy Commendation Medal, and Navy Achievement Medal.

NARRATIVE

Rear Admiral Vincent distinguished himself by exceptionally outstanding achievement throughout thirty two years of service culminating in his distinguished performance as Commandant of the Defense Systems Management College (DSMC) from 30 December 1997 to 31 July 1999.

Admiral Vincent exhibited extensive knowledge, technical competence, tireless energy, imagination, and superb leadership. As Commandant, he focused the College on improvements essential for the entire Department of Defense Acquisition Workforce (AWF), and dramatically improved the quality and greatly expanded the scope of their education and training. During his tenure, student throughput increased by nearly five percent, greatly helping the military departments to meet the formal acquisition education requirements that public law imposed on all major system program managers. These achievements are all the more remarkable because they were accomplished during a period when DSMC funding decreased by over seven percent, and personnel by over 11 percent.

Admiral Vincent also successfully focused the exceptional capabilities of the College's staff and faculty on meeting the rapidly changing needs of the acquisition workforce. Upon assuming command of DSMC, he led the College's senior leadership through the development of a corporate plan that set the course into the new millennium for the education and training of acquisition professionals. This dynamic plan provided the foundation for DSMC operations and outlined a series of strategic goals, objectives, and metrics that guided the College through the efficient accomplishment of its four-pronged mission of providing education and training, research, consulting, and information dissemination. He successfully challenged the College to achieve these improvements, while maintaining the highest quality of support available to the acquisition workforce.

Anticipating the need to achieve a cultural transformation within the acquisition community, Admiral Vincent encouraged the students, staff, and faculty at DSMC to become change agents and instilled in them a sense of urgency to keep up the momentum of Acquisition Reform. He directed the assessment and revision of over thirty DSMC-sponsored courses to reflect the latest changes, ensuring that Acquisition Reform initiatives are seamlessly threaded throughout the 12 functional areas. To further enrich the learning environment, he spearheaded the effort to recruit students from industry, bringing a commercial business perspective into every classroom—he served as the catalyst to stimulate partnering with industry and effective teaming within program offices. Beginning with the students, staff, and faculty at DSMC, he successfully developed a cultural mindset that would revolutionize the way DoD approaches its business affairs—embracing best practices, empowering the workforce, and achieving optimal solutions at the lowest costs.

In a push to constantly improve the quality of integrated courses, Admiral Vincent created the Acquisition Management Curriculum Enhancement Program (AMCEP) to seamlessly integrate the Acquisition Management Functional Board requirements with the Defense Acquisition University (DAU) course development and delivery processes. The result was a continuous evolutionary process that facilitated and improved the current integrated acquisition management curriculum. The enhancement effort created a learning environment characterized by a problem-based learning curriculum which replicated to the highest possible fidelity actual problems the graduates would likely encounter in their subsequent assignments.

Additionally, to further improve the efficiency at DSMC, Admiral Vincent consolidated all information/automation systems enhancement efforts at the College under the Chief Information/Knowledge Officer. By concentrating the information technology activities under one person, Admiral Vincent effectively orchestrated the consolidation of automated systems requirements, significantly reducing costs and making educational information widely available to internal and external customers. Under Admiral Vincent's guidance, the College underwent the process of standardizing the automation equipment in each classroom and upgrading the server infrastructure, along with video tele-conference capability, to better support distance learning conversion efforts of DSMC courses. This initiative, while minimizing costs to infuse information technology capability, not only improved the students' learning environment, but also made acquisition education and training more accessible to the workforce.

Admiral Vincent also provided the thrust behind the development of the Integrated Curriculum Environment (ICE) database, an automated, centralized management system for DSMC courseware and supporting documentation. This standardized curriculum management tool will significantly simplify the course revision process, and eventually, will make course materials available electronically to all students and accessible by all graduates. Through his active leadership and visionary foresight of the information revolution, Admiral Vincent launched DSMC—and acquisition education and training—into the 21st Century, guiding the College through the transformation process of becoming the acquisition workforce's Center for Continuous Learning.

Admiral Vincent further improved the stature of DSMC as the Department of Defense world-class center for international acquisition education excellence. Under his leadership, DSMC co-sponsored the 10th Annual International Defense Educational Arrangement (IDEA) seminar with France and hosted the 11th IDEA seminar in the United States—a fifteen-nation symposium on Intra-European and Transatlantic armaments cooperation. Additionally, Admiral Vincent initiated the first IDEA Pacific seminar with the Australian Defense Force Academy, providing eight nations of the Pacific Rim with a forum for exchange of acquisition best practices. With the growing emphasis on international cooperation, the College also hosted biannual international acquisition forums for DUSD (International Programs) and the Services international program offices. As the principal U.S. representative to IDEA, Admiral Vincent provided the leadership and facilitated international cooperation, significantly advancing the understanding and effectiveness of international cooperative acquisition issues among participating nations.

His distinguished career included additional command tours as Commander, Defense Contract Administration Services Region, Los Angeles; Commander, Defense Contract Management Command International; Deputy Director for Acquisition Management and Commander, Defense Contract Management Command, Defense Logistics Agency.

Throughout the period of his assignment as Commandant, DSMC, and his thirty-two-year career, Admiral Vincent displayed exemplary performance of duty, extraordinary initiative and leadership, keen judgment, and dedication to the highest principles of devotion to his country. He leaves the Defense Systems Management College and the acquisition community better by having served them. His personal dedication has been solely responsible for numerous contributions of lasting consequence, which will enhance the ability of each Service to accomplish its mission better, now and in the future. His exceptional performance in extremely important and challenging positions has been in keeping with the highest traditions of the Service and reflects great credit upon himself, the United States Navy, and the Department of Defense.●

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

The text of S. 1282, passed by the Senate on July 1, 1999, follows:

S. 1282

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, $133,168,000.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $35,561,000, to remain available until expended: *Provided*, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed $2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, $30,483,000.

INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; not to exceed $6,000,000 for official travel expenses; not to exceed $500,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration, $111,340,000.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, $15,000,000, to remain available until expended.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, $27,681,000: *Provided*, That funds appropriated in this account may be used to procure personal services contracts.

VIOLENT CRIME REDUCTION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 103–322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(1) As authorized by section 190001(e), $181,000,000; of which $17,847,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms, including $3,000,000 for administering the Gang Resistance Education and Training program, $1,608,000 for an explosives repository clearinghouse, $12,600,000 for the integrated violence reduction strategy, and $639,000 for building security; of which $21,950,000 shall be available to the United States Secret Service, including $5,854,000 for the protective program, $2,014,000 for the protective research program, $5,886,000 for the workspace program, $5,000,000 for counterfeiting investigations, and $3,196,000 for forensic and related support of investigations of missing and exploited children, of which $1,196,000 shall be available as a grant for activities related to the investigations of exploited children and shall remain available until expended; of which $52,774,000 shall be available for the United States Customs Service, including $4,300,000 for conducting pre-hiring polygraph examinations, $2,000,000 for technology for the detection of undeclared outbound currency, $9,000,000 for non-intrusive mobile personal inspection technology, $4,952,000 for land border automation equipment, $8,000,000 for agent and inspector relocation: *Provided*, That $3,000,000 shall not be available for obligation until September 30, 2000, $5,735,000 for laboratory modernization, $2,400,000 for cybersmuggling, $5,430,000 for Hardline/Gateway equipment, $2,500,000 for the training program, $3,640,000 to maintain fiscal year 1998 equipment, and $4,817,000 for investigative counter-narcotics and money laundering operations; of which $28,366,000 shall be available for Interagency Crime and Drug Enforcement; of which $1,863,000 shall be available for the Financial Crimes Enforcement Network, including $600,000 for GATEWAY, $300,000 to expand data mining technology, $500,000 to continue the magnitude of money laundering study, $200,000 to enhance electronic filing of SARS and other BSA databases, and $263,000 for technical advances for GATEWAY; of which $9,200,000 shall be available to the Federal Law Enforcement Training Center for construction of two firearms ranges at the Artesia Center: *Provided*, That these funds shall not be available for obligation until September 30, 2000; and of which $49,000,000 shall be available to the Office of National Drug Control Policy Special Forfeiture Fund to support a national media campaign, as authorized in the Drug-Free Media Campaign Act of 1998: *Provided further*, That these funds shall not be available for obligation until September 30, 2000;

(2) As authorized by section 32401, $13,000,000 to the Bureau of Alcohol, Tobacco and Firearms for disbursement through grants, cooperative agreements, or contracts to local governments for Gang Resistance Education and Training: *Provided*, That notwithstanding sections 32401 and 310001, such funds shall be allocated to State and local law enforcement and prevention organizations.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $9,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109, $80,114,000, of which up to $16,511,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2002: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104–32; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide training for the Gang Resistance Education and Training program to Federal and non-Federal personnel at any facility in partnership with the Bureau of Alcohol, Tobacco and Firearms: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $21,611,000, to remain available until expended.

Financial Management Service

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $200,054,000, of which not to exceed $10,635,000 shall remain available until September 30, 2002, for information systems modernization initiatives; and of which not to exceed $2,500 shall be available for official reception and representation expenses.

Bureau of Alcohol, Tobacco and Firearms

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 812 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $15,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and provision of laboratory assistance to State and local agencies, with or without reimbursement, $570,345,000, of which $39,320,000 may be used for the Youth Crime Gun Interdiction Initiative, of which $1,120,000 shall be provided for the purpose of expanding the program to include Las Vegas, Nevada; of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, supplies, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: *Provided*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 2000: *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority who has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government: *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

United States Customs Service

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase and lease of up to 1,050 motor vehicles of which 550 are for replacement only and of which 1,030 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed $40,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service, $1,670,747,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations; not to exceed $4,000,000 shall be available until expended for research, of which $900,000 shall be provided to a land grant university in North and/or South Dakota to conduct a research program on the bilateral United States/Canadian bilateral trade of agricultural commodities and products; of which $100,000 shall be provided for the child pornography tipline; of which $200,000 shall be for Project Alert; not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081, and; up to $8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation; up to $5,400,000, to be available until expended, may be transferred to the Treasury-wide Systems and Capital Investments Programs account for an international trade data system; and up to $5,000,000, to remain available until expended, for repairs to Customs facilities: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That the Hector International Airport in Fargo, North Dakota shall be designated an International Port of Entry: *Provided further*, That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be $30,000.

HARBOR MAINTENANCE FEE COLLECTION

(INCLUDING TRANSFER AUTHORITY)

For Administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103–182, $3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs "Salaries and Expenses" account for such purposes.

OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, $108,688,000, which shall remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 2000 without the prior approval of the Committees on Appropriations.

Bureau of the Public Debt

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, $181,383,000, of which not to exceed $2,500 shall be available for official reception and representation expenses, and of which not to exceed $2,000,000 shall remain available until expended for systems modernization: *Provided*, That the sum appropriated herein from the General Fund for fiscal year 2000 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2000 appropriation from the General Fund estimated at $176,983,000, and in addition, $20,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101–380.

Internal Revenue Service

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for tax returns processing; revenue accounting; tax law and account assistance to taxpayers by telephone and correspondence; programs to match information returns and tax returns; management services; rent and utilities; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $3,291,945,000, of which up to $3,950,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; issuing technical rulings; examining employee plans and exempt organizations; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; compiling statistics of income and conducting compliance research; purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $3,305,090,000, of which not to exceed $1,000,000 shall remain available until September 30, 2002, for research and, of which not to exceed $150,000 shall be for official reception and representation expenses associated with hosting the Inter-American Center of Tax Administration (CIAT) 2000 Conference.

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105–33), $144,000,000, of which not to exceed $10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $1,450,100,000.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

Sec. 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the Committees on Appropriations.

Sec. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

Sec. 103. The Internal Revenue Service shall institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

Sec. 104. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line service for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1–800 help line service.

Sec. 105. Notwithstanding any other provision of law, no reorganization of the field office structure of the Internal Revenue Service Criminal Investigation Division will result in a reduction of criminal investigators in Wisconsin and South Dakota from the 1996 level.

United States Secret Service

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 739 vehicles for police-type use, of which 675 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $20,000 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year, $638,816,000.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, $4,923,000, to remain available until expended.

General Provisions—Department of the Treasury

Sec. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 2000, shall be made in compliance with reprogramming guidelines.

Sec. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

Sec. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 2000 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

Sec. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

Sec. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Treasury Inspector General for Tax Administration, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 115. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the Treasury certifies that the purchase by the respective Treasury bureau is consistent with Departmental vehicle management principles: *Provided*, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 116. VOLUNTARY SEPARATION INCENTIVE PAYMENTS FOR EMPLOYEES OF THE OFFICE OF THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION. During the period from October 1, 1999 through January 1, 2003, the Treasury Inspector General for Tax Administration is authorized to offer voluntary separation incentives in order to provide the necessary flexibility to carry out the plan to establish and reorganize the Office of the Treasury Inspector General for Tax Administration ("the Office" hereafter).

(a) DEFINITION.—In this section, the term "employee" means an employee (as defined by 5 U.S.C. 2105) who is employed by the Office serving under an appointment without time limitation, and has been currently employed by the Office or the Internal Revenue Service or the Office of Inspector General of the Department of the Treasury for a continuous period of at least 3 years, but does not include—

(1) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system;

(2) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in paragraph (1);

(3) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(4) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(5) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(6) any employee who, during the 24-month period preceding the date of separation, has received a recruitment or relocation bonus under 5 U.S.C. 5753 or who, within the 12-month period preceding the date of separation, received a retention allowance under 5 U.S.C. 5754.

(b) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—The Treasury Inspector General for Tax Administration may pay voluntary separation incentive payments under this section to any employee to the extent necessary to organize the Office so as to perform the duties specified in the Internal Revenue Service Restructuring and Reform Act of 1998, Pub. L. 105-206.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations available for the payment of the basic pay of the employees of the Office;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under 5 U.S.C. 5595(c); or

(ii) an amount determined by the Treasury Inspector General for Tax Administration, not to exceed $25,000;

(D) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) before January 1, 2003;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under 5 U.S.C. 5595 based on any other separation.

(c) ADDITIONAL OFFICE OF THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Office shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—In paragraph (1), the term "final basic pay", with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(d) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based, shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the Office.

(e) EFFECT ON OFFICE OF THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION EMPLOYMENT LEVELS.—

(1) INTENDED EFFECT.—Voluntary separations under this section are not intended to necessarily reduce the total number of full-time equivalent positions in the Office.

(2) USE OF VOLUNTARY SEPARATIONS.—The Office may redeploy or use the full-time equivalent positions vacated by voluntary separations under this section to make other positions available to more critical locations or more critical occupations.

SEC. 117. VOLUNTARY SEPARATION INCENTIVE PAYMENTS FOR EMPLOYEES OF THE CHICAGO FINANCIAL CENTER OF THE FINANCIAL MANAGEMENT SERVICE. (a) AUTHORITY.—During the period from October 1, 1999 through January 31, 2000, the Commissioner of the Financial Management Service (FMS) of the Department of the Treasury is authorized to offer voluntary separation incentives in order to provide the necessary flexibility to carry out the closure of the Chicago Financial Center (CFC) in a manner which the Commissioner shall deem most efficient, equitable to employees, and cost effective to the Government.

(b) DEFINITION.—In this section, the term "employee" means an employee (as defined by 5 U.S.C. 2105) who is employed by FMS at CFC under an appointment without time limitation, and has been so employed continuously for a period of at least 3 years, but does not include—

(1) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system;

(2) an employee with a disability on the basis of which such employee is or would be eligible for disability retirement under the retirement systems referred to in paragraph (1) or another retirement system for employees of the Government;

(3) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(4) an employee who has previously received any voluntary separation incentive payment from an agency or instrumentality of the Government of the United States under any authority and has not repaid such payment;

(5) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(6) an employee who during the 24 month period preceding the date of separation has received and not repaid a recruitment or relocation bonus under section 5753 of Title 5, United States Code, or who, within the twelve month period preceding the date of separation, has received and not repaid a retention allowance under section 5754 of that Title.

(c) AGENCY PLAN; APPROVAL.—

(1) The Secretary, Department of the Treasury, prior to obligating any resources for voluntary separation incentive payments, shall submit to the Office of Management and Budget a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) The agency's plan under subsection (1) shall include—

(A) the specific positions and functions to be reduced or eliminated;

(B) a proposed coverage for offers of incentives;

(C) the time period during which incentives may be paid;

(D) the number and amounts of voluntary separation incentive payments to be offered; and

(E) a description of how the agency will operate without the eliminated positions and functions.

(3) The Director of the Office of Management and Budget shall review the agency's plan and approve or disapprove such plan, and may make appropriate modifications in the plan including waivers of the reduction in agency employment levels required by this Act.

(d) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) A voluntary separation incentive payment under this Act may be paid by the agency head to an employee only in accordance with the strategic plan under section (c).

(2) A voluntary incentive payment—

(A) shall be offered to agency employees on the basis of organizational unit, occupational series or level, geographic location, other nonpersonal factors, or an appropriate combination of such factors;

(B) shall be paid in a lump sum after the employee's separation;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section (without adjustment for any previous payment made); or

(ii) an amount determined by the agency head, not to exceed $25,000;

(D) may be made only in the case of an employee who voluntarily separates (whether by retirement or resignation) under the provisions of this Act;

(E) shall not be a basis for payment, and shall not be included in the computation of any other type of Government benefit;

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation; and

(G) shall be paid from appropriations or funds available for the payment of the basic pay of the employee.

(e) ELIGIBILITY FOR PAYMENTS.—Payments under this section may be made to any qualifying employee who voluntarily separates, whether by retirement or resignation, between October 1, 1999 and January 31, 2000.

(f) EFFECT ON SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with any agency or instrumentality of the Government of the United States within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to FMS.

(g) CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, FMS shall remit to the office of Personnel Management for deposit in the Treasury to the credit of Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final annual basic pay for each employee covered under subchapter III of chapter 83 or chapter 84 of title 5 United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) For the purpose of paragraph (1), the term "final basic pay" with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(h) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this Act. For the purposes of this subsection, positions shall be counted on a full-time equivalent basis.

(2) The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirement of this section are met.

(3) At the request of the Secretary, Department of the Treasury, the Office of Management and Budget may waive the reduction in total number of funded employee positions required by subsection (1) if it believes the agency plan required by section (c) satisfactorily demonstrates that the positions would better be used to reallocate occupations or reshape the workforce and to produce a more cost-effective result..

SEC. 118. ENFORCEMENT OF CERTAIN ANTI-TERRORISM JUDGMENTS. (a) DEFINITION.—

(1) IN GENERAL.—Section 1603(b) of title 28, United States Code, is amended—

(A) in paragraph (3) by striking the period and inserting a semicolon and "and";

(B) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(C) by striking "(b)" through "entity—" and inserting the following:

"(b) An 'agency or instrumentality of a foreign state' means—

"(1) any entity—"; and

(D) by adding at the end the following:

"(2) for purposes of sections 1605(a)(7) and 1610 (a)(7) and (f), any entity as defined under subparagraphs (A) and (B) of paragraph (1), and subparagraph (C) of paragraph (1) shall not apply.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 1391(f)(3) of title 28, United States Code, is amended by striking "1603(b)" and inserting "1603(b)(1)".

(b) ENFORCEMENT OF JUDGMENTS.—Section 1610(f) of title 28, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A) by striking "(including any agency or instrumentality or such state)" and inserting "(including any agency or instrumentality of such state)"; and

(B) by adding at the end the following:

"(C) Notwithstanding any other provision of law, moneys due from or payable by the United States (including any agency, subdivision or instrumentality thereof) to any state against which a judgment is pending under section 1605(a)(7) shall be subject to attachment and execution, in like manner and to the same extent as if the United States were a private person."; and

(2) by adding at the end the following:

"(3)(A) Subject to subparagraph (B), upon determining on an asset-by-asset basis that a waiver is necessary in the national security interest, the President may waive this subsection in connection with (and prior to the enforcement of) any judicial order directing attachment in aid of execution or execution against the principal office of a foreign mission to the United States used for diplomatic or related purposes, or any funds held by or in the name of such foreign mission determined by the President to be necessary to satisfy actual operating expenses of such principal office.

"(B) A waiver under this paragraph shall not apply to—

"(i) the principal office of a foreign mission if such office has been used for any nondiplomatic purpose (including as commercial rental property) by either the foreign state or by the United States, or to the proceeds of such nondiplomatic purpose; or

"(ii) if any asset of such principal office is sold or otherwise transferred for value to a third party, the proceeds of such sale or transfer.".

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 117(d) of the Treasury Department Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–492) is repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

SEC. 119. *Provided further*, That the Customs Service Commissioner shall utilize $50,000,000 to hire 500 new Customs inspectors, agents, appropriate equipment and intelligence support within the funds available under the Customs Service headings in the bill, in addition to funds provided to the Customs Service under the Fiscal Year 1999 Emergency Drug Supplemental.

This title may be cited as the "Treasury Department Appropriations Act, 2000".

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $93,436,000, of which $64,436,000 shall not be available for obligation until October 1, 2000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 2000.

This title may be cited as the "Postal Service Appropriations Act, 2000".

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President, $52,444,000.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $9,260,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114.

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: *Provided*, That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: *Provided further*, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: *Provided further*, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: *Provided further*, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit $25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: *Provided further*, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: *Provided further*, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: *Provided further*, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: *Provided further*, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: *Provided further*, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

WHITE HOUSE REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Executive Residence at the White House, $810,000, to remain available until expended for required maintenance, safety and health issues, and continued preventative maintenance.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $3,617,000.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $345,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $3,840,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107; $4,032,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,997,000.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles $39,198,000, of which $8,806,000 shall be available for a capital investment plan which provides for the continued modernization of the information technology infrastructure.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget (OMB), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $63,495,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committees on Appropriations or the Committees on Veterans' Affairs or their subcommittees: *Provided further*, That the preceding shall not apply to printed hearings released by the Committees on Appropriations or the Committees on Veterans' Affairs: *Provided further*, That from within existing funds provided under this heading, the President may establish a National Intellectual Property Coordination Center.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to Division C, title VII, of Public Law 105–277; not to exceed $8,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $21,963,000, of which up to $600,000 shall be available for the evaluation of the Drug-Free Communities Act: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Counterdrug Technology Assessment Center, $31,100,000, which shall remain available until expended, consisting of $2,100,000 for policy research and evaluation, $16,000,000 for counternarcotics research and development projects, and $13,000,000 for the continued operation of the technology transfer program: *Provided*, That the $16,000,000 for counternarcotics research and development projects shall be available for transfer to other Federal departments or agencies.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Area Program, $205,277,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which $7,000,000 shall be used for methamphetamine programs above the sums allocated in fiscal year 1999, $5,000,000 shall be used for High Intensity Drug Trafficking Areas that are designated after July 1, 1999 and $5,000,000 to be used at the discretion of the Office of National Drug Control Policy with no less than half of the $7,000,000 going to areas solely dedicated to fighting methamphetamine usage, of which no less than 51 percent shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of enactment of this Act: *Provided*, That up to 49 percent may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided further*, That of this latter amount, $1,800,000 shall be used for auditing services: *Provided further*, That, hereafter, of the amount appropriated for fiscal year 2000 or any succeeding fiscal year for the High Intensity Drug Trafficking Area Program, the funds to be obligated or expended during such fiscal year for programs addressing the treatment or prevention of drug use as part of the approved strategy for a designated High Intensity Drug Trafficking Area (HIDTA) shall not be less than the funds obligated or expended for such programs during fiscal year 1999 for each designated HIDTA: *Provided further*, That Campbell County and Uinta County are hereby designated as part of the

Rocky Mountain High Intensity Drug Trafficking Area for the State of Wyoming.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and other purposes, authorized by Public Law 105–277, $127,500,000, to remain available until expended: *Provided*, That such funds may be transferred to other Federal departments and agencies to carry out such activities: *Provided further*, That of the funds provided, $96,500,000 shall be to support a national media campaign, as authorized in the Drug-Free Media Campaign Act of 1998: *Provided further*, That none of the funds provided for the support of the national media campaign may be obligated until ONDCP has submitted for written approval to the Committee on Appropriations the evaluation and results of phase II of the campaign: *Provided further*, That of the funds provided, $30,000,000 shall be to continue a program of matching grants to drug-free communities, as authorized in the Drug-Free Communities Act of 1997: *Provided further*, That of the funds provided, $1,000,000 shall be available to the Director for transfer as grants to State and local agencies or non-profit organizations for the National Drug Court Institute.

This title may be cited as the "Executive Office Appropriations Act, 2000".

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28, $2,657,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $38,175,000, of which no less than $4,866,500 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere, $23,681,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

To carry out the purpose of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), the revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $5,244,478,000, of which: (1) $76,979,000 shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses and associated design and construction services) as follows:

New construction:

Maryland:

Montgomery County, FDA Consolidation, $35,000,000

Michigan:

Sault Sainte Marie, Border Station, $8,263,000

Montana:

Roosville, Border Station, $753,000

Sweetgrass, Border Station, $11,480,000

Texas:

Fort Hancock, Border Station, $277,000

Washington:

Oroville, Border Station, $11,206,000

Nationwide:

Non-prospectus, $10,000,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings effected in other such projects, but not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount: *Provided further*, That all funds for direct construction projects shall expire on September 30, 2001, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That of the funds provided for non-prospectus construction, $1,974,000 shall be available until expended for acquisition, lease, construction, and equipping of flexiplace telecommuting centers: *Provided further*, That of the amount provided under this heading in Public Law 104–208, $20,782,000 are rescinded and shall remain in the Fund; (2) $607,869,000 shall remain available until expended, for repairs and alterations which includes associated design and construction services: *Provided*, That funds made available in this Act or any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount:

Repairs and alterations:

Alabama:

Montgomery, Frank M. Johnson, Jr., Federal Building—U.S. Courthouse, $11,606,000

Alaska:

Anchorage, Federal Building—U.S. Courthouse Annex, $21,098,000

California:

Menlo Park, USGS Building 1, $6,831,000

Menlo Park, USGS Building 2, $5,284,000

Sacramento, Moss Federal Building—U.S. Courthouse, $7,948,000

District of Columbia:

Interior Building (Phase 1) $1,100,000

Main Justice Building (Phase 2), $47,226,000

State Department Building (Phase 2), $10,511,000

Maryland:

Baltimore, Metro West Building, $36,705,000

Woodlawn, Social Security Administration Annex, $25,890,000

Minnesota:

Ft. Snelling, Bishop H. Whipple Federal Building, $10,989,000

New Mexico:

Albuquerque, Federal Building—500 Gold Avenue, $8,537,000

Ohio:

Cleveland, Celebrezze Federal Building, $7,234,000

Nationwide:

Chlorofluorocarbons Program, $16,000,000

Energy Program, $16,000,000

Design Program, $17,715,000

Elevators—Various Buildings, $24,195,000

Basic Repairs and Alterations, $333,000,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations: *Provided further*, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2001, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects and $1,600,000 shall be available for the repairs and alterations of the Kansas City Federal Courthouse at 811 Grand Avenue, Kansas City, Missouri and $1,250,000 shall be available for the repairs and alteration of the Federal Courthouse at 40 Center Street, New York, New York; (3) $205,668,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4)

$2,782,186,000 for rental of space which shall remain available until expended; and (5) $1,590,183,000 for building operations which shall remain available until expended: *Provided further*, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That of the amount provided, $475,000 shall be available for the Plains States De-population Symposium: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 2000, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $5,244,478,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses, $120,198,000, of which $12,758,000 shall remain available until expended: *Provided*, That of the funds provided, $2,750,000 shall be available for GSA to enter into a memorandum of understanding with the North Dakota State University to establish a Virtual Archive Storage Terminal.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $33,858,000: *Provided*, That not to exceed $15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,241,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 2000 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided*, That any proposed transfers shall be approved in advance by the Committees on Appropriations.

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2001 request for United States Courthouse construction that: (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided*, That the fiscal year 2001 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency which does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under 40 U.S.C. 757 and sections 5124(b) and 5128 of Public Law 104–106, Information Technology Management Reform Act of 1996, for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading "Federal Buildings Fund Limitations on Revenue", claims against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

SEC. 408. Funds made available for new construction projects under the heading "Federal Buildings Fund, Limitations on Availability of Revenue" in Public Law 104–208 shall remain available until expended so long as funds for design or other funds have been obligated in whole or in part prior to September 30, 1999.

SEC. 409. The Federal building located at 220 East Rosser Avenue in Bismarck, North Dakota, is hereby designated as the "William L. Guy Federal Building, Post Office and United States Courthouse". Any reference in a law, map, regulation, document, paper or other record of the United States to the Federal building herein referred to shall be deemed to be a reference to the "William L. Guy Federal Building, Post Office and United States Courthouse".

SEC. 410. From the funds made available under the heading "Federal Buildings Fund Limitations on Availability of Revenue", $59,203,500 shall not be available for rental of space and $59,203,500 shall not be available for building operations: *Provided*, That the amounts provided under this heading for rental of space, building operations and in aggregate amount for the Federal Buildings Fund, are reduced accordingly.

SEC. 411. CONVEYANCE OF LAND TO THE COLUMBIA HOSPITAL FOR WOMEN. (a) ADMINISTRATOR OF GENERAL SERVICES.—Subject to subsection (f) and such terms and conditions as the Administrator of General Services (in this section referred to as the "Administrator") shall require in accordance with this section, the Administrator shall convey to the Columbia Hospital for Women (formerly Columbia Hospital for Women and Lying-In Asylum; in this section referred to as "Columbia Hospital"), located in Washington, District of Columbia, for $14,000,000 plus accrued interest to be paid in accordance with the terms set forth in subsection (d), all right, title, and interest of the United States in and to those pieces or parcels of land in the District of Columbia, described in subsection (b), together with all improvements thereon and appurtenances thereto. The purpose of this conveyance is to enable the expansion by Columbia Hospital of its Ambulatory Care Center, Betty Ford Breast Center, and the Columbia Hospital Center for Teen Health and Reproductive Toxicology Center.

(b) PROPERTY DESCRIPTION.—

(1) IN GENERAL.—The land referred to in subsection (a) was conveyed to the United States of America by deed dated May 2, 1888, from David Fergusson, widower, recorded in liber 1314, folio 102, of the land records of the District of Columbia, and is that portion of square numbered 25 in the city of Washington in the District of Columbia which was not previously conveyed to such hospital by the Act of June 28, 1952 (66 Stat. 287; chapter 486).

(2) PARTICULAR DESCRIPTION.—The property is more particularly described as square 25, lot 803, or as follows: all that piece or parcel of land situated and lying in the city of Washington in the District of Columbia and known as part of square numbered 25, as laid down and distinguished on the plat or plan of said city as follows: beginning for the same at the northeast corner of the square being the corner formed by the intersection of the west line of Twenty-fourth Street Northwest, with the south line of north M Street Northwest and running thence south with the line of said Twenty-fourth Street Northwest for the distance of two hundred and thirty-one feet ten inches, thence running west and parallel with said M Street Northwest for the distance of two hundred and thirty feet six inches and running thence

north and parallel with the line of said Twenty-fourth Street Northwest for the distance of two hundred and thirty-one feet ten inches to the line of said M Street Northwest and running thence east with the line of said M Street Northwest to the place of beginning two hundred and thirty feet and six inches together with all the improvements, ways, easements, rights, privileges, and appurtenances to the same belonging or in anywise appertaining.

(c) DATE OF CONVEYANCE.—

(1) DATE.—The date of the conveyance of property required under subsection (a) shall be the date upon which the Administrator receives from Columbia Hospital written notice of its exercise of the purchase option granted by this section, which notice shall be accompanied by the first of 30 equal installment payments of $869,000 toward the total purchase price of $14,000,000, plus accrued interest.

(2) DEADLINE FOR CONVEYANCE OF PROPERTY.—Written notification and payment of the first installment payment from Columbia Hospital under paragraph (1) shall be ineffective, and the purchase option granted Columbia Hospital under this section shall lapse, if that written notification and installment payment are not received by the Administrator before the date which is 1 year after the date of enactment of this section.

(3) QUITCLAIM DEED.—Any conveyance of property to Columbia Hospital under this section shall be by quitclaim deed.

(d) CONVEYANCE TERMS.—

(1) IN GENERAL.—The conveyance of property required under subsection (a) shall be consistent with the terms and conditions set forth in this section and such other terms and conditions as the Administrator deems to be in the interest of the United States, including—

(A) the provision for the prepayment of the full purchase price if mutually acceptable to the parties;

(B) restrictions on the use of the described land for use of the purposes set out in subsection (a);

(C) the conditions under which the described land or interests therein may be sold, assigned, or otherwise conveyed in order to facilitate financing to fulfill its intended use; and

(D) the consequences in the event of default by Columbia Hospital for failing to pay all installments payments toward the total purchase price when due, including revision of the described property to the United States.

(2) PAYMENT OF PURCHASE PRICE.—Columbia Hospital shall pay the total purchase price of $14,000,000, plus accrued interest over the term at a rate of 4.5 percent annually, in equal installments of $869,000, for 29 years following the date of conveyance of the property and receipt of the initial installment of $869,000 by the Administrator under subsection (c)(1). Unless the full purchase price, plus accrued interest, is prepaid, the total amount paid for the property after 30 years will be $26,070,000.

(e) TREATMENT OF AMOUNTS RECEIVED.—Amounts received by the United States as payments under this section shall be paid into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), and may be expended by the Administrator for real property management and related activities not otherwise provided for, without further authorization.

(f) REVERSIONARY INTEREST.—

(1) IN GENERAL.—The property conveyed under subsection (a) shall revert to the United States, together with any improvements thereon—

(A) 1 year from the date on which Columbia Hospital defaults in paying to the United States an annual installment payment of $869,000, when due; or

(B) immediately upon any attempt by Columbia Hospital to assign, sell, or convey the described property before the United States has received full purchase price, plus accrued interest.

The Columbia Hospital shall execute and provide to the Administrator such written instruments and assurances as the Administrator may reasonably request to protect the interests of the United States under this subsection.

(2) RELEASE OF REVERSIONARY INTEREST.—The Administrator may release, upon request, any restriction imposed on the use of described property for the purposes of paragraph (1), and release any reversionary interest of the United States in the property conveyed under this subsection only upon receipt by the United States of full payment of the purchase price specified under subsection (d)(2).

(3) PROPERTY RETURNED TO THE GENERAL SERVICES ADMINISTRATION.—Any property that reverts to the United States under this subsection shall be under the jurisdiction, custody and control of the General Services Administration shall be available for use or disposition by the Administrator in accordance with applicable Federal law.

SEC. 412. Notwithstanding section 1346 of title 31, United States Code, funds made available for fiscal year 2000 by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP salaries and administrative costs.

SEC. 413. The Administrator of General Services may provide from Government-wide credit card rebates, up to $3,000,000 in support of the Joint Financial Management Improvement Program as approved by the Chief Financial Officers Council.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $27,422,000 together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and archived Federal records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $179,738,000: *Provided*, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings.

ARCHIVES FACILITIES REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, $21,518,000, to remain available until expended.

RECORDS CENTER REVOLVING FUND

(a) There is hereby established in the Treasury a revolving fund to be available for expenses and equipment necessary to provide for storage and related services for all temporary and pre-archival Federal records, which are to be stored or stored at Federal National and Regional Records Centers by agencies and other instrumentalities of the Federal government. The Fund shall be available without fiscal year limitation for expenses necessary for operation of these activities.

(b) START-UP CAPITAL.—

(1) There is appropriated $22,000,000 as initial capitalization of the Fund.

(2) In addition, the initial capital of the Fund shall include the fair and reasonable value at the Fund's inception of the inventories, equipment, receivables, and other assets, less the liabilities, transferred to the Fund. The Archivist of the United States is authorized to accept inventories, equipment, receivables and other assets from other Federal entities that were used to provide for storage and related services for temporary and pre-archival Federal records.

(c) USER CHARGES.—The Fund shall be credited with user charges received from other Federal government accounts as payment for providing personnel, storage, materials, supplies, equipment, and services as authorized by subsection (a). Such payments may be made in advance or by way of reimbursement. The rates charged will return in full the expenses of operation, including reserves for accrued annual leave, worker's compensation, depreciation of capitalized equipment and shelving, and amortization of information technology software and systems.

(d) FUNDS RETURNED TO MISCELLANEOUS RECEIPTS OF THE DEPARTMENT OF THE TREASURY.—

(1) In addition to funds appropriated to and assets transferred to the Fund in subsection (b), an amount not to exceed 4 percent of the total annual income may be retained in the Fund as an operating reserve or for the replacement or acquisition of capital equipment, including shelving, and the improvement and implementation of NARA's financial management, information technology, and other support systems.

(2) Funds in excess of the 4 percent at the close of each fiscal year shall be returned to the Treasury of the United States as miscellaneous receipts.

(e) REPORTING REQUIREMENT.—The National Archives and Records Administration shall provide quarterly reports to the Committees on Appropriations and Governmental Affairs of the Senate, and the Committees on Appropriations and Government Reform of the House of Representatives on the operation of the Records Center Revolving Fund.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, $6,250,000, to remain available until expended: *Provided*, That of the funds appropriated under this heading in Public Law 105–277, $3,800,000 are rescinded: *Provided further*, That the Treasury and General Government Appropriations Act, 1999 (as contained in division A, section 101(h), of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277)) is amended in Title IV, under the heading "National Historical Publications and Records Commission, Grants Program" by striking the proviso.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses, $9,071,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, $91,584,000; and in addition $95,486,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which $4,000,000 shall remain available until expended for the cost of automating the retirement recordkeeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B) and 8909(g) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during the fiscal year ending September 30, 2000, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $9,645,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $9,689,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $34,179,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 2000".

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 504. None of the funds made available by this Act shall be available in fiscal year 2000 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

SEC. 505. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

SEC. 507. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 508. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 509. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2000 from appropriations made available for salaries and expenses for fiscal year 2000 in this Act, shall remain available through September 30, 2001, for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with reprogramming guidelines.

SEC. 510. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 511. INVENTORY OF FEDERAL GRANT PROGRAMS. The Director of the Office of Management and Budget shall prepare an inventory of existing Federal grant programs after consulting each agency that administers Federal grant programs including formula funds, competitive grant funds, block grant funds, and direct payments. The inventory shall include the name of the program, a copy of relevant statutory and regulatory guidelines, the funding level in fiscal year 1999, a list of the eligibility criteria both statutory and regulatory, and a copy of the application form. The Director shall submit the inventory no later than six months after enactment to the Committees on Appropriations and relevant authorizing committees.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2000 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 604. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–5924.

SEC. 605. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person: (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 606. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 607. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 13101 (September 14, 1998), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 608. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 609. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 610. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 611. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 612. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 613. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 2000, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 614 of the Treasury and General Government Appropriations Act, 1999, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 2000, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 614; and

(2) during the period consisting of the remainder of fiscal year 2000, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 2000 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 2000 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1999 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1999, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1999, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1999.

(f) For the purpose of administering any provision of law (including any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the word "office" shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 615. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 616. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for fiscal year 2000 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

SEC. 617. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 618. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2000 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 619. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: *Provided*, That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 620. None of the funds appropriated in this or any other Act shall be used to acquire information technologies which do not comply with part 39.106 (Year 2000 compliance) of the Federal Acquisition Regulation, unless an agency's Chief Information Officer determines that noncompliance with part 39.106 is necessary to the function and operation of the requesting agency or the acquisition is required by a signed contract with the agency in effect before the date of enactment of this Act. Any waiver granted by the Chief Information Officer shall be reported to the Office of Management and Budget, and copies shall be provided to Congress.

SEC. 621. None of the funds made available in this Act for the United States Customs Service may be used to allow the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 622. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 623. Section 627(b) of the Treasury and General Government Appropriations Act, 1999 (as contained in section 101(h) of division A of Public Law 105–277) is amended by striking "Notwithstanding" and inserting the following: "Effective on the date of the enactment of this Act and thereafter, and notwithstanding".

SEC. 624. Notwithstanding any provision of law, the President, or his designee, must certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

SEC. 625. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988; or

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 626. No funds appropriated in this or any other Act for fiscal year 2000 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: "These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.": *Provided*, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 627. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 628. (a) IN GENERAL.—For calendar year 2001, the Director of the Office of Management and Budget shall prepare and submit to Congress, with the budget submitted under section 1105 of title 31, United States Code, an accounting statement and associated report containing—

(1) an estimate of the total annual costs and benefits (including quantifiable and nonquantifiable effects) of Federal rules and paperwork, to the extent feasible—

(A) in the aggregate;

(B) by agency and agency program; and

(C) by major rule;

(2) an analysis of impacts of Federal regulation on State, local, and tribal government, small business, wages, and economic growth; and

(3) recommendations for reform.

(b) NOTICE.—The Director of the Office of Management and Budget shall provide public notice and an opportunity to comment on the statement and report under subsection (a) before the statement and report are submitted to Congress.

(c) GUIDELINES.—To implement this section, the Director of the Office of Management and Budget shall issue guidelines to agencies to standardize—

(1) measures of costs and benefits; and

(2) the format of accounting statements.

(d) PEER REVIEW.—The Director of the Office of Management and Budget shall provide for independent and external peer review of the guidelines and each accounting statement and associated report under this section. Such peer review shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 629. None of the funds appropriated by this Act or any other Act, may be used by an agency to provide a Federal employee's home address to any labor organization except when it is made known to the Federal official having authority to obligate or expend such funds that the employee has authorized such disclosure or when such disclosure has been ordered by a court of competent jurisdiction.

SEC. 630. The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by Federal agencies, or other agencies providing explosives detection services at airports in the United States.

SEC. 631. None of the funds made available in this Act or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

SEC. 632. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 633. (a) In this section the term "agency"—

(1) means an Executive agency as defined under section 105 of title 5, United States Code;

(2) includes a military department as defined under section 102 of such title, the Postal Service, and the Postal Rate Commission; and

(3) shall not include the General Accounting Office.

(b) Unless authorized in accordance with law or regulations to use such time for other purposes, an employee of an agency shall use official time in an honest effort to perform official duties. An employee not under a leave system, including a Presidential appointee exempted under section 6301(2) of title 5, United States Code, has an obligation to expend an honest effort and a reasonable proportion of such employee's time in the performance of official duties.

SEC. 634. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with—

(1) any of the following religious plans:

(A) Providence Health Plan;

(B) Personal Care's HMO;

(C) Care Choices;

(D) OSF Health Plans, Inc.;

(E) Yellowstone Community Health Plan; and

(2) any existing or future plan, if the plan objects to such coverage on the basis of religious beliefs.

(c) In implementing this section, any plan that enters into or renews a contract under this section may not subject any individual to discrimination on the basis that the individual refuses to prescribe contraceptives because such activities would be contrary to the individual's religious beliefs or moral convictions.

(d) Nothing in this section shall be construed to require coverage of abortion or abortion-related services.

SEC. 635. FEDERAL FUNDS IDENTIFIED. Any request for proposals, solicitation, grant application, form, notification, press release, or other publications involving the distribution of Federal funds shall indicate the agency providing the funds and the amount provided. This provision shall apply to direct payments, formula funds, and grants received by a State receiving Federal funds.

SEC. 636. (a) Congress finds that—

(1) the Veterans of Foreign Wars of the United States (in this section referred to as the "VFW"), which was formed by veterans of the Spanish-American War and the Philippine Insurrection to help secure rights and benefits for their service, will be celebrating its 100th anniversary in 1999;

(2) members of the VFW have fought, bled, and died in every war, conflict, police action, and military intervention in which the United States has engaged during this century;

(3) over its history, the VFW has ably represented the interests of veterans in Congress and State Legislatures across the Nation and established a network of trained service officers who, at no charge, have helped millions of veterans and their dependents to secure the education, disability compensation, pension, and health care benefits they are rightfully entitled to receive as a result of the military service performed by those veterans;

(4) the VFW has also been deeply involved in national education projects, awarding nearly $2,700,000 in scholarships annually, as well as countless community projects initiated by its 10,000 posts; and

(5) the United States Postal Service has issued commemorative postage stamps honoring the VFW's 50th and 75th anniversaries, respectively.

(b) Therefore, it is the sense of the Senate that the United States Postal Service is encouraged to issue a commemorative postage stamp in honor of the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States.

Sec. 637. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

Sec. 638. The provision of section 637 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

Sec. 639. Evaluation of Outcome of Welfare Reform and Formula for Bonuses to High Performance States. (a) Additional Measures of State Performance.—Section 403(a)(4)(C) of the Social Security Act (42 U.S.C. 603(a)(4)(C)) is amended—

(1) by striking "Not later" and inserting the following:

"(i) In general.—Not later";

(2) by inserting "The formula shall provide for the awarding of grants under this paragraph based on criteria contained in clause (ii) and in accordance with clauses (iii), (iv), and (v)." after the period; and

(3) by adding at the end the following:

"(ii) Formula criteria.—The grants awarded under this paragraph shall be based on—

"(I) employment-related measures, including work force entries, job retention, and increases in household income of current recipients of assistance under the State program funded under this title;

"(II) the percentage of former recipients of such assistance (who have ceased to receive such assistance for not more than 6 months) who receive subsidized child care;

"(III) the improvement since 1995 in the proportion of children in working poor families eligible for food stamps that receive food stamps to the total number of children in the State; and

"(IV) the percentage of members of families which are former recipients of assistance under the State program funded under this title (which have ceased to receive such assistance for not more than 6 months) who currently receive medical assistance under the State plan approved under title XIX or the child health assistance under title XXI.

For purposes of subclause (III), the term 'working poor families' means families which receives earnings equal to at least the comparable amount which would be received by an individual working a half-time position for minimum wage.

"(iii) Employment related measures.—Not less than $100,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(I) and the criteria described in clause (ii)(II) with respect employed former recipients.

"(iv) Food stamp measures.—Not less than $50,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(III).

"(v) Medicaid and SCHIP criteria.—Not less than $50,000,000 of the amount appropriated for a fiscal year under subparagraph (F) shall be used to award grants to States under this paragraph for that fiscal year based on scores for the criteria described in clause (ii)(IV).".

(b) Data Collection and Reporting.—Section 411(a) of the Social Security Act (42 U.S.C. 611(a)) is amended by adding at the end the following:

"(8) Report on outcome of welfare reform for states not participating in bonus grants under section 403(a)(4).—

"(A) In general.—In the case of a State which does not participate in the procedure for awarding grants under section 403(a)(4) pursuant to regulations prescribed by the Secretary, the report required by paragraph (1) for a fiscal quarter shall include data regarding the characteristics and well-being of former recipients of assistance under the State program funded under this title for an appropriate period of time after such recipient has ceased receiving such assistance.

"(B) Contents.—The data required under subparagraph (A) shall consist of information regarding former recipients, including—

"(i) employment status;

"(ii) job retention;

"(iii) poverty status;

"(iv) receipt of food stamps, medical assistance under the State plan approved under title XIX or child health assistance under title XXI, or subsidized child care;

"(v) accessibility of child care and child care cost; and

"(vi) measures of hardship, including lack of medical insurance and difficulty purchasing food.

"(C) Sampling.—A State may comply with this paragraph by using a scientifically acceptable sampling method approved by the Secretary.

"(D) Regulations.—The Secretary shall prescribe such regulations as may be necessary to ensure that—

"(i) data reported under this paragraph is in such a form as to promote comparison of data among States; and

"(ii) a State reports, for each measure, changes in data over time and comparisons in data between such former recipients and comparable groups of current recipients.".

(c) Report of Currently Collected Data.—Not later than July 1, 2000, the Secretary of Health and Human Services shall transmit to Congress a report regarding earnings and employment characteristics of former recipients of assistance under the State program funded under this part, based on information currently being received from States. Such report shall consist of a longitudinal record for a sample of States, which represents at least 80 percent of the population of each State, including a separate record for each of fiscal years 1997 through 2000 for—

(1) earnings of a sample of former recipients using unemployment insurance data;

(2) earnings of a sample of food stamp recipients using unemployment insurance data; and

(3) earnings of a sample of current recipients of assistance using unemployment insurance data.

(d) Effective Dates.—

(1) The amendment made by subsection (a) applies to each of fiscal years 2000 through 2003.

(2) The amendment made by subsection (b) applies to reports in fiscal years beginning in fiscal year 2000.

Sec. 640. Itemized Income Tax Receipt. (a) In General.—Not later than April 15, 2000, the Secretary of the Treasury shall establish an interactive program on an Internet website where any taxpayer may generate an itemized receipt showing a proportionate allocation (in money terms) of the taxpayer's total tax payments among the major expenditure categories.

(b) Information Necessary To Generate Receipt.—For purposes of generating an itemized receipt under subsection (a), the interactive program—

(1) shall only require the input of the taxpayer's total tax payments, and

(2) shall not require any identifying information relating to the taxpayer.

(c) Total Tax Payments.—For purposes of this section, total tax payments of an individual for any taxable year are—

(1) the tax imposed by subtitle A of the Internal Revenue Code of 1986 for such taxable year (as shown on his return), and

(2) the tax imposed by section 3101 of such Code on wages received during such taxable year.

(d) Content of Tax Receipt.—

(1) Major expenditure categories.—For purposes of subsection (a), the major expenditure categories are:

(A) National defense.

(B) International affairs.

(C) Medicaid.

(D) Medicare.

(E) Means-tested entitlements.

(F) Domestic discretionary.

(G) Social Security.

(H) Interest payments.

(I) All other.

(2) Other items on receipt.—

(A) In general.—In addition, the tax receipt shall include selected examples of more specific expenditure items, including the items listed in subparagraph (B), either at the budget function, subfunction, or program, project, or activity levels, along with any other information deemed appropriate by the Secretary of the Treasury and the Director of the Office of Management and Budget to enhance taxpayer understanding of the Federal budget.

(B) Listed items.—The expenditure items listed in this subparagraph are as follows:

(i) Public schools funding programs.

(ii) Student loans and college aid.

(iii) Low-income housing programs.

(iv) Food stamp and welfare programs.

(v) Law enforcement, including the Federal Bureau of Investigation, law enforcement grants to the States, and other Federal law enforcement personnel.

(vi) Infrastructure, including roads, bridges, and mass transit.

(vii) Farm subsidies.

(viii) Congressional Member and staff salaries.

(ix) Health research programs.

(x) Aid to the disabled.

(xi) Veterans health care and pension programs.

(xii) Space programs.

(xiii) Environmental cleanup programs.

(xiv) United States embassies.

(xv) Military salaries.

(xvi) Foreign aid.

(xvii) Contributions to the North Atlantic Treaty Organization.

(xviii) Amtrak.

(xix) United States Postal Service.

(e) Cost.—No charge shall be imposed to cover any cost associated with the production or distribution of the tax receipt.

(f) REGULATIONS.—The Secretary of the Treasury may prescribe such regulations as may be necessary to carry out this section.

TITLE VII—CHILD CARE CENTERS IN FEDERAL FACILITIES

SEC. 701. SHORT TITLE. This title may be cited as the "Federal Employees Child Care Act".

SEC. 702. DEFINITIONS. In this title (except as otherwise provided in section 705):

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) CHILD CARE ACCREDITATION ENTITY.—The term "child care accreditation entity" means a nonprofit private organization or public agency that—

(A) is recognized by a State agency or by a national organization that serves as a peer review panel on the standards and procedures of public and private child care or school accrediting bodies; and

(B) accredits a facility to provide child care on the basis of—

(i) an accreditation or credentialing instrument based on peer-validated research;

(ii) compliance with applicable State or local licensing requirements, as appropriate, for the facility;

(iii) outside monitoring of the facility; and

(iv) criteria that provide assurances of—

(I) use of developmentally appropriate health and safety standards at the facility;

(II) use of developmentally appropriate educational activities, as an integral part of the child care program carried out at the facility; and

(III) use of ongoing staff development or training activities for the staff of the facility, including related skills-based testing.

(3) ENTITY SPONSORING A CHILD CARE FACILITY.—The term "entity sponsoring a child care facility" means a Federal agency that operates, or an entity that enters into a contract or licensing agreement with a Federal agency to operate, a child care facility primarily for the use of Federal employees.

(4) EXECUTIVE AGENCY.—The term "Executive agency" has the meaning given the term in section 105 of title 5, United States Code, except that the term—

(A) does not include the Department of Defense and the Coast Guard; and

(B) includes the General Services Administration, with respect to the administration of a facility described in paragraph (5)(B).

(5) EXECUTIVE FACILITY.—The term "executive facility"—

(A) means a facility that is owned or leased by an Executive agency; and

(B) includes a facility that is owned or leased by the General Services Administration on behalf of a judicial office.

(6) FEDERAL AGENCY.—The term "Federal agency" means an Executive agency, a legislative office, or a judicial office.

(7) JUDICIAL FACILITY.—The term "judicial facility" means a facility that is owned or leased by a judicial office (other than a facility that is also a facility described in paragraph (5)(B)).

(8) JUDICIAL OFFICE.—The term "judicial office" means an entity of the judicial branch of the Federal Government.

(9) LEGISLATIVE FACILITY.—The term "legislative facility" means a facility that is owned or leased by a legislative office.

(10) LEGISLATIVE OFFICE.—The term "legislative office" means an entity of the legislative branch of the Federal Government.

(11) STATE.—The term "State" has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

SEC. 703. PROVIDING QUALITY CHILD CARE IN FEDERAL FACILITIES. (a) EXECUTIVE FACILITIES.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS.—

(A) IN GENERAL.—Any entity sponsoring a child care facility in an executive facility shall—

(i) comply with child care standards described in paragraph (2) that are no less stringent than applicable State or local licensing requirements that are related to the provision of child care in the State or locality involved; or

(ii) obtain the applicable State or local licenses, as appropriate, for the facility.

(B) COMPLIANCE.—Not later than 6 months after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with subparagraph (A); and

(ii) any contract or licensing agreement used by an Executive agency for the provision of child care services in the child care facility shall include a condition that the child care be provided by an entity that complies with the standards described in subparagraph (A)(i) or obtains the licenses described in subparagraph (A)(ii).

(2) HEALTH, SAFETY, AND FACILITY STANDARDS.—The Administrator shall by regulation establish standards relating to health, safety, facilities, facility design, and other aspects of child care that the Administrator determines to be appropriate for child care in executive facilities, and require child care facilities, and entities sponsoring child care facilities, in executive facilities to comply with the standards. The standards shall include requirements that child care facilities be inspected for, and be free of, lead hazards.

(3) ACCREDITATION STANDARDS.—

(A) IN GENERAL.—The Administrator shall issue regulations requiring, to the maximum extent possible, any entity sponsoring an eligible child care facility (as defined by the Administrator) in an executive facility to comply with standards of a child care accreditation entity.

(B) COMPLIANCE.—The regulations shall require that, not later than 3 years after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with the standards; and

(ii) any contract or licensing agreement used by an Executive agency for the provision of child care services in the child care facility shall include a condition that the child care be provided by an entity that complies with the standards.

(4) EVALUATION AND COMPLIANCE.—

(A) IN GENERAL.—The Administrator shall evaluate the compliance, with the requirements of paragraph (1) and the regulations issued pursuant to paragraphs (2) and (3), as appropriate, of child care facilities, and entities sponsoring child care facilities, in executive facilities. The Administrator may conduct the evaluation of such a child care facility or entity directly, or through an agreement with another Federal agency or private entity, other than the Federal agency for which the child care facility is providing services. If the Administrator determines, on the basis of such an evaluation, that the child care facility or entity is not in compliance with the requirements, the Administrator shall notify the Executive agency.

(B) EFFECT OF NONCOMPLIANCE.—On receipt of the notification of noncompliance issued by the Administrator, the head of the Executive agency shall—

(i) if the entity operating the child care facility is the agency—

(I) not later than 2 business days after the date of receipt of the notification, correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) not later than 4 months after the date of receipt of the notification, develop and provide to the Administrator a plan to correct any other deficiencies in the operation of the facility and bring the facility and entity into compliance with the requirements;

(III) provide the parents of the children receiving child care services at the child care facility and employees of the facility with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies, and post a copy of the notification in a conspicuous place in the facility for 5 working days or until the deficiencies are corrected, whichever is later;

(IV) bring the child care facility and entity into compliance with the requirements and certify to the Administrator that the facility and entity are in compliance, based on an onsite evaluation of the facility conducted by an individual with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the child care facility, or the affected portion of the facility, until the deficiencies are corrected and notify the Administrator of the closure; and

(ii) if the entity operating the child care facility is a contractor or licensee of the Executive agency—

(I) require the contractor or licensee, not later than 2 business days after the date of receipt of the notification, to correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) require the contractor or licensee, not later than 4 months after the date of receipt of the notification, to develop and provide to the head of the agency a plan to correct any other deficiencies in the operation of the child care facility and bring the facility and entity into compliance with the requirements;

(III) require the contractor or licensee to provide the parents of the children receiving child care services at the child care facility and employees of the facility with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies, and to post a copy of the notification in a conspicuous place in the facility for 5 working days or until the deficiencies are corrected, whichever is later;

(IV) require the contractor or licensee to bring the child care facility and entity into compliance with the requirements and certify to the head of the agency that the facility and entity are in compliance, based on an onsite evaluation of the facility conducted by an independent entity with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the child care facility, or the affected portion of the facility, until the deficiencies are corrected and notify the Administrator of the closure, which closure may be grounds for the immediate termination or suspension of the contract or license of the contractor or licensee.

(C) Cost reimbursement.—The Executive agency shall reimburse the Administrator for the costs of carrying out subparagraph (A) for child care facilities located in an executive facility other than an executive facility of the General Services Administration. If an entity is sponsoring a child care facility for 2 or more Executive agencies, the Administrator shall allocate the reimbursement costs with respect to the entity among the agencies in a fair and equitable manner, based on the extent to which each agency is eligible to place children in the facility.

(5) Disclosure of prior violations to parents and facility employees.—

(A) In general.—The Administrator shall issue regulations that require that each entity sponsoring a child care facility in an executive facility, upon receipt by the child care facility or the entity (as applicable) of a request by any individual who is—

(i) a parent of any child enrolled at the facility;

(ii) a parent of a child for whom an application has been submitted to enroll at the facility; or

(iii) an employee of the facility;

shall provide to the individual the copies and description described in subparagraph (B).

(B) Copies and description.—The entity shall provide—

(i) copies of all notifications of deficiencies that have been provided in the past with respect to the facility under clause (i)(III) or (ii)(III), as applicable, of paragraph (4)(B); and

(ii) a description of the actions that were taken to correct the deficiencies.

(b) Legislative Facilities.—

(1) Accreditation.—The Chief Administrative Officer of the House of Representatives, the Librarian of Congress, and the head of a designated entity in the Senate shall ensure that, not later than 1 year after the date of enactment of this Act, the corresponding child care facility obtains accreditation by a child care accreditation entity, in accordance with the accreditation standards of the entity.

(2) Regulations.—

(A) In general.—If the corresponding child care facility does not maintain accreditation status with a child care accreditation entity, the Chief Administrative Officer of the House of Representatives, the Librarian of Congress, or the head of the designated entity in the Senate shall issue regulations governing the operation of the corresponding child care facility, to ensure the safety and quality of care of children placed in the facility. The regulations shall be no less stringent in content and effect than the requirements of subsection (a)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (a), except to the extent that appropriate administrative officers make the determination described in subparagraph (B).

(B) Modification more effective.—The determination referred to in subparagraph (A) is a determination, for good cause shown and stated together with the regulations, that a modification of the regulations would be more effective for the implementation of the requirements and standards described in subsection (a) for the corresponding child care facilities, and entities sponsoring the corresponding child care facilities, in legislative facilities.

(3) Corresponding child care facility.—In this subsection, the term "corresponding child care facility", used with respect to the Chief Administrative Officer, the Librarian, or the head of a designated entity described in paragraph (1), means a child care facility operated by, or under a contract or licensing agreement with, an office of the House of Representatives, the Library of Congress, or an office of the Senate, respectively.

(c) Judicial Branch Standards and Compliance.—

(1) State and local licensing requirements health, safety, and facility standards, and accreditation standards.—The Director of the Administrative Office of the United States Courts shall issue regulations for child care facilities, and entities sponsoring child care facilities, in judicial facilities, which shall be no less stringent in content and effect than the requirements of subsection (a)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (a), except to the extent that the Director may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in paragraphs (1), (2), and (3) of subsection (a) for child care facilities, and entities sponsoring child care facilities, in judicial facilities.

(2) Evaluation and compliance.—

(A) Director of the administrative office of the united states courts.—The Director of the Administrative Office of the United States Courts shall have the same authorities and duties with respect to the evaluation of, compliance of, and cost reimbursement for child care facilities, and entities sponsoring child care facilities, in judicial facilities as the Administrator has under subsection (a)(4) with respect to the evaluation of, compliance of, and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(B) Head of a judicial office.—The head of a judicial office shall have the same authorities and duties with respect to the compliance of and cost reimbursement for child care facilities, and entities sponsoring child care facilities, in judicial facilities as the head of an Executive agency has under subsection (a)(4) with respect to the compliance of and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(d) Application.—Notwithstanding any other provision of this section, if 8 or more child care facilities are sponsored in facilities owned or leased by an Executive agency, the Administrator shall delegate to the head of the agency the evaluation and compliance responsibilities assigned to the Administrator under subsection (a)(4)(A).

(e) Technical Assistance, Studies, and Reviews.—The Administrator may provide technical assistance, and conduct and provide the results of studies and reviews, for Executive agencies, and entities sponsoring child care facilities in executive facilities, on a reimbursable basis, in order to assist the entities in complying with this section. The Chief Administrative Officer of the House of Representatives, the Librarian of Congress, the head of the designated Senate entity described in subsection (b), and the Director of the Administrative Office of the United States Courts, may provide technical assistance, and conduct and provide the results of studies and reviews, or request that the Administrator provide technical assistance, and conduct and provide the results of studies and reviews, for legislative offices and judicial offices, as appropriate, and entities operating child care facilities in legislative facilities or judicial facilities, as appropriate, on a reimbursable basis, in order to assist the entities in complying with this section.

(f) Interagency Council.—

(1) Composition.—The Administrator shall establish an interagency council, comprised of—

(A) representatives of all Executive agencies described in subsection (d) and other Executive agencies at the election of the heads of the agencies;

(B) a representative of the Chief Administrative Officer of the House of Representatives, at the election of the Chief Administrative Officer;

(C) a representative of the head of the designated Senate entity described in subsection (b), at the election of the head of the entity;

(D) a representative of the Librarian of Congress, at the election of the Librarian; and

(E) a representative of the Director of the Administrative Office of the United States Courts, at the election of the Director.

(2) Functions.—The council shall facilitate cooperation and sharing of best practices, and develop and coordinate policy, regarding the provision of child care, including the provision of areas for nursing mothers and other lactation support facilities and services, in the Federal Government.

(g) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $900,000 for fiscal year 2000 and such sums as may be necessary for each subsequent fiscal year.

Sec. 704. Federal Child Care Evaluation. (a) In General.—Not later than 1 year after the date of enactment of this Act, the Administrator and the Director of the Office of Personnel Management shall jointly prepare and submit to Congress a report that evaluates child care provided by entities sponsoring child care facilities in executive facilities, legislative facilities, or judicial facilities.

(b) Contents.—The evaluation shall contain, at a minimum—

(1) information on the number of children receiving child care described in subsection (a), analyzed by age, including information on the number of those children who are age 6 through 12;

(2) information on the number of families not using child care described in subsection (a) because of the cost of the child care; and

(3) recommendations for improving the quality and cost effectiveness of child care described in subsection (a), including recommendations of options for creating an optimal organizational structure and using best practices for the delivery of the child care.

Sec. 705. Child Care Services for Federal Employees. (a) In General.—In addition to services authorized to be provided by an agency of the United States pursuant to section 616 of the Act of December 22, 1987 (40 U.S.C. 490b), an Executive agency that provides or proposes to provide child care services for Federal employees may use agency funds to provide the child care services, in a facility that is owned or leased by an Executive agency, or through a contractor, for civilian employees of the agency.

(b) Affordability.—Funds so used with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by the facility or contractor.

(c) REGULATIONS.—The Administrator after consultation with the Director of the Office of Personnel Management, shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) DEFINITION.—For purposes of this section, the term "Executive agency" has the meaning given the term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

SEC. 706. MISCELLANEOUS PROVISIONS RELATING TO CHILD CARE PROVIDED BY FEDERAL AGENCIES. (a) AVAILABILITY OF FEDERAL CHILD CARE CENTERS FOR ONSITE CONTRACTORS; PERCENTAGE GOAL.—Section 616 of the Act of December 22, 1987 (40 U.S.C. 490b) is amended—

(1) in subsection (a)—

(A) by striking "officer or agency of the United States" and inserting "Federal agency or officer of a Federal agency"; and

(B) by striking paragraphs (2) and (3) and inserting the following:

"(2) the officer or agency determines that the space will be used to provide child care and related services to—

"(A) children of Federal employees or onsite Federal contractors; or

"(B) dependent children who live with Federal employees or onsite Federal contractors; and

"(3) the officer or agency determines that the individual or entity will give priority for available child care and related services in the space to Federal employees and onsite Federal contractors."; and

(2) by adding at the end the following:

"(e)(1)(A) The Administrator of General Services shall confirm that at least 50 percent of aggregate enrollment in Federal child care centers governmentwide are children of Federal employees or onsite Federal contractors, or dependent children who live with Federal employees or onsite Federal contractors.

"(B) Each provider of child care services at an individual Federal child care center shall maintain 50 percent of the enrollment at the center of children described under subparagraph (A) as a goal for enrollment at the center.

"(C)(i) If enrollment at a center does not meet the percentage goal under subparagraph (B), the provider shall develop and implement a business plan with the sponsoring Federal agency to achieve the goal within a reasonable timeframe.

"(ii) The plan shall be approved by the Administrator of General Services based on—

"(I) compliance of the plan with standards established by the Administrator; and

"(II) the effect of the plan on achieving the aggregate Federal enrollment percentage goal.

"(2) The Administrator of General Services Administration may enter into public-private partnerships or contracts with nongovernmental entities to increase the capacity, quality, affordability, or range of child care and related services and may, on a demonstration basis, waive subsection (a)(3) and paragraph (1) of this subsection.".

(b) PAYMENT OF COSTS OF TRAINING PROGRAMS.—Section 616(b)(3) of such Act (40 U.S.C. 490b(b)(3)) is amended to read as follows:

"(3) If a Federal agency has a child care facility in a Federal space, or is a sponsoring agency for a child care facility in a Federal space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited. Any Federal agency that provides or proposes to provide child care services for children referred to in subsection (a)(2), may reimburse any Federal employee or any person employed to provide the services for the costs of training programs, conferences, and meetings and related travel, transportation, and subsistence expenses incurred in connection with those activities. Any per diem allowance made under this section shall not exceed the rate specified in regulations prescribed under section 5707 of title 5, United States Code.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 616(c) of such Act (40 U.S.C. 490b(c)) is amended—

(1) by inserting "Federal" before "child care centers"; and

(2) by striking "Federal workers" and inserting "Federal employees".

(d) PROVISION OF CHILD CARE BY PRIVATE ENTITIES.—Section 616(d) of such Act (40 U.S.C. 490b(d)) is amended to read as follows:

"(d)(1) If a Federal agency has a child care facility in a Federal space, or is a sponsoring agency for a child care facility in a Federal space, the agency, the child care center board of directors, or the General Services Administration may enter into an agreement with 1 or more private entities under which the private entities would assist in defraying the general operating expenses of the child care providers including salaries and tuition assistance programs at the facility.

"(2)(A) Notwithstanding any other provision of law, if a Federal agency does not have a child care program, or if the Administrator of General Services has identified a need for child care for Federal employees at a Federal agency providing child care services that do not meet the requirements of subsection (a), the agency or the Administrator may enter into an agreement with a non-Federal, licensed, and accredited child care facility, or a planned child care facility that will become licensed and accredited, for the provision of child care services for children of Federal employees.

"(B) Before entering into an agreement, the head of the Federal agency shall determine that child care services to be provided through the agreement are more cost effectively provided through the arrangement than through establishment of a Federal child care facility.

"(C) The Federal agency may provide any of the services described in subsection (b)(3) if, in exchange for the services, the facility reserves child care spaces for children referred to in subsection (a)(2), as agreed to by the parties. The cost of any such services provided by a Federal agency to a Federal child care facility on behalf of another Federal agency shall be reimbursed by the receiving agency.

"(3) This subsection does not apply to residential child care programs.".

(e) PILOT PROJECTS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(f)(1) Upon approval of the agency head, a Federal agency may conduct a pilot project not otherwise authorized by law for no more than 2 years to test innovative approaches to providing alternative forms of quality child care assistance for Federal employees. A Federal agency head may extend a pilot project for an additional 2-year period. Before any pilot project may be implemented, a determination shall be made by the agency head that initiating the pilot project would be more cost-effective than establishing a new Federal child care facility. Costs of any pilot project shall be paid solely by the agency conducting the pilot project.

"(2) The Administrator of General Services shall serve as an information clearinghouse for pilot projects initiated by other Federal agencies to disseminate information concerning the pilot projects to the other Federal agencies.

"(3) Within 6 months after completion of the initial 2-year pilot project period, a Federal agency conducting a pilot project under this subsection shall provide for an evaluation of the impact of the project on the delivery of child care services to Federal employees, and shall submit the results of the evaluation to the Administrator of General Services. The Administrator shall share the results with other Federal agencies.".

(f) BACKGROUND CHECK.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(g) Each Federal child care center located in a Federal space shall ensure that each employee of the center (including any employee whose employment began before the date of enactment of this subsection) shall undergo a criminal history background check consistent with section 231 of the Crime Control Act of 1990 (42 U.S.C. 13041).".

(g) DEFINITIONS.—Section 616 of such Act (40 U.S.C. 490b) is further amended by adding at the end the following:

"(h) In this section:

"(1) The term 'Federal agency' has the meaning given the term 'Executive agency' in section 702 of the Federal Employees Child Care Act.

"(2) The terms 'Federal building' and 'Federal space' have the meanings given the term 'executive facility' in such section 702.

"(3) The term 'Federal child care center' means a child care center in an executive facility, as defined in such section 702.

"(4) The terms 'Federal contractor' and 'Federal employee' mean a contractor and an employee, respectively, of an Executive agency, as defined in such section 702.".

This Act may be cited as the "Treasury and General Government Appropriations Act, 2000".

REGISTRATION OF MASS MAILINGS

The filing date for 1999 second quarter mass mailings is July 26, 1999. If your office did no mass mailings during this period, please submit a form that states "none."

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, D.C. 20510–7116.

The Public Records office will be open from 8:00 a.m. to 6:00 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office at (202) 224–0322.

1999 MID YEAR REPORT

The mailing and filing date of the 1999 Mid Year Report required by the Federal Election Campaign Act, as amended, is Saturday, July 31, 1999. All Principal Campaign Committees supporting Senate candidates must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, D.C. 20510–7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records office will be open from 12:00 noon until 4:00 p.m. on the filing date for the purpose of receiving these filings. For further information, please do not hesitate to contact the Office of Public Records on (202) 224–0322.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. JEFFORDS. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations en bloc on the Executive Calendar, Nos. 157, 158, 161, 162, and 163.

I finally ask unanimous consent that the nominations be confirmed en bloc, the motion to reconsider be laid upon the table, and any statements related to the nominations appear in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF ENERGY

David L. Goldwyn, of the District of Columbia to be an Assistant Secretary of Energy (International Affairs).

James B. Lewis, of New Mexico, to be Director of the Office of Minority Economic Impact, Department of Energy.

THE JUDICIARY

T. John Ward, of Texas, to be United States District Judge for the Eastern District of Texas.

DEPARTMENT OF THE TREASURY

Stuart E. Eizenstat, of Maryland, to be Deputy Secretary of the Treasury.

Lewis Andrew Sachs, of Connecticut, to be an Assistant Secretary of the Treasury.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

AMENDMENT NO. 1240

Mr. JEFFORDS. Mr. President, I send to the desk an amendment to Calendar No. 169, previously passed by the Senate. I ask unanimous consent it be immediately adopted and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1240) was agreed to, as follows:

Amend page 57, line 14 by reducing the dollar figure by $17,000,000.

On page 11, line 16 strike "$569,225,000" and insert in lieu thereof "$570,345,000".

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 106–4

Mr. JEFFORDS. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on July 13, 1999, by the President of the United States: Extradition Treaty with Paraguay (Treaty Document No. 106–4).

I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of the Republic of Paraguay, signed at Washington on November 9, 1998.

In addition, I transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty. As the report states, the Treaty will not require implementing legislation.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States.

Upon entry into force, this Treaty would enhance cooperation between the law enforcement authorities of both countries, and thereby make a significant contribution to international law enforcement efforts. The Treaty would supersede the Extradition Treaty between the United States of America and the Republic of Paraguay signed at Asuncion on May 24, 1973.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 13, 1999.*

ORDERS FOR WEDNESDAY, JULY 14, 1999

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate complete its business today it stand in adjournment until the hour of 9:30 a.m. on Wednesday, July 14. Further, I ask unanimous consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate stand in a period of morning business until 10 a.m., with Senators speaking for up to 5 minutes each with the following exceptions: Senator GRAMS of Minnesota, 15 minutes; Senator DASCHLE, or his designee, for 15 minutes.

Mr. REID. Reserving the right to object, Mr. President, I ask the minority's morning business be set aside, 10 minutes for the Senator from Wisconsin, Mr. FEINGOLD, and 5 minutes for the Senator from Rhode Island, Mr. REED.

The PRESIDING OFFICER. Is that in lieu of Senator DASCHLE's time?

Mr. REID. That is in lieu of the time for Senator DASCHLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. JEFFORDS. For the information of all Senators, the Senate will convene at 9:30 and be in a period of morning business until 10 a.m. Following morning business, the Senate will immediately resume consideration of S. 1344, the Patients' Bill of Rights legislation. Debate will continue on the pending amendment until all time has expired. Additional amendments are expected to be offered and debated throughout tomorrow's session of the Senate. Therefore, Senators should anticipate votes throughout the day on Wednesday. As always, Senators will be notified as votes are scheduled.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. JEFFORDS. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:41 p.m., adjourned until Wednesday, July 14, 1999, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 13, 1999:

DEPARTMENT OF ENERGY

DAVID L. GOLDWYN, OF THE DISTRICT OF COLUMBIA TO BE AN ASSISTANT SECRETARY OF ENERGY (INTERNATIONAL AFFAIRS).

JAMES B. LEWIS, OF NEW MEXICO, TO BE DIRECTOR OF THE OFFICE OF MINORITY ECONOMIC IMPACT, DEPARTMENT OF ENERGY.

DEPARTMENT OF THE TREASURY

STUART E. EIZENSTAT, OF MARYLAND, TO BE DEPUTY SECRETARY OF THE TREASURY.

LEWIS ANDREW SACHS, OF CONNECTICUT, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

T. JOHN WARD, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS.

HOUSE OF REPRESENTATIVES—*Tuesday, July 13, 1999*

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes. But in no event shall the debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

SUPPORT CARDIAC ARREST SURVIVAL ACT

Mr. STEARNS. Mr. Speaker, this morning I am here to talk about the Cardiac Arrest Survival Act, which I will be introducing today. If this bill becomes law, it has the potential of saving thousands of lives each year.

I am pleased to have this opportunity to work with the American Heart Association and the American Red Cross on this very important measure.

Passage of this Act would go a long way towards making the goal of saving the lives of people who suffer sudden cardiac arrests possible. It would ensure that what the American Heart Association refers to as the "cardiac chain of survival" could go into effect.

That first chain of survival is early access, call 911, early CPR, early defibrillation, which I will go into in a moment, and early access to advanced care.

While defibrillation is the most effective mechanism to revive a heart that has stopped, it is also the least accessed tool we have available to treat victims suffering from heart attack.

Perhaps it would be helpful for those of my colleagues listening who are not well versed in the subject if I just take a moment and walk them through what we mean when we use that term "defibrillation."

A large number of sudden cardiac arrests are due to an electrical malfunction of the heart called ventricular fibrillation, VF. So when VF occurs, the heart's electrical signals, which normally induce a coordinated heartbeat, suddenly become chaotic, and the heart's function as a pump abruptly stops. Unless this state is reversed, then death will occur within a few minutes. The only effective treatment for this condition is defibrillation, the electrical shock to the heart.

My colleagues might be interested to know that more than 1,000 Americans each and every day suffer from cardiac arrest. Of those, more than 95 percent die. That is unacceptable in this country because we have the means, the very means at our disposal to change those statistics. That is why I have been committed to this cause.

Studies show that 250 lives can be saved each and every day from cardiac arrests by using the automatic external defibrillation, which we will call AED. Those are the kinds of statistics that nobody can argue with.

Let me show my colleagues on the next chart, did my colleagues know that for each minute of delay in returning the heart to its normal patterns of beating, it decreases the chance that that person will survive by 10 percent?

No one knows when sudden cardiac arrest might occur. According to a recent study, the top five sites where cardiac arrest occurs are at airports, county jails, shopping malls, sports stadiums, and golf courses. I believe we would all take great comfort in knowing that those who rush to our side to resuscitate us have the most up-to-date equipment available and are trained to use it.

The AEDs which are being produced today are easier to use and require minimal training to operate. They also are easier to maintain and cost less. This affords a wider range of emergency personnel to be trained and equipped.

Some of my colleagues might ask, if a majority of the States have laws authorizing nonemergency medical technician first responders to use AEDs, why do we need to pass this legislation? Good question.

This year's bill differs from previous versions I have offered, which primarily sought to encourage State action to promote public access to defibrillation. The States responded to this call, and many have passed regulation to promote training and access to AEDs.

However, this bill, Mr. Speaker, directs the Secretary of Health and Human Services to develop recommendations to public access of defibrillation programs in Federal buildings in order to improve survival rates of people who suffer cardiac arrest in Federal facilities. Federal buildings throughout America will be encouraged to serve as examples of rapid response to cardiac arrest emergencies through the implementation of public access to defibrilllation programs.

The programs will include training security personnel and other expected users in the use of AEDs, notifying local emergency medical services of the placement of AEDs, and ensuring proper medical oversight and proper maintenance of the device.

In addition, this year's bill seeks to fill in the gaps with respect to States that have not acted on AED legislation by extending good samaritan liability protection to people involved in the use of the AED.

So, Mr. Speaker, I look forward to the support of my colleagues. I hope that they will cosponsor this bill. It has been endorsed by the American Heart Association and the American Red Cross. I hope all of my colleagues will join me by cosponsoring the bill whose stated goal is to prevent thousands and thousands of people suffering from cardiac arrest from dying by making equipment and trained personnel available at the scene of the emergency.

TOBACCO SMUGGLING ERADICATION ACT OF 1999

The SPEAKER pro tempore (Mr. GUTKNECHT). Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. DOGGETT) is recognized during morning hour debates for 5 minutes.

Mr. DOGGETT. Mr. Speaker, the World Bank recently issued a report entitled, "Curbing the Epidemic: Governments and the Economics of Tobacco Control," which finds disturbing trends in tobacco use around the globe. This report concludes that, in another 2 decades, tobacco will become the single biggest cause of premature death worldwide, accounting for 10 million deaths each year. That is 10 million unique human beings choking to death with emphysema, withering away with lung cancer, or perhaps feeling the sharp pain of a heart attack as a result of nicotine addiction. Half of these deaths will occur to individuals in middle age, who will each lose 20 to 25 years of their life.

Effective and aggressive action against tobacco smuggling represents one key strategy necessary in what should be a comprehensive global effort to address this pandemic, according to

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

both the World Bank and the World Health Organization. To assure that our country is participating in such action, I am today introducing the Tobacco Smuggling Eradication Act. This measure is important in both fighting organized crime and in promoting public health.

In a statement endorsing this bill yesterday, ENACT, a coalition of 55 major national medical and public health organizations, including the American Cancer Society, the American Heart Association, and the Campaign for Tobacco Free Kids, had this to say of my bill:

"Your bill would strengthen domestic antismuggling efforts and address the shameful fact that lax oversight of U.S. cigarette exports is fueling an international black market in U.S. cigarette brands. Researchers estimated that about one-third of all cigarette exports disappear into the black market. U.S. brands such as Marlboro, Camel, Winston, and Kent are the most commonly smuggled. Tobacco smuggling seriously undermines public health laws in other countries and is an embarrassment to our nation."

Just how big an embarrassment is reflected in this national news story from the Washington Post last December, entitled, "Tobacco affiliate pleads guilty to role in smuggling scheme." An affiliate of the RJ Reynolds Company, one of the tobacco giants, was caught up in illegality in participating in a scheme to avoid $2.5 million in U.S. excise taxes.

Nor is RJR the only tobacco giant caught up in such criminality. Last year, a senior judge in Hong Kong concluded that British-American Tobacco and Brown and Williamson were helping international organized crime by selling duty-free cigarettes "worth billions and billions of dollars with the knowledge that those cigarettes would be smuggled into China and other parts of the world."

While most of the attention with our relations with the country of Colombia focuses on the illegal drugs from there to here, a study last year found that more than four-fifths of the 5.5 billion Malboro cigarettes that are produced here by Philip Morris and sold there in Colombia are illegal smuggled goods.

Far from hurting business, tobacco companies have found that they can move their lethal products around the world by assisting smugglers. Big tobacco profits from selling cigarettes to smugglers who reduce the price for the black market and increase consumption and sales, helping them build a global market.

My bill requires that packages for export be clearly labeled for export to prevent illegal reentry into the United States. That is the scheme that the RJR affiliate used, claiming that cigarettes were reentering our country for export to Russia and Estonia when, in fact, they were going on the black market smuggled from New York into Canada.

Our bill also requires that packages of tobacco products manufactured here or imported here also be uniquely marked. Law enforcement agents have said will give the opportunity to trace the products, verify the source, and have the labeling requirements that they need for effective law enforcement.

Under this bill, retailers and wholesalers will be required to keep documents on tobacco shipments which will greatly assist law enforcement. As our Treasury Secretary Larry Summers said last year during congressional testimony, "The Treasury Department believes that the creation of a sound regulatory system, one that will close the distribution chain for tobacco products, will ensure that the diversion and smuggling of tobacco can be effectively controlled."

With the help of the Treasury Department, that is exactly what this bill will do. It will also assist the States in enforcing and collecting their excise taxes on all tobacco products. Recent studies have indicated that the States of Washington, Michigan, Massachusetts, New York, and California each lose $30–100 million per year in excise taxes on tobacco products because of smuggling. Last year, big tobacco spent millions to promote false claims that our Federal legislative proposals to reduce youth smoking would cause smuggling. Now is the time for big tobacco to get behind this effective law enforcement legislation or once again to reveal its hypocrisy,

Mr. Speaker, with the introduction of this bill, we hope to stop the smuggling and stop the mugging of the world's children through nicotine addiction.

FRESHMEN REPUBLICANS INITIATE BEYOND THE BELTWAY PROGRAM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Wisconsin (Mr. GREEN) is recognized during morning hour debates for 5 minutes.

Mr. GREEN of Wisconsin. Mr. Speaker, 2 weeks ago, 19 Republican freshmen stood shoulder to shoulder on the front lawn outside this very building. We did so to launch our class-wide project that we are calling Beyond the Beltway.

The Republican freshmen are a diverse group coming from diverse backgrounds and representing equally diverse parts of America. But despite that diversity, we are all excited by some of the innovative reforms that we are seeing take place in State capitals throughout the land.

Governors and legislative leaders, Republicans and Democrats from States from California to New York, are meeting their policy challenges in exciting, innovative ways. With our Beyond the Beltway project, we are hoping as freshmen to open new doors for these leaders.

We know that, for far too long, Federal rules and bureaucracies have held them back and smothered their efforts through unnecessary burdens and restrictions. Now the freshmen are reaching out to leaders like my own Governor, Governor Tommy Thompson, in an effort to help them unleash a whole new wave of creativity and innovation in State after State.

It is the freshmen who are initiating this project because, even though we are Members of Congress, we are very much still State legislators, local officials, and private sector small business persons at heart.

Here specifically is what the beyond the Beltway project will do. The freshman class, as a group, have asked our governors, legislative leaders, directly and through the various associations to help us identify some of those Federal rules and restrictions that are holding them back. We want to turn these suggestions into an ongoing action agenda. Member by member and issue by issue, we want to provide relief.

We are coming forward now with the Beyond the Beltway initiative because we have also introduced the first measure result from this new dialogue. This legislation would direct each Federal agency to develop an expedited review process for waiver requests.

Mr. Speaker, as we know, oftentimes States need Federal approval or waivers to initiate their State programs if those plans deviate from the details of Federal programs.

□ 0915

The idea of this legislation is that where a State has been granted a waiver on a particular program, if another State seeks a similar waiver, we believe that they should only have to go through a streamlined or expedited waiver review process. We want to encourage the laboratories of democracy. We want to encourage modeling. We want to encourage benchmarking. We want to encourage borrowing of ideas.

Mr. Speaker, I would hope that my colleagues would join us in this expedited review bill and, more importantly, join the Republican freshmen in developing beyond-the-Beltway ideas. This is more than a short-term project. We hope it is the beginning of a new, longer, more open relationship between Congress and the States. Instead of the governors coming to us on bended knee, we are hoping to go to them for ideas and suggestions. We want to turn them loose. We believe that there is no telling how many of our major social, political challenges can be met if only we will move power and authority out of Washington and beyond the Beltway.

FOREIGN OPERATIONS BILL HAS SIGNIFICANT IMPLICATIONS FOR ARMENIA, NAGORNO KARABAGH, AND U.S. CAUCASUS POLICY

The SPEAKER pro tempore (Mr. GUTKNECHT). Under the Speaker's announced policy of January 19, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, this week the Subcommittee on Foreign Operations of the House Committee on Appropriations is expected to mark up the fiscal year 2000 bill regarding foreign assistance and other programs vital to maintain and enhance American leadership throughout the world.

This legislation is extremely important for the Republics of Armenia and Nagorno Karabagh as they emerge from the ashes of the former Soviet Union to establish democracy, market economies, and increased integration with the West. Thus, in my capacity as co-chair of the Congressional Caucus on Armenian Issues, I am asking my colleagues on both sides of the aisle to join with me this week in urging the members of the Subcommittee on Foreign Operations to express our concerns on several key issues regarding Armenia, Nagorno Karabagh, and U.S. policy in the Caucasus region. This Subcommittee has many friends of Armenia, and I look forward to their support on these important issues.

First, Mr. Speaker, we will be urging that the Subcommittee earmark assistance for the Republic of Armenia at the highest level possible. The legislation that has been adopted by the other body, the Senate, last month earmarks $90 million for Armenia, with a subearmark of $15 million for the earthquake zone. We hope that the House subcommittee will consider providing a similar figure. It is important for the United States to maintain our support and partnership with Armenia as this country continues to make major strides toward democracy, most recently evidenced by the May 30 parliamentary elections. U.S. assistance also serves to offset the difficulties imposed on Armenia's people as a result of the hostile blockades maintained by their neighbors to the east, Azerbaijan, and to the west, Turkey.

I would also like to see the subcommittee continue humanitarian aid for Nagorno Karabagh, an historically Armenian-populated region that has proclaimed its independence and exercises democratic self-government but whose territory is still claimed by the neighboring country of Azerbaijan. The subcommittee took an historic step in the fiscal year 1998 bill by providing for the first time humanitarian assistance to Nagorno Karabagh. Unfortunately, much of that American assistance has not yet been obligated. I hope that the subcommittee, in the fiscal year 2000 bill, will make efforts to ensure that this assistance be fully obligated for the people of Nagorno Karabagh by directing the Agency for International Development to expedite delivery of this assistance.

Mr. Speaker, another key priority is to maintain Section 907 of the Freedom Support Act, which restricts certain direct government-to-government assistance to Azerbaijan until that country lifts its blockades of Armenia and Nagorno Karabagh. Last year, the full House voted to strip a provision from the fiscal year 1999 bill that would have repealed Section 907, and last month the other body defeated a provision to waive Section 907. Clearly, there is a bipartisan consensus in both Houses that the conditions for lifting Section 907 have not been met.

Another way in which the Foreign Ops bill can make a big difference is by encouraging progress on the Nagorno Karabagh Peace Process. The U.S. has been one of the countries taking the lead in the peace process, as a co-chair of the Minsk Group under the auspices of the Organization for Security and Cooperation in Europe. Late last year, the U.S. and our negotiating partners put forward a compromise peace plan, known as the "Common State" proposal, as a basis for moving the negotiations forward. Despite some serious reservations, the elected governments of Armenia and Nagorno Karabagh have accepted this proposal in a spirit of good faith to get the negotiations moving forward, while Azerbaijan summarily rejected it. I hope the subcommittee would include language urging the administration to stay the course on the compromise peace proposal and to use all appropriate diplomatic means to persuade Azerbaijan to support it.

To further promote the peace process, we would ask that the subcommittee consider language calling on the State Department to work with the parties to the conflict to initiate confidence-building measures. These measures should be geared both towards a reaching of a negotiated settlement, such as strengthening the current cease-fire, as well as for establishing a framework for better integration following a negotiated settlement, such as transportation routes and other infrastructure, trade, and increased people-to-people contacts.

Mr. Speaker, I recognize that the members of this subcommittee are grappling with many competing demands in a complicated world with limited budgets. The fiscal year 2000 Foreign Ops Appropriations bill provides us with a chance to shape U.S. foreign policy for a new century and a new millennium. Armenia is a nation that measures its history in millennia, yet the Republics of Armenia and Nagorno Karabagh are very young democracies that embrace many of the same values that Americans cherish.

I hope that the legislation that the Subcommittee on Foreign Operations adopts this week will make a priority of supporting both Armenia and Nagorno Karabagh.

PROMOTING LIVABLE COMMUNITIES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, Michael Pollan in the New York Times Magazine article this weekend, "The Land of the Free Market and Livability," is certainly correct that government can and should be thinking of ways to align our polices for the types of communities that our hearts desire.

What I find disappointing is the assumption somehow that the choices consumers are making now based on their pocketbook are somehow solely the result of benign, inevitable market demands.

Having worked my entire career on the promotion of livable communities, I am struck by how the increasingly dysfunctional communities that are facing Americans across the country are a result of direct government interference in the marketplace. Consumers are behaving rationally by investing in ways where their incentives are skewed by government.

The most dramatic example is to be found in our treatment of the automobile. Seventy-five years ago, communities all across the country had profitable, private transit streetcar systems privately owned and profitable. Massive government spending, literally trillions of dollars, were used to promote automobile traffic, while at the same time there was no support given to transit; and indeed in many communities government contributed directly to the decline of transit and in some communities its demise by refusing to allow fares to increase with inflation and for capital investments to keep the systems healthy.

While the money from the road funds is perhaps the most visible, there were also huge subsidies for overseas defense to protect oil supplies and public ownership of oil and gas supplies. There were dramatic subsidies for public safety, for policing related to the automobile, and the removal of huge tracts of land in the tax rolls and for roads and road right-of-way and, of course, parking and tax subsidies. All of these combined to tip the playing field in favor of the automobile. Consumers responded rationally for themselves but in ways that very much skewed the pattern of transportation development.

Now, these clear transportation subsidies are but a small portion of the overall government interference in the market system. Our investments in public housing concentrated poor minority populations in central cities. We dramatically subsidized utility rates and sewer and water expansion that routinely hid the profits, from providing service to local inner cities, from increased costs associated with expansion into suburbs and greenfields. It resulted in many central city residents paying more for their own utilities and subsidizing lower rates for people outside the cities.

The most direct and obvious interference in the market was the emergence of single-use zoning in metropolitan areas where we made it illegal for the family owning, say, a restaurant or a drugstore from living or having their clerks live above that activity. People were zoned out of mixed-use neighborhoods and literally forced into their cars since the drastic separation of uses forced many Americans to rely increasingly on automobiles, and again that was very rational behavior.

The list goes on and on: flood insurance, water supply, brownfields programs, the Federal Government's own policy of locating facilities out further and further from concentrated uses, or the post office refusing to obey local land use laws and zoning codes. These are all examples of the government's own activities to destabilize neighborhoods in our central cities and our older suburbs.

It is hard for me to imagine any rational observer being able to characterize what has transpired in American communities over the last three-quarters of a century as benign, neutral, inevitable market forces. The challenge today for those who would have livable communities is not to overcome market forces but allow the market forces to work. This is an appropriate use of the political process. It is not a trivial point, as critics attempt to paint efforts for promoting livable communities on the part of the administration, those of us in Congress, or the vast grassroots efforts around the country as somehow social engineering or forcing people to do what they do not want to do.

It is essential to give legitimacy to the aspirations of thousands of activists in hundreds of communities across the country that are trying to promote livable communities. Just as we have established a pattern of unplanned growth for dysfunctional communities and regions, we can level the playing field to promote livable communities. I look forward to this Congress and this administration taking steps to be partners to promote these more livable communities.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 27 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PEASE) at 10 a.m.

PRAYER

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Remind us, O gracious God, that we are to be doing the works of justice and mercy in our communities and in our world. And as we seek to do the works of justice remind us again that we are not the message, but we are the messengers of reconciliation and peace and righteousness. We admit that we can become so involved in what we do that we promote ourselves and we become the focus instead of pointing to the way of truth and promoting the good works of justice for every person.

May Your blessing, O God, that is new every morning be with us until the last moments of the day, abide with us this day now and evermore. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Pennsylvania (Mr. PITTS) come forward and lead the House in the Pledge of Allegiance.

Mr. PITTS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

> H. Con. Res. 144. Concurrent Resolution urging the United States Government and the United Nations to undertake urgent and strenuous efforts to secure the release of Branko Jelen, Steve Pratt, and Peter Wallace, 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International, who are being unjustly held as prisoners by the Government of the Federal Republic of Yugoslavia.

THE VALUE AND NECESSITY OF A STRONG MINING INDUSTRY IN AMERICA

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, over the next few weeks I will be bringing to our colleagues and the Chair's attention the value and necessity of a strong mining industry in our Nation.

Mr. Speaker, nearly everything we eat, touch, wear, use, or even live in is made possible by the mining industry. Minerals comprise the basic necessities of life. Mineral-based fertilizers make possible the food we eat and the natural fibers in our clothes. From the concrete foundation, to the wallboard, pipes, and wiring, all the way up to the shingles on the roof, the construction industry utilizes minerals for building our homes.

Mr. Speaker, minerals, made possible through the mining industry, are essential for agriculture, construction, and manufacturing. The United States is one of the world's leaders in the production of important metals and minerals, and it is imperative that we maintain a strong mining industry, and remain competitive with other nations for scarce investment of capital.

Many investors have already left the United States for Latin America and Asia, where they are not faced with endless delays regarding Federal proposals, permits, expensive fees, and all sorts of other bureaucratic red tape.

Mr. Speaker, it is in our Nation's best interests to keep our mining industry strong.

OUR COUNTRY'S UNBELIEVABLE POLICY ON STEEL

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, after World War II we gave tours of our steel mills to Japan and Germany. We let them take pictures. We gave them blueprints. We even gave them foreign aid so they could build their own steel mills.

Today Japan and Germany have steel mills. America has photographs. If that is not enough to tarnish our stainless, Japan and Europe at this very moment keep dumping illegal steel into America while in Pittsburgh, the once steel capital of the world, they just demolished another steel mill.

Beam me up. This policy on steel is not only unbelievable, it is stupid. I believe, Mr. Speaker, we could do with less think tanks and styrofoam and a few more factories and steel.

THOSE PAYING 96 PERCENT OF TAXES SHOULD GET TAX RELIEF

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, here is a fun trick we can play on our liberal friends, especially the ones who never tire of saying that the rich do not pay their fair share.

In fact, this is a fun trick that we can play on most Democrats, with few exceptions. Ask them how much the rich pay in Federal income taxes. After they begin to look pale and ask, what do you mean, ask them what percentage of Federal income taxes are paid by the top 50 percent of income earners and what percentage of the taxes are paid by the bottom half.

Our liberal friends will not answer that question. Of course, they do not have any idea what the answer to the question is, and of course, even if they did, they would never tell us. They would be very embarrassed to have to admit that the top 50 percent of income earners pay 96 percent of all taxes, 96 percent. The bottom 50 percent pay a whopping 4 percent.

Those same liberals then will rant and rave and feign moral indignation that those paying 96 percent of the taxes, those who are carrying almost the entire load, should get any tax relief at all.

THE DEBATE OVER TAXES IS A DEBATE ABOUT FREEDOM

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, we are going to hear a lot of speeches this week, countless speeches, in fact, about taxes. We will hear that the debate over taxes is about fairness, about special interests, about the struggles of the middle class, about the American dream, about compassion, and about justice.

Yes, this debate is about all of those things, but principally the debate about taxes is about freedom. It is not a difficult concept. It is not an idea that requires advanced degrees or lengthy training. It is simply this, that if we let people keep more of their own money, people will have more freedom to live their lives as they see fit, not as the government sees fit.

Letting people keep more of what they earn will allow Americans to save more, build a better future for themselves and their families, and realize their dreams. So this week let us have a true discussion. Let us talk about finally cutting taxes in this country.

RETAIL RESPONSIBILITY—WAL-MART

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I learned recently that two large retail chains in middle America can truly make a difference when it comes to keeping violence and filth out of our young kids' minds.

I think both Wal-Mart and K-Mart should be commended for their recent stance on culture within the marketplace. These superstores may not be perfect, but they are taking an active role in not selling some of the extraordinarily violent and offensive music that could be lining their shelves and raking in the cash.

Some of the music they chose not to carry is climbing up the charts, but since so many parents have objected to its profanity and reference to suicide, these stores have pulled some albums from the shelves.

Mr. Speaker, do not get me wrong, these are mega-marts, not mega-moms or mega-dads, but they are proving that taking a small stand in the marketplace against the increasingly corrupt culture can be done, even if it means foregoing an influx of cash.

WE NEED POLICY INSTEAD OF PREENING, POSTURING, AND POLITICS

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, it is interesting when we return from district work periods where we have heard the wisdom of the people. Lincoln said, the American people, once fully informed, will make the correct decision.

I heard some very interesting things from my constituents this week. I would refer this House, Mr. Speaker, to the comments of the President of the United States and one of the more senior Members of this institution from Massachusetts.

The President of the United States earlier this year in Buffalo, New York, said, "We could give it, the budget surplus, all back to you and hope you spend it right, but," "but." Mr. Speaker, that speaks volumes, because given a choice, our president, sadly, believes that Washington bureaucrats need our hard-earned money more than we do.

Then, a senior Member, the gentleman from Massachusetts (Mr. FRANK), yesterday said, speaking of the liberals, "It is not our responsibility to legislate anymore. It does not make sense for us to compromise."

Mr. Speaker, a legislator refusing to legislate? I hope we do not see a lot of preening and posturing and politics instead of policy.

TAX CUTS ARE AN ISSUE OF FREEDOM

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, we have to really hand it to the Democrats. They already have their line memorized and ready to repeat over and over again.

Republicans propose tax relief that largely excludes upper income people from benefiting; again, tax relief for everyone except the rich. And what are the Democrats saying about it already? Yes, "Tax cuts for the wealthy."

Any tax relief, tax relief at all, is immediately labeled by the other side as tax cuts for the wealthy. It is an insult to the millions of middle class taxpayers who would benefit from tax relief to be demonized by liberals who oppose tax relief everywhere and anywhere.

Of course, it is an insult to those who are carrying most of the load, the people who are paying the most in taxes.

In America, the issue is not whether upper income people need a tax cut. Of course they do not. But in America, it is an issue of freedom. It is their money. It does not belong to the government, and it does not belong to liberal politicians in Washington who want to spend it on more wasteful government programs.

DEMOCRATS HAVE NO INTENTION OF WORKING WITH THE REPUBLIC MAJORITY

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, just listen to this quote taken from yesterday's Washington Post: "It is not our responsibility to legislate anymore. It doesn't make sense for us to compromise."

"It doesn't make sense for us to compromise?" These words come from a leader of the Democrat party, the distinguished gentleman from Massachusetts (Mr. FRANK).

It appears that the gentleman from Massachusetts (Mr. FRANK) has let the cat out of the bag. The Democrats had no intention of working with the Republican majority. They will block all legislative efforts, and then turn around and blame Republicans, attacking the do-nothing Congress.

But the always fair and balanced media of course will help them in that effort. Then they will attack Republicans for Republican extremism, a charge we heard thousands and thousands of times since 1995 when Republicans took over the majority in the Congress.

Once again, the media will help them fix the image in the public's mind, but the truth is now there for all to see. We thank the gentleman from Massachusetts (Mr. FRANK).

TAX RELIEF

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, the American people are overtaxed. They pay too much income tax, they pay too much sales tax, they pay taxes on their savings, they pay taxes on their investments, and they pay taxes when they die.

In fact, Federal taxes consume about 21 percent of national income, the highest proportion since World War II. But Mr. Speaker, help is on the way. In the coming days, the House will pass a tax bill that says to America, we think you deserve a long overdue refund for the surplus you created.

Mr. Speaker, make no mistake about it, our first priority is to save social security and Medicare for future generations of seniors. In fact, for every dollar of the surplus that we use for tax relief, there are $2 set aside for social security and Medicare.

I am happy to say, Mr. Speaker, that just yesterday at the White House the President agreed with the Republicans in the House and Senate that we ought to lock up that Medicare and social security surplus first. That is what we intend to do.

When Members hear the talk about how our tax cuts are taking money away from social security and Medicare, remember this, Mr. and Mrs. America, we will lock up our social security and Medicare, our retirement security fund, first, $2 for every $1 we will subsequently give in tax relief.

We will give tax relief if people are taxed for getting married, we will give tax relief if people are taxed for trying to go to school, we will give tax relief if they are taxed for getting buried, and we will give tax relief if people just have a general income and need some across-the-board relief.

In fact, the benefits here will go to the American people in better jobs, better economic growth, better employment opportunities, and more take-home pay, and that, Mr. Speaker, is what freedom is all about.

□ 1015

TITLE IX MEANS OPPORTUNITY FOR WOMEN ATHLETES

(Mrs. MALONEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Speaker, on behalf of the World Cup Soccer champions, I want to present this soccer ball to the gentlewoman from Hawaii (Mrs. MINK), my colleague, and to former Member, Edith Green. In 1972, they offered and enacted the landmark Title IX legislation, the Bill of Rights for women in education and sports.

It said that any university that secured Federal funds must open up all programs on an equal basis. Prior to enactment of Title IX, female athletes had very little and limited opportunity to compete. I know that when I was in school, there were no women's sports programs.

Mr. Speaker, the Statue of Liberty has become a symbol of freedom to the world. Now when a woman or anyone holds up a soccer ball, this has become a symbol of opportunity, of equality in sports, and really the opportunity for women to achieve great things. Thank you, Title IX. Thank you to the women and men in this body that enacted it.

THE B.E.S.T. AGENDA FOR CONGRESS

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, back in January when this Congress convened, I told my constituents that I thought we ought to pursue what I called the B.E.S.T. agenda. B-E-S-T. B for balancing the budget; E for educational reforms that focus on giving local school districts and parents more flexibility in dealing with education issues; S for saving Social Security, something that is important to all of us but particularly to those of us who are baby boomers who were born after World War II; and T for tax relief and reform.

Mr. Speaker, I am delighted that we are pursuing this agenda and we are making tremendous progress. Our budget resolution calls for not only a balanced budget this year, but for the first time actually securing every penny of Social Security taxes only for Social Security.

Our educational reform, Ed-Flex, has already passed and is on its way to the States. Now we focus on tax relief.

Mr. Speaker, let me suggest that the gentleman from Texas (Mr. ARCHER) has put down his marker. Mr. ROTH has put down his marker. The President is coming up with his own tax plan. But I hope at the end of the day there will be real tax relief for working families, and I hope we would focus first and foremost on eliminating the marriage penalty tax.

LIBERAL INSIDERS WARN AGAINST TAX CUTS

(Mr. SCHAFFER asked and was given permission to address the House for 1 minute.)

Mr. SCHAFFER. Mr. Speaker, the Washington Post editorialized yet again against Republican tax cuts and our proposal. Hardly a week goes by without the Washington elite and other liberal insiders warning against the idea of letting Americans keep more of their own money.

To me that is a pretty good indication that that is exactly what we need to do.

And of course the same crowd also called Ronald Reagan's tax cuts dangerous, foolish, and irresponsible. They are now singing the same tune today.

They are also the same people who 2 years ago said that we could not cut taxes and balance the budget at the same time. And of course they are the same crowd that could not praise President Clinton enough for raising taxes by a record amount.

See, there are lots of people in this town who really do believe government can spend their money better than Americans can, and they really hate the idea that people should be able to keep the fruits of their labor and reap the benefits of saving, sacrificing, and realizing their dreams.

Mr. Speaker, of course they are against the tax cut.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Such rollcall votes, if postponed, will be taken after debate on House Resolution 242 or House Resolution 243.

200th ANNIVERSARY OF THE DEATH OF GEORGE WASHINGTON

(Mr. GEKAS asked and was given permission to address the House for 1 minute.)

Mr. GEKAS. Mr. Speaker, it occurred to me that while we are waiting to proceed with today's agenda that here in 1999 it is the 200th year, the 200th anniversary, and it should not be a happy anniversary, but it is an anniversary of the death of George Washington.

After the constitutional convention of 1787, of course the father of our country took over the presidency in 1789. He served 8 stalwart years, during which time he established the United States presidency for what it is, an individual who will chart the course of the country without ever attaining the role of king or of tyrant or of anything but a citizen politician who would guide the ship of State, along with the two other branches of government.

George Washington established that for all time. When he retired he went back to Mt. Vernon and there, guess what? He engaged in making sure that the firefighting equipment for the entire area was intact. He pruned trees, checked the crops, made sure that the river flow was adequate for the purposes of transportation, river transportation. Did a hundred different things as an owner of property, as a farmer.

He reestablished himself as a member of the community because he attended several meetings with fellow farmers just to make sure that the local ordinances and local safety measures and police and firefighting people were set to do their duties. The kinds of things that we know are necessary in today's communities, that is what George Washington, the father of our country, did in his retirement.

Later on this year when we get closer to the anniversary of his death, I plan to take a special order to again review the life of George Washington, this being the 200th anniversary of his death in 1799, and to recall that what we are here today is largely the product of his steady hand in war and in peace.

When we call him the father of our country, that is not a euphemism. That is a reality that we must all take into consideration as we review the history of our country.

TITLE 9 TECHNICAL AMENDMENTS

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 916) to make technical amendments to section 10 of title 9, United States Code, as amended.

The Clerk read as follows:

H.R. 916

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VACATION OF AWARDS.

Section 10 of title 9, United States Code, is amended—

(1) by indenting the margin of paragraphs (1) through (4) of subsection (a) 2 ems;

(2) by striking "Where" in such paragraphs and inserting "where";

(3) by striking the period at the end of paragraphs (1), (2), and (3) of subsection (a) and inserting a semicolon and by adding "or" at the end of paragraph (3);

(4) by redesignating subsection (b) as subsection (c); and

(5) in paragraph (5), by striking "Where an award" and inserting "If an award", by inserting a comma after "expired", and by redesignating the paragraph as subsection (b).

SEC. 2. COMMUNICATIONS ASSISTANCE.

The Communications Assistance for Law Enforcement Act (47 U.S.C. 1001–1021) is amended—

(1) in section 102, by adding at the end the following:

"(9) The term 'installed' means equipment, facilities, or services that are operable and commercially available for use anywhere within a telecommunications carrier's network.

"(10) The term 'deployed' means equipment, facilities, or services that are commercially available anywhere within the telecommunications industry and capable of being installed or utilized in a telecommunications carrier's network, whether or not such equipment, facilities, or services were actually installed or utilized within the carrier's network.

"(11) The term 'significantly upgraded or otherwise undergoes a major modification' means a material and substantial change in the configuration of a telecommunications carrier's network, including the installation of hardware or software that fundamentally alters the equipment, facilities, or services of that network, but does not include the upgrade of switching equipment or other modifications made in the ordinary course of business or made so as to comply with Federal or State law or regulatory requirements.";

(2) in section 107(a), by striking paragraph (3);

(3) in section 108(c)(3), by striking "on or before January 1, 1995" and inserting "before June 30, 2000";

(4) in section 109—

(A) in subsection (a)—

(i) in the heading strike "JANUARY 1, 1995" and inserting "JUNE 30, 2000"; and

(ii) by striking "January 1, 1995" and inserting "June 30, 2000";

(B) in subsection (b)—

(i) in the heading strike "JANUARY 1, 1995" and inserting "JUNE 30, 2000"; and

(ii) in paragraph (1)—

(I) in the matter preceding subparagraph (A), by striking "January 1, 1995" and inserting "June 30, 2000"; and

(II) in subparagraph (J), by striking "January 1, 1995" and inserting "June 30, 2000"; and

(iii) in paragraph (2), by striking "January 1, 1995" and inserting "June 30, 2000";

(C) in subsection (d)—

(i) in the heading strike "JANUARY 1, 1995" and inserting "JUNE 30, 2000"; and

(ii) by striking "January 1, 1995" and inserting "June 30, 2000";

(5) in section 110, by striking "and 1998" and inserting "1998, 1999, and 2000"; and

(6) in section 111(b), by striking "on that date that is 4 years after the date of enactment of this Act" and inserting "no earlier than June 30, 2000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from New York (Mr. NADLER) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as part of the RECORD, I submit two specific letters that have to do with this legislation determining the jurisdiction for our committee.

House of Representatives,
Committee on Commerce,
Washington, DC, July 12, 1999.

Hon. Henry J. Hyde,
Chairman, Committee on the Judiciary, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN HYDE: It is my understanding that you intend to bring H.R. 916, a bill to make technical corrections to section 10, of title 9, United States Code, before the House under the Suspension calendar in the near future. While H.R. 916 was not referred to the Committee on Commerce upon its introduction, it is my further understanding that you intend to bring up a manager's amendment which contains provision substantially similar to section 204 of H.R. 3303 as it passed the House in the 105th Congress (amending title I of the Communications Assistance for Law Enforcement Act (47 U.S.C. §1001 et seq.)) which falls within the jurisdiction of our two committees pursuant to Rule X of the Rules of the House of Representatives.

Because of the importance of this legislation, I recognize your desire to bring it before the House in an expeditious manner and will not object to its consideration under the Suspension calendar. By agreeing to permit this bill to come to the floor under these procedures, however, the Commerce committee does not waive its subject-matter jurisdiction over the aforementioned provisions. In addition, the Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this or similar legislation. I ask for your commitment to support any request by the Commerce Committee for conferees on H.R. 916 or similar legislation.

I request that you include this letter and your response as part of the *Record* during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

Tom Bliley,
Chairman.

House of Representatives,
Committee on the Judiciary,
Washington, DC, July 13, 1999.

Hon. Tom Bliley,
Chairman, Committee on Commerce,
House of Representatives, Rayburn Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding your Committee's jurisdictional interest in H.R. 916.

I agree that portions of the bill are within your committee's Rule X jurisdiction and that you would be entitled to conferees on those issues should this bill go to conference. I also agree that these letters will be placed in the record.

Thank you again for your cooperation.

Sincerely,

Henry J. Hyde,
Chairman.

Mr. Speaker, the bill before us is exemplary of something that we lawyers have, over the centuries, complained that a misplaced comma can sometimes so alter a provision in the law that it can wreak havoc in the courts of justice and in our communities. Such a mistake of a misplaced comma was made, and it was brought to our attention through a constituent of the gentleman from New York (Mr. NADLER), who in the arbitration laws of our codes found that a misplaced comma could throw out of whack an interpretation of a particular section.

So the bill before us is simply a technical correction to make sure that that misplaced comma is placed correctly. This is not one of the most momentous bills we have ever had in front of the House of Representatives, but it does emphasize that a technical correction from time to time is absolutely necessary if we are to do business properly in the Congress of the United States.

Similarly, in the telecommunications field another technical correction is one that we require and which will be embodied in this bill. It is the enforcement act of 1994, which we call CALEA, the Communications Assistance to Law Enforcement Act, also very important. But the grand-fathering certain provisions becomes very important as a technical correction, and we offer that along with the misplaced commas as the reason for our appearance here today.

Mr. Speaker, I rise in support of H.R. 916, as amended.

As reported by the Committee on the Judiciary, H.R. 916, makes purely technical revisions to section 10 of title 9 of the United States Code, that correct some typographical flaws that has long evaded detection. Section 10 enumerates several grounds for vacating an arbitrator's award, but the fifth clause is obviously not a ground for vacating an award, but rather the beginning of a new sentence. The bill simply corrects this error. H.R. 916 also revises some compliance dates and related provisions in the Communications Assistance to Law Enforcement Act of 1994 ("CALEA"), Public Law 103–414.

CALEA was enacted to preserve the government's ability, pursuant to court order or other lawful authorization, to intercept communications involving advanced technologies (such as digital or wireless transmissions) and services (such as call forwarding, speed dialing, and conference calling). It is also intended to protect the privacy of communications and without impeding the introduction of new technologies, features, and services.

In the constantly evolving environment of digital telecommunications, the need for law enforcement to retain it ability to use court authorized electronic intercepts is even greater. Nevertheless, it appears that the Department of Justice, the FBI, and the telecommunications industry have been unable after several years of discussions and negotiations to resolve certain differences regarding compliance with CALEA. As a result, implementation of the act has been delayed.

This delay accordingly necessitates these revisions. They chiefly consist of replacing H.R. 916's effective date with one that takes into account this delay in CALEA's implementation. The act's grandfather provisions are likewise revised. Further, the bill defines certain terms that the Act failed to include and, hopefully, with their addition, will assist the parties involved in the implementation of CALEA.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation and concur with the description of the distinguished gentleman from Pennsylvania (Chairman GEKAS) of its purpose and effect. This misplaced comma was actually brought to our attention by a State Supreme Court justice of the New York State Supreme Court in my district who pointed out the obvious intent of Congress was very clear, but the comma and the paragraph were in the wrong place, and so this changes that.

Mr. Speaker, I do not think the courts have misinterpreted the law, but why tempt them to do so by not correcting this comma?

In addition, the technical change to the CALEA bill that is in this bill, the Communications Assistance for Law Enforcement Act, is also a technical change that extends several effective dates until the FCC and the FBI can work out certain technical standards that they are working out; and the minority has been consulted on this, and we certainly have no objection to it. It is a technical extension. We are in support of it.

So I urge all of my colleagues to support this bill.

Mr. BARR of Georgia. Mr. Speaker, I rise today in support of the H.R. 916. During the 105th Congress I introduced as the original author the Communications Assistance to Law Enforcement Act (CALEA) Implementation Amendment of 1998 (H.R. 3321). Section 2, of H.R. 916 embodies the principles of this legislation I introduced in 1998.

Last year, the House of Representatives passed the Department of Justice Appropriation Authorization Act for Fiscal Year 1999, 2000, and 2001, which included language to deal with this important issue. However, the United States Senate did not act on this legislation.

I believe it is incumbent on us in Congress to recognize the delays that have occurred in the implementation of CALEA, passed by Congress and signed into law in 1994, by extending the time for compliance, and to clarify the "grandfathered" status of existing telecommunication network equipment, facilities, and services during the time period the CALEA-compliant technology is developed.

Fundamentally, the purpose of CALEA is to preserve the federal government's ability, pursuant to a court order or other lawful authorization, to intercept communications involving advanced telecommunication technologies, while protecting the privacy of communications; and without impeding the introduction of new technologies, features, and services. CALEA further defined the telecommunication industry's duty to cooperate in the conduct of electronic surveillance, and to establish procedures based on public accountability and industry standard setting.

CALEA necessarily involved a balancing of interests of the telecommunications industry, law enforcement, and privacy groups. The law allowed the telecommunication industry to develop standards to implement the requirements of CALEA, and establish a process for the U.S. Attorney General to identify capacity requirements of electronic surveillance. The law required the federal government to reimburse carriers their just and reasonable costs incurred in modifying existing equipment, services or features deemed necessary to comply with the assistance capability requirements of the law. The CALEA law also required the federal government pay for delays in the implementation of the law that have prevented the telecommunication industry and law enforcement from complying with its provisions.

The development and adoption of industry technical standards have been much delayed, and these standards are now being challenged before the Federal Communications Commission by both law enforcement and privacy groups. The release of the federal government's capacity notice for electronic surveillance needs was over two and a half years late. It is clear from telecommunications equipment manufacturers, that no CALEA-compliant technology will be available for purchase and implementation by telecommunication carriers by the effective date. Further, since the enactment of CALEA, substantial changes have occurred in the telecommunication industry, such as the enactment of the Telecommunication Reform Act of 1996, which resulted in many new entrants in the industry and other changes in the competitive marketplace. Finally, during the four year, "transition period" initially contemplated by Congress for the implementation of CALEA, the telecommunication industry has installed, and continues to deploy, technology and equipment which is not compliant with assistance capacity requirements of CALEA, since "CALEA technology" has not been fully developed or designed into such equipment.

Mr. Speaker, House of Representatives Report No. 103–827 makes it clear the federal government intended to bear the costs CALEA implementation during the four-year transition period between enactment and effective dates. Congress recognized it was much more economical to design new telecommunications switching equipment, features, services the necessary assistance capability requirements, rather than to retrofit existing equipment, features, and services. Congress recognized some retrofitting would nonetheless be necessary, provided that carriers would be in compliance with CALEA, absent a commitment by law enforcement to reimburse the full and reasonable costs of carriers for such modifications to their existing equipment.

The Department of Justice Appropriation Authorization Act for 1999 recognizes during the four year, CALEA transition, virtually no federal government funds have been expended to reimburse the telecommunication industry for its implementation costs of CALEA. During the first year transition period, virtually all telecommunications carrier equipment which had been installed or deployed, is based on pre-CALEA technology and does not include those features necessary to implement the assistance capacity requirements of CALEA.

It is therefore necessary to extend the time of compliance. This step is absolutely essential, to enable the industry to complete the standard-setting and development processes required to implement CALEA in an economical, efficient and reasonable fashion. This approval also recognizes existing telecommunications equipment, features, and services should be grandfathered during the interim.

On the completion of the development of CALEA compliant-technology, the federal government can then decide which carrier equipment it chooses to retrofit at federal government expense, and the manufacturers can then design CALEA capabilities and services to be deployed in carrier networks in the future.

Thus, it is necessary to move both the effective and the "grandfather" dates of CALEA to recognize the delays in CALEA implementation and to ensure its implementation continues as intended by Congress five years ago.

Mr. Speaker, it is also necessary to clarify the meaning of several terms in the cost reimbursement provisions of CALEA. The use of the terms 'installed' and 'deployed' in CALEA, are intended to make clear Congress intended separate and distinct meanings for these terms as they are used in CALEA. The term, "installed," refers to equipment actually in place and operable to the network of carriers. The term "deployed," relates to equipment, facilities or services that are commercially available within the telecommunication industry, to be utilized by a carrier whether or not equipment, facilities or services were actually installed or utilized within the network of the carrier. The term, 'deployed,' is also intended to refer to technology available to the industry.

The use of these terms recognizes Congress clearly intended to reimburse the telecommunications carriers with federal government expenses, or grandfather the existing networks of carriers to the extent they were installed or deployed prior to the development of CALEA-compliant technology. This decision was based on industry standards developed to meet assistance capacity requirements of CALEA terms, "significantly upgraded" or "otherwise undergoes major modifications." These terms were intended to mean the carriers' obligations to assume the costs of implementing CALEA technology in a particular network switch, is not triggered until a particular network switch is fundamentally altered, such as by upgrading or replacing it with a new fundamentally altered switch technology. For example, changing from digital to asynchronous transfer mode (ATM) switching technology.

Thus, once CALEA-compliant technology is developed and can be designed into, or deployed in, carrier networks, the costs of such deployment shift to the industry. Prior to that time, however, existing carrier networks are "grandfathered" unless retrofitted at federal government expense as intended by Congress. In addition, switch upgrades or modifications performed by carriers to meet federal or state regulatory mandates or other requirements, such as number portability requirements, are not to be considered a "significant upgrade" or a "major modification" for purposes of CALEA.

Mr. Speaker, these provisions should make clear that existing carrier networks are grandfathered, unless retrofitted at federal government expense. The effective date for compliance with CALEA has been extended for approximately two years to provide additional time for industry development of CALEA-compliant technology, in response to industry technical standards to meet the assistance capacity requirements of CALEA.

I support this important legislation and ask my colleagues to support H.R. 916.

Mr. NADLER. Mr. Speaker, I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I join the gentleman from New York and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 916, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to make technical amendments to section 10 of title 9, United States Code, and for other purposes.".

A motion to reconsider was laid on the table.

EXPRESSING THE SENSE OF THE HOUSE WITH REGARD TO THE UNITED STATES WOMEN'S SOCCER TEAM AND ITS WINNING PERFORMANCE IN THE 1999 WOMEN'S WORLD CUP TOURNAMENT

Mrs. BIGGERT. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 244) expressing the sense of the House of Representatives with regard to the United States Women's Soccer Team and its winning performance in the 1999 Women's World Cup.

The Clerk read as follows:

H. RES. 244

Whereas each of the athletes on the United States Women's Soccer Team has honored the Nation through her dedication to excellence;

Whereas the United States Women's Soccer Team has raised the level of awareness and appreciation for women's sports throughout the United States;

Whereas the members of the United States Women's Soccer Team have become positive role models for American youth aspiring to participate in national and international level sports; and

Whereas the United States Women's Soccer Team has qualified for the 2000 summer Olympic games: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the United States Women's Soccer Team on its winning championship performance in the World Cup tournament;

(2) recognizes the important contribution each individual team member has made to the United States and to the advancement of women's sports; and

(3) invites the members of the United States Women's Soccer Team to the United States Capitol to be honored and recognized by the House of Representatives for their achievements.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Illinois (Mrs. BIGGERT) and the gentleman from Maryland (Mr. CUMMINGS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Illinois (Mrs. BIGGERT).

GENERAL LEAVE

Mrs. BIGGERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 244.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. BIGGERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Resolution 244 honoring the U.S. Women's Soccer Team and its winning performance in the 1999 women's world cup tournament.

For the past 3 weeks, no household in America has been immune to the fever that has swept our Nation during the 32 games of the women's world cup soccer series. When the series began, total attendance was set on the high side. Crowds of up to 350,000 were expected to extend the games in seven cities throughout the country. By Sunday when the series ended at the Rose Bowl in Pasadena, more than 660,000 fans had attended including 90,000 people for the final. Another 40 million tuned in to watch the match on television.

What we saw in that final matchup of the series pitting China against Team USA was a battle of titans. For a grueling 120 minutes of play neither side budged, neither side blinked, and neither side gave up a goal. What we saw was an American dream come true. For generations little boys have grown up wishing to become another Babe Ruth, Mickey Mantle, Gale Sayers or Michael Jordan. But it is only recently that little girls have anywhere near the same dream, to one day be the next Billie Jean King, Martina Navratilova, or Jackie Joyner Kersee.

Now little girls have the dream. They have the women of Team USA. they have Briana Scurry, Carla Overbeck, Kate Sobrero, and Brandi Chastain.

□ 1130

They have Joy Fawcett and Julie Foudy, Michelle Akers and Kristine Lilley. They have Mia Hamm. They have Cindy Parlow, Tiffany Milbrett, Sara Whalen, Shannon MacMillan, and Tisha Venturini. They have Lorrie Fair, Christie Pearce, Tiffany Roberts, Danielle Fotopoulos, Saska Webber and Tracy Ducar.

The women of team U.S. won the World Cup series, but they also won the respect and admiration and the hearts of all Americans.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. KUYKENDALL), sponsor of the resolution.

Mr. KUYKENDALL. Mr. Speaker, I am proud today to rise in strong support of House Resolution 241, expressing the sense of the House regarding the United States Women's Soccer Team in its World Cup victory last Saturday afternoon and inviting that team to come to the House and be recognized.

It is a victory not simply for the United States but for the game of soccer, for women's athletics, and for all of us who have become jaded by the egotism and commercialism of professional sports. It is a huge win for teamwork and the pure joy of competing. To me, that makes the players of Team USA not just champions but heroes, heroes willing to accept the challenge and be role models for young people.

Few of us imagined when we passed Title IX back in 1972 that a women's final sporting event this year would have 90,000 attendees or over 40 million people watching it on TV. Impressive. Very impressive.

One of the hallmarks of this success has been a group that is headquartered in my district called the American Youth Soccer Organization. This group was founded before Title IX. It started in 1964. It started in Torrance. There were 125 children, ages 4 to 18, boys and girls, and their parents who thought there were four things important. One was that they are going to play well-balanced teams. Everyone is going to play. They are going to have the parents involved. They are going to have positive coaching.

That is now one of the most successful youth programs in America. There are hundreds of thousands of young people. It has taken us a generation, 35 years, to bring that to fruition and see it exemplified in this World Cup win.

Eight years ago, the United States women won the first World Cup in 1991. In 1991, we played in China. In 1991, hardly anybody in America knew we played. Yet, the women were dominant then. A young lady from my district at that time was the most valuable player of the World Cup. Her name was Karen Gabara. She is now the coach of the United States Navy team.

This group of women have made a mark on the country, and I think it is important that the country recognize their achievement, because their achievement is far more than athletic prowess.

It is not often that a group of people gather our heart, they put their arms around us. We want to put our arms around them. They are a wonderful group of examples for young people in this country, men or women, to look at. They play for the pride of being successful. They play because they enjoy it. They play because they know there is an example to be set. They obviously play with national pride, the United States national pride.

We are a great Nation. We are measured by many things. But, in this case, we are measured by the success of a young team of soccer players. I urge my colleagues all to support this.

Mrs. BIGGERT. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I commend the gentlewoman from Illinois (Mrs. BIGGERT) for introducing this resolution and share in the excitement I think all of America feels today as we congratulate the U.S. Woman's National Soccer Team on their 1999 World Cup.

As we look back in the history of sports, certain moments transcend the arena and represent something larger than a single victory. The woman's World Cup final, which became the biggest woman's sporting event in history, is a testament to the respect and devotion that these champions have earned.

This achievement will be remembered with the awe of Jesse Owens competing in Nazi Germany or the 1980 U.S. Olympic Hockey Team defeating the Soviet Union.

These athletes represent the American dream, the ability of any person to become a teacher, an astronaut, or a World Cup champion.

The women's national team played with dedication, sportsmanship, and heart. I think one of the things that I found most telling was the team themselves and the members who participated actually functioned as a team. Maybe all of us in America can reflect on that for a moment and take the word "I" out of our vocabulary and use the world "we," because we the people and we as a people can achieve great things if we work as a team.

I watched the young ladies on the Today Show being interviewed by Katie Couric and Matt Lauer, and each one of them went on to praise the other in even more glowing terms about how they helped succeed and how they helped the team.

So I hope as we reflect upon this wonderful victory that these ladies have celebrated and we think about the uplifting it brings to America and hopefully in the new century, as we approach the millennium, that all of us share in the spirit of pride of this country, of pride of individual abilities, of pride of collective victories, but, more importantly, as, working together, we can achieve the greatest things before us.

So, again, I commend the U.S. Women's National Soccer Team and to people everywhere as the role models they are and will be for future generations of America. They are a team that America can truly be proud of. I again thank the gentlewoman from Illinois (Mrs. BIGGERT) for introducing this bill.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it certainly is my pleasure to be a cosponsor of this legislation. This past Saturday, the United States Women's World Cup Soccer Team put on a performance that will not soon be forgotten. The extraordinary game that was played in Pasadena, California, was not only a testament to the United States team's hard work but to what can happen when individuals are given an equal opportunity. That is why I am so pleased to cosponsor this legislation.

The educator, the professor from Yale, Dr. James Comer, said something that really applies to this situation. He said that a person can have all the genetic ability they want and they can have all the will they want, but if they do not have the opportunity, it is almost impossible for them to achieve their goals. Here we have a situation where these great, great young ladies were given an opportunity, and they certainly showed what they could accomplish.

Saturday's game was a competition against the Chinese National Team that involved strength, skill, endurance, and guts. The game remained tied through 90 exhausting minutes of regulation play and two 15-minute sudden death overtime periods. It then went into a shoot-out in which the United States women outshot the Chinese women five to four in order to capture the well-deserved title of world champions.

This victory is more than just one team coming out ahead of the other. It is a victory for the United States, for the sport of soccer as a whole and, most importantly, for women of all ages who aspire to be or already are athletes.

It makes me proud when I think about the possibilities. I told my daughter the other day as she graduated from high school, I said, "I am excited about your possibilities." And as a father of two daughters, it makes me excited about the possibilities of all women who want to be involved in sports.

The women of this World Cup team have proven that they cannot be taken lightly. The ever-popular saying, "you throw a ball like a girl" is quickly becoming outdated.

The over 90 million exuberant fans that attended the championship game made it the most highly attended women's sporting event in history. That certainly does not include the many, many fans, like myself, who Saturday were glued to the television set watching this exciting play.

Over 400,000 fans attended the games in which the United States competed, and approximately 650,000 fans attended the tournament overall. That says something. The world was certainly watching.

Since its conception in 1985, the United States Women's World Cup Team has proudly boasted a record of 144 wins, 12 ties, and only 31 losses.

They defeated China in the very first Women's World Cup in 1991; and, in 1995, they finished third behind Norway and Germany.

The history of this team has been showered with success after success. However, this success has not come without hard work and an incredible attitude. Without a professional program for women, the national team has had to rely mostly on college teams to provide players with skills necessary for their success. In turn, the success of college programs is in a large part due to Title IX of the Educational Amendments of 1972.

With the passage of Title IX, schools were forced to fund women's athletic programs at the same level men's athletic programs were being funded. Schools still have the flexibility to choose sports based on student body interests, geographic influence, budget constraints, and gender ratio. Yet, there must be gender equity. That is so very important, gender equity. Women must have an opportunity to play and compete in the world of sports. Women have shown us just what they can do, given the opportunity.

I think that one of the things that we do not realize is, when we see young women performing, other young women watch them. Not only are they excited about soccer, but it also says that they can achieve other things, too, and that they are excited about the excellence that our team showed. It says to them that we will also compete in the legal world, we will also compete in the field of medicine and what have you.

So not only does it affect the soccer world, not only does it affect athletics, but it affects all of the young ladies, no matter where they are and no matter what status of life they are in.

The Women's National World Cup team are the pioneers for their sport and for women athletes all over the world. They have gladly assumed the status of role model and truly deserve it. Young girls all over the country adore them and look upon them as heroes or, as some would say, sheroes. But not only are young girls looking at them, men, young men, old men, all kinds of men are looking at them, too, because they see what they have been able to accomplish when given that opportunity.

Although women have been playing soccer for a long time, this World Cup team has opened the eyes of billions. I believe there is an exciting future ahead, and I will look forward to watching it unfold.

I am proud to support and be a cosponsor of this resolution honoring the 1999 Women's World Cup team. They have certainly given us a lot to be proud of.

Mr. Speaker, I reserve the balance of my time.

Mrs. BIGGERT. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentlewoman from Illinois (Mrs. BIGGERT) for yielding me this time.

Mr. Speaker, I congratulate the gentleman from California (Mr. KUYKENDALL) for introducing this very important legislation upon which there is certainly bipartisan support.

I want to add my cheers for the U.S. Women's National Soccer Team and 1999 Women's World Cup champions. These dedicated, determined and accomplished young women make me so proud to be associated with the cause of getting more girls and women involved with sports and fitness.

When I was growing up, girls did not play soccer. When we played basketball, it was only on half of the court. Women's choices in sports were relegated to cheerleading and getting a good seat as a spectator in the stands. That was before Title IX.

Title IX and the U.S. National Women's Soccer Team have changed the playing field for girls and women in athletics. Mia Hamm, Carla Overbeck, Julie Foudy, Tiffany Milbrett, Brianna Scurry, Brandi Chastain, and the whole U.S. team are all long distance runners in the challenge and the struggle to raise the status of women's sports to the same level as that of men's athletics.

They are heroes and healthy role models for our sisters, daughters, granddaughters that want to participate in sports. I have a number of granddaughters who are participating in soccer and other sports. They speak to the importance of the sports experience in building self-confidence, perseverance and the competitive edge.

□ 1045

Young women who participate in sports are more likely to finish school and less likely to have an unwanted pregnancy. The availability of athletic scholarships has enabled more women to pursue a college education and opened opportunities for women at dozens of colleges.

My praises to the Women's World Cup President Marla Messing, and World Cup Chair Donna de Verona, who had the vision and the dedication to focus the attention of a whole Nation on the Women's World Cup Championship. No longer is it an insult to tell someone, "You play like a girl." Now, indeed, it is a compliment.

Like the passage of Title IX in 1972, the 1999 Women's World Cup Championship will go down in history as the milestone, the turning point in elevating women's sports to the gold medal platform where it belongs.

I urge the House to vote unanimously for this resolution.

Mr. CUMMINGS. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. ESHOO), one of the many world cup women we have in the House who is truly a role model for the world, just as these young ladies are with regard to the soccer world.

Ms. ESHOO. Mr. Speaker, I thank my distinguished colleague, the gentleman from Maryland (Mr. CUMMINGS), for yielding me this time and for his work on this resolution, as well as my colleagues who are cosponsors of this resolution. I cannot think of a time coming to this floor since I was elected to the House that I skipped over with glee to come to the floor to salute the women of this championship team.

I am not really someone that can give my colleagues very many statistics about sports, and I think that that was shaped from my childhood because we were really not encouraged to be participants on the playing field of sports. My father taught me how to swim very well and also how to water ski, but when it came to the other sports, we were not encouraged; the teams were not there in the schools that we went to. But this weekend that all changed when billions of people around the world were glued to their TV sets to watch the American team do something that really raised up the whole issue of women in sports and how we can compete and be world champions.

Our American flag that is behind you, Mr. Speaker, was carried throughout the stands in the Rose Bowl in California, my home State, and I think that the message that went around the world is that America can compete; that we all have a share in the opportunity in this country, which is really what the idea of America is all about.

So I salute each woman that brought this victory home, to each of them that wove together this exceptional team, and I say bravo, bravo, bravo, and especially as a woman Member of the Congress of the United States I could not be prouder of them. They have made history, they have raised up the hopes and the aspirations of every girl and young woman in our Nation and sent out the message around the world that America is a can-do country and that women indeed are part of the championship of this idea of America.

Mr. CUMMINGS. Mr. Speaker, may I inquire as to how much time each side has?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Maryland (Mr. CUMMINGS) has 11 minutes remaining, and the gentlewoman from Illinois (Mrs. BIGGERT) has 10 minutes remaining.

Mr. CUMMINGS. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia (Ms. ELEANOR HOLMES NORTON), another one of our world cup legislators.

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding me this time and I thank him for his leadership and the leadership of the gentlewoman from Illinois (Mrs. BIGGERT) as well for this timely and wonderful resolution.

I want to say up front, though, that now that we have our own women's world cup team, which has found a home in the hearts of their countrymen and countrywomen, that I hope, as the Member who represents the Nation's Capitol that women will find a home right here for a team from the yet-to-come but sure-to-come women's soccer league. We have in this town a men's soccer league championship team, D.C. United, which has won back-to-back championships. All we need now is a women's team to match our male champions.

I am awfully proud of the Congress' well, because the Congress had a lot to do with the victory that was achieved last week. Congress helped bring this victory when more than 25 years ago, we passed Title IX. Thus Congress was on the field when Briana Scurry, the goalie, blocked the Chinese penalty kick to set up Brandi Chastain, who of course, did the winning kick. When 90,000 people in the Rose Bowl cheered, they were also cheering for what Congress did when it enacted Title IX.

Title IX, each of these women has said when interviewed, made them the best in the world, because Title IX gave them the opportunity that bore fruit on the soccer field this past week. Title IX has done the same for women's basketball, and Title IX is doing the same for women's sports all across this land where women and girls have discovered that sports is for them, too.

Let the victory on the soccer field settle the controversy over the division of funds by colleges and universities between men and women's teams. Equality on the field.

Mr. CUMMINGS. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS), who, as the gentlewoman from the District of Columbia talked about opening the doors and what Title 9 has done, is one who is constantly doing everything in her power to open doors for all people.

Mrs. CAPPS. Mr. Speaker, I thank my colleague, the gentleman from Maryland (Mr. CUMMINGS), for yielding me this time, and I rise in wholehearted enthusiastic support of this bipartisan resolution, House Resolution 244, congratulating our U.S. Women's Soccer Team.

I am doing so today on behalf of the young women in my district in Santa Barbara and San Luis Obispo Counties, girls for whom soccer is more than a sport, it is a passion; soccer and all of the other sports that are claiming increasing amounts of their time and enthusiasm. This is undeniably due to Title 9 and the fundamental principle that all programs deserve equal funding, and I thank those in this House that were instrumental in passing that landmark initiative.

I also commend this U.S. Women's Soccer Team for their extraordinary hard work and determination and their enthusiasm, which was so contagious. It was beautiful to watch them play. Not only did they give us the incredibly entertaining and most attended women's sports event in history, they are also now giving to young women all over the country remarkable role models to look up to.

Mr. Speaker, along with my colleagues, the gentlewoman from New York (Mrs. KELLY) and the gentlewoman from New York (Mrs. MALONEY), the chairs of the Women's Caucus, I recently invited the Women's Soccer Team to celebrate their success on Capitol Hill. We look forward to welcoming these American heroines to the Halls of Congress.

Mr. CUMMINGS. Mr. Speaker, I yield 15 seconds to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman and I congratulate all the ladies and offer my great congratulations to the soccer team. When women play, women win; and thank God for Title IX.

Mr. CUMMINGS. Mr. Speaker, I yield 30 seconds to the gentlewoman from New York (Ms. SLAUGHTER).

Ms. SLAUGHTER. Mr. Speaker, the looks on the faces of the little girls gazing up with hero worship to the U.S. Women's Soccer Team made an awful lot of struggles that we have gone through worthwhile. When Title IX was first written and passed in the Congress, there was a great furor about it. The idea of making athletics open to women was almost anathema. We have seen now what a wonderful opportunity we have given; that girls in school know that they too can achieve in sports and that they too can be part of that wonderful experience of being a member of a winning team.

It helps us to reduce the inequality and the differences in Americans and says to everybody, "You too can be a winner."

Mr. CUMMINGS. Mr. Speaker, may I ask how much time I have remaining?

The SPEAKER pro tempore. The gentleman from Maryland (Mr. CUMMINGS) has 6¾ minutes remaining.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to take a moment first of all to thank Leah Phillips, one of our interns who was very helpful to us, who also happens to play soccer at Mary Washington College, and I want to thank her for all her efforts and our entire staff for what they have done with regard to this very, very important resolution.

I want to send a message out to our U.S. Women's Soccer Team. We want you to understand, soccer team, that you have made us very, very proud. The fact that you took advantage of an opportunity and turned it into something very, very, very significant is so important to all of us.

So often in the past women have not had the opportunities that you have had. So often when we stand on the floor of this House and we speak, and so often when we push the button, green or red, we do not know exactly what impact we are having. But when the House of Representatives of the United States of America, as our Members watched you, we were reminded that the things we do here today do affect your lives.

But understand that you have affected so many people. There were little girls sitting around television sets watching you, watching your every move, and they see you as role models. By not only were the little girls watching you, there were little boys, too, and they were watching and they were excited and they saw all of those fans in the stands. And now when they go back to their fields this evening and tomorrow evening and they play the soccer games, they will be reminded of the greatness that you have brought to their living rooms and to their lives.

So, to you, some may say that sports does not mean a lot. Well, I happen to differ in that opinion. Sports mean a lot. It means a lot when one takes the opportunity and gives their blood, sweat and tears and gives it everything they have to be the best that they can be. All of us, as Americans, are very, very proud of you. Not only are we proud of you, we are proud of all that you stand for, all that is good in America; for it was your efforts, it is what you did, that said not only to America but to the world that we are, indeed, the greatest.

It was something called Title IX that opened up so many, many doors. Going back to what I said a little earlier, we realize that you have the genetic ability, we realize that you have the will, but what you have been given is the opportunity to make a difference, and you have. And so we say, we are proud of you, we wish you Godspeed, and may God bless.

Mr. Speaker, I yield back the balance of my time.

Mrs. BIGGERT. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Speaker, I rise today to congratulate the United States Women's Soccer Team for their spectacular efforts in the 1999 Women's World Cup. For the last 3 weeks the entire country has been consumed by soccer fever. Mr. Speaker, this is not only an achievement for the women on the team but an achievement for our Nation.

In a time when the most exciting part of the Superbowl seems to be watching to see the million-dollar commercials, this tournament was one of the most captivating athletic events of the year. Six hundred fifty thousand tickets were sold for the 32 matches and for the 90,000 spectators at the final game between the United States and China. They definitely got their money's worth.

After 90 minutes of regulation play and two 50-minute periods of sudden death overtime, the team moved to a penalty kick series where the U.S. women scored five goals to defeat China.

Mr. Speaker, this was the game of a lifetime. No one could imagine a more exciting end to this sensational run for these athletes. Many of these athletes have been playing soccer since they were 5 and 6 years old, and this achievement is the pinnacle of their athletic career. For the girls of this country, this event gave them the role models that they so often lack. But, Mr. Speaker, more importantly, this team and this championship season has given our Nation a great sense of pride.

I commend all the players on this 1999 Women's Soccer Team and all of those women and who inspired them to be the players that they are today.

Mrs. BIGGERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my esteemed colleague across the aisle, the gentleman from Maryland (Mr. CUMMINGS), for his remarks and the remarks on that side of the aisle and all my esteemed colleagues on this side of the aisle.

I would especially like to thank my colleague from California (Mr. KUYKENDALL) for offering this resolution and giving me the opportunity to handle the resolution on the floor.

Looking back on my own childhood, really, the sports that we had were ballet and music lessons. So soccer is a relatively new sport for Americans but especially for American girls. Of my three daughters, only the youngest, Adrienne, had the opportunity to play soccer from kindergarten on through college.

As the assistant soccer coach for her team in the mid and late 1980s, I can well remember the excitement of the girls and their parents when girls soccer first became a recognized team sport in our high school. That meant that Adrienne, just like my son Rody before her, would have the opportunity to play a sport that she loved throughout her years in school.

Thanks to the passage of Title IX in 1972, my daughter Adrienne, along with the women of Team USA and young women and young girls throughout America, has come to benefit from the opportunity enjoyed for so long by young men and boys throughout America. Title IX has enabled young women to participate in school sports, to learn the value of teamwork and competition, and to gain the self-confidence and skills that are so valuable in business and in other future careers.

Mr. Speaker, the women of Team USA have shown teamwork, dedication and a complete commitment to excellence in their field. They also showed a love for the sport and for those who will follow them. They are mentors, role models and an inspiration for all of us, regardless of age or gender.

Following their victory and visit to Disneyland on Sunday, the women of Team USA boarded a plane and flew east overnight, landing at Newark Airport at 4:30 in the morning. Here is how team member Brandy Chastain described their arrival. "There were 10 little girls waiting in the airport," Chastain said. They were wearing World Cup and Soccer USA stuff. They were all so excited. They had slept there. They were jumping around and asking for autographs. We all obliged. They deserved it."

Mr. Speaker, the women of Team USA deserve the recognition today. I urge my colleagues to show their support for this tremendous accomplishment by supporting the resolution of the gentleman from California.

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent to reclaim my time.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to say that the distinguished congresswoman from California (Ms. ROYBAL-ALLARD) had a similar resolution and she worked very hard on that, and I just wanted to express the fact that she, too, is very concerned about this. It is very important to her. I want to thank my colleagues on the other side for the resolution.

Mr. HASTERT. Mr. Speaker, as a parent and former coach, I rise in strong support of this Resolution to celebrate the many contributions the U.S. Women's National Soccer Team has given to the American people.

These young women have illustrated the American spirit on a global stage. They have shown young and old alike that teamwork still works. They have also demonstrated that it's not always about winning, but how you perform on and off the field. These are all positive life lessons that everyone around the globe can take to heart—especially our children, the next generation of leaders.

As one who has worked for a long time to improve the athletic opportunities for women and men, I am particularly heartened to see the success of our World Cup Champions. We must be ever vigilant in our quest to open more doors so those who want to participate in extracurricular activities can do so. I have seen first-hand how sports and team play have molded young kids into future leaders. We need more of that in today's society.

In closing, congratulations to Coach Tony DiCicco, his assistants, and the U.S. National Women who brought home the World Cup. I would hope that as they make their way around the country on their well-deserved victory tour they'll make a stop in Washington so all Americans can celebrate their accomplishments through a National Pep Rally at the U.S. Capitol.

Ms. PELOSI. Mr. Speaker, I rise today in support of House Resolution 244, congratulating the U.S. women's national soccer team for winning the 1999 Women's World Cup. Their achievement is something in which all Americans can take pride.

On July 10, the U.S. women's national soccer team played the Chinese national women's soccer team to a scoreless draw after 90 minutes of regulation and 30 minutes of overtime. The match pitted two extremely well-balanced and talented teams against each other and while both teams' defenses held the other scoreless, all spectators were treated to a fast-paced and exciting match.

The success of the U.S. team is the clear result of Title IX, the 1972 law banning sex discrimination in schools, including discrimination in athletics. All of the players on the U.S. team are the children of Title IX and now all Americans can enjoy their success and the success of that landmark legislation.

I am proud to live in a country that has given women the ability to play in an event that has become the most successful women's sporting event in history. Over 90,000 fans attended the final, the largest attendance ever for a women's sporting event and the game received a 13.3 rating, a national record for a soccer match. In addition, the nearly month-long event sold over 650,000 tickets, far exceeding organizer's initial expectations.

As one of the host cities, San Francisco and its citizens participated in the excitement surrounding the 1999 Women's World Cup. I join the citizens of San Francisco in congratulating the U.S. women's national soccer team on attaining their second World Cup and wish them success in the Sydney Olympics in 2000.

Mr. WAXMAN. Mr. Speaker, last month few people knew that the United States had a Women's World Cup Soccer team but today there is talk of starting a professional women's soccer league. The women's world cup tournament, a one month long tournament that features the sixteen strongest teams in the world, has created a sort of "soccer frenzy." All of the credit for starting this new craze should be given to the women of the United States World Cup team. Girls, boys, men and women alike tuned in to watch the games of this tournament. People who had never before this tournament watched a soccer game in its entirety are now caught up in the craze.

This past Saturday these women played their hearts out to beat the National team of China. They never gave up and they worked—literally for Michelle Akers—to the point of exhaustion. They are heroes for millions of people not only because of their raw talent, but also because of their dedication and inspirational attitudes. They played for themselves, for the sport, and for everyone who supported them throughout the tournament.

I don't need to prove to you how likable these women are, how enjoyable they are to watch, or how successful they have been. Their numbers are the proof.

An overwhelming 90,000 fans attended their final game at the Rose Bowl in Pasadena this past Saturday and that 90,000 does not even come close to including the millions of people who tuned in to watch from around the world.

The women's national team, coached by Tony Dicicco, worked together in a way that should be inspiring for us all. Not only did they work together but they played together and celebrated together. They have displayed an amazing dedication to their fellow teammates and to their country that has made us all proud.

I fully support the passage of this resolution that is meant to honor these women for their hard work and dedication.

Ms. LOFGREN. Mr. Speaker, Brandi Chastain of my hometown of San Jose, California did the nation proud on Saturday when she scored the final goal to win the World Cup for her team, country, and women everywhere.

When the game came down to the high-pressure penalty goal finale, Brandi stood before a crowd of 90,000, and without hesitation or even looking into the eyes of her only opponent, Chinese goalie Gao, pounded the soccer ball into the net and victory.

Brandi did for young women what Michael Jordan, Willie Mays, and Steve Young did for young men: She gave them a role model.

Brandi, a native of San Jose, has played for the U.S. National team since 1988. She announced her presence in 1991 with five goals in one game against Mexico. But this was no surprise to people at home who had seen her lead her high school, Archbishop Middy, to three straight state championships. She went on to be named All-American while playing for my alma mater Santa Clara University leading the Broncos to two final four appearances. Now she gives back to her sport as an assistant coach at Santa Clara University.

Brandi is a heroine, not only to the soccer players and fans in San Jose, but also to women throughout the world. She, along with her teammates, tirelessly fought to attain their goal of winning the World Cup. They prove that women can achieve the same high level of athleticism as their male counterparts. Most importantly, they showed that teamwork and dedication can make an entire country proud.

It is a great honor to stand up and commend Brandi Chastain and her teammates today for the hope and joy they have given young girls everywhere.

Mr. LUTHER. Mr. Speaker, the United States Women's Soccer Team deserves our nation's highest congratulations on their success in the World Cup. In particular, I would like to praise Briana Scurry, the goalkeeper for the team. Originally from Dayton, Minnesota, Ms. Scurry graduated from Anoka High School in my district in 1990. It was her speed and agility that allowed her to block the critical Chinese penalty kick and secure a victory for the U.S. team. Perhaps it is no surprise, then, that her teammates refer to her as "The Rock". Anoka High School, the State of Minnesota and the entire Nation are very proud of Ms. Scurry and all of the U.S. Women's Soccer Team. They are wonderful role models for the girls and women of America and the world. They have contributed immensely to women's sports, and we owe them a debt of gratitude.

Mrs. FOWLER. Mr. Speaker, I rise in support of House Resolution 241 and offer my hearty congratulations to the United States Women's Soccer Team. Their perseverance and grace on the field was a testament to the spirit of the American women. The crowd they drew to the Rose Bowl—more than 90,000 people, the largest ever to watch a women's sporting event—shows how far women's professional sports have come.

Among that crowd and in the vast international television audience were thousands of young girls, who play in local soccer leagues and on school teams. The U.S. Women's Team could not have provided better role models and I commend them for the contribution they have made to those young lives.

I hope these ladies will accept our invitation, so that we may give them our thanks in-person.

Mr. CUNNINGHAM. Mr. Speaker, I rise today to congratulate the U.S. Women's Soccer Team. Once again, they have proven to be the world's best by winning the 1999 Women's World Cup tournament.

Last Saturday, 90,185 spectators in the Rose Bowl and millions of Americans via-television watched the U.S. women's soccer team defeat the People's Republic of China to earn the Women's World Cup title. Their victory has captured the hearts of our nation and helped raise awareness of women's sports nationwide. As role models to millions of young women across America, the U.S. Women's Soccer Team members stress teamwork and commitment and are true American sports heroes.

I want to personally congratulate my 51st District constituent, Shannon MacMillan of Escondido, Calif. Shannon plays forward and has been an integral part of the winning U.S. team. Her career highlights, which I have attached below, reminds us of her many accomplishments with the U.S. National team and her heroics in the 1996 Olympics.

To Shannon and all of the women of the 1999 Women's World Cup championship team, I say congratulations for a job well done.

CAREER HIGHLIGHTS OF SHANNON ANN MAC MILLAN

U.S. SOCCER FEDERATION

U.S. Team: A member of the U.S. gold medal winning team at both the 1998 Goodwill Games and 1996 Olympics * * *

Led the Olympic Team with three goals in their five matches, including the match-winners against Sweden and Norway * * *

Her "Golden Goal" against Norway was one of the most important in U.S. Soccer history, putting the USA into the Olympic final and avenging the loss at the 1995 FIFA Women's World Cup * * *

Appeared on the cover of Sport Illustrated's daily Olympic issue after her goal against Norway * * *

Originally left off the roster for residential training camp leading up to the Olympics, she battled her way back onto the team and into the starting lineup * * *

The youngest member of the U.S. Women's National Team that won the silver medal at the 1993 World University Games in Buffalo, N.Y., where she made her debut with the U.S. team * * *

Member of the U.S. Women's Under-20 National Team from 1993–94, winning the International Women's Tournament in Montricoux, France in 1993.

College: Winner of the 1995 Missouri Athletic Club Award and the 1995 Hermann Award as college soccer's top player * * *

The 1995 Soccer America Player of the Year * * *

Won the 1995 Bill Hayward Award as Oregon's Top Female Amateur Athlete * * *

Finalist for the MAC Award and Hermann Trophy in 1993–94 * * *

All four-time All-American, All-Far West Region First Team and West Coast Conference selection from 1992–95 at the University of Portland * * *

Second on the team in goals scored with 22 in 1994 behind U.S. teammate Tiffeny Milbrett * * *

Missed four games in 1994 due to a broken bone in her left foot, had a pin inserted into the foot and returned to the starting line-up 13 days later * * *

The 1993 and 1995 University of Portland Female Athlete of the Year * * *

Completed her sophomore season in 1993 as the women's NCAA Division I scoring leader with 23 goals and 12 assists while starting all 21 games * * *

She finished her freshman year in 1992 as the highest scoring freshman in the nation and fourth leading scorer overall with 19 goals * * *

The WCC Freshman of the Year, she was Second-Team NSCAA All-American and was voted to Soccer America's All-Freshman Team.

Miscellaneous: Attended San Pasqual High School in Escondido, Calif., where she was a three-year letterwinner * * *

Named as the honorary captain of the San Diego Union-Tribune All-Academic team * * *

Played club soccer for La Jolla Nomads, which won the state club championship two consecutive years, 1991 and 1992, winning the Western Regionals in 1991 before going on to finish second at the national championships * * *

Played 1996 and '97 seasons in the Japanese women's professional league with Shiroki Serena alongside college and national team teammate Tiffeny Milbrett * * *

Majored in social work at Portland * * *

Currently an assistant women's soccer coach at Portland, helping the team to the NCAA Final Four in 1998, her first year on the bench.

Mrs. MINK of Hawaii. Mr. Speaker, today we celebrate a great victory not only for the U.S. Women's Soccer Team, which has just won its second World Cup, but for girls and women throughout our Nation.

The Women's World Cup finals, held this past Saturday, July 10, 1999, in Los Angeles, drew more than 90,000 spectators in the stands and some 40 million television viewers—the largest audience ever for a women-only sporting event!

The 20 members of the U.S. Women's Soccer Team have won passionate fans not just among the 2.5 million girls playing soccer in the United States but among all Americans. These healthy, strong, disciplined, and exciting athletes are wonderful role models for our nation's girls and young women, and I know they will inspire many more to experience the joy, benefits, and opportunities that sports bring. Participation in soccer by women and girls increased by almost 24 percent between 1987 and 1998—I predict that this percentage will rise significantly over the next year.

I send my aloha and heartfelt congratulations to each and every one of the team members. Michele Akers, Brandi Chastain, Joy Fawcett, Julie Foudy, Mia Hamm, Kristine Lilly, and Carla Overbeck deserve special mention as they are all veterans of the 1991 Women's World Cup victory—a victory that was largely overlooked by the media and public. This team also won a gold medal at the 1996 Olympics in Atlanta, where they were again virtually ignored by the media.

But all of that has changed. Women's soccer is here to stay and the number of players and fans will continue to grow. We can all look forward to seeing this championship team again at the 2000 Olympics in Sydney, where the media will no longer dare to ignore women's soccer.

This is also a victory for Congress and a testament for the power of this institution to change our nation for the better. Mia Hamm, one of women's soccer's brightest stars, was born in 1972—the same year Title IX became law. Without Title IX, she and many of the other team members who brought such pride to all Americans might never have had the opportunity to develop their talent for and love of the sport.

When Edith Green and I drafted the original language for Title IX some 28 years ago, prohibiting discrimination on the basis of sex in educational programs receiving federal financial assistance, we dreamed that someday girls would enjoy equal access to academic and athletic opportunities in our schools. We are not there yet, but the achievements of and excitement generated by the U.S. Women's Soccer Team shows that we are on our way. No longer can anyone say that girls don't deserve equal opportunity in athletics because they don't have the interest or aptitude.

Mr. DREIER. Mr. Speaker, I rise today in strong support of H. Res. 244, to honor and congratulate our United States Women's Soccer Team. The hard work, strength, determination and talent exhibited by these women captures the American spirit. It is this type of spirit that inspires us all to never give up on our dreams. In a sport that is not traditionally an American strong suit, these women worked tirelessly to attain a dream and awoke to 90,000 cheering fans helping make that dream a reality.

As a Southern Californian, I am particularly pleased that the Pasadena Rose Bowl played host to the World Cup finals. I was also honored to have the U.S. women's team grace the field of Pomona-Pitzer College in my congressional district to practice their talents. These women demonstrated "grace under fire" and were "class acts" in their representation of the United States. They set an example that all U.S. teams and Americans should aspire to emulate. I look forward to cheering these women on in Sydney next summer as the United States defends its gold medal. I am confident that these women will, once again, make America proud.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois (Mrs. BIGGERT) that the House suspend the rules and agree to the resolution, H. Res. 244.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 2465, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 242 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 242

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill, and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL) pending which I yield myself such time as I may consume. Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, yesterday the Committee on Rules met and granted an open rule for H.R. 2465, the Fiscal Year 2000 Military Construction Appropriations Act. The rule provides for 1 hour of general debate equally divided between the Chairman and Ranking Minority Member of the Committee on Appropriations.

The rule waives clause 2 of House rule XXI, prohibiting unauthorized or legislative provisions in a general appropriations bill, against provisions in the bill.

The rule authorizes the Chair to accord priority and recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce votes to 5 minutes on a postponed question if the vote follows a 15-minute vote.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, the United States' military is clearly the best in the world. The young men and women in our Army, Navy, Air Force, and Marines are thoroughly dedicated and patriotic professionals, the best our Nation has to offer.

So how do we reward them? We pay them with wages so low that many military families are forced to eat with food stamps, and we lodge them in substandard World War II era housing.

These, among other reasons, are why we are losing good men and women who stop serving their country because the hardships on their families are so great. This is inexcusable, and Congress has been working hard to do something about it. This year we have passed a 4.8 percent military pay raise, and with this bill we will improve military housing.

H.R. 2465 provides $747 million for new housing construction and $2.8 billion for the operation and improvement of existing housing. The bill also provides $964 million for barracks and medical facilities for troops and their families.

Finally, because of an increase in two-income and single-parent families, the bill provides $21 million for child development centers.

Mr. Speaker, H. Res. 242 is an open rule for a good, noncontroversial bill. In addition to taking care of our military personnel, this bill is good for the environment. It includes $69 million for environmental compliance programs.

I urge my colleagues to support this rule and to support the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentlewoman from North Carolina (Mrs. MYRICK) for yielding me the time.

Mr. Speaker, this is an open rule. It will allow for consideration of H.R.

2465, which is a bill that makes appropriations for military construction worldwide.

As my colleague from North Carolina has explained, this rule will provide for debate to be controlled and directed and divided by the Chairman and Ranking Minority Member of the Committee on Appropriations. Under this rule, germane amendments will be allowed under the 5-minute rule, which is the normal amending process in the House.

All Members on both sides of the aisle will have the opportunity to offer amendments. This bill funds a range of construction projects on military bases, including barracks, housing for military families, hospitals, training facilities, and other buildings that support the missions of our armed services. The bill also funds activities necessary to carry out the last two rounds of base closings and realignments.

Modern facilities are necessary to maintain our national defense. New buildings can increase efficiency and improve morale. The money spent in this bill is a long-term investment in our defense capabilities.

The bill contains $39 billion for Wright-Patterson Air Force Base, which is partially in my district and partially in the 7th District that is held by the gentleman from Ohio (Mr. HOBSON), my colleague, the chairman of the Subcommittee on Military Construction.

Two of the Wright-Patterson projects funded in the bill are much-needed laboratories that will develop new technology for the weapons systems of the 21st century. The work in these buildings will continue a long tradition of military aviation research in the Miami Valley, Ohio, going back to the days of the Wright brothers.

I commend the gentleman from Ohio (Mr. HOBSON), the chairman of the subcommittee, and the gentleman from Massachusetts (Mr. OLVER), the ranking minority member, for their work in crafting the bill and bringing it to the floor.

The bill was approved by the Committee on Appropriations on a voice vote. It has support on both sides of the aisle. It is an open rule. It was adopted by a voice vote of the Committee on Rules.

I support the rule and the bill and urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida (Mr. GOSS), the distinguished chairman of the Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Speaker, I thank the gentlewoman from North Carolina for yielding me the time.

Mr. Speaker, I want to rise in very strong support of this open rule, yet another open rule, from the Committee on Rules under the leadership of the gentleman from California (Chairman DREIER).

While the Military Construction Appropriations Bill is obviously one of the least controversial bills this House takes up every year in appropriations, it is critically important for our men and women in uniform and their families.

Quality-of-life issues are always important for every American, but for these people in the military, these quality-of-life issues have become even more problematical in recent years because the Clinton administration has asked our troops to do much more with much less. In some cases, our troops and their families are simply not being properly provided for. This is no secret, but it is a shame, and it is time we did something about it.

I was, therefore, disappointed with the Clinton/Gore administration budget request for military construction. It is yet another example of the neglect of our Armed Forces under this administration at the same time the administration misuses those forces to bail out their misguided policies.

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I am pleased that the bill before us corrects several shortcomings in the administration's request. For example, it provides $1.6 billion more than the administration's request for military construction and a half billion more than the administration's request for family housing. That is, the spouses and children. I want to commend the Committee on Appropriations for its work and encourage my colleagues to support this rule, another fair, open rule and a good appropriations bill.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 2466, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 243 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 243

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 306 or 401 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived except as follows: beginning with "*Provided*" on page 37, line 23, through the closing quotation mark on page 38, line 13; beginning with "*Provided*" on page 59, line 13, through 22; beginning with "and such new" on page 76, line 16, through 22; and page 80, line 11, through "funding agreements" on line 23. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. The amendment printed in the report of the Committee on Rules accompanying this resolution may be offered only by a Member designated in the report, shall be considered as read, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. During consideration of the bill, points of order against amendments for failure to comply with clause 2(e) of rule XXI are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, H. Res. 243 would grant H.R. 2466, a bill making appropriations for the Department of the Interior and Related Agencies for fiscal year 2000, an open rule waiving points of order against consideration of the bill for failure to comply with sections 306 or 401 of the Congressional Budget Act.

The rule provides 1 hour of general debate to be equally divided between the chairman and ranking minority member of the Committee on Appropriations. The rule waives clause 2 of rule XXI, prohibiting unauthorized or legislative provisions in an appropriations bill, against provisions in the bill except as otherwise specified in the rule.

Mr. Speaker, the rule also makes in order the amendment printed in the Committee on Rules report which may be offered only by a Member designated in the report, shall be considered as read, shall not be subject to amendment and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendment printed in the Committee on Rules report.

The rule further waives clause 2(e) of rule XXI, prohibiting nonemergency designated amendments to be offered to an appropriations bill containing an emergency designation, against amendments offered during consideration of the bill.

The rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. It also allows for the Chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce votes to 5 minutes on a postponed question if the vote follows a 15-minute vote.

Finally, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 2466 would provide regular annual appropriations for the Department of the Interior and for other related agencies, including the Forest Service, the Department of Energy, the Indian Health Service, the Smithsonian Institution and the National Endowment for the Arts and the Humanities.

The Subcommittee on Interior was originally allocated $11.3 billion, a 19 percent decrease in funding from last year. Last week, the subcommittee received a $2.7 billion increase in funding over this mark made possible by selling the electromagnetic spectrum sooner than was expected.

The bill provides $14.1 billion in budgetary authority for fiscal year 2000, $200 million below last year's level and $1.1 billion below the President's request.

Mr. Speaker, every year millions of Americans enjoy the world renowned parks, forests, wildlife refuges and other facilities funded in this bill. In addition, H.R. 2466 would do much to enhance, develop and protect our Nation's abundant natural resources in an environmentally responsible way and do so while staying within the overall discretionary spending caps.

The Committee on Rules was pleased to grant the request of the gentleman from Florida (Mr. YOUNG) for an open rule which will make it possible for Members seeking to improve this bill the fullest opportunity to offer their amendments during House consideration of H.R. 2466. Accordingly, Mr. Speaker, I encourage my colleagues to support both H. Res. 243 and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Washington (Mr. HASTINGS) for yielding me the time, and I yield myself such time as I may consume.

Mr. Speaker, this is an open rule providing for consideration of the Interior and Related Agencies Appropriations Act. This bill helps the people of this Nation and the world to enjoy some of the most spectacular natural beauty that Mother Nature has to offer. It also helps us to be wise stewards of those natural resources. The bill also provides important assistance for Native Americans in health care and education. And the bill funds two of the most valuable and unusual Federal agencies that produce revenue for the United States instead of just taking it and have been proven to enhance and improve education and the SAT scores for students. We know now that any child who studies art for 4 years in high school, that their SAT scores go up around 59 points. That is cheap at the price, Mr. Speaker. I am speaking of the National Endowment for the Humanities and the National Endowment for the Arts. As the chairwoman of the Congressional Arts Caucus, I have spent a great deal of time and effort encouraging my colleagues to adequately fund these important agencies which give us back so much.

The arts and humanities tell us who we were and who we are and who we hope to be. They help us to understand an increasingly complex world and help our children and youth express their hopes and dreams through creative expression. Most importantly, they get our youth ready for what we want, the smartest and brightest students in the next century. Exposure to modern dance increases their math scores, and the way to best learn about computers is to learn to play piano. These are not wild notions but are well-proven facts. I expect to offer an amendment to help these important agencies continue their vital mission, bringing artistic expression and an understanding of the human condition to the villages and cities and nooks and crannies of this Nation from sea to shining sea, Mr. Speaker.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield such time as he may consume to the distinguished gentleman from California (Mr. DREIER) chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank my friend from Washington for his typical superb job in managing this rule. It is a very fair, balanced and open rule. It is nice to see that, because as my good friend the gentleman from Ohio (Mr. REGULA) knows, in years past we have had slightly controversial rules as we have dealt with this very important Interior appropriations bill.

I want to say that every year, millions of Americans and foreign tourists as well come and enjoy our renowned park system. In my important talking points here, the Florida Everglades are mentioned out of respect to my friend from Sanibel, FL (Mr. GOSS) the vice chairman of the Committee on Rules. And also the Angeles National Forest which according to the gentleman from Ohio is in fact the most utilized of our National Forest Service system. That is why this bill itself is very, very important.

One of the other things that I think we need to touch on that is key is the focus on dealing with fires which has been a real issue for us in the Angeles National Forest. Obviously the funding that has been placed into this bill by the gentleman from Ohio is going to be helpful in dealing with that.

I want to raise one other issue that I discussed with the gentleman from Ohio when he testified yesterday afternoon before the Committee on Rules. That has to do with the issue of the adventure pass. There has been a lot of concern raised in the San Gabriel Valley in eastern Los Angeles County about the adventure pass. As the gentleman from Ohio appropriately pointed out yesterday, it is a pilot program that is under way right now. But the concern that has been raised by a number of my constituents has been the fact that they have not yet been able to see tangible evidence that the resources that have come in from the use of that adventure pass have in fact gone towards improvement or dealing with the Angeles National Forest itself. And so I want to take a very close look at this program. We know that it is well-intentioned and the idea of having a user fee rather than taxing people who do not in any way utilize some kind of service is again laudable but we want to make sure that that fee that is there in fact does go to address the needs of those who are in fact paying for that pass. And so I want to see us move ahead.

There are a number of, I think, very important questions that need to be raised, but I do want to congratulate again the gentleman from Ohio and all of our colleagues who have worked long and hard on this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. McGOVERN).

Mr. McGOVERN. I want to thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise today in support of this rule and to alert my colleagues to an amendment that I will be offering later today. Along with the gentleman from California (Mr. CAMPBELL), the gentleman from Pennsylvania (Mr. HOEFFEL) and the gentleman from New Jersey (Mr. HOLT), I will be proposing to provide a very modest $30 million to the stateside program of the Land and Water Conservation Fund.

The stateside program has broad bipartisan support but unfortunately it receives no funding under the Interior appropriations bill before us today. The U.S. Conference of Mayors, the National Association of Counties, the National Governors Association, and regional governors associations from across the country support stateside funding.

In addition, groups as wide ranging as the National Association of Realtors and the Wilderness Society are strongly supporting our amendment. The League of Conservation Voters, the Sierra Club and the Appalachian Mountain Club have expressed their strong support. The time to act is now. We have an opportunity to make a very clear statement in this House today that States and local communities deserve the land and water conservation funding that they are owed. They deserve the support of this Congress.

□ 1130

As my colleagues know, there has been a lot of talk on both sides of the aisle about livable communities and ways to protect open space for future generations. Today Members of Congress will have the opportunity to put those words into action. I look forward to the debate on this issue when we consider the bill, and again I want to thank the gentlewoman from New York for having yielded this time to me, and I urge my colleagues to support the rule and to support the Land and Water Conservation Fund amendment.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. REGULA), the distinguished chairman of the Subcommittee on Interior.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding this time to me.

I would just like to point out to my colleagues that even though we are $200 million under the enacted number for fiscal year 1999, we are adding 99 million additional dollars over last year for the parks, $200 million for Indian education and health programs, $205 million for high priority land acquisition, $33 million for national wildlife refuges, $114 million for Everglade restoration, and we have tried hard to have a bill that is balanced, it is nonpartisan, it is fair, and it recognizes the fact that the public lands, which are about 30 percent of the United States that we provide the funding in this bill, are being dealt with in a responsible way.

In light of the comments by the chairman of the Committee on Rules, I thought it was interesting: Our subcommittee visited last week Olympic National Forest and park areas, and they have signs up for the various projects. It said, this project up on the Hurricane Ridge where they are redoing the center for the visitors, "This project being financed by your fees," and I think it is a very good way to tell the story of how the fees are being used, which was our intent to enhance the visitors' experience. And I thought it was also interesting that they had a little can there that people can put in some extra money, and it was getting filled up also. So it says the people, in addition to paying fees, are so happy with what is being done that they wanted to contribute some additional money.

The other subject that he mentioned, and appropriately so, was the fire issue. We have $561 million in here for wildfire fighting. But I think a program we have innovated that I like, and that is we get the local fire departments, the adjacent cities and villages to participate by providing a training program, $29 million to train these local firefighters how to deal with forest fires, and they can be on call to provide assistance, if necessary, to the firefighters that are part of the agency itself. It is working out very well. And, of course, it is important because fires in a forest or a park for that matter can spread beyond the borders. We have seen that a lot in California. And by getting the local fire fighting agencies as part of a cooperative agreement we really maximize the forces and the ability to deal with what is a serious threat, and it enables the agencies to not commit quite as much of their funds.

So, on balance, I hope my colleagues will look at the issues in this bill and judge it for what it is, which is a very good bill, very responsible and very fair.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from Florida (Mr. GOSS), the distinguished vice chairman of the Committee on Rules.

Mr. GOSS. Mr. Speaker, I thank my able friend from Washington (Mr. HASTINGS), my colleague on the Committee on Rules, who does such a good job with yet another fair and open rule. The interior appropriations bill is an important bill, as the gentleman from Ohio (Mr. REGULA) just said. It provides funding for the agencies involved in protecting our national resources for future generations for our children, as it were.

I am pleased that even though this bill frugally spends several billion less than last year it still provides adequate funding for the national parks, national forest system and the national wildlife refuges, which is the purpose of it. The Interior bill is especially important for my home State of Florida, which is why I take this time. It is the vehicle for the crucial Everglades restoration funds to meet the Federal commitment of our ongoing effort to restore and preserve for future generations the unique River of Grass we know and love.

The bill provides $114 million for the Everglades, which includes land acquisition, improved water delivery and Everglades park management. Under the leadership of the Interior Appropriations Subcommittee, the House has consistently led the charge on restoring the Everglades, and I am proud of that, and this year is no different.

I want to commend the gentleman from Ohio (Mr. REGULA) for his attention to this unique national treasure and his personal visits to the area to understand it, and I note the irony that almost as we are speaking today President Clinton is in Florida at a very exclusive high roller fund-raising event that is held by one of the special interest groups that has not been enthusiastic about our efforts to deal with the Everglades, as we propose to do in this legislation.

So this bill comes at a very good time.

Also, vital to Florida's economy and our national commitment to wise stewardship of natural resources is the annual outer continental shelf oil and gas exploration moratorium, which protects our fragile coastline. Again, Florida takes great pride in its coastline, and we are very concerned about oil slicks and pollution. Each year for the last 13 years Congress has passed this moratorium. I am very pleased that this year's bill continues that effort.

And I must note the chairman of the Committee on Appropriations, the gentleman from Florida (Mr. YOUNG), started this process many years ago, and it has been ably picked up by the gentleman from Ohio (Mr. REGULA). We believe this is a good temporary solution, but we think we can find a more precise and permanent solution to the question of oil drilling off Florida's coast.

I have introduced H.R. 33 which would create a Federal State task force to review the relevant scientific and environmental data and then make a recommendation to the Secretary of Interior for permanent policy. I believe this approach offers a number of benefits, including making Florida a key player in the decision that will have great impact on our State, relying on scientific data rather than rhetoric and affording us the opportunity to institute a more precise policy than our current moratorium year to year.

The House Committee on Resources is scheduled to have a hearing on this bill the first week in August, and I remain hopeful we can move forward on this critically important issue to our State. Of course, there are some issues in the Interior bill that remain controversial, and that will certainly be the subject of some debate later this afternoon.

I look forward to the opportunity to resolve some of those controversies and move forward on this important legislation. I applaud the gentleman from Ohio (Mr. REGULA) and Members of the Committee on Appropriations for their hard work at this point.

Mr. REGULA. Mr. Speaker, will the gentleman yield?

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Ohio.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding this time to me and just wanted to reemphasize on the Everglades that we have put a condition in here to ensure that in the long haul that the water will be available to protect the Everglades because that is the primary responsibility of the American taxpayer, and the reason they are going to spend 7 to $10 billion of taxpayers' money from all across the country is to ensure the protection of the Everglades, and we tried do that with the language in the bill.

Mr. GOSS. Reclaiming my time, Mr. Speaker, part of my applause for the chairman's efforts is his understanding of all the intricate issues and complexities that are involved. I think he has handled them well. I congratulate him on that, and I know that under his leadership we are going to keep this on course.

I urge support of the rule, and I urge support of the bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 1½ minutes to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I thank the gentlewoman for yielding this time to me.

Mr. Speaker, I rise support of this rule, and I wish to particularly commend the gentleman from Ohio (Mr. REGULA), my good friend, the Subcommittee on Interior chairman, as well as the gentleman from Washington (Mr. DICKS), the ranking member. These gentleman have had to wrestle hard with severe caps and meeting their responsibilities; and to the gentleman from Ohio (Mr. REGULA) in particular I say I am indebted to him on behalf of the coalfield residents throughout this country for the $11 million increase in Abandoned Mine Land funding.

And I also want to say to the gentleman from Ohio that many of us appreciate his support for the Heritage Area program, citizens working together from the grassroots to celebrate and promote their heritage. I am indebted to the gentleman from Ohio for funding this worthy program as well.

In conclusion, I like to draw attention to three amendments that will be offered to the bill today. One seeks to strike the funding limitation it carries for the American Heritage Rivers program. One of these heritage rivers flows through my congressional district, the New River. I cannot tell my colleagues how much excitement this designation has generated from local citizens, community leaders and chambers of commerce. I urge support of this amendment.

Another amendment to be offered by myself, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Washington (Mr. INSLEE) seeks to maintain some semblance of sanity in the mining law program. It is my hope that perhaps the gentleman from Ohio (Mr. REGULA) will be kind to us when this amendment is offered.

And the third amendment to be offered by the gentleman from Vermont (Mr. SANDERS) and myself and a cast of thousands seeks to bolster funding for the low income weatherization program. This is so critically important to so many people who are struggling to improve their lot in our society. I urge adoption of the rule, Mr. Speaker.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 40 minutes a.m.), the House stood in recess subject to the call of the Chair.

☐ 1434

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PEASE) at 2 o'clock and 34 minutes p.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1691, RELIGIOUS LIBERTY PROTECTION ACT

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 106–229) on the resolution (H. Res. 245) providing for consideration of the bill (H.R. 1691) to protect religious liberty, which was referred to the House Calendar and ordered to be printed.

GENERAL LEAVE

Mr. HOBSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore. Pursuant to House Resolution 242 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2465.

☐ 1435

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, with Mr. GILLMOR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. HOBSON) and the gentleman in Massachusetts (Mr. OLVER) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. HOBSON).

Mr. HOBSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is my pleasure to present the House recommendation for the Military Construction Appropriations Bill for fiscal year 2000.

Let me begin by thanking the gentleman from Massachusetts (Mr. OLVER), my ranking member, and all the members of our subcommittee for their assistance and interest in putting together this year's bill.

The bill presented to the House today totals $8.5 billion, the same as last year's enacted level, and it is $141 million below this year's House passed authorization bill.

The bill is within the 302(b) allocation for both budget authority and outlays, and it is in contrast to the administration's split funding budget request, which proposed spreading $8.6 billion over two fiscal years.

Considering the budget constraints we worked under, the recommendations before the House are solid and fully fund priority 'projects for the services and our troops.

Within the $8.5 billion provided, we have been able to address the true needs of our troops by supporting projects that improve their quality of life as they serve to protect our country. These priorities include $800 million for troop housing, $21 million for child development centers, $165 million for hospital and medical facilities, $69 million for environmental compliance, $747 million for new family housing units and for improvements to existing units, and $2.8 billion for operation and maintenance of existing family housing units. We believe that these priorities reflect the need to provide our military with quality housing, health care, and work facilities.

Also, by targeting adequate resources for new child development centers, we are recognizing the changing makeup of our military force, with the rising number of single military parents and military personnel with working spouses.

If we want to keep top-notch people in our military, then we have a reasonable obligation to meet the needs of our troops.

Again, I want to thank the gentleman from Massachusetts (Mr. OLVER) and all the members of our subcommittee for their hard work and effort on this bill.

In closing, I want to point out that we have put together an $8.5 billion MILCON bill that is 3 percent of the total defense budget and equal to last year's enacted level. Most importantly, this $8.5 billion directly supports the men and women in our armed services.

Mr. Chairman, I urge my colleagues to support this bill.

Mr. Chairman, I include the following material for the RECORD:

MILITARY CONSTRUCTION APPROPRIATIONS BILL, 2000 (H.R. 2465)
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
Military construction, Army	865,726	656,003	1,223,405	+357,679	+567,402
Emergency appropriations (P.L. 105-277)	118,000			-118,000	
Advance appropriations, FY 2001		659,536			-659,536
Total	983,726	1,315,539	1,223,405	+239,679	-92,134
Military construction, Navy	602,593	319,786	968,862	+366,269	+649,076
Emergency appropriations (P.L. 105-277)	5,860			-5,860	
Advance appropriations, FY 2001		502,812			-502,812
Total	608,453	822,598	968,862	+360,409	+146,264
Military construction, Air Force	612,809	179,479	752,367	+139,558	+572,888
Emergency appropriations (P.L. 105-277)	29,200			-29,200	
Advance appropriations, FY 2001		379,867			-379,867
Total	642,009	559,346	752,367	+110,358	+193,021
Military construction, Defense-wide	551,114	193,005	755,718	+204,604	+562,713
Advance appropriations, FY 2001		337,900			-337,900
Total	551,114	530,905	755,718	+204,604	+224,813
Total, Active components	2,785,302	3,228,388	3,700,352	+915,050	+471,964
Department of Defense Military Unaccompanied Housing Improvement Fund: Rescission (FY 1997, P.L. 104-196)	-5,000			+5,000	
Military construction, Army National Guard	148,803	16,045	135,129	-13,674	+119,084
Emergency appropriations (P.L. 105-277)	2,500			-2,500	
Advance appropriations, FY 2001		41,357			-41,357
Total	151,303	57,402	135,129	-16,174	+77,727
Military construction, Air National Guard	169,801	21,319	180,870	+11,069	+159,551
Emergency appropriations (P.L. 105-277)	15,900			-15,900	
Advance appropriations, FY 2001		51,981			-51,981
Total	185,701	73,300	180,870	-4,831	+107,570
Military construction, Army Reserve	102,119	23,120	92,515	-9,604	+69,395
Advance appropriations, FY 2001		54,506			-54,506
Total	102,119	77,626	92,515	-9,604	+14,889
Military construction, Naval Reserve	31,621	4,933	21,574	-10,047	+16,641
Advance appropriations, FY 2001		10,020			-10,020
Total	31,621	14,953	21,574	-10,047	+6,621
Military construction, Air Force Reserve	34,371	12,155	66,549	+32,178	+54,394
Advance appropriations, FY 2001		15,165			-15,165
Total	34,371	27,320	66,549	+32,178	+39,229
Total, Reserve components	505,115	250,601	496,637	-8,478	+246,036
Military contruction transfer fund (emergency appropriations) (P.L. 106-31)	475,000			-475,000	
Total, Military construction	3,760,417	3,478,989	4,196,989	+436,572	+718,000
Appropriations	(3,118,957)	(1,425,845)	(4,196,989)	(+1,078,032)	(+2,771,144)
Rescissions	(-5,000)			(+5,000)	
Emergency appropriations	(646,460)			(-646,460)	
Advance appropriations		(2,053,144)			(-2,053,144)
NATO Security Investment Program	155,000	191,000	81,000	-74,000	-110,000
Revised economic assumptions	-1,000			+1,000	
Total, NATO	154,000	191,000	81,000	-73,000	-110,000
Family housing, Army:					
New construction	107,100	4,400	49,500	-57,600	+45,100
Construction improvements	48,479	5,303	35,400	-13,079	+30,097
Planning and design	6,350	4,300	4,300	-2,050	
General reduction	-2,639			+2,639	
Advance appropriations, FY 2001		43,991			-43,991
Subtotal, construction	159,290	57,994	89,200	-70,090	+31,206
Operation and maintenance	1,087,697	1,098,080	1,089,812	+2,115	-8,268
Emergency appropriations (P.L. 105-277)	5,200			-5,200	
Total, Family housing, Army	1,252,187	1,156,074	1,179,012	-73,175	+22,938
Family housing, Navy and Marine Corps:					
New construction	58,504	15,182	118,174	+59,670	+102,992
Construction improvements	227,791	31,708	176,670	-51,121	+144,962
Planning and design	15,618	17,715	17,715	+2,097	
General reduction and revised economic assumptions	-7,323			+7,323	
Advance appropriations, FY 2001		171,167			-171,167
Subtotal, construction	294,590	235,772	312,559	+17,969	+76,787
Operation and maintenance	910,293	895,070	895,070	-15,223	
Emergency appropriations (P.L. 105-277)	10,599			-10,599	
Total, Family housing, Navy	1,215,482	1,130,842	1,207,629	-7,853	+76,787

MILITARY CONSTRUCTION APPROPRIATIONS BILL, 2000 (H.R. 2465)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
Family housing, Air Force:					
New construction	175,099	50,418	203,411	+28,312	+152,993
Construction improvements	104,108	34,280	124,492	+20,384	+90,212
Planning and design	11,342	17,093	17,093	+5,751	
General reduction and revised economic assumptions	-10,584			+10,584	
Advance appropriations, FY 2001		215,222			-215,222
Subtotal, construction	279,965	317,013	344,996	+65,031	+27,983
Operation and maintenance	780,204	821,892	821,892	+41,688	
Emergency appropriations (P.L. 105-277)	22,233			-22,233	
Total, Family housing, Air Force	1,082,402	1,138,905	1,166,888	+84,486	+27,983
Family housing, Defense-wide:					
Construction improvements	345	50	50	-295	
Operation and maintenance	36,899	41,440	41,440	+4,541	
Total, Family housing, Defense-wide	37,244	41,490	41,490	+4,246	
Department of Defense Family Housing Improvement Fund	2,000	78,756	2,000		-76,756
Total, Family housing	3,589,315	3,546,087	3,597,019	+7,704	+50,952
New construction	(340,703)	(70,000)	(371,085)	(+30,382)	(+301,085)
Construction improvements	(380,723)	(71,341)	(336,612)	(-44,111)	(+265,271)
Planning and design	(33,310)	(39,106)	(39,106)	(+5,796)	
General reduction	(-20,546)			(+20,546)	
Operation and maintenance	(2,815,093)	(2,856,482)	(2,848,214)	(+33,121)	(-8,268)
Family Housing Improvement Fund	(2,000)	(78,756)	(2,000)		(-76,756)
Emergency appropriations	(38,032)			(-38,032)	
Advance appropriations		(430,380)			(-430,380)
Base realignment and closure accounts:					
Part III	427,164			-427,164	
Part IV	1,197,338	705,911	705,911	-491,427	
Advance appropriations, FY 2001		577,306			-577,306
Total, Base realignment and closure accounts	1,624,502	1,283,217	705,911	-918,591	-577,306
Family housing, Navy and Marine Corps (FY99 Sec. 125)	6,000			-6,000	
General Provisions					
Contingency reduction (sec. 125)			-131,177	-131,177	-131,177
Grand total:					
New budget (obligational) authority	9,134,234	8,499,273	8,449,742	-684,492	-49,531
Appropriations	(8,454,742)	(5,438,443)	(8,449,742)	(-5,000)	(+3,011,299)
Rescissions	(-5,000)			(+5,000)	
Emergency appropriations	(684,492)			(-684,492)	
Advance appropriations		(3,060,830)			(-3,060,830)

Mr. Chairman, I reserve the balance of my time.

Mr. OLVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman from Ohio (Mr. HOBSON) has put a great deal of effort and leadership into this bill, and I thank him.

I have also come to appreciate the tremendous job of the staff on both sides for the majority and the minority, the tremendous job and the hours that they put in as a staff, and I want to thank them, as well, but particularly our clerk on the majority side, Liz Dawson, and her assistants, and on the minority side Tom Forhan for the minority side of the Subcommittee on Military Construction. It has not been easy balancing the dollars available against the priority needs for the men and women who serve our Nation, and they have served this subcommittee and this Congress as a total well in their effort.

This is a good bill and deserves our support. The military construction bill serves as the guardian of the quality of life of men and women who serve America in the military and their families whose lives are caught up in their breadwinners' service to the country.

This bill provides $8.5 billion to address some of the most pressing needs for better workplaces and housing for these men and women in uniform. I wish that we could do more. We have a huge backlog with respect to operational and training facilities, the barracks for the single military personnel, the family housing, the daycare centers, the health facilities. But we find ourselves at the same spending level as last year; in other words, a frozen budget at exactly the same level as the previous year. Still, the gentleman from Ohio (Chairman HOBSON) has done an excellent and fair-minded job.

In the area of housing, for instance, we all agree that our military families deserve decent housing. The President's budget request put a lot of reliance on the recent family housing privatization program, but that pilot program has had significant problems. Some people see privatization as a quick fix to address the unmet need for quality housing. But there have been false starts, and it is not at all clear that all the specific privatization proposals make long-term fiscal and budgetary sense for us.

In the short term, these problems with the privatization program have held up money appropriated for housing; and the delays have really hurt the families that the program is supposed to help. The chairman very deliberately tackled these problems head-on, and I am happy that several projects are now going forward while we take a harder look at the whole program.

At the same time, the bill before us here today also includes traditional MILCON housing and I believe keeps the housing program appropriately balanced, as it needs to be.

Let me conclude by simply saying that this is a solid bipartisan bill that deserves full support of the members of the committee as a whole and the Congress as a whole.

Mr. Chairman, I reserve the balance of my time.

Mr. HOBSON. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. MCKEON) a member of the Committee on Armed Services.

Mr. MCKEON. Mr. Chairman, I urge all of my colleagues to support this bill that has been brought by the chairman and ranking member. I want to commend them for the great work that they have done on this bill.

Mr. Chairman, I want to begin by applauding the Chairman and Ranking Member of the Military Construction Subcommittee for what they have done to ensure our military personnel live and work in safe and quality facilities. H.R. 2465 provides $4.2 billion for military construction projects and $3.6 million for family housing. This is $3 billion more than the President had requested. I want to commend the Chairman for his tremendous efforts.

I also want to highlight an issue of great importance to Lancaster—a major city in my district—and the military personnel in the state of California. In the last five years the California National Guard has lost the leases on five armories in the Los Angeles basin. This has led to severe overcrowding at the remaining armories. After examining 38 sites, the California National Guard chose the Antelope Valley Fairgrounds in the city of Lancaster as the site for a new armory.

Congress directed the Secretary of the Army to submit a plan and schedule for the consolidation and replacement of existing armories by January 15, 1999. In order to meet this schedule, the design and construction of the armory must take place in FY 2000. The City of Lancaster recently learned that it secured $1 million in state funds for this project, and now it needs the federal matching funds of $500,000 in FY 2000 and $2.5 million in FY 2001 to ensure that the project is kept within the time frame of the consolidation plan.

I would be extremely grateful if the Subcommittee would work with me to ensure this project can be completed on time.

Once again, I want to commend the gentleman from Ohio for his efforts in drafting this important piece of legislation, and I urge all of my colleagues to vote in favor of this bill.

Mr. OLVER. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. EDWARDS), who is a member of the Subcommittee on Military Construction.

Mr. EDWARDS. Mr. Chairman, I thank the ranking member for yielding me the time.

Mr. Chairman, I primarily want to rise to congratulate the leadership of this committee and the professional staff for putting together a quality product.

If I have any disappointment in this bill, it is simply that the American people will see nothing of this debate and will not hear about this process on the evening news. Because it seems that, with the national press, if it is not conflict, it is simply not news. Well, my message to the American people is, if they watch this military construction appropriations process, this is the way government should work.

The gentleman from Ohio (Chairman HOBSON) and the gentleman from Massachusetts (Mr. OLVER), the ranking minority member, have put the interest of our military families, the interest of a strong national defense, the interest of our Nation above the interest of any partisanship. Because of that, there will not be great debate on this floor and, consequently, many Americans will not know about the quality product. But, most importantly, the people who will find out about it, the men and women who are willing to put their lives on the line defending our country in uniform, in combat, they will be the winners from this legislation.

I think it is especially interesting to note, if we look at the supplemental appropriations legislation that passed this House several months ago, along with this legislation, the end product is that the gentleman from Ohio (Mr. HOBSON) and the gentleman from Massachusetts (Mr. OLVER) working together have helped renew a real commitment for quality-of-life programs for our military families both here and abroad.

□ 1445

I want to once again commend them for taking an interest in an issue that does not have any political payoff back home or in their districts, the interest of providing better quality housing for our men and women serving in uniform overseas.

I think the important message to come out of this bill, Mr. Chairman, is that wars are not won by technology alone. That is an important message that we must remind ourselves and the American people. To win them, wars require quality, well-motivated people. When we consider the number of people in our military that are married today, these quality of life issues, while they may not have defense subcontractor lobbyists from 40 States lobbying in their behalf, are at the heart and soul of our building and strengthening our national defense structure in America. The credit for that goes to the chairman and the ranking member and the professional staff for the great work they have done. I commend them for their work. I just wish the American people could turn on the television tonight and see Congress working on a bipartisan basis putting the interest of our country ahead of partisanship. Congratulations.

Mr. HOBSON. Mr. Chairman, I yield 1 minute to the gentleman from Kansas

(Mr. TIAHRT), a member of the subcommittee.

Mr. TIAHRT. Mr. Chairman, I could stand here and talk to my colleagues about the numbers that are included in this bill. But instead I want to tell them about that mother of three who will be able to come home to an apartment where the appliances work. She was in an apartment that was too expensive, it was drafty, it was not safe for her kids to play, but now she can come home to an apartment where they are safe.

I want to tell them about that Marine corporal, Corporal Mollet, who is stationed in Iceland. Even though in the winter months the daylight only shows for 45 or 50 minutes, he can come home to a warm apartment where he can now exercise and keep in top shape.

This bill is making life better for the young men and women that serve our country. That is why I would urge all of my colleagues to support it. It is fiscally responsible and it does the right thing.

Mr. PORTER. Mr. Chairman, I rise in strong support of this well crafted, balanced, and bipartisan bill. This legislation, Mr. Chairman, is fiscally conservative yet comprehensive. My good friend, the Gentleman from Ohio, Mr. HOBSON, The Chairman of the Military Construction subcommittee, has authored a bill that adheres to the budget caps while adequately addressing the needs of our armed services.

Chairman HOBSON faced a daunting challenge in crafting this legislation. The Administration's budget request represented the lowest nominal request for military construction since 1981. The Administration instead made the unprecedented request to defer funding to future fiscal years through incremental, or forward funding of projects. Furthermore, the Administration requested no new family housing projects through traditional military construction, but rather asked for a vast expansion of the housing privatization pilot program without first examining the effect that this would have upon local school districts that rely upon Impact Aid funding.

I am pleased, Mr. Chairman, that this legislation fully funds all military construction projects and reallocates funds from the privatization pilot program to traditional military construction accounts. This would not have been possible without Chairman HOBSON's leadership. He has helped to create a strong, bipartisan bill in the face of numerous obstacles. I ask all Members to support this legislation.

Mr. HOYER. Mr. Chairman, I rise in support of this bill and would like to commend the work of both the chairman, Mr. HOBSON and the ranking member, Mr. OLVER.

I believe the priorities which they have established in this bill are good for both our nation and for our nation's defense.

The funding constraints imposed by the balanced budget agreement make our choices more difficult.

However, we still must ensure that other priorities do not drive us away from one of the primary responsibilities the Congress has, and that is ensuring for the nation's defense.

The construction of quality family housing and barracks, as well as hospitals and child development centers all relate directly to the quality of life issues so important to retaining our men and women who serve our nation and who deserve the best that we can provide them.

We have witnessed our military forces time and again respond to our nation's call and demonstrate the courage, commitment and dedication that make our nation's defense the envy of the world.

I want to thank the subcommittee for providing these men and women a quality of life that makes the burden of leaving their families behind a bit easier to bear.

I also rise the support this bill which appropriates $8.5 billion for critical military construction needs in fiscal year 2000 and want to applaud the chairman and ranking member for what is in the bill before us:

—$4.2 billion for military construction, including: $789 million for barracks construction, $24 million for child development centers, $165 million for hospital and medical facilities, and $497 million for Guard and Reserve components.

—$3.6 billion for family housing, including: $747 million for new construction and renovation of family housing units and $2.8 billion for operation and maintenance of existing units.

—$700 million for expenses related to base realignment and closure.

I also want to point out some of the projects included in this bill that will have such a positive impact on the defense installations in my district such as;

For the Patuxent River Naval Air Station: $3.06 million for a ship & air test and evaluation facility, $1.5 million for a indoor firing range, and $4.15 million for an aircrew water survival training facility.

For Fort Meade: $10.07 million for a sewage treatment plant.

In closing, I want to thank the subcommittee for funding these military construction priorities and for so effectively addressing the needs of our men and women in uniform and their families.

Mrs. CAPPS. Mr. Chairman, today I rise in support of H.R. 2465, the Military Construction Appropriations Act for FY 2000. This important bipartisan legislation provides $8.5 billion for military housing and addresses a variety of quality of life issues for U.S. troops.

It is time that we made basic improvements in base facilities to support our troops. H.R. 2465 will address such quality of life issues in a number of ways. For example, the bill provides almost $965 million for barracks, hospitals and medical facilities, and $747 million for new housing units for troops and their families.

I am particularly pleased that H.R. 2465 includes $16.8 million to continue a much-needed family housing project at Vandenberg Air Force Base in my district. Vandenberg is in the process of building 108 two, three, and four bedroom housing units on the base. The goal is to provide safe, modern, and efficient housing for service men and women and their family members.

This particular housing project provides the services with a unique model of how development can be structured to strengthen and enhance a sense of community among a highly transitory population.

I am also proud to say that this bill funds priority projects and services for American forces for the next fiscal year, and still manages to be fiscally responsible.

Mr. BEREUTER. Mr. Chairman, this Member rises to address funding for a new Army Reserve Center in Lincoln, Nebraska.

The Army Reserve in Lincoln, Nebraska, currently leases a building assigned to the Agriculture Campus of the University of Nebraska in Lincoln. The University's plans for expanding its classroom space are being hindered by the Army Reserve's occupancy. Of late, the desire of the University to reclaim the facility has become more pressing. The Nebraska Army Reserve needs to construct a new building to serve as its center.

The Nebraska Army Reserve has identified an alternative to the current situation, but it lacks the funding needed to get it out of the starting blocks. Therefore, $1.3 million is needed to proceed with land acquisition and to develop preliminary design specifications. This Member supports the Nebraska Army Reserve's request for "seed money" in the amount of $1.3 million to fund the planning and acquisition of land for this relocated Center.

Our colleges and universities have enough challenges. Forcing them to delay, or work around, improvements to and expansion of their programs should not be unnecessarily adding to those challenges. We ask our military personnel to make enough sacrifices. Depriving them of modern, badly needed facilities should not be one of them.

While the bill before the House today does not include this funding request, this Member would note that the Senate version of the military construction appropriation, S. 1205, which was passed on June 16, 1999, by a vote of 97 to 2, already includes funding for this requirement.

To bring the House measure into agreement with Senate version, and for the reasons above, this Member urges the House conferees—who will be appointed to the conference on the Military Construction Appropriations bill—to agree to the Senate's funding level of $1.3 million for the construction of a new Army Reserve Center in Lincoln, Nebraska, in the conference report for H.R. 2465.

Mr. WICKER. Mr. Chairman, as a member of the Military Construction Subcommittee, I rise in support of this bill. Over the past months, the subcommittee has heard from many members of our Nation's armed forces and has traveled to bases at home and abroad to see first-hand the needs of our men and women in uniform. Their primary concern has been the continued deterioration of the infrastructure which supports our defense mission here and around the world. The President's budget request for Fiscal Year 2000 did little to alleviate these concerns. In response to his inadequate request, the Subcommittee added $3 billion more than the President, an increase of 56%.

Our efforts are aimed at providing our armed forces with the best facilities, training, and equipment possible. Military construction accounts for $4.9 billion or 49 percent of this bill. These funds will be used for barracks, child development centers, medical facilities, and other projects to strengthen and support critical missions. National Guard and Reserve components will receive nearly $500 million.

We have worked hard to address quality of life issues as well. This bill sends a clear message that we will take care of our country's military and their families. Family housing projects account for $3.6 billion or 43 percent of the bill. Within the family housing section, $2.8 billion will go for operation and maintenance of existing units, and $747 million will be used for the construction of new housing.

Mr. Chairman, this bill is fiscally responsible. At the same time, it helps rebuild our military infrastructure and addresses quality of life issues which are so important to maintaining a strong and motivated military.

I urge my colleagues to support the hard work of the Committee and vote for this Military Construction bill.

Mr. PACKARD. Mr. Chairman, I would like to express my strong support for H.R. 2465, the Military Construction Appropriations Act for FY2000. This legislation addresses "quality of life" issues for our service personnel.

H.R. 2465 will significantly improve the living and working conditions of our military personnel. As former Chairman of the Military Construction Appropriations Subcommittee, I have personally seen the poor and unsafe living and working conditions we subject our soldiers to both here in the U.S. and abroad. This legislation will go a long way in addressing many of these needs. We must do as much as we can if we hope to retain these quality personnel.

Our military is the most powerful fighting force in the world, yet our soldiers go home every evening to homes that are simply not acceptable or safe. I commend the members of the Military Construction Subcommittee and Chairman HOBSON for their dedication to the men and women of our Armed Services.

Mr. Chairman, H.R. 2465 goes much deeper than just appropriating funds, this legislation will keep the people who protect and serve our country safe. We shouldn't keep asking our servicemen and women to put their lives on the line if we can't provide them with the basics they need to raise a family and live decently.

Mr. DOOLEY of California. Mr. Chairman, I rise today in support of H.R. 2465 and am particularly pleased with the work that was done in regard to the Lemoore Naval Air Station, which is located in my district in Lemoore, California. I would like to thank both Chairman HOBSON and Representative OLVER for all their hard work in ensuring that Naval Air Station Lemoore is prepared for the upcoming challenges the Navy will place on the base. I would also like to thank Representative MURTHA for his continued support of much needed projects at Lemoore.

I know that funding in this year's Military Construction Appropriations was under considerable budget constraints and so I am pleased that several vital projects for Lemoore were included in the final markup of the bill.

Naval Air Station Lemoore currently supports 27,000 military, civilian, dependent, and retired personnel as the Navy's only West coast Master Jet Air Station. With Lemoore Naval Air Station being designated as the base for the new F/A–18E/F Super Hornet Fighter Aircraft, it is projected that this figure will grow to 33,000 over the next 5 years.

Considering the cost of training these additional pilots, as well as the critical importance of the F/A–18's Super Hornets to the future of the Naval air program, military construction projects at Lemoore Naval Air Station have become a vital component of not only the base's mission, but the mission of our National Defense.

Due to this significant growth, secluded location and deteriorating facilities, quality of life construction projects have become critically important.

A recent survey done at Lemoore confirmed this reality when pilots reported that living conditions diminish morale and threaten pilot retention rates when they are not addressed.

I am confident that we can work to properly address these concerns if we are able to construct and upgrade facilities that directly affect the quality of life of our nation's military personnel.

The military construction projects in the Fiscal Year 2000 Appropriations for Lemoore provide a good start in addressing these issues, but we must see to it that the Defense's million to improve morale and retain pilots continues to be implemented in the years ahead.

The bill we have before us today, H.R. 2465, includes language supporting this effort and specifically directs the Navy to "accelerate the design of quality of life projects at Lemoore Naval Air Station, and to include the required construction funding in its fiscal year 2001 budget request." I am happy to see this direction included and am hopeful that the Administration and Congress will act accordingly.

Support of these military construction projects will help Naval Air Station Lemoore meet its national defense responsibilities in the coming decades.

Mr. WELLER. Mr. Chairman, I rise today to lend my strong support for passage of H.R. 2465, the Fiscal Year 2000 Military Construction Appropriations Act.

This $8.5 billion measure recognizes the needs of our military infrastructure, continues our efforts at base closure and realignment, and most importantly puts military families first. One of the much needed items in this bill to improve the quality of life for our people in uniform is the $10.952 million appropriation for the construction of the Marseilles National Guard Training Facility in my Congressional District.

The Marseilles complex has been requested by the Illinois Department of Military Affairs and the Pentagon since 1994. Not until this year did the President recognize the need for this facility and I am pleased that President Clinton included funding for this project in his FY 2000 budget. This facility would be the first permanent training complex for the National Guard in the State of Illinois, serving all of the 10,245 members of the Guard in Illinois. Currently, members of the Illinois National Guard are forced to travel to bases in Wisconsin and Kentucky some as far as 350 miles away to conduct routine maneuvers. As you can imagine, this places a severe stress on the scope and timing of military operations, and even greater stress on the members of the Guard and their families.

The Marseilles site is easily accessible from Interstate 80 and is in close proximity to Interstates 39 and 55, Chicago, Joliet and Springfield. The Marseilles site is currently used by the Guard for small training exercises that are conducted out of tents and military vehicles with restroom facilities consisting of portable toilets that are of an unacceptable condition for these troops. The proposed complex in Marseilles would reduce travel time to and from training for most Illinois Guard members and would include barracks and dining facilities that would help to boost morale and retention within the ranks. The immediate construction of the Marseilles complex would provide the multiple benefits of substantially helping local business, spurring development in the undeveloped area south of the Illinois River, while providing a convenient training site that will help to ensure troop readiness and an acceptable quality of life.

Mr. Speaker, I extend my deep appreciation to Chairman HOBSON of the Military Construction Subcommittee, and on behalf of the residents and small business owners of Marseilles and the over 10,000 members of the Illinois National Guard I say thank you for helping to get this important project underway.

Mr. HAYES. Mr. Chairman, I want to thank our distinguished Chairman for his commitment to our Armed Services personnel, who rely on the United States Congress to address important quality of life issues. The Chairman and the members of his subcommittee deserve our gratitude for their fine work in crafting the legislation before us. In particular, I want to thank the Chairman for his personal attention to the needs of our soldiers and airmen, and their families, at Ft. Bragg and Pope Air Force Base in the 8th District of North Carolina.

It should be noted that back in February the Chairman and his subcommittee were handed a flawed funding proposal by the Administration—one that called for an unprecedented piecemeal funding approach. The Chairman and his subcommittee wisely rejected this proposal, realizing that incremental funding simply doesn't work for military construction. Instead, the House is considering legislation that properly addresses that military housing needs of our armed services.

Mr. Chairman, let me also take this opportunity to bring to the attention of the Chairman and those members who will join him in representing the House during the MilCon Appropriations conference an important issue to the 8th District and all of North Carolina. Included in the Senate version of this legislation is report language directing the Army National Guard to include for a combat arms educational facility in its Fiscal Year 2001 budget submission. The current facilities for the North Carolina Guard's education center are antiquated and no longer meet their needs.

I have before me a letter from Brigadier General Michael Squier, Deputy Director of the Army National Guard, stating that the Educational Facility is of the highest priority. Such a strong endorsement certainly indicates to me that this facility is an important project.

I appreciate the Chairman's consideration of the Senate language and his commitment to America's patriots in uniform.

DEPARTMENTS OF THE ARMY AND THE AIR FORCE NATIONAL GUARD BUREAU
Arlington, VA, May 25, 1999.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I deeply apologize for our error in submitting information on the Military Education Center at Fort Bragg. We had earlier reported that it was not in the Future Years Defense Plan. It most definitely is, as shown in the Army National Guard's Fiscal Year 2000 Budget Submission for Military Construction (copy enclosed).

This project is of the highest priority to the Army National Guard and has my personal interest along with that of Major General Rudisill, the Adjutant General of North Carolina.

Your support of the National Guard is appreciated as always.

Sincerely,

MICHAEL J. SQUIER,
Brigadier General, U.S. Army, Deputy Director, Army National Guard.

Mr. OLVER. Mr. Chairman, I yield back the balance of my time.

Mr. HOBSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for military construction, family housing, and base realignment and closure functions administered by the Department of Defense, for the fiscal year ending September 30, 2000, and for other purposes, namely:

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, including personnel in the Army Corps of Engineers and other personal services necessary for the purposes of this appropriation, and for construction and operation of facilities in support of the functions of the Commander in Chief, $1,223,405,000, to remain available until September 30, 2004: *Provided*, That of this amount, not to exceed $87,205,000 shall be available for study, planning, design, architect and engineer services, and host nation support, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, $968,862,000, to remain available until September 30, 2004: *Provided*, That of this amount, not to exceed $65,010,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, $752,367,000, to remain available until September 30, 2004: *Provided*, That of this amount, not to exceed $32,104,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, $755,718,000, to remain available until September 30, 2004: *Provided*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction or family housing as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further*, That of the amount appropriated, not to exceed $33,324,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $135,129,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $180,870,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, ARMY RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $92,515,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, NAVAL RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $21,574,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $66,549,000, to remain available until September 30, 2004.

NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

For the United States share of the cost of the North Atlantic Treaty Organization Security Investment Program for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in Military Construction Authorization Acts and section 2806 of title 10, United States Code, $81,000,000, to remain available until expended.

FAMILY HOUSING, ARMY

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $89,200,000, to remain available until September 30, 2004; for Operation and Maintenance, and for debt payment, $1,089,812,000; in all $1,179,012,000.

FAMILY HOUSING, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $312,559,000, to remain available until September 30, 2004; for Operation and Maintenance, and for debt payment, $895,070,000; in all $1,207,629,000.

FAMILY HOUSING, AIR FORCE

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction,

$344,996,000, to remain available until September 30, 2004; for Operation and Maintenance, and for debt payment, $821,892,000; in all $1,166,888,000.

FAMILY HOUSING, DEFENSE-WIDE

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration, and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, $50,000, to remain available until September 30, 2004; for Operation and Maintenance, $41,440,000; in all $41,490,000.

DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

For the Department of Defense Family Housing Improvement Fund, $2,000,000, to remain available until expended, as the sole source of funds for planning, administrative, and oversight costs relating to family housing initiatives undertaken pursuant to 10 U.S.C. 2883, pertaining to alternative means of acquiring and improving military family housing, and supporting facilities.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV

For deposit into the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991 (Public Law 101–510), $705,911,000, to remain available until expended: *Provided*, That not more than $360,073,000 of the funds appropriated herein shall be available solely for environmental restoration, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

Mr. HOBSON. Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 20, line 17, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the remainder of the bill through page 20, line 17, is as follows:

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in Military Construction Appropriations Acts shall be expended for payments under a cost-plus-a-fixed-fee contract for construction, where cost estimates exceed $25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. Funds appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. No part of the funds provided in Military Construction Appropriations Acts shall be used for purchase of land or land easements in excess of 100 percent of the value as determined by the Army Corps of Engineers or the Naval Facilities Engineering Command, except: (1) where there is a determination of value by a Federal court; (2) purchases negotiated by the Attorney General or his designee; (3) where the estimated value is less than $25,000; or (4) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. None of the funds appropriated in Military Construction Appropriations Acts shall be used to: (1) acquire land; (2) provide for site preparation; or (3) install utilities for any family housing, except housing for which funds have been made available in annual Military Construction Appropriations Acts.

SEC. 107. None of the funds appropriated in Military Construction Appropriations Acts for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.

SEC. 108. No part of the funds appropriated in Military Construction Appropriations Acts may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation.

SEC. 110. None of the funds appropriated in Military Construction Appropriations Acts may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

SEC. 111. None of the funds appropriated in Military Construction Appropriations Acts may be obligated for architect and engineer contracts estimated by the Government to exceed $500,000 for projects to be accomplished in Japan, in any NATO member country, or in countries bordering the Arabian Gulf, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.

SEC. 112. None of the funds appropriated in Military Construction Appropriations Acts for military construction in the United States territories and possessions in the Pacific and on Kwajalein Atoll, or in countries bordering the Arabian Gulf, may be used to award any contract estimated by the Government to exceed $1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 percent: *Provided further*, That this section shall not apply to contract awards for military construction on Kwajalein Atoll for which the lowest responsive and responsible bid is submitted by a Marshallese contractor.

SEC. 113. The Secretary of Defense is to inform the appropriate committees of Congress, including the Committees on Appropriations, of the plans and scope of any proposed military exercise involving United States personnel 30 days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed $100,000.

SEC. 114. Not more than 20 percent of the appropriations in Military Construction Appropriations Acts which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year.

(TRANSFER OF FUNDS)

SEC. 115. Funds appropriated to the Department of Defense for construction in prior years shall be available for construction authorized for each such military department by the authorizations enacted into law during the current session of Congress.

SEC. 116. For military construction or family housing projects that are being completed with funds otherwise expired or lapsed for obligation, expired or lapsed funds may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims, if any.

SEC. 117. Notwithstanding any other provision of law, any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of the fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project: (1) are obligated from funds available for military construction projects; and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

(TRANSFER OF FUNDS)

SEC. 118. During the 5-year period after appropriations available to the Department of Defense for military construction and family housing operation and maintenance and construction have expired for obligation, upon a determination that such appropriations will not be necessary for the liquidation of obligations or for making authorized adjustments to such appropriations for obligations incurred during the period of availability of such appropriations, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense" to be merged with and to be available for the same time period and for the same purposes as the appropriation to which transferred.

SEC. 119. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with an annual report by February 15, containing details of the specific actions proposed to be taken by the Department of Defense during the current fiscal year to encourage other member nations of the North Atlantic Treaty Organization, Japan, Korea, and United States allies bordering the Arabian Gulf to assume a greater share of the common defense burden of such nations and the United States.

(TRANSFER OF FUNDS)

SEC. 120. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, proceeds deposited to the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526) pursuant to section 207(a)(2)(C) of such Act, may be transferred to the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to be merged with, and to be available for the same purposes and the same time period as that account.

SEC. 121. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the "Buy American Act").

SEC. 122. (a) In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

(TRANSFER OF FUNDS)

SEC. 123. Subject to 30 days prior notification to the Committees on Appropriations, such additional amounts as may be determined by the Secretary of Defense may be transferred to the Department of Defense Family Housing Improvement Fund from amounts appropriated for construction in "Family Housing" accounts, to be merged with and to be available for the same purposes and for the same period of time as amounts appropriated directly to the Fund: *Provided*, That appropriations made available to the Fund shall be available to cover the costs, as defined in section 502(5) of the Congressional Budget Act of 1974, of direct loans or loan guarantees issued by the Department of Defense pursuant to the provisions of subchapter IV of chapter 169, title 10, United States Code, pertaining to alternative means of acquiring and improving military family housing and supporting facilities.

SEC. 124. (a) Not later than 60 days before issuing any solicitation for a contract with the private sector for military family housing the Secretary of the military department concerned shall submit to the congressional defense committees the notice described in subsection (b).

(b)(1) A notice referred to in subsection (a) is a notice of any guarantee (including the making of mortgage or rental payments) proposed to be made by the Secretary to the private party under the contract involved in the event of—

(A) the closure or realignment of the installation for which housing is provided under the contract;

(B) a reduction in force of units stationed at such installation; or

(C) the extended deployment overseas of units stationed at such installation.

(2) Each notice under this subsection shall specify the nature of the guarantee involved and assess the extent and likelihood, if any, of the liability of the Federal Government with respect to the guarantee.

(c) In this section, the term "congressional defense committees" means the following:

(1) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the Senate.

(2) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the House of Representatives.

(TRANSFER OF FUNDS)

SEC. 125. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, amounts may be transferred from the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to the fund established by section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) to pay for expenses associated with the Homeowners Assistance Program. Any amounts transferred shall be merged with and be available for the same purposes and for the same time period as the fund to which transferred.

SEC. 126. Notwithstanding this or any other provision of law, funds appropriated in Military Construction Appropriations Acts for operations and maintenance of family housing shall be the exclusive source of funds for repair and maintenance of flag and general officer quarters: *Provided*, That not more than $15,000 per unit may be spent annually for the maintenance and repair of any general or flag officers quarters without thirty days advance prior notification of the appropriate committees of Congress: *Provided further*, That out-of-cycle notifications are prohibited with the exception of those justified by emergency or safety-related items: *Provided further*, That the Under Secretary of Defense (Comptroller) is to report on a quarterly basis to the appropriate committees of Congress all operations and maintenance expenditures for each individual flag and general officer quarters.

SEC. 127. The first proviso under the heading "MILITARY CONSTRUCTION TRANSFER FUND" in chapter 6 of title II of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31) is amended by inserting "and to the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code" after "to military construction accounts".

SEC. 128. Notwithstanding any other provisions in this Act, the following accounts are hereby reduced by the specified amounts—

"Military Construction, Army", $38,253,000;

"Military Construction, Navy", $30,277,000;

"Military Construction, Air Force", $23,511,000;

"Military Construction, Defense-wide", $23,616,000;

"Military Construction, Army National Guard", $4,223,000;

"Military Construction, Air National Guard", $5,652,000;

"Military Construction, Army Reserve", $2,891,000;

"Military Construction, Naval Reserve", $674,000; and

"Military Construction, Air Force Reserve", $2,080,000.

SEC. 129. The Army, Navy, Marine Corps, and Air Force are directed to submit to the appropriate committees of the Congress by June 1, 2000, a Family Housing Master Plan demonstrating how they plan to meet the year 2010 housing goals with traditional construction, operation and maintenance support, as well as privatization initiative proposals. Each plan shall include projected life cycle costs for family housing construction, basic allowance for housing, operation and maintenance, other associated costs, and a time line for housing completions each year.

The CHAIRMAN. Are there amendments to the bill?

The Clerk will read the last 2 lines of the bill.

The Clerk read as follows:

This Act may be cited as the "Military Construction Appropriations Act, 2000".

The CHAIRMAN. Are there any amendments?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. GILLMOR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, pursuant to House Resolution 242, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 418, nays 4, not voting 13, as follows:

[Roll No. 280]

YEAS—418

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez

Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—4

Norwood
Paul
Royce
Stark

NOT VOTING—13

Brown (CA)
Chenoweth
Combest
Gejdenson
Hastings (FL)
Kasich
McDermott
Meek (FL)
Scarborough
Sweeney
Thurman
Weygand
Wise

☐ 1515

Ms. BALDWIN changed her vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WEYGAND. Mr. Speaker, I was unavoidably absent on Monday and earlier today due to the death of my uncle. Had I been here on Monday, I would have voted "yes" on rollcall votes 278 and 279. Today, I would have voted "yes" on rollcall 280.

☐ 1515

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 2466) making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore. Pursuant to House Resolution 243 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2466.

☐ 1517

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. REGULA) and the gentleman from Washington (Mr. DICKS) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, for those who might not have noticed, this is Ohio day, both from the standpoint of the chairman of the two Appropriations bills being considered today and of the gentleman from Ohio presiding this afternoon.

Mr. Chairman, first of all, I want to pay a compliment to my ranking member, the gentleman from Washington (Mr. DICKS). This is his first year of being the Ranking Member on the subcommittee, and he has been a partner. We have worked together on the things in this bill in a nonpartisan way. I think it is fair, and I think a lot of this is thanks to the contributions that the gentleman from Washington (Mr. Dicks) made and also the staff, both his staff and the staff of the subcommittee. It has been a real pleasure to work with the gentleman from Washington on this bill.

Mr. Chairman, today I would ask Members in their mind's eye to fast forward to the year 2049, 50 years from now, because their actions and votes on this bill will be the America we leave to our children and grandchildren.

We have to ask ourselves some questions: Will it be an America free from the scars of resource exploitation? We have put an extra $11 million for the Abandoned Mine Reclamation Fund to avoid that problem.

Will it be an Everglades fully watered and with its unique ecology preserved and enhanced? Again, when it is all said and done, we will have spent about $10 billion of U.S. taxpayer dollars to take care of the Everglades. If Members read the language in the bill, they will see we are making a point that we want to ensure that there is an adequate water supply, not just now but 50 years from now.

Will it be a Nation with clean air, clean water, with rivers that we point to with pride? Will there be 629 million acres of forests, parks, fish and wildlife facilities and grazing lands, with beautiful vistas, with unique ecological wonders?

Will there be an Smithsonian that continues to tell the unique story of our Nation's heritage? Will there be a Kennedy Center that continues to excite millions of visitors with a wide range of artistic opportunities? Will there be a Holocaust Museum that continues to remind Americans and people from many nations that this tragedy shall never happen again? Will there be a National Gallery Of Art and Sculpture Garden that shares the treasures of many nations in addition to our own?

Will there be new sources of energy that foster a livable society with a prosperous economy? Will we be a Nation that respects its arts and its humanities?

Members get to answer those questions today by giving a resounding vote of yes to this bill. We will soon be voting on a $265 billion defense bill to defend many of the values that this bill represents. Fourteen billion dollars, the amount of this bill, is a small price to invest in preserving these values.

We have made a number of important policy changes. The Inspector General at the Department of the Interior told us that the National Park Service was unable to balance its books. We have instituted reforms and turned that situation around in 18 months. This bill continues those reforms. We have made changes in many programs as a result of 18 oversight hearings over the past 4 years.

We have heard about the $1 million comfort stations built by the U.S. Park Service. We have streamlined and reformed the way in which the Park Service manages its construction program, and we are not going to have those kinds of activities in the future.

According to testimony of the leaders of the National Park Service, the Forest Service, the Smithsonian, all of these agencies, that we have a $15 billion backlog maintenance. We have to take care of what we have, and we are doing that in this bill. We continue to work at it, and I think it makes a difference.

Our subcommittee recently visited some facilities in the State of Washington. In Olympic National Park we saw a building that was being fixed as a result of fees and as a result of the understanding that we need to take care of maintenance.

We are looking into problems of financial and contract management in the Department of Energy, the Forest Service, and the Bureau of Indian Affairs.

We have provided for the Everglades restoration effort in this bill. A unique feature, and I think it is one of management, that is that we require the States to provide a 25 percent match on weatherization. Forty-eight of the States have current balances, some of them over $1 billion. I think the States have a responsibility of participating, and frankly, if they do, they are going to be a little more careful how they manage the funds. Now they manage the funds and we provide all the money. Under this proposal, we have not reduced weatherization significantly; we are saying, States, you put up 25 percent and we will be able to do more. We will also get better management of the dollars involved. I think this is a very positive approach to this program. I hope Members will all support it by their votes on the bill.

We have added $99 million to the Operation of the National Parks. We hear this mantra, "they are going to shut down the parks." Do not believe it. We have added $99 million to support our national parks over what we provided last year, even though the bill in its present form is $1 million less than the 1999 bill, excluding the supplemental appropriations. It is $200 million less if we include the enacted bill, which would include the supplemental appropriations.

So we have been very careful in managing it, but we have tried to emphasize the things that are important to people: their parks, $99 million; $200 million for Indian education and health programs. I think we need to do more, but that is the best we could under the circumstances.

But when the American Dental Association testifies that only one Indian has dental care out of four, we need to remedy that. We need to ensure that every Native American has the health care he or she needs, and we likewise need to ensure that they have educational opportunities.

We saw the President visiting a reservation last week talking about the poverty there. The way to get out of poverty is to improve education. We have tried to address that as much as we could in this bill.

We have provided $205 million for high priority land acquisition. I know people would like to buy a lot more land, but that is the best we can do under the circumstances.

What we have tried is where we have inholdings, we have tried to focus on the importance of pulling together the lands that we have, so our priority has been to pick up wherever possible with a willing seller, a willing buyer, inholdings.

We have included $33 million additional for national wildlife refuges. I mentioned the Everglades. We have included land acquisition funds, but we have said that we want to guarantee that the water will be there not just tomorrow but 50 years from now, and to that end we have put in restrictive language to ensure that we have that guarantee before we commit vast sums of money from the taxpayers of this Nation. Their focus is on the Everglades. The taxpayers are not putting up $10 billion to $11 billion to provide more development money or more agriculture, they are putting up the money to take care of the Everglades, which belongs to all the people of this Nation. We have tried to recognize that.

I mentioned earlier that the AML fund is $11 million more than last year. We want to repair some of the scars we have inflicted on the landscape of America from coal mining. We have level funding for the National Endowment for the Arts, the National Endowment for the Humanities. I think that is consistent with the fact that the bill is level funded in terms of the 1999 appropriations.

I think all of these programs taken together represent a good management of our Nation's resources, and most importantly, I think they represent policies and programs that every one of us who support this bill will be able to point to our actions with pride 50 years from now, and on into the future as far as the eye can see.

I hope that the Members will support the bill, that we will continue this effort that we are making in managing our resources and the dollars to give the public the best possible value received for the money they provide in the form of taxes.

OVERVIEW OF BILL

Mr. Chairman, today I am pleased to bring to the House for its consideration the fiscal year 2000 Interior Appropriations bill. While the pressures of the 1997 budget agreement between the Congress and the White House have required us to make some difficult choices in this year's bill, I believe we are presenting you a good bill. The bill provides for $14.057 billion in budget authority and $14.556 billion in outlays. Funding is $200 million below the FY99 enacted bill and $1.1 billion below the Administration's FY 2000 request. Within these limits we are continuing to focus our priorities on operational shortfalls and backlog maintenance in the national parks, wildlife refuges and national forests by providing modest increases for these priorities.

Despite our severe funding limitations, we continue the federal commitment for the restoration of the Everglades with $114 million. This funding includes the federal commitment necessary for the purchase of critical lands within Everglades National Park, as well as the other national parks and wildlife refuges, critical to the restoration effort. In providing this funding, we have included specific language to ensure a true environmental restoration of the Everglades by requiring specific water flow amounts and timing for these critical natural areas.

Throughout my tenure as Chairman of this Subcommittee, I have focused on bringing improved management and accountability to the taxpayer. You may remember that in last year's bill we made changes to the Park Service's Denver Services Center and the way the Park Service manages and funds construction projects, so that the taxpayer will never again be asked to fund a $784,000 outhouse in a national park. This year we have focused on the various trust funds of the U.S. Forest Service. These funds are off budget funds which have not been transparent to the taxpayer. We have included a number of changes to address this situation, and I will enumerate them more specifically when I address the Forest Service portion of the bill.

As federal spending for these programs continues to be squeezed by our obligations to the American people to maintain balanced budgets and protect Social Security and Medicare, we must increasingly focus exclusively on our federal responsibility. States must share in these programs as our partners. For this reason, we have not provided funding for the states to purchase lands under the Administration's Lands Legacy program. State continue to do extremely well financially under the excellent economic conditions we enjoy. We call on these same states to make the financial commitment to protect lands of priority to them.

In the area of energy programs funded within the bill, we continue this philosophy by asking the states to participate in funding the

Weatherization program. Throughout the many years of this program, only the federal government has provided the funding for this program, and in our FY00 bill we ask the states to share in the program with a 25 percent cost share.

Like last year, we have funded the bill without the selling oil from the Strategic Petroleum Reserve (SPR) to finance its operations. Congress created the SPR IN 1975 to provide a national defense against future oil shocks. This year, we are pleased to report that the SPR is being filled with oil from royalties owed the federal government by entities producing oil from federal lands. This creative relationship between the Department of the Interior and the Department of Energy is working well, while at the same time adding to our nation's strategic oil defense.

THE NATION'S LANDS

The Interior Appropriations bill provides funding for the vast majority of our nation's federal lands. I would like to highlight the vast treasures we hold as a nation in the resources of our lands. Together as a nation we hold ownership of nearly one third of the land across this great country, and we cherish the open space and tranquility these vast holdings provide. They include 192 million acres in Forest Service land, 77 million acres within the National Park System, 94 million acres in Wildlife Refuges administered by the Fish and Wildlife Service and 264 million acres in Bureau of Land Management (BLM) holdings.

Although we often refer to our national parks as the "crown jewels" of our public lands which include the Grand Canyon, Yellowstone and Yosemite, many spectacular gems are also found on these other public lands. Both the Forest Service and the BLM administer their lands under a multiple use mandate, and therefore, these lands are used not only for recreation as our national parks, but also for hunting and fishing, as well as for generating revenues from minerals and oil and gas development.

While many people associate the Forest Service as a source for American's lumber needs, it is a little known fact that the Forest Service actually receives three times the number of visitors to its lands for recreational purposes than the national parks. Forest Service lands received more than 650 million visits last year.

The American public does not distinguish between federal lands administered by different agencies, and as such, I encourage these agencies to work together on behalf of the public. I would like to compliment the BLM and the Forest Service on their work to consolidate their activities at the field level to achieve savings and provide improved services to the public. The Department of Agriculture and Interior have also achieved success in coordinating their efforts on the development of the Joint Fire Science Plan which provides the scientific aspect of the fuels management programs of the Departments. I encourage all of the agencies to follow these excellent examples and coordinate their services effectively.

REVENUES FROM THE FEDERAL LANDS/REC FEE DEMONSTRATION PROGRAM

In addition to the growing role as respite to millions of Americans from the everyday stresses of an increasingly urbanized society, these lands also provide a major source of revenues. Revenues from mining, oil and gas leasing and grazing are expected to generate more than $6 billion in fiscal year 2000. These resources belong to the American people, and they are benefitting from the revenues they generate.

During my first year as Chairman of this Subcommittee, I initiated the recreation fee program demonstration on our federal lands. This is a concept I have supported for many years; it allows the parks, wildlife refuges, national forests and public lands to collect a modest fee from visitors. This fee stays in the park where it is collected and allows the land manager to use the funds to conduct backlog maintenance or improve services for the visitor on that particular site. We are receiving tremendous support of these fees from the American people, the land managers and from national organizations involved with our federal lands. The fees are expected to generate over $400 million over a five year period and will greatly enhance our ability to reduce the maintenance backlog on the public lands. Other unexpected benefits of the program include a reduction in vandalism which the superintendent at Muir Woods in California called to my attention recently. With Americans making a contribution to the land, they feel they have a stake in its beauty and preservation.

FOREST SERVICE LANDS

The National Forest System lands represent about one third of the nation's forest land and historically have produced approximately 20 percent of the total softwood harvested in the United States each year. Much more timber is grown on these lands each year than is harvested. The timber sale program generates revenues for the Treasury and for local timber-based economies, as well as providing the raw material for lumber, paper and other forest products that are critical to our economy. The timber program on public lands, however, has declined from a high of 11.1 billion board feet in FY90 to the 3.6 billion recommended in this bill and the same level as in fiscal year 1999. This number is a dramatic reduction over the decade, and further cuts to it would be an irresponsible act of the Congress and dramatically impact timber-dependent communities.

Earlier I mentioned increased accountability of various Forest Service trust funds. Despite continuing concerns expressed by this Committee, the House Agriculture Committee and the GAO about the accountability of these funds, we remain deeply troubled about the way these trust funds are being administered. To address these concerns, this year we are requiring the Forest Service to submit a detailed plan of operations to the Congress for the Knutson-Vandenberg (KV) fund, the salvage sale fund and the brush disposal fund. The plan should include an explanation and justification for the program of work and expected accomplishments at each national forest unit using KV funds. To address ongoing concerns that these funds have been used for purposes other than those for which they are intended, we have limited their use at both the regional and Washington levels to only those activities strictly related to the program. We have specifically prohibited their use for general assessments within either the Forest Service or the Department of Agriculture. The American people deserve to know that these funds are being used for their intended purposes of reforestation together with restoration of watersheds and habitats, and therefore we have also required that these funds be displayed in future budget justifications for the Forest Service. I am pleased with the new requirements we are placing on the management of these funds.

We are making a significant commitment to fire-fighting in this bill, with $561 million for wildland fire management. The fund supports preparation for wildfires, wildfire operations and reduction of hazardous fuels.

Last year we included the transfer of the Volunteer Fire Assistance program from the Department of Agriculture Appropriations bill to this one. This small grant program, through the State and Private Forestry account, is a tremendous partnership between local volunteer fire departments and the federal government. It allows for enhanced training and equipment to these local fire-fighting agencies and provides for highly trained volunteers should their assistance be requested at federal fire sites. The bill includes $4 million for this grant program, with a total of $29 million in total for the Cooperative Fire Assistance program. Clearly, the bill makes a strong commitment to the fire-fighting needs on the local, state and federal levels.

INDIAN HEALTH SERVICE

Health Care for our native Americans is the responsibility of the federal government and remains a challenge for this subcommittee. We continue our commitment to Indian Health Services with total funding of $2.4 billion, a $155 million increase over fiscal year 1999.

Within this increase is additional funding of $35 million to meet contract support costs, a growing obligation. Within this increase we have also included an additional $20 million to construct the highest priority hospitals and clinics, thus providing needed access to health care.

SCIENCE

The bill includes $820 million for the U.S. Geological Survey. This Department of the Interior agency performs first-class scientific research and analysis in areas including water resources, geology and biological resources. I am pleased to report that our transfer of the Biological Resources Division to the U.S. Geological Survey continues to work very well, and the other bureaus rely on the expertise of the outstanding agency to meet their scientific needs.

We have provided $188 million for ecological services for the Fish and Wildlife Service, including $105 million for endangered species work. As we all know, the Endangered Species Act needs to be reauthorized. I urge the Administration to present legislation to the Congress so that together we may address vitally needed reforms for the program.

DEPARTMENT OF ENERGY

The Interior Appropriations Bill funds programs at the Department of Energy for research to develop technologies to more efficiently use fossil fuels. Low energy prices and energy efficient technologies are a major reason for our strong economy, so we must continue to support federal energy research programs for fossil energy, coal, oil and natural gas, as well as other sources of energy.

Funding for the Department of Energy's programs are cut $209 million below last year's level. With many fewer dollars, we continue to emphasize partnerships between the federal government and the private sector to ensure that there is a commitment to the technologies in the marketplace. Our goals continue to be to develop technologies that meet the highest energy efficiency and environmental standards possible. Fossil energy will remain the cornerstone of our nation's energy supply well into the next millennium and will also be the source of energy for the world's developing countries. Our continued leadership in this research is vital as we become an increasingly global economy.

DOE's Energy Efficiency account includes a number of programs, including the Industries of the Future program which is an outstanding public-private partnership as the nation's most energy intensive and highest polluting industries work with government in setting joint goals to increase efficiency and reduce waste as we look to these industries' futures. We have provided $193 million for this program, the success of which will continue to ensure world class economic strength in our leading industry sectors which employ so many Americans.

Funding for the state energy programs remains at the 1999 level of $33 million, and we have funded the Weatherization Assistance Program at $120 million, and we are now requiring a 25 percent cost share which I noted earlier. This requirement will allow us to leverage the program dollars and in turn expand the funding and the number of people who may benefit from the program.

Finally, we continue to support the Federal Energy Management Program (FEMP) and have provided $24 million for it. This program is an excellent industry/government partnership in which the private sector works with federal agencies to reduce energy usage by incurring the costs of installing high efficiency equipment in exchange for a share of the resulting energy savings. The program has great potential for energy savings, as the federal government is the largest energy user in the world.

NATIONAL ENDOWMENTS FOR THE ARTS AND THE HUMANITIES

Over the past few years, funding for the National Endowment for the Arts (NEA) has been a challenge in this appropriations bill. During last year's floor debate on this bill, the House of Representatives voted to continue to provide federal funding for the NEA. This year we have included funding for the NEA and the NEH at the fiscal year 1999 levels of $98 million and $110 million, respectively. I believe the reforms we have put in place at the NEA are working, and the current directors of these agencies are doing a fine job on behalf of the American people.

CULTURAL AGENCIES

One of the most enjoyable tasks I have serving as Chairman of the Subcommittee, is overseeing the budget for our nation's cultural agencies. These fine agencies, including the Smithsonian Institution, the Kennedy Center, the National Gallery of Art and the U.S. Holocaust Museum all provide wonderful services to the American public not only when they come to visit our nation's capital, but also through numerous outreach programs throughout the states and local communities, as well as on the Internet.

For fiscal year 2000 we are providing $438 million for the Smithsonian Institution. This funding includes $48 million for repair and restoration of Smithsonian facilities. "Taking care of what we have" is a high priority for me, and I am pleased that the Smithsonian agrees with this priority in maintaining their world class facilities for all Americans to enjoy.

Within the constraints of the tight budget, we have provided modest increases for the various cultural agencies within the bill.

CONCLUSION

Mr. Chairman, in closing I would like to reiterate that the bill I present before the House today is a good bill. It reflects the priorities of taking care of the lands and resources of all the American people. It is a responsible bill which keeps our obligation to balance the budget, while meeting the many responsibilities under our jurisdiction.

At this point Mr. Chairman, I would like to insert into the RECORD a table detailing the various accounts in the bill.

The table referred to is as follows:

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2000 (H.R. 2466)
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	612,511	641,100	632,068	+19,557	-9,032
Wildland fire management	286,895	305,850	292,399	+5,504	-13,451
Central hazardous materials fund	10,000	11,350	10,000		-1,350
Construction	10,997	8,350	11,100	+103	+2,750
Payments in lieu of taxes	125,000	125,000	125,000		
Land acquisition	14,600	48,900	20,000	+5,400	-28,900
Oregon and California grant lands	97,037	101,650	99,225	+2,188	-2,425
Range improvements (indefinite)	10,000	10,000	10,000		
Service charges, deposits, and forfeitures (indefinite)	8,055	8,800	8,800	+745	
Miscellaneous trust funds (indefinite)	8,800	7,700	7,700	-1,100	
Total, Bureau of Land Management	1,183,885	1,268,700	1,216,292	+32,397	-52,408
United States Fish and Wildlife Service					
Resource management	661,136	724,000	710,700	+49,564	-13,300
Construction	50,453	43,569	43,933	-6,520	+364
Emergency appropriations	37,612			-37,612	
Land acquisition	48,024	73,632	42,000	-6,024	-31,632
Cooperative endangered species conservation fund	14,000	80,000	15,000	+1,000	-65,000
National wildlife refuge fund	10,779	10,000	10,779		+779
North American wetlands conservation fund	15,000	15,000	15,000		
Wildlife conservation and appreciation fund	800	800	800		
Multinational species conservation fund	2,000	3,000	2,000		-1,000
Total, United States Fish and Wildlife Service	839,804	950,001	840,212	+408	-109,789
National Park Service					
Operation of the national park system	1,285,604	1,389,627	1,387,307	+101,703	-2,320
Emergency appropriations	2,320			-2,320	
National recreation and preservation	46,225	48,336	45,449	-776	-2,887
Historic preservation fund	72,412	80,512	46,712	-25,700	-33,800
Construction	226,058	194,000	169,856	-56,202	-24,144
Emergency appropriations	13,680			-13,680	
Land and water conservation fund (rescission of contract authority)	-30,000	-30,000	-30,000		
Land acquisition and state assistance	147,925	172,468	102,000	-45,925	-70,468
Conservation grants and planning assistance		200,000			-200,000
Urban park and recreation fund		4,000			-4,000
Total, National Park Service (net)	1,764,224	2,058,943	1,721,324	-42,900	-337,619
United States Geological Survey					
Surveys, investigations, and research	797,896	838,485	820,444	+22,548	-18,041
Emergency appropriations	1,000			-1,000	
Minerals Management Service					
Royalty and offshore minerals management	217,902	234,082	234,082	+16,180	
Additions to receipts	-100,000	-124,000	-124,000	-24,000	
Oil spill research	6,118	6,118	6,118		
Total, Minerals Management Service	124,020	116,200	116,200	-7,820	
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology	93,078	94,391	95,693	+2,615	+1,302
Receipts from performance bond forfeitures (indefinite)	275	275	275		
Subtotal	93,353	94,666	95,968	+2,615	+1,302
Abandoned mine reclamation fund (definite, trust fund)	185,416	211,158	196,458	+11,042	-14,700
Total, Office of Surface Mining Reclamation and Enforcement	278,769	305,824	292,426	+13,657	-13,398
Bureau of Indian Affairs					
Operation of Indian programs	1,584,124	1,694,387	1,631,050	+46,926	-63,337
Construction	123,421	174,258	126,023	+2,602	-48,235
Indian land and water claim settlements and miscellaneous payments to Indians	28,882	28,401	25,901	-2,981	-2,500
Indian guaranteed loan program account	5,001	5,008	5,008	+7	
(Limitation on guaranteed loans)	(59,682)	(59,682)	(59,682)		
Indian land consolidation pilot	5,000			-5,000	
Total, Bureau of Indian Affairs	1,746,428	1,902,054	1,787,982	+41,554	-114,072
Departmental Offices					
Insular Affairs:					
Assistance to Territories	38,455	40,355	38,600	+145	-1,755
Northern Marianas Islands Covenant	27,720	27,720	27,720		
Subtotal, Assistance to Territories	66,175	68,075	66,320	+145	-1,755

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2000 (H.R. 2466)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
Compact of Free Association	8,930	8,545	8,545	-385	
Mandatory payments	12,000	12,000	12,000		
Subtotal, Compact of Free Association	20,930	20,545	20,545	-385	
Total, Insular Affairs	87,105	88,620	86,865	-240	-1,755
Departmental management	64,686	63,064	62,864	-1,822	-200
Y2K conversion (emergency appropriations)	80,347			-80,347	
Office of the Solicitor	36,784	41,500	36,784		-4,716
Office of Inspector General	25,486	27,614	26,086	+600	-1,528
Office of the Special Trustee for American Indians	61,299	90,025	90,025	+28,726	
Indian land consolidation pilot		10,000	5,000	+5,000	-5,000
Natural resource damage assessment fund	4,492	7,900	5,400	+908	-2,500
Management of Federal lands for subsistence uses	8,000			-8,000	
Glacier Bay fishing (emergency appropriations)	26,000			-26,000	
Total, Departmental Offices	394,199	328,723	313,024	-81,175	-15,699
Total, title I, Department of the Interior:					
New budget (obligational) authority (net)	7,130,235	7,768,930	7,107,904	-22,331	-661,026
Appropriations	(6,999,276)	(7,798,930)	(7,137,904)	(+138,628)	(-661,026)
Emergency appropriations	(160,959)			(-160,959)	
Rescissions	(-30,000)	(-30,000)	(-30,000)		
(Limitation on guaranteed loans)	(59,682)	(59,682)	(59,682)		
TITLE II - RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest and rangeland research	197,444	234,644	204,373	+6,929	-30,271
State and private forestry	170,722	252,422	181,464	+10,742	-70,958
National forest system	1,298,570	1,357,178	1,254,434	-44,136	-102,744
Wildland fire management	560,176	560,730	561,354	+1,178	+624
Emergency appropriations	102,000	90,000		-102,000	-90,000
Reconstruction and maintenance	297,352	295,000	396,602	+99,250	+101,602
Emergency appropriations	5,611			-5,611	
Land acquisition	117,918	118,000	1,000	-116,918	-117,000
Acquisition of lands for national forests special acts	1,069	1,069	1,069		
Acquisition of lands to complete land exchanges (indefinite)	210	210	210		
Range betterment fund (indefinite)	3,300	3,300	3,300		
Gifts, donations and bequests for forest and rangeland research	92	92	92		
Management of Federal lands for subsistence uses	3,000			-3,000	
Total, Forest Service	2,757,464	2,912,645	2,603,898	-153,566	-308,747
DEPARTMENT OF ENERGY					
Clean coal technology: Deferral	-40,000	-256,000	-190,000	-150,000	+66,000
Fossil energy research and development	384,056	340,000	335,292	-48,764	-4,708
Biomass energy development (by transfer)		(24,000)	(24,000)	(+24,000)	
Alternative fuels production (indefinite)	-1,300	-1,000	-1,000	+300	
Naval petroleum and oil shale reserves	14,000			-14,000	
Elk Hills school lands fund	36,000	36,000	36,000		
Energy conservation	691,701	812,515	693,822	+2,121	-118,693
Biomass energy development (by transfer)		(25,000)	(25,000)	(+25,000)	
Economic regulation	1,801	2,000	2,000	+199	
Strategic petroleum reserve	160,120	159,000	159,000	-1,120	
SPR petroleum account		5,000			-5,000
Energy Information Administration	70,500	72,644	72,644	+2,144	
Total, Department of Energy:					
New budget (obligational) authority (net)	1,316,878	1,170,159	1,107,758	-209,120	-62,401
Appropriations	(1,356,878)	(1,426,159)	(1,297,758)	(-59,120)	(-128,401)
Deferral	(-40,000)	(-256,000)	(-190,000)	(-150,000)	(+66,000)
(By transfer)		(49,000)	(49,000)	(+49,000)	
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Indian Health Service					
Indian health services	1,950,322	2,094,922	2,085,407	+135,085	-9,515
Indian health facilities	291,965	317,465	312,478	+20,513	-4,987
Total, Indian Health Service	2,242,287	2,412,387	2,397,885	+155,598	-14,502
OTHER RELATED AGENCIES					
Office of Navajo and Hopi Indian Relocation					
Salaries and expenses	13,000	14,000	13,400	+400	-600
Institute of American Indian and Alaska Native Culture and Arts Development					
Payment to the Institute	4,250	4,250		-4,250	-4,250

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2000 (H.R. 2466)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
Smithsonian Institution					
Salaries and expenses	347,154	380,501	371,501	+24,347	-9,000
Construction and improvements, National Zoological Park	4,400			-4,400	
Repair and restoration of buildings	40,000	47,900	47,900	+7,900	
Construction	16,000	19,000	19,000	+3,000	
Y2K conversion (emergency appropriations)	4,700			-4,700	
Total, Smithsonian Institution	412,254	447,401	438,401	+26,147	-9,000
National Gallery of Art					
Salaries and expenses	57,938	61,438	61,538	+3,600	+100
Repair, restoration and renovation of buildings	6,311	6,311	6,311		
Y2K conversion (emergency appropriations)	101			-101	
Total, National Gallery of Art	64,350	67,749	67,849	+3,499	+100
John F. Kennedy Center for the Performing Arts					
Operations and maintenance	12,187	14,000	12,441	+254	-1,559
Construction	20,000	20,000	20,000		
Total, John F. Kennedy Center for the Performing Arts	32,187	34,000	32,441	+254	-1,559
Woodrow Wilson International Center for Scholars					
Salaries and expenses	5,840	6,040	7,040	+1,200	+1,000
National Foundation on the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration	83,500	137,000	83,500		-53,500
Matching grants	14,500	13,000	14,500		+1,500
Total, National Endowment for the Arts	98,000	150,000	98,000		-52,000
National Endowment for the Humanities					
Grants and administration	96,800	129,800	96,800		-33,000
Matching grants	13,900	20,200	13,900		-6,300
Total, National Endowment for the Humanities	110,700	150,000	110,700		-39,300
Institute of Museum and Library Services/ Office of Museum Services					
Grants and administration	23,405	34,000	24,400	+995	-9,600
Total, National Foundation on the Arts and the Humanities	232,105	334,000	233,100	+995	-100,900
Commission of Fine Arts					
Salaries and expenses	898	1,078	935	+37	-143
National Capital Arts and Cultural Affairs					
Grants	7,000	6,000	7,000		+1,000
Advisory Council on Historic Preservation					
Salaries and expenses	2,800	3,000	3,000	+200	
National Capital Planning Commission					
Salaries and expenses	5,954	6,312	6,312	+358	
Y2K conversion (emergency appropriations)	381			-381	
United States Holocaust Memorial Council					
Holocaust Memorial Council	32,107	33,786	33,286	+1,179	-500
Y2K conversion (emergency appropriations)	900			-900	
Emergency appropriations	2,000			-2,000	
Total, United States Holocaust Memorial Council	35,007	33,786	33,286	-1,721	-500
Presidio Trust					
Presidio trust fund	34,913	44,400	44,400	+9,487	
Total, title II, related agencies:					
New budget (obligational) authority (net)	7,167,568	7,497,207	6,996,705	-170,863	-500,502
Appropriations	(7,091,875)	(7,663,207)	(7,186,705)	(+94,830)	(-476,502)
Emergency appropriations	(115,693)	(90,000)		(-115,693)	(-90,000)
Deferral	(-40,000)	(-256,000)	(-190,000)	(-150,000)	(+66,000)
(By transfer)		(49,000)	(49,000)	(+49,000)	
Grand total:					
New budget (obligational) authority (net)	14,297,803	15,266,137	14,104,609	-193,194	-1,161,528
Appropriations	(14,091,151)	(15,462,137)	(14,324,609)	(+233,458)	(-1,137,528)
Emergency appropriations	(276,652)	(90,000)		(-276,652)	(-90,000)
Rescissions	(-30,000)	(-30,000)	(-30,000)		
Deferral	(-40,000)	(-256,000)	(-190,000)	(-150,000)	(+66,000)
(By transfer)		(49,000)	(49,000)	(+49,000)	
(Limitation on guaranteed loans)	(59,682)	(59,682)	(59,682)		

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 2000 (H.R. 2466)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management	1,183,895	1,268,700	1,216,292	+32,397	-52,408
United States Fish and Wildlife Service	839,804	950,001	840,212	+408	-109,789
National Park Service	1,764,224	2,058,943	1,721,324	-42,900	-337,619
United States Geological Survey	798,896	838,485	820,444	+21,548	-18,041
Minerals Management Service	124,020	116,200	116,200	-7,820	....
Office of Surface Mining Reclamation and Enforcement	278,769	305,824	292,426	+13,657	-13,398
Bureau of Indian Affairs	1,746,428	1,902,054	1,787,982	+41,554	-114,072
Departmental Offices	394,199	328,723	313,024	-81,175	-15,699
Total, Title I - Department of the Interior	7,130,235	7,768,930	7,107,904	-22,331	-661,026
TITLE II - RELATED AGENCIES					
Forest Service	2,757,464	2,912,645	2,603,898	-153,566	-308,747
Department of Energy	1,316,878	1,170,159	1,107,758	-209,120	-62,401
Indian Health Service	2,242,287	2,412,387	2,397,885	+155,598	-14,502
Office of Navajo and Hopi Indian Relocation	13,000	14,000	13,400	+400	-600
Institute of American Indian and Alaska Native Culture and Arts Development	4,250	4,250	....	-4,250	-4,250
Smithsonian Institution	412,254	447,401	438,401	+26,147	-9,000
National Gallery of Art	64,350	67,749	67,849	+3,499	+100
John F. Kennedy Center for the Performing Arts	32,187	34,000	32,441	+254	-1,559
Woodrow Wilson International Center for Scholars	5,840	6,040	7,040	+1,200	+1,000
National Endowment for the Arts	98,000	150,000	98,000	....	-52,000
National Endowment for the Humanities	110,700	150,000	110,700	....	-39,300
Institute of Museum and Library Services	23,405	34,000	24,400	+995	-9,600
Commission of Fine Arts	898	1,078	935	+37	-143
National Capital Arts and Cultural Affairs	7,000	6,000	7,000	....	+1,000
Advisory Council on Historic Preservation	2,800	3,000	3,000	+200	....
National Capital Planning Commission	6,335	6,312	6,312	-23	....
Holocaust Memorial Council	35,007	33,786	33,286	-1,721	-500
Presidio Trust	34,913	44,400	44,400	+9,487	....
Total, Title II - Related Agencies	7,167,568	7,497,207	6,996,705	-170,863	-500,502
Grand total	14,297,803	15,266,137	14,104,609	-193,194	-1,161,528

Mr. Chairman, I reserve the balance of my time.

Mr. DICKS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise as the ranking minority member of the subcommittee in support of H.R. 2466, the FY 2000 appropriations bill for the Department of the Interior and related agencies.

I, too, want to compliment the chairman, the gentleman from Ohio (Mr. REGULA) and the staff of the committee, both the majority and minority staff members. Debbie Weatherly and Del Davis have done a very fine job on this bill, and all the other staff members, including Leslie Turner on my staff.

□ 1530

I would like to thank the chairman of the subcommittee, the gentleman from Ohio (Mr. REGULA), who has skillfully crafted this bill. This bill is fair and balanced and I believe adequately addresses the needs of the programs within its jurisdiction.

Our allocation was not high, nearly $1 billion below the President's budget request, which required many difficult decisions. Under those difficult circumstances, I believe the bill is justly prioritized. I also add that I am extremely pleased that the bill is free of many legislative riders objectionable to the Congress.

It is my firm hope that we can continue to work with the administration on a few key items which the subcommittee was unable to fund in this tight budget year. The Lands Legacy Initiative proposed by the administration was not fully funded in this bill. I am hopeful that we can continue a dialogue as the bill moves through the legislative process and perhaps make more money available for some of the key land acquisitions put forward by the President.

This bill supports our national wildlife refuge system and continues critical efforts to address the needs of threatened and endangered species. These vital programs enable our agencies to achieve better ecosystem management and more comprehensive protection of our public lands.

Just last week I had the pleasure of hosting several Members, including the gentleman from Ohio (Mr. REGULA), our chairman of the Subcommittee on Interior Appropriations, in my home State of Washington. We toured several area parks including the Olympic National Park in my congressional district and were able to view firsthand some of the work being done on the ground both through annual appropriations as well as through the fee demonstration project.

Once again, I commend the gentleman from Ohio (Chairman REGULA) for his attention and elevation of the backlog needs in our parks. We need to do something about that. This bill provides significant increases in operations money to protect the treasures of the park system throughout the United States.

The bill continues support for our Native American citizens and is instrumental in upholding their treaty rights. Through the Interior Appropriations bill, we support economic and educational assistance to the tribes, aid natural resource management and support tribal health programs through the Indian Health Service.

Lastly, the bill provides funding to support both the National Endowment for the Arts and the National Endowment for the Humanities. Although we were not able to provide the requested increases called for in the President's budget, it is my firm hope that the House will approve funding for the endowments and we can continue to seek some increase as the bill moves through the process.

I urge my colleagues to support H.R. 2466 and the important program it sustains.

Mr. Chairman, I reserve the balance of my time.

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from Washington (Mr. NETHERCUTT), a valued member of the subcommittee.

Mr. NETHERCUTT. Mr. Chairman, I rise today in support of H.R. 2466, the fiscal year 2000 funding bill for the Department of the Interior and Related Agencies.

This bill provides $14.1 billion for the National Park Service, the United States Forest Service, Bureau of Land Management, Smithsonian, and the Bureau of Indian Affairs. And I am happy to say that based on the hard work of the gentleman from Ohio (Chairman REGULA) and my colleagues, both the gentleman from Washington (Mr. DICKS) and other valued members on the subcommittee, we have an opportunity to support a bill that will manage and protect our environment; it will maintain our obligations to our sovereign Indian nations; it will protect our Nation's cultural resources and maintain fiscal responsibility.

It was not an easy task for the chairman of our subcommittee to come up with all of the pressures of this bill in the form that this bill takes. But it is a good package. I thank the gentleman from Ohio (Mr. REGULA) for inserting language that I authored in the report that will force the Pacific Northwest region, which covers my State of Washington, to look at all impacts to the endangered salmon problem in the Pacific Northwest and not just focus on dam removal as the solution to restoration of our salmon populations. It is not the solution. It is a multifaceted problem that requires a great deal of analysis and careful consideration.

Right now our region faces an immediate challenge with almost 8,000 pairs of Caspian terns which nest on a manmade island called Rice Island, which is located 20 miles upriver from the mouth of the Columbia River.

The National Marine Fisheries Service estimates that over the past 2 years these little birds have feasted on between 10 and 23 million juvenile salmon that are migrating out to the ocean. These birds are protected under the Migratory Bird Treaty Act, which the U.S. Fish and Wildlife Service is responsible for carrying out.

I appreciate the committee working with me on report language that requires the U.S. Fish and Wildlife Service to come up with a mitigation plan that will include, but not be limited to, transporting these birds to areas that are more in line with their natural habitat.

If we come up with a responsible plan for managing the Caspian terns, we will see a positive impact on the number of salmon returning to the Columbia and Snake Rivers to spawn. This is an important piece of the salmon restoration puzzle that we cannot ignore.

I am also pleased that within our budget limitations we were able to increase funding for health care provided the Native Americans through the Indian Health Service. The health disparities among Native Americans are profound. One area in particular is diabetes that seriously affects Native American populations and other minority populations in our country. The prevalence of diabetes among Native Americans is higher than it is for the rest of the Nation's population, and the rate is rapidly increasing to epidemic proportions in some tribes across this Nation.

For the second year in a row, we have provided funds in this bill for diabetes screening through the Joslin Diabetes Center, a great center dedicated to curing and doing more research and understanding the complications of diabetes.

We have also included language in the report to increase the number of podiatrists within the Indian Health Service to attempt to avoid one of the major complications of diabetes through preventive care and early treatment of diabetic foot ulcers for Native American populations.

Mr. Chairman, this bill contains a delicate balance for Forest Service funding and programs. As Members may remember, we reached a hard-fought agreement on this issue last year when supporters of active forest management agreed to eliminate the purchaser road credit program. That was a difficult problem to overcome, to eliminate that program. This program primarily affected small timber purchasers, many of which were in my district on the east side of the State of Washington.

While the agreement held throughout the process last year, attempts may be made today to unravel that agreement. So I urge all Members, all of my colleagues who may consider supporting a

Forest Service amendment, to think hard about the agreement that was reached in good faith last year. We should not destroy the accord that was achieved.

All in all, this bill is well balanced. It considers carefully the delicate nature of the programs that are contained within the Interior appropriations measure. It is one that I hope will see great approval in this body. The chairman and the ranking member and all of us on the subcommittee worked very hard to make that balance occur. We still have to deal with the Senate. We have to get a bill that goes through the process to the President.

Mr. Chairman, I urge my colleagues to support the bill.

On July 20, 1969, the lunar landing module of Apollo touched down in the Sea of Tranquility on the surface of the Moon. Neil Armstrong and Buzz Aldrin descended from the landing module and became the first humans to walk on any heavenly body. This feat established American supremacy in space even to the present day.

The Apollo 11 mission represents the success and preeminence of the American Space Program; we must preserve the monuments of this era. Of all the artifacts representing the glory and triumph of the Apollo Program, one in particular stands out—the Saturn V Rocket. The Saturn V is the largest, most powerful rocket ever produced in history. The Soviet Union was never able to even attempt to undertake such an ambitious project.

Only three Saturn V Rockets remain in the world today. The U.S. Space & Rocket Center is home to one of these historic vehicles which has the distinction of being designated a National Historic Landmark. The Saturn V at the U.S. Space & Rocket Center has been on display for thirty years, and the elements have caused significant deterioration of the vehicle. Although there is no question that it should be preserved for future generations as a monument of the American Space Program, once again we face budget constraints that make this task a difficult one.

Restoration of the Saturn V at the U.S. Space & Rocket Center should be a priority of the Smithsonian. I am hopeful that we will be able to allocate the resources necessary for the restoration and preservation efforts being made by the U.S. Space & Rocket Center before it is too late.

Mr. DICKS. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York (Mr. HINCHEY), a member of the subcommittee.

Mr. HINCHEY. Mr. Chairman, I rise in support of the bill and I want to commend the gentleman from Ohio (Mr. REGULA), our chairman, and the gentleman from Washington (Mr. DICKS), our ranking member, for the excellent job they have done putting this bill together under very difficult circumstances. I also want to thank the subcommittee staff for their hard work on the bill and thoughtful consideration of the many difficult issues that we faced.

What we have before us is a fair and balanced bill that genuinely takes into consideration the many different concerns and interests of Members of the House, and of the people that we represent.

None of us support every item in the bill, but I think all of us can agree that it is fair, reasonable, and representative. The difficult circumstances I allude to are obvious. Our subcommittee's allocation is far below the real needs of the agencies funded through this bill. Although we have heard widely varying figures on the National Park Service's maintenance backlog, it certainly amounts to several billion dollars at least. The same is true of the Forest Service.

As our population grows and our open space shrinks, we have an ever-increasing need to protect open space and wildlife to protect recreational opportunities for our people, to conserve the watersheds we all depend on, and to save our historic and cultural sites.

Our subcommittee received hundreds of requests from Members for projects that are sensible and worthy, but we could not fund them even though we would have liked to and should have. There simply was not enough money.

But our chairman, I think, in the final analysis has used his discretion very, very wisely. The bill and the bill report include language regarding the management of the Everglades restoration project that we hope and believe will guarantee that the project serves the national interest. And the gentleman from Ohio (Mr. REGULA) should take full deserved credit for this.

We are putting Federal money into the reengineering of the Everglades because we want to see its unique ecosystem restored and conserved for the future because we want to reverse past mistakes that led to overdevelopment and overuse of fragile resources. This bill aims to ensure that that is what will happen and that the Federal funds will not ultimately be turned against the Everglades and be used to promote unwise development.

I am delighted to say that despite the constraints on this bill, it includes increased funds for the Park Service, which are badly needed to meet the demands both of conservation and increased visitorship. I am similarly very happy that the bill also includes a small increase in the Forest Service's recreation budget above the administration's request.

The national forests are more widely used for recreation even than the national parks; and recreation has become an increasingly important part of the Forest Service's mission, but its budget has not kept up. The increase is a much-needed step in the right direction.

The bill also provides for a small increase in the Forest Services State and private forestry budget. Again, this is very welcomed. These programs are not as well known as they should be, but they are immensely valuable to those States where most forests are in non-Federal ownership.

In my own State, they are particularly important for the role they play in protecting our urban watersheds, but they also provide critical assistance to people who never see a forest through their support for such beneficial and popular projects as urban tree planting and disease prevention.

The Interior bill's public lands titles almost always attract more attention than its energy research and conservation provisions, but I am also pleased in what we could accomplish in those areas as well. Our subcommittee heard a great deal about the progress that can be made if we keep supporting these programs in achieving energy independence and providing our citizens with a cleaner environment. I am particularly pleased that the bill increases funding for Energy Department conservation programs that can help our constituents reduce their household energy costs.

There were some disappointments. I am sorry that the bill provides no increase for the Arts and Humanities Endowments, despite the administration's excellent plan for new outreach and education programs at both those agencies. I am hoping we can correct that in an amendment.

I am sorry too the bill provides only a small fraction of the administration's request for its Lands Legacy programs. But these are good programs, and I hope that they could be improved upon in the final analysis.

Mr. Chairman, this is an excellent bill and our chairman and our ranking member deserve great credit for the way they have put it together.

I strongly believe we should acquire and protect critical lands for open space, recreation, and wildlife habitat while we can: I have seen to many lost opportunities in my own state. But I realize the funding constraints made full funding of Lands Legacy impossible. Finally, I regret that the bill does not include requested funding for the addition to the Roosevelt Memorial here in Washington that the last Congress authorized, but I hope that can be resolved soon.

I will be supporting several amendments that I believe would improve our bill, but again, I urge support for the bill itself.

Mr. REGULA. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. DICKS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Minnesota (Mr. OBERSTAR), ranking Democrat on the Committee on Transportation and Infrastructure, a good friend.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman from Washington (Mr. DICKS) for yielding me this time. I know how precious it is during general debate; and I greatly appreciate it because there is a very important message that I want to share with my colleagues, the gentleman from Ohio (Mr.

REGULA), chairman of the subcommittee, as well as the gentleman from Washington.

While the rest of America was heeding John Adams's appeal to celebrate the birth of our Nation with fireworks, Mother Nature went on a rampage of her own with fireworks of a different kind in the Boundary Waters Canoe area of Minnesota in my district.

Over the 4th of July with a storm packing 100-mile-an-hour winds that leveled 340,000 acres of the Boundary Waters Canoe area, the Nation's largest water-based wilderness, 250,000 acres of lands, 21 million trees estimated down, 6 million cords, which is equal to the total wood supply, the total cut, for 2 years for the whole State of Minnesota.

□ 1545

We have an enormous fuel supply on the ground. Trees that began growing years before the Civil War were ripped out, flattened. Chain saws, 24-inch bar chain saws on either side of the tree cannot cut through them.

But the Forest Service did absolutely heroic service. I want to pay tribute to the Forest Service personnel who worked 18-hour days over several days to inspect 1,300 camp sites and rescue some 20 injured campers and free hundreds of others. There were 3,000 in the wilderness at the time.

I flew over the area on Sunday and observed a scene that perhaps the gentleman from Washington (Mr. DICKS) only can fully appreciate. It is like the aftermath of the Mount St. Helens' disaster where trees were just flattened, blasted. They are piled, in many cases, one on top of each other, 20 feet high. The line supervisor for the electric coop said he walked a half mile in from the roadway to one of the sites to begin work on power restoration and never stepped on land the entire way, just walked on downed trees.

The Forest Service had been absolutely superb. The three rural electric co-ops have been magnificent. They have had their teams out there working 15- and 18-hour days, 35 hours the first few days.

There will be benefits for those areas outside the Boundary Waters. But inside the Boundary Waters, there are a number of Forest Service supply facilities. There is one that I have known about in the Kekekabic Trail. It has always been hidden from view. It now looks like the Little House on the Prairie. One cannot imagine the destruction until one sees it oneself.

The reason I raise this issue here is that there is no FEMA support for the Forest Service, no Federal agency benefits when a disaster declaration is made, which it will be made. I am confident, by the President. There is a disaster fund for the Department of Agriculture that may be available to bail out the Forest Service.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I am happy to yield to the gentleman from Ohio (Chairman REGULA).

Mr. REGULA. Mr. Chairman, I am advised that they are using some of the rec. fee money for immediate solutions or assistance. The gentleman makes the point that we otherwise would be waiting, and this is a peak visitation time of year. So I am pleased that they are moving ahead and again serving the public, which was the objective of this program to begin with.

Mr. OBERSTAR. Mr. Chairman, but, ultimately, there is going to be a huge cost. We do not know what the extent of it is.

I raise the issue now to appeal to the leadership of the subcommittee that, by the time we get to conference, I am hoping my colleagues in the Senate will have the assessment, perhaps offer supplemental appropriations there to cover the cost for the Forest Service who are hiring people with money they do not have to serve time that is available now.

The resort community has lost a quarter of a million dollars business in the first 5 days. They do not have 100 feet of hiking trails opened for their visitors. The winter season is coming. We will not have cross country trails. We will not have snowmobile trails in the area outside the Boundary Waters unless the salvage work can begin promptly.

So, at the appropriate time, I appeal to the mercy and understanding of our colleagues to provide the additional funding. It will be in the few millions. It will not be in the billions or so that we have for Mount St. Helens, but it will be in the several millions.

Mr. DICKS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I just want to commend the gentleman from Minnesota (Mr. OBERSTAR) for his leadership, but I know of his great concern about the Boundary Waters in his area in Minnesota.

We also had another storm besides the incredible events at Mount St. Helens, the Columbus Day storm of 1962 when 8 billion board feet went down in both Washington and Oregon from an incredible storm. We have been there and seen that. In fact, that is how log exporting started in our country, because we had all this excess logs. We started exporting them to Japan and other countries. But we will be glad to work with the gentleman as we go through the process.

Mr. Chairman, I yield to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman from Washington (Mr. DICKS) and the gentleman from Ohio (Chairman REGULA) for their understanding.

Mr. REGULA. Mr. Chairman, I yield myself such additional time as I may consume.

I want to talk about some positive things we observed during our visit to parks and forests in the Northwest. We saw a lot of volunteers there. I think one of the great stories of this bill and of our public lands is how many people, particularly senior citizens, volunteer their time.

One gentleman at Mount St. Helens who was telling the people all about what had happened there said he drove 60 miles each way every day to come up there and lecture, and he did a great job. He is doing this as a volunteer.

We are advised there are almost 300,000 people who volunteer their time, their energy and their knowledge serving in our public lands. I think that is a great story about the American people.

Secondly, in the number of visitors, we had over 1 billion 225 million visitor days in our public lands. I think this, too, illustrates how much the American people care about these lands.

Lastly, a little vignette that I observed at one of the places where they have the recreation fee demo program. They also had a place one could deposit some extra money if one chose to do so, and the jar was getting pretty well filled up, which said people are not only willing to pay a pretty modest fee, which they knew would stay in the parks or the forests or the wildlife refuges or BLM, as the case might be, but they also want to contribute some extra money.

So I think there are some really positive dimensions to this whole program in terms of how the American people feel about their public lands.

Mr. Chairman, I reserve the balance of my time.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER), who has been a leader in this Congress on livability and particularly in the Columbia River Gorge where I had a chance to visit with him this last week.

Mr. BLUMENAUER. Mr. Chairman, I commend the gentleman from Ohio (Chairman REGULA) and the gentleman from Washington (Mr. DICKS), the ranking member, because I think they started the debate with the proper tone. It is a 50-year vision, and it is just a starting point, I hope, for this Congress.

What the bill talks about today is fundamental infrastructure for livable communities. As we try and deal with the consequences of unplanned growth around the country, the stewardship of our public lands both in wilderness areas and what happens in our developed communities are more and more important.

I wanted to thank the committee for their hard work to diffuse some of the volatile legislative hot buttons, being able to provide at least a stable funding for the arts and minimize the toxic riders that have obscured the important debate that has attended this bill in the past.

Last week, it was my pleasure to watch the hard-working members of this subcommittee and their staff in our region of the Pacific Northwest. I am pleased that they had a chance to look firsthand at the Columbia River Gorge where I am convinced that each dollar that is invested will go further than any place else in America in protecting a critical legacy. We saw firsthand the impact of the subcommittee's efforts to try and make sure that we are maximizing resources and working creatively.

I think it is important that we allow the fee demo program to be able to work its way out and to look at the impacts. I hope that, in the words of the Chair and the ranking member, that what we are seeing here, although we will not be perhaps debating in heated form some amendments that may come forward, I hope that we will keep in mind what we are trying to do in terms of this being a starting point.

I am hopeful that this Congress will give the subcommittee the resources they need for today and tomorrow to be able to make the investment in protecting this legacy, not just for today but for the next half century.

I appreciate the hard work the committee has done and look forward to building upon it in the course of this Congress to be able to realize that vision.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Missouri (Ms. McCARTHY), who I know has been a leader on historic preservation issues.

Ms. McCARTHY of Missouri. Mr. Chairman, I rise today to express my concerns about the funding levels in this bill for the National Endowment for the Arts. I am disappointed that this bill is substantially less than the President's budget request.

While I am pleased that the bill requires the NEA to give priority in granting funds for educational projects, I am particularly disappointed that the bill does not include funds for a new program, Challenge America, which includes arts education, youth-at-risk programs, cultural heritage preservation, and community arts partnerships.

As a former schoolteacher, I believe that a key solution to youth violence and a key component to youth development is access to the arts in schools. If we are serious about curtailing youth violence, it is imperative that adequate funding be provided to bring music and art to our children.

If the Challenge America program is funded, state arts agencies would receive 40 percent of these funds, and at least 1,000 communities nationwide will benefit.

Research has shown that arts programs can have a very positive effect on our youth, helping to increase academic achievement and decrease delinquent behavior.

Children who are exposed to arts perform 30 percent better academically. High-risk elementary students who participated in an arts program for 1 year gained 8 percentile points on standardized language arts tests.

The Smart Symphonies program initiated by the National Academy of Recording Arts and Sciences provides free CDs of classical music for infants in response to findings that show, among other things, that early exposure to classical music increases a child's ability to learn math and science.

In Missouri's fifth district, the Young Audiences Arts Partners Program integrates community arts resources into the curriculum of participating school districts, with a focus on not only teaching students to appreciate the arts, but also on talking about issues that the arts raise in healthy, nonjudgmental ways.

Let us make a commitment to our children to provide them with the tools they need to be responsible citizens in a democracy, to make good, informed choices, to live in peace with their neighbors and coworkers, and to enjoy life to its fullest. Let us begin to show our commitment to our children by prioritizing funding for the arts and encouraging arts programs in our schools and communities.

Later in the debate, Mr. Chairman, an amendment will be offered to increase funding for the NEA, and I urge my colleagues to support this amendment.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman from Washington (Mr. DICKS) for yielding me this time, and I congratulate the chairman and the ranking member for their work on this important piece of legislation.

Mr. Chairman, I just wanted to call attention to an amendment that I will be offering along with the gentleman from Kentucky (Mr. LEWIS) and the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Michigan (Mr. STUPAK) later on in this bill.

That amendment deals with the issue of payment in lieu of taxes. As my colleagues know, Mr. Chairman, there are some 1,800 counties throughout the United States that have land in them that is owned by the Federal Government. Over the years, the Federal Government has not kept faith with these communities and has not paid a fair payment in lieu of taxes.

In the Congress, especially in recent years, we have been hearing a lot of discussion about what is called devolution, more respect, more authority for local counties and local towns. It seems to me that if we are sincere about respecting our States and our towns that we should be fair with them in terms of providing them the payment in lieu of taxes that they need.

So I would hope that, when this amendment comes up, which affects some 1,800 communities in America, it affects some 49 States, and it is an amendment similar to one that won here on the floor of the House last year, that we will once again support it.

It is unfair, it seems to me, to take advantage of communities all over this country, force them to inadequately fund their infrastructure, education, the services they provide their people because the Federal Government is not properly paying the in lieu of tax payments that it should.

I urge support of this amendment when it appears later.

Mr. DICKS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Guam (Mr. UNDERWOOD).

Mr. UNDERWOOD. Mr. Chairman, I thank the gentleman from Washington (Mr. DICKS), the ranking member, for yielding me this time.

Mr. Chairman, I rise in support of the provision within H.R. 2466 which provides Guam with an increase of $5 million for Compact Impact aid for next year. I want to thank the gentleman from Florida (Chairman YOUNG) and the gentleman from Wisconsin (Mr. OBEY) for their support on this issue.

This $5 million is very much needed for Guam, and it should be understood that it is really a kind of reimbursement for the cost of unrestricted migration to Guam as a result of U.S. Compact agreements with the Federated States of Micronesia and the Republic of the Marshall Islands.

☐ 1600

For nearly 10 years, financial costs have totaled well over $70 million, and this year we have $4.5 million and we want to increase it by $5 million to $10 million. This helps defray the costs because the actual cost per year to Guam is around $15 to $20 million.

We take the responsibility of helping out our island neighbors seriously, and it is not a wrong thing to do, because it is a Federal responsibility. I know that in the upcoming debate there will be a point of order raised against this issue, and I very much ask all of my colleagues to consider the importance of this issue for a very small jurisdiction and the ultimate fairness of getting the Federal Government to be responsible, even though it only compensates for about half of the costs associated with this issue.

There was no effort on my part to attempt to divert funding from other territories for this issue; but in the final analysis, when we suggested other alternatives, this was the only one that seemed appropriate at the time. I am hoping that in conference all the issues related to territorial issues will be resolved, because there are a number of unmet funding needs that all of the small insular areas have to deal with, and I urge every consideration that the voting Members of this House can give to those who represent districts who cannot vote in this body.

Mr. HAYES. Mr. Chairman, I rise today to thank our distinguished Chairman for his commitment to the natural resources and national treasures of America. Chairman REGULA, his committee and staff have all worked tirelessly to present the legislation before us and they deserve our gratitude for their fine efforts.

In particular, I want to thank the Chairman for his personal attention to the maintenance needs of the Uwharrie National Forest. My constituents in the eighth district, as well as the thousands of frequent users from all over North Carolina, can look forward to safer, cleaner and better recreational experiences at the Uwharrie.

Again, I appreciate the time and thought put into this bill and to the Chairman's commitment to preserving the beauty of our nation.

Ms. MCCARTHY of Missouri. Mr. Chairman, I thank the gentleman for yielding and for all his efforts on this measure. I request unanimous consent to revise and extend my remarks.

Mr. Chairman, I rise today to express my concerns about the funding levels in the bill for the National Endowment for the Arts. I'm disappointed that this bill is substantially less than the President's budget request.

While I am pleased that the bill requires the NEA to give priority in granting funds for educational projects, I'm particularly disappointed that the bill does not include funds for a new program, Challenge America, which includes arts education, youth-at-risk programs, cultural heritage preservation, and community arts partnerships.

As a former school teacher, I believe that a key solution to youth violence and key component to youth development is access to the arts in schools. If we're serious about curtailing youth violence, it is imperative that adequate funding be provided to bring music and art to our children. If the Challenge America program is funded, state arts agencies would receive 40 percent of these funds, and at least 1,000 communities nationwide will benefit.

Research has shown that arts programs can have a very positive impact on our youth, helping to increase academic achievement and decreasing delinquent behavior. The YouthARTS Development Project is the result of a three-year collaborative effort of the Regional Arts and Culture Council of Portland, Oregon; the San Antonio Department of Arts and Cultural Affairs of San Antonio, Texas; and the Fulton County Arts Council of Atlanta, Georgia; and Americans for the Arts of Washington, DC. YouthARTS is funded in part by the NEA, and the program is implemented through local partners across the country.

The goals of YouthARTS include defining the critical elements and "best practices of arts programs designed for at-risk youth populations, strengthening collaborative relationships among local and federal partners, and leveraging increased funding for at-risk youth programs. YouthARTS has already conducted extensive research, which has shown that arts programs really can have an impact on youth, including increasing academic achievement and decreasing delinquent behavior. Perhaps the most amazing change occurred in Portland, where, at the beginning of the program, less than half of the youth were able to cooperate with their peers, but after participating in the arts program, 100% of these same youth were able to cooperate, and approximately one third of the participants reported a more favorable attitude toward school after participating. In Atlanta, 25% of youth who participated in the arts program reported a more favorable attitude toward school than they did before they began the program, and 50% reported a decrease in their delinquent behaviors. In San Antonio, more than 16% of the youth participating reported a decrease in delinquent behaviors.

Additional studies show that children who are exposed to the arts perform 30% better academically. High risk elementary students who participated in an arts program for one year gained 8 percentile points on standardized language arts tests. The Smart Symphonies program initiated by the National Academy of Recording Arts and Sciences (NARAS) provides free CD's of classical music for infants in response to findings that show, among other things that early exposure to classical music increases a child's ability to learn math and science.

In Missouri's fifth district, the Young Audiences Arts Partners Program integrates community arts resources into the curriculum of participating school districts, with a focus on not only teaching students to appreciate the arts, but also on talking about issues that the arts raise in healthy, nonjudgmental ways. Let us make a commitment to our children to provide them with the tools they need to be responsible citizens in a democracy—to make good, informed choices; to live in peace with their neighbors and coworkers; and to enjoy life to the fullest extent possible. Let us begin to show our commitment to our children by prioritizing funding for the Arts and encouraging Arts programs in our school and communities.

Later in the debate, an amendment will be offered to increase funding for the NEA and I urge my colleagues to support this amendment offered by the Gentlewoman from New York.

Mr. VENTO. Mr. Chairman, I rise in support of H.R. 2466, the Department of Interior and Related Agencies Appropriations for fiscal year 2000.

My support of this legislation is somewhat of a precedent. Too often in recent years in this House, I have been forced not only to speak out in opposition to this important appropriation bill but to actively work to defeat the legislation. Whether it be the riders, non-authorized funding for pet projects, or major policy debates over logging roads and the future of the Northwest temperate rain forests, the Interior Appropriations have annually been a magnet to controversy and the inclusion of extraneous provisions. Fortunately, this legislation has avoided most of those fatal flaws. It isn't always money. But this Interior Appropriations Bill has culminated in a super-imposed untouchable and unacceptable bad policy in recent years. This year's bill is a much better result to this hour.

Such success is due to the bipartisan leadership of Chairman REGULA and Ranking Member DICKS. Under their leadership, the Committee has been able to forestall such controversial riders and policy provisions. Hopefully, that success will continue through today's floor action. A strong vote of support by this House will only strengthen the hands of the conferees in dealing with the inevitable add-ons of the Senate.

While I do support H.R. 2466, the bill does have several deficiencies. The principal shortfall is the anemic funding level provided in this legislation for many important programs. I recognize that this flaw is the result of the spending caps in law that afflict all domestic discretionary programs. The decision by the majority party to bleed dry these programs is a shortsighted decision that will undermine our national conservation efforts in the long run. While some seek to score political points in this legislation, the price of any rhetorical victories will be continued degradation of our national parks, forests and rangelands. Such continued degradation is a tragic political decision that will be exacerbated by the Chairman's amendment to cut an additional $138 million, 50% aimed at vital components of land management program and BLM land acquisition funding.

Today, this Body will have the opportunity to improve the legislation through the adoption of significant amendments. Such amendments include Mr. MILLER's of California, that will provide $4 million for the Urban Park and Recreation Recovery Program (UPARR) and Mr. MCGOVERN's amendment that will fund the state component of the Land and Water Conservation Fund. These programs, UPARR, LWCF, Emergency Energy Assistance Authorization, the Sanders Amendment, which tries to improve the Energy Assistance Program, are proven initiatives that provide crucial matching funds for local communities to improve and expand public recreational programs and facilities. With tight budgetary restraints, recreational program funding at all levels of government has suffered year after year. As a result, local parks and playgrounds are falling into disrepair and recreational programs are being closed. Those decisions are unfortunate. While our National Park System is our nation's crown jewels, our local park systems are our local family heirlooms. Our national parks are the place where traditions and memories are made and treasured. Local/State open spaces are the home to family picnics, youth soccer and baseball games, family nature hikes and the local concerts. They are the glue that bind our communities and families together. For this reason, President Clinton sought full funding of the LWCF/HPF within the context of the Lands Legacy Initiative 2000. To date, this initiative has unfortunately been sidetracked today's appropriation measure underlines the absolute need to set aside these funds in a trust fund provisions in this measure that are less than one-third the commitment and promise existing in law.

Today, our local parks and recreation programs are more important than ever. Just last month, the House debated the juvenile justice measure seeking punitive actions increasing penalties for juveniles who break the law. Today some amendments give us an opportunity to vote for youth crime prevention. At a time when Congress is acting on policy to put more kids in jail, it's high time we provide recreational opportunities and put more kids in youth sports, arts and other after-school programs and crime prevention activities that positively address the delinquency issue.

Unfortunately, the Committee chose to so inadequately fund the President's Lands Legacy Initiative. This new proposal would be a solid down payment on protecting and preserving our nation's critical lands. It is an initiative which should enjoy bipartisan support and provides a transition basis to rectify the current deficiencies in existing appropriation acts, that continue in this measure.

Mr. Chairman, I had the privilege of serving in this Body with Mo Udall. As Chair of the Interior and Insular Affairs Committee, Mo would speak eloquently of our stewardship responsibility to pass on America's natural lands and resources to future generations in as good a condition as we inherited it. This bill takes modest steps to achieve that goal but we can and should do better.

Hopefully by the end of the cycle this year we will be doing be.

Mr. BEREUTER. Mr. Chairman, this Member rises today to express his great appreciation to the distinguished gentleman from Ohio (Mr. REGULA), chairman of the Interior Appropriations Subcommittee, and the distinguished gentleman from Washington (Mr. DICKS), the Ranking Member on the Subcommittee, and to all members of the Subcommittee for the inclusion of a $10 million appropriation for the first phase of construction for a replacement Indian Health Service (IHS) hospital located in Winnebago, Nebraska, to serve the Winnebago and Omaha tribes. Of course, the Subcommittee is already well-aware of the ongoing situation with this hospital. Indeed, last year the Subcommittee kept the process going by including funds to complete the design phase of the project for which this Member and Native Americans in the three state region are very grateful. Now, construction dollars are needed.

Unfortunately, the Office of Management and Budget overruled Indian Health Service's FY2000 budget request for the first phase of construction, so there was no request by the Administration. Once the design is completed, it is important to begin funding for the first phase of construction without a delay. If there is a time lapse between completion of design and construction, it is very possible that costs will increase, making this project more expensive. That is why this appropriation action at this time is so critical.

In closing Mr. Chairman, this Member wishes to acknowledge and express his most sincere appreciation for the extraordinary assistance that Chairman REGULA, the Subcommittee, and the Subcommittee staff have provided thus far on this important project.

Mr. MCKEON. Mr. Chairman, I rise today to congratulate Mr. REGULA, the Chairman of the Interior Appropriations Subcommittee, for his fine work on this legislation. However, I would also like to pay tribute to a provision within this legislation on the Pacific Crest Trial.

The Pacific Crest Trail is a marvelous stretch of land that runs from California, through Oregon, and into Washington state. Established in 1968, this trail operates over 2,650 miles with a large portion of that land owned by the Federal government through the Park Service, Forest Service, or BLM. However, nearly 300 miles of this trail are located on simple right-of-passage easements across public land or along public highways. The land along the highways, it should be noted, were never intended as permanent routes and today have become extremely hazardous for users of the trail.

It should also be noted that during the last 20 years, Congress has appropriated more than $200 million to the Park Service to acquire private land for the Appalachian Trail, an effort that is now complete. During this same time period, the Pacific Crest Trail, managed by the Forest Service, has received a fraction of that amount for land acquisition. As I stated earlier, the 300 miles of trail that run along dangerous throughways are the result of this failure.

I am pleased to announce that Chairman REGULA has agreed with many of my California Colleagues that this trail needs to become a priority. I am pleased that he saw fit to include a line-item of $1.5 million for this project in the Interior Appropriations Act. I am more pleased that the report language included will leave no doubt in anyone's mind of the importance that this project now holds.

I would like to thank Chairman REGULA on behalf of myself, my constituents, the many users of the Pacific Crest Trail for his leadership on this important issue.

Mr. DICKS. Mr. Chairman, I yield back the balance of my time.

Mr. REGULA. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

The amendment printed in House Report 106–228 may be offered only by a Member designated in the report, shall be considered read, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a demand for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $632,068,000, to remain available until expended, of which $2,147,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which not to exceed $1,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–6a(i)); and of which $2,500,000 shall be available in fiscal year 2000 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for cost-shared projects supporting conservation of Bureau lands and such funds shall be advanced to the Foundation as a lump sum grant without regard to when expenses are incurred; in addition, $33,529,000 for Mining Law Administration program operations, including the cost of administering the mining claim fee program; to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $632,068,000, and $2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities, and of which $2,500,000, to remain available until expended, for coalbed methane Applications for Permits to Drill in the Powder River Basin: *Provided*, That unless there is a written agreement in place between the coal mining operator and a gas producer, the funds available herein shall not be used to process or approve coalbed methane Applications for Permits to Drill for well sites that are located within an area, which as of the date of the coalbed methane Application for Permit to Drill, are covered by: (1) a coal lease, (2) a coal mining permit, or (3) an application for a coal mining lease: *Provided further*, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors.

AMENDMENT NO. 6 OFFERED BY MR. MCGOVERN

Mr. McGOVERN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. MCGOVERN:

Page 2, line 13, after the dollar amount, insert the following: "(reduced by $1,000,000)".

Page 3, line 8, after the dollar amount, insert the following: "(reduced by $1,000,000)".

Page 19, line 16, after the dollar amount, insert the following: "(reduced by $30,000,000)".

Page 69, line 14, after the dollar amount, insert the following: "(reduced by $29,000,000)".

Mr. McGOVERN. Mr. Chairman, I rise today to offer an amendment to restore $30 million in funding to the State-side program of the Land and Water Conservation Fund.

I know that the gentleman from Ohio (Mr. REGULA) and I disagree on this issue, but I want to thank him for his continuing graciousness as we take up debate on this important issue, and I want to thank the gentleman from California (Mr. CAMPBELL), the gentleman from Pennsylvania (Mr. HOEFFEL), and the gentleman from New Jersey (Mr. HOLT) for cosponsoring this amendment and for their commitment to preserving open space.

The Land and Water Conservation Fund has a proven track record and strong bipartisan support. It is based on a simple idea, that the receipts from nonrenewal public resources, like offshore oil and gas, should be reinvested into a renewable resource: public open space.

Now a trust fund was established over 30 years ago to meet the need for more open space. In that time, tens of thousands of park and recreation projects across the country have been funded. Ball fields, scenic trails, nature preserves, and historical sites all have been saved for future generations.

Unfortunately, in recent years, Congress has chosen to walk away from its commitment to States and local communities. While the Federal funding of the LWCF, which protects Federal lands, has been funded, the State-side program has been zeroed out. By failing to fund the State-side program, we are walking away from an important promise. This amendment proposes to help rectify that mistake by redirecting $30 million in the bill to the National Park Service for the purpose of funding the State-side program.

This amendment offsets this modest step by reducing funding for the Energy Department's fossil energy research and development by $29 million and for the Bureau of Land Management's transportation facilities and maintenance by $1 million. Frankly, Mr. Chairman, we should be arguing for much more than $30 million. It would take literally hundreds of millions of dollars to restore the trust in the trust fund and gives States what they are owed. All we are asking today is a modest step in the right direction.

Critics will argue that the States should take up the slack, that they should fund these projects by themselves. After all, many States have large surpluses, so why should they not foot the entire bill? I would point out the States have been and will be part of the State-side program. The program is a partnership, as States and towns match every Federal dollar.

By passing this amendment, we will urge States to use more of their own money to fund these vitals projects; we will help those States leverage money; we can help get open space preservation off the drawing boards.

That is why State and local officials across the country support the State-side program. Those opposed to this amendment should ask their governor, their mayor, their city counselor, their town manager if they support the Land and Water Conservation Fund. Ask them if they could use a little Federal help in preserving parks and open space.

Last year 10 States, 22 counties, and 93 towns voted on open-space initiatives. Almost 90 percent of these initiatives passed, triggering over $5 billion in preservation spending. Clearly, America is saying something. It is time that Congress listens.

We have all talked about issues of sprawl and livable communities. We have all seen, often in our own congressional districts, space that was once open and green converted into a strip mall or a housing development.

Now is the time to do something about it. Kids in cities need safe green places to play in. Without safe, healthy parks they go home to school and back without ever interacting with a natural area, a few trees, some grass, and a place to explore.

Unused open space in a rural area is nature. Unused open space in a city is a vacant lot with garbage, glass, dirty needles, and crime. In the suburbs, family farms and woodland are being paved over, succumbing to the ravenous appetite of sprawl and development.

Time is running out. For every year we walk away from funding the State-side program, another park disappears, another open field vanishes, another healthy green space is lost forever.

This amendment, as I said, is supported by every major environmental organization in the country. It is supported by our Nation's governors, it is supported by our Nation's mayors, it is supported by the National Association of Realtors. That speaks clearly to the broad support enjoyed by the State-side program.

I urge my colleagues to support this bipartisan effort to reinstate the State-side program of the Land and Water Conservation Fund and to support a healthier environment for us all.

Mr. REGULA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have to rise and object to this amendment. We are faced with $15 billion in backlog maintenance in our parks, in our forests, and our other Federal agencies. In 1999 every State had a surplus. All States have a surplus. Forty-nine States had a surplus in 1998. It seems to me it is time for them to measure up in meeting their own needs.

The fact of the matter is they probably ought to send us some money to support our parks, because every national park, every national forest, every fish and wildlife facility, every BLM is in a State, and it is providing recreation. It is providing all kinds of benefits for the people of these States, and I think these facilities need additional support. The States should accept responsibility.

I can remember when there was a State-side program. A lot of the money went into golf courses, marinas, swimming pools, tennis courts, and other facilities of that type. I do not think it is the Federal responsibility to fund these programs for the States. They should meet their own needs. They have the money to do it with.

Thirteen States had a surplus in excess of $1 billion in 1998. Twenty-one States had a surplus in excess of 10 percent over their annual funding. One State has three times what it needs to manage its annual budget. Yet here we are talking about sending out some of the desperately needed money that we should use for additional land acquisition, where we have inholdings in our parks; to meet the maintenance needs of our parks; to do a responsible job of managing these parks.

For these reasons, Mr. Chairman, I think that the States should take their own responsibility and use their surplus funds to meet their needs, because many of these programs are coordinated with the Federal facilities, and certainly it is something that they have the resources to do that with. The responsible position on this amendment is to vote "no," to retain these funds for the Federal challenges that we have.

And, of course, the offset is fossil energy. This is an important program. The fossil energy program guarantees our future in terms of energy. Just this week it was announced that the price of gasoline was going up. How do we know there will not be another OPEC crisis? In this bill we are trying to provide the resources to DOE to ensure that that does not happen. If the States are to continue that kind of prosperity that is giving them these huge balances, they need to have a strong economy. A strong economy is built on energy all across the board. And to take a bite out of fossil energy research is certainly shortsighted in this day and age, because we have no idea what the needs will be.

Our energy programs are not only useful in terms of developing new techniques to use the resources we have, coal, natural gas, and the other types of energy that is part of the ownership of the United States, but these programs also generate jobs in the United States because we sell this technology to other countries. China, with 1.2 billion people is very energetically trying to get into the 21st century, and they need power. They need to use their coal resources. They will buy the technology that we develop in our fossil programs. That is good for America and good for jobs.

Mr. McGOVERN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Massachusetts.

Mr. McGOVERN. Mr. Chairman, the gentleman mentioned we take a bite out of the fossil fuel research and development account. My bill takes $29 million from an account that is in excess of $360 million. That is 8 percent, $30 million to go to help preserve parks, to help preserve ball fields and recreational areas for our kids in cities and suburban areas.

We all talk about livable communities, and $30 million is not that much. Quite frankly, as I said, we should be asking for much more than that, given the promise this Congress made to the American people.

Mr. REGULA. Reclaiming my time, Mr. Chairman, the gentleman is right, it is not that much. Spread over 50 States, it would barely make a dent. About all we would get done is hire the people to administer the funds. I think it is unrealistic to think about $30 million, and yet it would cripple some of these important fossil programs.

Furthermore, we have to take care of the maintenance of what we have. We have a Federal responsibility. These funds are generated from Federal lands.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, these are funds are generated beyond the 3 mile limit offshore. The States get the revenues from their own State lands, and they get the revenues from the first 3 miles from offshore.

We asked the National Governors Association to tell us how much the States collect in revenues from their own lands, and they would not tell us. They did not want us to know because that would be something that would not be terribly attractive when they are trying to get their hand in the Federal till.

But I also might point out that the States now get over $600 million that they share with the Federal Government on royalties and payments to counties and so on. So keep in mind we are already doing a lot, and that coupled with their own State funds from their lands is more than the Land and Water Conservation Fund in total.

Mr. McGOVERN. Mr. Chairman, if the gentleman will continue to yield, $30 million may not sound like a lot of money to some people in this chamber here, but it means a lot to some of the communities.

We are talking about towns trying to acquire land that may be only a couple hundred thousand dollars. And every State under this bill would get some money. The State of Ohio would get close to $1 million. That money would mean a lot to a lot of communities trying to protect open space and park land.

Mr. HOLT. Mr. Chairman, I move to strike the last word, and I rise in support of the interior appropriations bill and in support of this amendment.

Mr. Chairman, the gentleman from Ohio (Mr. REGULA), the chairman of the committee; the gentleman from Washington (Mr. DICKS), the ranking member; and the members of the subcommittee have done an excellent job on the bill, and I applaud them for their efforts.

I am also pleased to join my colleagues, the gentleman from Massachusetts (Mr. McGOVERN), the gentleman from California (Mr. CAMPBELL), and the gentleman from Pennsylvania (Mr. HOEFFEL), in support of our amendment to offer additional funding for the Land and Water Conservation Fund.

We in New Jersey see firsthand the benefits of natural resource protection. The citizens of my State have used our collective wisdom, I hope, to voluntarily preserve 40 percent, let me repeat, 40 percent of our land by the year 2010. The Garden State has a national reputation for making consistent efforts to preserve and protect our natural resources.

Between 1961 and 1995, New Jersey voters approved bond issues totaling more than $1.4 billion to acquire 390,000 acres of open space to preserve historic sites and to develop parks. Last November, there was overwhelming voter approval of a $1 billion open-space initiative.

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Local citizens not only in New Jersey but on a national level keep making the argument that we are losing open lands to housing complexes, to shopping centers and that we need to do something to save our open spaces.

Today, we continue the fight to revitalize the Federal portion of the open space partnership. The Land and Water Conservation Fund, or what has been called the "cornerstone of American conservation and recreation," should be strengthened.

Our Nation is enjoying tremendous benefits from the LWCF. Since 1965, the LWCF programs have provided New Jersey with over $145 million in matching funds to acquire open space and develop recreational facilities.

America's favorite park is not one of those big parks somewhere else. America's favorite park is the neighborhood park that America can get to.

For example, the Land and Water Conservation Fund supported the first county park to open in Hudson County, New Jersey, in nearly 80 years. It also helped us add nearly 650 acres to Jenny Jump State Forest and to develop Liberty State Park, one of our Nation's most historic attractions.

These tremendous benefits do not stop in New Jersey. LWCF is doing wonderful things across the country. We can make preserving our open spaces a priority, but we need to preserve land. And the need to preserve land exceeds the supply of State and local funds. That is why we must restore the Stateside funding for LWCF. It would help us to acquire lands across the United States that are truly of national significance, from our precious coastal areas in California to the New Jersey highlands region.

It would help our Nation continue to develop urban waterfront parks, a vital part of restoring cities. And each State's growing partnership in preservation with local governments and nonprofit agencies would benefit from a restored Stateside allocation.

Across the United States, local governments are leading the way in the preservation of lands and natural resources, but they need Federal help to build on and complement what the States are already doing. This money could be used to protect our Nation's shorelines, to reduce pollution, to preserve open land, to increase recreational opportunities, and to maintain wildlife.

We are doing our part in New Jersey. Now we are asking that the Federal Government join us in our partnership by restoring Stateside funding for LWCF.

New Jersey's commitment to open space protection has helped increase awareness for environmental concerns throughout the country. We must take action today to protect open space and to provide outdoor recreation facilities across the Nation.

I ask my colleagues to support the McGovern-Campbell-Hoeffel-Holt amendment for Stateside funding of the Land and Water Conservation Fund.

Mr. CAMPBELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, here is the story: The money comes from a fund. The fund was created out of the leases on offshore oil. And a compromise was worked out. The compromise was in 1965. The compromise said, since there is serious environmental questions about offshore oil leases, nevertheless, there is a serious energy need. We are going to allow those offshore leases outside the State boundaries, but the money is going to go to create, maintain, preserve environmentally sensitive areas both on the coast and elsewhere.

That was the compromise. That was the quid pro quo which led to the Land and Water Conservation Fund.

The problem was that the exact expression of the compromise was not written into law and, as so often happens in the Congress of the United States, understandings that were reached at one time that were not reduced to the precise words of the statute were forgotten. As happened ever since we began the process of using trust funds to fund our deficit, the Land and Water Conservation Fund built up; and year after year, we used it just like we did the Social Security trust fund, to make the deficit seem smaller.

That is the story. That is what has been happening.

Now, we are all very proud of the fact that we might be coming to a point where we need not actually any longer borrow from the Social Security trust fund. In fact, we still do borrow from it. I think all of us remember last year we dealt with the borrowings from the Highway Construction trust fund and we said that was wrong, we should not continue to borrow from that trust fund for general revenue purposes to make the deficit seem smaller.

And any colleagues will remember that this year we finally got around to deal with the Airport trust fund, the fund that was created out of the fees charged to airline passengers that that money would not simply be used as a general slush fund to make the deficit seem smaller but that, in each case, we would use the money that we raised from the American people for the purpose that we said we were intending it when we imposed the tax or the charge or the fee in the first place.

So if that is the Social Security, we will put it away in a lock box for social security purposes only. If that is the Airport trust fund, it would only be used for improvements in safety in airports. If it is the gas tax, it would only be used for improvements of our interstate highway system and those systems that connect to it. In other words, keep the promise.

In the Land and Water Conservation Fund, we have not kept the promise. This fund generates over $900 million each year, this year in particular, and yet we are allocating just over $200 million for its intended purpose, the acquisition and the preservation of Federal lands.

At this point, I should say, and I should have said at the very start, I have nothing but the highest regard for the chairman of the subcommittee. He has always been very honest and forthright in his dealings with me. And I know that he personally would like to see more money available for the Federal component of preservation, acquisition, enhancement of our natural treasures.

I agree with the chairman that we are underfunding our parks and maintenance thereof. I totally agree with him. I just wish we could find more money for that purpose. But what I do not think is right is to continue a process of using money raised for one purpose for another in order to make the deficit seem smaller. We should not be borrowing, essentially, $700 million out of the $900 million that are raised from these offshore oil lifting fees for purposes that were never intended. They are going into the general revenue.

Mr. Chairman, I yield to my good friend, the chairman of the subcommittee to engage him in a colloquy if he would like.

Mr. REGULA. Mr. Chairman, I would say to my colleague, he understands that we have a moratorium on drilling in the Federal waters offshore California that would normally be generating these revenues?

Mr. CAMPBELL. Mr. Chairman, I do.

Mr. REGULA. So I think it is a little bit out of place in a sense for California to want this money.

But, aside from that, am I correct, this is not limited to the purchase of land by the States? They could build marinas. They could build swimming pools. They could build tennis courts.

Mr. CAMPBELL. Mr. Chairman, reclaiming my time just to respond, if my colleague believes in federalism, the States should control the priorities set for the resources devoted, to the States.

I quite agree with the point of the gentleman that there ought to have been dedication of some of this money, if not all of it, to the Federal side. But I did not control the amendment this year. This year the amendment is a very small one.

The CHAIRMAN. The time of the gentleman from California (Mr. CAMPBELL) has expired.

(By unanimous consent, Mr. CAMPBELL was allowed to proceed for 1 additional minute.)

Mr. CAMPBELL. Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I think the point the gentleman made, it is the "Land and Water Conservation Fund." Conservation includes taking care of maintenance. It means conserving the resources. We are using the money in this way. We did not use all of it to buy land, but we use it for conservation of our national resources.

Mr. CAMPBELL. Mr. Chairman, if I may put a question to the gentleman in return. If I have this wrong, I stand ready to be corrected.

Is it not true that the fund raises $900 million?

Mr. REGULA. Mr. Chairman, that is correct.

Mr. CAMPBELL. Mr. Chairman, and yet we are only devoting in the bill of the gentleman $205 million to this intended purpose?

Mr. REGULA. Mr. Chairman, that is correct. But we are also spending a lot of money on maintenance and conservation, which was part of the intent.

Mr. CAMPBELL. Mr. Chairman, I believe the gentleman has very good purposes for the money. I just do not think it is the purpose intended in setting up this system.

The Land and Water Conservation Fund was to preserve, to acquire, to maintain special land as a quid pro quo for allowing the lifting fee. And when we use it for other intended purposes, it is no different than using the Social Security trust fund or the Airport trust fund or the Highway trust fund.

Mr. REGULA. Mr. Chairman, I think it depends on the definition of the gentleman of "conservation."

Mr. KLINK. Mr. Chairman, I rise to strike the requisite number of words and speak in opposition to the amendment.

First of all, Mr. Chairman, we are not against livable space; and we are not against parks. We wish that the authors of this amendment would have sat down and talked to some us who come from areas where fossil fuel is important, and we could have had a discussion with the authors to try to determine how we might have accommodated what they want to accomplish without hurting something that is incredibly important not only to our States and to our region but to this country and, in fact, to the world.

In December of 1997, I was in Kyoto when we passed the Kyoto agreement. I was not in favor of that agreement. I thought that we had made some errors. But I talked to some people from around the world that said, we need cleaner technology; we like what you are doing with cleaner coal technology; we like some of the things are you doing; there is a marketplace out there.

This committee has had to cut fossil energy research by over 20 percent in the past 4 years. To make further cuts at a time when the world is looking to us for new technologies so we can have cleaner air and more fuel efficiency is an irresponsible act.

The United States has large quantities of crude oil within our borders. I can remember the gas lines back in 1973, and I can remember the gas lines in 1979 during those Arab oil embargoes. For every barrel of oil that we produce in this country, we leave two barrels behind in the ground. We need to develop the technology.

I heard somebody mention earlier that we are only talking about 9 or 10 percent of the budget. I have not been in Washington, D.C., long enough to put the word "only" in front of $30 million. This $30 million would be crippling to what we are trying to do.

We just had the EPA saying that we are going to go to a particulate matter standard of 2.5 microns. That is going to require an even greater reduction in sulfur and nitrogen emissions. It is just a matter of fact. We have entire regions of our Nation, entire communities, where the workers who developed that coal, who mine that coal, who brought that oil out of the ground have given us cheap energy to build the economy that we have today. And now the authors of this amendment are causing us to say, because we do not want the States to be partially responsible for more livable space and for more park space and for reclamation of land, that we are going to tell those areas, the heck with you. You have already given us that cheap technology. We are walking away from you, we are turning our back, and we are going to take 10 percent of your money, and we are going to move it over here without having that discussion.

The electric utilities have already made dramatic reductions in their emissions. Sulfur pollutants have been cut in half from the 1990 levels. Our coal reserves in this country are equal to one trillion barrels of oil. At current consumption rates, we can fuel our economy for the next 250 years. Coal is the Nation's most affordable fuel for power generation. It is why the U.S. has the least expensive electricity of any free-market country. We do not want to have to balance livable space and park space and who is responsible for it against a significant portion of that research dollars. And, again, that is what the authors of this amendment are asking us to do.

DOE's research and partnership with industry has focused on technologies that permit us to use the full potential of fossil fuels without damaging the environment.

Some of us who come from, and I hate sometimes to use the word "rustbelt," but for those of us who come from the Northeast and the Midwest where we lost tremendous numbers of jobs, areas where coal was mined, where oil was discovered, where the coal industry and the steel industry have gone down and people have been laid off by the tens of thousands, indeed hundreds of thousands, we are trying to balance reclamation of those brownfield sites, reclamation of those inner city areas that could be used as parks, with the creation of jobs, with the keeping of jobs.

They are causing us now to make Sophie's choice, to decide whether or not we want to be able to reclaim those sites, whether we want to be able to promote livable space, and whether we want to kill what is left of those blue-collar industries that are still in our area.

We still, fortunately, mine some coal in Pennsylvania. We would like to be able to have more fossil fuel R&D so that we can continue to produce more coal and we can find a market for it.

□ 1630

As the gentleman from Ohio (Mr. REGULA) said, and I associate myself with his remarks, we want to create future jobs of showing the world how they can better use those carbon-based fuels, whether it is oil, whether it is natural gas, whether it is coal, we can take that technology and again creating a lot more jobs and new technologies here based on these old technologies.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. KLINK. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding. It just struck me that we visited Mount St. Helens last week and they said that some of the ash from that disaster went all the way around the world and came back to Mount St. Helens. That illustrates how pollution travels worldwide. The point the gentleman makes is absolutely correct.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. KLINK) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. KLINK was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, it is not just the United States that needs clean energy technology but that the rest of the world have it because otherwise we pay the price along with their own people.

Mr. KLINK. I thank the gentleman. Reclaiming my time, I just want to make a few points.

The kind of research that is taking place with these dollars that they want to shift over, it is not that their program is not important but we are talking about research that would reduce pollutants to 10 times below current Federal requirements, that would boost power plant efficiency to almost double what today's capabilities are, from 33 to 60 percent, so that one power plant of the future can do the work of two of the world's power plants today.

If Members want to burn less coal, if they do not want to have to look at building more nuclear power plants and doing other things that may be distasteful, let us continue that kind of research. I just think that we could find a better way to do this. I think it is unfortunate the offset, again that you are making us take Sophie's choice. I would request and ask all of the Members that are listening to this, Mr. Chairman, to vote "no" on this amendment.

Mr. BOEHLERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment has a very simple purpose, to revive the State portion of the Land and Water Conservation Fund. Under State law, law that has been in effect for 35 years, States are supposed to get a portion of revenues from offshore oil drilling to use for recreation and conservation projects. This amendment is a first step toward fulfilling that commitment which has been ignored over the past several years.

But this is not just a matter of fulfilling a commitment made to the States and the public when we allowed offshore oil drilling. This amendment would revive a program that had a proven track record of providing recreational facilities for millions of American families. This is a program that truly improved the quality of life.

There is no shortage of appropriate opportunities for using this money. Every State has a backlog of projects that has been piling up in anticipation of this money being restored. These projects will provide parks and playgrounds and preserve sensitive lands that otherwise would be subject to development.

The momentum for reviving the State portion of the Land and Water Conservation Fund has been growing this year as more Members have learned about the good that has come from this program. My own Commissioner of Parks and Recreation, Bernadette Castro, of New York, has been a real leader in the effort. The various bills to take the program off-budget and guarantee it a stream of funding are evidence of that newfound support. But those bills will not come up for some time and will probably not provide any money next year. We need to act now.

I do not envy the plight of the gentleman from Ohio (Mr. REGULA) who is dealing with a difficult hand because there are so many restrictions on what he can do. I would like to, if I could wave a magic wand, give him and the subcommittee more money to deal with, because I think they deal with it in a very responsible way. But this is a long-standing commitment. This is just an entry to restore a program that has served a very useful purpose.

We talk a lot about family values. What is more important to the family than having these magnificent parks and recreational areas so that they together can enjoy a good life.

I urge support of the amendment. I want to thank the chairman and the subcommittee for being very thoughtful and deliberative in the process. I would point out to the distinguished gentleman that there are some who want to do away entirely with the clean coal technology program under the theory that if we do away with it, that is environmentally responsible because we are dealing with fossil fuels and we all know that they pollute a lot. I am not one who subscribes to that. I have worked with the gentleman as he well knows to protect the clean coal technology program and constantly improve it under the theory that if we have cleaner burning coal in the future, we are going to have a cleaner, healthier, safer environment for all of us.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Ohio.

Mr. REGULA. Does the gentleman have any evidence that any of these 50

States that have surplus balances have given some money to the local communities to build their tennis courts and swimming pools and marinas?

Mr. BOEHLERT. I only can say, reclaiming my time, what the Governor of the great State of New York, George Pataki, has done. He went to the people of the State of New York and asked them, he put his name and credibility on the line and he got passed, the voters passed, a $1.75 billion environmental bond issue. That bond issue is used for a whole host of very worthy projects within the State of New York that helps improve the quality of life.

I just want to have this money which is earmarked for a specific purpose, a portion of it used for that specific purpose, because I think the families of America deserve improved parks, I know that is one of the gentleman's primary objectives, and recreational areas. I think we can make a dent in it by what we do here by voting for this very important amendment.

Once again, let me thank the gentleman from Ohio for his leadership.

Mr. Chairman, I rise in strong support of this amendment.

This amendment has a very simple purpose—to revive the state portion of the Land and Water Conservation Fund. Under federal law—law that has been in effect for 35 years—states are supposed to get a portion of revenues from off-shore oil drilling to use for recreation and conservation projects. This amendment is a first step toward fulfilling that commitment, which has been ignored over the past several years.

But this is not just a matter of fulfilling a commitment made to the states and the public when we allowed off-shore oil drilling. This amendment would revive a program that had a proven track record of providing recreational facilities for millions of American families. This is a program that truly improved the quality of life.

And there is no shortage of appropriate opportunities for using this money. Every state has a backlog of projects that has been piling up in anticipation of this money being restored. These projects will provide parks and playgrounds and preserve sensitive lands that otherwise would be subject to development.

The momentum for reviving the state portion of LWCF has been growing this year as more Members have learned about the good that has come from this program. The various bills to take the program off-budget and guarantee it a stream of funding are evidence of that new-found support. But those bills will not come up for some time and will probably not provide money next year. We need to act now. I urge my colleagues to support this amendment.

Mr. HOEFFEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the McGovern-Campbell-Hoeffel-Holt amendment and urge its adoption. I listened very carefully to the comments of my friend from Pennsylvania and understand very well his concern about the fossil fuel research and development program that is being used as an offset for the proposed $30 million to be directed to the state-side program of the Land and Water Conservation Fund. I know that a number of my friends and my mentors from Pennsylvania have a concern about this amendment because of the offset.

It is only a partial answer to say to them that the offset represents 8 percent, certainly not a majority, 8 percent of the fossil fuel funding. A better answer, I believe, is that this amendment is not about fossil fuel research and development. As everyone knows, budgetary rules require us to have an offset. This is about restarting the state-side part of the land and water conservation program. If the fossil fuel program is as good as they say, and I have the belief that if it is as good as they say, then funding will be restored, funding will be provided. They currently receive $360 million for the fossil fuel program, and the state-side part of the Land and Water Conservation Fund gets zero.

If Members believe in the development of parks at the State and local level, if they believe in the development of recreational opportunities at the State and local level, we must pass this amendment to get this program back into business, and the fossil fuel programs supported by my very good friends will certainly attract their own level of support.

The Land and Water Conservation Fund has been the most successful of all Federal programs to direct Federal funding toward the acquisition of open space and parkland and to develop recreational opportunities. It is premised on very sound notion that when the nonrenewable resources on the Continental Shelf are developed for profit, that some share of that generated wealth should be given back to the Federal Government and the State governments to enhance recreational opportunities. It is the State part of that equation for 5 years that has not been funded at all. That is what we are trying to generate funding for through this amendment. These recreational opportunities are really the workhorse of our recreational opportunities in this country.

The programs to be funded by this State and Federal share would not be the parks with the grandeur of the Tetons or the vastness of Yellowstone but they would be the parks and recreational opportunities that people would use every day, the ballfields, the local parks, the swimming pools that all Americans need access to and that all Americans use. Even if they cannot afford a vacation out West, even if it is not accessible for them to go to Yosemite or Grand Teton, they can use these local recreational opportunities. That is what we are trying to restore. This State aspect of the Land and Water Conservation Fund worked well for a number of years although the entire fund has not been allocated the funding that it deserves, but for the last 5 or 6 years the program has not received funding at all.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. HOEFFEL. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I thank the gentleman for his statement and rise in support of this amendment. This is a good amendment. This is a good bill. It does not have all the baggage on it that some of the bills have had in past years with regards to taking one step forward and two back. I commend the subcommittee chairman and the ranking member for their work.

On this particular topic, I think that this is an improvement, a modest improvement in this bill. This bill does not have enough money to go around, that is a problem we have to deal with through the 302(b) allocations and the budget caps that we have in place. The quicker we start facing up to that, the better off we are going to be.

But these dollars come, as the gentleman from Pennsylvania has stated, from the Outer Continental Shelf and the fact is that we are pledged to take $900 million from that, available until appropriated, for the Land and Water Conservation Fund, and a goodly portion of that should be going to the States. The fact is this bill has nothing in for that. It has less than a third of the money being appropriated from the Land and Water Conservation Fund and a small portion of the Historic Preservation Fund. It is almost over a billion dollars that were pledged using up one resource and investing in another. While this research on fossil fuel is good in itself, the fact is that we have to have a balanced bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. HOEFFEL) has expired.

(On request of Mr. VENTO, and by unanimous consent, Mr. HOEFFEL was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding and for his work on this and the gentleman from Massachusetts (Mr. MCGOVERN). I am pleased to rise in support.

Mr. HOEFFEL. I thank the gentleman for his comments.

I would simply conclude, Mr. Chairman, by saying it is critically important that we get this State aspect of the Land and Water Conservation Fund back into business so we can provide the matching funds to State governments to provide those local recreational opportunities that are so important to all Americans.

Mr. HOLDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment, not because of the cause that the authors of the amendment have championed but because where they intend to take their offsets from.

Mr. Chairman, we should not be disinvesting in fossil fuel research in this country. We should be reinvesting. Here in the United States we have between 250 and 300 years of a coal supply. That is more recoverable oil than the entire world has. That is correct. That is more than the entire world has in recoverable oil. We should not be disinvesting. We should be reinvesting.

I have the honor and privilege of representing the anthracite coal fields of Pennsylvania along with the gentleman from Pennsylvania (Mr. KANJORSKI) and the gentleman from Pennsylvania (Mr. SHERWOOD), a clean burning coal that meets all EPA requirements, low in sulfur and high in Btu. We should be investing in alternative uses of coal.

I currently have a bill pending before the Committee on Ways and Means to supply incentives, tax incentives so that we can take advantage of technology that already exists, where we can turn waste coal and raw coal into gasoline and into diesel fuel. These are the types of things we should be doing with fossil fuel research.

There is research being done at Penn State and Wilkes and many universities all over Pennsylvania and West Virginia. We should not be cutting research in these funds. We are too dependent in this country on foreign oil already.

I say to my colleagues in the Congress, we go through this fight every year. Every year this program is attacked. It has been cut significantly over the years. I thank the chairman and the ranking member for the number that they have arrived at this year, protecting the research that is in this bill. I encourage all my colleagues to vote against this amendment. It is bad for Pennsylvania, it is bad for West Virginia, it is bad for Kentucky, it is bad for southern Illinois. We should defeat this amendment.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I urge my colleagues to support the McGovern-Campbell-Hoeffel-Holt amendment and add $30 million to the Land and Water Conservation Fund state-side program, a program that funds local community needs, such as purchasing land for parks within a city itself. These funds come from Outer Continental Shelf oil drilling revenues. They are intended to be funded by $450 million annually for Federal land purchases and $450 million annually for state-side purchases. However, we only see a small fraction of that money for those intended purposes.

Since its inception in 1995, the Land and Water Conservation Fund has been invaluable in protecting wetlands, wildlife refuges, endangered species habitat and creating parks and open spaces as well as providing land for recreation.

□ 1645

Stateside has protected more than 2 million acres of recreational land and helped develop more than 27,000 basic recreation facilities nationwide.

This year the President asked for $200 million for Stateside, but for the fifth consecutive year Stateside was zeroed out by the committee. It is time we invest in the Stateside part of the Land and Water Conservation Fund. This could mean more than $2.5 million for my State, California, and this amendment would mean a lot to most of the States in this Nation.

As our Nation grows, we must fund preservation because funding preservation is smart growth. If someone has land in one of my colleagues' areas, in their community, that could be purchased in their district for everyone in the district to enjoy, because I know I do, and I bet all of my colleagues do, actually, they should support this amendment. Open space preservation is smart growth, and it is a bipartisan idea that has generated great support across the Nation.

In the last election, there were 148 ballot measures from coast to coast regarding open space. Amazingly, 84 percent of these measures passed, showing the strong support that American people have for open space and for Stateside programs; and hopefully my colleagues will also support the Resources 2000 bill of the gentleman from California (Mr. MILLER), H.R. 798, which would fully fund the Land and Water Conservation Fund permanently.

Please support the McGovern amendment.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong support of the McGovern-Campbell-Holt and Hoeffel amendment, and I rise also to commend the chairman of this committee, the gentleman from Ohio (Mr. REGULA), and the gentleman from Washington (Mr. DICKS) for the job that they have done with this legislation under very, very difficult circumstances; and those difficult circumstances are one of the reasons that this amendment is here.

I believe that this amendment is an improvement to this legislation. I think it is an important amendment, it is an important amendment about the future of our local communities, about the quality of life, about the recreational opportunities of our families and about the preservation of important lands and important assets that provide the quality of life that most of us want for ourselves and for our constituents.

The Land and Water Conservation Fund is a fund that was developed out of a bargain between the development of the offshore oil and the preservation of nonreoccurring assets in our communities and throughout our Nation; and in the past, since 1965, we have appropriated some $3 billion to local governments, States and local governments, to help them protect and provide and conserve these assets. They have matched that with an additional $3 billion. That tells us the kind of priority that our local communities place upon this program.

But in 1995 it all stopped, it all stopped. One of the most successful programs that we have at the Federal level stopped. Since that time, if we were to put the money that this program was truly entitled to, there would have been an additional $2.5 billion that would have then been matched by another $2.5 billion, $5 billion going into improve the quality of life and to protect and conserve natural resources and assets and local communities based upon the priorities of those local communities.

Many speakers have gotten up here and told about how their States have passed bond issues to help to do this. Local jurisdictions have added to their tax revenues, they have added on to their sales tax, they have added on to their gas tax to try and protect these resources, and this money flows into that in a partnership with not only those local governments but with foundations and private individuals and corporations and others that contributed. This money becomes a catalyst for billions of dollars that benefit our local constituents and our local communities; and it is a very, very important amount of money. It is very important in the sense that the opportunities are being lost in so many of our communities through rapid growth to kind of provide the kind of protection that is necessary so we can have open spaces.

Yes, it might include a swimming pool or two; and, yes, it might include a swimming lagoon on important rivers and important reservoirs in areas that are regional facilities. And it might include trails, and it might include a lot of assets that local communities believe are important if they are going to provide the kind of quality of life that attracts families, that attracts businesses and that allows communities to thrive and to have a thriving economy.

That is what this legislation was set up to do, but the oxygen has been cut off, the money has been cut off for no good reason. Because it was not about this being a bad program or an unsuccessful program or a wasteful program.

It was just a decision that was made. And yet the law remains on the books. It says we are supposed to dedicate this money.

This is very similar to the debates that we are having with respect to Social Security and we had with the Highway trust fund. We told the people of America that this money in this fund would be used for this purpose. There is a lot of concerns now that the offset is SPRO, or the offset is one of the energy funds.

Well, let me tell my colleagues the Stateside Land and Water Conservation Fund has been an offset for everything else this government has wanted to do because the money has been pirated out of this fund and used for whatever purposes to make the deficit look smaller or for whatever programs the Congress of the United States wanted to do. We owe this fund billions of dollars, and here we have an effort by the gentleman from Massachusetts (Mr. McGOVERN) and the gentleman from California (Mr. CAMPBELL) and the gentleman from New Jersey (Mr. HOLT) and the gentleman from Pennsylvania (Mr. HOEFFEL) to restore $30 billion for the next fiscal year so our communities can get on with improving the quality of life and protecting these assets. And as flush as the gentleman from Ohio (Mr. REGULA) will tell us the States are, I do not see people saying we are not going to send them PILT or we are not going send them money, so this is about priorities.

But as flush as those States are, the list of projects that are essential and necessary to continue the growth; otherwise, do my colleagues know what they get? They get what we have in so many communities now, no growth, no improvements, no transportation improvements, because people see with congestion, the lack of quality of life, that they are not going to engage in that kind of economic growth.

This is one of the buffers that allows our communities to continue to be a decent place to live, a decent place to raise our children and to enjoy and to do business.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GEORGE MILLER of California. I yield to the gentleman from Ohio.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

(On request of Mr. REGULA and by unanimous consent, Mr. GEORGE MILLER of California was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, the Land and Water Conservation Fund was reduced from 300 million to 25 in a Democrat Congress under the leadership of Mr. Yates, and I believe the gentleman in the well was a Member of the House at that time. I wonder how he felt about it at the time.

Mr. GEORGE MILLER of California. I disagreed with it then, and I disagreed before that was done. I mean, I think that this fund, and, as my colleagues know, I have introduced legislation to provide for the full funding, the full funding on water conservation, half to the Federal side and half to the State side, and an overwhelming number of Members of this House of Representatives supported either my bill or Mr. YOUNG's bill to do that because they are hearing from their communities and also hearing what my colleagues have been telling us about the backlog in national parks and national lands of this country that needs to be done there.

We have starved these funds. It has been a bipartisan effort to starve these funds. I am not blaming the gentleman from Ohio (Mr. REGULA). He has come in almost at the end of the show where it is even more difficult to try to get his bill out of committee and meet the demands of this country. But that has been a bipartisan effort, but the time has come to reverse it. The time has come to reverse it, and this amendment is a modest step in the efforts to do that.

Mr. REGULA. If the gentleman would yield further, would the gentleman agree to lift the moratorium on offshore drilling in California so we could beef up the fund?

Mr. GEORGE MILLER of California. Why would I do that when the gentleman is stealing all the money?

Mr. DOYLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. DOYLE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Massachusetts. This well-intentioned amendment would increase funding for the Land and Water Conservation Fund, a goal I share. However, the programs proposed to be cut to offset this amendment are equally important and deserve another look.

By this amendment we propose to cut an additional $29 million from the fossil energy budget, and my friend tells me that is only an 8 percent cut. Well, let me tell my friend this program has seen steady decreases over the past 10 years, deceases of 7 percent, 10 percent, 13 percent depending on the year. Eighty-five percent of our U.S. energy supply currently comes from fossil fuels. This figure is going to go up, not down in the coming years. By the year 2015, 88 percent of the energy we consume will come from fossil fuels. The important research the Department of Energy performs on oil, gas, coal and other fuels is entirely directed at making these fuels burn more efficiently and with fewer emissions. I think these are goals we all support.

The emerging renewables, solar, wind and geothermal, currently supply less than 1 percent of the energy needs in the United States. Research on this small share of our energy supply has increased greatly during the last 10 years, despite its relative unimportance to our energy supply. I am all too aware that the Green Scissors Report, among others, has severely criticized the U.S. fossil energy research program. For this reason, Mr. Chairman, every July the fossil fuel research program becomes a convenient whipping boy for legislators looking for budget offsets. Well, I am sorry to see that these criticisms take no consideration of the fact that renewable energy still supplies a very small percentage of our energy needs.

As we work together towards a future energy-use environment of cleaner, more efficient fuels, we need to recognize that our energy supply, this country's energy habits, will not and cannot change overnight. Cleaner and more efficient means of accessing oil, gas and coal are sorely needed.

Finally, Mr. Chairman, I would point out to my friends that the fossil energy program has been revamped and retooled in response to input from Congress over the past few years. The fossil energy program has shifted to focus on such exciting new technologies such as fuel cells which are clean burning, relocatable energy sources that fit perfectly into a deregulated power environment; the "Vision-21" clean power plant, which will combine existing technologies to greatly reduce emissions from our utilities; and gas hydrates, an exciting, hidden source of natural gas on the ocean floor that is estimated to offer hundreds or even thousands of times more reserves than all the existing fossil energy supplies combined.

Mr. Chairman, as our energy researchers have pursued this fundamental shift in response to congressional criticism are we governing responsibly and effectively if we continue to take ill-considered cuts out of this program? Mr. Chairman, I strongly urge my colleagues to oppose this amendment offered by my colleague from Massachusetts.

Ms. ESHOO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of this amendment, and I want to salute my colleagues that have written it and brought it forward to us. I think that they have done a very, very important task for us and this is a very important debate.

Before I talk about the amendment and why I think it is a prudent one, I want to pay tribute to the gentleman from Ohio (Mr. REGULA), who has been faced with enormous challenges, a budget that does not match it, but I think a heart and a mind that has stretched to do magnificent things in our country. He is absolutely right that we are not committing the kind of resources that we should to the conservation and the protection of the lands that we are already responsible for. So in no way do my comments or should my comments be thought of as being critical of what he has done, Mr. Chairman. I appreciate his leadership and what has come from it.

When the Congress created the Land and Water Conservation Fund in 1964 to purchase land and water resources for the creation of open spaces and local and national parks and recreational areas, the Congress then took an enormous important step. One of my distinguished colleagues came to the floor earlier and said, this is Sophie's Choice. It is not. Sophie's Choice is a movie with a marvelous actress in it. This is not Sophie's Choice. This is about the Congress stepping up and really keeping at least part of her word from 1964.

□ 1700

Thanks to that congressional act, nearly 7 million acres of parkland are now protected, and over 37,000 State and local park and recreation projects have been created.

I cannot think of an action that the Congress has taken that meets with the success of this. This is one of the most meritorious cases in our Nation. In my district alone, with one of its great values being the environment and the protection of parklands and open space, nearly 8,000 acres have been preserved since 1964. In fact, it is an area that is one of the envies of our Nation because so much has been protected.

When we enacted the Land and Water Conservation Fund to an authorized level of $900 million, we continued to fund the program, but not at the levels that we had originally promised. In fact, they have gone lower and lower, and we have continued to divert funds away from land and water and conservation, and that is what this amendment tries to repair in a very small way today.

I think we should take the next step by fully and permanently funding the Act. My good and great friend, the gentleman from California (Mr. MILLER), along with many others, seeks to do that. I am proud to cosponsor the Resources 2000 Act.

Today we are looking for just a small step. The Miller bill is the final big step. Of course, we know he wears a very large shoe, and that shoe would accomplish a lot if that step were taken. So I support this because I think it is important.

It is not only important because we see what it has done, but we know, as Auntie Mame said, that we have miles to go and places to see in our country. This is an act that gives our local governments and our State governments the right kind of leverage. It attracts, it becomes a magnet for private funds, and it is one of the ingredients for one of the greatest recipes of success in our country.

Going to our parks, I have been very fond of saying, is one of the cheapest vacations for the American people. We want them at all levels. Everyone cannot get to Yosemite. Everyone cannot get to a national park. So let us move on and take a small step of Congress reestablishing her word, the word that was established in 1964, and take this important step today by embracing this amendment. It is a great one, it is a good one. It will do good things for our country.

Mr. BECERRA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the McGovern-Campbell-Hoeffel-Holt amendment which would provide the funding for the Land and Water Conservation Fund stateside matching grants program.

If I may begin first by thanking the chairman and the ranking member for the attention they have given to a number of Members who have concerns for some of the projects that are State and local in orientation, I know it has been a difficult task, and everyone has pointed that out, that the money is just not there to certainly fund all these programs. So I want to thank the chairman and the ranking member for the effort they have made.

By the way, I want to thank the staff, as well. For the most part, in every discussion we have had, the staff has been very willing to discuss options and try to help those of us who are interested in trying to provide some of those projects which are park-related to our constituents back home.

For someone like me who has nothing but an urban setting in his district, I am completely urban, I have nothing but L.A. city territory, I have a concrete forest that I represent, it is difficult sometimes to accommodate the needs, especially the green needs, of my constituents.

Let me give a quick example. While we are spending in this appropriations bill for the Department of Interior approximately $1.7 billion for the National Park Service, $1.2 billion for the Bureau of Land Management, and $840 million for the Fish and Wildlife Service, no money is being allocated at this stage for stateside matching grant programs under the Land and Water Conservation Fund.

For someone like me, that means the following. About 3 years ago I attended a middle school in my district. I asked what I thought was a pretty natural question. We were talking about the environment. I asked some of the kids in this class of about 30 kids, when was the last time they were at the beach. Los Angeles is right next to the beach. I was surprised when no one raised their hand.

I asked, well, how many have been to the beach? And we are talking about kids who are in their teens. About three of the 30 kids raised their hand. I am talking about kids who live no more than 20 miles from the beach. Most of these kids had never been to the beach in Los Angeles.

The closest State park to me is about 45 miles away. The closest national park is more than 60 miles away. Most of these kids have never been to either one of those, and they have not even been to something as close to them as the beach in Los Angeles.

It is difficult for some of our communities sometimes, especially in our very urban settings, the inner cities, to have opportunities to let kids understand what it is to see wildlife, to see nature in progress. For many of us, it is important to be able to help.

There is a project in Los Angeles right now which could use funding from the Stateside matching grant program under the Land and Water Conservation Fund. In fact, it is a program, a project that right now has a public and private partnership underway where right now the city of Los Angeles, the State of California, and the business community, along with community groups, have come in and provided 85 percent of the money they need to get a local park going so people can use it.

There is a park in a hilly area of Los Angeles which few people know about and use. If we can get this funding at the Federal level to help just a little bit more, we will be able to help thousands of inner city children who do not have access right now.

I know it is tough and I know the chairman and the ranking member have tried, but this is an amendment that will provide a meager amount, $30 million of the billions that we will be spending, on something that is so valuable, especially for kids who sometimes do not have access to any of this.

It is a worthy amendment. It came close to passing last year. I hope we have success this time around, because ultimately what we are talking about here is not some big national park or some big local park, we are talking about the smaller projects that reach really close to home where kids could ultimately use these facilities.

If we do not do it, again, we are going to deny these children not just the opportunity to play and recreate, but the chance to get a better sense of what it means to know the greater part of the country and nature as well, because too often, in the inner cities especially, many of these kids grow up not knowing anything but concrete buildings.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I see this conversation this afternoon as an effort to restart an important discussion. It is about keeping faith with our commitments with the States, keeping faith with the needs and the programs that they have.

As the gentleman from California mentioned a few moments ago, we rightly owe billions of dollars to the very States under the terms of the 1964 act. There are, indeed, other reasons. Not every State with a surplus, for instance, is responding in a way that deals with the park and recreation and open space needs.

In my own State, I am ashamed to admit, despite the strongest economy in anybody's memory, despite having perhaps the strongest one, in fact, for 2 years running we had the strongest economy in the country, and despite having a large ballot measure majority in support of parks and open space, I am finding our State legislature backing money out that has been approved by the voters, in efforts to shift it elsewhere.

So there are lots of reasons, lots of variations around the country that I have seen as I have worked with communities across the country dealing on livability issues.

But there is something else going on here. There is a massive grass roots effort where citizens at the State and local level are seizing control. In 1998 there were 184 initiatives on the State and local level. Eighty-seven percent passed, usually with overwhelming majorities. Citizens understand, in the words of our chairman and the ranking member, that it is important to invest in this timeless legacy. The time is now.

There are very complex and intricate funding packages that we are seeing developed across the country that have State funds, that have local funds, that have Federal funds under enhancements and transportation. We have land trusts. We have individuals coming forward, foundations. It is exciting to see people step forward to try and fill if the gap at this critical time and meet this critical need, sometimes moving past the politicians.

This $30 million is critical, not just because it will leverage literally hundreds of millions of dollars across the country. It is important because it restarts the discussion here about keeping our commitment with the Land and Water Conservation Fund. I think it is going to be the start of something that is very big.

As we discussed at the initiation of the debate on this bill, we want to start the discussion of the budget with a 50-year vision for this country. Everybody in this Chamber knows that we are going to add money to the budget process before we get out of town at the end of the fall, or the summer, or whenever we are finally set free. We are going to add more money. Everybody knows it.

Voting today to keep our commitment to the States, to the localities, to this massive national grass roots movement to try and restore our legacy, is going to give leverage to our subcommittee to be able to fight the good fight, and it is going to give heart to people across the country who are working to try and make their communities more livable.

Mr. Chairman, I appreciate the opportunity to share my biases.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, would the gentleman be more comfortable if the State of Oregon, which had a surplus balance in 1998 of $15 million, had spent some of that on local projects? And secondly, would he be more comfortable if this amendment were limited to land purchases and not marinas and tennis courts and swimming pools and any of the other things that they might find desirable?

Mr. BLUMENAUER. As I attempted to make clear, I am embarrassed that my State legislature has broken faith with the voters of Oregon by taking away money that they just approved at the ballot box and using it for other purposes.

So I feel that there is a very mixed record on the part of States. That is why I support efforts of the Committee on Appropriations to have appropriate guidelines for the disbursement of Federal funds.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. BLUMENAUER) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. BLUMENAUER was allowed to proceed for 1 additional minute.)

Mr. BLUMENAUER. Mr. Chairman, I would be happy under the leadership of this subcommittee to look for ways to provide more explicit guidelines to help make sure that we get the most bang for the buck.

I would be loathe, however, to tell some States and localities that have very particular needs for park and recreation that they could not have the restoration of a marina or for some type of open space.

I think we have seen dramatically different projects emerge as a result of this grass roots effort. I think it looks different than some of the things that frankly would raise my eyebrows from a few years ago.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman was critical of the legislature for taking the money back, but I would have to point out that if this were to be done on a substantial scale, we ought to take it out of the 378 national parks. It has to come from somewhere. I know initially it is possible, but in setting up priorities, it could very well come out of parks.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. BLUMENAUER) has expired.

(By unanimous consent, Mr. BLUMENAUER was allowed to proceed for 30 additional seconds.)

Mr. BLUMENAUER. I just wanted to say that I think it is an inappropriate choice to cannibalize our national parks to keep a commitment that we have to State and local governments for their half of this fund.

I will work with the chairman, with the ranking member, as hard as I can to make sure that the gentleman has adequate resources to invest for the future without making a foolish decision to shortcircuit the next half century of preserving these great national treasures.

Mr. SHERMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the McGovern-Campbell-Hoeffel-Holt amendment, but first to commend the gentleman from Ohio (Mr. REGULA) and the gentleman from Washington (Mr. DICKS) for bringing to this floor a very good bill, and given the constraints they were under, bringing to the floor an excellent bill.

Focusing on the amendment, Mr. Chairman, at the beginning of today's session I had a chance to watch the floor. There, Member after Member rose to praise the women's soccer team that won the World Cup, to praise our heroes more eloquently than I can here, Michelle Akers, Mia Hamm, Brandi and Briana, so many who filled us with pride.

But will that praise merely be empty symbolism, or are we actually willing to do something? Are we just going to talk about what sports mean to our kids, about teamwork and confidence-building, or are we going to do something?

□ 1715

We who praise what this woman's soccer team has done, to make sure that girls as well as boys fill the clubs, fill the teams and are out there playing sports rather than being distracted by the latest splatter video game or experimenting with sex and drugs and violence, we who are so good at rhetoric need to put this Nation's money where our mouth is.

Likewise, we have to keep faith with the Land and Water Conservation Fund. We promised the people of this country over 20 years ago that the funds obtained from offshore oil drilling would go to preserve open space in our Nation, across the country, for our national parks and also in the State-side program for recreation.

Mr. Chairman, I know that this amendment has been criticized because it means an 8 percent cut to coal research. But, Mr. Chairman, we have had not an 8 percent, not an 18 percent, but a 100 percent cut in the State-side program of the Land and Water Conservation Fund. If this budget has got to be this tight, certainly the damage or the tightness or the inability to spend should be spread more equitably and $30 million should be found for recreation.

Mr. Chairman, most juvenile crime takes place between 2 p.m. and 8 p.m. What we need are supervised after-school activities, especially sports which build teamwork and which build confidence.

Mr. Chairman, in Montgomery County, for example, there are 1,000 soccer teams trying to play on a hundred fields. In Ft. Lauderdale there is a waiting list of a thousand kids waiting to play soccer. I had the chance to visit the grand opening of the new AYSO headquarters in the Los Angeles area, and everyone there involved in youth soccer said and asked just one question: Mr. Chairman, where will the children play?

The answer is to be found in this bill. It is time for us to expand the recreation facilities available to our youth and to have a vision of tomorrow's kids that involves teamwork outside and not splatter video games inside.

Mrs. CHRISTENSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise today in support of the amendment of my colleagues, the gentleman from Massachusetts (Mr. McGOVERN), the gentleman from California (Mr. CAMPBELL), the gentleman from Pennsylvania (Mr. HOEFFEL), and the gentleman from New Jersey (Mr. HOLT) to add $30 million to the State-side funding of the Land and Water Conservation Fund. This is a critical program to communities such as mine where our natural and human resources, in this case our youth, are both in jeopardy.

The funding provided by this amendment will give a tremendous boost to the efforts of our local communities to provide recreational outlets to our young people. Sadly, for the fifth year in a row the Interior Appropriations bill has not provided funds for this program.

Mr. Chairman, the development of new recreational outlets is overwhelmingly supported and needed by our constituents. In my district, the commissioner of parks and public lands has repeatedly called upon me to seek such funding as is found in the increase in the State-side funding of the Land and Water Conservation Fund.

While some do, as we have heard not every community has a large surplus to spend. But even for the communities that do, it is time for the Federal Government to step up to the plate and do something positive for our young people and our communities, and it can do this through providing this funding.

I also want to take this opportunity to join my colleague, the gentleman from Guam (Mr. FALEOMAVAEGA) in urging that all due consideration be given to the needs of all of the U.S. insular areas. While many of the districts of my colleagues are experiencing good fiscal fortunes, the non-State areas of Guam, American Samoa, and my district, the U.S. Virgin Islands, are experiencing very tough financial times.

While our local governments are working to do all that they can to reduce spending and get our budgets balanced, we still need the assistance of the Federal Government if we are to be successful.

It is unfortunate and the cause of great concern when the needs of one insular area is pitted against the other, forcing us to choose between accepting financial help at the expense of another sister insular area. I urge the members of the subcommittee to be mindful of this fact as we go forward in crafting the final version of the Interior Appropriations bill for fiscal year 2000.

Again, Mr. Chairman, I support this amendment.

Mr. ALLEN. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Massachusetts, and urge my colleagues to support this modest $30 million allocation for state-side Land and Water Conservation funding.

Since its inception in 1964, the LWCF has been an American success story, enjoying support from both Republican and Democratic administrations.

For the past five years, however, this House has ignored the needs of states and communities that want to preserve open space. Cutting out State-side LWCF funding has handcuffed communities that want to purchase athletic fields, preserve historic sites, and ensure public access to pristine wilderness.

In Maine $32 million of state side funding has supported more than 700 projects—from the Allagash Wilderness Waterway, to Wolf's Neck Park, to the Deering Oaks Playground.

Today, the need for state-side funding is greater than ever. In just the past year, more than four million acres of Maine's ten million acre north woods has changed hands. Much of this land, which has traditionally been held by Maine-based companies, is now in the hands of out of state and multi-national corporations. A lack of funding has prevented the state from taking full advantage of the once-in-a-lifetime opportunity to protect more of Maine's most valuable natural resources.

The Maine state legislature, with strong bipartisan support, recently approved a fifty million dollar bond package for land acquisition. But to have a significant impact, these funds will have to be matched with private and federal dollars.

State-side funding is absolutely critical for Maine, and communities throughout this country, to achieve their land preservation goals.

It's time for Congress to right the wrong of the past five years and fulfill its promise of funds for states and communities to preserve open space.

I urge my colleagues to support this amendment, and empower local communities to preserve their natural resources for generations to come.

Mr. WEYGAND. Mr. Chairman, as co-chair of the House Livability Communities Task Force I strongly support the amendment offered by my colleague from Massachusetts, Mr. McGOVERN.

Over the past several months I have been receiving letters from city and town planners, mayors, and town council members across Rhode Island expressing the importance of the Land Water Conservation fund to their communities.

Since 1966 the LWCF has provided more than $33 million, in grants, to the State of Rhode Island to preserve and protect open space and parks.

These funds have been used to make improvements to state beaches, in particular Misquamicut, Roger Wheeler, and East Matunuck all of which attract tourists from across New England.

The LWCF has also played a key role in the development of the State's park system. It is likely that without the LWCF Colt State Park, Lincoln Woods State Park, Fort Adams State Park and Goddard State Park would not exist as we know them today.

This amendment would provide the State of Rhode Island with approximately $308,000 for projects this may seem like a small amount of money but I can tell you from experience that money would go a long way to making improvements in Rhode Island's communities.

As a landscape architect, in both my professional and public careers I have seen first hand how these funds improve our communities.

I strongly urge my colleagues to support the McGovern amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. McGOVERN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. McGOVERN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Massachusetts (Mr. McGOVERN) will be postponed.

The Clerk will read.

The Clerk read as follows:

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire preparedness, suppression operations, emergency rehabilitation and hazardous fuels reduction by the Department of the Interior, $292,399,000, to remain available until expended, of which not to exceed $9,300,000 shall be for the renovation or construction of fire facilities: *Provided*, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: *Provided further*, That unobligated balances of amounts previously appropriated to the "Fire Protection" and "Emergency Department of the Interior Firefighting Fund" may be transferred and merged with this appropriation: *Provided further*, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: *Provided further*, That notwithstanding 42 U.S.C. 1856d, sums received by a bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., Protection of United States Property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation.

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), $10,000,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $11,100,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901–6907), $125,000,000, of which not to exceed $400,000 shall be available for administrative expenses: *Provided*, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to tell the Members that the plan is to roll any votes on amendments to about roughly 6:30 to 7 o'clock. Then the votes will occur on whatever amendments are pending. And we may continue some further action tonight, but there will be no more votes after that block that we do at that time.

So for purposes of planning, Members can count on that as being the format for the rest of the day.

AMENDMENT NO. 13 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. SANDERS:

Page 6, line 4, after the first dollar amount, insert the following: "(increased by $20,000,000)".

Page 69, line 14, after the dollar amount, insert the following: "(reduced by $50,000,000)".

Mr. SANDERS. Mr. Chairman, this tripartisan amendment is supported by the gentleman from Kentucky (Mr. LEWIS), the gentleman from Minnesota (Mr. OBERSTAR), and the gentleman from Michigan (Mr. STUPAK). I should mention that last year a similar amendment passed this House by a vote of 241 to 185.

Mr. Chairman, this amendment deals with the very serious problem of underfunded mandates. It is an issue that we have heard a whole lot about in this body, of forcing citizens in close to 1,800 counties and 49 States to pay more in local property taxes than they should be paying because the Federal Government has fallen very far behind in its payment in lieu of taxes on federally owned land. In other words, the Federal Government is not paying its fair share and is doing a disservice to local communities all over this country.

Just as an example, in my own small State of Vermont, over 50 towns in our southern counties are affected: Bennington, Rutland, Addison, Windham, and Windsor Counties. This amendment addresses the overall problem of underfunded payment in lieu of taxes by increasing funding for this program by $20 million from $125 million to $145 million.

Although this same amendment passed last year with broad bipartisan support, the conference committee only increased payment in lieu of taxes by $5 million instead of the $20 million increase that my amendment would have provided, which is why we are back this year.

Mr. Chairman, in real dollars, inflation-accounted-for dollars, PILT payments to counties and towns all across this Nation have been decreasing for a very long time. In real dollars since 1980, appropriations for payments in lieu of taxes have decreased by nearly $60 million, a 37-percent decline in value.

And while this amendment will not rectify by any means the entire problem, it will at least allow communities around this country to know that we understand their problems and that we are making some real attempts to address those problems by appropriating this $20 million. In fact, even if this increase is approved, it would still represent a 26.3-percent decline in value since 1980.

Mr. Chairman, I should add, and this is an important point, that the authorization for PILT today is approximately $260 million, over twice the appropriation level. In other words, the authorizers understand the problems facing the communities all over this country; but unfortunately in recent years for a variety of reasons, the appropriation process has not followed suit.

Mr. Chairman, the PILT program was established to address the fact that the Federal Government does not pay taxes on the land that it owns. These Federal lands can include national forests, national parks, Fish and Wildlife refuges, and land owned by the Bureau of Land Management. Like local property taxes, PILT payments are used to pay for school budgets, law enforcement, search and rescue, firefighting, parks and recreation, and other municipal expenses.

Mr. Chairman, the important point has to be made. In recent years in this body, there has been a lot of talk about devolution, a lot of talk about fiscal responsibility, a lot of talk about respect for counties, towns and cities. And yet what we are saying after all of that talk is, gee, we do not have to pay our bills. We talk about respecting local governments, but yet we do not have to own up to the fact that we owe them substantial sums of money.

I know that the gentleman from Ohio (Mr. REGULA) is operating under real budget restrictions, and I happen to believe that we should do away with those budget caps and address many of the issues that we face. But I think when we deal with basic priorities, how do we talk about devolution and then turn our back and then say oh, yes, we will continue to owe counties, cities, and towns substantial sums of money?

Mr. Chairman, the $50 million that we are using for these purposes include $20 million in payment in lieu of taxes and $30 million for deficit reduction. Our national debt is still over $5 trillion. This amendment begins to address that issue. The funds would be transferred and offset from the Fossil Energy Research and Development Program, a program we have heard a whole lot about in the last few minutes. But let me say this in regard to that program. Let me quote from the report of the fiscal year 1997 Republican, underlined Republican, budget resolution. And I quote: "The Department of Energy has spent billions of dollars——

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. Mr. Chairman, this is the Republican budget. "The Department of Energy has spent billions of dollars on research and development since the oil crisis in 1973 triggered this activity. Returns on this investment have not been cost effective, particularly for applied research and development which industry has ample incentive to undertake. Some of this activity is simply corporate welfare * * *"

This is not the gentleman from Vermont; this is the Republican budget resolution. "* * * corporate welfare for the oil, gas and utility industries. Much of it duplicates what industry is already doing. Some has gone to fund technology for which the market has no interest."

Mr. Chairman, according to the Congressional Budget Office, the beneficiaries of the fossil fuel program are some of the largest multinational corporations in the world including Exxon, Chevron, Conoco, Texaco, Amoco, Phillips Petroleum, ARCO, and Shell. These companies in fact are making large profits. They do not have to come to the taxpayer for all of this support.

So I think the time is now to be fair to communities all over this country, and I would urge support for this important amendment.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know it is a temptation to dip into the fossil program. It is a little bit ambiguous. If this were the late 1970s, we would not have any such amendments. We would have amendments increasing the fossil research, because when people were sitting in gas lines in the 1970s, when schools were closed down, hospitals were suffering for lack of fuel, we could not give enough money for fossil energy research. Now at this moment we have an adequate supply, so some say let us not worry about next week or next year, just cut the programs. And then if we have another crisis, we will dump a lot of money in.

Mr. Chairman, I would point out to the gentleman from Vermont (Mr. SANDERS) one of the reforms we instituted is that on any of these programs, there has to be a match. We are not saying give them the money. That is what happened in the 1970s, when we shoveled money out with no requirement for matching funds. Now companies that want to do research on new fuels, California of course has reformulated gasoline which came out of the fossil program, they have to put up their own money to show that they believe in the program and that it is effective.

So I think to just take a cut at fossil is not the right policy for the future of this Nation. And I think some of the arguments that were made earlier are clearly along those lines.

We have reduced fossil by 20 percent over the 4 years of our watch in this committee. At the same time, we have increased PILT funding by 23 percent. And I would point out that this bill is flat funded.

□ 1730

So if we go to PILT for more money, we have to do less for something else.

I understand that communities would like to have this money. But one of the things they do not take into consideration is that when we develop Federal facilities it energizes the visitor base, it energizes a lot of activity that does bring money into the communities other than just from PILT, because they have a lot of tourism, they have those kind of activities that are important to the communities that have Federal facilities.

It would be nice to put more money in PILT if we had more money. But given the fact that we have a very tight budget, given the fact that we had 2,000 requests for projects from the Members of this House, we have done the best we could.

We recognize that fossil research is important for the future of this Nation and to maintain energy independence.

Mr. Chairman, I yield to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman from Ohio for yielding to me.

Once again, let me point out, I know the gentleman's job is a difficult job, and he has to balance a whole lot of needs.

I guess what I am arguing, and I am glad to hear that companies like Exxon, Chevron, Conoco, Texaco, Amoco, Phillips Petroleum, some of the largest conglomerates in the world, are contributing something into the program. I am glad to hear that.

But the bottom line is, do my colleagues not think these companies, many of them, are enjoying record-breaking profits? Do my colleagues not think they can pay for their own research and developments rather than stick it to local communities, many of whom have got to raise their regressive property tax to fund their basic needs? That is the only point that I would make.

Mr. REGULA. Mr. Chairman, reclaiming my time, it is easy to pick out the big ones and point to them, but a lot of this money goes to very small companies that have innovative ideas. Every company started with an idea that one person had, whether it is Bell Telephone, Graham Bell or whomever. We find that most of this research is being done by small companies. They come up with their 50 percent. It is not easy for them to do it, but they believe in their ideas.

A very small amount, relatively, is going to the large companies. They are doing a lot of research on their own.

But my concern is that we as a Nation do not want to become dependent for energy on other outside sources. We are going to spend $265 billion on defense. One of the most important elements of the defense of this Nation is to be energy independent. We found out in the late 1970s what it means to be dependent, in that case on OPEC. They called the tune, and we had lines for over a mile at our gasoline stations. We are trying to avoid that by looking to the future.

We have cut it 20 percent over the last 4 years. At the same time, we increased PILT 23 percent. I have to say to the gentleman, I think that is responsible management, given the amount of resources we have.

I know it is easy to take a whack on the fossil program. We have a prior amendment that has taken a whack on fossil. It is becoming the bank for every amendment that comes down the pike because it is sort of easy to attack because it is hard to visualize the benefits of a program like fossil energy research.

But the State of the gentleman from Vermont, I am quite sure, is very dependent on outside sources for energy. He would want his State to be energy independent for his industry and his other base to have the energy it needs. So I hope that the Members will reject this amendment.

Mr. STUPAK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to thank the gentleman from Vermont (Mr. SANDERS) and the gentleman from Kentucky (Mr. LEWIS) for their hard work and diligence on this issue.

I would like to note that the gentleman from Ohio (Mr. REGULA), the chairman of Subcommittee on Interior who is running this bill here today, has been a friend of the PILT program.

While it is true this appropriations bill is flat funded, it requires difficult choices between many worthwhile projects and many worthwhile programs. But our amendment here, this amendment I am pleased to cosponsor with my friends, is really an amendment to help one of our local units of government, the local folks all across this Nation. The gentleman is right, we have to make priorities. Today I am going to stand with local units of government and ask for an increase in the PILT spending.

Mr. Chairman, as a cosponsor and strong supporter of this amendment, it would only restore desperately needed funding to the PILT program. Each year, thousands of counties across this Nation lose out on millions of dollars of property tax revenue simply because the Federal Government owns the land.

In my district, the Federal Government owns large portions of land. For example, approximately 70 percent of the land in Gogebic County is in the Ottawa National Forest and owned by the Federal government. Since the Federal government does not pay property taxes on its own land, the PILT program was established to compensate counties for land the Federal government owns.

Since its adoption in 1976, however, the PILT program has neither kept pace with its authorized funding levels nor with the true costs of providing services in support of Federal lands. In fact, the PILT program is currently funded at less than half its authorized level.

Rural counties rely on PILT payments to provide essential services such as education, law enforcement, emergency fire and medical, search and rescue, solid waste management, road maintenance, and other health and human services. Without adequate funding for this program, rural counties struggle to provide these vital services.

Mr. Chairman, if the Federal government was required to pay taxes on the property it owned like any other individual or corporation, it would have been delinquent a long time ago for failure to pay taxes. The Federal government owned so much land in some of these counties, some school districts in my congressional district cannot even bond for school improvements, for school repairs or to build new schools because there is not a large enough tax base in the county for the bond marketers to loan them the money.

So this decision and the decision we will make here tonight goes a long way in not only trying to bring some equity into the PILT program but the effects are much greater than just simply government paying its share of taxes. It is allowing communities to exist, to make improvements, and to have an equitable economic base to exist.

The Federal government has decided that it is in the best interest of the Nation to own and protect certain lands. I do not think anyone would argue with that. What we are arguing here tonight, what our amendment says, is that we must not penalize our local communities because they have the good fortune to have the Federal government have jurisdiction over land within their counties. It is irresponsible for the Federal government to take these lands off the tax roll and then not provide just compensation.

Again, since 1976, the value of that program has shrunk by more than 50 percent. Mr. Chairman, this request is only for a small increase in the PILT program, but its impact and importance on the rural counties is large.

I urge my colleagues to cast a vote in favor of equity by voting in favor of this amendment.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I join my colleagues who have previously spoken about the amendment in offering our praise to the gentleman from Ohio (Mr. REGULA), chairman of the Subcommittee on Interior, for the consideration that he has given in providing the funding for payment in lieu of taxes. It is reassuring and comforting to know that the committee has time and again kept faith with county governments across this country in recognizing the obligation of the Federal government to those areas of this Nation from whom land has been taken and put in public trust.

I understand the very difficult balancing act that the chairman has had to engage in. I was an original author with our former colleague, the gentleman from Colorado, Frank Evans, 25 years ago of this language. We started out with a provision that would have provided full tax equivalency, a great idea, great goal. I see the gentleman from Ohio (Mr. REGULA) smiling about that, and I think he was, in principle, agreeing with us.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I can remember when Frank Evans offered the amendment in the Subcommittee on Interior that created PILT and was legislating on the appropriation. But I gather the gentleman from Minnesota (Mr. OBERSTAR) did not object.

Mr. OBERSTAR. No, we did not object then.

A lot of things we do not object to legislating on appropriations bills, I would say to the gentleman from Ohio.

But we realized that that was not going to work when it turned out that one county with 1,500 people was going to get $4.5 million under this bill. So we agreed to limitations. But we also thought that successive governments, successive administrations would agree to increase the funding to keep pace with inflation. That has not happened in 20 years.

What we are doing here is helping the committee with a reallocation of priorities within its jurisdiction. We are in no way criticizing or increasing the total dollar amount but saying this should represent an adjustment of priorities within the committee's jurisdiction.

One simple down-home example, as the gentleman from Michigan (Mr. STUPAK) has already cited, Cook County, Minnesota, 900,000 acres, 9 percent is in private ownership. Nine percent of the land has to support 100 percent of the demands and 91 percent of the rest of the property. Three thousand six hundred people have to support all of that territory.

In the summer, there are 15,000 tourists that come into that area. Those tourism dollars do not pay for the cost of ambulances. They do not pay for the cost of emergency helicopters to go into the remote areas to rescue people who have been injured in canoe trips. They are not paying right now for the disaster that has swept through this area that I described earlier this afternoon with the July 4th storm that blew down 250,000 acres of trees, 6 million cords of wood on the ground now. This is going to be devastating for Cook County.

But they need this little bit of increase in funding to be able to meet the requirements of serving the public. They do not do it just in the summer months. They do not do it just now and then. Every day of the year that county government has to, with only 9 percent of the land, provide 100 percent of the cost, and we have not given them the resources. They cannot develop those public lands. So this little bit of payment helps make the adjustment.

The investment that the county has made, I have looked at these funds over the years, Mr. Chairman, they invested in capital equipment. They invested in capital improvements, in facilities that served the public. They are not using this money to cover the operating costs of the county, in the case of Cook County, nor in the case of Lake County or Saint Louis County. They are making permanent capital improvements to better serve the public. That is where these dollars go.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I am happy to yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I concur with the gentleman's remarks. I just mention to the Members that this amendment was endorsed by the National Association of Counties, by the Taxpayers for Common Sense, by Friends of the Earth, by the Rural Public Lands Council, by the Sierra Club, by U.S. PIRG, and by Public Citizen.

Mr. OBERSTAR. Mr. Chairman, just in conclusion, for all those who, and most of us do, support holding land in public trust for the use of all of our citizens, the common heritage of all Americans, these forest lands and park lands and wilderness lands, think of those who live on the perimeter whose lifestyles and livelihoods depend on that land held in public trust for all Americans and realize that, were they given the opportunity, they could have made some investments.

The payment in lieu of taxes helps replace the lost dollars. Support this amendment.

Mr. LEWIS of Kentucky. Mr. Chairman, last year two hundred forty-one of us voted for an amendment to increase Payments in Lieu of Taxes by $20 million. Unfortunately, this addition for PILT was left out of the conference report.

This year we are again asking Congress to address the Federal Government's responsibility to help support local governments in areas where the Federal Government owns the land, removing it from the local tax base.

Federal landownership may not be as large an issue in my State of Kentucky as it is in others; however, for fiscal year 1998, local governments in Kentucky experienced nearly a $70,000 PILT loss from the previous year.

I support fossil fuel research and development projects, as these investments help make our energy more efficient, affordable and clean. However, the standard rate of PILT payments is authorized to increase from $1.47 per acre to $1.65 for this fiscal year. Full appropriation to meet this amount would have to more than $200 million at minimum.

This amendment to provide a 16 percent PILT increase helps us to begin to reduce the continued shortfall between PILT authorization and appropriations.

Kentucky county governments that receive PILT payments depend on these funds to help provide basic services, from education to waste removal.

Edmonson County in my district is home to Mammoth Cave National Park. With a population of just 11,000 and a per capita personal income of $12,000, the importance of PILT payments to the continuation of county services at a bearable cost to the taxpayers can not be understated.

PILT funds help pay salaries and administrative expenses of the county. They help support a 24-hour ambulance service for the National Park, as well as county residents. Federal land control has contributed to the isolation of many areas in Edmonson County. When major transportation routes expanded, the county was bypassed, in favor of areas with a larger tax base to support the projects. Equitable PILT payments are needed to make up for the tax base Edmonson County has given up for the National Park.

The concerns of Edmonson County are not unique. As the Federal Government continues to place responsibilities on local governments, PILT increases are necessary to relieve taxpayers nationwide.

The Bureau of Land Management reports property taxes would provide local governments with $1.48 per acre on average. PILT payments amount to just more than 17 cents an acre.

Last year's PILT payments were 54 percent less than authorized by the Payment In Lieu of Taxes Act. This law requires the Federal Government to compensate local governments as an offset in lost property taxes due to Federal ownership.

A majority of us voted to increase PILT payments last year. Please join me again in a vote to add $20 million to PILT to help often-struggling rural areas provide vital services to their residents.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

The Clerk will read.

The Clerk read as follows:

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579, including administrative expenses and acquisition of lands or waters, or interests therein, $20,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $99,225,000, to remain available until expended: *Provided*, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND

(REVOLVING FUND, SPECIAL ACCOUNT)

In addition to the purposes authorized in Public Law 102–381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, and monitoring salvage timber sales and forest ecosystem health and recovery activities such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181f–1 et seq., and Public Law 103–66) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $10,000,000, to remain available until expended: *Provided*, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: *Provided*, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: *Provided further*, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided*, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For necessary expenses of the United States Fish and Wildlife Service, for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, $710,700,000, to remain available until September 30, 2001, except as otherwise provided herein, of which $11,701,000 shall remain available until expended for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976, to compensate for loss of fishery resources from water development projects on the Lower Snake River, and of which not less than $2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended: *Provided*, That not less than $1,000,000 for high priority projects which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended: *Provided further*, That not to exceed $6,532,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsections (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii): *Provided further*, That of the amount available for law enforcement, up to $400,000 to remain available until expended, may at the discretion of the Secretary, be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on his certificate: *Provided further*, That of the amount provided for environmental contaminants, up to $1,000,000 may remain available until expended for contaminant sample analyses: *Provided further*, That hereafter, all fines collected by the U.S. Fish and Wildlife Service for violations of the Marine Mammal Protection Act (16 U.S.C. 1362–1407) and implementing regulations shall be available to the Secretary, without further appropriation, to be used for the expenses of the U.S. Fish and Wildlife Service in administering activities for the protection and recovery of manatees, polar bears, sea otters, and walruses, and shall remain available until expended: *Provided further*, That, notwithstanding any other provision of law, in fiscal year 1999 and thereafter, sums provided by private entities for activities pursuant to reimbursable agreements shall be credited to the "Resource Management" account and shall remain available until expended: *Provided further*, That, heretofore and hereafter, in carrying out work under reimbursable agreements with any State, local, or tribal government, the U.S. Fish and Wildlife Service may, without regard to 31 U.S.C. 1341 and notwithstanding any other provision of law or regulation, record obligations against accounts receivable from such entities, and shall credit amounts received from such entities to this appropriation, such credit to occur within 90 days of the date of the original request by the Service for payment.

AMENDMENT OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COBURN:

Page 11, line 2, after the dollar amount insert "(reduced by $5,130,000)".

Mr. DICKS. Mr. Chairman, we do not have a copy of the amendment of the gentleman from Oklahoma, and I reserve a point of order.

The CHAIRMAN. The gentleman from Washington reserves a point of order.

Mr. COBURN. Mr. Chairman, we have just heard a debate over why we should transfer money out of clean coal technology to a fund that was designed for conservation and protection of land and environment.

□ 1745

And we heard several people say that we ought to live up to that commitment, that that is the purpose for that fund. And we are going to vote on that in a little bit. This bill, in conjunction with the rest of the bills, has just as much commitment that should be attached to it.

I wanted to take a minute first and say to the chairman and the ranking member how much I appreciate the cooperation that they have given us this year in working on this bill, in taking our suggestions towards savings and the collegial manner in which they accepted some of our ideas and did not accept others. I am appreciative of the hard work they have done and the attitude with which they have accepted some of our ideas.

The purpose behind this amendment is to show the disparity when we look at just administrative accounts for the Fish and Wildlife Service. This bill, as it is presently written, has a 6.6 percent increase in administration of the Fish and Wildlife Service for a total of $114.7 million. And out of this, the central administration, that here in Washington, is increased by 6 percent; but the regional administration, those areas outside of Washington, are increased by only 3.5 percent.

So what, in effect, this bill does, besides the fact that it increases at three times the rate of inflation the bureaucracy associated with Fish and Wildlife, not touching any of the programs but just simply the administrative portion of this, it increases Washington-based bureaucracy at almost twice the rate at which we give increased funds for administration outside of Washington. The committee also increases the National Fish and Wildlife Foundation by 16.6 percent and increases the international affairs administration by 32 percent.

There is no question we should adequately fund these organizations, but I think there is a legitimate question that should be asked, and there should be an explanation by the committee as to why a bureaucracy here in Washington needs an increase in its administrative costs of 6.6 percent when, in fact, our seniors who are going to receive a Social Security increase in terms of cost of living are going to receive somewhere around 1.8 percent.

So we are going to recognize that it takes 3½ to four times to do in Washington what we are going to recognize that is needed by the members of our society who are receiving Social Security, not to mention the fact that this money is going to come out of Social Security, this increase in spending.

So the real question is, are we going to increase bureaucracy costs at a rate far above inflation and at the same time take the money to do that from the Social Security fund; or can we not pare it back to a 2 percent increase? Can we not realistically ask the employees of the Federal Government to live within the constraints we are asking the rest of the country to live within? So the purpose of this amendment basically brings us back down to a legitimate cost-of-living increase in terms of administrative costs.

I understand that Federal employees are going to have a pay increase out of that, but that is not the far and greater portion of this increase. And I would compare also the increases that were in the House-marked bill with what the Senate has marked up. And when we look at the National Fish and Wildlife Foundation, they gave them an 8.3 percent increase. We have given them a 16.6 percent increase. In international affairs we gave them a 32 percent increase and the Senate gave a 4.7 percent increase.

Overall, the Senate increased 4.9 percent the cost of administration of the National Fish and Wildlife administrative overhead budget, and we have done them one better: we have increased it 6.6 percent. So all we are asking is simply give the American people a justification of why we should have this kind of increase in the administration of this agency and at the same time not be able to fund adequately some of the things that those that are dependent in our society are so desperately in need of.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, one point I would make is that the Fish and Wildlife Service, as the gentleman knows, has been called upon here with an incredible number of habitat conservation plans all over the country, but particularly in the Pacific Northwest, California.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. COBURN) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. COBURN was allowed to proceed for 2 additional minutes.)

Mr. DICKS. If the gentleman will continue to yield, I would just say that there are requirements for them to have personnel. And I am very sensitive to what the gentleman said about the increase in personnel in the regions, because it is in the regional offices where most of these negotiations are under way; but there is tremendous pressure on them to be involved, for example at Pacific Lumber company on the big settlement in California, where they had to have people there who could negotiate with the State and with the private parties in order to reach these agreements, which involve thousands and thousands of acres of incredibly important habitat.

Mr. COBURN. Reclaiming my time, Mr. Chairman, the gentleman makes my point. Why do we fund at a very small increase the district regional offices and we are doubling that amount for the bureaucracy here in Washington?

The point is there is no question they have a workload, and there is no question we have good employees in this agency. The question is can we afford at this day and time to grow the Federal bureaucracy here in Washington at a rate twice at which we are growing the regional bureaucracy.

Mr. DICKS. Mr. Chairman, if the gentleman will continue to yield, I would support the gentleman if we were taking the money from out of D.C. and transferring it to the regions. That is the point I was trying to make. But as I understand the gentleman's amendment, we are not doing that. We are cutting the overall amount of money rather than transferring it from D.C. out to the regions.

Mr. COBURN. Reclaiming my time once again, the gentleman's position is whether we are taking it out of there or not, he favors a 6.6 percent increase for the bureaucracy here in Washington at the same time he is limiting the regional increase to 3.5 percent?

Mr. DICKS. No, I am not saying that. I am just saying the Fish and Wildlife Service, and also people back here, are called upon all the time to make judgments about what the regions are doing on these plans.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. COBURN) has again expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. COBURN was allowed to proceed for 1 additional minute.)

Mr. DICKS. Mr. Chairman, if the gentleman will continue to yield, one of the problems here is the private sector are the people who enter into these HCPs under the ESA, and they need to have somebody to deal with. Now, some of those people are in D.C. as well. These issues get raised up to the national level to be decided.

So I am just trying to explain that there has been a tremendous increase because of all of the listings under the endangered species act. I could tell the gentleman about my own area, of the salmon listings, the Marbled Murrelets, the Spotted Owl, and the pressure not only on Fish and Wildlife but NMFS as well to work with the private sector.

Mr. COBURN. I would be happy to support the gentleman if he would offer an amendment that would move the differences in the increase from Washington to the regional offices. I would support that.

I plan on withdrawing this amendment because I have another amendment to follow it that is much less severe and brings us back in line with the Senate.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. COBURN) has again expired.

(By unanimous consent, Mr. COBURN was allowed to proceed for 1 additional minute.)

Mr. COBURN. If we are going to enhance the ability of the Fish and Wildlife to do their job, the best way we enhance it is at the regional offices and not in Washington, D.C.

Mr. Chairman, I ask unanimous consent to withdraw this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman's amendment is withdrawn.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

I realize the gentleman has withdrawn his amendment, but I would point out a couple of facts, and that is that all we gave in the Washington office were for fixed costs, nothing more. There are no more people. It is a summary alignment that sort of distorted the numbers. So, in reality, we were just trying to get the fixed costs.

Also, I would mention to my colleagues that they have a wide range of responsibilities that do not always appear to most of us. When we were on the committee trip, we visited the forensic lab of the Fish and Wildlife Service, one of the finest facilities in the world, and they are called upon to provide assistance in many areas other than the United States, and of course they are compensated.

They deal with the problem of illegal taking of species. We have a treaty, the so-called Convention on International Trade and Endangered Species, and 150 nations are signatory to this treaty. It involves preventing the importation of endangered animals. They work with the Customs Service, a very impressive facility to say the least. And that of course comes under the administrative budget.

It is something that most people are not aware of, and yet it is a very vital part of having responsible enforcement of the Endangered Species Act and to ensure that we are not getting contraband in terms of furs or in terms of ivory that puts a burden on species in other parts of the world.

So I am pleased that the gentleman is going to withdraw this amendment, but I did want to mention these things because it is part of the Fish and Wildlife Service that does not get a lot of attention, but which is very important in terms of preserving species that I think are valuable to all of society.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, can the gentleman explain why our large increase in the international affairs is a $2 million increase in the budget for the administration of that one program and that is all here in Washington?

Mr. REGULA. I think I would respond to the gentleman by saying this is the program. It is not just administration. The number we have is the program. We had a lot of requests from Members on both sides of the aisle to give some additional assistance here.

I think, on balance, Fish and Wildlife has tried to be very responsible in the use of the monies we provide.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word. I am sort of sorry the gentleman withdrew his amendment because I share with him some concern about Fish and Wildlife, although I appreciate his doing that because I think that the gentleman from Ohio (Mr. REGULA), the chairman of the committee, as well as the gentleman from Washington (Mr. DICKS), has certainly worked hard to develop a bill that can be acceptable both to the minority and to the Senate and to the administration.

My purpose in rising today is really to enter into a colloquy with the chairman and to remind him and to remind the minority that during the recent conference committee we had on the Kosovo monies there came an issue before the committee that we had ample votes to put forth and to attach to the Kosovo legislation and it had to do with an endangered species, the Alabaman sturgeon.

If my two colleagues will recall that night, and Senator BYRD was there, calling me a rock for standing by him on a steel issue and he stood by me too on this sturgeon issue, and I appreciate Senator BYRD's doing that, but I am sure that my two colleagues are going to be upset and so is Senator BYRD when he finds out that, contrary to what we were told that night, that if we would withdraw our amendment that Fish and Wildlife would not proceed further on the endangered species program; that they are on until such time as the Senate had an opportunity to have a hearing on this prior to October of this year.

Well, contrary to the promise that we got that night, that was given to the chairman and the ranking member, and was given to me and Senator SHELBY, Fish and Wildlife ignored what they told us and proceeded almost a week later with calling for a public hearing on the sturgeon situation in Alabama, and called it at a time when neither Senator SHELBY nor I or any other member of the Alabama delegation could be there to testify.

So contrary to the wishes of the conference committee that night, they just are pressing right ahead. They simply ignore what they told us they were going to do. And I am here to tell my colleagues that we are going to have to address this once again during this process.

Not today, but sometime during this process we are going to have to teach Fish and Wildlife a lesson that they cannot come before a conference committee of the United States House and Senate and tell us they are going to do one thing, have us withdraw some proposal that is presented before us, and then turn around and do just exactly contrary to what they promised us they would do and what they backed up with a letter from the head of Fish and Wildlife.

□ 1800

So, Mr. Chairman, I know that you have already cut Fish and Wildlife somewhat this year. We may have to go deeper than this. But this issue of the sturgeon is going to come back in this process because we cannot tolerate a Federal agency doing this to such a prestigious committee chairman as my colleague and his ranking member.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I have two comments.

First of all, we as a committee have a difficult time making judgments on listings because of hundreds of them, as my colleague well knows.

Secondly, we do have a meeting scheduled next week on the very issue brought up. I would like to invite the gentleman from Alabama (Mr. CALLAHAN) to come to that meeting. We will be in touch with him. I plan to be there. We will have people from Fish and Wildlife, and I think we should raise the very issues that my colleague has pointed out here today.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I thank the chairman for his comments.

The chairman is right, too. We cannot have this committee saying which species are going to be listed as endangered. And we did not ask that.

There is a 5-year study under way. We have found one of these endangered Alabama sturgeons that looks remarkably like the Mississippi sturgeon. And there are billions of them. But, in any event, we found one. We, through a grant from the U.S. Interior, have now established a program of breeding a sturgeon that looks like what they say is endangered. So we are right in the middle of a 5-year study.

Fish and Wildlife, knowing this, just suddenly decided that they wanted to go ahead and list it before we were successful in our endeavor. So I am not recommending that we start denying the Service the ability. All we asked for was a delay in order that we could have a hearing on this in the Senate.

Mr. REGULA. Mr. Chairman, if the gentleman would yield further, the meeting is scheduled for next Thursday. I was there the night when the commitment was made. We will raise all the issues that the gentleman has outlined today with Fish and Wildlife.

AMENDMENT OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COBURN:

Page 11, line 2, after the dollar amount insert "(reduced by $2,000,000)".

Mr. COBURN. Mr. Chairman, I will not go through the details of the last amendment, but I would make a pleading to the chairman of this committee and the ranking member that the amount of increases that we have put in administration of the Fish and Wildlife far exceeds that which the Senate committee have put in and far exceeds that which is necessary on a routine basis for all of the bureaucracies within this government.

I know that we can probably come up with a justification for why we need to increase this 6.6 percent. But I would ask the ranking member and the chairman for us to really consider where this difference between the 4.9 percent increase that the Senate has and the 6.6 percent, where is the money going to come from?

We all know where it is going to come from. The money is going to come out of the Social Security trust fund in the year 2000. And if in fact we will pare back this $2 million, this $2 million is enough for 2,000 seniors to get Medicare for a year.

I am not saying the Senate is better at these than we are. What I am saying is, if we went out and asked the American public what kind of increase did they get in their operating budget to administer programs, whether it is State, local, municipal or if it is Federal, to see a 6.6 percent increase in a time when we are bound by the 1997 budget agreement, I know many of us do not feel bound by it, but I believe we should honor our commitments on this and live within the budget agreement that we voted for and passed and is a matter of law with the President, that increasing it 4.9 percent is a large increase in terms of administrative overhead and costs.

So my plea to my colleague is to at least consider this very small reduction in costs from 6.6 to 4.9 percent, saying, you know what, we really can be more efficient in the Federal government. We really do not have to spend this $2 million. We really can get by.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, I would just say to the gentleman, we had extensive hearings on these issues; and in this bill he is going to see hundreds of puts and takes. We made cuts all over this bill, and a lot of programs were reduced. But in some cases we went along with what we considered legitimate increases. And we have got fixed costs. We have got pay. We have got GSA for the building space. I mean, these are all the costs of administration, and they do go up.

Mr. COBURN. Mr. Chairman, reclaiming my time, the costs for these services last year in 1999, according to the committee print, was $109,363,000. The recommendation of my colleagues is to increase that to $116,680,000, or an increase of $7,000,317. I do not know about California, but I know about Oklahoma, and that is a big increase.

My question is, I am not saying that my colleagues could not come up with a justification. They could probably come up with a justification for raising it 10 percent or 15 percent. I will give my colleagues that, that they can come up with that. What I am saying is, realistically, they are going to go to conference with the Senate level that is well below them.

So my point is, will my colleagues consider trimming this $2 million to put it in line with the Senate, to put it in line with the realistic growth in it, and also to recognize that the $2 million is going to come out of the Social Security surplus?

Mr. Chairman, I yield to the gentleman.

Mr. DICKS. Mr. Chairman, I am not prepared to go along with this. I think the recommendation of the committee is a sound recommendation.

Certain agencies, especially the Fish and Wildlife Service, with all the work that they have to do under the Endangered Species Act, I simply disagree with the gentleman respectfully. I think this is a justified increase.

I know the workload of these people because I am one of the people that is demanding that they increase their efforts. We need them to put in good people, and we want them to have good people in D.C. We want them to have good people in the regions who can make decisions and not hold up the private sector when they come up on HCPs, which happens to be something I happen to be very familiar with.

Mr. COBURN. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments.

So, therefore, for the record, the position of the committee is that we will increase the bureaucracy in Washington at twice the rate we increase the bureaucracy in the private sector.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the interest of the gentleman and his concern about this. As we all know, our bill is underneath our allocation. So it fits into the budgetary scheme that has been created by the majority, one that I have serious reservations about, but it does.

So I would say to the gentleman, we do meet all the guidelines of the 1997 budget agreement, as far as I know. And we have tried to do the best job we could after hearing all of these witnesses. I mean, I would show the gentleman all of the books of testimony that we have. We have listened to these people go into great detail about the workload increases. I am a demon on administration, too.

Now, if this were another agency, let us say it was the National Endowment for the Arts or Humanities, I would insist that we hold down D.C. But in this case, because of the explosion of work that is being required of these agencies because of all of these listings, I must tell my colleague, I think 6 or 7 percent is very reasonable.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I say to the gentleman, he might not have heard the first portion of my statement. I did thank him and the chairman for the work they did and recognizing that this is a good bill. I am not saying this is not a good bill.

Mr. DICKS. Mr. Chairman, reclaiming my time, but now the gentleman wants to come in and try to nitpick it a little bit.

Mr. COBURN. Mr. Chairman, if the gentleman would continue to yield, yes, I want to save $2 million for senior citizens for the Social Security system. There is no question I want to do that.

Mr. DICKS. But it is not going to do that. My colleague knows full well as I do that all it is going to do is get us underneath the allocation further and then the Senate or somebody else will say, well, let us increase something to get back up to the level that the majority has authorized under the Budget Act. We do not take the money from here and move it over to somewhere else.

Mr. COBURN. Mr. Chairman, if the gentleman would continue to yield, I am just trying to get us down to the Senate. It is ironic that we are above the Senate, but I am trying to get us down to the Senate.

Mr. DICKS. Mr. Chairman, reclaiming my time, with all due respect, I think the gentleman should refer to it as the "other body" under the rules. I call upon the Chair to enforce the rules.

Mr. COBURN. Mr. Chairman, I would take that correction.

Mr. DICKS. And in good spirit.

But the other body, especially some of the leadership of the other body, may not support the Endangered Species Act and would like to see it undercut a little bit. So I would not be surprised if the other side cut back funding for the Fish and Wildlife Service because they are not as enthusiastic about it as maybe we are.

Mr. COBURN. Mr. Chairman, if the gentleman would continue to yield, I would just note from the committee print that the committee cuts ESA $5 million over last year, the Endangered Species Act in terms of the funding for it. So what they have done is cut the money for the Endangered Species Act but grow the bureaucracy. And to me I find that fairly contrary in terms of the idea.

Regardless of what the other body has done, my contention is I think that we can lead in the House over the other body and set an example.

I appreciate the gentleman yielding to me.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think it should be pointed out here that part of this cut would come out of the money we give to the National Fish and Wildlife Foundation, which is a very responsible organization. They leverage these dollars three to one. For every one we have, they raise three in the private sector. They have a limit of 5 percent on administrative costs. They are extremely helpful in developing the habitat conservation programs.

I know that the HCPs would be something the gentleman, I believe, would strongly endorse. Because it basically takes the private sector, lays out an area for economic growth in an area for habitat, and I think it is, from what I have observed, a very positive program.

Mr. DICKS. Mr. Chairman, reclaiming my time, it is a voluntary program. That is the great thing. The companies like Waterhouse, Plum Creek, Murray Pacific, they all come in, they negotiate with the Feds. But they have got to have somebody to negotiate with it.

Again, I say this, if the amendment of the gentleman were to take it out of the administration nationally and give it to the regions, I could probably support that. But just to cut it out.

Mr. COBURN. Mr. Chairman, if the gentleman would yield further, would the gentleman agree with me that at the end of this bill we would have a conforming amendment to do that?

Mr. DICKS. Mr. Chairman, reclaiming my time, well, we will consider that. We will think about that. I believe we have got some time between now and the end of this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. COBURN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. COBURN. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Oklahoma (Mr. COBURN) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. EHLERS

Mr. EHLERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EHLERS:

Page 13, line 8, after the period add the following: "In addition to the other amounts made available by this paragraph, there shall be available to the Director of the United States Fish and Wildlife Service $422,000 to carry out section 1005 of the Great Lakes Fish and Wildlife Restoration Act of 1990 (16 U.S.C. 941c).".

Mr. REGULA. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Ohio (Mr. REGULA) reserves a point of order.

Mr. EHLERS. Mr. Chairman, the gist of this amendment is to fund an authorization which was adopted last year by the Congress and has been signed into law by the President.

I am speaking at this point on behalf of the Great Lakes. I recognize the work of the chairman of this committee, who has been very supportive of these efforts. I also recognize the activities of the chairman of the Committee of the Whole House, who has instituted some legislation in this regard. And, in fact, this amendment is an attempt to fund some activities that were sponsored by the chairman of the Committee of the Whole House.

Many Americans fail to recognize the significance of the Great Lakes. They constitute 20 percent of the world's fresh water. They constitute 95 percent of the United States' fresh surface water. They contain six quadrillion gallons of fresh water.

I find it ironic that this country has spent hundreds upon hundreds of millions of dollars, in fact, billions of dollars developing dams and other waterways in the West to provide fresh water and yet we often are stingy in providing funding for the Great Lakes, which is the greatest freshwater system in the world.

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Last year, Congress unanimously passed and the President signed into law the Great Lakes Fish and Wildlife Restoration Act which reauthorized the original 1990 act. This act provides for the continuation of the Great Lakes Fish and Wildlife coordination offices, which are very important to the entire Great Lakes basin but importantly, as it relates to this amendment, the act creates a new grants program for implementation of fish and wildlife restoration projects. This structure provides a unique opportunity for enhancing coordination of restoration activities in the Great Lakes region, leveraging funds for restoration efforts and making real progress on the highest priority restoration activities needed in the region.

Enthusiasm for getting the program off to a rapid start is high in the region. In fact, interested parties have already drafted several proposals for the grant program, and the Council of Lake Committees has begun discussion of priorities.

I understand that no new grant programs were funded in this bill due to the tight budget cap and the chairman's desire to create a fair Interior appropriations bill. I also understand full well the difficulty of the appropriations process while in particular the difficulty the subcommittee chairman faced in trying to deal with this appropriations process while remaining within the caps in the 302(b) allocations.

I have a great deal of respect for the chairman of the subcommittee, Mr. REGULA. Because of that respect, I do not plan to pursue this amendment but plan to withdraw it. However, I did want to offer the amendment and debate it so that, if additional funds become available later in the appropriations process, the chairman and the subcommittee will look kindly upon funding this particular grant program. The amount of money is $422,000, which is relatively small compared to the total of the bill, and I believe it would go a great distance toward renewing the restoration efforts in the Great Lakes. It will provide sufficient funds to leverage a great deal of State money to be put into this effort.

I would appreciate any comments the chairman might make upon this issue before I officially withdraw it.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. EHLERS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think the gentleman makes a good point. We would hope that if there are additional funds available, that we might be able to do this. The Great Lakes are a very precious resource. Water, I think, generally is going to grow in its importance. Therefore, one of the great efforts we should make as a Nation is to preserve freshwater supplies. We have heard the stories that some States want to build pipelines up to the Great Lakes to tap into that water supply, and we have a responsibility to this Nation to maintain and improve the quality of our freshwater lakes and supply that is part of our Nation's resources.

Mr. EHLERS. Reclaiming my time, I thank the gentleman for his comments and his willingness to consider this issue. Not only are other states hoping to tap into Great Lakes Water, but other countries are also seeking to tap into this supply and hope to ship water out of the Great Lakes to fulfill their own water needs. It is very important for us to maintain the purity of this water, make certain that it remains in this country, is used properly, and remains drinkable for our population. I thank the gentleman for his comments.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. TIERNEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to thank the gentleman from Ohio (Mr. REGULA) for his support and for his commitment to completion of the Parker River Wildlife Refuge headquarters complex and its visitors center in Newburyport, Massachusetts. I understand that we are waiting to reach a final agreement on the total oost of the project. My current understanding is that sufficient funds from previous years exist to move this project forward in fiscal year 2000. Is that the gentleman's understanding as well?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. TIERNEY. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman is correct. The Fish and Wildlife Service has told the committee that funds for planning and design are sufficient to continue this project through fiscal year 2000 and that further construction funding will not be needed for obligation until 2001. Let me assure the gentleman that the committee is committed to completing this project and to providing additional funding in the future when it is needed.

Mr. TIERNEY. Reclaiming my time, I thank the gentleman and ask should new information come to light and should we reach resolution on the total cost of the project and additional funds are made available in the Interior allocation, would he consider some funding for the project in fiscal year 2000 as part of his conference negotiations?

Mr. REGULA. If the gentleman will yield further, again let me assure the gentleman that the committee considers this a worthy project and I will be happy to work with him as we move forward in conference negotiations with the other body.

Mr. TIERNEY. Again I thank the gentleman very much.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $43,933,000, to remain available until expended.

AMENDMENT OFFERED BY MR. GUTKNECHT

Mr. GUTKNECHT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUTKNECHT:

Page 13, line 14, after the dollar amount insert "(increased by $250,000)".

Page 71, line 22, after the dollar amount insert "(reduced by $250,000)".

Mr. REGULA. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

Mr. GUTKNECHT. Mr. Chairman, recently the President announced from the White House that the American bald eagle, a symbol of our Nation and the freedom we cherish, is no longer on our country's endangered species list. We can be proud of this accomplishment and acknowledge the efforts and the vision of the individuals who have helped save this majestic raptor from extinction.

Today, I come to the floor to ask this body's support for what I believe to be an exceptional opportunity to help one community's dream become a reality. But more importantly I believe this Congress can make a modest investment in providing an exceptional site where millions of Americans will be able to enjoy viewing the American bald eagle in its natural habitat. I am proud to report that the city of Wabasha, Minnesota, has made a real commitment to building a first-class facility where visitors can do just this.

But first I want to say that I am fully aware of the very difficult task before the gentleman from Ohio (Mr. REGULA), his subcommittee and staff in developing this bill that addresses the stewardship of our Nation's natural and national resources in a responsible and balanced way. I appreciate their hard work and many worthy funding projects they have been asked to consider. Despite the subcommittee's support for the eagle center last year, I regret that the budget constraints within the U.S. Fish and Wildlife precluded the agency from extending financial support for the construction of the center.

Rather than asking the agency to draw on its limited operations budget, my amendment transfers $250,000 from the Energy Information Administration to the construction account within the U.S. Fish and Wildlife Service. With the EIA receiving an increase of $2.1 million over last year's budget for a total of $72.644 million, I would suggest that my proposed reduction would have a minimal impact on its operations. Indeed, the CBO has scored it to have a neutral budget impact. Again, this amendment requests a very modest contribution from the Federal Government for a project that will generate benefits that far exceed the costs.

For the past 9 years, 70 volunteers, people who live in Wabasha, Minnesota, have shared their riverfront with thousands of visitors who come to see a bald eagle in the wild. These visitors leave with a tangible connection to the eagles and a newfound interest in preserving our wildlife heritage and vanishing wild places.

But, Mr. Chairman, winters in Minnesota are very cold. An average visitor spends only about 10 minutes on the riverfront. An indoor eagle viewing and education facility would enhance the visitor experience. To get this incredible project moving forward, the city of Wabasha and the Minnesota legislature have already contributed over $1.9 million, about half of what the cost will be to build the national eagle center in Wabasha, Minnesota. Now the community is looking for a little support from Congress. I cannot think of a better way to celebrate the recovery of the once threatened American eagle.

Two years ago, CBS News reporter Harry Smith joined the ranks of America's wildlife watchers. He became a birdwatcher when he visited rural southeastern Minnesota to shoot a story about Wabasha's bald eagle center. He said, "It makes the heart quicken to see the splendid symbol of our Nation, hundreds of them, in their natural environment sitting in the cottonwoods and fishing, along the banks of the upper Mississippi River."

CBS News officials said the network received more phone calls requesting copies of Smith's eloquent story about the bald eagle's success in Wabasha than any story he has ever done.

Nowhere else in the lower 48 States can you and your family get a better view of our natural symbol. And there is nowhere else you can go to see so many bald eagles on any Sunday from November through March knowing that trained staff will be there to help you spot the birds and share information about them. And, Mr. Chairman, there is no admission charge.

Recently, the Minnesota Audubon Council and the Upper Mississippi River Campaign agreed to team up with the city to support the development of the project. They, too, recognize the eagles center as a unique visitor and teaching facility. In fact, Audubon is planning to use the center to be a key stopping point for the Great Rivers Birding Train which will run from the headwaters of the Mississippi River to the city of St. Louis.

Nationally and locally, investments in wildlife and wild places are an investment in this country's natural resource legacy and its economic future.

Mr. Chairman, I ask the chairman and my colleagues for their support of this very important amendment.

The CHAIRMAN. Does the gentleman from Ohio insist on his point of order?

Mr. REGULA. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman withdraws the point of order.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is no question that this is a great project for the people that have a chance to view it, and I am pleased to note that the State and the local community is supporting it. But I would have to point out to the gentleman that this is not Federal land and we cannot meet all the operational and maintenance needs of the refuge system, the Federal refuge system.

We have requests in our committee for $175 million worth of non-Federal projects. We just simply had to take a position that we cannot do any because if we do one, then we have to perhaps try to do a lot of others. There is a waiting list of construction and maintenance projects within the Fish and Wildlife, projects that are on existing Federal lands.

I would suggest to the gentleman that he might consider trying to get this authorized as a Federal site and then it would be easier for us to consider it. But under the present circumstances, we simply cannot start down the road of funding non-Federal projects. I would hope the gentleman would withdraw the amendment. We do have to oppose it on the basis that we have rejected $175 million worth of other projects.

Mr. GUTKNECHT. If the gentleman will yield, I think the difference here is that we are not going to be coming back every year for additional maintenance costs.

Mr. REGULA. I understand.

Mr. GUTKNECHT. The point here is that we have recognized this is the national eagles center. The city has contributed already almost $1 million, the State of Minnesota has contributed almost $1 million. They intend to raise in addition to that perhaps as much as $2 million in private resources. We are asking for a very modest investment, because it is important, it is our national symbol, it is the national eagles center. So we are asking for a very modest amount to be transferred out of a department budget that was increased by over $2.5 million.

Frankly, Mr. Chairman, I really do not want to have to come back for maintenance expenses every year. This would be just one way that the Federal Government could pick up a small portion of the overall cost.

Mr. REGULA. I understand what the gentleman is saying, but I have to point out, it is not an authorized Federal project and once we start funding these, this may be not a lot but the total of all of these projects is $175 million. We do not have it to begin with and we do not feel that we should be doing non-Federal projects when we have such a backlog of maintenance and high priority projects that are Federal lands.

I feel that the proper way would be either to get it authorized or, and I congratulate the communities, if they continue supporting this as either a State and local cooperative facility.

Mr. GUTKNECHT. With all due respect, I would hope that we can have a vote on this. We would like to have the gentleman's support. If in the end assuming that we may not prevail in this vote, it is something that is important, it is not just important to the people in Wabasha, Minnesota, it is really important to all Americans. As I say, it is one of the few places in the lower 48 United States where you can actually see eagles in the wild and I think it is going to be a tremendous resource not only for the upper Midwest but for all Americans.

Mr. REGULA. Reclaiming my time, I would ask the question of the gentleman, has there been any conversation with Fish and Wildlife as to whether or not they would like to have this in as part of their portfolio?

Mr. GUTKNECHT. Yes, I have talked to Fish and Wildlife. They very much would like to be a part of this. They did not make it a priority item on their budget list this year, but they asked me if perhaps I could get it included individually in this particular manner.

Mr. REGULA. Again reclaiming my time, I would strongly urge the gentleman to consider getting it authorized so it could be a Federal project. I realize he does not want ongoing funds, but these do have a way of needing some additional funding in future years.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. GUTKNECHT).

The amendment was rejected.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would note that the use of cellular telephones is not permitted either on the floor of the House or within the gallery, and the Chair would ask the visitor within the gallery to cease use of a cellular telephone.

The Clerk will read.

The Clerk read as follows:

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $42,000,000, to be derived from the Land and Water Conservation Fund and to remain available until expended.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Could I ask the gentleman from Ohio (Mr. REGULA) what his intentions are now about how long we are going to go here before we are going to have the votes?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we have two additional amendments that I think we can dispose of very quickly, and then it would be our intent to go to the vote on the amendments that have been rolled, and those would be the last votes for today. We might continue. We will discuss that afterwards as to whether we want to continue any further debate on some of the amendments and roll them until tomorrow morning.

Mr. DICKS. Mr. Chairman, does that include UPARR or not? Because we understand that is going to take 30 or 40 minutes.

Mr. REGULA. Mr. Chairman, if my colleague likes, we have one, an amendment from the gentleman from Louisiana (Mr. McCRERY), which I will offer; and we are going to accept it. And the gentleman from Florida (Mr. MICA) has an amendment he wants to offer, and we could do UPARR.

Mr. DICKS. Then we will be all right.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531–1543), as amended, $15,000,000, to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,779,000.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $15,000,000, to remain available until expended.

WILDLIFE CONSERVATION AND APPRECIATION FUND

For necessary expenses of the Wildlife Conservation and Appreciation Fund, $800,000, to remain available until expended.

MULTINATIONAL SPECIES CONSERVATION FUND

For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), the Asian Elephant Conservation Act of 1997 (Public Law 105–96, 16 U.S.C. 4261–4266), and the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301–5306), $2,000,000, to remain available until expended: *Provided*, That funds made available under this Act, Public Law 105–277, and Public Law 105–83 for rhinoceros, tiger, and Asian elephant conservation programs are exempt from any sanctions imposed against any country under section 102 of the Arms Export Control Act (22 U.S.C. aa–1).

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 70 passenger motor vehicles, of which 61 are for replacement only (including 36 for police-type use); repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: *Provided further*, That the Service may accept donated aircraft as replacements for existing aircraft: *Provided further*, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in Senate Report 105–56.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,387,307,000, of which $8,800,000 is for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $8,000,000, to remain available until expended, is to be derived from the special fee account established pursuant to title V, section 5201 of Public Law 100–203.

Mr. DICKS. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Chairman, I would like to rise in a brief colloquy with the subcommittee ranking member, the gentleman from Washington (Mr. DICKS).

Mr. Chairman, today I rise in support of the National Wildlife Refuge Fund, also known as the Refuge Revenue Sharing Fund, and this fund reimburses local governments for the burdens that the presence of the U.S. Wildlife and Fisheries Service acquired lands place upon them. Since Fiscal Year 1996, Congress has appropriated only $10 million for this fund, while at the same time has increased funding for the Service to provide for increased land acquisitions. These actions have caused a reduction in the funding for local governments, resulting in the loss of much-needed and very critical services.

Let me be very clear that I do support our Nation's refuges and the benefits that they provide. In fact, I have several refuges in my district alone. However, I do not believe that this is good policy to continue this trend that ultimately places an undue burden on our local governments across America.

Last year I testified in front of the Subcommittee on Interior regarding how initial transfers within local government accounts led to significant erosions of services in a parish which I represent, Cameron Parish, which is one-third owned, it has Federal refuges on them. When I testified last year, I also predicted that the percentage paid to local governments would fall below 70 percent of what we owe, of what Congress owes, unless Congress steps up to the plate. If enacted today, counties and parishes across America will receive only 56 percent of what they are entitled to through the National Wildlife Refuge Fund of Fiscal Year 2000.

I appreciate the subcommittee chair and ranking member and all the budget pressures that they are under when they are drafting and crafting this bill, but I respectfully request that during the conference committee that they be mindful of the impact that this trend has had on our local governments and work to seek additional funds for the National Wildlife Refuge Fund during the conference negotiations.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman yielding, and I am speaking only for myself. I appreciate the gentleman raising this issue on the floor.

As my colleagues know, the committee expressed its concern regarding this trend in House Report 106–222. I assure my colleagues that we will continue to work with the gentleman and in conference to attempt to find additional resources.

The committee report says that the committee is concerned about the priorities of the Service with respect to how they relate to meeting its obligations under the National Wildlife Refuge Fund. In particular, the committee questioned why this Service has continued to acquire appreciably more land over the past few years and yet has not requested additional funding for the National Wildlife Refuge Fund. This issue should be addressed in the next year's budget request, and we will continue to work with the gentleman on this issue.

Mr. JOHN. Mr. Chairman, I thank the gentleman.

Mr. DICKS. I appreciate his raising it with me.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $45,449,000: *Provided*, That no more than $100,000 may be used for overhead and program administrative expenses for the heritage partnership program.

AMENDMENT NO. 8 OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. GEORGE MILLER of California:

Page 17, line 13, after the dollar amount, insert the following: "(increased by $4,000,000)".

Page 36, line 23, after each of the two dollar amounts, insert the following: "(reduced by $4,000,000)".

Mr. GEORGE MILLER of California. Mr. Chairman, this amendment is very simple. Currently, the CNMI territories have a built-up account of unspent Federal moneys in excess of $80 million that they have been unable or unwilling to match that we have appropriated to them. That is over 5 years of funding under the current regime that we have for these purposes. Because they have been unwilling or unable to match that funding, I am suggesting that we take $4 million out of that and put it into the very important and bipartisanly supported Urban Parks and Recreation amendment known as the UPARR program for recreation recovery. This $4 million would allow a number of States that had had their proposals for grants turned down because funding was not provided: Alabama, 200,000; California, 630,000; Florida, 288,000; Georgia 569,000; Maryland, 249,000; Massachusetts, 600,000; Texas, 330,000; North Carolina, 88,000; Ohio, 500. These are States that have come forward and have programs to provide for the recovery of recreational facilities, worn-out facilities.

We heard earlier today about the problems that soccer teams and Little League teams and Pop Warner teams are having to find facilities to offer recreational opportunities. That is why this legislation is supported by the National Association of Police Athletic Leagues. The police associations understand the importance of giving young people constructive activities to participate in from 3 to 6 in the afternoon, but if they do not have these opportunities, unfortunately some of them go into crime and other destructive behavior.

We believe it is important to fund these efforts. There is so many, there is such a backlog of need, it will not harm the CNMI due to the fact that they have a tremendous backlog of appropriated moneys that this committee has appropriated and that they have been unable to spend.

This committee has made essentially the same decision in removing $5 million from that amount of money for the purposes of giving it to other territories who are in need of this, who have programs, who have the demand, are willing to come up, in many instances, with the money that is to be spent with a match by the local effort. I would not support this effort if this money was to come out of the other territories' budgets for that purposes, but because of the way the rules changed, I have to offer it in this fashion, but it is my intent to keep consistent with what the committee did with respect to other funds with regard to CNMI, and I would hope that the committee could support this amendment.

As my colleagues know, there has been a dramatic resurgence in support from environmental organizations, from the Conference of Mayors, from the League of Cities and from the Police Athletic Leagues, from the Sporting Goods Manufacturers Association, all of which are prepared and are raising money to help in this effort; and this Federal money, again, is used on a matching basis. Local governments must make this a priority, they must put up their own money, and this money is used to help out so many of those States like Ohio and Washington.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are going to accept this amendment, but let me have some qualifiers. I think that we need to explore this more clearly, but I believe the Commonwealth of Northern Mariana Islands is mandatory payment, and I do not believe that we can take money out of that as proposed in the amendment. And, therefore, in the absence of having access to the CNMI money, the money would therefore have to come out of the Office of Insular Affairs. And that means American Samoa operations. It means from Brown Tree Snake control, from technical assistance to the territories and other vital programs. And these are poor areas, and I do not think the gentleman would want to do that, given his concern for people.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I appreciate that qualifier, and I tried to say that in my rushed opening statement here. That would not be my intent.

As my colleagues know, this UPARR money is part of the President's request that my colleagues have tried to deal with, and I guess what I am counting on is, just as the gentleman tried to find additional moneys for the territories out of this account, that his creative talents would also find money perhaps for UPARR, which has such tremendous support on both sides of the aisle. If that is not able to happen, then I would not expect my colleague then to go to the next step, which would be to take money from the territories.

Mr. REGULA. Mr. Chairman, reclaiming my time, I appreciate the gentleman's comments, and based on that we accept the amendment.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman for his amendment. We accepted it last year, we continue to work with him, and hopefully it will go further this year than it did last year.

Mr. GEORGE MILLER of California. Mr. Chairman, I thank the gentleman for his remarks.

Mr. DICKS. Mr. Chairman, it is a very strong endorsement. I support it. I think it is a good program.

Mr. YOUNG of Alaska. Mr. Chairman I rise in opposition to the amendment offered by the gentleman from California (Mr. GEORGE MILLER).

I will not use the full time. I was very disappointed the chairman accepted the amendment. It is a bad amendment. See, my money is, in fact, guaranteed money to the CMI. I am sure he pointed it out. This is a mischievous amendment. It should never have been offered. I would suggest respectfully that the amendment should be soundly defeated. We will not vote on it because the gentleman has accepted it. But it better not be in the conference when it comes back to this House floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. GEORGE MILLER).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $46,712,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 2001, of which $11,722,000, pursuant to section 507 of Public Law 104–333 shall remain available until expended: *Provided*, That, notwithstanding any other provision of law, effective October 1, 1999 and thereafter the National Park Service may recover and expend all fee revenues derived from providing necessary review services associated with historic preservation tax certification, and such funds shall remain available until expended: *Provided further*, That section 403(a) of the National Historic Preservation Act of 1966 (16 U.S.C. 470x–2(a)) is amended by striking the last sentence.

AMENDMENT OFFERED BY MR. REGULA

Mr. REGULA. Mr. Chairman, I offer an amendment on behalf of the gentleman from Louisiana (Mr. MCCRERY).

The Clerk read as follows:

Amendment offered by Mr. REGULA:

Page 18, beginning at line 5, strike ": *Provided further*," and all that follows through line 8 and insert a period.

Mr. REGULA. Mr. Chairman, we were unaware of local opposition to this language when it was inserted in the bill in the other body last year, and we included it this year, and we accept the amendment to strike the provision, and this will enable the parties to negotiate on the issue of moving this facility.

Mr. DICKS. Mr. Chairman, will the gentleman yield to me?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, we have no objection on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. REGULA).

The amendment was agreed to.

□ 1845

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $169,856,000 to remain available until expended: *Provided*, That, notwithstanding any other provision of law, hereafter all franchise fees collected from Statue of Liberty National Monument concessioners shall be covered into a special account established in the Treasury of the

United States and shall be immediately available for expenditure by the Secretary for the purposes of stabilizing, rehabilitating and adaptively reusing deteriorated portions of Ellis Island grounds and buildings: *Provided further*, That, beginning in fiscal year 2001, expenditure of such fees is contingent upon a dollar-for-dollar, non-Federal cost share: *Provided further*, That the National Park Service will make available 37 percent, not to exceed $1,850,000, of the total cost of upgrading the Mariposa County, CA municipal solid waste disposal system: *Provided further*, That Mariposa County will provide assurance that future use fees paid by the National Park Service will be reflective of the capital contribution made by the National Park Service.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 2000 by 16 U.S.C. 4601–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $102,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $500,000 is to administer the State assistance program, and of which $42,400,000 for Federal land acquisition for the Everglades National Park, Big Cypress National Preserve, Biscayne National Park, and State grants for land acquisition in the State of Florida are contingent upon the following: (1) a signed, binding agreement between all principal Federal and non-Federal partners involved in the South Florida Restoration Initiative which provides specific volume, timing, location and duration of flow specifications and water quality measurements which will guarantee adequate and appropriate guaranteed water supply to the natural areas in southern Florida including all National Parks, Preserves, Wildlife Refuge lands, and other natural areas to ensure a restored ecosystem; (2) the submission of detailed legislative language to the House and Senate Committees on Appropriations, which accomplishes this goal; and (3) submission of a complete prioritized non-Federal land acquisition project list: *Provided*, That from the funds made available for land acquisition at Everglades National Park and Big Cypress National Preserve, after the requirements under this heading have been met, the Secretary may provide Federal assistance to the State of Florida for the acquisition of lands or waters, or interests therein, within the Everglades watershed (consisting of lands and waters within the boundaries of the South Florida Water Management District, Florida Bay and the Florida Keys) under terms and conditions deemed necessary by the Secretary, to improve and restore the hydrological function of the Everglades watershed: *Provided further*, That funds provided under this heading to the State of Florida are contingent upon new matching non-Federal funds by the State and shall be subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades: *Provided further*, That lands shall not be acquired for more than the approved appraised value (as addressed in section 301(3) of Public Law 91–646) except for condemnations, declarations of taking, and lands with appraised value of $50,000 or less.

AMENDMENT NO. 7 OFFERED BY MR. MICA

Mr. MICA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. MICA:

Page 19, line 20, before the dollar amount, inert "$9,000,000 is for grants to the State of Florida for acquisition of land along the St. Johns River in Central Florida, and of which".

Page 19, line 20, after the dollar amount, insert "(reduced by $9,000,000)".

Mr. REGULA. Mr. Chairman, on that I reserve a point of order.

The CHAIRMAN. The point of order is reserved.

Mr. MICA. Mr. Chairman, I will try to be brief.

First of all, I want to thank the chairman of the committee, the ranking member, and others, staff that have been so courteous to me in the past in trying to meet some of the concerns relating to protection of lands, endangered lands in Florida and other projects.

Mr. Chairman, I rise with this amendment not to ask for any more money, we have $114 million for Everglades restoration, but asking for consideration as we move forward in this process to take a small amount, approximately $9 million, about 8 percent of this total, for use in preservation of the land along the St. John's River.

We cannot just put all of our dollars and all of our money into restoration projects in Florida. It is critical that we do not repeat the mistakes of the past. I was raised in south Florida, and now we are spending somewhere, in the Chairman's estimate, and the Corps of Engineers brought first on July 4 a proposal to spend somewhere between $7.8 and the chairman has estimated this may cost us $10 billion, between $8 and $10 billion to restore the Everglades.

What I am asking for here is consideration not to make the same mistake in central and north Florida, that we must preserve that land along John's River.

We have been successful today in acquiring 16,000 of 18,000 acres, which will connect the Ocala National Forest with the State Park just north of Orlando. That area is being inundated by growth that we saw years and years ago in south Florida, and we cannot make the same mistake now.

My plea this evening, Mr. Chairman, is that we take a few dollars and wisely set them aside for preservation of that precious St. John's River area that needs to be preserved, so we will not be coming back in 10 or 20 years and asking for billions and billions in restoration when we can spend a few million now for preservation.

Mr. Chairman, I ask unanimous consent to withdraw my amendment so we can proceed with the business. I know the chairman will acquiesce to my request in conference.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 243, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 6 offered by the gentleman from Massachusetts (Mr. MCGOVERN); amendment No. 13 offered by the gentleman from Vermont (Mr. SANDERS); and an amendment offered by the gentleman from Oklahoma (Mr. COBURN).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 6 OFFERED BY MR. MCGOVERN

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 6 offered by the gentleman from Massachusetts (Mr. MCGOVERN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 202, not voting 19, as follows:

[Roll No. 281]

AYES—213

Abercrombie
Ackerman
Andrews
Baird
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Collins
Condit
Conyers
Cook
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Filner
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Goode
Gordon
Goss
Greenwood
Gutierrez
Hall (OH)
Hansen
Hayworth
Hilleary
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Houghton
Hoyer
Hulshof
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson, E.B.
Jones (OH)
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kucinich
Kuykendall
LaFalce
Lampson
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)

McGovern
McHugh
McInnis
McIntyre
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (KS)
Morella
Nadler
Napolitano
Neal
Nethercutt
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Porter
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Reynolds
Rodriguez
Roemer
Rogan
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sanford
Sawyer
Saxton
Schakowsky
Serrano
Shays
Sherman
Shows
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Spence
Spratt
Stabenow
Stark
Stupak
Talent
Tanner
Tauscher
Taylor (MS)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu
Wynn

NOES—202

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Coble
Coburn
Cooksey
Costello
Coyne
Cramer
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Emerson
English
Everett
Ewing
Fattah
Fletcher
Frost
Ganske
Gekas
Gibbons
Gillmor
Goodlatte
Goodling
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (TX)
Hastings (WA)
Hayes
Hefley
Herger
Hill (IN)
Hill (MT)
Hilliard
Hobson
Hoekstra
Holden
Horn
Hostettler
Hunter
Hutchinson
Hyde
Isakson
Istook
Jefferson
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kanjorski
Kingston
Klink
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Martinez
Mascara
McCollum
McCrery
McIntosh
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (VA)
Murtha
Myrick
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Packard
Paul
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Radanovich
Regula
Riley
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Schaffer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (TX)
Souder
Stearns
Stenholm
Strickland
Stump
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NOT VOTING—19

Allen
Baldwin
Brown (CA)
Chenoweth
Combest
Cox
Davis (VA)
Hastings (FL)
Kasich
McDermott
Meek (FL)
Rivers
Scarborough
Simpson
Sununu
Sweeney
Tauzin
Thompson (CA)
Thurman

□ 1913

Messrs. BURTON of Indiana, STRICKLAND, GRAHAM, LINDER, HILLIARD, LUCAS of Kentucky, BERRY, HALL of Texas and CUNNINGHAM changed their vote from "aye" to "no."

Messrs. SAXTON, McINNIS, COOK, EHRLICH, HULSHOF and HILLEARY changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. SIMPSON. Mr. Chairman, on rollcall No. 281, the McGovern amendment, I was inadvertently detained. Had I been present, I would have voted "no."

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 243, the Chair announces that he will reduce to a minimum of 5 minutes the period within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 13 OFFERED BY MR. SANDERS

The CHAIRMAN. The pending business is a demand for a recorded vote on the amendment offered by the gentleman from Vermont (Mr. SANDERS), on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 248, noes 169, not voting 17, as follows:

[Roll No. 282]

AYES—248

Abercrombie
Ackerman
Andrews
Archer
Armey
Baird
Baldacci
Ballenger
Barcia
Barr
Barrett (WI)
Bass
Becerra
Bereuter
Berkley
Berman
Berry
Bilbray
Bishop
Blumenauer
Boehlert
Bonior
Boyd
Brown (FL)
Brown (OH)
Bryant
Buyer
Campbell
Canady
Cannon
Capps
Capuano
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clyburn
Coble
Coburn
Collins
Condit
Conyers
Cook
Cox
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dicks
Dingell
Dixon
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
Engel
Etheridge
Evans
Everett
Farr
Filner
Fletcher
Foley
Ford
Fossella
Franks (NJ)
Frelinghuysen
Frost
Gibbons
Gilchrest
Goode
Goodlatte
Goodling
Goss
Graham
Gutierrez
Gutknecht
Hansen
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hoekstra
Holt
Hooley
Hostettler
Houghton
Hulshof
Hutchinson
Inslee
Isakson
Jackson (IL)
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Jones (OH)
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kolbe
LaFalce
LaTourette
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Luther
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Minge
Mink
Moore
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Norwood
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Peterson (MN)
Petri
Pickering
Pitts
Pombo
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reynolds
Roemer
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Salmon
Sanders
Sanford
Sawyer
Saxton
Schaffer
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Shows
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (WA)
Snyder
Spratt
Stabenow
Stearns
Strickland
Stump
Stupak
Tancredo
Tanner
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thune
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walden
Waters
Watt (NC)
Waxman
Weldon (FL)
Wexler
Weygand
Woolsey
Wu
Wynn
Young (AK)

NOES—169

Aderholt
Bachus
Baker
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Biggert
Bilirakis
Blagojevich
Bliley
Blunt
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Brady (PA)
Brady (TX)
Burr
Burton
Callahan
Calvert
Camp
Cardin
Clement
Cooksey
Costello
Coyne
Cramer
Diaz-Balart
Dickey
Doggett
Doyle
Edwards
Ehlers
English
Eshoo
Ewing
Fattah
Forbes
Fowler
Frank (MA)
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Granger
Green (TX)
Green (WI)
Greenwood
Hall (OH)
Hall (TX)
Hastings (WA)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Horn
Hoyer
Hunter
Hyde
Istook
Jackson-Lee (TX)

Jefferson
John
Johnson, E.B.
Kanjorski
Kingston
Klink
Knollenberg
Kucinich
LaHood
Lampson
Lantos
Largent
Larson
Latham
Lazio
Leach
Lee
Lewis (CA)
Lofgren
Lowey
Lucas (OK)
Maloney (CT)
Maloney (NY)
Mascara
McCrery
Meeks (NY)
Mica
Miller, Gary
Miller, George
Moakley
Mollohan
Moran (KS)
Moran (VA)
Murtha
Ney
Northup
Nussle
Ortiz
Ose
Oxley
Packard
Pease
Pelosi
Peterson (PA)
Phelps
Pickett
Pomeroy
Porter
Pryce (OH)
Regula
Reyes
Riley
Rodriguez
Rogan
Ros-Lehtinen
Ryun (KS)
Sabo
Sanchez
Sandlin
Schakowsky
Scott
Shaw
Sherwood
Shimkus
Shuster
Sisisky
Slaughter
Smith (TX)
Souder
Spence
Stark
Stenholm
Talent
Tauscher
Taylor (MS)
Thomas
Thornberry
Tiahrt
Tierney
Traficant
Upton
Vitter
Walsh
Wamp
Watkins
Watts (OK)
Weiner
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (FL)

NOT VOTING—17

Allen
Baldwin
Brown (CA)
Combest
Davis (VA)
Hastings (FL)
Kasich
Kuykendall
McDermott
Meek (FL)
Rivers
Scarborough
Simpson
Sununu
Sweeney
Tauzin
Thurman

☐ 1924

Ms. SANCHEZ changed her vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Mr. SIMPSON. Mr. Chairman, on rollcall No. 282, the Sanders Amendment; I was inadvertently detained. Had I been present, I would have voted "aye."

AMENDMENT OFFERED BY MR. COBURN

The CHAIRMAN. The pending business is the request for a recorded vote on the amendment offered by the gentleman from Oklahoma (Mr. COBURN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 131, noes 287, not voting 16, as follows:

[Roll No. 283]

AYES—131

Aderholt
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barr
Bartlett
Barton
Bass
Berry
Biggert
Bilbray
Bliley
Boehner
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Campbell
Cannon
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Conyers
Cook
Cox
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Dickey
Doolittle
Doyle
Duncan
Ehrlich
Emerson
Everett
Foley
Fossella
Franks (NJ)
Gekas
Gibbons
Goode
Goodlatte
Goodling
Graham
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hoekstra
Hostettler
Hulshof
Hunter
Hutchinson
Isakson
Istook
Jenkins
Johnson, Sam
Jones (NC)
Klink
LaHood
Largent
Lazio
Linder
Luther
Manzullo
Mascara
McHugh
McIntosh
Metcalf
Mica
Miller, Gary
Moran (KS)
Myrick
Norwood
Paul
Petri
Pickering
Pitts
Pombo
Portman
Radanovich
Ramstad
Riley
Rogan
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Schaffer
Sensenbrenner
Sessions
Shadegg
Sisisky
Skelton
Smith (MI)
Souder
Stearns
Stenholm
Stump
Talent
Tancredo
Taylor (NC)
Terry
Thornberry
Thune
Tiahrt
Toomey
Turner
Upton
Weldon (FL)
Weller
Young (AK)

NOES—287

Abercrombie
Ackerman
Andrews
Baird
Barcia
Barrett (NE)
Barrett (WI)
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Calvert
Camp
Canady
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Cooksey
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Dreier
Dunn
Edwards
Ehlers
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Fletcher
Forbes
Ford
Fowler
Frank (MA)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hyde
Inslee
Jackson (IL)
Jackson-Lee
 (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Larson
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Millender-
 McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Phelps
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Quinn
Rahall
Rangel
Regula
Reyes
Reynolds
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Spence
Spratt
Stabenow
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thomas
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—16

Allen
Baldwin
Brown (CA)
Combest
Davis (VA)
Hastings (FL)
Kasich
Kuykendall
McDermott
Meek (FL)
Rivers
Scarborough
Sununu
Sweeney
Tauzin
Thurman

☐ 1933

Mr. LATHAM changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. KUYKENDALL. Mr. Chairman, I was unavoidably detained and missed rollcall vote No. 282, on the Sanders Amendment No. 13. Had I been here, I would have voted "aye."

Mr. Speaker, I was unavoidably detained and missed rollcall vote No. 283, on the Coburn Amendment No. 2. Had I been here, I would have voted "no."

Mr. REGULA. Mr. Chairman, I move to strike the last word.

For the Members' information, what we plan to do is to rise from the Committee temporarily so that we can file Treasury Post Office, and we will then reconvene.

We have about four amendments that I think will be noncontroversial. We will try to get those out of the way, and that will conclude the business for the evening. There will be no more votes today.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, had come to no resolution thereon.

REPORT ON H.R. 2490, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

Mr. KOLBE, from the Committee on Appropriations, submitted a privileged report (Rept. No. 106–231) on the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. Under clause 1 of rule XXI, all points of order against provisions in the bill are reserved.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore. Pursuant to House Resolution 243 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2466.

□ 1936

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, the amendment offered by the gentleman from Oklahoma (Mr. COBURN) had been disposed of. The bill has been read through line 6 of page 21.

AMENDMENT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Chairman, I offer an amendment and I ask unanimous consent that it be considered at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. GEORGE MILLER of California:

Insert before the short title the following new section:

SEC.   . None of the funds appropriated or otherwise made available by this Act may be used to directly construct timber access roads in the National Forest System.

Mr. GEORGE MILLER of California. Mr. Chairman, I am pleased to be joined by the gentleman from California (Mr. HORN) and the gentleman from Washington (Mr. INSLEE) in offering this amendment. This is intended to be a friendly amendment, one that is consistent with the committee's recommendation in its report on page 91.

After many years of debate and close votes on this floor, this amendment would put the House clearly on record to end the controversial practice of using taxpayer subsidies to construct roads for commercial timber sales on national forest land. It is a straightforward amendment.

Mr. Chairman, the taxpayers have helped construct over 483,000 miles of authorized roads in our national forests. That is a road system that is eight times, eight times longer than the interstate highway system, enough to circle the globe 15 times. While the administration has been happy to request and Congress has been happy to provide funding for new road construction in the past years, we have not been very adept at providing funds for maintaining existing roads.

As a result, the Forest Service estimates that there is a backlog of $8.4 million in capital improvements needed on forest roads for heavily used passenger vehicles. Less than 20 percent of the roads are being maintained to the safety and design standards.

Under Secretary Jim Lyons and Forest Service Chief Mike Dombeck have testified repeatedly before Congress that it is fiscally and environmentally irresponsible to keep building new roads when they do not have the budget to address the annual maintenance needs or begin to address the backlog of maintenance on the existing road system. While I appreciate the committee has provided a $19 million increase in road maintenance, that is still much less than the $500 million annually needed that the agency estimates is necessary to catch up with the backlog of needs.

Recognizing that they have a major problem on their hands, the Forest Service is in the midst of an 18-month moratorium on new road construction in roadless areas in most national forests. The purpose of this time-out is to develop a long-term road policy and identify nonessential roads and those roads that should be reconstructed and maintained for safe and environmentally sound practices.

In my view, the remaining roadless areas in our national forests are vital reserves and must be maintained for clean water, fish and wildlife habitat, low-impact recreation, and wilderness values. I have joined with the gentleman from New York (Mr. HINCHEY), the gentleman from Washington (Mr. INSLEE), and the gentleman from California (Mr. HORN), along with 162 of our colleagues, in urging the administration to come up with long-term protections of these critical roadless areas.

In closing, I wish to recognize the chairman, the gentleman from Ohio (Mr. REGULA), and the ranking member, the gentleman from Washington (Mr. DICKS), for their work in the committee report to resolve what has been a contentious issue in past years. I also want to acknowledge the gentleman from Illinois (Mr. PORTER) and our former colleague, Mr. Joe Kennedy, who were pioneers in this effort to reduce taxpayer subsidies to timber roads.

Mr. Chairman, I urge the adoption of this amendment.

Mr. DICKS. Mr. Chairman, I move to strike the last word and to engage the author of the amendment, the gentleman from California (Mr. GEORGE MILLER), in a colloquy.

I would like to ask the gentleman from California if he could help me clarify his amendment. Is it the gentleman's intention that his amendment apply only to appropriations for direct construction of timber access roads and not to any of the necessary planning, engineering, management, and support activities conducted by the agency?

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I would say to the gentleman that he is correct.

Mr. DICKS. Mr. Chairman, reclaiming my time, if the amendment is written to specifically target only appropriations for direct construction of timber access roads, I am pleased to support it. What I believe the gentleman is trying to accomplish is codification of the language already contained in the interior appropriations report on this matter.

For clarification, this amendment addresses the issue of appropriations for direct construction of timber access roads and does not affect the other necessary planning, engineering, management, and support activities of the Federal land management agencies. It will also not reduce or prohibit any funding which enables the agency to comply with necessary environmental regulations such as the Endangered Species Act, the Clean Water Act, and the National Environmental Policy Act.

Mr. GEORGE MILLER of California. Mr. Chairman, if the gentleman will continue to yield, I would say the gentleman is correct.

Mr. DICKS. Mr. Chairman, I would like to submit for the RECORD information regarding the Urban Park and Recreation Fund.

The following is according to the fiscal year 2000 budget justification submitted by the National Park Service in support of the Urban Park and Recreation Recovery Program:

URBAN PARK AND RECREATION FUND

Funding provided in the past has also contributed to the development of programs and projects such as the innovation project established in Tacoma, Washington. The goals of this innovative project were to provide at-risk youth alternatives to gangs and drugs through participation in outdoor recreation activities, and to develop life skills such as self-esteem, leadership, decision-making, and cooperation. The program was designed to operate as an extensive partnership involving professionals from the disciplines of parks and recreation, education, city government, social services and criminal justice. It was designed to operate year-around with expanded activity during the summer months and over extended holiday periods. Youth participants were involved through various avenues such as schools, home school associations, youth service agencies and neighborhood community centers. The program has provided various activities such as backpacking in Olympic National Park; white water rafting on the Thompson River in British Columbia; cross-country skiing in Mount Rainier National Park; winter camping, inner-tubing and snow shoeing in various winter sports areas; water safety instruction; fishing, canoeing, boating and swimming, mountain biking on designated State and Federal lands; weekly environmental education and outdoor skills workshops; leadership training for advanced youth participants; and youth hosteling and meeting travelers from around the world.

The Tacoma program blossomed, leveraged other sources of funding and continues today as a model partnership program involving schools, government, criminal justice, social service and park and recreation agencies. It has since expanded to the adjacent community of Enumclaw, Washington. New partnerships have been formed with agencies such as Faith Group Homes and the Pierce County Juvenile Courts Probated Youth Program. This Tacoma program has received national recognition and was featured at a February 1995 invitational colloquium at Fort Worth, Texas, titled "Recreation for At-Risk Youth: Programs that Work," sponsored by the National Park and Recreation Association.

Mr. BOEHLERT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment is a logical fulfillment of the agreement reached among Republicans last year to end the purchaser road credit. This amendment simply reiterates that no Federal funds have been appropriated to improve or construct timber access roads. Language with the identical substantive effect is already in the report accompanying the bill.

Just to clarify, this amendment applies only to the use of appropriated funds for actual construction of roads. Funds may still be used for the engineering design associated with road construction and reconstruction projects as well as for environmental reviews and public involvement. And private funds may still be used for road construction and reconstruction in any area where roads may be built, just as the report states.

This amendment is narrow, but it is a great step forward, concluding the work begun last year. Road costs must be borne by the companies that will benefit from their use. That is a win for the taxpayers and a win for the environment. I am pleased this amendment has drawn broad bipartisan support.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I want to thank the gentleman for yielding, and I just wanted to say I was remiss in not mentioning his name when I was thanking those who had made this agreement possible so that the chairman and the ranking member could come to this agreement.

As the gentleman knows, he has the battle scars of many contentious battles on this floor over forest policy and road policy, and I want to thank him for his efforts last year, along with the members of the committee that dealt with the first step in this process, and for his support for this amendment, and again to the chairman and to the ranking member for their efforts in the markups of this legislation before it came to the floor.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we have no problem with this amendment. It simply codifies what we had directed be done last year in the bill, and so it is appropriate to accept this amendment and we support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. GEORGE MILLER).

The amendment was agreed to.

AMENDMENT NO. 12 OFFERED BY MR. NEY

Mr. NEY. Mr. Chairman, I offer amendment No. 12, and I ask unanimous consent that it be considered at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. NEY:

Page 39, line 25, after the dollar amount, insert the following: "(reduced by $5,000,000)".

Mr. NEY. Mr. Chairman, let me just start by congratulating the chairman, the gentleman from Ohio (Mr. REGULA), and the other members of the committee for a fine bill they have crafted. The purpose of this amendment will be to reduce the total amount for the departmental management in the Department of the Interior by $5 million.

As Members of the House, we just recently and have consistently cut our own Members' representational accounts. We have cut our franking accounts so we can show the American people we are willing to make sacrifices to balance the Nation's budget. I think it is only fair we begin cutting out some of the bureaucracy in some of the agencies, and I intend to do amendments along the appropriations process that will help to accomplish this.

□ 1945

With the help of the Congressional Research Service, I was able to find that the Department of Interior roughly has in the account $126 million in expense, of which travel is a part of it, for fiscal year 1998.

I think that there is significant and enough money in this account and it can sustain some type of cut that will again be part of the process to help to continue to balance our budget. I arrived at the $5 million figure by taking roughly 4 percent of the fiscal year 1998 report. Unfortunately, we do not have the 1999 numbers because they have not yet to be filed.

So, as my colleagues can see, the reduction of the $5 million comes out of the departmental management section of the bill, which is funded actually at $62.9 million. The Department of the Interior uses funds from this account and others for their travel. Reduction by the $5 million would fund the departmental management section at $57.9 million.

We as Members, Mr. Chairman, have sacrificed our MRAs, franking accounts, and rightfully so. We have even cut the Congressional Research Service. I feel that the bureaucracy can sustain this reduction.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would advise the gentleman from Ohio (Mr. NEY) that we have cut this account $2 million already below the 1999 level and recognize that, in an effort to save money, this I think might be a little bit heavy. We need to assess it, and we could do that in the conference procedure.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I agree with the chairman. I mean, we have I think been very tight in terms of these increases. We have tried to hold them down. And we are talking about the management of the Department of the Interior, which is an agency that we demand a lot of. The Secretary of the Department of the Interior, his office, are under tremendous pressure on a whole series of fronts.

I mentioned to the gentleman from Oklahoma (Mr. COBURN) earlier, just the work that is being done today with all the very important habitat conservation plans that require input from the Secretary, they have got all the tribal account problems that we have been trying to get straightened out; and I just think that we are within our allocation. We have cut a lot of accounts here. This is one that I hope that we could spare. And I agree with the chairman that this is something we ought to continue to look at as we go into the conference.

So I urge a "no" vote unless the gentleman wants to withdraw his amendment.

Mr. NEY. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. NEY. Mr. Chairman, let me just say that I do want to congratulate both gentlemen. I think they have done a fine job of this bill and on the accounts. And I just wanted to just note, we have cut in Congress our accounts and we have squeezed a little bit more. So I just think that, in the areas of travel, all the agencies in the Federal government can squeeze just a little bit more out.

But I want to mention, my colleagues have done a fine job on the existing accounts.

Mr. DICKS. Mr. Chairman, reclaiming my time, let me just tell the gentleman that some of these things that we are talking about are uncontrollable. And these are pay raises that are, under the law, required. They have got Worker Compensation payments, unemployment compensation payments, rental payments to the GSA, some of which go up automatically.

So I do not believe that there is anything untoward here or anything that is excess. It is just that the cost of administration of these agencies goes up some each year. I think that this is a reasonable request and, therefore, again I urge a "no" vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. NEY).

The amendment was rejected.

AMENDMENT OFFERED BY MR. FALEOMAVAEGA

Mr. FALEOMAVAEGA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FALEOMAVAEGA:

At the end of title I, page 56, after line 2, insert the following new section:

SEC. ___. (a) LOAN TO BE GRANTED.—Notwithstanding any other provision of law or of this Act, the Secretary of the Interior (hereinafter the "Secretary"), in consultation with the Secretary of the Treasury, shall make available to the government of American Samoa (hereinafter "ASG"), the benefits of a loan in the amount of $18,600,000 bearing interest at a rate equal to the United States Treasury cost of borrowing for obligations of similar duration. Repayment of the loan shall be secured and accomplished pursuant to this section with funds, as they become due and payable to ASG from the Escrow Account established under the terms and conditions of the Tobacco Master Settlement Agreement (and the subsequent Enforcing Consent Decree) (hereinafter collectively referred to as "the Agreement") entered into by the parties November 23, 1998, and judgment granted by the High Court of American Samoa on January 5, 1999 (Civil Action 119-98, American Samoa Government v. Philip Morris Tobacco Co., et. al.).

(b) CONDITIONS REGARDING LOAN PROCEEDS.—Except as provided under subsection (e), no proceeds of the loan described in this section shall become available until ASG—

(1) has enacted legislation, or has taken such other or additional official action as the Secretary may deem satisfactory to secure and ensure repayment of the loan, irrevocably transferring and assigning for payment to the Department of the Interior (or to the Department of the Treasury, upon agreement between the Secretaries of such Departments) all amounts due and payable to ASG under the terms and conditions of the Agreement for a period of 26 years with the first payment beginning in 2000, such repayment to be further secured by a pledge of the full faith and credit of ASG;

(2) has entered into an agreement or memorandum of understanding described in subsection (c) with the Secretary identifying with specificity the manner in which approximately $14,300,000 of the loan proceeds will be used to pay debts of ASG incurred prior to April 15, 1999; and

(3) has provided to the Secretary an initial plan of fiscal and managerial reform as described in subsection (d) designed to bring the ASG's annual operating expenses into balance with projected revenues for the years 2003 and beyond, and identifying the manner in which approximately $4,300,000 of the loan proceeds will be utilized to facilitate implementation of the plan.

(c) PROCEDURE AND PRIORITIES FOR DEBT PAYMENTS.—

(1) In structuring the agreement or memorandum of understanding identified in subsection (b)(2), the ASG and the Secretary shall include provisions, which create priorities for the payment of creditors in the following order—

(A) debts incurred for services, supplies, facilities, equipment and materials directly connected with the provision of health, safety and welfare functions for the benefit of the general population of American Samoa (including, but not limited to, health care, fire and police protection, educational programs grades K - 12, and utility services for facilities belonging to or utilized by ASG and its agencies), wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 75 percent of the amount owed, shall be given the highest priority for payment from the loan proceeds under this section;

(B) debts not exceeding a total amount of $200,000 owed to a single provider and incurred for any legitimate governmental purpose for the benefit of the general population of American Samoa, wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 70 percent of the amount owed, shall be given the second highest priority for payment from the loan proceeds under this section;

(C) debts exceeding a total amount of $200,000 owed to a single provider and incurred for any legitimate governmental purpose for the benefit of the general population of American Samoa, wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 65 percent of the amount owed, shall be given the third highest priority for payment from the loan proceeds under this section;

(D) other debts regardless of total amount owed or purpose for which incurred, wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 60 percent of the amount owed, shall be given the fourth highest priority for payment from the loan proceeds under this section;

(E) debts described in subparagraphs (A), (B), (C), and (D) of this paragraph, wherein the creditor declines to compromise and settle the debt for the percentage of the amount owed as specified under the applicable subparagraph, shall be given the lowest priority for payment from the loan proceeds under this section.

(2) The agreement described in subsection (b)(2) shall also generally provide a framework whereby the Governor of American Samoa shall, from time to time, be required to give 10 business days notice to the Secretary that ASG will make payment in accordance with this section to specified creditors and the amount which will be paid to each of such creditors. Upon issuance of payments in accordance with the notice, the Governor shall immediately confirm such payments to the Secretary, and the Secretary shall within three business days following receipt of such confirmation transfer from the loan proceeds an amount sufficient to reimburse ASG for the payments made to creditors.

(3) The agreement may contain such other provisions as are mutually agreeable, and which are calculated to simplify and expedite the payment of existing debt under this section and ensure the greatest level of compromise and settlement with creditors in order to maximize the retirement of ASG debt.

(d) FISCAL AND MANAGERIAL REFORM PROGRAM.—

(1) The initial plan of fiscal and managerial reform, designed to bring ASG's annual operating expenses into balance with projected revenues for the years 2003 and beyond as required under subsection (b)(3), should identify specific measures which will be implemented by ASG to accomplish such goal, the anticipated reduction in government operating expense which will be achieved by each measure, and should include a timetable for attainment of each reform measure identified therein.

(2) The initial plan should also identify with specificity the manner in which approximately $4,300,000 of the loan proceeds will be utilized to assist in meeting the reform plan's targets within the timetable specified through the use of incentives for early retirement, severance pay packages, outsourcing services, or any other expenditures for program elements reasonably calculated to result in reduced future operating expenses for ASG on a long term basis.

(3) Upon receipt of the initial plan, the Secretary shall consult with the Governor of American Samoa, and shall make any recommendations deemed reasonable and prudent to ensure the goals of reform are achieved. The reform plan shall contain objective criteria that can be documented by a competent third party, mutually agreeable to the Governor and the Secretary. The plan shall include specific targets for reducing the amounts of ASG local revenues expended on government payroll and overhead (including contracts for consulting services), and may include provisions which allow modest increases in support of the LBJ Hospital Authority reasonably calculated to assist the Authority implement reforms which will lead to an independent audit indicating annual expenditures at or below annual Authority receipts.

(4) The Secretary shall enter into an agreement with the Governor similar to that specified in subsection (c)(2) of this section, enabling ASG to make payments as contemplated in the reform plan and then to receive reimbursement from the Secretary out of the portion of loan proceeds allocated for the implementation of fiscal reforms.

(5) Within 60 days following receipt of the initial plan, the Secretary shall approve an interim final plan reasonably calculated to make substantial progress toward overall reform. The Secretary shall provide copies of the plan, and any subsequent modifications, to the House Committee on Resources, the House Committee on Appropriations Subcommittee on the Department of the Interior and Related Agencies, the Senate Committee on Energy and Natural Resources, and the Senate Committee on Appropriations Subcommittee on the Department of the Interior and Related Agencies.

(6) From time to time as deemed necessary, the Secretary shall consult further with the Governor of American Samoa, and shall approve such mutually agreeable modifications to the interim final plan as circumstances warrant in order to achieve the overall goals of ASG fiscal and managerial reforms.

(e) RELEASE OF LOAN PROCEEDS.—From the total proceeds of the loan described in this section, the Secretary shall make available—

(1) upon compliance by ASG with paragraphs (b)(1) and (b)(2) of this section and in accordance with subsection (c), approximately $14,300,000 in reimbursements as requested from time to time by the Governor for payments to creditors;

(2) upon compliance by ASG with paragraphs (b)(1) and (b)(3) of this section and in accordance with subsection (d), approximately $4,300,000 in reimbursements as requested from time to time by the Governor for payments associated with implementation of the interim final reform plan; and

(3) notwithstanding paragraphs (1) and (2) of this subsection, at any time the Secretary and the Governor mutually determine that the amount necessary to fund payments under paragraph (2) will total less than $4,300,000 then the Secretary may approve the amount of any unused portion of such sum for additional payments against ASG debt under paragraph (1).

(f) EXCEPTION.— Proceeds from the loan under this section shall be used solely for the purposes of debt payments and reform plan implementation as specified herein, except that the Secretary may provide an amount equal to not more than 2 percent of the total loan proceeds for the purpose of retaining the services of an individual or business entity to provide direct assistance and management expertise in carrying out the purposes of this section. Such individual or business entity shall be mutually agreeable to the Governor and the Secretary, may not be a current or former employee of, or contractor for, and may not be a creditor of ASG. Notwithstanding the preceding 2 sentences, the Governor and the Secretary may agree to also retain the services of any semi-autonomous agency of ASG which has established a record of sound management and fiscal responsibility, as evidenced by audited financial reports for at least 3 of the past 5 years, to coordinate with and assist any individual or entity retained under this subsection.

(g) CONSTRUCTION.—The provisions of this section are expressly applicable only to the utilization of proceeds from the loan described in this section, and nothing herein shall be construed to relieve ASG from any lawful debt or obligation except to the extent a creditor shall voluntarily enter into an arms length agreement to compromise and settle outstanding amounts under subsection (c).

(h) TERMINATION.—The payment of debt and the payments associated with implementation of the interim final reform plan shall be completed not later than October 1, 2003. On such date, any unused loan proceeds totaling $1,000,000 or less shall be transferred by the Secretary directly to ASG. If the amount of unused loan proceeds exceeds $1,000,000, then such amount shall be credited to the total of loan repayments specified in paragraph (b)(1). With approval of the Secretary, ASG may designate additional payments from time to time from funds available from any source, without regard to the original purpose of such funds.

Mr. FALEOMAVAEGA (during the reading). Mr. Chairman, I ask unanimous consent that my amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from American Samoa?

There was no objection.

Mr. FALEOMAVAEGA. Mr. Chairman, it would have been totally impossible for me if it had not been for the support and certainly the patience of the gentleman from Ohio (Mr. REGULA), the chairman of the Subcommittee on Appropriations on the Interior, and also the gentleman from Washington (Mr. DICKS), the ranking Democrat, for their support and assistance in getting this amendment worked out.

Mr. Chairman, my amendment would authorize a procedure by which the American Samoan government can irrevocably assign for 26 years the rights to its proceeds under the 46-State tobacco lawsuit settlement; and, in return, American Samoa will receive $18.6 million from the United States government for a period of 3 years. The United States will receive back about $40 million in principal and interest and an additional amount required by CBO to score the provision as budget neutral.

Mr. Chairman, the money would be used to reduce the critical existing debt of the local government and to implement certain fiscal reforms. For this arrangement to become effective, local government would have to enter into an agreement with the Secretary of the Interior for the use of the funds; and each payment would have to be approved in advance by the Secretary of the Interior.

Mr. Chairman, the money for the financial reform of the American Samoan government would be used to reduce the size of the territorial workforce. Options could be used such as buyouts, early retirements and would be included in the agreement instituted between the Secretary of the Interior and the local government.

Mr. Chairman, this amendment has the endorsement of both the chairman of the Committee on Resources, the gentleman from Alaska (Mr. YOUNG), as well as the ranking Democrat, the gentleman from California (Mr. MILLER), supported this amendment.

I urge my colleagues to support it.

Mr. Chairman, I include the following letter for the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 1, 1999.

Hon. NORM DICKS,
Ranking Member, Subcommittee on Interior and Related Agencies, House Committee on Appropriations, Washington, DC.

DEAR CONGRESSMAN DICKS: We have been contacted by our Colleague, Mr. Faleomavaega, seeking clearance of the House Committee on Resources for a proposal he is seeking to have incorporated into the pending FY2000 Interior Appropriations legislation. His proposal would have the Secretary of Interior arrange for an "advance" to the government of American Samoa (ASG) in the form of a fully repayable loan, secured by ASG's future payments from the 46-state tobacco lawsuit settlement. The purpose of this advance would be limited to payment of existing ASG debt, with a small portion available to fund implementation of badly-needed ASG fiscal and managerial reforms, and would be overseen by the Secretary.

It is our further understanding that the Congressional Budget Office has determined the budget impact score of the proposal to be "neutral:" since ASG would be required to fully repay the $18.6 million principal, with interest, over a period of 26 years.

This letter is to inform you and the Members of your subcommittee that, on behalf of the House Committee on Resources, we have not reservations or objections to inclusion of the provision as currently drafted into the pending Interior Appropriations measure. Properly implemented, we believe this self-help project will greatly benefit both the people and the government of American Samoa in resolving a crucial fiscal dilemma and building a foundation for future progress and greater self-sufficiency. We encourage adoption of the proposal.

Sincerely,

DON YOUNG,
Chairman, House Committee on Resources.
GEORGE MILLER,
Senior Democratic Member, House Committee on Resources.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is an 11-page piece of legislation. I think normally it should be handled by the authorizing committees. We do not have any objection to the substance of the amendment and are not going to oppose it. But I do think that it ought to be considered as part of the authorizing process. However, we will not object.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to compliment the gentleman for his outstanding work and his ingenuity. I have no objection to the amendment. In fact, we enthusiastically support it on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from American Samoa (Mr. FALEOMAVAEGA).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CROWLEY

Mr. CROWLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CROWLEY:

Page 101, line 23, insert after "individuals" the following: ", including urban minorities,".

Mr. CROWLEY. Mr. Chairman, I ask unanimous consent that my amendment be considered out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CROWLEY. Mr. Chairman, I rise today as a strong supporter of the National Endowment for the Arts and as a strong believer in the positive effect that the arts have on our urban communities.

The National Endowment for the Arts has continued its laudable mission to bring the arts to segments of the population that would otherwise have a hard time accessing them. Through local theater troop performances and through shows at small museums, hundreds of communities have received exposure to the arts because of the NEA.

In order to ensure that all Americans have equal access to the arts, the NEA strives to give priority "to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations."

The purpose behind my amendment is to help the NEA achieve its commendable goal of leaving no American untouched by the arts. To that end, I am proposing that this bill makes specific mention of one traditionally underserved population, urban minorities. I believe Congress should encourage the NEA to fund programs that improve the availability of the arts to minority populations in our cities.

Quite often, NEA funding has been directed to groups which serve an upper middle class audience. Many times these groups are inaccessible to many minority groups.

Mr. Chairman, in my own Congressional District of Queens, there is a large Latino population that the Queens Theatre in the Park targets each summer with its Latin Arts Festival, a multi-cultural ethnic celebration. This festival, though certainly successful in its own right, would greatly benefit from additional Federal funding.

The Queens Theater in the Park has consistently applied for Federal support from the NEA but has been denied funding despite the fact that they target an underserved community. For many families in my district, the average $75 cost to a Broadway play is far too expensive. Queens Theater in the Park and other local community arts groups are the only exposure many of my residents have to the arts.

That is but one example of the difficulty facing minority populations in accessing the arts in Queens, New York, and the Bronx and around this country. Projects targeted at urban youth would greatly help keep them off the streets and away from crime and drugs.

In the President's own NEA budget, he outlined a key initiative to use the arts as a way to help at-risk youths.

Mr. Chairman, in New York and in communities throughout our American cities there are tens of thousands of at-risk youths who will benefit from exposure to the arts. This amendment would help send a message to our urban youth that we are interested in improving their quality of life by helping to bring the arts to them.

The arts help break down the barriers caused by economic and cultural diversity that bring communities together and they offer hope.

I am not suggesting that we take funding away from any other program. I am only suggesting that we give projects affecting underserved minority communities, whether they be in our cities or our rural areas, equal access to important NEA funding.

Once again, let me state that this amendment will not expand the scope of the original language. It will merely perfect that language by emphasizing that urban minorities are included within the term "underserved population."

I urge my colleagues to stand up for equal access to the arts and support the Crowley amendment.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to commend the gentleman for his amendment. I think it is very thoughtful.

I must tell him that I had the pleasure of taking one of the previous NEA directors, Jane Alexander, to Seattle; and we visited a very important program there at Garfield High School that was serving underserved minorities within the city of Seattle. Also, we had a very successful program in Tacoma with Dale Chihuly, who is one of the great glass artists of our time. He set up a program on the Hill Top in Tacoma, which is one of our urban areas in the city of Tacoma, and got these literally dozens of young children learning how to make glass pottery and other things; and it had a remarkable effect on their lives.

I think the gentleman brings a very serious point here, and I certainly am willing to accept his amendment and urge the House to accept it.

Mr. CROWLEY. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from New York.

Mr. CROWLEY. Mr. Chairman, I want to thank the gentleman from Washington (Mr. DICKS) and the gentleman from Ohio (Mr. REGULA) and the gentleman from Wisconsin (Mr. OBEY) for their support in bringing this amendment to the floor today.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think it is a good amendment. We made a real effort in the arts to broaden the base, and this is just one more step in making that happen.

I think when Mr. Yates was here we had some groups come in from situations that the gentleman described and performed, and it made us realize how important access to the arts were in their lives.

Mr. DICKS. Mr. Chairman, I urge a positive vote.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Crowley amendment. It is thoughtful. It will benefit arts in urban areas.

I also rise in support of the entire bill. I applaud the leadership of the chairman and the ranking member. I was concerned of how the committee would operate after my dear friend and colleague, Mr. Yates, left. But I see the gentleman from Washington (Mr. DICKS) is continuing with the chairman in a very firm and strong way.

I particularly applaud the committee for wisely rejecting efforts to load this bill up with controversial anti-environmental riders. Unfortunately, the version of this bill passed by the Committee on Appropriations in the other House contains numerous riders that would never pass on their own and have absolutely no place in this legislation.

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One of these riders, in particular, robs the American taxpayer of over $66 million per year. This rider would permit big oil companies to continue to underpay the royalties they owe to the Federal Government, States and Indian tribes—cheating taxpayers of millions and millions of dollars.

It would do this by blocking the Interior Department from implementing a new rule which would require big oil companies to pay royalties to the government based on the market value of the oil they produce. Currently, the oil companies are keeping two sets of books, one which they pay themselves, market value, and one which they pay the taxpayers, the Federal Government, which is greatly undervalued to the true value of the oil.

Earlier this year, I released a report demonstrating how these companies have cheated the American taxpayer of literally billions of dollars in the past several decades. They do this by complex trading devices which mask the real value of the oil they produce. By undervaluing their own oil, these companies can avoid paying the full royalty payments they owe.

The Justice Department investigated these practices and decided they were so wrong that it filed suit against several major oil companies for violating the False Claims Act. As a result, one company settled with the government and paid over $45 million. Numerous other companies have settled similar claims brought by States and private royalty owners for millions, and, in one case, billions of dollars.

Mr. Chairman, the rule that the Interior Department is proposing is simple. It requires that oil companies pay royalties based on the fair market value of the oil they produce, just like everybody else when they sell their product to the Federal Government. But these oil companies that have been cheating the American taxpayer for years are now trying to block the Interior Department from implementing a rule using every excuse imaginable.

Mr. Chairman, this rider robs money from our schools, our environment, our States and our Indian tribes. It does this to benefit the most narrow special interest imaginable, big oil companies with billions of dollars in profits. I applaud the Committee on Appropriations for leaving this issue to the experts at the Interior Department and for not loading it up with other unnecessary and wrong antienvironmental riders.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. CROWLEY).

The amendment was agreed to.

Mr. REGULA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HAYES) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, had come to no resolution thereon.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 13, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on July 13, 1999 at 1:00 p.m. and said to contain a message from the President whereby he transmits a six-month periodic report on the national emergency concerning weapons of mass destruction declared by Executive Order 12938.

With best wishes, I am
Sincerely,

JEFF TRANDAHL.

NATIONAL EMERGENCY CONCERNING WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106–93)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 204 of the International Emergency Economics Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month report on the national emergency declared by Executive Order 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and of the means of delivering such weapons.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 13, 1999.*

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REMEMBERING THE PLIGHT OF THE KASHMIRI PANDITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, recent events in India's state of Jammu and Kashmir, where radical Islamic militants have infiltrated into India's territory with the support of, and apparently active collaboration with, Pakistan, have drawn international attention to this mountainous region. Now that Pakistan has apparently agreed to withdraw its fighters who have crossed onto India's side of the Line of Control, I hope that the attention of the U.S. and the world community will finally focus on the long-ignored plight of the Kashmiri Pandits.

The Pandits, who are the Hindu community of Kashmir, have an ancient and a proud culture. Their roots in the Kashmir Valley run deep. The Pandits have been amongst the most afflicted victims of the Pakistani-supported campaign of terrorism in Jammu and Kashmir. Virtually the entire population of 300,000 Kashmiri Pandits have been forced to leave their ancestral homes and property. Threatened with violence and intimidation, they have been turned into refugees in their own country.

Mr. Speaker, in June, the Pandits received somewhat of a mixed message from the National Human Rights Commission of India. In a positive step, the Commission did accept jurisdiction over the issue of human rights in Kashmir which was a matter of some question because of the special status that the state of Jammu and Kashmir enjoys under India's federal system. But the Commission also announced that it would not term the violence against the Pandits as genocide as has been requested by leaders of the Pandit community as well as myself and other Members of Congress. The National Human Rights Commission also rejected the request to define the Pandits as an Internally Displaced People. The Commission did acknowledge that the Pandits had been victims of killings and ethnic cleansings as part of the militants' campaign to get Kashmir to secede from India.

The National Human Rights Commission has recently set up a committee to address the Pandits' concerns, which includes representatives from the Commission, the Jammu and Kashmir State Government, and one representative from the Pandit community. But, Mr. Speaker, the committee has not yet met.

I am asking my colleagues to join me in signing a letter to the National Human Rights Commission asking that the decisions on genocide and internally displaced persons be reconsidered and that the new committee begin regular meetings. I have often cited India's Human Rights Commission as a model for other Asian nations and developing nations the world over to emulate. It is an example of India's commitment to democracy and the rule of law. I am sure the commission will give serious consideration to these requests by myself and other Members of Congress.

Mr. Speaker, I have been calling along with some of my colleagues in this House for increased world attention to the plight of the Kashmiri Pandits. As I have gotten to know the Kashmiri-American community and have heard about the situation facing the Pandits, I have become increasingly outraged not only at the terrible abuses that they have suffered but at the seeming indifference of the world community. Mr. Speaker, India's government must work to provide conditions for the safe return of the Pandit community to the Kashmir Valley.

I also urge that our State Department continue to hold Pakistan accountable for provoking the current fighting in Kashmir by its support for the militants who have infiltrated India's territory.

Even before the current fighting, there has been a disturbing pattern of massacres of civilians carried out by the militants operating in Kashmir. While it is predominantly Hindus who have been the victims of these attacks, we have also seen attacks against Muslim residents of Jammu and Kashmir who have dared to assist the legitimate state authorities in putting a halt to the violence.

Finally, Mr. Speaker, this is the true face of the insurgency in Kashmir. The militants have transformed a peaceful, secular state in India, one which happens to have a predominantly Muslim population, into a killing field as part of the goal of turning the state into an area under strict Islamic rule. From the standpoint of international stability, this would be a disaster. From the human standpoint, the militants' campaign has already been a disaster as the displaced Kashmiri Pandit community demonstrates. It is wrong to continue to ignore their plight. We must address their concerns and hopefully the Human Rights Commission will do so and reconsider some of the decisions that it has already made.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

SALUTE TO BRIANA SCURRY AND THE U.S. WOMEN'S WORLD CUP SOCCER TEAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. RAMSTAD) is recognized for 5 minutes.

Mr. RAMSTAD. Mr. Speaker, I rise proudly this evening to salute a constituent who is one of our Nation's newest sports heroes, Briana Scurry from Dayton, Minnesota. I also want to pay tribute to all the other members of our champion United States Women's World Cup Soccer Team who have made all Americans proud.

In the championship game Saturday, Mr. Speaker, in Pasadena, California, before more than 90,000 screaming fans, two great teams, one from the United States and the team from China, played to a scoreless tie in regulation time; then, two 15-minute sudden death overtimes, and still a dramatic, nail-biting 0-0 tie; a shootout and finally a world championship for our women's team, thanks to a diving save by our great world-class goalie, Briana Scurry.

Mr. Speaker, it was Briana Scurry, the Dayton, Minnesota, native who soared to deflect China's third penalty shot setting up the final victory. All of Minnesota celebrated with our Nation's sports fans as Briana ran to the stands following the game, slapping hands with the fans, the huge crowd as they chanted again and again, "Scurry! Scurry! Scurry!"

Mr. Speaker, Briana Scurry has been the number one United States goalie for 6 years. They call her "The Rock," they call her "The Wall," and she is both, as she showed the world Saturday night. Today, we call Briana and her marvellous teammates World Cup soccer champions.

Briana Scurry, Mr. Speaker, is also a great role model for other young women in sports. She is a great leader both on and off the soccer field. Briana excelled in her political science studies in college at the University of Massachusetts and she also gave a great deal back to her community, working as a volunteer for AIDS education and awareness and also for the Make A Wish Foundation.

Yes, Mr. Speaker, America's team was in good hands in this World Cup. There is little to worry about when Briana is in the net. She gave up only three goals in the entire World Cup championships and one of those, by the way, was kicked into our net by one of our own players. Briana shut out opponents four times in six games in the tournament, four shutouts in the six games comprising the World Cup championship.

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Briana Scurry's work ethic, her fierce competitiveness, her engaging personality, great dedication and amazing talent all have had a powerful impact on the young women of Minnesota. Hockey may be king in Minnesota, Mr. Speaker, but soccer is kicking at its heels thanks to Briana Scurry.

At Anoka High School, Briana led her team to the 1989 State championship, was named All-American and was voted the top female athlete in Minnesota her senior year.

At the University of Massachusetts, Briana was the top college goalkeeper in 1993 and won two national "goalie of the year" awards her senior year. She led her team to the NCAA Final Four as well as to Atlantic 10 titles. Briana had 37 shutouts in her 4 years and a career goals-against average, listen to this, soccer fans, career goals-against average of 0.56. What a tremendous record.

So today, Mr. Speaker, we salute Minnesota's own Briana Scurry and all her teammates on America's World Cup championship soccer team. They proved what teamwork, dedication, hard work and heart can accomplish.

Mr. Speaker, congratulations to our new World Cup champions. They are role models for all of us, and all Americans are proud of them.

CONDEMNING THE CULTURE OF HATE THAT FOSTERS VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized for 5 minutes.

Ms. SCHAKOWSKY. Mr. Speaker, more than a week ago our Nation and my community in particular witnessed in horror the cruel and vicious consequences of the doctrine of hate. In a matter of days in the State of Illinois and Indiana a mad murderer full of rage and contempt for his fellow men took the lives of two innocent men and attempted to murder many more victims, including six Jewish men and two Asian students.

The spree of hate and violence began on Friday, July 2, just 2 days before we, citizens of this Nation of immigrants, celebrated Independence Day. It ended on July 5. I congratulate the efforts of law enforcement from the local level up to the FBI for so quickly identifying this individual, for its work with the community and for putting an end to his rampage. However, many questions still remain, including the role of white supremacist hate groups in fostering this attack.

In my district, where most of these attacks took place, my community breathed a sigh of relief when the killing spree came to an end. But we were left grieving for Ricky Byrdsong and his family; Woo-Joon Yoon, the Asian student from Bloomington, Indiana; and angry for the assault on Jewish men peacefully observing the Sabbath.

Ricky Byrdsong lived in Skokie, Illinois. He was a loving husband, a father, a leader in the community, a former basketball coach at Northwestern University, a man of deep religious faith and a constituent. He was murdered in cold blood. His only crime was the color of his skin. He was African American. Ricky Byrdsong was a proud American man who was living the American dream. He left an unmistakable and everlasting impression on all those who had the opportunity to meet him, and he positively touched the lives of countless youth during his lifetime.

He was committed to a cause. His cause was to help under-privileged youth reach their full potential and follow their dreams. He was working on his first book: Coaching Your Kids in the Game of Life. The book was scheduled to be released next year on Father's Day. At his funeral his pastor vowed that his book would be completed. Now his family will have to go on without him, his children will grow up without their father's guidance, his friends will no longer hear his infectious laugh, and the community, especially the children, has lost forever a leader.

I will never forget the look on the faces of the hundreds of people who attended his funeral last Wednesday. It was a look of disbelief, pain and yet inspiration because Ricky Byrdsong was truly inspiring. I never wish to attend another funeral of a victim of such hatred. Ricky Byrdsong has made our mission clearer than ever. The culture of hate has no place among us. We must educate and use the truth to counter the lies being spread by hatemongers, groups and so-called churches in our communities, schools, places of worship, neighborhoods and especially on the Internet to our youth.

As a society, we must not be intimidated by the few who refuse to live peacefully among us. We must stand firm and never ever be afraid. That is why I was so proud to join the Jewish Family and Community Services, Jewish Children's Bureau and the Anti Defamation League, the rabbis and other leaders of the Jewish community in Chicago, particularly Mr. Michael Kotzin of the Jewish United Fund and the Jewish Federation of Metropolitan Chicago who showed such leadership, to join with them on the day after six Jewish men were shot to say that an attack on even one is an attack on all of us.

I wish to recognize the Jewish United Fund for opening a special fund to aid families affected by bigotry-related violence. The initial goal of the JUF Fund for Hate Crime Victims and Families will offer assistance to the family of Ricky Byrdsong for the children's higher education.

As the Sabbath came to a close last Saturday evening, we walked the streets of the Rogers Park neighborhood in solidarity. Rogers Park is the kind of community that haters hate the most. It is diverse, integrated, independent, peaceful and all-American. But in a perverse sense of Americanism during the 4th of July weekend a crazy person attempted to take that away, and he failed.

Our community is stronger than ever. We stood together at a time of great anxiety and grave danger. Now is the time for Congress to respond to the tragedies that took place on the 4th of July weekend and pass sensible gun safety legislation. Congress must act now to make it more difficult for individuals to obtain weapons in order to convert their hatred into terror and death.

Guns used by the assailant were bought from an illegal gun dealer. He recently purchased more than 60 guns for the sole purpose of selling them for a profit. Unfortunately, two of these guns were sold to a murderer, with complete disregard for the sanctity of life. We have a responsibility to protect the lives of our constituents. Congress must pass and the President must sign bills to limit the purchase of handguns to one per month and to require the registration of every handgun sold in the United States. Our constituents demand it, and our children deserve it, and we should also pass stronger hate crimes legislation so all of us will be safe in our communities.

GOVERNMENT PRINTING OFFICE HAILED AS LEADER IN ELECTRONIC INFORMATION TECHNOLOGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, critics often hasten to draw attention to government agencies' failures, while ignoring successes if they notice them at all. Today I want to draw the House's attention to two prestigious awards and other accolades recently received by the Government Printing Office (GPO) for its leading role in electronic information dissemination through GPO Access, its acclaimed Internet information service (www.access.gpo.gov).

First, the Vice-President's National Partnership for Reinventing Government has honored the GPO and the Energy Department (DOE) jointly with a "Hammer Award" for the "Information Bridge," a project which makes available thousands of unclassified DOE scientific and technical reports in electronic format.

Using the World Wide Web, users enter the DOE electronic dissemination system through GPO Access, where they can view over 30,000 DOE reports already on-line, with more becoming available every day. The Information Bridge eliminates the need to disseminate these reports to depository libraries in printed form, thereby saving production and distribution costs to the government, and processing and storage costs to the libraries.

This is GPO's second "Hammer Award" for GPO Access; the first came in 1997 for reengineering the Commerce Business Daily with the Commerce Department. In 1998 Vice-President GORE and Government Executive magazine named GPO Access one of the 15 "Best Feds on the Web."

In addition, the legal community has recently lauded GPO Access. Law Office Computing magazine's April/May issue named GPO Access one of the top 50 legal-research web sites for 1999. The magazine's top 50 web sites, which included only seven federal sites, were chosen as favorites of law librarians, attorneys and paralegals based on experience with the sites and their usability.

Further, the April 1999 issue of Chicago Lawyer magazine reports that the newsletter legal.online has selected GPO Access as both the "best research site for laws" and the "overall best Government site." Finally, the GPO just received the first American Association of Law Libraries' "Public Access to Government Information Award" as the "official, no-fee, one-stop public access point for the growing universe of web-based electronic Government information." These accolades follow GPO's selection in February by In-Plant Graphics magazine as the top in-plant operation in the country, and in March as a top technology innovator by PC Week magazine.

Public- and private-sector entities alike appreciate the leading role GPO is playing as we advance into the information age. Let's join in the applause for the dedicated professionals of the GPO.

COSTS THAT ILLEGAL NARCOTICS IMPOSE ON OUR SOCIETY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes as the designee of the majority leader.

Mr. MICA. Mr. Speaker, I come to the floor again tonight to discuss the issue of illegal narcotics and the tremendous cost to our Nation. Over and over again it is important that I think we repeat the message that I have with me here today, and that is a simple one, that drugs destroy lives. And I believe if every Member of Congress takes a few minutes to look at the impact of illegal narcotics they will be absolutely startled as to the damage that it does to our society, the cost to countless families across this Nation and also the tremendous responsibility cast upon the Congress to finance the social, the judicial and other costs that illegal narcotics impose upon our society.

Tonight I want to talk for a few minutes about some of those costs and tell the Congress and the American people that there are some very specific and direct costs to illegal narcotics and what they have done to this Nation and to, again, families and young people. In fact, during the past year over 14,000 Americans lost their lives as a direct result of the misuse or abuse of illegal narcotics in this Nation.

I come from a beautiful area in central Florida. My district is between Orlando and Daytona Beach, a very peaceful, affluent, high employment, high income area. Even my area has been plagued with countless deaths. In fact, a recent headline in Orlando Sentinel newspaper blasted out that in fact the number of drug-related deaths had now exceeded the number of homicides. Drug overdose deaths now exceed homicides in central Florida.

So the statistics are not only bad in my area but across the Nation, with more than 14,000, and again we do not count in all of those that are in traffic accidents or in suicides or other unreported deaths that may have some other report of the demise of the individual which is not included in this 14,000 figure.

In 1995, we had almost 532,000 drug-related emergencies which occurred across this Nation, and that figure has been on the upswing particularly among our young people, which should be of concern again to every Member of Congress. In 1995 we also have a figure that is reported of a retail value of the illicit drug business being over $49 billion.

The cost goes on and on again to our society. Across the land tonight there are over 1.8 million, nearly 2 million, Americans incarcerated in our jails and prisons across the land. This is at incredible cost, the cost of the judicial system, the cost of the lost wages, the cost of social support for the families who have their loved ones incarcerated. So the cost is not just 1.8 million people behind bars but in fact much greater cost. It is estimated out of the nearly 2 million in our jails, prisons and State facilities that 60 to 70 percent are there directly because of a drug-related offense, and these are not small offenses like possession of minor drugs, and these are not one time or misdemeanor occurrences or offenses. These are, in fact, we find from the hearings that we have conducted with our criminal justice drug policy subcommittee, these are, in fact, very serious felonies. And most of those people behind bars, again in studies, confirm this as recently as the hearings that we held today in our subcommittee, that these folks in most instances are violent offenders, that in fact those that are there because of drug-related crimes are there because they trafficked in drugs, they committed a murder, they committed a rape and an assault, a robbery while under the influence of illegal narcotics or in the pursuit of acquiring money or drugs.

□ 2030

So again, 2 million people behind bars is only the tip of the iceberg.

Drug-related illnesses in the United States and death and crime are estimated to cost Americans some $67 billion plus a year in the United States. This translates into very specific costs to every American who has to pay $1,000 a year to carry the costs of health care, extra law enforcement, car and automobile accidents, and crime and lost productivity due to drug abuse and use.

Eighteen percent of the 2,000 fatally injured drivers from seven States had drugs rather than alcohol in their systems when they died. Again, drugs do in fact destroy lives, and have a very specific cost impact to the American taxpayer, to every American citizen, in addition to just the incarceration cost and judicial cost.

Drug use and misuse and illegal narcotics also dramatically impact the productivity of America's workers. Seventy-one percent of all illicit drug users are 18 years of age or older, and they are also, interestingly enough, employed.

In a study by the U.S. Postal Service, the data collected showed that among drug users, absenteeism is 66 percent higher and health benefit utilization is 84 percent greater in dollar terms when compared against other workers. So in fact, the billions that we are talking about are only the tip of the iceberg when we translate this into lost productivity and absenteeism, and then the overutilization of our health benefit programs. Again, all of that does translate into extra costs for every citizen.

Again, drugs destroy lives, they cost us lives, and they cost every American in this Congress dearly.

Disciplinary actions are, interestingly, 90 percent higher for employees who are drug users as opposed to nonusers of drugs, another high price tag to pay for those who are involved in illegal narcotics or in drug use.

Let me talk tonight about how some specific drugs impact our society and young people in this Nation, and what the effects of some of these drugs are.

First of all, let me talk about crack and cocaine. The use and abuse of crack and cocaine, which also destroys lives, has somewhat evened out among the adult population. That is only because now we have an incredible supply of heroin, we have an unbelievable supply of methamphetamine.

So, for example, my area has a very substantial increase in heroin use and abuse and deaths, and the Midwest and some other areas have been impacted by methamphetamine, so crack and cocaine has leveled out. The supply availability and price of other drugs such as methamphetamines and heroin is available.

Even first-time crack or cocaine users can be subject to heart attacks which can be fatal. We heard testimony today from a wonderful lady, Mrs. Bennett, who testified before our subcommittee. She lost her young son, a first-time cocaine user who suffered a fatal reaction and died at a very young age. She brought his picture to our subcommittee, which conducted a hearing on the question of decriminalization and legalization of illegal narcotics.

She will tell the Members that drugs in fact destroy lives. They destroyed the life of her son, and this report that I have tonight about the use of crack or cocaine adding to your incidence of seizures or heart attacks is in fact very real. Even one hit of crack or cocaine can in fact kill one, because it can cause heart attacks, strokes, or breathing problems. This has medically been proven.

Crack and cocaine use are also connected, and abuse, are connected to car crashes, to falls, burns, drowning, and suicide, and sometimes, again, these go unreported. But my point again is that illegal narcotics, hard drugs like crack and cocaine do destroy lives.

The addiction we have not talked about, but that can ruin the physical and mental health of so many individuals, and often is not counted into the statistics that we report here. So again, we have an instance of one drug which has a devastating impact on so many lives, and does in fact destroy lives.

The other drug I will talk about for a few minutes is heroin. Heroin users are getting younger and younger. Since 1993, the use of heroin among our teenage population has risen some 875 percent in the United States. We have a tremendous supply of heroin coming into the United States. We have a reduction in price.

I will talk in a few minutes about how we are getting that tremendous supply coming in. But in fact, the people who are most subjected to heroin's deadly effects are our young people. Heroin users are getting younger. A recent survey indicates that kids are trying heroin at younger and younger ages.

For example, in 1995, this report that I have says that 141,000 people in America tried heroin for the first time. About a quarter of these first-time users were somewhere between the ages of 12 and 17. Even worse, more than half the people who were admitted to hospital emergency rooms for heroin-related problems were under age 18.

Again, the theme that we bring to the floor tonight is that drugs destroy lives, and drugs destroy young lives in an incredible number of instances. These statistics do indicate that we have a tremendous heroin abuse problem among our young people. Heroin is dangerous, and you have to be just totally irresponsible to put yourself using it.

We have also found in our studies and hearings that the heroin that is coming into the United States in 1998, 1999, today, is not the heroin that came in 10 or 15 years ago. The purity levels that were down in single digits are now 60, 70 percent pure. Young people and adults who try heroin have very deadly results, as I cited. Just in my local central Florida district and area, we now have heroin overdose deaths exceeding homicides. That picture is being repeated over and over across the land. In fact, we are now up to over 4,000 heroin deaths in the Nation, and the number is growing every year.

Most disturbingly, again, we see young people as the victims of heroin overdoses and heroin deaths. Drugs destroy lives. Again, let me cite some of the information that we found in our hearings on our Subcommittee on Criminal Justice, Drug Policy and Human Resources. Over half the crime in this country is committed by individuals under the influence of drugs.

In the hearing that we held today we had Tom Constantine, who is the immediate former director of our Drug Enforcement Agency of the United States, just retired in the last few days. He told us that over half of the individuals who had been arrested for Federal offenses are now testing positive for illegal narcotics.

We heard the sheriff of Plano County, the city of Plano and that area, testify before our subcommittee today. He also indicated that a very high number of those arrested for any offense in his jurisdiction also have some drug in their system.

The National Institute of Justice's ADAM, the drug testing program, it is referred to also as the Adam testing program, found that more than 60 percent of adult male arrestees tested positive for drugs.

It was interesting, in some of the information we obtained today, and this figure is very high for adult males, but I believe the figure was 71 percent of the women who were arrested tested positive for drugs, a startling statistic that, although we have fewer female arrestees, that a greater percentage of them are involved with illegal narcotics and have them in their system when they are tested upon arrest.

In most cities, over half the young male arrestees are under the influence of marijuana. Importantly, the majority of these crimes result from the effects of the drug and did not result from the fact that the drugs are illegal.

According to a study of the National Center on Addiction and Substance Abuse at Columbia University, 80 percent of the men and women behind bars, about 1.4 million inmates, are seriously involved with alcohol and other drug abuse. I am going to try to refer a little bit later, if we have time, to the results of that report from the National Center on Addiction and Substance Abuse at Columbia University.

This is an absolutely fascinating report just released this morning, and it talks about marijuana. It is the most comprehensive study ever conducted, that highlights the critical distinction between non-medical marijuana, medical uses of marijuana, and what is going on with those who abuse this substance, and some incredible statistics about, again, the effect on those individuals and how many of them are now in some type of a treatment program, and the problems that are related to this. We will talk more about that.

The former Secretary, I believe, of one of the administrations, Joe Califano, was involved, he was a former HEW Secretary, with this study. He is now president of that organization. We hope to have him testify at a future hearing on the results of their study.

Again, it is a dramatic study that does show that we have an incredible number of young people who are the victims of marijuana, which many try to tout as a soft drug or a non-harmful narcotic. But again, all the studies, the reports, the information lead us to one simple conclusion; again, that drugs destroy lives.

According to a study published in the Journal of the American Medical Association last year, non-drug users who lived in households where drugs, including marijuana, are used are 11 times as likely to be killed as those living in drug-free households. So if a young person or an individual comes from a house where drugs are being used, this study by the American Medical Association said they increase their chances of being killed by 11 times. So again, these are more statistics that confirm that drugs destroy lives.

Drug abuse in a home increased a woman's risk of being killed, according to this study, by a close relative, some 28 times. So those that are concerned, and we heard testimony today about spousal abuse, an incredible statistic, some 80 percent of the spousal abuse cases involved methamphetamines in one jurisdiction that was studied, and that would be abuse, battery, assault of a woman, a wife, a spouse.

But in a home that has drug use, a woman's risk of being killed is increased by 28 times, according to this AMA study.

Additionally, to confirm again the message we bring tonight that drugs destroy lives, I have a study by the Parent Resources and Drug Information Center. This is also referred to as PRIDE, the organization, and this PRIDE organization reported some of these facts.

Of high school students who reported having carried guns to school, and certainly there has been a great deal of talk about guns in this Congress on the floor of the House of Representatives, this said students who were reported having carried guns to school, 31 percent used cocaine, compared to 2 percent of the students who never carried guns to school.

□ 2045

The same relationship was found among junior high school. So more than likely, the school violence and those involved with carrying lethal weapons such as guns to school are much more likely to be drug abusers, drug users. Nineteen percent of gang members reported cocaine use compared to 2 percent among youths who were not in gangs. So whether it is someone carrying a gun to school or someone involved in a gang, drugs destroy their lives. And, in fact, drugs contribute to the crime disruption of our public school system and education. Again, drugs destroy lives.

Today, the subcommittee which I chair, the Subcommittee on Criminal Justice, Drug Policy and Human Resources, as I mentioned earlier, began another hearing to look into the question of drug legalization, drug decriminalization.

We heard from a number of witnesses, some on different sides of the issue. I try to always bring in a balanced approach. We heard one witness in particular in favor of legalization of marijuana, a representative from the NORMAL organization, it is called. We heard another individual report from a study who gave some of the comparisons that had been reviewed on marijuana use. And we heard from, again, a parent involved with a national organization. She had lost her son, as I mentioned, and was there testifying against decriminalization, against legalization.

We also heard from the police chief of Plano, Texas, also who spoke against legalization. We found also that we had some interesting testimony from our lead witness who was Tom Constantine, and as I mentioned he is the former head of the Drug Enforcement Agency. Mr. Constantine used several examples in his testimony to show how drugs drive demand.

A few years back, the Colombian drug cartels decided to enter the heroin market. Now 75 percent of the heroin sold in the United States is of Colombian origin.

Mr. Speaker, I want to talk a little bit about some of these narcotics and what Mr. Constantine brought up and what we heard today. If I can, I would like to take this down and have the chart on the drug Signature program.

All these illegal narcotics come from some place. And, in fact, we know today through scientific studies and through programs such as the heroin Signature program exactly where illegal narcotics originate. This is not a guessing game. This is today a science just like DNA. They can trace DNA to individuals; they can trace illegal narcotics back to their source.

Mr. Constantine, again, former DEA director, talked a little bit today about the heroin problem that we have. This 1997 study that he also presented to our subcommittee in a previous hearing shows exactly where heroin, one of the most deadly drugs, is coming from. And we know that 75 percent of the heroin is coming today from South America. We know that 14 percent is coming from Mexico. And then we have about 5 and 6 percent from Southwest and Southeast Asia. So we know very specifically that 89 percent of the heroin is coming from either Colombia or Mexico.

Some 6 years ago, this chart would be quite different. Most of the illegal narcotics were coming in from, in this case, heroin, was coming in from Southeast Asia and from other sources. In fact, 6 years ago, there was almost no heroin produced in Colombia.

How did we get to 75 percent, as Mr. Constantine testified and this chart documents? It is a simple thing. It is the policy of this administration.

Let me review for a moment, if I may, what took place and how we got into this situation. I have heard repeatedly, and I hear it over and over again, the war on drugs is a failure. I have heard it in the media, and I have heard it recast that the war on drugs is a failure. They would have the public and the Congress believe that the war on drugs is a failure.

In fact, since 1993, there has not been a war on drugs. In 1993, the Clinton administration basically closed down the war on drugs. What they did was they began very systematically. The first thing they cut was almost 90 percent of the drug czar's office and operations. So the drug czar's office was cut first, demoted, really. They brought in a drug czar who really ignored the problem, ignored promotion of any antinarcotics programs either before the Congress or with this administration.

What else did this administration do? The first thing they did was hire so many recent drug abusers in the White House that the Secret Service insisted on a program to do drug testing of White House employees. And I sat on the Committee on Government Operations and heard testimony to that effect.

But again, first they closed down the drug czar's office very nearly, then began hiring people who had very recent illegal narcotics use, forcing the Secret Service to force the White House to institute a drug testing program.

Next thing they did was hire probably the worst Surgeon General, the highest health officer, that this Nation had ever had and that was Joycelyn Elders. She sent a message to our young people that said just say maybe. And the statistics I cited tonight about heroin, about marijuana, about cocaine and about the increase in incidence among our young people I think can be traced from the beginning point of that policy of that closedown, of that shutdown, that ending of the war on drugs with a chief health officer of the United States of America saying to our young people just say maybe.

Then, if I can get the smallest charts here, again this is repeated over and over that the war on drugs is a failure. Let me have these charts here. These charts do not lie. They tell the truth. And I do not know if my colleagues can see them, but this shows drug spending on international programs. Now, international would be stopping drugs at their source, probably the most effective utilization of taxpayer dollars.

We know that in 1993 and prior to that time that nearly 100 percent of the cocaine was coming from Peru and from Bolivia, a little tiny bit from Colombia. We knew where cocaine was coming from then and coca could only be grown at certain altitudes in a certain terrain. There are not many places. It cannot be grown in Florida or North Carolina, to my knowledge. It can be grown only in that area.

In 1993, the next thing the Clinton administration did, and we have to remember they controlled the White House, they controlled the other body, the United States Senate, and they controlled a big majority of the House of Representatives. The first thing they did was cut these international programs, the source country programs.

The slashes here are incredible. Again, back under President Bush we had 660, and this is millions of dollars. We are not talking billions. But they slashed them to less than half by 1995–1996. This is where the Republicans took over the Congress.

In the last 2, 3 years we have really begun to restart the war on drugs. I sat on the Committee on Government Operations during that period when Mr. Brown was the drug czar, the drug czar in name. Even though I had requests from 130-plus Members of the House of Representatives on both sides of the aisle, only one hearing was held during the Democrat domination of the Congress and the White House. Only one hearing as I was a member of that committee, and that was for less than an hour. It was almost farcical. So the war on drugs was closed down and specifically the most cost-effective part of the war on drugs was closed down.

The other chart that I had here showed Colombia now producing 75 percent of the heroin. Colombia was not even on the charts as producing heroin in 1992, 1993. This administration stopped funding, cut this in less than half the international program. So there was not funding to stop drugs at their source.

If we look at 1998 and 1999, and take that in 1991–1992 dollars, we are not even up to the levels of the end of the Bush administration. And again this is so cost effective because we know where the heroin is produced. We have the Signature programs that show us exactly where the heroin is produced.

Now in addition to cutting these programs, what this administration did through a very direct policy was to stop money going to Colombia. The results in Colombia are incredible. I read a Washington Post piece, which the reporter really did not research well, but if we go back and look at what this administration did with the cuts here, they totally cut off Colombia as far as receiving any resources, helicopters, assistance, because they were afraid that some of that money might be used to fight the Marxist guerrillas who were in the jungles there.

So what this administration's direct policy was, and it was in direct conflict with the requests for the last 4 years since we have taken over the House of Representatives with a new majority, we begged, we pleaded, we sent letters, get aid, get assistance, get resources to Colombia.

What has happened? Colombia now produces 75 percent of the heroin coming into the United States since we closed down that program effectively. Seventy-five percent of the heroin coming in. No heroin produced in 1992, 1993, not even on the charts. Additionally, we could talk about Mexico, which is up to 14 percent. We get 89 percent of the heroin from the two of them, and that is part of another failed Clinton policy in certifying Mexico as cooperating.

But think about Colombia and what this policy has done. Not only do we have the heroin which was not there in 1992–1993, coming in in unbelievable quantities at a quality that is as deadly as can be, that is what is killing the kids in Plano. That is what is killing the kids in Orlando, Florida. That is what is destroying the lives again by the thousands, deadly high-purity heroin coming in through this policy.

But what is interesting is in 1992, 1993, Colombia produced almost no cocaine. It did process coca and it was a big producer. The coca which was partially processed was brought into Colombia and processed there and shipped out either directly to the United States or with their buddies and network through Mexico.

What has happened since that time, 1992, 1993, the last administration, is that in fact Colombia again is deprived of any assistance. We cut this program on source country in half, plus we completely decimated Colombia. Colombia is now the biggest producer of cocaine in the world. Tom Constantine testified today it is somewhere up in the 60 percent.

□ 2100

Fortunately, this new majority, under the leadership of first Mr. Zeliff, who began restarting the war on drugs, a former Member, and the former chairman of the Subcommittee on National Security, International Affairs, and Criminal Justice was the gentleman from Illinois (Speaker HASTERT), who is now Speaker of the House was chair and was responsible for restarting the war on drugs. So that is why we see those figures going up here.

But even the funds that were put in last year, and I checked this, because, again, a recent story in the Washington Post and repeated across the land is that so much of our foreign assistance is going to Colombia. Well, that is bull, and that is nutso. That is not the truth.

This past year, we appropriated somewhere in the neighborhood of $280 million for Colombia. My colleagues have got to remember, up to this date, almost no money went to Colombia in fighting illegal narcotics. In fact, this administration kept the resources, the helicopters, the ammunition from this country.

So I checked to see where the money is that we appropriated last year and that the press is talking about, saying the war on drugs is a failure, and that the third biggest foreign aid recipient after Israel and Egypt is Colombia. Well, that is true for this fiscal year that that money is appropriated. But so far, according to our staff investigation, somewhere between $2 million and $3 million has gotten to Colombia. So we have not had a war on drugs. This other side of the aisle has killed the war on drugs. They completely decimated the war on drugs.

This just international programs and, again, the dollars that were slashed, they were kept from Colombia. If my colleagues think that it is bad enough we have cocaine and heroin coming in in these incredible quantities through a direct failed policy of this administration and the other side of the aisle, what they did, stop and think about what is happening in Colombia.

Everybody gets upset about Kosovo. Over a million people have been displaced in Colombia by the Civil War, by the Marxist guerillas who are funded almost totally by illegal narcotics profits and illegal narcotics trafficking. Thirty-five thousand people have died in Colombia. Thousands of judges, thousands and thousands of policemen, elected officials have been murdered and slaughtered in Colombia. It has disseminated a great nation. The reason was we did not want any arms to get there.

Now, an area the size of Switzerland is in control, and the new president, and I have to admire him, is trying to bring peace about, trying to negotiate with the guerillas. Some oppose that. Some of are in favor of it. But one cannot have a resolution to the problems with illegal narcotics which are funding the Marxist activities or a resolution of illegal narcotics transiting or being produced there, coming into the United States until we have peace plans.

So I have been supportive. I have met with President Pastrana. He has begged for our assistance. He has begged for our patience. He has begged for our understanding. He is trying to do anything.

He brought down the head of the New York Stock Exchange to talk to the guerillas to try to tell them that a free enterprise system is better than dogging it in the jungle and conducting war and slaughter of the Colombian people.

I say give peace a chance. I also say give a chance to restarting the war on drugs. These are the facts. What the newspapers have printed is bologna. It is not the truth about these international programs.

We have been able, through Speaker HASTERT, again, who chaired the Subcommittee on National Security, International Affairs, and Criminal Justice, who had responsibility before my new Subcommittee of Criminal Justice, Drug Policy, and Human Relations inherited it, but the Speaker was successful.

I went down with him. We met with President Fujimori of Peru. We met with President Hugo Banzer of Bolivia. Those two presidents have cut drug production of cocaine with a little bit of help from their friend. We are only talking $20 million, $30 million out of billions and billions that we are spending on law enforcement, incarceration, and treatment. Those two presidents have acted with a little bit of help and the few dollars in the international programs which we have restarted and cut 50 percent of the cocaine production. That is why we see cocaine down and more difficult to get.

The latest figures I have is President Fujimori in Peru, through his hard line, through his assistance, through the small amount of dollars we have gotten there, has reduced 60 percent. Both of them have plans to eliminate that. So a little bit of help in these international programs can be so cost effective. Do not tell me any different. I have been there. I have seen it. These are the facts.

Again, we hear the comments that interdiction and the war on drugs does not work and that we are spending too much money on interdiction. Look at what the Clinton administration did. Again, during the last years of the Bush administration, we were in the $2 billion on interdiction, in that range. The war on drugs was killed as far as interdicting drugs.

The second most cost effective way to get drugs is to stop them as they are coming in. Once they get passed the borders, forget it, folks. It is harder and harder. Ask any policeman. Ask anyone who has dealt with law enforcement. It is tough.

But here is what they did. They killed the war on drugs. The Clinton administration, which does not like the military to begin with, took the military out of the war on drugs. Look. From 1991 to 1992, $2 billion level down to about $1 billion, cut in half.

This just shows the military. I have not brought up the Coast Guard which protects Puerto Rico, which protects our coast line. They slashed the budgets there.

So that is why we have Colombia as the major producer of heroin, we know where it is coming from, the major producer of cocaine. This is why we have a stream, a supply. That is simple economics. It is economics 101, my friends, that, in fact, as one has a tremendous supply, the price goes down, and it is available. It is available to who at a low price? Our young people.

That is why the statistics I quoted here tonight and the theme that I had here tonight that drugs destroy lives is so true. This is the policy. The war on drugs died in January of 1993 with this President, with this administration.

My colleagues can see that, in 1998, 1999, we are barely getting back to the level we were with the Bush administration. So we have not even been able to restart the war on drugs.

The next myth is that we have not spent enough money on treatment. I believe in treatment. I think anyone who has a problem, we should get treatment to them. We should spend whatever. If we could spend $3 billion in Kosovo in a few months, we can certainly spend money on those who are addicted to illegal narcotics in the United States of America.

But, Mr. Speaker, here is the next point that I want to make. If we look back in 1991, 1992, we were spending $1.8 billion, $2.2 billion on treatment. 1999, it is not quite double. But in fact they have been putting their eggs in the treatment basket, and some of it has helped. But this also should destroy a myth that we have not increased money for treatment.

What is interesting is, since the Republicans took over the Congress, we can see some pretty dramatic increases in money for treatment. So, again, the myth that all the money is going into planes and to source country programs and interdiction equipment is just that, it is a myth. It is not the truth.

So that is a little bit of an update on how we got into this situation, where we are on the war on drugs. It is nice to come up here and talk about this. But I must say that, rather than just talk about it, we have tried to act. We have tried to act by putting our dollars into these programs. We have tried to look at those that are most cost effective.

Treatment. Again, we have no problem with treatment. Education basically was not on the charts. If we look back here at the beginning of this administration, almost no money for education.

Under Speaker Gingrich and under the leadership of the gentleman from Illinois (Mr. HASTERT), who is now the Speaker, we put in $195 million into an education program. It is relatively new. It has not completed its first year. But that money is matched by donations and by equal contributions. So we should have almost a half billion dollars in resources towards an education program.

It takes education. It takes treatment. It takes, as I said, most effectively, source country programs to eradicate drugs where they are grown and where they come from. Then it takes interdiction and also takes enforcement. So it takes all of these activities.

That is why, if we go back and look at the Bush administration and back to the Reagan administration when we had the beginning of the crack and the cocaine problem in the early 1980s, we saw an actual decrease in the number of individuals involved with illegal narcotics, or we saw some of the activity coming down where we saw the seizures going up and again some dramatic changes.

The most dramatic change that we have experienced, though, is the end of the war in drugs in January of 1993. It is so difficult to start that back up again.

In addition to providing an update on the war on drugs and where we are in the war on drugs, I also wanted to talk tonight, as I conclude, a little bit about some of the things that our subcommittee has been doing, our Subcommittee on Criminal Justice, Drug Policy, and Human Resources.

Several weeks ago, we conducted a hearing at the request of the gentleman from Florida (Mr. MILLER). As my colleagues may know, I have been highly critical, and our subcommittee has held extensive hearings on the question of assistance in Mexico. Because if we look at Colombia and we have seen the results of what happens in our failed policy with Colombia, we see where illegal narcotics, the tough stuff like heroin, cocaine are coming from. If we looked at the rest of the picture to see where the rest of the drugs are coming from, probably the balance of the drugs and 60 to 70 percent of all the hard narcotics and marijuana and everything coming into the United States comes in through Mexico.

Mexico has not cooperated. This Congress asked over a year ago, 2 years ago now, for Mexico to extradite individuals, Mexican nationals, drug lords, those who have been indicted in the United States and for whom we are seeking extradition. They have not complied. I will talk a little bit more about that in just a second.

In addition, we asked Mexico to sign a maritime agreement. To date, they still have not signed a maritime agreement to cooperate in going after people who are transiting and dealing in drugs in the high seas.

In addition, we asked Mexico to arm our DEA agents. They still have not allowed our DEA agents to protect themselves. My colleagues may say, why? Why? Because Enrique Camarena, one of our agents was tortured, an incredibly horrible death. We have a cap actually imposed by Mexico on the number of agents. We have a very small number. It is almost incredible for the size of the problem. But even so, those who are there are still put at risk, and Mexico still refused to help us.

□ 2115

Radar in the south. And I am getting some word that Mexico is beginning to cooperate in getting radar to the south so before the drugs come into Mexico, and we know they are coming from Colombia and Panama and other locations, that we could stop those illegal narcotics. But that is still not in place.

And then enforcing the laws that are passed. Now, we have gotten Mexico to pass some laws, and the laws are on the books, but there is not the enforcement. They have a corrupt judicial system; they have a corrupt law enforcement system from the guy on the beat or the gal on the beat all the way to the President's office. And that has been documented with the former President Salinas and his family, with those in incredible positions of power, with incredible amounts of money that they have skimmed off of the drug trade, including one Mexican general who tried to place $1.1 billion that he had gotten. We know he had gotten it through illegal narcotics proceeds, and he tried to place it in legitimate financial institutions. But we have not had cooperation.

I started with extradition. And let me say that several weeks ago, as I began to mention, our subcommittee, at the request of the gentleman from Florida (Mr. MILLER), conducted a hearing on one of the 275 extradition requests that we have. This was a case relating to the murder of Mrs. Bellush, a young mother of about five or six young children in Florida in Sarasota who was murdered several years ago. She was shot and then stabbed to death and left to die, with her young baby children left in the pool of her blood until the family members came home and found her.

We held a hearing to protest and to look into and investigate why Mexico had refused to extradite Mr. Del Toro.

Mr. Del Toro was not a Hispanic citizen. He was a citizen of the United States, born in the United States to parents who are United States citizens; and he helped commit this incredibly horrible crime and then fled to Mexico and has for the past several years used the Mexican judicial system to avoid coming back and facing justice in the United States. Thank goodness last night the Attorney General called me and said that the Mexican Supreme Court had ruled in favor of extradition and Mr. Del Toro is on his way back to face justice.

It is small compensation, small condolence to the Bellush family, but it is one extradition. Unfortunately, there are 274 other extradition requests on some 40 major drug dealers, Mexican nationals, who have been involved in illegal narcotics. Now, I believe we have had one Mexican national who has been extradited, but I have brought to the floor again some of the mugshots of these individuals.

Agustin Vasquez-Mendoza. He is wanted on conspiracy to commit armed robbery and highly involved in illegal narcotics trafficking and kidnapping and aggravated assault. He is a fugitive, has not been arrested and one of the individuals who we are trying to get back to the United States. Again I bring up the Amezcua brothers, who we also would like extradited to face justice in the United States.

So we have succeeded in one small case. We have some 200-plus requests for extradition of these individuals. I do not believe that Mexico, who has always been a close ally, and we have millions of Mexican-Americans in the United States, I do not believe these friends that we have had or Mexican-Americans agree with Mexico's current stance to thumb their nose at the United States and refuse to extradite these individuals who have been involved in murder, illegal narcotics, and trafficking.

So we will continue to put pressure on Mexico, which is now a major producer of heroin, but also the source of 60 to 70 percent of the illegal narcotics transiting into the United States. We will do everything possible.

We did introduce, just before we went into recess, a resolution which we hope to bring up on the floor which does praise Mexico for some of the small steps that they have taken, but also holds Mexico's feet to the fire to produce on extradition, to produce on a maritime agreement, to produce on assisting our DEA agents, to produce on enforcing the laws that they have passed rather than thumbing their nose at the United States.

So until we start working with the programs that do work, that are cost effective and at the source, in cooperation with these countries and as a cooperative partner, getting them the resources through these programs, we will not be successful.

Mr. Speaker, with that, I am pleased to sum up tonight with the message that I started out with and that is that drugs destroy lives. Over 14,000 Americans lost their lives last year, almost 100,000 since the beginning of the end of the drug war, which was January 1993. And again the statistics show and the facts show and prove that the war on drugs ended with the beginning of this administration, and it is so difficult to start it up and that there has been so much damage to our Nation, to our young people, and so many families across this land.

Mr. Speaker, since I have some time left, I would like to provide a little update as to what is going on as far as narcotics around the world. If my colleagues think the United States is tough, the headlines in one of the recent newspapers is, "Three Beheaded in Saudi Arabia For Drug Trafficking."

This is a report of Friday, May 8. "Three convicted drug traffickers were beheaded in Saudi Arabia on Friday. Saudi Arabia's Islamic courts imposed death sentences for murder, rape and drug trafficking. So far this year, 21 people have been executed, 29 put to death."

"China executes 58 to mark world anti-narcotics day." In China, they have a different approach to illegal narcotics. "China marked world anti-narcotics day by executing 58 drug traffickers." So just a little update on the news in China and how they treat drug traffickers.

Then this report from today's Financial Times. "Caribbean court will speed hangings." And this deals with drug trafficking which has prompted crimes. Let me read from this: "Many islands have witnessed rapid increases in murders and other violent crime over the past decade. Murders in Jamaica last year averaged 2.6 a day, twice the level of 10 years ago. Murders have doubled in Trinidad and Tobago over the past 5 years, with many of those linked to narcotics smuggling, say officials."

So they have a treatment, and the treatment really cuts down on recidivism, and that is hanging, which is being demanded by these nations that have also felt this scourge of illegal narcotics.

Mr. Speaker, I like to provide Members of Congress and the American people with little updates on what is going on in the war on drugs and how others from time to time approach this serious problem. Not that I recommend any of these procedures or remedies that I have reported here tonight. Mr. Speaker, I thank my colleagues for their indulgence, and I will return again next week.

TITLE IX AND WOMEN'S SPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, one of the most exciting sporting events of all time took place in Pasadena's famed Rose Bowl. Over 90,000 spectators, a record attendance for a women's sports contest, saw the United States women's soccer team defeat China on penalty kicks. Many millions more around the world saw this thrilling match on television. In this country television ratings were higher than for the National Hockey League finals and most of the National Basketball Association playoffs.

I congratulate all the wonderful young women who participated, not just those from the victorious U.S. team but also the fine athletes from the Chinese squad and representatives from the other 14 nations that participated in this wonderful Women's World Cup. Marla Messing and Donna de Verona deserve everyone's gratitude for staging this magnificent tournament.

I would also like to praise ABC and ESPN for showing every match in its entirety, without commercial interruption, and live, except when two contests were being played at the same time.

The opportunity for the American public to see the action is something I have long fought for. When the American women's soccer team won the world championship in 1991 in China by defeating Norway 2 to 1, the final was only seen in this country by tape delay several weeks later. In contrast, the same match was shown live on two stations in Norway.

Consequently, I protested strongly when Americans were denied the right to see on television any of the soccer or women's softball matches in the 1996 Olympics. This was inexcusable, particularly since both American teams won the gold medal. I also objected at the poor treatment received by television viewers who wished to watch the U.S. men's and women's hockey teams at last year's winter Olympics. Since the U.S. Olympic committee is chartered by Congress, I am urging the House of Representatives' Committee on Government Reform, of which I am a member, to exert strong oversight so that the American public will receive better treatment at next year's Olympics. I know that Americans are anxious to see their beloved soccer team perform once more, and I am sure they will also enjoy our wonderful women's softball athletes when they get the opportunity to see them in action.

I think it is important to call attention to the important role that Title IX, enacted into law in 1972, played in preparing our women's team for the World Cup, and I congratulate my colleague, the gentlewoman from Hawaii (Mrs. MINK) for having authored and enacted that law in this House.

Prior to the enactment of Title IX, female athletes in this country had limited chances to compete. I know when I was in school if I wished to be involved in athletics the only opportunity was to be a cheerleader. Donna de Verona, an Olympic gold medalist in swimming in the 1964 Olympics, was unable to obtain an athletic scholarship at an American University despite her considerable outstanding talent.

We must not heed those who complain that Title IX is responsible for the elimination of college men's baseball, wrestling and other so-called nonrevenue sports teams. In fact, we must find ways of extending the philosophy of Title IX to other areas where women are discriminated against in the sports world. In this regard, I refer to professional sports.

In this respect, 27 years after the introduction of Title IX, women are drastically discriminated against in the professional sports world. As of now, the women who won the world championships for the United States in women's soccer have no opportunity to play as professionals in this country. On the other hand, the members of the men's soccer team that finished last in France at the Men's World Cup last year have ample opportunities to play professionally in the United States and abroad. I do not wish to demean our American men's soccer athletes. I am confident they will do much better at the next world cup.

I think it is important to point out that virtually all men's professional sports teams receive significant government assistance in the form of subsidies and substantial tax breaks for whatever venue they play in. Many of the stadiums are actually constructed by municipal governments and either turned over to a team or leased at a very low rent. I believe that we must see that these facilities and tax breaks are available to women's professional teams on an equal basis.

□ 2130

THE DEBT AND THE DEFICIT

The SPEAKER pro tempore (Mr. HAYES). Under the Speaker's announced policy of January 6, 1999, the gentleman from Washington (Mr. SMITH) is recognized for 60 minutes as the designee of the minority leader.

Mr. SMITH of Washington. Mr. Speaker, I rise tonight to talk about fiscal responsibility, the budget deficit and hopefully paying off the debt.

We have a very promising situation right now where we are finally headed towards balancing the budget. It was not too long ago when that seemed like an impossible dream. I remember in 1990 when we looked at budget deficits growing on a yearly basis, stacked on top of an already multi-trillion dollar debt, it seemed impossible to think that we would ever dig our way out of that hole, but thanks to a strong economy, the private sector kicking in and some good decisions made by both sides of the aisle and by President Clinton's administration, we are to the point where we almost have a yearly balanced budget. Now, we still have a $5.6 trillion debt to deal with, but we are headed in the right direction, for the moment.

That is why I rise to speak this evening, because the "for the moment" part could change. As we head into the budget negotiations that are starting in earnest in both chambers and at the White House, we need to be very careful not to lose the progress that we have gained and not to, in essence, snatch defeat from the jaws of victory which we still have plenty of time to do.

I think there are a couple of ways this might happen. The first way is when we start throwing numbers around of the surplus. We have heard the numbers in the trillions of dollars about how much money we have got lying around. I want to try this evening to clarify exactly what we are talking about, because there are a number of variables in these numbers that often do not come with the rosy scenarios that various politicians are laying out for people to hear.

We have heard, for instance, that we have and will run up, as currently projected, $6 trillion in surpluses over the course of the next 15 years. There are a number of problems with this scenario. First of all, of that $6 trillion, better than half, almost, I think it is like $3.1 trillion, will be ran up in the Social Security trust fund. Any surplus that we have in the Social Security trust fund is not money that we can spend because it is money that we borrow from that trust fund with a promise to pay it back plus interest so that we can meet the obligations of the Social Security trust fund. If we were to take that money and treat it as a surplus and spend it, we would in essence—not in essence, we would—be spending money twice. That is exactly the sort of thing that got us in trouble in the 1980s. If you spend money twice, you wind up in debt because you do not have it when you need it.

So right away we lose half of that 15-year figure, better than half of that 15-year figure. You could still look at that and say, "Gosh, $2.9 trillion over 15 years, that is still a lot of money." It is, but it presumes that our existing budget of all spending will be reduced by 20 percent. Not only will it not increase but we will make cuts of 20 percent. This was part of the 1997 balanced budget agreement that occurred before our economic situation got rosier and more money poured into the coffers. I do not want to be one to predict the future, but having been around this place for the last year or so and listening to people talk about all the various programs, from defense to education to you name it that people feel are underfunded, much less in need of a 20 percent cut, I find it very hard to believe that over the course of that 15 years we are actually going to have that 20 percent reduction. So if we assume that again, we are going to get in trouble. That puts us in a position where you realize there is not that much money there.

Lastly, and most importantly, these are projections, estimates. Now, we have to do projections and estimates. You have to sort of guess, if you will, at what your budgets are going to look like so you can plan for the future. That is acceptable, but I would not count our chickens before they hatch. Because that 15-year projection is based on 15 years of continued growth and low inflation. Now, granted the growth that is projected is lower than we have had in the last year or two, as we have had the long peacetime expansion, the longest that we have had in a while, but still there are times when revenues go down instead of up, when estimates get worse instead of better. I know this as every Member of this Chamber ought to know. Those times happened throughout the 1980s and into the early 1990s. We had projected balanced budgets at, gosh, I do not know how many times throughout the 1980s and 1990s, but the numbers always came in worse than expected, many times far worse than expected, dramatically growing the deficit instead of reducing it.

So if we assume that this 15-year period is going to produce continued growth, continued low inflation, we are asking for trouble. I would suggest that a more modest approach is at most let us assume that maybe half of that is going to happen and if the other half happens, fine, when it happens, then we can use it for tax cuts or needed spending, but let us not spend it before we get it.

And, fourth, the final point, we should not forget the $5.6 trillion debt that we have hanging over us. It would be nice to use a lot of this money to pay down that debt, to get us back to the point where we can have the fiscal responsibility that we need in this country. We spend over $200 billion, somewhere around $220 billion a year, in interest on the debt. That is money that cannot go for any program, cannot go for any tax cut, it is merely servicing our debt. If we were to pay down that debt, we could reduce that amount and have even more money and a more fiscally responsible budget.

Let me suggest that now is the time to do this, at a time when we have between 4 and 6 percent growth depending on the quarter, at the time when we have virtually nonexistent inflation. These are unprecedented times, at least unprecedented in the last 40 or 50 years in this country, and if we do not seize this opportunity at a time when unemployment is 4.2 percent, to be fiscally responsible, we will never do it when times turn bad. Because when times turn bad is precisely when you need to spend more money on things like education and infrastructure, when you need to give tax cuts to help people who are struggling due to the tough economic times. Now is the time to be fiscally responsible.

I want to touch on one more point on that. We have recently heard a lot of talk about tax cuts. Truthfully there are not many politicians who do not like tax cuts. We would love to be able to give as many of them as possible and in as many places as possible, but only in my opinion if they do not jeopardize fiscal responsibility.

The plan that has been rolled out by the majority Republican Party in recent days calls for $850 billion, or $875 billion, depending on whose figures you believe, over the next 10 years. Right away, please note that they estimate over the next 10 years, whereas the surplus figures that have been thrown around in the newspapers estimate over 15 years. So over 15 years, that $850 billion is even more. In fact, if you take that $850 billion, put it over the 10 years like it is, then take our projected surpluses back over 10 years, and that is the chart that I have with me today, you will see that we have a figure here that shows that the combined surpluses over those two periods are somewhere around $1 trillion.

If you then also add into it the fact that if you spend the $850 billion or if you give it to tax cuts basically, you will not be able to pay down the debt at all, you jack up your interest payments by almost $200 billion and you completely exhaust this projected surplus in 10 years. So we better do absolutely as well every single year and we better be prepared to cut the budget 20 percent or we can forget about fiscal responsibility. The number is simply too high. Yes, we ought to do tax cuts. I completely support that. I completely agree with that. We ought to target it to the middle class, target it to the people who maybe have not necessarily benefited as much from the recent economic boon as others. But we should not exhaust the entire projected surplus on these tax cuts, putting ourselves in a position where we cannot even begin to pay down the debt and probably will not be able to have a balanced budget if the numbers come in worse than they are currently projected. That is not fiscally responsible.

Let me throw one other frightening statistic at you as we are looking at these happy numbers of the projected surpluses. We project out 15 years, which is an interesting time frame to pick particularly when you factor in positive economic projections, because it is right about at that time period, the year 2014, when the costs of Medicare and Social Security are really going to accelerate. If you project it out a few more years, you would see how much that starts to hurt us as the baby boom generation starts to retire in earnest. We are going to be in big trouble.

All of these factors and statistics need to be considered. The fact that half the money is in the Social Security trust fund, the fact that right at the end of our projections we get hit with a huge bill for Medicare and Social Security. These are things that mitigate how much money we have. My grave concern, and I have seen it already, and had people come up to me, program after program, tax cut after tax cut is thrown at us and everyone says, "Well, gosh, you ought to be able to do it. You've got this multi-trillion dollar surplus that everybody keeps talking about." I hope in my remarks I have explained a little bit tonight that we do not have that multi-trillion dollar surplus in the bank by any stretch of the imagination.

I really think that the single best thing this Chamber can do for the people of our country right now in these strong economic times is balance the budget and pay down the debt. Then if we hit tough economic times, we will have a little leeway to borrow some money, help prime the pump, help get the economy back going again, but not if we cannot do it now. If we cannot do it now in these prosperous times, we will never do it. And God help us if it gets to the point where actually the projections go down, if we experience a year of negative growth, which by the way does happen, if inflation ticks back up closer to double digits than just one or two, then we will really be in a fix. Now is the time to prepare for the future.

I would like to close by just making one other point. This is tough. I recognize that. I am not going to stand here and say that fiscal responsibility is easy. Because we have a lot of needs in this country. I could tick off a dozen off the top of my head, defense spending, education spending, veterans, health care for seniors and children, environmental protection programs, and that is just a few. We also could have a tremendous need for a lot of tax cuts that would be tremendously helpful to the middle class and others. I know that. Every day in my office a number of people come in the door and request one of those programs. But the obligation and the responsibility of this Congress is to recognize that we are not the last people in this country who are going to need those things and if we spend all the money now, if we basically have no discipline and simply want to pass out the goodies to make as many people happy as is humanly possible, then 10, 20, 30 years from now our children, our grandchildren, those of us who are still around, are not going to have anything for these same programs. In the year 2020, 2050, they are going to need education and transportation and health care and defense spending every little bit as much as we need it now but they will not have it because we in our fiscally irresponsible way will have spent their money.

I grew up in the 1970s and the 1980s when prior Congresses were in essence spending all of my money. I did not much like it and I darn sure do not want to do it to future generations because I do not have the discipline to do what is right and what is best for this country and what is responsible.

Do not let rosy scenarios and pie in the sky numbers fool you about where the budget is going and what is going to happen. Demand fiscal responsibility from this Congress, demand that the budget gets balanced and we pay down the debt.

BLUE DOG VIEW OF FEDERAL BUDGET

The SPEAKER pro tempore (Mr. HAYES). Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. STENHOLM) is recognized to control the remainder of the minority leader's time.

Mr. STENHOLM. I thank my colleague for requesting this hour this evening. I very much appreciate the opportunity to participate. I will assure the Speaker, I do not intend to take the full remaining part of the time tonight. If some other colleagues do show up, I will yield to them under the rule.

Let me sort of begin where the gentleman from Washington just ended and on the chart that he has in the well and point out, contrary to a lot of rhetoric in this body over the last few days, there is no budget surplus this year. When we look at the year 2000, the off-budget surplus is $5 billion projected. In the year 2001, it is $24 billion projected. Therefore, I would hope that this body would resist the temptation that is prevalent today to talk in terms of an $850 billion tax cut over the next 10 years when, according to all arithmetic today that is conservative, you will find that it will have to be done with borrowed money.

Now, the people that I represent do not get excited about a tax cut that is paid for with borrowed money. The first thing they assume is that if you borrow $850 billion, the least you are going to pay for interest is about 5 percent, maybe 6 percent, because it is the government doing the borrowing, but then they understand that if that is done with borrowed money, there is a pretty good chance that the Federal Reserve is going to involve itself in our decisions.

I ask my colleagues tonight, what did the Federal Reserve do a couple of weeks ago? If memory serves me correctly, they increased interest rates by .25 percent. Why did the Federal Reserve and the wisdom of Alan Greenspan increase those interest rates? Because they were afraid the economy was about to start overheating, inflation was going to begin moving up and they wanted to nip it in the bud. Now, let us move ourselves back to the subject of tax cutting.

Why would we want a tax cut? Obviously because it is a politically popular thing to do. It makes good political rhetoric to say we are going to leave this money that has been accumulated by overtaxing the people and sending it back to you, but by the same breath, tax cuts stimulate the economy. Now, the problem that I have with this $850 billion tax cut is that if on the one hand we are going to stimulate the economy and that stimulation of the economy is going to cause interest rates to go up, who is going to benefit best? I would submit to you tonight, the best tax cut that this Congress can give to all of the American people is to act fiscally responsible and to make certain that interest rates do not go up, in fact can come back down. That is something we had better think about, because we are not in control of the Federal Reserve and it is predictable based on what Chairman Greenspan has been saying what will happen if in fact the economy starts to overheat. But I go back to my first comment and point out again, there is no budget surplus.

□ 2145

Now I have a little further problem with this chart and all of these guesstimations because that is what they are.

I have been around here a few years, and I remember the debate in this body not too many years ago in which we argued for hour after hour as to whether or not we could project 2 years, 3 years. Now all of a sudden we are accepting 15-year projections.

Now who among us can predict tomorrow, much less 15 years from today? Who among us can make these kind of decisions? And that is why the Blue Dogs, as we are affectionately called by some, in the budget proposal that we made earlier this year suggested, let us stop this business; yes, Mr. President, you, and to the leadership of this body, let us stop this business of taking 15-year numbers and acting like this $700 billion is going to occur, and let us go back to 5-year numbers. Let us be conservative. Let us use 5-year numbers and let us not get carried away either with our desire for cutting taxes or our desire on the part of some for spending more money.

Now, again, let me repeat, there is no budget surplus. Most of these surpluses are dealing with Social Security. When you look at the off-budget or the on-budget surplus, you do have projected over the next 5 years 231 billion. What is it about this that should bother us when we take a 231 billion projected surplus over the next 5 years and suddenly use that as justification to have an $850 billion tax cut?

And what ought to really bother this body is that when you look at that other number on this chart and you look at that 2414 number, that is when we have major problems dealing with Social Security. That is why another part of the Blue Dog budget has said: Let us devote 100 percent of the Social Security trust funds to solving the Social Security problem, and let us do this by paying down the debt. Let us pay down the debt with all of the Social Security trust funds. And we go further in saying let us take half of the non-Social Security surplus funds and pay down the debt with them. And then let us use the other half of that projected surplus to deal with the concept of tax cuts and the concept of increased funding, particularly for defense.

We find over the weekend the Pentagon began to raise concerns, and rightfully they did. Because when anyone looks at an $850 billion tax cut over the next 10 years and then sees how it literally explodes about 2014, that becomes a problem for the military, it becomes a problem for our veterans programs, it becomes a problem for Medicare and Medicaid, but it even more seriously becomes a major problem for Social Security in 2014 because that is the year in which the Social Security trust funds begin not to, or the amount of taxes we are all paying on Social Security, begin not to cover the expected outgo of 2014.

In other words, the current situation we have in which Social Security is bringing in more than we are paying out begins to turn the other way as the baby boom generation begins to retire. It ought to bother us, and it ought to say to this body and to those as we speak who are marking up this tax bill in extreme haste tonight: Now is the time for us not to be liberal with our thinking but to be conservative with our thinking and to realize that these are projections, and no one responsibly spends projections like it is real money.

Let me give my colleagues a few numbers in backing up. There is no budget surplus this year. For the first 8 months of fiscal year 1999, October through May, the Treasury reported a cumulative surplus of 40.7 billion, but it is composed of an off-budget surplus of 78.8 billion minus an on-budget surplus of 38.1.

There is no surplus, and yet we keep talking like there is one.

Let me read an editorial that was printed in today's San Angelo Standard Times. This is the way it went:

> Washington's Budget Discussions Annoying. It is surreal to listen to Washington politicians arguing about how they ought to spend tax cuts on new programs, a projected budget surplus of $5.9 trillion over the next 15 years. There are two niggling problems with such talk. One is that it is the wrong policy; the second is that not only is the amount of money being discussed little better than a blind guess, there is not even any assurance that there will be any surplus.
>
> Consider that the new projections are $1 trillion higher than the one made just this past February. Then consider that just 10 months ago the projected surplus was about one-third the numbers being tossed around now. And finally consider that just 18 months ago we were still talking about deficits. Can anyone really have enough confidence in such inexact calculations to make any plans that rely on their accuracy? Is it not obvious that if economic conditions can improve so rapidly, they can worsen just as rapidly? In fact, would not the smart money say that after 98 months of economic expansion, the longest during the peacetime in the Nation's history, a downturn is vastly more likely than 15 more years of uninterrupted growth and that future plans ought to reflect that probability?
>
> The only good thing about the current budget blabbering is that the $5.9 trillion figure is in the ball park of the amount owed on the national debt. Would it not be nice if that image, paying off the debt and not dollar signs begging to be given, this political barter, was the one that filled the politicians' heads? Would it not be nice if the trillions of dollars that have been and will be paid in interest on the debt could be used in some more productive way?
>
> Making the current talk even more frustrating is that doing the right thing is not even a difficult political choice. Polls have consistently shown that, given the options, Americans want Congress and the President to get the Nation's fiscal house in order before doing anything else with extra money.
>
> Maybe the glorious projections being tossed around will turn out to be right or maybe the surplus will wind up being even twice as large, three times as large. That would be splendid. But it is foolish and irresponsible to base policy on dreams and wishes. Washington should take care of the priorities first, the money owed and the money that will be owed to future Social Security and Medicare recipients before committing any budget surplus elsewhere.

I could not have said it better myself, and as we go into tomorrow's continued markup in the Committee on Ways and Means and then next week having an $850 billion tax cut on the floor, many of us are going to be reminding this body time and time again: If you really mean it when you say let us lock up the Social Security trust funds and not use them, if you really mean it when we talk about saving Social Security, Medicare and Medicaid, if you really mean it, that we are going to keep our Nation's fiscal house in order. We must not succumb to the temptation to spend this surplus that may or may not even be realized for any purpose, and that includes the cutting of taxes. Because if we make that mistake, let us remember what happened the last time when we were not able to meet the spending needs in the 1980s. We borrowed $3 trillion, almost $4 trillion. We borrowed because we could not and would not make the difficult decisions right here in this body.

Again, my plea to the leadership of this House: Let us make the tough decisions first, let us settle the appropriations battle, let us acknowledge that if in fact we do have a need to build up our Nation's military, and we do, that there is no way on this earth we will be able to meet those numbers unless we deal with them responsibly in the budget by making that decision first. Let us acknowledge, all of us, that if you are concerned about Social Security, you cannot wink at 2014, you cannot say we are going to pass that on to the future congresses, we do not care about what is going to happen then, oh, we care, but we have got a plan, and the plan is yet to be materialized.

Why would it not be the most responsible thing for us to have a Social Security bill on the floor? Why would it not be the most responsible to have a bill for Medicare reform on the floor and have honest to goodness projections?

Why do we have our hospitals in town this week again concerned, as my hospitals are here, as I met with them, hospital administrators from about 20 in my district who are concerned about having to shut down because the budget decisions that were made in the 1997 balanced budget agreement went too far. And as I point out to them, it did not go near as far as some folks in this body would have liked to have seen. But why not have an open and honest debate about how we are going to deal with health care first? Why do we postpone that until after we have a vote on spending the entire surplus that may or may not be a real one?

These are some of the questions that I think we are going to have to ask and to answer over and over and over again.

Remember: When anyone talks about an $852 billion surplus that is not Social Security; remember the highway bill that this body passed last year overwhelmingly? Look at the money that we voted to spend there that busted the hound out of the caps, but nobody saying, oh, we were not busting them because that was just part of the highway bill.

Look at this year, when we passed an airport bill not too many days ago and folks were standing up on the Committee on the Budget and saying we are busting the caps. No, we are not, because the total has not been busted yet, but that old bucket is filling up, and as it fills up, we are going to have some extremely interesting times, and I do not want, I hope, to be part of another Congress that for political reasons absolutely and totally disregards the future of our children and grandchildren. That is what we will do if we choose to have a tax cut for self-gratification today. We will be saying to our children and grandchildren we do not give a rip about you. Because the urgency is what the polls that we have to be looking at this year, and that is somebody somewhere is saying we need a tax cut.

I agree we need a tax cut, but not with borrowed money. That is the significant thing that we are going to have to somehow get over, hopefully to a majority of this body, that it does not make economic sense for us to waste this opportunity of fiscal responsibility, the first time in many, many years that we have got 2 years in a row in which when you take Social Security trust funds and off-budget, on-budget, all of this malarkey that we talk about here, that we do have a surplus. If we apply it to the debt and honestly use this opportunity to deal with the long-term problems of Social Security, we can do something that our grandchildren will look back on. And I happen to have two. I should say my wife, Cindy, and I happen to have two.

And I have resolved, and many people asked me why I have been so involved as I have in the Social Security question. I am not on the Committee on Ways and Means. I have been working with the gentleman from Arizona (Mr.

KOLBE), my colleague. We have bipartisan support now for a proposal on Social Security that does what we say it will do. And people say, well, what do we say it will do? It goes a long way towards solving the long-term problems of Social Security, better than any other proposal out there.

And people say, "Well, CHARLIE, why are you so involved in Social Security?"

And I say two reasons. Their names are Chase and Cole. It is mine and my wife's 4-year-old and 2-year-old grandsons. I do not want them to look back 65 years from today and say, if only my granddad would have done what in his heart he knew he should have done when he was in the Congress, we would not be in the mess we are in today.

□ 2200

We have a wonderful opportunity, if we can find the bipartisan political courage to deal conservatively with this surplus, to avoid the temptation that some have today to spend the money, whether it be on tax cuts or whether it be on spending for new programs.

Members will see me up at this mike and at other mikes and using every possible opportunity over the next several days to encourage a majority of my colleagues to take this surplus and pay down the debt. Listen to what the American people are telling us in district after district. They are saying, pay down the debt.

Any small business man or woman knows what happens to their business when they get more debt than they can pay back. When the interest cost becomes insurmountable, an insurmountable problem to them, they understand. Why is it so difficult for Members of Congress to understand?

That is the message the Blue Dogs will be bringing. That is the message I hope we will find bipartisan support for.

URGING HOUSE LEADERSHIP TO BRING MANAGED CARE REFORM TO THE FLOOR FOR DEBATE

The SPEAKER pro tempore (Mr. GARY MILLER of California). Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes.

COMMONSENSE RECOMMENDATIONS ON THE BUDGET, THE BALANCED BUDGET ACT, AND MEDICARE

Mr. GANSKE. Mr. Speaker, I find myself agreeing with the gentleman from Texas (Mr. STENHOLM) on many of the issues that he has talked about regarding the budget. We are dealing primarily with what looks like a projected $1 trillion surplus. That is assuming that we do not have a recession over the next 10 years, that the economy continues to be as strong, and that we stay within budget caps related to the 1997 Balanced Budget Act.

But as my friend and colleague, the gentleman from Texas, rightly points out, I think we will need to go back and do some adjustments on the Balanced Budget Act, particularly as it relates to health care.

I have a lot of rural hospitals in my district, and there is a large teaching hospital in my State, just like there is in Texas, just like there is in every State in the country. Those rural hospitals and teaching hospitals over the next 4 or 5 years are going to lose millions and millions of dollars, and they will be in the red. We need to do something to adjust the payments, and we are not just talking about reductions in the rate of growth for their reimbursement, we are talking about a decrease, a real decrease and cuts from today.

For instance, the average rural hospital in the State of Iowa, my home State, currently gets paid by Medicare about $1,200 for their costs for a patient who has a cataract operation. That is projected to decrease to about $950 under the Balanced Budget Act. That is a real cut, that is not a reduction in the rate of growth. I could go through one procedure after another.

So when we look at the total budget, we have to also look at some adjustments that we are going to have to make in terms of Medicare. We are going to have to look at some real adjustments we are going to have to make in order to get our appropriations bills passed.

We cannot bring to the floor and expect it to pass a bill that would cut spending for the FBI by 20 percent. We cannot bring to the floor and expect the bill to pass if we would reduce funding for the immigration service, the INS, by 15 to 20 percent. That is a cut, not just reduce the rate of growth in their cost of living allowance. These are some real facts we are going to have to deal with.

Just like my friend, the gentleman from Texas, I think we ought to have a tax cut as well. But I cannot support an $870 billion tax cut that we are talking about here in the House, not $870 billion out of $1 trillion in terms of the surplus.

I think it would be much more reasonable for us to sit down, reach across the aisle, reach down Pennsylvania Avenue, and come to an agreement. Let us do some adjustments on that Balanced Budget Act, maybe one-third of that surplus. Let us maybe do one-third of that surplus for a tax cut. That is still a hefty tax cut.

And let us do something that all of my constituents say we ought to do. For once, and it would probably be the first time in 50 or 60 years, let us actually reduce the Nation's debt. Let us do some real deficit reduction. I got elected in 1994 and took office in 1995. The debt has increased every year since I have been in Congress. We have an opportunity this year to actually reduce the national debt.

What would be the benefit of that? Well, it would help reduce interest rates for everyone in the country. That makes a big difference if one is paying for a house or buying a car. By reducing that total debt that the country has, which is over $5 trillion, by reducing that now, it gives us some cushion for what we will have to spend later on when the baby boomers retire.

Those are just some commonsense recommendations to my colleagues on both sides of the aisle.

Mr. Speaker, I want to talk primarily tonight about managed care reform. So I find myself standing on the floor yet again calling for comprehensive patient protection to be debated on the floor of the House of Representatives as soon as possible.

By the way, Mr. Speaker, do Members know the difference between a PPO, an HMO, and the PLO? At least, Mr. Speaker, with the PLO, you can negotiate.

Mr. Speaker, the clock continues to tick on our legislative calendar. So I ask, for the hundredth time, when are we going to debate comprehensive managed care legislation on the floor of the House of Representatives, and will the debate be fair? And when will the House Committee on Commerce mark up a managed care reform bill?

The decision was made to let the Committee on Education and the Workforce take up the comprehensive patient protection legislation first, but they are stalled. Nothing has happened in the Committee on Commerce, and nothing is happening in the other committees.

How can any of us say that we are making a strong effort to address managed care reforms when the Committee on Commerce, the committee of primary jurisdiction, has yet to hold a markup session on a managed care bill?

Before I go any further, I want to commend my colleagues, the gentleman from Georgia (Mr. NORWOOD) and the gentlewoman from New Jersey (Mrs. ROUKEMA), for their strong advocacy of strong patient protection legislation in the Committee on Education and the Workforce.

My colleagues have pointed out that the bills of the Committee on Education and the Workforce that were touted to be comprehensive managed care bills were, in reality, nothing more than an assurance of business as usual for the HMOs. Actually, they were not even business as usual, as those bills from the Committee on Education and the Workforce actually make it harder for patients to fight HMO abuses under the Employee Retirement Income Security Act, ERISA.

Mr. Speaker, I have spoken many times on this floor about how important it is for patients to have care that fits what are called "prevailing standards of medical care." This issue is being debated here on Capitol Hill this week by the other body. It is a very, very important issue. So I want to spend a little bit of time to talk to my colleagues about this issue.

Mr. Speaker, many health plans devise their own arbitrary guidelines and definitions for "medical necessity." For example, one HMO defines "medical necessity" as the cheapest, least expensive care, without any qualification ensuring that patients will still receive quality health care coverage.

We might ask, how is it that HMOs are allowed to do that? That is not the case for the majority of insurance companies who sell to individual people. They have to follow State insurance laws. Under current Federal law, if you or a member of your family is insured by your employer in a self-insured plan, your employer can define "medical necessity" as anything that they want to. Furthermore, they are not liable for their decisions, except insofar as to give care that could be denied.

ERISA was originally designed as a consumer pension bill. It was designed to make pension plans uniform for employees, to make it easier for employers to issue pensions. It got extended to health plans sort of by a quirk 25 years ago. It was not even hardly debated here on the floor.

It did not make that much difference for a long time, when most health plans were traditional indemnity insurance plans. Then along came managed care. What happened? Those companies started making medical decisions. Then we started to run into the problems and the complications of those medical decisions.

Listen to some words that a former HMO reviewer gave as she testified before Congress. It was May 30, 1996, when this small, nervous woman testified before the Committee on Commerce. Her testimony came after a long day of testimony on the abuses of managed care.

This woman's name was Linda Peeno. She was a claims reviewer for several health care plans. She told of the choices that plans are making every day when they determine the medical necessity of treatment options.

I am going to recount her testimony: "I wish to begin by making a public confession." This is this HMO medical reviewer's words. "In the spring of 1987, I caused the death of a man. Although this was known to many people, I have not been taken before any court of law or called to account for this in any professional or public forum. In fact, just the opposite occurred. I was rewarded for this," she said. "It brought me an improved reputation in my job and contributed to my advancement afterwards. Not only did I demonstrate that I could do what was expected of me, I exemplified the good company medical reviewer. I saved the company half a million dollars."

As I was watching this lady testify, I could see that she was anguished. Her voice was husky. She was tearful. I looked around the room, and the audience shifted uncomfortably. They drew very quiet as her story unfolded. The industry representatives, the HMO representatives who were in that committee room, they averted their eyes.

She continued: "Since that day, I have lived with this act and many others eating into my heart and soul. For me, a physician is a professional charged with the care of healing of his or her fellow human beings. The primary ethical norm is do no harm. I did worse. I caused death."

She continued, "Instead of using a clumsy, bloody weapon, I used the cleanest, simplest of tools: My words. This man died because I denied him a necessary operation to save his heart. I felt little pain or remorse at the time. The man's faceless distance soothed my conscience. Like a skilled soldier, I was trained for the moment. When any moral qualms arose, I was to remember, I am not denying care, I am only denying payment."

She continued: "At that time, that helped me avoid any sense of responsibility for my decisions. Now I am no longer willing to accept the escapist reasoning that allowed me to rationalize that action."

□ 2215

I accept my responsibility now for that man's death as well as for the immeasurable pain and suffering many other decisions of mine caused.

Well, at that point Ms. Peeno described many ways managed care plans deny care, but she emphasized one in particular: The right to decide what care is medically necessary. She said, quote, "There is one last activity that I think deserves a special place on this list, and this is what I call the "smart bomb" of cost containment, and that is medical necessity denials. Even when medical criteria is used, it is rarely developed in any kind of standard traditional clinical process. It is rarely standardized across the field. The criteria are rarely available for prior review by the physicians or the members of the plan. And we have enough experience from history to demonstrate the consequences of secretive unregulated systems that go awry."

Well, Mr. Speaker, the room was stone quiet. The chairman of the committee mumbled "thank you." This medical reviewer could have rationalized her decisions as so many have done. She could have said, "I was just working within guidelines" or "I was just following orders." We have heard that one before. Or, "We have to save resources." Or, "Well, this is not about treatment, it is really about benefits."

But this HMO reviewer refused to continue this type of psychological denial and she will do penance for her sins the rest of her life. And to atone for that she is exposing the dirty little secret of HMOs determining medical necessity.

Mr. Speaker, if there is only one thing my colleagues learn before voting on patient protection legislation, I beg them to listen to the following: before voting on any patient protection legislation, keep in mind the fact that no amount of procedural protection or schemes of external review can help patients if insurers are legislatively given broad powers to determine what standards will be used to make decisions about coverage. As Ms. Peeno so poignantly observed, insurers now routinely make treatment decisions by determining what goods or services they will pay for.

Let me give an example of how they can arbitrarily determine medical necessity. There is a health plan out there that determines medical necessity by defining it as: The cheapest, least expensive care as determined by us. So well, what could be wrong with that? What is wrong with the cheapest, least expensive care?

Well, before I came to Congress and in some surgical trips that I make abroad I still do this, I took care of a lot of children with cleft lips and palates. Let me show the birth defect of one of these children. This is a little baby born with a complete cleft lip and palate. This occurs about one in 500 births, so it is pretty frequent. A huge hole right in the middle of the face. Imagine being a mom or dad and giving birth to a little baby with this birth defect, and then think of that HMO that defines medical necessity as the cheapest, least expensive care.

Mr. Speaker, the prevailing standard of care, a standard that we have used in this country for over 200 years, would say the prevailing standard of care to fix this defect in the roof of this child's mouth is a surgical operation to fix that. I have done hundreds of those operations. That is the standard care everywhere in the world. However, that HMO, by its contractual language, can say but the cheapest, least expensive care would be to use what is called a plastic obturator. It would be like an upper denture plate. That way the food will not go up into the roof of the mouth, up into the nasal passages so much.

Of course, with that little plastic device which would be the cheapest, least expensive care, the child will probably never speak as good as if the child had a surgical correction of this birth defect. But so what does the HMO care? They are increasing their bottom line, their profits. And furthermore, under Federal law they can define it any way they want to by their contractual language if one happens to get their insurance from an employer.

Mr. Speaker, I think that is a tragedy. I think that is a travesty. Congress created that law 25 years ago never expecting that this type of behavior would be done by HMOs. Yet 50 percent of the reconstructive surgeons who take care of children with this birth defect have had HMOs deny operations to surgically correct this condition by calling them, quote, "cosmetic operations."

This is not a cosmetic operation. Cosmetic operations are repairing baggy eyelids or a face lift. This is a birth defect. Prevailing standards of care would say surgical correction, not a piece of plastic shoved up into the roof of a patient's mouth with food and fluid coming out of their nose.

Who would do that, some would ask? Well, it happens. And we need to fix the Federal law that keeps that happening. What else about that Federal law needs to be fixed? Well, over the last few days I have watched the debate up here on the Hill in the other body. There was an amendment that dealt with who would be covered by patient protection legislation. The GOP bill would only cover about one quarter of the people in this country. There was an amendment to make it cover everyone in this country, these patient protections. Getting up and arguing against it were my GOP colleagues by saying, hey, we should not interfere with the States's ability, States's rights, let the States decide this. The only problem with this is that it is Federal law that has exempted State regulation and State oversight.

I want to see in a few days if my colleagues will talk the same tune when we are talking about liability. It was Federal law that gave a liability shield to HMOs so that if they do negligent, malicious behavior that results in injury, loss of limb, or death that they are not responsible.

Let me give an example of what I am talking about in terms of what HMOs have done. This is the case of a little 6-month-old boy. A little 6-month-old boy in Atlanta, Georgia, actually lives south of Atlanta, Georgia, woke up one night crying about 3:00 in the morning and had a temperature of 104 and looked really sick. His mother thought he needed to go to the emergency room. This is this little boy tugging on his sister's sleeve before his HMO health care. So his mother phoned the 1-800 number and she is told, "We will authorize you to go to an emergency room, but we will only let you go to this one hospital a long ways away. And if you go to a nearer one, we will not cover it."

So Dad gets in the car, Mom wraps up little Jimmy and they start on their trek. About halfway through the trip, they pass three hospital emergency rooms. Mom and Dad are not health professionals. They know Jimmy is sick but they do not know how sick, but they do know if they stop without an authorization, they could get stuck with thousands of dollars of bills because their HMO will not pay for it. So they push on to that one authorized hospital.

What happens? En route, little Jimmy's eyes roll back in his head, he stops breathing, he has a cardiac arrest. Picture Mom and Dad, Dad driving like crazy, Mom trying to keep her little infant alive to get to the emergency room. Somehow or other they manage to get to the emergency room. Mom holding little Jimmy leaps out the car screaming, "Help my baby, help my baby." A nurse comes out and starts to give mouth-to-mouth resuscitation. They bring out the crash cart and get him intubated and get the lines going and give him medicines and somehow or other this little baby lives. But he does not live whole.

Because he has had that cardiac arrest en route to the hospital, the only one authorized by that HMO which has made that medical decision, he ends up with gangrene of both hands and both feet and both hands and both feet have to be amputated.

Here is little Jimmy today. I talked to his mom about 6 weeks ago: Jimmy is learning to put on his leg prostheses with his arm stumps. He still cannot get on his bilateral hook prostheses for his hands by himself. Jimmy will never play basketball. He will certainly never wrestle. And some day when he gets married, he will never be able to caress the face of the woman that he loves with his hand.

Mr. Speaker, under Federal law if one's little baby had this happen to them and their insurance was from their employer who had a self-insured plan and their plan had made that decision, that negligent decision which had resulted in this disaster, under Federal law that plan would be liable for nothing other than the cost of the amputations.

Is that fair? Is that the way it is if one buys insurance as an individual from a plan that is covered by State regulation? No. So, Mr. Speaker, I would say to my colleagues, my colleagues in the other body and my colleagues in this body, when we get a chance to vote on whether health plans ought to be liable for decisions that they make that result in this type of negligence, a judge reviewed this case. A judge looked at the case. He said that the margins of safety by this HMO were, quote, "razor thin." I would add to that, about as razor thin as the scalpels that had to remove little Jimmy's hands and feet.

Mr. Speaker, I say to my friends on both sides of the aisle and in the other body, when we get a chance to vote on whether a health plan should be responsible for their actions that result in this type of injury, think, especially my fellow Republicans, think about how we always say as Republicans, hey, people should be responsible for their actions. Do not we say that? If somebody is able-bodied and they can work, they ought to be responsible for providing for their family? Do not we say that if somebody kills somebody or is a rapist that they ought to be responsible for their criminal behavior?

How can we then say that an HMO which makes this type of decision that results in this type of injury should not also be responsible? There is no other entity, no other business, no other individual in this country that has that type of legal protection. It is wrong. It should be fixed.

The State of Texas fixed this 2 years ago. They made their health plans liable. Now, of course this is being challenged because of the ERISA law. But since that time there has not been an explosion of lawsuits. There has only been one. I will read about it in a few minutes. But why has there not been? Because health plans suddenly realized that they cannot cut corners like they did with this little boy or they are going to be liable. They are going to be responsible.

☐ 2230

Did it significantly increase premiums in Texas? No. Premiums in Texas have not gone up any higher than they have anywhere else in the country. Did it mean that managed care would die out in Texas? No. Several years ago, there were 30 HMOs in Texas. Today, there are 51. That law is working. It did not result in a huge number of lawsuits, and it has not resulted in a big increase in premiums like all the HMOs would have us believe.

Let me read today an editorial from USA Today. The title of this is, "Why should law protect HMOs that injure patients?"

> Last July, Joseph Plocica's health plan discharged him from a hospital, against the advice of his psychiatrist, who said the Fort Worth resident had suicidal depression requiring continued help, according to a lawsuit. That night, Plocica proved his doctor right and his health plan wrong. He drank a half-gallon of antifreeze and died 8 days later.
>
> As terrible as this story is, at least Plocica's bereaved family has more rights than most. A sweeping 1997 Texas law let them sue Plocica's health plan for malpractice.
>
> That's a right denied to the roughly 120 million other Americans who receive their health care through work. This week, the federal law that protects those health plans from lawsuits is the focus of a contentious Senate debate over patients' rights.
>
> The central question: Should HMOs, which often make life and death decisions about treatments, be legally accountable when their decisions go tragically wrong?

Like Mr. Plocica who drank antifreeze or little Jimmy here who lost his hands and feet.

"Right now", the USA Today editorial continues,

> the answer is no, although that is a luxury no doctor, and no other business, enjoy.

The provision might have made sense when it was passed by Congress in 1974 as part of a law designed to protect workers' pensions. Most employees were covered by old-style fee-for-service insurance plans and payment disputes took place after health care had been delivered. So a law limiting recovery to the cost of care did not hurt anybody. But today, more than 80 percent of workers are in managed care plans that actively direct what treatments parents received.

Unfortunately, despite efforts in Texas and a few other states to find ways around this law, the gaping liability loophole is not likely to be closed nationwide any time soon

unless Congress acts.

Insurance and business groups have mounted an aggressive fight against a version of the Patients' Bill of Rights that allows patients to sue. They say opening up HMOs to lawsuits will result in a flood of litigation and kill cost control by doing little too improve quality care.

But in Texas, where these same groups made all the same arguments, the reality is far from different.

No flood of lawsuits. Only a handful of cases have been filed against HMO plans in Texas since the challenge to the law was overturned last fall. This is due, in part, to another feature of that 1997 law, which requires swift independent review of disputes.

Rates have not shot up. In the two years since the law was passed, HMO premiums in the state are almost exactly where they stood in 1995. Cost increases in Dallas and Houston were below the national average last year.

Quality may be improving. News accounts from Texas suggests that HMOs, now accountable for their decisions, are more careful making

those decisions.

Doctors report health plans are less likely to drag their feet, for instance, and less likely to deny treatments doctors believe are needed.

There's no reason to believe a national law would produce any different results,

continues this editorial.

Studies by the Congressional Budget Office and the nonprofit Kaiser Family Foundation find HMO liability would produce negligible premium hikes. Only industry-sponsored studies find otherwise.

Lawmakers would do well to look at the facts before leaving this critical patient right on the cutting room floor.

Mr. Speaker, I do not think we should hesitate about having HMOs be responsible, despite the fact that the HMO industry has spent more than $100,000 per Congressman lobbying against a strong Patients' Bill of Rights. Surveys show that, despite all that advertising, that money spent on advertising by the insurance and HMO industry for the last 2 years, there has been no significant change in public opinion about the quality of HMO care.

Despite tens of millions of dollars of advertising, a recent Kaiser survey shows no change in public opinion: 77 percent favor access to specialists, 83 percent favor independent review, 76 percent favor emergency room coverage, 70 percent favor the right to sue one's HMO. Other surveys show that 85 percent of the public think Congress should fix these HMO abuses.

If these concerns are not addressed, I think the public will see examples like this, and they will ultimately reject the market model as it now exists. However, if we can enact true managed care reform such as that embodied by my own Managed Care Reform Act of 1999 or the Dingell or the Norwood bills, then consumer rejection of a market model will be less likely.

Common sense, responsible proposals to regulate managed care plans are not a rejection of the market model of health care. In fact, they are just as likely to have the opposite effect. They will preserve the market model by saving it from its own most irresponsible and destructive tendencies.

Mr. Speaker, let us pass real HMO reform. Let us learn from States like Texas. After all, is it not Republicans who often say that the States are the laboratories of democracy? Yes, let us have some insurance tax incentives. But let us be very careful about repeating some mistakes that have been made with ERISA in the past that led to fraud in regards to association health plans.

Finally, the Speaker of the House told me before the July 4th recess that it was his intent to have HMO reform legislation on the floor by the middle of July. Well, Mr. Speaker, here we are. According to my watch, it is now the middle of July, and we have no date yet even for a full committee mark-up in the House of Representatives. Why? Well because it is not clear that another HMO protection bill could make it through committee. Too many Republicans and Democrats of each committee want to see some real reform to prevent this type of tragedy, real reform, not a fig-leaf piece of legislation.

I think there are even majority votes in both the Committee on Education and the Workforce and the Committee on Commerce for strong medical necessity and enforcement measures. Maybe that is the reason why the committee chairmen are not moving ahead. Maybe that is why the leadership of this House is not telling them to get their act in order, get this to the floor.

Well, the Senate is debating HMO reform this week. So let us see what happens there.

I think today the Washington Post called it about right when it referenced the GOP Senate bill. It said, "The Republican bill professes to provide many of the same protections, but the fine print often belies its claims. Among much else, it turns out to apply only to some plans and to only about one-fourth as many people as the Democratic bill would cover."

The Post then talked about the GOP criticisms of the Democratic bill, "Critics say that the Democratic bill, by weakening the cost-containment industry, would drive up costs." The Post continues, "Our contrary sense is that, in the long run, it would strengthen cost containment by requiring that it be done in a balanced way", exactly the sentiments that I expressed a few minutes ago.

Today the Washington Post closed that editorial by saying, "The risks of increased costs tend to be exaggerated in debate. The managed care industry says that, by and large, it already does most of the modest amount this bill would require of it. If so, the added cost can hardly be as great as the critics contend."

Mr. Speaker, when we are talking about the cost for a strong Patients' Bill of Rights, we are talking about something in the range of $36 per year for a family of four. Is that not worth it to prevent an HMO tragedy like happened to this little boy?

Mr. Speaker, please keep your promise. By next week, we should have debated HMO reform in full committee, and we should be headed to the floor. Is that going to be the situation? Or is it the Speaker's intention to try to limit debate on this important issue by putting it right up against August recess, when Members have planned vacations with their families, in order to limit debate.

Well, Mr. Speaker, if that is so, it will be seen for what it really is, a cynical abuse of scheduling because the leadership of this House really does not want a full debate on protecting patients. Mr. Speaker, I hope that is not the case. The victims of managed care and their families are watching.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GARY MILLER of California). The Chair will remind all Members to refrain from references to the Senate including the characterization of Senate action and the urging of the Senate to take certain action.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. BALDWIN (at the request of Mr. GEPHARDT) for today after 5:30 p.m. and Wednesday, July 14 when on account of illness in the family.

Mr. HASTINGS of Florida (at the request of Mr. GEPHARDT) for today on account of official business.

Mrs. THURMAN (at the request of Mr. GEPHARDT) for today on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

(The following Members (at the request of Mr. MICA) to revise and extend their remarks and include extraneous material:)

Mr. BEREUTER, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes on July 20.

Mr. DEMINT, for 5 minutes on July 14.

Mr. RAMSTAD, for 5 minutes, today.

Mr. FOSSELLA, for 5 minutes on July 14.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. MALONEY of New York, for 5 minutes, today.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

On July 12, 1999:

H.R. 4. To declare it to be the policy of the United States to deploy a national missile defense.

ADJOURNMENT

Mr. GANSKE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 42 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 14, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2984. A letter from the Under Secretary, Rural Development, Department of Agriculture, transmitting the Department's final rule—Community Facilities Grant Program (RIN: 0575–AC10) received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2985. A letter from the Secretary of Defense, transmitting notification that the Secretary has approved the retirement of Lieutenant General George A. Fisher, Jr., United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

2986. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Single Family Mortgage Insurance; Informed Consumer Choice Disclosure Notice [Docket No. FR–4411–F–02] (RIN: 2502–AH30) received June 15, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

2987. A letter from the Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education, transmitting Notice of Final Funding Priorities for Fiscal Year 1999 for New Awards under the Assistive Technology Act Technical Assistance Program, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

2988. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Source Categories: Off-Site Waste and Recovery Operations [FRL–6377–5] (RIN: 2060–AH96) received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2989. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Zapata, Texas) [MM Docket No. 98–133 RM–9314] received June 28, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2990. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's final rule—Guides for the Watch Industry—received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2991. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for defense articles and defense services to Greece [Transmittal No. DTC 111–98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2992. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement for the export of defense services to the United Kingdom [Transmittal No. DTC 5–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2993. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing and Technical Assistance Agreement for the export of defense services under a contract to the Netherlands and Germany, pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

2994. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that effective May 23, 1999, the danger pay rate for Sierra Leone is designated at the 25% level, pursuant to 5 U.S.C. 5928; to the Committee on International Relations.

2995. A letter from the Under Secretary for Export Administration, Department of Commerce, transmitting notification that since a report on February 25, 1999, the U.S. Department of Commerce has issued additional export licenses for commercial communications satellites and related items under the Department's jurisdiction; to the Committee on International Relations.

2996. A letter from the Director of the Peace Corps, transmitting the semi-annual report of the Inspector General of the Peace Corps for the period beginning October 1, 1998 and ending March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2997. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Corporation's 1998 CFOA Report, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

2998. A letter from the Director, Administration and Management, Office of the Secretary of Defense, transmitting a report of vacancy; to the Committee on Government Reform.

2999. A letter from the Secretary of Education, transmitting the twentieth Semiannual Report to Congress on Audit Follow-Up, covering the period from October 1, 1998, to March 31, 1999, pursuant to Public Law 100–504, section 106(b) (102 Stat. 2526); to the Committee on Government Reform.

3000. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Indiana Regulatory Program [SPATS No. IN–145–FOR; State Program Amendment No. 98–1] received June 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3001. A letter from the Acting Assistant Attorney General, Department of Justice, transmitting the 1997 annual report on the activities and operations of the Public Integrity Section, Criminal Division, and reporting on the nationwide federal law enforcement effort against public corruption, pursuant to 28 U.S.C. 529; to the Committee on the Judiciary.

3002. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Visas: Documentation of Nonimmigrants—Passport and Visa Waivers; Deletion of Obsolete Visa Procedures and other Minor Corrections [Public Notice 3048] received May 11, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3003. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report entitled "Report of Denial of Visas to Confiscators of American Property"; to the Committee on the Judiciary.

3004. A letter from the Executive Director, Special Designee of the Governor, State Properties Commission, transmitting notification that the States of Georgia and South Carolina have agreed upon the location of the Georgia-South Carolina boundary from Savannah to the lateral seaward boundary; to the Committee on the Judiciary.

3005. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Virginia Beach Weekly Fireworks Display, Rudee Inlet, Virginia Beach, Virginia, and Atlantic Ocean, Coastal Waters, between 17th and 20th Street, Virginia Beach, Virginia [CGD 05–99–041] (RIN: 2115–AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3006. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Salvage of Sunken Fishing Vessel CAPE FEAR, Buzzards Bay, MA [CGD01 99–078] (RIN: 2115–AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3007. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulation; Bayou Des Allemands, LA (CGD08-99-040) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3008. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Regulations: Hackensack River, NJ [CGD01-99-059] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3009. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Hackensack River, NJ [CGD01-99-084] received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3010. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Glen Cove, New York Fireworks, Hempstead Harbor, NY [CGD01-99-042] (RIN: 2115-AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3011. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Regulations: Skull Creek, Hilton Head, SC [CGD07-99-037] (RIN: 2115-AE47) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3012. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Cocos Lagoon, Guam [COTP GUAM 99-011] (RIN: 2115-AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3013. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Clamfest Fireworks, Sandy Hook Bay, Atlantic Highlands, New Jersey [CGD01-99-071] (RIN: 2115-AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3014. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; 4th of July Celebration Ohio River Mile 469.2-470.5, Cincinnati, OH [CGD08-99-041] (RIN: 2115-AE46) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3015. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Sag Harbor Fireworks Display, Sag Harbor Bay, Sag Harbor, NY [CGD01-99-072] (RIN: 2115-AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3016. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Heritage of Pride Fireworks, Hudson River, New York [CGD01-99-056] (RIN: 2115-AA97) received June 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. MYRICK: Committee on Rules. House Resolution 245. Resolutions Providing for consideration of the bill (H.R. 1691) to protect religious liberty (Rept. 106-229). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 535. A bill to direct the Secretary of the Interior to make corrections to a map relating to the Coastal Barrier Resources System (Rept. 106-230). Referred to the Committee of the Whole House on the State of the Union.

Mr. KOLBE: Committee on Appropriations. H.R. 2490. A bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending Septmber 30, 2000, and for other purposes (Rept. 106-231). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ARCHER:

H.R. 2488. A bill to amend the Internal Revenue Code of 1986 to reduce individual income tax rates, to provide marriage penalty relief, to reduce taxes on savings and investments, to provide estate and gift tax relief, to provide incentives for education savings and health care, and for other purposes; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. RANGEL, Mr. ROYCE, Mr. PAYNE, Mr. LEVIN, Mr. MCDERMOTT, Mr. JEFFERSON, and Mr. HOUGHTON):

H.R. 2489. A bill to authorize a new trade and investment policy for sub-Sahara Africa; to the Committee on International Relations, and in addition to the Committees on Banking and Financial Services, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KOLBE:

H.R. 2490. A bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes; House Calendar No. 132. House Report No. 106-231.

By Mr. COX:

H.R. 2491. A bill to amend section 213 of the National Housing Act to authorize trusts to hold memberships in nonprofit cooperative ownership housing corporations that own properties with mortgages insured under such section; to the Committee on Banking and Financial Services.

By Mr. ENGEL (for himself and Mr. LAZIO):

H.R. 2492. A bill to amend title XVIII of the Social Security Act to revise Medicare payment policy with respect to home health services furnished under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. ESHOO (for herself, Mr. WALSH, Mr. MCNULTY, Mr. SWEENEY, and Mr. REYNOLDS):

H.R. 2493. A bill to declare as citizens of the United States certain women who lost citizenship solely by reason of marriage to an alien prior to September 22, 1922; to the Committee on the Judiciary.

By Mr. HOSTETTLER (for himself, Mr. GOODLING, Mrs. CHENOWETH, Mr. PAUL, Mr. PITTS, Mr. BUYER, Mr. ENGLISH, Mr. MCINTOSH, Mr. BURTON of Indiana, Mr. SCHAFFER, Mr. STUMP, Mr. DOOLITTLE, Mr. STEARNS, Mr. SOUDER, Mr. SHOWS, Mr. BALDACCI, and Mr. GARY MILLER of California):

H.R. 2494. A bill to amend the Internal Revenue Code of 1986 to provide a religious exemption from providing identifying numbers for dependents to claim certain credits and deductions on a tax return; to the Committee on Ways and Means.

By Mr. LIPINSKI:

H.R. 2495. A bill to direct the Administrator of the Federal Aviation Administration to issue regulations to limit the number of pieces of carry-on baggage that a passenger may bring on an airplane; to the Committee on Transportation and Infrastructure.

By Mr. ORTIZ:

H.R. 2496. A bill to reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994; to the Committee on Resources.

By Mr. PITTS (for himself, Mr. ENGLISH, Mr. BOEHLERT, Mr. WELDON of Pennsylvania, Mr. HOEFFEL, Mr. PETERSON of Pennsylvania, Mr. GREENWOOD, Mr. SAM JOHNSON of Texas, Mr. MCINTOSH, Mr. LARGENT, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. TANCREDO, Mrs. MORELLA, Mr. JONES of North Carolina, Mr. HOSTETTLER, Mr. DEMINT, Mr. GILMAN, and Mr. GOODE):

H.R. 2497. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income gain on the sale or exchange of farmland which by covenant is restricted to use as farmland and to exclude the value of such farmland from estate taxes; to the Committee on Ways and Means.

By Mr. STEARNS (for himself, Mr. RAHALL, Mr. ABERCROMBIE, Mr. BARRETT of Wisconsin, Mr. BILBRAY, Mr. BOEHLERT, Mr. COOK, Mr. DAVIS of Virginia, Mr. DELAHUNT, Mr. DEUTSCH, Mr. FOLEY, Mr. GALLEGLY, Mr. GEKAS, Mr. GREENWOOD, Mr. GUTIERREZ, Mr. HILLIARD, Ms. HOOLEY of Oregon, Mrs. JOHNSON of Connecticut, Mr. MASCARA, Mr. MATSUI, Mr. MEEHAN, Mrs. MINK of Hawaii, Mrs. MORELLA, Mr. PASCRELL, Mr. SANDLIN, and Mr. WEINER):

H.R. 2498. A bill to amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices; to the Committee on Commerce.

By Mr. WEINER (for himself, Mr. Hyde, Mr. Crowley, Mr. Shays, Ms. Rivers, Mrs. Morella, Mr. Stark, Mr. King, Mrs. Lowey, Mr. Udall of Colorado, Mr. Serrano, Mrs. McCarthy of New York, Mr. Markey, Mr. Kucinich, Mr. Pallone, Mr. Larson, Mr. Hall of Ohio, Ms. Lee, and Mr. Capuano):

H.R. 2499. A bill to amend title 49, United States Code, to prohibit the operation of certain aircraft not complying with stage 4 noise levels; to the Committee on Transportation and Infrastructure.

By Ms. WOOLSEY:

H.R. 2500. A bill to establish demonstration projects to provide family income to respond to significant transitions, and for other purposes; to the Committee on Education and the Workforce.

By Mr. COOK:

H. Con. Res. 151. Concurrent resolution expressing the sense of the Congress that Federal funding for elementary and secondary teacher training be used first for activities to advance science, mathematics, and engineering education for elementary and secondary teachers; to the Committee on Education and the Workforce.

By Mr. MASCARA (for himself, Mr. Wamp, and Mr. Ackerman):

H. Con. Res. 152. Concurrent resolution expressing the sense of Congress that urgent action is needed to limit the hardship endured by senior citizens when meeting their prescription drug needs; to the Committee on Commerce.

By Mr. GARY MILLER of California:

H. Con. Res. 153. Concurrent resolution expressing the sense of the Congress that Federal funding for elementary and secondary teacher training be used first for science scholarships for elementary and secondary teachers; to the Committee on Education and the Workforce, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KUYKENDALL (for himself, Mrs. Johnson of Connecticut, Mrs. Kelly, Mrs. Fowler, Mr. Foley, Ms. Dunn, Mr. Shimkus, Mr. Shays, Ms. Jackson-Lee of Texas, Mr. Bachus, Mr. Gallegly, Mr. Barr of Georgia, Mr. Sununu, Mr. Talent, Mr. Green of Wisconsin, Mr. Saxton, Ms. Pryce of Ohio, Mr. Cook, Mr. Bliley, Mr. Ramstad, Mr. Tancredo, Mr. Burton of Indiana, Mrs. Capps, Mr. Stearns, Mr. Blunt, Mr. Cummings, Mr. Chabot, Ms. Eshoo, and Ms. Norton):

H. Res. 244. Resolution expressing the sense of the House of Representatives with regard to the United States Women's Soccer Team and its winning performance in the 1999 Women's World Cup tournament.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Ms. LEE:

H.R. 2501. A bill for the relief of Geert Botzen; to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 2502. A bill for the relief of Lawrence Williams; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

33. The SPEAKER presented a petition of the Puerto Rico Bar Association Board of Directors, relative to Resolution No. 34 petitioning the President of the United States to cease the target practices of the United States of North America at the island of Vieques and adjacent water bodies; to the Committee on Armed Services.

34. Also, a petition of the Legislature of Rockland County, relative to Resolution No. 208 petitioning Congress to enact legislation prohibiting the physical destruction of the American Flag by Constitutional Amendment; to the Committee on the Judiciary.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 1691

Offered By Mr. Conyers

(Amendment in the Nature of a Substitute)

Amendment No. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Religious Liberty Protection Act of 1999".

SEC. 2. PROTECTION OF RELIGIOUS EXERCISE.

(a) General Rule.—Except as provided in subsection (b), a government shall not substantially burden a person's religious exercise—

(1) in a program or activity, operated by a government, that receives Federal financial assistance; or

(2) in any case in which the substantial burden on the person's religious exercise affects, or in which a removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes;

even if the burden results from a rule of general applicability.

(b) Exception.—A government may substantially burden a person's religious exercise if the government demonstrates that application of the burden to the person—

(1) is in furtherance of a compelling governmental interest; and

(2) is the least restrictive means of furthering that compelling governmental interest.

(c) Remedies of the United States.—Nothing in this section shall be construed to authorize the United States to deny or withhold Federal financial assistance as a remedy for a violation of this Act. However, nothing in this subsection shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or the United States or any agency, officer, or employee thereof under other law, including section 4(d) of this Act, to institute or intervene in any action or proceeding.

SEC. 3. ENFORCEMENT OF CONSTITUTIONAL RIGHTS.

(a) Procedure.—If a claimant produces prima facie evidence to support a claim alleging a violation of the Free Exercise Clause or a violation of a provision of this Act enforcing that clause, the government shall bear the burden of persuasion on any element of the claim; however, the claimant shall bear the burden of persuasion on whether the challenged government practice, law, or regulation burdens or substantially burdens the claimant's exercise of religion.

(b) Land Use Regulation.—

(1) Limitation on land use regulation.—

(A) Where, in applying or implementing any land use regulation or exemption, or system of land use regulations or exemptions, a government has the authority to make individualized assessments of the proposed uses to which real property would be put, the government may not impose a substantial burden on a person's religious exercise, unless the government demonstrates that application of the burden to the person is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that compelling governmental interest.

(B) No government shall impose or implement a land use regulation in a manner that does not treat religious assemblies or institutions on equal terms with nonreligious assemblies or institutions.

(C) No government shall impose or implement a land use regulation that discriminates against any assembly or institution on the basis of religion or religious denomination.

(D) No government with zoning authority shall unreasonably exclude from the jurisdiction over which it has authority, or unreasonably limit within that jurisdiction, assemblies or institutions principally devoted to religious exercise.

(2) Full faith and credit.—Adjudication of a claim of a violation of the Free Exercise Clause or this subsection in a non-Federal forum shall be entitled to full faith and credit in a Federal court only if the claimant had a full and fair adjudication of that claim in the non-Federal forum.

(3) Nonpreemption.—Nothing in this subsection shall preempt State law that is equally or more protective of religious exercise.

SEC. 4. JUDICIAL RELIEF.

(a) Cause of Action.—A person may assert a violation of this Act as a claim or defense in a judicial proceeding and obtain appropriate relief against a government. Standing to assert a claim or defense under this section shall be governed by the general rules of standing under article III of the Constitution.

(b) Attorneys' Fees.—Section 722(b) of the Revised Statutes (42 U.S.C. 1988(b)) is amended—

(1) by inserting "the Religious Liberty Protection Act of 1998," after "Religious Freedom Restoration Act of 1993,"; and

(2) by striking the comma that follows a comma.

(c) Prisoners.—Any litigation under this Act in which the claimant is a prisoner shall be subject to the Prison Litigation Reform Act of 1995 (including provisions of law amended by that Act).

(d) Authority of United States to Enforce This Act.—The United States may sue for injunctive or declaratory relief to enforce compliance with this Act.

(e) Persons Who May Raise a Claim or Defense.—A person who may raise a claim or defense under subsection (a) is—

(1) an owner of a dwelling described in section 803(b) of the Fair Housing Act (42 U.S.C. 3603(b)), with respect to a prohibition relating to discrimination in housing;

(2) with respect to a prohibition against discrimination in employment—

(A) a religious corporation, association, educational institution (as described in 42 U.S.C. 2000e–2(e)), or society, with respect to the employment of individuals who perform duties such as spreading or teaching faith, other instructional functions, performing or assisting in devotional services, or activities relating to the internal governance of such corporation, association, educational institution, or society in the carrying on of its activities; or

(B) an entity employing 5 or fewer individuals; or

(3) any other person, with respect to an assertion of any other claim or defense relating to a law other than a law—

(A) prohibiting discrimination in housing and employment, except as described in paragraphs (1) and (2); or

(B) prohibiting discrimination in a public accommodation.

SEC. 5. RULES OF CONSTRUCTION.

(a) Religious Belief Unaffected.—Nothing in this Act shall be construed to authorize any government to burden any religious belief.

(b) Religious Exercise Not Regulated.—Nothing in this Act shall create any basis for restricting or burdening religious exercise or for claims against a religious organization, including any religiously affiliated school or university, not acting under color of law.

(c) Claims to Funding Unaffected.—Nothing in this Act shall create or preclude a right of any religious organization to receive funding or other assistance from a government, or of any person to receive government funding for a religious activity, but this Act may require government to incur expenses in its own operations to avoid imposing a burden or a substantial burden on religious exercise.

(d) Other Authority To Impose Conditions on Funding Unaffected.—Nothing in this Act shall—

(1) authorize a government to regulate or affect, directly or indirectly, the activities or policies of a person other than a government as a condition of receiving funding or other assistance; or

(2) restrict any authority that may exist under other law to so regulate or affect, except as provided in this Act.

(e) Governmental Discretion in Alleviating Burdens on Religious Exercise.—A government may avoid the preemptive force of any provision of this Act by changing the policy that results in the substantial burden on religious exercise, by retaining the policy and exempting the burdened religious exercise, by providing exemptions from the policy for applications that substantially burden religious exercise, or by any other means that eliminates the substantial burden.

(f) Effect on Other Law.—In a claim under section 2(a)(2) of this Act, proof that a substantial burden on a person's religious exercise, or removal of that burden, affects or would affect commerce, shall not establish any inference or presumption that Congress intends that any religious exercise is, or is not, subject to any other law.

(g) Broad Construction.—This Act should be construed in favor of a broad protection of religious exercise, to the maximum extent permitted by its terms and the Constitution.

(h) Severability.—If any provision of this Act or of an amendment made by this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provision to any other person or circumstance shall not be affected.

SEC. 6. ESTABLISHMENT CLAUSE UNAFFECTED.

Nothing in this Act shall be construed to affect, interpret, or in any way address that portion of the first amendment to the Constitution prohibiting laws respecting an establishment of religion (referred to in this section as the "Establishment Clause"). Granting government funding, benefits, or exemptions, to the extent permissible under the Establishment Clause, shall not constitute a violation of this Act. As used in this section, the term "granting", used with respect to government funding, benefits, or exemptions, does not include the denial of government funding, benefits, or exemptions.

SEC. 7. AMENDMENTS TO RELIGIOUS FREEDOM RESTORATION ACT.

(a) Definitions.—Section 5 of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–2) is amended—

(1) in paragraph (1), by striking "a State, or subdivision of a State" and inserting "a covered entity or a subdivision of such an entity";

(2) in paragraph (2), by striking "term" and all that follows through "includes" and inserting "term 'covered entity' means"; and

(3) in paragraph (4), by striking all after "means," and inserting "any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution.".

(b) Conforming Amendment.—Section 6(a) of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–3(a)) is amended by striking "and State".

SEC. 8. DEFINITIONS.

As used in this Act—

(1) the term "religious exercise" means any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution;

(2) the term "Free Exercise Clause" means that portion of the first amendment to the Constitution that proscribes laws prohibiting the free exercise of religion and includes the application of that proscription under the 14th amendment to the Constitution;

(3) the term "land use regulation" means a law or decision by a government that limits or restricts a private person's uses or development of land, or of structures affixed to land, where the law or decision applies to one or more particular parcels of land or to land within one or more designated geographical zones, and where the private person has an ownership, leasehold, easement, servitude, or other property interest in the regulated land, or a contract or option to acquire such an interest;

(4) the term "program or activity" means a program or activity as defined in paragraph (1) or (2) of section 606 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–4a);

(5) the term "demonstrates" means meets the burdens of going forward with the evidence and of persuasion; and

(6) the term "government"—

(A) means—

(i) a State, county, municipality, or other governmental entity created under the authority of a State;

(ii) any branch, department, agency, instrumentality, subdivision, or official of an entity listed in clause (i); and

(iii) any other person acting under color of State law; and

(B) for the purposes of sections 3(a) and 5, includes the United States, a branch, department, agency, instrumentality or official of the United States, and any person acting under color of Federal law.

H.R. 1691

Offered By: Mr. Nadler

(Amendment in the Nature of a Substitute)

Amendment No. 2: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Religious Liberty Protection Act of 1999".

SEC. 2. PROTECTION OF RELIGIOUS EXERCISE.

(a) General Rule.—Except as provided in subsection (b), a government shall not substantially burden a person's religious exercise—

(1) in a program or activity, operated by a government, that receives Federal financial assistance; or

(2) in any case in which the substantial burden on the person's religious exercise affects, or in which a removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes;

even if the burden results from a rule of general applicability.

(b) Exception.—A government may substantially burden a person's religious exercise if the government demonstrates that application of the burden to the person—

(1) is in furtherance of a compelling governmental interest; and

(2) is the least restrictive means of furthering that compelling governmental interest.

(c) Remedies of the United States.—Nothing in this section shall be construed to authorize the United States to deny or withhold Federal financial assistance as a remedy for a violation of this Act. However, nothing in this subsection shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or the United States or any agency, officer, or employee thereof under other law, including section 4(d) of this Act, to institute or intervene in any action or proceeding.

SEC. 3. ENFORCEMENT OF CONSTITUTIONAL RIGHTS.

(a) Procedure.—If a claimant produces prima facie evidence to support a claim alleging a violation of the Free Exercise Clause or a violation of a provision of this Act enforcing that clause, the government shall bear the burden of persuasion on any element of the claim; however, the claimant shall bear the burden of persuasion on whether the challenged government practice, law, or regulation burdens or substantially burdens the claimant's exercise of religion.

(b) Land Use Regulation.—

(1) Limitation on land use regulation.—

(A) Where, in applying or implementing any land use regulation or exemption, or system of land use regulations or exemptions, a government has the authority to make individualized assessments of the proposed uses to which real property would be put, the government may not impose a substantial burden on a person's religious exercise, unless the government demonstrates that application of the burden to the person is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that compelling governmental interest.

(B) No government shall impose or implement a land use regulation in a manner that does not treat religious assemblies or institutions on equal terms with nonreligious assemblies or institutions.

(C) No government shall impose or implement a land use regulation that discriminates against any assembly or institution on the basis of religion or religious denomination.

(D) No government with zoning authority shall unreasonably exclude from the jurisdiction over which it has authority, or unreasonably limit within that jurisdiction, assemblies or institutions principally devoted to religious exercise.

(2) Full faith and credit.—Adjudication of a claim of a violation of the Free Exercise Clause or this subsection in a non-Federal forum shall be entitled to full faith and credit in a Federal court only if the claimant had a full and fair adjudication of that claim in the non-Federal forum.

(3) Nonpreemption.—Nothing in this subsection shall preempt State law that is equally or more protective of religious exercise.

SEC. 4. JUDICIAL RELIEF.

(a) Cause of Action.—A person may assert a violation of this Act as a claim or defense in a judicial proceeding and obtain appropriate relief against a government. Standing to assert a claim or defense under this section shall be governed by the general rules of standing under article III of the Constitution.

(b) Attorneys' Fees.—Section 722(b) of the Revised Statutes (42 U.S.C. 1988(b)) is amended—

(1) by inserting "the Religious Liberty Protection Act of 1998," after "Religious Freedom Restoration Act of 1993,"; and

(2) by striking the comma that follows a comma.

(c) Prisoners.—Any litigation under this Act in which the claimant is a prisoner shall be subject to the Prison Litigation Reform Act of 1995 (including provisions of law amended by that Act).

(d) Authority of United States to Enforce This Act.—The United States may sue for injunctive or declaratory relief to enforce compliance with this Act.

(e) Persons Who May Raise a Claim or Defense.—A person who may raise a claim or defense under subsection (a) is—

(1) an owner of a dwelling described in section 803(b) of the Fair Housing Act (42 U.S.C. 3603(b)), with respect to a prohibition relating to discrimination in housing;

(2) with respect to a prohibition against discrimination in employment—

(A) a religious corporation, association, educational institution (as described in 42 U.S.C. 2000e–2(e)), or society, with respect to the employment of individuals who perform duties such as spreading or teaching faith, other instructional functions, performing or assisting in devotional services, or activities relating to the internal governance of such corporation, association, educational institution, or society in the carrying on of its activities; or

(B) an entity employing 5 or fewer individuals; or

(3) any other person, with respect to an assertion of any other claim or defense relating to a law other than a law—

(A) prohibiting discrimination in housing and employment, except as described in paragraphs (1) and (2); or

(B) prohibiting discrimination in a public accommodation.

SEC. 5. RULES OF CONSTRUCTION.

(a) Religious Belief Unaffected.—Nothing in this Act shall be construed to authorize any government to burden any religious belief.

(b) Religious Exercise Not Regulated.—Nothing in this Act shall create any basis for restricting or burdening religious exercise or for claims against a religious organization, including any religiously affiliated school or university, not acting under color of law.

(c) Claims to Funding Unaffected.—Nothing in this Act shall create or preclude a right of any religious organization to receive funding or other assistance from a government, or of any person to receive government funding for a religious activity, but this Act may require government to incur expenses in its own operations to avoid imposing a burden or a substantial burden on religious exercise.

(d) Other Authority To Impose Conditions on Funding Unaffected.—Nothing in this Act shall—

(1) authorize a government to regulate or affect, directly or indirectly, the activities or policies of a person other than a government as a condition of receiving funding or other assistance; or

(2) restrict any authority that may exist under other law to so regulate or affect, except as provided in this Act.

(e) Governmental Discretion in Alleviating Burdens on Religious Exercise.—A government may avoid the preemptive force of any provision of this Act by changing the policy that results in the substantial burden on religious exercise, by retaining the policy and exempting the burdened religious exercise, by providing exemptions from the policy for applications that substantially burden religious exercise, or by any other means that eliminates the substantial burden.

(f) Effect on Other Law.—In a claim under section 2(a)(2) of this Act, proof that a substantial burden on a person's religious exercise, or removal of that burden, affects or would affect commerce, shall not establish any inference or presumption that Congress intends that any religious exercise is, or is not, subject to any other law.

(g) Broad Construction.—This Act should be construed in favor of a broad protection of religious exercise, to the maximum extent permitted by its terms and the Constitution.

(h) Severability.—If any provision of this Act or of an amendment made by this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provision to any other person or circumstance shall not be affected.

SEC. 6. ESTABLISHMENT CLAUSE UNAFFECTED.

Nothing in this Act shall be construed to affect, interpret, or in any way address that portion of the first amendment to the Constitution prohibiting laws respecting an establishment of religion (referred to in this section as the "Establishment Clause"). Granting government funding, benefits, or exemptions, to the extent permissible under the Establishment Clause, shall not constitute a violation of this Act. As used in this section, the term "granting", used with respect to government funding, benefits, or exemptions, does not include the denial of government funding, benefits, or exemptions.

SEC. 7. AMENDMENTS TO RELIGIOUS FREEDOM RESTORATION ACT.

(a) Definitions.—Section 5 of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–2) is amended—

(1) in paragraph (1), by striking "a State, or subdivision of a State" and inserting "a covered entity or a subdivision of such an entity";

(2) in paragraph (2), by striking "term" and all that follows through "includes" and inserting "term 'covered entity' means"; and

(3) in paragraph (4), by striking all after "means," and inserting "any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution.".

(b) Conforming Amendment.—Section 6(a) of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–3(a)) is amended by striking "and State".

SEC. 8. DEFINITIONS.

As used in this Act—

(1) the term "religious exercise" means any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution;

(2) the term "Free Exercise Clause" means that portion of the first amendment to the Constitution that proscribes laws prohibiting the free exercise of religion and includes the application of that proscription under the 14th amendment to the Constitution;

(3) the term "land use regulation" means a law or decision by a government that limits or restricts a private person's uses or development of land, or of structures affixed to land, where the law or decision applies to one or more particular parcels of land or to land within one or more designated geographical zones, and where the private person has an ownership, leasehold, easement, servitude, or other property interest in the regulated land, or a contract or option to acquire such an interest;

(4) the term "program or activity" means a program or activity as defined in paragraph (1) or (2) of section 606 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–4a);

(5) the term "demonstrates" means meets the burdens of going forward with the evidence and of persuasion; and

(6) the term "government"—

(A) means—

(i) a State, county, municipality, or other governmental entity created under the authority of a State;

(ii) any branch, department, agency, instrumentality, subdivision, or official of an entity listed in clause (i); and

(iii) any other person acting under color of State law; and

(B) for the purposes of sections 3(a) and 5, includes the United States, a branch, department, agency, instrumentality or official of the United States, and any person acting under color of Federal law.

H.R. 2415

Offered By: Mr. Sanford

Amendment No. 1: Page 14, line 23, strike "$17,500,000" and insert "$12,000,000".

H.R. 2415

Offered By: Mr. Sanford

Amendment No. 2: Page 15, strike lines 19 and 20, and insert "$1,500,000 for the fiscal year 2000.".

H.R. 2415

Offered By: Mr. Sanford

Amendment No. 3: Page 21, line 25, strike "such sums as may be necessary" and insert "$8,000,000".

H.R. 2466

OFFERED BY: MS. SLAUGHTER

AMENDMENT NO. 16: Page 71, line 19, insert "(reduced by $20,000,000)" after the dollar figure.

Page 87, line 19, insert "(increased by $10,000,000)" after the dollar figure.

Page 88, line 18, insert "(increased by $10,000,000)" after the dollar figure.

H.R. 2466

OFFERED BY: MR. STEARNS

AMENDMENT NO. 17: Page 87, line 19, insert "(reduced by $2,087,500)" after the dollar figure.

H.R. 2466

OFFERED BY: MR. STEARNS

AMENDMENT NO. 18: Page 87, line 25, insert the following before the period:

, except that 95 percent of such amount shall be allocated among the States on the basis of population for grants under section 5(g) notwithstanding sections 5(g)(3) and 11(a)(1)(A)(ii) of the Act

H.R. 2466

OFFERED BY: MR. STEARNS

AMENDMENT NO. 19: At the end of the bill add the following:

TITLE —STUDY OF FORT KING, FLORIDA

SEC. 01. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the Second Seminole War, 1835–1842, is an important period of conflict in the history of the Nation and lasted longer than any other armed conflict in which the Nation participated, except the Vietnam War;

(2) Fort King, in central Florida, played an important historic role in the Second Seminole War as the site of the outbreak of hostilities between the United States Government and the Seminole Indians of Florida, who were led by Seminole Indian Chief Osceola;

(3) Fort King represents a unique site for exploration and interpretation of the attack that ignited the Second Seminole War on December 28, 1835; and

(4) Fort King and the surrounding area contain materials and artifacts used in the attack and in the life of the Seminole Indians.

SEC. 02. REQUIREMENT OF STUDY.

The Secretary of the Interior (hereinafter in this title referred to as the "Secretary") shall conduct a study to identify potential means to preserve, develop, and interpret Fort King, in central Florida, and the surrounding area. As part of the study, the Secretary shall propose alternatives for cooperation in the preservation and interpretation of Fort King and shall provide recommendations with respect to the suitability and feasibility of establishing Fort King as a unit of the National Park System.

SEC. 03. FINDINGS INCLUDED IN STUDY.

The study required by section 02 shall contain, but need not be limited to, findings with respect to—

(1) the role played by Fort King in the Second Seminole War;

(2) identification of the historical, cultural, and archaeological material found in Fort King and the surrounding area relating to life at the time of and preceding the Second Seminole War;

(3) the types of Federal, State, and local programs that are available to preserve and develop Fort King and the surrounding area and to make the fort and the surrounding area accessible for public use and enjoyment; and

(4) the potential use of, and coordination with, Federal, State, and local programs to manage, in the public interest, the historical and cultural resources found at and around Fort King.

SEC. 04. CONGRESSIONAL REVIEW.

The Secretary shall submit a report detailing the results of the study required by section 02 to the committees of jurisdiction of the House of Representatives and the Senate not later than 12 months after the date of the enactment of this Act.

H.R. 2466

OFFERED BY: MR. WELDON

AMENDMENT NO. 20: At the end of the bill (before the short title), insert the following new section:

SEC. ___. (a) Notwithstanding any other provision of law, no funds made available under this Act may be expended to approve class III gaming on Indian lands by any means other than a Tribal-State compact entered into between a State and a tribe.

(b) For the purposes of this section, the terms "class III gaming", "Indian lands", and "Tribal-State compact" shall have the meaning given those terms in the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.).

H.R. 2466

OFFERED BY: MR. WU

AMENDMENT NO. 21: Page 57, line 8, after the period add the following: "Of the funds made available by this paragraph, $196,885,000 shall be for timber sales management, $120,475,000 shall be for wildlife and fisheries habitat management, and $40,165,000 shall be for watershed improvements.".

OFFERED BY: MR. HOEFFEL

AMENDMENT NO. 1: Page 97, after line 13, insert the following:

STUDY ON USE OF ANTIQUES FIREARMS IN CRIME; REPORT TO THE CONGRESS

SEC. ___. (a) FINDINGS.—The Congress finds that—

(1) recent events in Norristown, Pennsylvania have focused the region's attention on the issue of antique firearms and their use in violent crimes;

(2) antique firearms are not subject to the same laws that regulate conventional firearms; and

(3) statistics on the use of antique firearms in crime are not consistently gathered, and crime perpetrated with antique firearms is not tracked.

(b) STUDY.—The Secretary of the Treasury shall collect statistics on the use of antique firearms in crime, and shall conduct a study on the use of antique firearms in crime. For purposes of this section, the term "antique firearms" has the meaning given the term in section 921(a)(16) of title 18, United States Code.

(c) REPORT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a written report on the statistics collected and the results of the study conducted under subsection (b).

H.R. 2490

OFFERED BY: MR. MORAN OF KANSAS

AMENDMENT NO. 2. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ___. None of the funds made available in this Act may be used to implement any sanction imposed unilaterally by the United States on private commercial sales of food or any other agricultural product (excluding Federal direct or guaranteed credit transactions) to a foreign country.

H.R. 2490

OFFERED BY: MR. TIAHRT

(Page & line nos. refer to Full Committee Print)

AMENDMENT NO. 3: Page 97, after line 13, insert the following new section:

SEC. 647. None of the funds appropriated by this or any other Act may be used by the United States Postal Service to implement, administer, or enforce the provisions of part 111 of title 39 of the Code of Federal Regulations (relating to delivery of mail to a commercial mail receiving agency), other than as last in effect before April 26, 1999.

EXTENSIONS OF REMARKS

DECLARE A NONVIOLENT AND DIPLOMATIC WAR TO SAVE KASHMIR

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. OWENS. Mr. Speaker, recent violent developments in Kashmir, the disputed territory between Pakistan and India, have highlighted a very dangerous blunder of neglect in U.S. and international diplomacy. The failure of the world community under the auspices of the United Nations to demand a self-determination referendum for Kashmir has resulted in a festering stalemate with very serious potential consequences for that region and the entire Earth which would have to absorb radioactive contamination from any full scale war between two recently declared nuclear powers.

Now, before the temperature rises any further, it is imperative that we maximize the effort to achieve a nonviolent solution to this crisis that has persisted for much too long. The honorable and civilized solution is a very simple one. Let the people of Kashmir vote to determine their own destiny. Pressure both Pakistan and India to allow for a Democratic solution, the ballot box and not the gun—or nuclear bombs.

It is a well-known fact that India refused to accept a self-determining referendum. The nation that has proclaimed itself as the world's largest democracy has doggedly refused to permit the Kashmir people to vote. To placate India it has been proposed that a referendum be held which does not offer the option for Kashmir to become a part of Pakistan. A vote would be for statehood within India or for an independent Kashmir nation.

The speculation is that Indian officials fear that the predominantly Muslim population of Kashmir will not vote to become a state within the predominantly Hindu nation of India. It would indeed be ignoble for the international community to allow India to continue with this inhumane, anti-democratic stranglehold on Kashmir because it fears the outcome of a vote for self-determination.

A studied neglect of the Kashmir question by the world powers is no longer possible. The recent outbreak of warfare demonstrates the impossibility of the two nations of India and Pakistan ever resolving the issue through bilateral negotiations. The Chinese who have borders with both countries and a direct involvement in the Kashmir dispute will also not be very helpful in resolving the conflict. The problem of Kashmir must be immediately placed on the high priority agenda of the United Nations Security Council.

Surely the Kosovo tragedy has shown the citizens of the world who are not indifferent to human suffering that the failure to pursue aggressive nonviolent actions and intense diplomacy will result in an inevitable catastrophe.

IN HONOR OF JIM RUCKI

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Jim Rucki, a basketball coach for 10 years and baseball coach for 13 seasons at Rocky River High School, home of the Pirates.

Rucki capped his career at Rocky River High School by coaching his players to 22 wins this season and 20 victories last season thus leading them to their second consecutive state championship. Rocky River High School is the first Cleveland-area public school to make consecutive state-title game appearances since 1979.

While a basketball coach, Rucki led his teams to 160 victories including two conference titles, two district championships, and nine sectional titles. After more than 13 wonderful years of coaching, Coach Jim Rucki has proved himself to be an outstanding coach who truly loves what he does.

Not only is Coach Rucki an exceptional coach, he is also a modest one as well. Coach Rucki is known for saying that his players are the ones responsible for all the awards that he has earned.

However, Coach Rucki also stresses hard work off the field. As part of the educational process of his players, he expects that his players earn good grades in all of their academic classes. He truly knows the importance of education in the development of a young person's character.

Although Coach Rucki is moving, he will however continue to coach boys basketball, one of the sports he loves. Both his players and a very grateful community will deeply miss him and all of his hard work and we thank Coach Rucki for all that he has done. I ask you fellow colleagues to join with me and the community of Rocky River in congratulating Coach Jim Rucki on an excellent job throughout his coaching career.

DRINKING AND DRIVING AND DRUG TREATMENT

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. SANDERS. Mr. Speaker, I submit for the RECORD statements by high school students from my home State of Vermont, who were speaking at my recent town meeting on issues facing young people today. I am asking that you please insert these statements in the CONGRESSIONAL RECORD as I believe that the views of these young persons will benefit my colleagues.

DRINKING AND DRIVING

(On Behalf of Chelsea Downing and Rebekah Blaisdell)

Chelsea Downing: Drunk driving has become a major problem in the small towns of northern Vermont. Just a year ago, four teens were killed in a car accident on their way back from Canada. Alcohol was proved to be a factor in this crash. Since the drinking age above the border is 18, teenagers drive to Montreal to enjoy bar-hopping with their friends. The driving coming home from the bars can be hazardous.

How can these problems be prevented? The question has lingered in the minds of many, since the number of Vermont traffic deaths involving drunk drivers under 21 have increased. Stopping underaged drinking altogether is an extremely difficult task. If we can reduce the driving while young people are under the influence, serious deaths and injuries can be prevented. We need to focus on the driving aspect, because it yields much more serious consequences than just drinking alone.

The teen curfew is one action the state legislature has discussed. The curfew will prevent drivers under 18 from being on the roads after 11 p.m. This would restrict inexperienced drivers from being on the road when the risk period is high. But it also restricts young people from doing normal things, such as going to movies or the drive-in, or simply getting together with their friends. People above 18 can still drive. These are the people who can drink legally in Montreal. This curfew will not affect these teens, who face a long drive home from the bars in Canada. We have proof that this trip can be fatal.

The state of Vermont has recognized that we have a problem. Increased numbers of police officers, strict DWI laws, and teen curfews are a few of the things they are in charge of. These measures can help solve the problem, but what really will make the difference is what these teenagers are exposed to in their everyday lives. Their school, friends, and especially their parents are all responsible for the decisions they will have to make.

Teens need to recognize the consequences of drunk driving—that death can result. Real stories of the families who have lost children to accidents best express these outcomes. Schools should be obligated to hold assemblies for students, telling them real stories about what could happen. These presentations are necessary, especially for events such as homecoming and the prom, where underage drinking and driving is apt to occur.

Parents need to be involved in their children's lives, especially during the high-risk years. Increasing awareness is the best way to teach teenagers to consider the risks before involving themselves in dangerous situations.

Rebekah Blaisdell: As everyone knows, life and death goes hand and hand, but nobody ever tells us how to deal with it. Family

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

members die, our leaders die; but our classmates aren't supposed to. Lately my life that had more death than anyone would like to deal with. In the past month, two of my classmates have died unexpectedly. Scott was a very good friend of mine, and I have known Gary since first grade. I will remember them forever, and they have a special place in my heart.

In each of these cases, we will never know why they died, if it was an accident or if it was of their own choice. This decision is left up to those of us who are still here. We will never know for sure, but every day I wonder if there was something I could have done. I don't understand why Scott and Gary had to die at such a young age, but my life will go on. I have to come to terms with this senseless loss. But lately, it seems the school has forgotten what happened just a month ago. three days of extra counselors because of Scott's death. Is that what his life was worth? Three days?

I will never forget what happened during my senior year, but soon this school will. In four years, nobody will know Scott or Gary's name, and if they do, they won't understand what happened to them or those around then. It bothers me, because people should remember. Events like this should never be forgotten, because if they are history will repeat itself and more people will die.

Even if Scott and Gary's deaths were accidents, schools should teach about depression, and provide a way for students to get help for themselves. I know each school has guidance counselors. But who wants to talk to somebody who might not even know your name?

All my life, I've had to deal with depression. And most people don't truly understand. I'm only 17. But already I have had at least seven of my best friends attempt suicide, and a couple have succeeded. People need to know where and how to find help, and if they're finding help for a friend, they need to know that their friend is not going to hate them, and if they do, they're still alive, and that's the point.

If people don't know or don't want to admit that they may be depressed, there is a bigger chance that they will take matters into their own hands. Depression is not a dirty or a bad word, and people who are depressed aren't any different from anyone else, they just need a little more support.

When it comes down to life and death, I've always opted for life. Life may be tough, but death is so final. Once the trigger is pulled or the plunge is taken, there is no turning back. No matter how hard life is, it will always get better.

DRUG TREATMENT

(On behalf of Lucas Gockley and Aaron Gerhardt)

Lucas Gockley: We are here today to talk to you about the methadone maintenance treatment for heroin addicts. Heroin a highly addictive drug derived from morphine. Some of the long-term diseases stemming from heroin use are weight loss, heart disease, AIDS, and death, eventually.

In Vermont, heroin use is increasing dramatically. In 1994, 118 people in a state-run treatment center said they used heroin. In 1996, 154 people said they were addicts. There has been a 50-percent increase in heroin use in the Rutland area alone. In 1997 in the Rutland area, there have been two drug store robberies and one bank robbery by heroin addicts looking for money to fund their habit. There have also been eight deaths due to heroin overdose in just Rutland County in 1996 and 1997.

State police figures show that crime due to heroin addiction has almost tripled in this state in a period between 1996 and 1997. Here at the university, there is a federally-funded detox center run by UVM's Dr. Warren Diggle, and the figures show that 60 percent of the heroin addicts he sees are repeat visitors.

Heroin use is on the rise in Vermont, and help for addicts is virtually nonexistent. The only effective treatment is the methadone maintenance treatment.

Aaron Gerhardt: Vermont has no real treatment facilities which addicts who have a desire to get off of heroin can use.

One question to ask about methadone maintenance treatment is, Does it work? In the European Archives of Psychiatry and Clinical Neurosciences, researchers found that "MMT"—or methadone maintenance treatment—"centers have a real efficiency, not only to reduce illicit opiate abuse between 50 and 80 percent, but also to reduce criminality, HIV risk, and mortality, and also to improve social rehabilitation without introducing other alternative substance abuse." Another study published in the American Journal of Drug and Alcohol Abuse found that heroin addicts who go through methadone treatment are less likely to use cocaine, amphetamines, tranquilizers and marijuana. It is clear that MMT does work.

The reason that MMI facilities need to be government-funded is because, currently, Medicare and Medicaid do not cover methadone maintenance treatments, and, frankly, the treatment is too expensive for the average addict to pay for. So it is much easier for them to stay home, using the welfare, and continue using heroin, which just contributes to the cultural stereotype of the freeloading drug addict. Government funding can help ease the burden for the addict, and it shows a concern on the part of the government to help the individual. Instead of condemning them as criminals, it just makes them seem more that they have a problem, instead of being bad people.

Also, within these facilities, the need for confidentiality is imperative. Addicts have to have a place where they can go to and not feel threatened by the threat of prosecution, persecution, and shame. The MMT centers need to have flexible hours so that addicts who are trying to stay productive members of society can go to them. A nine-to-five day for a center being open is not that feasible for an addict who is trying to hold a day job. Simply put, the best time for the clinical centers to be open would be 24 hours a day, which, granted, would be a little bit inconvenient for people, but for the addict, it helps.

It is also very important that these centers have counseling facilities available, and counselors available. The chances of success in methadone maintenance treatment greatly increases with psychotherapy. According to a 1995 study published in The Journal of Psychiatry, addicts who underwent psychotherapy were much more likely to complete the treatment and become well-rounded, productive members of society once more, and stay off the heroin.

So, over all, the benefits to Vermont are clear: MMT helps to lower crime, HIV risk, and death. Also, through MMI, addicts are more likely to stay off drugs for the rest of their lives and become productive members of society.

Congressman Sanders: Thanks. It sounds like you did some good research.

A TRIBUTE TO THE LATE DR. GENO SACCOMANNO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. McINNIS. Mr. Speaker, it is with a heavy and saddened heart that I now rise to honor the incomparable life of a man who gave immeasurably to his community, state, nation and all of humanity: Dr. Geno Saccomanno. During the course of his distinguished life, Dr. Saccomanno performed seemingly infinite acts of compassion, care, and kindness that impacted, very literally, many hundreds of thousands of people. Today, Mr. Speaker, as family and friends remember the remarkable life of this great American, I too would like to pay tribute to Dr. Geno Saccomanno and thank him for the remarkable life of service that he led.

Beginning in 1948 and continuing until the last days of his life, Dr. Saccomanno served with widely acclaimed distinction as a medical researcher at St. Mary's Hospital in Grand Junction, Colorado. In his time there, he would quickly become a driving force behind the transformation of St. Mary's from a small rural hospital to a regional hub of medical service. Ultimately, the rise of St. Mary's Hospital to the position of stature it now enjoys is irrevocably tied to the extraordinary work that Dr. Saccomanno did on its behalf.

Beyond bringing great renown to St. Mary's Hospital, Dr. Saccomanno's tireless efforts in the field of lung cancer research—the cause to which he devoted his life, also earned him great personal acclaim as a leading figure within his profession. His exhaustive research of cancer within uranium miners, which witnessed his testing of nearly 18,000 uranium miners, was internationally lauded for the medical breakthroughs it produced. Dr. Saccomanno's sputum cytology method for lung cancer screening, one of the many offshoots of his research in this area, is still used by hospitals both in the United States and Japan.

In addition to these professional achievements, Dr. Saccomanno also published a medical textbook, 80 research papers and invented medical instruments—including a brush to take cervical samples for Pap smears and a tube used in lung cancer screening.

While medical history will long remember him for his research prowess, the Grand Junction community will always proudly recall Dr. Saccomanno as a philanthropist of unmatched generosity. A statement offered by Dr. Saccomanno several years ago embodies this notion: "To help people, in our opinion, is a privilege. There is no endeavor that gives more pleasure than helping those in need." More than a superficial credo, his statement appears to be the foundation upon which he led his life. In all, Dr. Saccomanno gave beyond measure to causes too many to list. Most notably, Dr. Saccomanno and his family established the Saccomanno Higher Education Foundation, a $2.5 million endowment supporting high school graduates in need of financial support for college.

It is with this humble gesture, Mr. Speaker, that I say thank you and good-bye to a man that I am proud to have called a friend. Although no words or tribute could ever adequately express the depth of his life accomplishments, nor communicate the level of sadness we feel at his passing, I am hopeful that Dr. Saccomanno's wife, Virginia, daughters Carol, Linda, and Lenna, and all of his grandchildren will take solace in the knowledge that the world is a better place for having known Geno Saccomanno.

PERSONAL EXPLANATION

HON. RONNIE SHOWS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. SHOWS. Mr. Speaker, because inclement weather delayed my connecting flight from Jackson, Mississippi, on Monday, July 12, 1999, I was unable to cast recorded votes on rollcalls No. 277, 278, and 279.

Had I been present, I would have voted as follows: "Yea" on rollcall 277 to approve the Journal; "yea" on rollcall No. 278 to suspend the rules and agree to H. Con. Res. 107, expressing the Sense of Congress concerning the sexual relationships between adults and children; and "yea" on rollcall No. 279 to suspend the rules and agree to H. Con. Res. 117, expressing the Sense of the Congress concerning United Nations General Assembly Resolution ES–10/6

IN HONOR OF CLINT NAGEOTTE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Clint Nageotte of the Brooklyn High School baseball team. Clint Nageotte has been playing the game he loves from the Little League fields to the fields of Brooklyn High School.

Rewriting the Brooklyn High School records, Clint has proved himself as both a remarkable pitcher and outstanding hitter. As a four-year letterman, Clint has 25 career victories, 326 strikeouts, 39 home runs, and 136 RBIs.

Leading his conference championship team all the way to their first State Final Four playoff in school history, Clint has a hitting average of .652 with 19 home runs this year alone. As a pitcher, Clint has an outstanding 7–2 record and an impressive 0.75 earned run average. Also leading the area, he struck out 119 batters in 56 innings of pitching.

Clint has been honored by the Cleveland Plain Dealer as The Player of the Year. Furthermore, Clint is a recipient of Mike Garcia Award, a very prestigious award given by the Cleveland Indians Baseball Club and the Wahoo Club. The Seattle Mariners have also chosen Clint in the fifth-round draft pick.

Clint has proved himself both on and off the field as an excellent team player and outstanding young man. Recognized both locally and nationally, I ask you to please join me in congratulating both Clint and his family on a job well done.

TRIBUTE TO THE LATE CAPTAIN WILLIAM Y. CLARK

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. FORBES. Mr. Speaker, I rise today to honor an entrepreneur, Captain William Y. Clark, a Long Island businessman who recently passed away at the age of 86.

Ask any parent and I am sure they will agree that leaving a legacy such as the reins of a family business is of great significance. Skillfully maintaining and expanding such an enterprise demands the infusion of innovative ideas which was William's speciality.

Captain William Clark was born in Shelter Island, Long Island, in 1913. He was educated at Shelter Island schools and Mt. Hermon College, in Massachusetts. Trained as a youth on diesel engines, the company he inherited has been in the Clark family continuously since 1790, when the first ferry ran.

He spent his life serving the community at the helm of South Ferry, Inc., the ferry service that runs from North Haven (outside Sag Harbor) to Shelter Island. Under Captain Clark's watchful eye, the company has become what it is today, a fleet of four boats which can hold up to twenty cars apiece.

Captain Clark was a longtime member of the Lions Club, East End Church of Christ and, when not on call with his company, a member of Shelter Island Fire Department. He also served on the board of Timothy Hill Children's Ranch in Riverhead.

The night before he passed away, he laid in a deep sleep. He would open his eyes, struggle for a breath, and then fall peacefully asleep again. However, when his family began to sing "God Bless America," he would awake and spread a truly joyous smile on his tired face. He could not speak very well, but he summoned the strength to share a few more laughs with his family. He fell asleep soon after, waking to greet his youngest grandchild, Shelli, who had flown in from college to be with him.

To his two children, four grandchildren, and one great-grandchild, Captain Clark will be remembered as the patriarch of a family business spanning more than two hundred years. To a great number of those in the community, he will be looked upon as a man who quietly helped to maintain their precious quality of life.

Captain Clark embodied the type of role model and innovator that all would have enjoyed being around and looked up to.

Colleagues, Mr. Clark is a community leader who will be sorely missed.

PERSONAL EXPLANATION

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. KOLBE. Mr. Speaker, on July 12, 1999 the House debated H. Con. Res. 107, a sense of the Congress rejecting the notion that sex between adults and children is positive, and H. Con. Res. 117, a sense of Congress concerning United Nations Assembly Resolution ES–10/6. I was en route from Tucson to Washington, DC, when both votes took place. Had I been present, I would have voted "aye" on H. Con. Res. 107 and "aye" on H. Con. Res. 117.

The House also voted on Approving the Journal. Had I been present, I would have voted "aye".

PERSONAL EXPLANATION

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. WISE. Mr. Speaker, on Monday, July 12, 1999, I was unavoidably detained and unable to record a vote by electronic device on roll No. 278. Had I been present I would have voted "aye".

On roll No. 279, had I been present, I would have voted "aye."

TRIBUTE TO JOHNNY CANALES

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. ORTIZ. Mr. Speaker, I rise today to ask the entire House of Representatives to join me in commending a giant in the U.S. entertainment industry, Johnny Canales.

Tomorrow, on July 14, Johnny will receive the keys to the City of Brownville from Mayor Blanca Vela at an event intended to showcase how the United States educational system works. It is sponsored by the Students in Free Enterprise Alumnus, and will be televised live on Telemundo.

Johnny and his beautiful wife, Nora, have always been interested in the educational system of this country, but now have a personal stake in it since they now have a baby who will begin an education in 4–5 years.

As the Chairman of the Congressional Hispanic Caucus Task Force on the Arts and Entertainment, I am delighted to tell you about my long-time friend, and Corpus Christi native, Johnny Canales. Johnny Canales is an extraordinary entertainer who touches the hearts, and tickles the fancies, of viewers and listeners of all ages and all income brackets throughout the world. He is a host-extraordinare.

Today, and for many, many years, he has hosted "The Johnny Canales Show," a popular television show which showcases Hispanic talents from the Southwest and Mexico. Johnny's signature line then and now, when introducing groups or singers, is: "You got it." He brings stature and commitment to any endeavor with which he is associated.

In 1992, when I was serving as Chairman of the Board of Directors of the Congressional Hispanic Caucus Institute (CHCI), I had Johnny come to Washington to co-host the Institute's annual gala, the largest gathering of Hispanic elected officials in the country. True to form, he charmed each and every person there.

I was most impressed with the reception Johnny got over in Mount Pleasant, the predominantly Hispanic enclave in northeast Washington. CHCI once held afternoon concerts the day prior to the annual gala to share the sense of commonality with people in the community who could not afford the price of tickets to the Gala.

Johnny hosted the talents that would play at the Gala the following evening. Knowing that Johnny Canales would be the host was as big a draw as the bands which would be playing. I watched in awe as little boys and girls, largely of Central American heritage, cautiously walked up to Johnny to shake his hand . . . inevitably, they all said, "You got it," mimicking his signature line.

Mr. Speaker, since our business keeps me here this week and away from my friends who are celebrating Johnny's career, I hope all of you will join me in commemorating this patriot and great Hispanic talent.

SALUTE TO THE CITY OF YOAKUM, TEXAS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. PAUL. Mr. Speaker, I rise today to pay tribute to the City of Yoakum, Texas, which will celebrate its 112th birthday on Wednesday, July 28, 1999, with a festival at the city's Heritage Museum.

Yoakum is located partially in western Lavaca County and partially in eastern DeWitt County. Today, the city is known as the "Leather Capital of the World," due primarily to the economic impact of 12 leather goods manufacturing firms and some 16 factory locations in Yoakum.

In its early years, Anglo-Americans used Yoakum as a gathering site for thousands of bawling Texas Longhorns that were grouped into cattle drives and driven along the Chisolm Trail to market. Yoakum's townsite was established in 1887 with the arrival of the San Antonio & Aransas Pass Railroad—the railroad of Yoakum's history.

Once, Yoakum was the "Green Wrap" tomato capita of the world and still commemorates this heritage with the annual "Tom Tom Festival." As that industry faded, the community leaders—namely Mr. C. C. Welhausen—fostered the idea that Yoakum needed another industry as a base to its economy. The result: a leather industry era that now employs some 1,500 and produces millions of dollars of the Yoakum area economy.

Beef production is also huge in Yoakum, and both Lavaca and DeWitt Counties rank in the top five counties in the State of Texas in cow-calf operations. A true cowboy culture exists in the Yoakum area due to the thousands of head of cattle grown on area ranches.

I am proud to represent a city so full of rich, Texas heritage. Mr. Speaker, I hope you will join me sending happy birthday wishes to the City of Yoakum, Texas.

PERSONAL EXPLANATION

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mrs. JONES of Ohio. Mr. Speaker due to official business, I was unable to record my vote on several measures considered in the House of Representatives on Monday, July 12, 1999. Had I been present I would have voted "aye" on approving the Journal; H. Con. Res. 144; H. Con. Res. 107; and "aye" on H. Con. Res. 117.

IN HONOR OF SERGEANT RONALD ICELY AND HIS 31 YEARS OF DEDICATED SERVICE TO THE RESIDENTS OF THE CITY OF MILPITAS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. STARK. Mr. Speaker, I would like to take this opportunity to honor and congratulate Sergeant Ronald Icely, for serving the residents of the City of Milpitas for more than 31 outstanding years.

Sergeant Ronald Icely attended Mt. Whitney High School in Visalia, CA, and graduated in 1965. He then continued his education at College of the Sequoias and San Jose State University. He began his career in public service as a reserve officer with the San Jose Police Department while at San Jose State University in 1967. On August 1, 1968, Ronald Icely was appointed to the Milpitas Police Department. He was promoted to senior officer in 1973, and promoted to Sergeant in 1975.

During his many years of service, Sergeant Icely has received numerous letters of appreciation and commendation from the citizens of Milpitas as well as from many government agencies. He has been praised by his past supervisors for the high quality of his work, his leadership skills and investigative experience.

In his tenure as a police officer, Ronald Icely saw Milpitas grow from a small community to a thriving city of 65,000 people. As the city grew his charge became more demanding, but Sgt. Icely continued to serve commendably.

Early in his career Sergeant Icely became a member of the department's K–9 squad. He served as K–9 officer for five years with his canines, "Romell" and "Toma". He also received advanced training in supervision, and homicide and sexual assault investigation.

Sergeant Icely has served as a field training officer and field supervisor in the patrol and traffic sections. He was also a supervisor in the Investigation Division and the lead investigator in "felony persons" crimes that included high profile homicide, robbery and sexual assault cases.

Sergeant Icely has been very active with the youth of the community throughout his career. He coached PAL basketball, PAL baseball, and little league baseball for nine years. Sergeant Icely was also a charter member of the Milpitas Police PAL Board of Directors.

The city will be honoring Sgt. Ronald Icely at a retirement dinner on July 30, 1999. I would like to join them in applauding his hard work and dedication. He has a fine record of accomplishments and is an inspiring example of citizenship. I wish Sergeant Icely the best in all his future endeavors.

TRIBUTE TO GUS LEMIEUX

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. OBERSTAR. Mr. Speaker, I rise today to pay tribute to World War I veteran and Fond du Lac Reservation tribe member Gus LeMieux.

Not only is Gus LeMieux the oldest (at 100 years) Fond du Lac Reservation tribe member, but he is also the oldest serving World War I veteran in Douglas County, WI. Gus joined the U.S. Navy in 1916 and served on the U.S.S. *Rhode Island* and the U.S.S. *Massachusetts*, as well as on an oil tanker. He also served in the U.S. military on a submarine tender during World War I.

Now the oldest Fond du Lac Reservation tribe member, Gus is well-known in the community. He is admired not only for his standing as an Elder, but also because of his kindness and gentleness. A hard worker, Gus is well-liked and greatly respected.

Gus is a pillar of the community, both as a veteran in the Armed Forces and as a tribe member. I know my colleagues join me in thanking Gus LeMieux for serving the Fond du Lac Reservation and the United States during the past century.

PERSONAL EXPLANATION

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. GARY MILLER of California. Mr. Speaker, I was inadvertently detained and unable to vote on rollcall No. 279, regarding United Nations General Assembly Resolution ES 10/6. Had I been here, I would have voted "aye."

CONGRATULATING CERTAINTEED ON THEIR 20TH ANNIVERSARY

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the Chowchilla CertainTeed Fiberglass Insulation Plant on their 20th Anniversary as a major contributor to the Chowchilla and Madera County communities.

CertainTeed began construction in 1978 and started operation on May 15, 1979. Since then, the plant has generated over $200 million in wages and taxes, which have helped the local communities to grow and improve. CertainTeed has been an active member of these communities and has participated in various projects. They are strong supporters of the "Bucks for Books" campaign; have adopted a section of Highway 99 and kept it clean for 6 years; provided sandbags for flood support during the Chowchilla flood of 1997; have supported the Penn Literacy program for Fairmead School; are involved in the Madera County Industrial Group; and have made themselves available to many more programs in their community.

CertainTeed has been recognized with many awards throughout the years: the CertainTeed Interplant Safety Award—Best Record in Accident Prevention, the National Safety Council Award, the Outstanding Safety Performance Award, 1,500,000 Hours with No Lost Time Accidents in 1966, 1,243,090 Hours with No Lost Time Accidents in 1985, Madera Economic Development Commission Recognition, the California Department of Conservation Award of Appreciation for Glass Recycling, and the Group President's Award.

Mr. Speaker, I want to congratulate CertainTeed on their 20th Anniversary and for the service they have provided to their community. I urge my colleagues to join me in wishing CertainTeed many more years of continued success.

TRIBUTE TO FIRE CHIEF J.D. KNOX

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to recognize the unparalleled service of Springfield Fire Chief J.D. Knox. He was named by the Springfield Firefighters Union as "Firefighter of the Year." When he responded to the nomination he said, "I was shocked. I thought it was a joke." Two years ago when Chief Knox became chief he had big ideas. He was determined to do things that had never been done.

Chief Knox is currently lobbying for Fire Department controlled ambulance service. Implementing such a program would save money and increase response time according to Chief Knox. I would like to thank Chief Knox for his dedication and open-mindedness that has made the Springfield Fire Department a world class organization.

TRIBUTE TO WILLARD MUNGER

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. OBERSTAR. Mr. Speaker, I rise today to pay tribute to State Representative Willard Munger of Duluth, Minnesota, who died Sunday at the age of 88 after a valiant fight with cancer.

On Sunday, the State of Minnesota and the City of Duluth lost a great friend in Willard Munger. The environment lost a valuable ally and tireless advocate. He was a man who worked for forty years as a defender of the environment.

Willard, who was born in 1911 in a log cabin, credited his grandfather, Lyman Munger, with instilling his love of nature. Lyman Munger, a Minnesota farmer and conservationist, told Willard when he was a young boy that he could save Minnesota's wilderness from destruction if he became a politician. And so he did. He first ran for the state legislature in 1934, and although he lost, he did not give up. In 1954, he won a House seat representing West Duluth.

Willard Munger was a thoughtful, devoted, and dedicated public servant—the consummate legislator. He served in the Minnesota House of Representatives for 42 years, longer than anyone in my home state's history. He was also the oldest sitting legislator in Minnesota's history. Some legislators get amendments passed, a few get bills passed, but only a very small number of public servants leave a legacy. Willard Munger leaves a lasting legacy of cleaner air and water—a heritage that will benefit future generations.

In Minnesota, Willard Munger's name is synonymous with environmental protection. Because of his relentless efforts, future generations will enjoy cleaner lakes and rivers and less pollution in the air. As Chairman of the House Environmental and Natural Resources Committee, he was a tireless advocate of numerous environmental causes, including energy conservation, alternative energy sources and preserving wetlands. Perhaps most importantly, he created Minnesota's Environmental Trust Fund, which funds projects for environmental protection and outdoor recreation. His forty-year career is a monument for the protection of Minnesota's waters, woodlands and air quality, and we all owe him a deep debt of gratitude.

Willard has been recognized in the past for his environmental efforts by having the Minnesota-Wisconsin Boundary Trail and the animal care center at the Lake Superior Zoo named in his honor. Today, we remember Willard Munger as a true pioneer in Minnesota politics and for his enduring commitment to protecting the environment for future generations.

PERSONAL EXPLANATION

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. GARY MILLER of California. Mr. Speaker, I was inadvertently detained and unable to vote on rollcall No. 277, the approval of the Journal. Had I been here, I would have voted "aye."

HONORING PRIVATE CHESTER BEYMER

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Private Chester Beymer upon his approval by the Government of France for the award of the National Order of The Legion of Honor. This award is the highest honor in France during World War I and is authorized in recognition of the 80th anniversary of the signing of the Armistice on November 11, 1918.

Chester Beymer is 100 years old and a long time resident of Fresno. He served during World War I with the communications department of the U.S. Army Tank Corps, American Expeditionary Force. He enlisted in Los Angeles in August 1918 at age 19. Pvt. Beymer left for France that October as part of the Automatic Replacement Draft. Pvt. Beymer's duties in France involved working with two man French tanks at the U.S. Army Tank Corps Center in Langres, Haute Marne, France. He arrived shortly before the war ended and remembers being on a troop train on Armistice Day and seeing many French flags and townspeople cheering at the train stations. He came back to the United States in March 1919 on a Japanese troop ship.

Chester Beymer was born on a farm in Tonganoxie, Kansas in 1898; he was one of six children in his family. In 1904 his family moved to El Modeno, California and by 1913 was settled in the San Joaquin Valley near Lindsey. After returning from World War I Chester worked in the Fresno area with the Southern Pacific Railroad and then the Alcohol and Tobacco Unit. He later worked with the Sugar Pine Lumber Company until the early 1930's. After prohibition he joined the Alcohol Tax Unit and later in 1941 the Income Tax Unit of the Treasury Department where he retired from in 1968. One hobby Chester enjoyed was being a ham radio operator. He still does his own taxes and considers the airplane and jet propulsion to be two of the most important inventions of the 20th century. His advice to the younger generation is to study hard while in school. Chester's extended family includes three sons, four grandchildren and four great grandchildren.

Mr. Speaker, I rise to honor Private Chester Beymer for his service to his country. I urge my colleagues to join me in wishing Chester many more years of continued success and happiness.

AN AMERICAN HERO

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. SHIMKUS. Mr. Speaker, they say heroes come in all shapes and sizes, now we know they come from Michael, Illinois. On July 4th, 23-year-old Army Spc. 4 Anthony Gilman became the first U.S. casualty of the multinational peacekeeping mission in Kosovo. He was tragically killed when hit by an out of control pickup truck that was being driven by a Macedonian civilian.

His father said, "We're very proud of him, to me he's a hero. He wanted to serve his country. He enjoyed it." Anthony was about halfway through a 4-year enlistment during which he served in Germany, Turkey, and Greece. I cannot portray how proud I am of Anthony. He selflessly served his country and made the supreme sacrifice for the good of not only his country but the world. Our hearts and prayers are with him and his family.

THE RESTORATION OF WOMEN'S CITIZENSHIP ACT

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Ms. ESHOO. Mr. Speaker, I rise today to introduce the Restoration of Women's Citizenship Act, legislation that corrects an antiquated law that mars our nation's history.

In 1922, Rose Bouslacchi, an American citizen, married Conrad Sabatini, a tailor by profession and an immigrant from northern Italy. When the couple married, a federal law existed which stripped women of their U.S. citizenship if they married alien men. Later that year the U.S. granted Conrad Sabatini the privilege of citizenship but in accordance with the law, refused to reinstate Rose Bouslacchi's citizenship.

During the course of her life Rose Bouslacchi reared a family of five daughters, each a college graduate and each a contributor to the well being of our nation. Four became teachers and one became a nurse. Rose Bouslacchi was an active member of her church and worked with her husband in the running of their business. Her life embodied the values of family and faith, representing the best of America. But, Rose Bouslacchi could never be called an American again.

Rose Bouslacchi was not alone. There were many women affected by this law. On September 22, 1922, the Congress recognized the gross inequality of the Act, and in a series of acts, created procedures to reinstate citizenship for most of the women affected by this law. But the changes will never help Rose Bouslacchi. By a legislative oversight, the women who married between 1907 and 1922 were not able to retain their citizenship until procedures were created in 1952, at which point many of these women had passed on. The Restoration of Women's Citizenship Act will rid our history completely of this discriminatory law by granting citizenship posthumously to the women who didn't live long enough to take advantage of the Nationality Act of 1952.

I urge all my colleagues to join me in this important effort by cosponsoring the Restoration of Women's Citizenship Act.

TRIBUTE TO DANIEL MOLESKY

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. OBERSTAR. Mr. Speaker, I rise today to pay tribute to an esteemed educator, Daniel Molesky of Hibbing, Minnesota.

After serving 35 years as an educator and school administrator in the State of Minnesota, Daniel Molesky recently announced his retirement. He received advanced degrees in math, physics, engineering, education curriculum, and school administration. After completing his education, Mr. Molesky was promoted to the rank of Master Sergeant in the U.S. Army before beginning his teaching career.

Mr. Molesky's ability to engage his students in the classroom eventually led to his promotion to principal in the Hibbing School District. As principal of Washington Elementary School, and later Jefferson Elementary School, Mr. Molesky interacted daily with more than 300 students, teachers, staff members, and parents. He always created a family environment in his school. Furthermore, Mr. Molesky was active in the Hibbing School District Safety Patrol and numerous education and community organizations.

As our nation experiences great technological innovation and success in the global market, the value of an education takes on even greater importance. Daniel Molesky of Hibbing, Minnesota has exhibited the characteristics we seek in our educators, school administrators, and community activists. I know my colleagues join me in congratulating Daniel Molesky for his 35 years of service to students, teachers and the entire Hibbing community.

PERSONAL EXPLANATION

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. GARY MILLER of California. Mr. Speaker, I was inadvertently detained and unable to vote on rollcall No. 278, the Sense of Congress Resolution Rejecting the Notion that Sex Between Adults and Children is Positive. Had I been here, I would have voted "aye."

CONGRATULATING THE MARJAREE MASON CENTER FOR 20 YEARS OF SERVICE

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the Marjaree Mason Center for Fresno for 20 years of service assisting victims of domestic violence, and for making a difference in the community and the lives of so many victims.

Marjaree Mason, a well-known woman in this community and a native of Easton, was raped and murdered on November 13, 1978. She was 36 years old. Her death was the result of domestic violence.

Marjaree lived in Fresno for 31 years and was a graduate of Washington Union High School and Reedley College. At the time of her death she was completing her degree in business administration at California State University, Fresno and was employed by the National Economic Development Association.

Marjaree Mason was active in several organizations. She was a member of the National Council of Negro Women, the Ujima Ladies Group, Big Sisters of Fresno, the National Association of Women in Construction, and St. Rest Baptist Church.

With the approval of her parents, Mr. and Mrs. Neal Mason, the Marjaree Mason Center was named for her. Through community awareness, prevention and intervention—including education for both the victim and the batterer—they are working to lessen the kind of kind of domestic violence that tragically ended her life.

The Center is committed to the belief that women have the right to live their lives in a safe and healthy environment. The individuals involved with the Center also believe it is imperative that victims of domestic violence have access to a protective support system, including emergency shelter, counseling, and comprehensive referrals to individuals and organizations that can help them live in health and safety.

Mr. Speaker, I congratulate the Marjaree Mason Center for serving the community of Fresno for 20 years. I also urge my colleagues to join me in wishing the Marjaree Mason Center many more years of continued success.

PERSONAL EXPLANATION

HON. JOHNNY ISAKSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. ISAKSON. Mr. Speaker, on rollcall No. 278, expressing the sense of Congress rejecting the conclusions of a recent article published by the American Psychological Association that suggests that sexual relationships between adults and children might be positive for children and on rollcall No. 279, concerning United Nations General Assembly Resolution ES–10/6, had I been present, I would have voted "yes."

CELEBRATING THE 31ST ANNUAL SPIVEY'S CORNER HOLLERIN' CONTEST

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. ETHERIDGE. Mr. Speaker, I rise today to recognize a unique event in the Second Congressional District of North Carolina, the Spivey's Corner Hollerin' Contest.

Every third Saturday in June thousands of people from across the globe travel to the town of Spivey's Corner in Sampson County to hear and participate in the National Hollerin' Contest. June 19th marked the 31st anniversary of this special event. Each year, the event is held for the benefit of the Spivey's Corner Volunteer Fire Department.

The now-famous contest originated from a chance comment made by Spivey's Corner resident Ermon Godwin, Jr. in 1969 on a weekly radio talk show that he co-hosted. Mr. Godwin mentioned the tradition of hollerin' in Sampson County to the radio show's other host, John Thomas. Mr. Thomas half-jokingly suggested that the two hold a hollerin' contest. Much to their surprise, about five thousand people showed up on that June Saturday in 1969.

The Hollerin' Contest has evolved into a daylong event, featuring live music, food, and five separate hollerin' events. They are: the Whistlin' Contest, the Conch Shell and Fox Horn Blowin' Contest, the Junior Hollerin' Contest, the Ladies Callin' Contest, and the National Hollerin' Contest, the main attraction. In addition, many also participate in the watermelon roll, in which contestants attempt to run barefoot carrying a watermelon across a distance of about 20 yards as a member of the Volunteer Fire Department tries to knock the participant off his or her feet using a high-pressure hose.

Winners of the different events has garnered national recognition over the years, including appearances on The Tonight Show and Late Night with David Letterman. Sports Illustrated, The Voice of America, and documentary films have all featured the contest and its winners. As would befit its local roots, 30 of the 31 winners of the National Hollerin' Contest have been natives of Sampson County, including this year's champion. Tony Peacock, who now resides in Chapel Hill, North Carolina.

To further honor this unique event, I have sponsored the Spivey's Corner Hollerin' Contest in the Library of Congress Bicentennial Local Legacies Project. I am hopeful that the colorful tradition of hollerin' will now be preserved in the American Folklife Center of the world's most reknown library so that everyone can have a chance to celebrate this North Carolina unique cultural event.

TRIBUTE TO ROBERT SILVESTRI

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. OBERSTAR. Mr. Speaker, I rise today to pay tribute to Robert Silvestri, the esteemed Chief of Police in Chisholm, MN.

Chief Silvestri recently announced his retirement after serving 33 years in the Chisholm Police Department. My hometown of Chisholm will miss the inspired dedication and commitment he brought to the police department.

Chief Silvestri began his law enforcement career by training at the Bureau of Criminal Apprehension in 1966. Following his training, Robert Silvestri became a patrol officer for the Chisholm Police Department. Eventually, his dedication to the police force led to his promotion as desk lieutenant, and then administrative assistant. Each of those positions gave Robert Silvestri a better understanding of and appreciation for all aspects of law enforcement. Because of his experience and knowledge of law enforcement, Robert Silvestri was hired as chief of police in 1983. He held this position until his recent retirement from the Chisholm Police Department.

Throughout his service at the Chisholm Police Department, Robert Silvestri believed strongly in the law enforcement community and his colleagues. Even through adversity, Chief Silvestri maintained a level head and respect for his fellow law enforcement officers. His open door made his co-workers feel at ease, and he learned to adapt his management and law enforcement skills to changing laws and societal behavior. Furthermore, I commend Robert's wife and the Silvestri family for supporting him through the years.

Police Chief Robert Silvestri maintained the public safety and tranquility in Chisholm for 33 years. I know my colleagues join me in congratulating Robert Silvestri for his many years of service and dedication to the Chisholm Police Department and the entire Iron Range community.

TRIBUTE TO MARK FRIESTAD

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. POMEROY. Mr. Speaker, today I want to recognize the winner of the 1999 "Great American Think-Off." This year's champion is Mark Friestad, a high school social studies teacher who proved to his students that learning is a life-long pursuit to be enjoyed and celebrated.

Mark is a dedicated young teacher in my hometown of Valley City, North Dakota, who exemplifies the state's exceptional teachers.

He was among 500 contestants from around the country competing in the Great American Think-Off held in New York Mills, Minnesota. The task was the best answer to the question: Which is more dangerous: Science or Religion? Selected as one of four finalists to debate the merits of his essay, Mark convinced the crowd of 400 with thoughful arguments supporting his thesis. At the end of the day, the audience felt that he had best illustrated his point that the more dangerous idea between science and religion is the one accepted more blindly—science.

While Mark is to be commended for his insightful debate and well-researched essay, perhaps just as important is his participation. Reading about and studying topics of interest should not be limited to our school years, but rather encouraged and practiced at every age level. Formal education and official degrees are the runways for learning, but our country has taken flight thanks to the help of great lifelong thinkers.

How fortunate we are to have thoughtful, studious individuals who dedicate their careers to the public education of our young people. I congratulate Mr. Friestad for teaching by example, and picking up the title of "America's Greatest Thinker" along the way.

A TRIBUTE IN HONOR OF THE 100TH ANNIVERSARY OF THE HENIKA DISTRICT LIBRARY IN WAYLAND, MICHIGAN

HON. PETER HOEKSTRA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. HOEKSTRA. Mr. Speaker, I would like to take this opportunity to officially recognize the 100th anniversary of the Henika District Library, located in Wayland, Michigan, part of the Second Congressional District, which I represent.

The Henika Library was established in 1899 as a legacy of Mrs. Julia Henika, who upon her death left $2,000 to the Wayland Ladies Library Association for the construction of a library. Aided by contributions from Mrs. Henika's husband, George, and her mother, Mary Forbes, this picturesque library formally opened in 1900.

Initially, the library was run by the independent Library Association for many years before turning it over to the village of Wayland. At that time, the facility's first paid librarian, Miss Fannie Hoyt, was hired. She served in her position until the 1940s, when she was succeeded by Dorothy Peterson, who served as librarian until 1975. Barbara Crofoot then became the library's third head librarian and served for 10 years until she was succeeded by the current librarian, Lynn Mandaville.

Henika Library has served the Wayland area as a source of information and entertainment from the Gilded Age to the Information Age. The original building was first expanded in 1968 with an addition in the rear with a full basement, effectively tripling the size of the facility. A reading room was created the next year by enclosing the front porch.

In the early 1990s, the building received a complete makeover, inside and out, with financial assistance from the Wayland Downtown Development Authority, an outstate equity grant and contributions from the city of Wayland and Wayland Township. This remodeling made the library ready for the 21st century by providing public access computers, an online card catalog and public access to the Internet. In addition, a local company, Ampro Industries, donated several thousand dollars to remodel the basement children's library.

Today, Henika District Library continues to serve the community in the same manner Julia Henika envisioned a century ago. I am proud to honor her memory and the hard work and dedication of so many people to make that vision a reality.

TRIBUTE TO WINSTON BLEDSOE

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. BLUNT. Mr. Speaker, senior citizen centers are fairly recent to our culture. Many of the centers that exist today were created in the early 1970's with the help of federal grants. Strong local leadership transform these centers into places many older citizens now depend on for warm wholesome meals, fellowship and recreation and a way to support the maintenance of an independent life style.

Twenty-seven years ago, using a $25,000 budget provided by a "model grant," Winston Bledsoe started the first agency in Southwest Missouri to organize and open senior centers. The Southwest Missouri Office on Aging grew out of that effort and opened nine senior centers in six weeks in 1973.

Today, the agency that Bledsoe helped create provides services and a daily meeting place for more than 40,000 seniors a year. The Southwest Missouri Office on Aging has 38 centers and a budget of more than $6.8 million providing individual social services, transportation, meals, recreation and homemaker care. Bledsoe encouraged seniors at each center to own their own building, thereby reducing the government's role in the future of the facilities in case federal aid was ever curbed or interrupted.

Dorothy Knowles, who was Bledsoe's chief lieutenant over the last quarter century and the new agency director, calls Winston a visionary, who was "dedicated to the lowest cost of keeping older people independent." For most people, quality of life is defined by their degree of independence.

Bledsoe has been a tireless advocate for seniors and group who serve them. He has often battled bureaucrats, politicians, and local opponents. He has not always been diplomatic but he has never forgotten who he serves. The interest of older Southwest Missourians are always foremost in his efforts.

Winston, at age 70, retired as the director of the agency this year. A former insurance salesman and football coach, his third career will leave a legacy cherished by every senior in Southwest Missouri who finds friends, support and nourishing meals at one of the centers that Bledsoe nurtured.

WILLARD MUNGER, MINNESOTA'S ENVIRONMENTAL ICON

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. VENTO. Mr. Speaker, on Sunday, July 11, Minnesota lost our most senior, longest serving, best loved friend, mentor and state representative, Willard Munger at the age of 88.

After forty-eight years of public service and a lifetime of fighting for people and the environment, DFLer Willard Munger stands as a testament to public service. Unbending in principle but pragmatic and patient to achieve results, Munger's list of achievements are too numerous to mention. While 88 years of age he was still contemporary in his thinking and open to new ideas and solutions. Many of his policies were ahead of their time, such as packaging laws, water and air pollution.

I was proud to serve in the Minnesota Legislature on Chairman Munger's revered Environment and Natural Resources Committee. I was an eager student and to this day, twenty-nine years later, both the lessons I have learned and the Munger spirit and excitement guide me in my Congressional work. Indeed I, like to many others, stand on the shoulders and work of one very special Minnesotan environmentalist, Willard Munger.

We can all see further because of his work and the benchmarks Munger has set in Minnesota. We should try to employ his vision and lessons as we work for future generations in the preservation, conservation and restoration of the natural world.

The following are two editorials from the July 13th St. Paul and Minneapolis papers which give testimony to the work and life of Willard Munger, who is being laid to rest today.

[From the St. Paul Pioneer Press, July 13, 1999]

MORE THAN A POLITICIAN

Willard Munger campaigned for Floyd B. Olson, first ran for office under the banner of the old Farmer-Labor Party and won his first election when Dwight Eisenhower was president. At age 88, Munger was the oldest legislator in Minnesota history and its longest serving House member—with 48 years of service.

But Munger, who died early Sunday in Duluth, will be remembered for more than his phenomenal political longevity.

Long known as "Mr. Environment," Munger left his mark as the father of the state Environmental Trust Fund and an architect of virtually every major piece of environmental legislation enacted in the last three decades.

While he was not the Legislature's most gifted orator, the motel owner from west Duluth had a way of getting people's attention and getting things done. Munger's environmental activism began in earnest in 1971, when he passed a bill to create the Western Lake Superior Sanitary District and begin the cleanup of the heavily polluted St. Louis River.

Two years later, after the DFL captured control of both houses of the Legislature, Munger took over as chairman of the House Environment Committee and helped enact dozens of major environmental laws. They included legislation to protect wild and scenic rivers, promote recycling and reduce solid waste, clean up polluted lands, safeguard groundwater supplies and preserve wetlands.

But Munger's greatest achievement was the passage of a state constitutional amendment in 1988 that created the Environmental Trust Fund, and earmarked 40 percent of state lottery proceeds for this purpose. Since its creation, the fund has generated more than $100 million for parks and trails, fish and wildlife habitat, and environmental education.

Willard Munger truly left this state and Earth a better place than he found it.

[Minneapolis Star Tribune, July 13, 1999]

(Willard Munger)

MINNESOTA'S ENVIRONMENTAL VISIONARY

There is talk about the best way to memorialize Willard Munger and his four decades in the Minnesota House, perhaps by renaming the Environmental Trust Fund for him. Not a bad move, but possibly a superfluous one.

"This state abounds with monuments to Munger's tireless advocacy of the natural world, from clean rivers to bicycle trails to metropolitan wetlands to northwoods wilderness preserves. Many a Minnesotan needs no plaque to know that "Mr. Environment," who died on Sunday at age 88, is the man to thank for these.

Munger was already in his second decade of legislative service when the modern environmental movement began in the early 1970s. His political experience, informed by the passions he acquired from a naturalist grandfather and populist father, positioned him as both visionary and strategist of the new ideals.

One of his proudest victories was among the first: the $115 million cleanup that transformed the St. Louis River from an industrial drainage into one of the state's loveliest streams. Munger built his last home along the river and hosted an annual canoe trip and barbecue for friends and colleagues; the tenth of these would have been held last month but his illness forced postponement.

Munger loved politics of the old-fashioned sort, stubbornly advancing his cause with a combination of persuasion, patience and shrewd deal-making. He was not notably charismatic; journalists ranked him among the legislature's worst-dressed members and marveled at his mumbling, fumbling style of address on the House floor. But he excelled at one-to-one negotiation and played a masterful role in conference committees, where his passion could win the day for his position.

He was deeply respected by colleagues, if not particularly beloved. Northern legislators were regularly aggrieved by his advocacy for public lands and lakeshores, for wetland protection, for halting Reserve Mining Co.'s discharge of tailings into Lake Superior. But they could count on him to support spending that would bring employment and tourism to their districts. Some, perhaps, began to see the correctness of his views that more jobs are created than destroyed through environmental progress.

In recent years, as the tide turned on environmental concerns, Munger fought to save his earlier achievements from dismantling. But his file drawers were said to contain plenty of new initiatives, too, awaiting the right moment for introduction. Now they form another Munger legacy, awaiting a new champion to take up the task.

TRIBUTE TO JERRY SNYDER

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. OBERSTAR. Mr. Speaker, I rise today to pay tribute to former Chisholm High School bank conductor, Jerry Snyder.

Jerry Snyder was borne in Duluth and graduated from Duluth East High School. As a child, Jerry learned to play the piano and went on to learn how to play the tuba, baritone horn, and trombone. He graduated from the University of Minnesota—Duluth. A few years later began his career as a conductor at Chisholm High School. Jerry began his conducting career 30 years ago when he became the band conductor in Chisholm. In addition to directing the Chisholm High School Band, he also conducted two area church choirs, St. Joseph's Catholic Church and St. Leo's Catholic Church.

Jerry has continued his personal interest in and enthusiasm for music through the years.

He is a member of band called "Four of a Kind," which consists of three other former music teachers. Although he is now retired, Jerry plans to continue playing in this band, and also conducting the Hibbing City Band during the summers.

Jerry Snyder made a valuable contribution to the city of Chisholm for his enthusiasm toward music and his dedication to teaching. I know he passed along that enthusiasm for music to his students. I know my colleagues join me in congratulating Jerry Snyder for his many years of service to the students and entire community of Chisholm, MN.

HONORING LINDA R. WILLIAMS, CRNA, J.D., PRESIDENT OF THE AMERICAN ASSOCIATION OF NURSE ANESTHETISTS

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. HEFLEY. Mr. Speaker, I rise today to pay tribute to an outstanding constituent of Colorado's 5th Congressional District. Ms. Linda R. Williams, the outgoing national president of the American Association of Nurse Anesthetists (AANA). In my opinion it is appropriate at this time to recognize the distinguished career of this individual.

Founded in 1931, the AANA represents over 27,000 certified registered nurse anesthetists, or CRNAs, across the country. They work in every setting in which anesthesia is delivered, and for all types of surgical cases including hospital surgical suites, obstetrical delivery rooms, ambulatory surgical centers, and the offices of dentists, podiatrists, and plastic surgeons.

As president, Ms. Williams was responsible for charting the policy and direction of the association from 1998–1999. Throughout her involvement with the AANA, Ms. Williams has held a variety of leadership positions prior to being elected President, including Treasurer and a Director of Region 5 on the AANA Board of Directors.

Ms. Williams began here studies at Stephens College receiving here Bachelor of Arts degree in Health Science. She then received her Bachelor of Science in Nurse Anesthesiology from Ohio State University and her diploma from St. Mary's School of Nursing. Lastly, she received her juris doctorate in law from the University of Denver, Colorado College of Law.

Ms. Williams is currently in private practice in Englewood Colorado. She has been widely published and speaks often before professional groups and societies, which has earned her the esteem and respect of her peers and others in all professions.

Mr. Speaker, I ask my colleagues to join with me in recognizing Ms. Williams for here notable career and outstanding achievements. Congratulations Ms. Williams for a job well done.

CONGRATULATING ROCKY MOUNT ON ITS ALL-AMERICA CITY DESIGNATION

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. ETHERIDGE. Mr. Speaker, I rise today to congratulate the City of Rocky Mount, North Carolina for earning the designation of an All-America City. I have the honor of representing Rocky Mount in the U.S. House.

Founded in the early part of the Nineteenth Century, Rocky Mount is now a city of more than 57,000 people located in the heart of eastern North Carolina. Its name derives from the rocky mound situated at the falls of the Tar River, which was the site of a new post office and one of the first cotton mills in North Carolina. In 1907, Rocky Mount, then with a population of about 7,500 people, was incorporated as a city. Following decades of growth and achievement, Rocky Mount was first named an All-America City in 1970.

Almost 30 years later, Mr. Speaker, Rocky Mount continues to stand out for its civic excellence. The National Civic League, which has given out the All-America City Awards for the past 50 years, commended Rocky Mount as a community that teaches the rest of us how to face difficult situations and meet those challenges in innovative and collaborative ways. According to the organization, Rocky Mount is a city in which citizens, government, businesses and voluntary organizations work together to address critical local issues.

Specifically, the National Civic League cited three examples of this type of cooperation in Rocky Mount. The city developed the Down East Partnership for Children, which is dedicated to achieving the fundamentals of quality child growth and development. It annually reaches more than 12,000 children, parents, and agencies. Rocky Mount also formed the Carolinas Gateway Partnership, a nationally recognized non-profit corporation partnership with 190 investors, which has secured commitments worth $170 million that will eventually create 2,300 jobs as it seeks to promote economic development in the area.

In addition, Rocky Mount became part of the Rocky Mount-Edgecombe-Nash Educational Cooperative, which was designed to coordinate the resources of business and education for the betterment of both schools and students. Thus far, the Cooperative has funded more than 935 creative teaching grants worth about $500,000 that have affected thousands of students. I would like to take a point of personal privilege in adding that I am profoundly grateful and proud of the Nash-Rocky Mount Public School system for its leadership in teaching character education in the classroom, yet another reason why Rocky Mount is an All-America City.

Finally, I want to thank the Leadership Rocky Mount Alumni group and the Rocky Mount Chamber of Commerce for all their hard work over the past few years to bring this outstanding recognition to Rocky Mount.

Mr. Speaker, it is both an honor and a privilege to represent Rocky Mount and her 57,158 All-American citizens in the U.S. Congress. I encourage all my colleagues to read the following article from the Rocky Mount Telegram celebrating this well-deserved honor.

[From the Rocky Mount Telegram, June 27, 1999]

ROCKY MOUNT IS ALL-AMERICAN!!

'ALL-AMERICA CITY' DESIGNATION CAPTURED AT PHILADELPHIA EVENT

(By Tom Murphy)

PHILADELPHIA, Pa.—There's something about "Rocky" and Philadelphia.

In the city famed as the home of Sylvester Stallone's fictional movie boxer, another Rocky—Rocky Mount—captured All-America City status Saturday in the 50th annual awards sponsored by the National Civic League and Allstate Insurance Co.

The other nine winners were Stockton, Calif.; Union City, Calif; Tallahassee; Fla.; Wichita, Kan.; Shreveport, La; Lowell, Mass.; Tupelo, Miss.; Green Bay, Wisc.; and Tri-Cities (Bristol, Va.; Johnson City and Kingsport, Tenn.). Two other North Carolina finalists, Hickory and Morganton, failed to make the cut.

The awards honor communities that show exemplary grassroots community involvement and problem-solving. The original field of 93 applicants was cut to 30 finalists. As a winner, Rocky Mount is eligible for a $10,000 award from Allstate.

Mayor Fred Turnage, in accepting the All-America City Award, reflected on another delegation from Rocky Mount that stood on the All-America City stage in Philadelphia 30 years ago.

They also proclaimed that Rocky Mount was a community that was walking to the beat of a different drum, and how it had focused on racial harmony, quality education and job opportunity, Turnage said.

Turnage added in subsequent years and certainly in the most recent decade, many citizens have worked diligently to accomplish those goals.

"In recent years, the formation of partnerships has enabled us to make significant strides in all of those areas," he said. "The Down East Partnership for Children is a tremendous example of what cooperation can accomplish with its total focus on giving our young people Smart Start and a quality education.

"The Gateway Partnership has demonstrated what cooperation and teamwork between the private and public sectors can truly accomplish, and is helping provide quality job opportunities and economic stability for our community."

Turnage said the third partnership, which was a part of Rocky Mount's presentation, is a great example of what the business and education community can and must do to achieve quality education.

"It would be my hope that as pleased and humbled as we are to have received this award that we, as well as other award-winning cities, would simply use it as an opportunity for even greater cooperation and basis for addressing many of the challenges that still confront us," he said. "It is important to recognize that the All-America City Award does not mean a community is perfect, but that it is attempting to meet challenges and solve problems in innovative and cooperative ways at the ground level of democracy."

Turnage commended the Leadership Rocky Mount Alumni group for initiating this process some two years ago, and for the Chamber of Commerce for carrying the process to its conclusion.

"There is a tremendous amount of work and effort that goes into this process, and it takes a great deal of planning and commitment to see it to a successful conclusion," he said.

"We are particularly proud of our young people, who were a part of that delegation and who brought so much enthusiasm. The Jazzy Jaguars from D.S. Johnson School particularly kept us pumped up with their performances and energy."

Chamber President Charlie Glazener agreed.

"It's just unbelievable," said Glazener. "We wish every city here tonight could feel the pride our city feels.

"Mayor Turnage was so right when he accepted our award and said it's time to start more projects for the next generation."

City manager Steve Raper said the city is extremely proud of its citizens across the entire Nash Edgecombe community.

"The people in Nash and Edgecombe are truly reflective of the work we can do and all the work we've completed together to improve our community," Raper said.

PRESIDENT LYNDON B. JOHNSON'S RIGHTFUL PLACE IN HISTORY

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. GREEN of Texas. Mr. Speaker, I rise today to pay special tribute to President Lyndon B. Johnson. President Johnson was born on August 27, 1908, in central Texas, not far from Johnson City, which his family had helped settle. He knew poverty firsthand, which helped him learn compassion for the poverty of others.

In 1960, Johnson was elected as John F. Kennedy's Vice President. On November 22, 1963, when Kennedy was assassinated, Johnson was sworn in as President.

On May 22, 1964, in a speech at the University of Michigan President Lyndon B. Johnson spoke of a "Great Society." He said, "The Great Society rests on abundance and liberty for all. It demands an end to poverty and racial injustice, to which we are totally committed in our time. But that is just the beginning."

President Johnson's vision included aid to education, attack on disease, Medicare, urban renewal, beautification, conservation, development of depressed regions, a wide-scale fight against poverty, control and prevention of crime and delinquency, and the removal of obstacles to the right to vote.

On July 6, 1999, the Houston Chronicle printed a column by Marianne Means, a Washington, D.C.-based columnist for the Hearst Newspapers, which details why President Johnson will be considered as one of our nation's greatest Presidents. Mr. Speaker, I would like to conclude by including Ms. Means' column in my remarks.

DON'T FORGET LBJ—HIS LEGACY HIGHLY VISIBLE

(By Marianne Means)

For 30 years, President Lyndon B. Johnson has been ignored by Democratic politicians afraid of being tagged as liberal lackeys for the much-mocked Great Society or the bloody Vietnam War that brought down his presidency.

His name is seldom mentioned in his own party. Only a few brave souls defend him against conservatives who have campaigned for decades against the ambitious federal social programs he created and the cultural tumult of the 1960s that took place during his administration.

President Clinton has been particularly craven. Although he often cites his admiration for President Kennedy, who produced very little legislation, Clinton never speaks of Johnson, who compiled a monumental domestic record.

It was to remind us of Johnson's impact on our lives and put a tidy historical end to the 1990s that scholars and former Johnson administration officials gathered recently at the Lyndon B. Johnson Library in Austin to look back across the generation gap at a period of almost unimaginable change.

This nation would be a far worse place had Lyndon Johnson not occupied the White House. He demanded that elderly patients get government help for health care through Medicare and Medicaid, blacks be granted the right to vote and enjoy equal access to public places, students be given financial aid for education, consumers be protected from fraud, poverty be assaulted with an array of education and employment initiatives and discrimination attacked with affirmative-action concepts.

This remarkable domestic revolution was overwhelmed by public outrage at Johnson for escalating a distant war in which more than 50,000 U.S. soldiers died. As a young student, Clinton himself dodged the draft to avoid being sent to Vietnam. Resentment of the war still fuels Clinton's chilly attitude toward Johnson even though Clinton has fought to perpetuate and expand most of LBJ's social programs.

But finally that war is fading into history. It was nearly a quarter century ago that we fled Saigon in defeat. Now diplomatic and trade ties are being restored and even battle-scarred veterans are returning there on sentimental visits.

If the war itself can recede, so can public anger at LBJ. He didn't live long enough to crusade for his own political rehabilitation, as Richard Nixon did. But time may do the task for him.

And despite decades of conservative scorn, the Great Society and the War on Poverty still exist, sometimes under different labels.

At the LBJ Library symposium, Joseph Califano Jr., a former Johnson White House assistant and Jimmy Carter's secretary of health, education and welfare, summed up LBJ's domestic record. And what a stunning record it is. He shoved through a reluctant Congress all sorts of radical ideas to help ordinary people.

For the first time, the federal government subsidized scholarships, grants and work-study programs to expand education opportunities for students from families with limited resources. Since 1965, the federal government has provided more than $120 billion for elementary and secondary schools and billions for college loans.

Today, nearly 60 percent of full-time undergraduate students receive federal financial aid. When LBJ took office, only 41 percent of Americans had completed high school; only 8 percent held college degrees. Last year, more than 81 percent had finished high school and 24 percent had completed college.

Medicare and Medicaid provided millions of elderly Americans with health insurance for the first time. Since 1965, 79 million senior citizens have benefited from Medicare. Since 1966, more than 200 million poor Americans have been helped financially by Medicaid.

The food stamp program launched in 1967 helps to feed more than 20 million people in more than 8 million households. The school breakfast program begun the same year has provided a daily breakfast to nearly 100 million schoolchildren.

Johnson's civil rights act ended the officially segregated society that belied the American promise of freedom. No longer did blacks have to drink from separate water fountains and eat in separate restaurants. No longer were they automatically denied equal opportunities for jobs and education.

Johnson was proudest of the Voting Rights Act, which outlawed all the sneaky practices that kept blacks from the ballot box. In 1964, there were only 300 black elected officials in the country; by 1998, there were more than 9,000. In 1965 there were five blacks in the House; today there are 39.

Although conservatives charge that LBJ's Great Society was a failure, Great Society projects like Head Start, the Job Corps, Community Health Centers, Foster Grandparents, Upward Bound and Indian and migrant worker programs helped reduce the number of Americans living in poverty. When LBJ took office, 22.2 percent of Americans lived below the poverty level. Today 13.3 percent are below that level, still too many but a trend in the right direction.

A TRIBUTE TO CHIEF PAUL WALTERS

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Ms. SANCHEZ. Mr. Speaker, I rise today to honor Chief Paul Walters of the Santa Ana Police Department in Orange County, CA. On July 14, 1999, Chief Walters will be honored with the Federal Bureau of Investigation Director's Award for exceptional public service and partnership with the FBI. It is fitting that we pay tribute to this outstanding citizen and leader.

Chief Walters' 29 years in law enforcement were preceded by numerous academic achievements—a Bachelor of Arts Degree in Criminal Justice from California State University, Fullerton, a Masters of Public Administration from the University of Southern California and a Doctor of Jurisprudence from the American College of Law. He began his career as the Santa Ana Chief of Police in 1988.

Since that time, Chief Walters has demonstrated skilled and innovative leadership. He has received numerous awards, including distinctions from the National League of Cities and Orange County Metro Business Magazine. He has also served as a distinguished member of several organizations dedicated to improving law enforcement's effectiveness and quality.

The 1993 creation of the Multi-Agency Safe Streets Task Force is one of Chief Walters' most admirable achievements. This move led to a significant reduction in Santa Ana's crime rate. In fact, Chief Walters' support helped ensure the success of the FBI's anti-crime and drug efforts in Orange County. Last but not least, he demonstrated his own police skills and experience when he brought decisive evidence to a high-profile local murder case through his collaboration with federal agents.

I thank my Congressional colleagues for joining me today in recognizing this remarkable man who has dedicated himself to serving his fellow citizens and neighbors. He has shown what kind of men and women America needs for its future.

A TRIBUTE TO THE LATE RICHARD C. BLAKE

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Ms. KAPTUR. Mr. Speaker, I rise to recognize Richard C. Blake of Toledo, OH, a man of great stature and kindest heart, who passed from this life on June 4, 1999. I came to know Dick and his family through his passionate commitment to the credit union movement to which, as his family noted, he "dedicated 52 years . . . as both his vocation and avocation."

Employed by the former Champion Spark Plug in Toledo, Dick was a member of the Champion Credit Union. He served in many of the credit union's leadership positions over 37 years, including membership on the board of directors, on the Credit and Supervisory Committees, board president, and treasurer/CEO. Not limiting his involvement in promoting credit unions to just the Champion Credit Union, Dick rose to the highest levels of the movement. He served as president of the Toledo Chapter of Credit Unions, chairman of the board and director emeritus of the Ohio Credit Union League, and director of the Credit Union National Association.

Dick also focused his time on community involvement, and was a past master of Toledo-Fort Industry Lodge #144; past patron of Fort Industry Chapter #391; a member of the Scottish Rite; and a member of the Adams Township American Legion Post. He also was a member of the Loyal Order of Moose Lodge #1610 and served on the finance committee of his church, Zion United Methodist. A water enthusiast, Dick belonged to the Toledo Yacht Club, Oak Harbor Long Beach Association, and the Coral Cay Association in Florida.

Dick's passing leaves a void in our community, but much more importantly within his loving family. Our heartfelt condolences to his wife of 57 years, Helen, and his children Becky, Kathy, and Bill, his eight grandchildren and five great-grandchildren. Dick has touched the lives of thousands of people and made our community and country a more humane nation. We all are grateful for the privilege of knowing him.

TRIBUTE TO THE 31ST COMMANDANT, UNITED STATES MARINE CORPS, GENERAL CHARLES C. KRULAK

HON. SAXBY CHAMBLISS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Mr. CHAMBLISS. Mr. Speaker, integrity, respect, and character have always been the centerpiece of the long and magnificent tradition of the United States Marine Corps. I cannot begin to praise our United States Marines for their reliability and devotion to our country and its history. But I would like to pay tribute today to a great American and friend who has served his country since he graduated from the Naval Academy in 1964.

General Charles C. Krulak stepped down from his position as the 31st Commandant of the Marine Corps last month. General Krulak, who served his country for 35 years, leaves the Marines with countless honors. While serving two tours of duty in Vietnam, commanding during the Gulf War, and serving as Commandant of the Marine Corps, General Krulak earned numerous decorations and medals including the Defense Distinguished Service Medal; Silver Star Medal; Combat Action Ribbon; Vietnam Service Medal; and the Purple Heart.

However, these well deserved honors simply amplify the values of duty, honor, and country which General Krulak exemplified. His honest and candid assessments were always welcome and our military is a stronger force and America is better nation because of him.

I want to say thank you to this great man who has done so much for our country. His service to the United States will be missed, but not forgotten. I am sure our Marine Corps will continue to pursue and practice the lofty values that General Krulak instilled in America's troops. I would like to thank General Krulak and wish him the best of luck for the future.

SENATE—*Wednesday, July 14, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, You are the healing power for the physical and emotional illnesses of Your people. Through the ages You have guided the development of medical science in the discovery of cures for the diseases of humankind. You use surgeons, physicians, nurses, technicians, and pharmacologists to facilitate Your healing. Throughout history, You have motivated the building of hospitals for the care of the sick, and You have made medical science and the practice of medicine a divine calling. Now, at the end of the 20th century, when commercialism often blocks humanitarianism, guide the Senators in their debate of health care issues. May their deliberations on differing plans to assure patients' rights bring them to compromises and solutions that are right and just for the future of all Americans. We pray that Your abundant healing mercy be the ambience of their attitude in this crucial debate. O Divine Healer, Source of the miracle of healing, grant this Senate the miracle of agreement. In Your reconciling power. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator ALLARD is now designated to lead the Senate in the Pledge of Allegiance.

The Presiding Officer (Mr. ALLARD) led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER. The majority leader is recognized.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will immediately proceed to a period of morning business until 10 a.m. I see Senator GRAMS is here for some remarks after my opening statement.

Following morning business, the Senate will resume consideration of the Patients' Bill of Rights Plus, and a number of amendments will be offered, I am sure, throughout the day. Debate will resume on the pending Dodd amendment regarding coverage of clinical trials.

As we go forward today, I remind Senators that we will continue to have what I am sure everybody will agree has been a good debate. I assume there will be several amendments offered today, and so there will be votes, I hope, even this morning or early afternoon and then throughout the rest of the afternoon. By previous consent, the Senate will complete action, I remind Senators, on the pending bill during tomorrow's session of the Senate. We may go into the evening, but it will be a normal evening. We have tried to make sure we had full time allocated for this debate and amendments. We agreed in the beginning that we would at least have normal days or more.

Actually, so far, on Monday we spent 6 hours 17 minutes on this bill. The average Mondays are 4 hours 46 minutes. On Tuesday we spent 7 hours 5 minutes. The average Tuesdays are 7 hours and 30 minutes. The average Wednesdays are usually around 9 hours 39 minutes. So we are going to stay right on track. I encourage my colleagues to make their best case, offer their amendments, make their speeches, but at the end of this week I hope we will come to a conclusion that will produce a bill which will address the important areas of patients' rights, consumer rights, protections they need, the right to access of documents, the rights that they should have to care, including emergency instances, but there has to be a prudent standard; there has to be some common sense applied to all of this.

I would also say at this point how proud I have been of the only doctor we have in the Senate. I think we are really blessed and privileged to have Dr. BILL FRIST here. Not only is he an outstanding human being but, unlike a lot of us, he knows what he is talking about. Having been a highly acclaimed heart surgeon, having a family that has been involved in hospital care, he has an extent of knowledge when it comes to clinical tests or how patients are treated, what procedures are necessary, most of us just do not have. So it has been a real pleasure to watch him at work over the past few days.

The Senate may consider any available appropriations bills when we complete the Patients' Bill of Rights. I remind Senators we are scheduled to have a vote on the Abraham-Domenici Social Security lockbox on Friday. There have been indications that the President supports a lockbox concept. I asked him in our meeting on Monday: Mr. President, what is your plan? Do you support the House version, which is a real lockbox? The Senate version is really tight because it bases the lockbox on the declining debt that would result from locking the Social Security funds up and not allowing them to be spent for anything but Social Security. Or the House version, which is a more procedural effort to keep these funds from being spent, requiring a supermajority vote, for instance, in the Senate of 60 votes in order to spend that money for anything but Social Security, which I think it should not be. Or is there some compromise version?

Senator DASCHLE and I have communicated on that a couple times over the past 2 days. We hope that maybe we can come to some agreement and get this Social Security lockbox done, set those moneys aside so that we can move on and deal with other issues such as Medicare reform and returning some of the tax overpayment to working American families.

So after the Patients' Bill of Rights, we do have the vote scheduled on Friday on the lockbox for Social Security, and then we are looking at other appropriations bills that we could go to Friday or early next week or the intelligence authorization bill. We will confer with leadership on both sides before that announcement is made.

With that, I thank my colleagues, and I yield the floor so that Senator GRAMS can make his statement.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each. Under the previous order, the Senator from Minnesota, Mr. GRAMS, is recognized to speak for up to 15 minutes.

The Senator from Minnesota.

Mr. REID. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. It is my further understanding that under the unanimous consent agreement of last night the Senator from Wisconsin is to be recognized for 10 minutes and the Senator from Rhode Island is to be recognized for 5 minutes. Is that true?

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

The PRESIDING OFFICER. The Senator is correct.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. REED. Further parliamentary inquiry. Would that carry us past the 10 o'clock hour?

The PRESIDING OFFICER. The Senate then would go past the 10 o'clock hour.

Mr. REED. I thank the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

PATIENTS' BILL OF RIGHTS

Mr. GRAMS. Mr. President, I rise today to talk a little bit about the health care bill we are debating in this Chamber.

Our colleagues on the other side of the aisle have day after day asserted that their Patients' Bill of Rights legislation is better than the Patients' Bill of Rights Plus legislation, of which I am a proud cosponsor.

If we are to believe that raising the cost of every insured individual's premiums by 6.1 percent and increasing the number of uninsured by roughly 1.8 million people is what is good for America, then, yes, this could be called a better bill. I, however, don't think those statistics suggest it's a better bill. Most Americans who know that this legislation increases costs and increases the number of uninsured do not think it is a better bill at all.

I firmly believe that the Patients' Bill of Rights Plus, S. 300, is a much more productive solution to problems facing Americans in the health care market today.

Mr. President, eight to ten percent of Minnesotans are uninsured today. Now, we in Minnesota enjoy a lower uninsured rate than the national average and we have historically had one of the lowest uninsured populations in the country.

However, if S. 6 is adopted into law, I could expect to see about 36,000 more Minnesotans become uninsured. Nationally, about 15 percent of our population today is without insurance. They may be uninsured for a number of reasons, but I bet the biggest obstacle for most people is access, and access is determined by costs. They simply cannot afford the costs of insurance.

These uninsured Americans would be left even further behind if we adopt the Kennedy-Daschle health care bill. Our colleagues make no effort whatsoever to address the problems of the uninsured. I do not think this is good policy, I do not think it is good for the Nation, and it certainly is not good for those already uninsured or those who will be forced to drop health care insurance because of increased costs.

Thankfully, we have an alternative, and it is called the Health Care Access and Equity Act of 1999, or S. 1274. I was pleased to introduce this legislation along with my colleagues Chairman ROTH and also Senator ABRAHAM of Michigan. When we introduced this bill on June 24, we did so with the support of 15 of our colleagues.

The Health Care Access and Equity Act does several things to increase access to health insurance, but one of the most important components is the full deductibility of health insurance costs for those without access to health insurance coverage through their employer. The Health Care Access and Equity Act of 1999 presents us with the opportunity to create the most comprehensive tax deductible coverage system in our Nation's history. It achieves this by eliminating one of the most discriminatory portions of the Tax Code: the disparate treatment between an employer purchasing a health plan as opposed to an individual purchasing health insurance on their own.

When employers purchase a health care plan for their employees, he or she can fully deduct the cost of providing that insurance, effectively lowering the actual cost of providing that coverage. However, when an employee purchases an individual policy on their own, they must do so with after-tax dollars and cannot fully deduct the cost of that plan. They do not have the ability or the advantage offered to employers to reduce the actual costs of their policy by deducting the premiums from their taxes every year. Therefore, health insurance is too costly and, for many, they usually wind up without health coverage. The Health Care Access and Equity Act will end this discrimination within the Tax Code and make health care available for many more Americans.

Let's make the same tax incentives for purchasing health insurance now available to employers apply to everybody. Let's level the playing field, and we will have taken the next logical step in the evolution of our health care system.

I believe Congress should be doing what it can to lower the cost of health insurance, making it more affordable—not by proposing legislation that will raise the costs and will make health insurance more and more difficult to afford.

I have a chart with me that shows the impact my legislation would have for my constituents. As you can see, it would reduce health insurance costs by anywhere from $796 to $1,384 for a family of four living in Mankato, MN, and also $887 to about $1,542 for a family of four living in St. Paul, or the Twin Cities. This is because they could deduct their premiums on their taxes, and this is what they would save off their tax bills which they could use then to pay for health insurance policies, thus making health care more affordable.

These are very significant costs which could make health insurance coverage available for many more people in my State, as well as across the country, who are currently in the individual health insurance market, and that is more than my colleagues on the other side of the aisle can say about their bill.

It seems most proposals before the Senate are just out there forcing some Federal definition of quality health plans onto the consumers and then sticks them with the bill, the increased cost for those mandates. It is not good policy, it does nothing for those who are uninsured, and it will not help those who will be forced to drop their health insurance because they can no longer afford the increase in those health care premiums.

Even without the increased costs associated with the so-called Patients' Bill of Rights legislation, employers are already anticipating premium increases of between 7 to 10 percent over and above the costs that would be forced to go up under the plan by Senator KENNEDY. Add on to that the costs of the Patients' Bill of Rights and you get higher numbers across the board, you get higher premiums, higher uninsured and higher frustration because any raise in pay that a middle-class worker might expect will now go toward even higher health care premium costs.

It is estimated that benefit mandates comprise over 20 percent of the price of health plan premiums already in the State of Minnesota, and if you add on top of that the 5- to 6-percent tax on health plans and we are getting close to one-third of that premium being attributed to taxes or mandates.

You might say: Employers can cover the premium increases. Some may, but some may not. Regardless, the money employers use to cover higher health insurance premiums could be used to increase the employee's salary. By increasing the employers' costs, Congress will force employees to forego a pay increase. My colleagues across the aisle may believe this is a good direction for the country to go in, but I do not, and I know that most Minnesotans do not agree.

If all this were not bad enough, 57 percent of small businesses say they will stop providing health insurance for their employees if they are exposed to the Kennedy-Daschle bill's liability provisions. This is not just a threat. Most small businesses are not able to absorb higher operating expenses without cutting back or eliminating some costs, and that could mean as well some jobs that would be lost.

Let's talk about the liability issue a little bit.

Under Senator KENNEDY's legislation, employees will be able to sue their employers for something the employer is not obligated to provide. That sounds a little strange to me, so I have to say it again. People will be able to sue their employer if they are unhappy with something their employer is not in any way obligated to provide.

Proponents of increasing costs through liability will say: We have carved out employers from the liability provisions so only insurers, HMOs, and third-party plan administrators would be liable. This may be true in theory, but what they will not tell you is that there is already no way to separate the two under recent guidance from the Department of Labor. The guidance clarifies that employers have a fiduciary obligation to monitor plan quality. This responsibility renders so-called carve-outs ineffective because there is no way employers can completely absolve themselves of benefit decisions under their health plan which is required under the Democrats' illusionary carve-outs.

As I have mentioned before, the Kennedy-Daschle approach will increase costs, and even if employers could meet the guidelines for that liability exemption, the costs are still passed on to the employers and, of course, those costs are then passed on to their employees. Essentially, the Kennedy-Daschle liability provision does not guarantee quality health care. What it does guarantee is increased health premium costs for every American.

What fork in the road is this country taking when a notion such as this is given any serious discussion? Isn't it apparent to supporters of the Kennedy bill that if companies are exposed to this type of liability they would just drop insurance coverage for their employees?

I have never believed we need more litigation in this country, and this is certainly not an exception. We all want patients to have protection as much as anyone else. Yet how do we ensure patients are receiving the health care they need in a timely fashion?

I believe a strong, independent, quick, and easily accessible appeals process for those who have been denied health care services they and their physicians believe is necessary is what is needed and appropriate means to resolve coverage disputes. Again, as an original cosponsor of the Patients' Bill of Rights Plus legislation, I support an idea for this strong, independent, external appeals process to ensure people receive the health care they need and to make sure they get it when they need it.

Perhaps the best part of the appeals process is the fact that the external appeal is binding on the health plan but not binding on the person who is appealing. What does that exactly mean?

It means if you were denied care you and your physician believe is necessary, go through the appeals process and the appeals board agrees with you, the health plan then is legally bound to pay for that care. However, if you are unsatisfied with the outcome of the appeals process, you can then sue the health plan under current law, which allows the collection of attorney's fees, the cost benefit, court costs, injunctive relief, and other equitable relief.

No one can sue their way to good health, but we can give them the tools they need to get the care they need when they need it, and the Patients' Bill of Rights Plus gives consumers those tools.

The Kennedy-Daschle bill also includes a provision which, on the surface, also sounds very reasonable. It allows physicians and patients to determine what is medically necessary. Who could be against that? But what they do not tell you is creating such a standard could, under some circumstances, work against the patient's best interest. I will give an example of how this could happen.

Under Senator KENNEDY's bill, health plans would be required to cover the costs of whatever setting or duration of care a physician decides is "medically necessary." The bill goes on to define medical necessity as whatever is consistent with generally accepted principles of professional medical practice.

This effectively prohibits health plans from intervening in situations when it is clearly in the patient's best interest. For instance, the Centers for Disease Control figures indicate that approximately 349,000 unnecessary caesarean sections were performed in 1991. While decisions regarding these individual procedures were based on generally accepted principles, a large number of women were needlessly subjected to major surgery and risk of infection.

Another shortcoming of the generally accepted principles of medical practice is the variance in treatments from region to region. Let's take a look at what the Dartmouth Atlas of Health Care 1998 says about treatments for breast cancer;

> Once diagnosed, surgery is universally recommended for the treatment of breast cancer. There are two principle surgical approaches: breast sparing surgery (lumpectomy, which is followed by radiation therapy) and mastectomy (complete removal of the breast). Randomized clinical trials have shown that these two approaches have nearly identical rates of cancer cure. . . . Despite scientific evidence that the survival rate is the same for breast sparing surgery and for mastectomy, and in spite of wide consensus that patient preferences should determine which treatment is chosen, the wide variations in surgical rates suggest that physician, rather than patient, preferences are the deciding factor on most cases.

That's what the Dartmouth Atlas of Health Care 1998 has to say about the choice between lumpectomies and mastectomies. Let me tell you about a related incident which actually happened in my state of Minnesota.

Several years ago, one of the major health plans in Minnesota received a telephone call from a Minnesota physician seeking authorization to perform an outpatient mastectomy on a woman suffering from breast cancer. This physician wanted to admit a woman to a same-day surgical center, remove her breast and then send her home later that day.

The health plan's medical director had never heard of an outpatient mastectomy being done before. In answer to questioning by the health plan, the physician admitted he had done the procedure only one time before. When asked why he wanted to do this procedure on an outpatient basis, he told the plan it was at the request of the patient. The plan's representative told the physician to wait and make no plans to do the procedure outpatient.

The health plan then went to the patient and asked why she would want to procedure done as an outpatient. She told the plan's representative that the physician told her the plan was ordering him to do the procedure on an outpatient basis. "You know how insurance companies are," she said he told her.

When the plan told her they hadn't ordered the physician to do the procedure outpatient, she began to cry. She did not want the procedure done outpatient.

The health plan called the physician back and told him that due to the lack of medical necessity, they were denying his request for authorization to do the mastectomy on an outpatient basis. The patient had the mastectomy as an inpatient, and because of complications, she ended up staying in the hospital for several days.

Mr. President, this women was a single-mother of three who would have been totally incapable of caring for herself, much less her three children, if the physician had done the procedure outpatient as he originally requested.

This example demonstrates how health plans can and do contribute to quality in our health care system. Are there problems in some areas? Have mistakes been made? Yes. But, let's think about the consequences of what we do here today. Will the Kennedy bill really make health care better? More quality oriented? I don't think it will.

New breakthroughs in pharmaceuticals and medical devices are unveiled almost daily. Many of these breakthroughs come from Minnesota companies and research facilities. These breakthroughs represent opportunities for individuals to live longer, healthier, more productive lives. I believe it would be difficult for physicians, or anyone, to be able to keep up with all the latest technology and treatments by themselves. Yet, that's what we're forcing them to do if the medical necessity provision included in the Kennedy bill passes as written. Further, if plans are required to pay for whatever procedure, treatment, drug or device providers offer, we could be putting patient's health, and perhaps their lives, at stake.

To show the inconsistency of President Clinton and Senator KENNEDY display by insisting the medical necessity provision be part of the Patients' Bill of Rights, they directly contradict a report issued in February by the Office of Inspector General of the Department of Health and Human Services. The report found that the majority of all Medicare fee-for-service fraud cases is a lack of medical necessity. You may recall Secretary Shalala holding a press conference in response to this report calling on America's seniors to be more vigilant when receiving health care services to assure that fraud is not being committed.

If the administration is urging consumers and health plans to take action in order to reduce fraud in the Medicare program, why is it proposing to bar health plans from using the very same tools to prevent fraud in their programs?

While I'm thinking about Medicare and the Patients' Bill of Rights, it was President Clinton who insisted, under the threat of a veto, a provision be included in the Balanced Budget Act which denies seniors one of the most basic patient's rights—the ability to use their own money to pay for the health care services they believe are necessary. Our Democratic colleagues agreed with the President and have stalled reconsideration of this egregious violation of a basic right. I am hopeful we can get to that patient's right later this year.

The problems our health care system faces are not just the result of managed care. If it were, Minnesota, where 90 percent of health care consumers are in managed care organizations, would not have the longest life expectancy in the United States. The Twin Cities of Minneapolis and St. Paul would not have the lowest health care costs of the top 20 metropolitan areas in the United States, and we wouldn't have an uninsured rate half the national average. Minnesota has found a way to live and thrive with managed care. It's not without problem, but for the vast majority of Minnesotans, it works well. With all due respect to my colleague from Massachusetts, Minnesotans don't want his definition of a quality health plan and we don't want him to tell us what protections we need or don't need.

During my first term in Congress, President Clinton introduced the Health Security Act, which is now commonly referred to as "Clinton Care." I was opposed to the President's legislation because it was nothing short of a government take-over of the best health care system in the world. I remain opposed to this type of legislation because it is too prescriptive, too centralized and limits health care choices.

Over the past two years, we've seen bill after bill introduced which propose, in the name of quality health care, to allow federal bureaucrats, Congress and lawyers to practice medicine without a license. Benefit mandates are thrown around Congress as if there were no consequences. I've heard it referred to as legislating by body part.

We are told by those on the other side of the aisle, "we need to have benefit mandates so Americans can receive quality health care," and "let's preempt the states because they don't know what they're doing." I disagree, and the very individuals who regulate HMOs and every other type of health plan for the respective states—the insurance commissioners—also strongly disagree. In fact, State insurance commissioners have already spoken to Congress on this issue. The National Association of Insurance Commissioners wrote this to Chairman JEFFORDS in March of this year.

> It is our belief that states should and will continue the efforts to develop creative, flexible, market-sensitive protections for health consumers in fully insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.

The letter goes on to explain very precisely their view of pending legislation:

> The states have already adopted statutory and regulatory protections for consumers in fully insured plans and have tailored these protections to fit the needs of their states' consumers and health care marketplaces. In addition, many states are supplementing their existing protections during the current legislative session based upon particular circumstances within their own states. We do not want states to be preempted by Congressional or administrative actions.

There has been a lot of smoke blown around here about how many health-based organizations have endorsed this bill or that bill, but when it comes to regulating health insurance policies, I believe we need to put more stock in the option of those who are currently responsible for regulating health insurance—our state insurance commissioners. They know best what the people in their states need—they know best how to achieve their goals, and Congress should know better than to question their ability or willingness to meet those challenges.

As we get deeper and deeper into the details of the Kennedy-Daschle bill, I am reminded of something Minority Leader DASCHLE said in the opening hours of this debate. He claimed that the reason insurance companies call them HMOs "is that H-M-O stands for their patient philosophy: Having Minimal Options." Mr. President, I suggest that it is the Kennedy-Daschle bill that would take away options and our colleagues should be willing to admit it.

We have seen our colleagues' true motives when they backed President Clinton's Health Security Act, when they backed President Clinton taking away a senior's right to use their own earnings to pay for medical services without the government and now we see it with the Kennedy-Daschle Patients' Bill of Rights. Consumer's options are becoming minimal and we have government to thank for that.

To suggest that our bill—the only one expanding options for the American people by eliminating restrictions on medical savings accounts, allowing the self-employed to fully deduct the cost of purchasing health insurance, and permitting the carryover of unused funds in flexible spending accounts—limits Americans choices, ignores the contents of our bill and ignores the reality of the Kennedy-Daschle bill.

Another issue I would like to talk about is something I have taken great interest in over the past three years—emergency medical services. This is perhaps one area in our debate which Republicans and Democrats have agreed is important enough to ensure access for Americans in need of immediate care. Every proposal in Congress contains some form of the prudent layperson standard for emergency services. That is with good reason.

The Federal Government has some precedence in dealing with access to emergency care through a law enacted in the 1980s called EMTALA, or The Emergency Medical Treatment and Active Labor Act. This act requires hospitals to treat everyone and anyone who enters their emergency department regardless of ability to pay as a precondition to participation in the Medicare program.

All the proposals before Congress with the prudent layperson standard include some reference to EMTALA. Where I have concern is the lack of any mention of ambulance services in any Patients' Bill of Rights legislation. While there has been some mention of ambulance services being included as part of the ancillary services clause under EMTALA, this simply will not work.

I will remind my colleagues that EMTALA only affects what happens once an individual arrives at a hospital's emergency room door. It covers none of the pre-hospital care people receive from courageous EMS personnel all over the Nation whose sole function is to get the sickest among us to the emergency room quickly, efficiently and safely so emergency physicians can tend to our condition.

Contrary to what most people think, EMS personnel do not make diagnoses. They do not make decisions about whether a patient should or should not be transported to an emergency room based on their medical condition. Ambulance personnel respond to calls initiated in any number of ways, arrive at the location, assess the patient's condition, stabilize them and ready them for transportation to a facility with the personnel trained to make a diagnosis.

The reason I wanted to bring this to everyone's attention is because I believe many of us have not taken the time to fully understand the function ambulance services performs in the health care delivery system. We cannot afford to continue ignoring the important role EMS plays in health care.

For the past 3 years, I have introduced legislation which would address some of the problems ambulance services faces every day. My most recent iteration is S. 911, the Emergency Medical Services Efficiency Act. I invite any and all of my colleagues to join me as a cosponsor of this important legislation. I am hopeful we can include several of its provisions in the Patients' Bill of Rights legislation before us today.

For every 1 percent increase in premiums, there are an additional two to four thousand uninsured in Minnesota. Whether it's a family of four in Ada, Minnesota or a single mother of two in Zumbrota, I don't want to be responsible for any Minnesotan losing their health insurance coverage. I believe if I were to vote for the Kennedy-Daschle bill, I would be doing just that—ensuring that 36,000 Minnesotans will be forced to drop their coverage because they can no longer afford it.

That is something I, along with 97 of my colleagues in the Senate, voted not to do in a sense-of-the-Senate resolution last year. I urge my colleagues to honor the promise they made in that vote and defeat the government-centered, one-size-fits-all vision of health care illustrated by the Kennedy-Daschle Patients' Bill of Rights. Patients will get a bill all right—one taken out of their paychecks every month.

I urge my colleagues to say yes to creating choices, yes to protecting consumers who aren't currently protected, yes to being mindful of costs, and yes to increasing the number of insured—they can do all that with one vote for the Patients' Bill of Rights Plus.

The PRESIDING OFFICER. Under the previous order, the Senator from Rhode Island is recognized to speak for up to 5 minutes.

Mr. REED. Thank you, Mr. President.

PATIENTS' BILL OF RIGHTS

Mr. REED. Mr. President, I will discuss several issues that are central to the debate we are having on managed care in the Patients' Bill of Rights.

First, I was very disappointed that the Senate rejected Senator KENNEDY's amendment which would have extended the protections of the Patients' Bill of Rights to all privately insured Americans. Those in favor of much more limited coverage, very much restricted coverage, argue that the cost in the Democratic alternative would cause many Americans to lose their health insurance through increased premiums. They argue, as we have heard time and time again, that premiums would rise and that employers would drop coverage.

When you actually talk to many employers, particularly those in small businesses who are represented by the American Small Business Alliance, for example, they tell quite a different story. They talk about a situation in which they have already seen premiums rise, but they get very little for what they pay for.

For example, Mr. Brian McCarthy, President of McCarthy Flowers and Cabs, from Scranton, PA, had this to say. His words:

> Workers who spend time out sick or are consumed in battles with their health plan wreak havoc on the bottom line. That lost productivity costs my business a lot more than the modest premium increases that may result from this legislation.

He went on to add:

> The Patients' Bill of Rights is about giving people the care they need and deserve, and it clearly gives small businesses a better deal for their health care dollar.

That is not the voice of a Senator, but of a small businessperson who has seen the effects of managed care on his own bottom line.

Another small business owner, Mr. Tom Reed, who owns Lake Motors in Eagle Lake, TX, said:

> My premiums go up now and I get nothing, or sometimes even less coverage. The Patients' Bill of Rights at least will give me something tangible, bringing me better value for the health care money I spend.

Those are the words of businesspeople who are struggling with the issues. They are in favor of this legislation because they want to get what they have been paying a lot for, and that is quality health care. They will only get that with the Democratic Patients' Bill of Rights.

There have been studies that have supported these anecdotal comments. The Kaiser-Harvard Program on Health Policy surveyed small business executives from the small business sector, and they found that 88 percent support independent appeals such as those that are in the Democratic alternative; 75 percent support the right to see a specialist without prior approval; 61 percent favor giving people the right to sue their health plan; and fewer than 1 percent suggested that they might drop coverage if rates increased.

These are small business executives. This is compelling and persuasive evidence that, in order to be responsive to the needs of small businesses throughout the country, it is imperative that we pass the Democratic alternative.

There is another aspect of this legislation which deserves discussion, and that is the fact that health care plans, HMOs, are immune from liability because of what is apparently a loophole in the ERISA law.

A physician can be sued for malpractice, a physician can be sued for making misjudgments, but an insurance company, often working through nonphysicians, administrators, and reviewers, are immune from such suits.

This aspect of accountability is critical to making sure that we have rights that are enforceable and that actually produce tangible results throughout the country.

In another survey, the Kaiser Family Foundation found that 73 percent of those surveyed believe that patients should be able to hold their managed care plans accountable through the courts.

This is not to suggest that anyone is encouraging a mass exodus to the courthouse. In fact, there is quite a bit of experience that suggests this probably will not happen.

In Texas, in May of 1997, bipartisan legislation was passed making it the first State where managed care organizations can be sued for medical malpractice. Like the Democratic plan, the Texas liability law is closely tied to tough, independent external review processes. In fact, you cannot take advantage of the right to sue until you have been through this independent review process.

Despite all the warnings about a flurry of lawsuits—the same thing we are hearing today—this has not been the experience in Texas. Neither has the State experienced increased premiums. What has happened is that both sides now are claiming success. HMOs are saying: Look, this is working. And consumers are saying: This is helping us out. In fact, according to Texas State Senator David Sibley——

The PRESIDING OFFICER. The time has expired.

Mr. REED. I ask unanimous consent for an additional minute

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. I thank the Chair.

According to one of the sponsors, Texas State Senator David Sibley, who is Republican, in his words, stated:

> [T]he Texas experience has been very positive. . . . Both sides are claiming victory: the HMOs are saying "see how well it works; people aren't filing many reviews." The consumer groups are saying that HMOs are being more responsive and are looking more carefully at the needs of patients before they deny claims.

Mr. REID. Will the Senator yield?

Mr. REED. Yes.

Mr. REID. Is the Senator aware that George W. Bush, Governor of the State of Texas, vetoed the initial HMO bill in the State of Texas?

Mr. REED. I was not aware of that. But I think experience is showing that it would have been an error because the law is working very well. We have a rare historic opportunity to do something to help the American people. It has been done already by the great State of Texas in many respects, but we can do much more, and we shall do much better. I would like to see the same type of protections that are available to the good people of Texas afforded to everyone in this great country.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin, Mr. FEINGOLD, is recognized to speak up to 10 minutes.

THE IMPORTANCE OF PATIENT PROTECTIONS

Mr. FEINGOLD. Mr. President, I rise today to speak about the importance of passing a meaningful Patients' Bill of Rights package that will ensure that managed care companies cannot put their cost-control measures ahead of the well-being of their patients. This legislation is absolutely vital to protecting the quality of health care for all Americans.

Many of my colleagues have spoken on various aspects of this issue over the past few weeks. But I would like to bring my colleagues' statements "home" by speaking a bit about what we mean when we talk about "Protecting Patients' Rights." We are talking about the grim reality that the American health care system is no longer controlled by those who best understand how to treat patients—our physicians.

Instead, managed care companies, primarily HMOs but also other health insurance providers, have become so involved in the business of health care that they control nearly every aspect of health care including where the health care is provided, and by whom. Of greatest concerns to me the most is that these managed care organizations can decide whether that health care can be provided at all—they make the key medical decisions. In other words,, regardless of whether that care is determined to be medically necessary by the physician who is treating you, managed care administrators can override your doctor's medical decisions and refuse to cover the care that you need.

How does this happen? Well, managed care companies control costs by limiting supply—screening which health care providers its enrollees are permitted to see, requiring patients to go through insurance company gatekeepers prior to seeing a specialist, tracking physician practice patterns to ensure that doctors are complying with HMOs' cost-control efforts. Some HMOs go so far as to impose a gag-rule on doctors, prohibiting physicians in their system from discussing treatment options that the HMO administrators deem too expensive.

Managed care companies control how—or even whether—we receive health care. Their control over what goes on in the examination room can be matched only by their significant political clout in Washington, which they've gained in part through generous political donations. Mr. President, during earlier remarks I gave on the Patients' Bill of Rights, I talked about the power special interests wield in the health care debate, but I want to remind my colleagues and the public of those remarks, because I think it's vital that we keep the power of these wealthy interests in mind throughout this discussion.

During the last election cycle, managed care companies and their affiliated groups spent more than $3.4 million on soft money contributions, PAC, and individual contributions—roughly double what they spent during the last mid-term elections.

Managed care giant United HealthCare Corporation gave $305,000 in soft money to the parties, and $65,500 in PAC money to candidates;

Blue Cross/Blue Shield's national association gave more than $200,000 in soft money and nearly $350,000 in PAC money;

And the managed care industry's chief lobby, the American Association of Health Plans, has given nearly $60,000 in soft money in the last two years.

Mr. President, these numbers are just the tip of the iceberg, but I mention them today to present a clearer picture of the power the managed care industry wields in Washington as we debate managed care reform. As we talk here on the floor about why Americans have such an important stake in this body passing the Patients' Bill of Rights, we should also be aware of what a huge stake the industry has in stopping this legislation, and how they have used the campaign finance system to protect their interests.

Regardless of how you feel about any particular Patients' Bill of Rights proposal, I think any reasonable person would agree that an arrangement where someone has financial incentives to deny health care to my family and me—that the very existence of such incentives has to raise flags. As a parent, and as a consumer, I want to be sure that managed care cost-control systems don't compromise the quality of health care for my family and me.

So I want to make it clear that the central goal of protecting patients' rights is to ensure that medical necessity is what drives our health care. That's what we're talking about. We need to be sure that the people making health care decisions are licensed health care professionals, not administrative personnel whose primary mission is to protect their bottom line. I do not think that is an outrageous, pie-in-the-sky goal. I think it's a common sense expectation when I buy health insurance for my family, and I don't think any of my colleagues would demand any less from their own health insurance.

During the year or so since Senators DASCHLE and KENNEDY first introduced the Patients' Bill of Rights, I have had the opportunity to visit every county in my state to speak with my constituents and to find out what issues they care about. I can tell you that health care—the quality of health care, the availability of health care—is consistently one of the top issues that my constituents raise with me. In general, the quality of health care in Wisconsin is quite good. Wisconsin was one of the first states to regulate HMOs as insurance providers, and the state has developed a set of basic, common sense patient protections—many of which are included in S. 6, the Democratic Patients' Bill of Rights.

Mr. President, I would like to share a story that was told to me by a pediatrician who practices in Madison, Wisconsin. This pediatrician told me about a newborn infant she saw who looked fine upon first examination, but on the second day, the pediatrician detected a heart murmur. Knowing that this newborn urgently needed to see a specialist, the pediatrician immediately called for a referral to a pediatric cardiologist, which in this particular HMO requires first going through an adult cardiologist for the referral to a pediatric specialist. By sheer luck, a pediatric cardiologist happened to be in the hospital on a separate matter and was able to examine the baby.

The pediatric cardiologist ordered an echocardiogram and diagnosed coarctation, a tightening or narrowing of the aorta that is specific to newborns. That pediatric cardiologist happened to be in the right place at the right time—but under usual circumstances, time would have been lost while a referral was sought from an adult cardiologist. As a result, that baby immediately began receiving medication—prostaglandin—intravenously until she could be transported to Children's Hospital in Milwaukee to receive emergency heart surgery. The baby survived and is doing well.

When I heard this story, apart from relief that the baby survived, my first question was, "What would have happened if you and the baby's parents had to go through the normal processes of the HMO's rules?" The pediatrician told me that that process, even if expedited, would have taken at least 24 hours, which didn't sound very long until the pediatrician informed me that the untreated coarctation would have resulted in the baby's death within a few hours.

I am greatly relieved and happy that this particular baby was cared for and survived. But what I find frightening, though, is that this baby survived almost as a fluke, in spite of the system. The Patients' Bill of Rights includes a guarantee of access to pediatric specialists. Fortunately for the family of the baby with the heart murmur, many pieces fell into place to save the baby, including a dedicated and vigilant pediatrician willing to be an advocate for her patient and a pediatric specialist in the right place at the right time. This situation didn't turn into a horror story. But we simply cannot let these sorts of happy endings happen only by chance. We must enact meaningful patient protections, such as guaranteed access to pediatric specialists as contained in the Democratic Patients' Bill of Rights but lacking in the Republican bill, to ensure that people get the care that they need.

The patient protections we are talking about ought to be part of the deal when you enroll in health insurance. These are pretty basic concerns, Mr. President, concerns that I think may get obscured sometimes when we get into jargon like "prudent layperson," "point of service," and so on. So when we speak about protecting patients' rights, I want to be clear that we are talking about how to make sure that corporate cost-control concerns don't result in people being denied the care that they need.

I thank the Chair.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

PATIENTS' BILL OF RIGHTS ACT OF 1999

The PRESIDING OFFICER. The Senate will now resume consideration of S. 1344, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

Pending:

Daschle amendment No. 1232, in the nature of a substitute.

Dodd amendment No. 1239 (to amendment No. 1232), to provide coverage for individuals participating in approved clinical trials and for approved drugs and medical devices.

The PRESIDING OFFICER. Who yields time on the pending amendment?

Mr. REID. Mr. President, I yield the Senator from California 7 minutes.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank the Chair, and I thank the Democratic whip for yielding me this time.

Mr. President, I rise in favor of the Dodd amendment, which deals with access to clinical trials and access to prescription drugs. I think this is a very important amendment, and I am very proud to speak in favor of it.

Yesterday, as I left the floor of the Senate, I realized what the score was for the people: Zero. In very close votes in each case, this Republican majority voted, with rare exception, for the HMOs and against the patients of this country. It is stunning to me to see that, a most amazing thing.

As I discussed some of what happened yesterday with my Democratic friends, who happened to be women, we were all stunned at the vote against a very straightforward amendment by Senator ROBB which basically said, after a mastectomy, a doctor should determine the length of stay. It is stunning to me that that couldn't pass the Senate. The hold and the grip of the HMOs is extraordinary.

There is a cartoon in today's Washington Post that I find very interesting. It pictures huge campaign contributions. The Senator from Wisconsin talks about that all the time. I am not surprised people are cynical. All I hope is that they wake up and listen to this debate. This amendment on clinical trials is one they ought to listen to.

What is a clinical trial? A clinical trial occurs when there is a promising new therapy for a condition, a disease for which traditional therapies are not working for everyone. So what happens is people will enroll in these clinical trials; usually, they are pretty desperate at that point because their disease is not responding well to the traditional therapies. They want to get into this trial, and they want to see if they have a chance at surviving. The good news about this for society is not only will this individual have a chance of surviving, but we learn about the therapy, and, of course, it is the way we have seen therapies move into the mainstream of treatment.

Well, what is happening now with the HMOs—because they are so interested in their profits and paying their CEOs $30 million, in one case, and $50 million a year in another case—is they are cutting back on costs. So where they used to pay the costs associated with a clinical trial, not for the experimental therapy itself, because that is paid by the company that invented it, but by the associated costs, if there are reactions to the therapy, et cetera, they are cutting back on this treatment. So by their refusal to pay for the patient cost, many research institutions—particularly cancer centers—are cutting back on the clinical trials because there is a lack of payment by the HMOs, and we are running into a real serious problem.

When you continually put profit before patient care, when you continually put dollar signs ahead of vital signs, what happens is we are losing the opportunity to test these promising treatments for cancer, for Alzheimer's, for Parkinson's, for diabetes, for AIDS—you name the disease. By the way, if you ask the average American what they fear most, they will tell you it is illness; it is cancer; it is heart disease; it is stroke; it is the loss of a loved one.

So what we have is a situation where HMOs are refusing to pay the patient costs in clinical trials, and clinical trials are being cut back at the very time when we are making tremendous strides in learning more about therapies. This is a sad day.

So what we do in this amendment is essentially say let's go back to the way it always was, where the HMOs pay for the costs associated with these clinical trials for their patients. If we don't pass this amendment and this trend continues, we will reverse the trend of finding better cures for disease.

The other thing this amendment does, which is really important, is it deals with access to prescription drugs. Nearly all the HMOs have developed what is called a formulary, which is a limited list of prescription drugs for which the HMO will pay. They do this to receive discounts from drug companies and to limit the number of medications for which they pay. This is a cost-saving measure. I don't have a problem with this—except when the formulary drug isn't right for the patient, except when a doctor says the drug his patient needs is not in the formulary. What this amendment says is that the HMO must pay for the drug that a doctor determines his patient needs, even if it isn't in the list that the HMO provided.

It also says in this amendment that HMOs cannot classify a drug that is approved by the FDA as experimental, which is one of the ways they get around having to pay for a drug. They say to a patient: Well, I know your doctor wants you to use this drug, but it is experimental.

Well, if a drug is approved by the FDA, the Food and Drug Administration, then it is clear that the drug has been approved and ought to be available.

So this is a very important measure. This will ensure we keep making progress on clinical trials. This will ensure people get access to the needed drugs. I hope we will stand up, not as we did yesterday, because this Senate sat down for the people and stood up for the big money interests in this society, the HMOs and their bottom line. Let's stand up for the people and let's support this Dodd amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. Mr. President, very quickly, let me state where we are, and then I will yield to the Senator from Florida.

We are presently considering an underlying amendment on clinical trials which was put forth by Senator DODD. It is an issue we have discussed a great deal in committee. It deserves discussion and it deserves a great deal of debate because it is important. As one who has been a principal investigator in clinical trials and has been involved in clinical investigations and trials for pharmaceutical agents and the application of medical devices, such as cardiac valves and stints, all of which I am familiar, it allows me to say it is critically important we debate and address this issue, that we make sure we do move forward in a direction to capture and support the great benefits which are available in clinical trials.

A clinical trial is fairly straightforward in patient care. It is to figure out whether or not something works or whether it is harmful or not harmful. It is necessary to use and investigate patient populations where one group of the population receives it and one group does not receive it, to see what the adverse effects are, what works and what does not work. It is the accepted way of making and capturing the great advances which we all know are both being realized, but even more exciting—whether it is in the field of cancer or heart disease or bone disease or stroke—is that we are going to make our great breakthroughs.

In the underlying bill we are considering, we have a study by the Institute of Medicine to look at the factors which might hinder patient participation in those trials and also to figure out what the cost of these trials are, because you have one population that is not getting either a specific device or pharmaceutical agent and one population that does. But to compare these two populations, you need to do more testing, more examinations. If you have side effects or an adverse reaction from a medication, maybe you have to have a longer hospitalization or new treatments.

Well, the challenge we have as a nation is to figure out what that additional cost is. There have been only three good studies completed to date to determine the difference between those incremental costs to carry out that investigation. What we are considering is a new mandate and whether or not that new mandate should be placed on the HMOs' backs, or the private sector's back, in order to make the great advances in which we all want to participate. If we open that door—and I think we can go further than what is in the underlying bill—we have to be very careful not to impose a huge, very expensive mandate on our private health insurance system—something we haven't been able to do in Medicare, the public system. We have struggled with it, and we haven't been able to figure it out with the public dollars. So before we put in a huge mandate, we have to be careful not to dump on the private sector something we haven't been able to do in the public sector. That is the essence of the bill we will be passing over the next 48 hours.

I think we can make great strides. Probably the first thing to do is to look at the clinical trials. In this body, no Member has spent as much—or more—time looking at this issue of clinical trials than the Senator from Florida.

I yield 10 minutes to the Senator from Florida.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Florida.

Mr. MACK. Thank you, Mr. President. I thank Senator FRIST for yielding me time. I also appreciate greatly the comments made with respect to the clinical trials. Again, I look forward to continuing to work with him in the future on this issue.

Mr. President, I want to respond to one provision of the amendment offered last night by my friend from Connecticut, Senator DODD. This provision goes to a concern that has been raised by patients throughout our country—the issue of health coverage for patients who are participating in clinical trials.

As Members of the United States Senate, we must seek legislative solutions to a wide array of public policy issues. These issues include health policy, as we are doing today. They include tax policy, economic policy, foreign policy, and education policy. The list is quite expansive. Frequently, we find ourselves divided on issues of the day.

However, I can think of no issue which better unites Republicans and Democrats, conservatives and liberals, as the issue of biomedical research.

In addition to Senator DODD, we are fortunate to have many, many leaders in the Senate on this important issue. Senator SPECTER and Senator HARKIN are leading the historic bipartisan effort to double funding for the National Institutes of Health. Senator JEFFORDS, Senator FIRST, Senator KENNEDY, and Senator MIKULSKI have worked hard in their committee to authorize and oversee the activities of the HIH. Any many more of my colleagues have each contributed in their own way to help make funding for HIH the national priority it is today. As I said, few issues unite the Senate like medical research.

One of the highlights during my 17 years as a Member of the Senate and House of Representatives has been to meet the scientists who are revolutionizing the way man fights disease, and to improve our quality of life. It doesn't matter if they are a young bench scientist or a Nobel Laureate, their mission remains the same—to find ways to detect and treat diseases. Today, there is a level of commitment and enthusiasm to this monumental endeavor that I've never seen before. Today, researchers dare to use the word, "cure." That wasn't the case very long ago.

As we work to make sure that scientists have the necessary resources to continue their remarkable progress, we must also address the ethical, legal and social implications of biomedical research. Science is moving faster than public policy can keep pace. It's as though science is on the Concorde, and Congress stalled at Kitty Hawk trying to get off the ground.

There are very difficult, complex scientific issues which require Congressional action, but these issues also require thoughtful and careful deliberation. For example, Congress has been working for many years to ensure that health plans do not discriminate against people because of their genetic information. As a cancer survivor, I know how important it is to have confidence in knowing that a genetic test will be used for information, not discrimination. I've been part of a bipartisan effort to resolve this issue, starting with legislation introduced by our former colleague, Senator Mark Hatfield.

Genetic nondiscrimination is a very complex issue with wide-ranging ramifications. There have been many questions to answer. Congress has struggled with how best to define medical and scientific terms. We have examined the impact of our actions on the cost and availability of health insurance. Frequently, we have determined that much more information was needed before deciding the best approach.

We have addressed the issue of genetic nondiscrimination with thoughtful deliberation, and I believe the Congress must take the same thoughtful, deliberative approach when it comes to coverage of clinical trials.

There are many questions to be answered. What are the cost implications? How will this new benefit impact the availability of health insurance? What impact will coverage of clinical trials have on health insurance premiums? How will it impact small business owners, who are struggling to provide health insurance for their employees? What is the best approach to defining medical and scientific terms, such as "routine patient costs"?—becasue that definition will determine what the underlying costs of this effort will be.

These are very important questions, involving very complex issues, with very significant implications.

Mr. President, I support comprehensive coverage of clinical trials. But, as this time, we need more information before we go that far.

Later today, or tomorrow, I will be introducing an amendment, along with Senator FRIST, Senator JEFFORDS, Senator COLLINS, and others, which will help provide patients, scientists, lawmakers, employers, health plans and others with answers to the many questions associated with health insurance coverage for clinical trials. I will outline our approach at that time.

Mr. President, medical research is a bipartisan issue. We all agree that the basic scientific research funded by the

National Institutes of Health must be translated into new forms of treatment through well-designed clinical trials. Earlier this year, Senator ROCKFELLER and I introduced legislation to provide Medicare coverage for cancer clinical trials. I am pleased to say that a bipartisan group of 36 Senators have cosponsored this bill. Senator SNOWE and others have introduced legislation to provide coverage through private health plans. We may approach the issue in different ways, but we all agree that the Senate must address the issue of clinical trial coverage, and we must do so now.

Mr. President, I look forward to discussing my amendment later in the debate.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Tennessee.

Mr. FRIST. Mr. President, I yield 20 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me, first, thank one of the true leaders in the Senate on the issue of health care for yielding me time, and to say how much I have appreciated his work in the last month and in the last few days during this critical debate on the Patients' Bill of Rights.

I am pleased the Senate is, once again, debating the issue of health care reform. I am pleased because here we have an opportunity, I think, to reclaim for the American people their right to control their health care. I am excited we have this opportunity to talk about medical savings accounts, restoring patients rights, and making health care insurance affordable—or at least this should be the essence of the debate.

I must tell you that I am disappointed to see only one side is interested in truly talking about patients' rights instead of more regulation, more government, and, somehow, more control. While Republicans are talking about giving all Americans access to health care insurance and letting them control their medical health care, our Democrat friends are talking about driving up costs, canceling health care coverage for millions of Americans, and putting American health care under the control of more Federal Government.

I am aware my friend, the Senator from Connecticut, has an amendment on the floor. I will speak to that amendment in just a few moments. But I think it is important to set that amendment in the context of the debate on the bill yesterday, today, and the balance of the week.

First, I want to look at what it is our Democrat friends on the floor of the Senate are asking us to swallow. I believe this will help us better understand the amendment offered by the distinguished Senator from Connecticut.

We have heard a lot of talk about the cost of the Kennedy bill—some of it on this floor. Yesterday we even saw our colleagues parade out the President of the United States to downplay the cost of the Kennedy bill. Our Democrat colleagues have a mantra when it comes to the cost of the bill. Over and over again, they say, well, it is less than a Big Mac; it is less than $2 a month.

Let me look at this chart for a moment, and maybe you will join with me in it. It is "less than a Big Mac." That is what Senator KENNEDY said. They even say the nonpartisan Congressional Budget Office says this bill will cost less than a Big Mac.

If you look at the Congressional Budget Office report—and I recommend you read it in its entirety—you will see it says nothing about a Big Mac. But this is what it does say: According to the Congressional Budget Office, the Kennedy bill will increase premiums an average of 6.1 percent over and above the normal inflationary costs of health care.

For instance, let's read from the CBO report because an awful lot of my colleagues on the other side of the aisle seem to be confused about what the Congressional Budget Office has said about this bill.

I am quoting the CBO report:

> Most of the provisions would reach their full effect within the first 3 years of its enactment. The CBO estimates the premiums for an employer-sponsored health plan would rise by an average of 6.1 percent in the absence of any compensating changes on the part of the employer.

What are the "compensating changes"? There is a clear history in health care that, as costs go up, people either leave or are dropped from the system.

The CBO says of the Kennedy bill on compensating changes:

> Employers could respond to premium increases in a variety of ways to reduce their impact. They could drop health care insurance entirely.

Yes, that is an option. CBO says it is.

"Reduce the generosity of the benefit package."

That is quite typically what happens. They keep narrowing the scope of the coverage.

"Increase cost sharing by beneficiaries."

We know what that means—the consumer pays more of the bill.

Or "increase the employee's share of the premium."

If my colleagues on the other side of the aisle think the CBO had a nice thing to say about their bill, I suggest they read the entire report. "They could drop health insurance entirely" is a quote. This is perhaps the most frightening part of the Kennedy bill to any American family. So many families across America are struggling to get by—we know that—even in prosperous times. There is a very large chunk of America that does not share totally in that prosperity. They depend on their health insurance to protect them when things go wrong.

Yet every Democrat Member of this Chamber has thrown their support behind a bill that would take protection away from an estimated 1.9 million Americans. That is one estimate. Here is another estimate commissioned by our friends at the AFL-CIO. They indicate that the Kennedy bill could cancel health care coverage for approximately 1.8 million Americans.

I suggest a new slogan for my colleagues when they talk about the bill. I am talking now about "golden arches." Over 1.8 million Americans are uninsured by the Kennedy bill. That is a Big Mac attack directly at the American consumer and directly at the American family.

A few weeks ago when I made the same comment on the floor of the Senate, my colleague from North Dakota—who happens to be on the floor now, Senator DORGAN—made a very remarkable statement. I don't think I have heard it yet in the debate. My friend said the Kennedy bill might actually increase coverage because it would make health care so attractive that people who are now uninsured would sign up to get its coverage. I say this is a remarkable statement for a very obvious reason. First, my friend seems to think we in the Senate can repeal the law of supply and demand. Raise the price, and more people are going to come and get it? I doubt it. History shows quite the opposite.

So instead of demand decreasing as price goes up, consumers will buy more of the product because it is more pricey and, yes, it does have more benefits or possibly more? I don't think so.

Divide the dollars each family spends. They have to put food on the table; they have to take the risk when it comes to health insurance.

While 14 percent of the public want Congress to reform medical care or to reform managed care, a whopping 82 percent of America wants Congress to make health care more affordable. That is what we ought to be about: Extending coverage, protecting the patient, and while doing it, certainly not raising costs but hopefully making it more affordable.

That hardly fits my friend's description of a "public clamor" for a more expensive health insurance program.

Finally, if my colleagues know so much about health care insurance and how attractive they can make it to the consumers, I suggest they resign from the Senate and go run a health care insurance company because obviously they know a new formula and they could make a killing.

Enough about Big Mac attacks. That is what the Kennedy bill ought to be called—a Big Mac attack. We have seen the number of uninsured Americans rise from 32 million to 43 million in just 10 years. Since 1995, the uninsured in my home State of Idaho has risen from 15 to 18 percent of the population. That is higher than the national average. Every year we add 1 million Americans to the ranks of the uninsured. The Kennedy bill would speed up that process instead of slow it down. What the Senate ought to be about right now and what our Government ought to be about is trying to slow it down and make it more affordable.

My colleague from Connecticut has offered an amendment that he says will improve access to cancer treatment. Before we vote on this amendment, I will discuss the impact of the Kennedy bill and what it would do in the context of this amendment in our fight against cancer.

We have heard from my colleague from Florida who, thank goodness, survived cancer. Most Members have not had to go through that trauma. What he said was critically important. The 1.9 million Americans who would lose their health care coverage under the Kennedy bill represent more than 1 out of every 100 Americans with private coverage. Private health care insurance in this country pays for millions of Americans to undergo cancer screening meant to catch the deadly illness quickly, when it can be treated and defeated.

The Centers for Disease Control say every year private health insurance pays for 33 million American women to undergo exams meant to detect breast cancer. The Kennedy bill would cancel coverage for, it is now estimated, 189,000 such breast exams every year. I don't really believe that is what they intend, but that is the unintended consequence of this kind of legislation. Mr. President, 189,000 women could go without breast exams if the Kennedy bill became law.

The Centers for Disease Control say each year private health insurance pays for 9 million American women to have a mammogram. The Kennedy bill would cancel coverage for 53,000 of those mammograms on an annual basis. Run the statistics, run the percentages, run the figures. If you are going to take 1.8 or 1.9 million Americans out from under coverage, statistically I am accurate.

Yesterday my colleague from California, Senator BOXER, said, "Republicans are turning their backs on America's women." She was on the floor just a few moments ago repeating that. I want to know how Senator BOXER and all sponsors of the Kennedy bill reconcile their commitment to women and women's health with the fact that they are supporting a bill that could cause thousands of malignant lumps to go undiagnosed every year.

The Centers for Disease Control says each year private health insurance pays for 41 million women to have pelvic exams and 24 million Pap smears. These tests are meant to detect ovarian, uterine, and cervical cancers. Yet the Kennedy bill would cancel coverage for 238,000 pelvic exams and 135,000 Pap smears. That is every year, according to the statistics, according to CBO, and according to the examination and study by the AFL-CIO.

I want to hear the Kennedy bill supporters begin to reconcile these numbers, if their mantra is to fight cancer. We are talking about access to the system. We want people to have these tests. We want them protected. Yet if you shoot the cost up, people will take the risk. There are only so many fungible dollars in every citizen's life. They have to make real choices. My friends, that is the marketplace. I am afraid that is the unintended consequence of the Kennedy bill.

It does not harm just women. The Kennedy bill could and would cancel—if you run the statistics, there it is again—23,000 prostate exams, every year.

As a final example, the Kennedy bill could cancel coverage for 439,000 skin cancer exams every year. I say this is a final example because the list is not exhaustive. It would be impossible to track all the ways the Kennedy bill threatens the health of 1.9 million Americans who it would leave without protection from the life-threatening diseases they will face.

When my Republican colleagues raised the cost issue yesterday, I believe my colleague from Massachusetts called it a red herring. If this passes, I wonder what he will say to the women and the men who will lose their fight against cancer because they did not get the early detection. Because they did not have the money, they did not have the coverage to walk through the door and get the exam.

Mr. HARKIN. Will the Senator yield on that point?

Mr. CRAIG. I will not yield.

I find it astounding that this is what my colleagues have contributed to the debate on patients' rights. How can a patient have a right if a patient cannot have access? Every study shows a 6.1-percent increase in premiums above inflation will drive 1.9 million Americans out of health care.

My Republican colleagues and I support a different approach, a substantially different approach. We have a bill that puts patients in control of their own health care and that makes health care simply more affordable. Our bill achieves it by giving all Americans access to medical savings accounts, along with all of the other kinds of health care insurances that are now available.

Since we introduced the limited MSA, or the Medical Savings Pilot Program, something really very wonderful in health care has happened. I know the other side does not want to recognize it. I am so frustrated, trying to understand why they would ignore that the General Accounting Office estimates that 37 percent of medical savings account buyers previously had no coverage whatsoever, and 82 percent of the American public rate the high cost of medical health care coverage their chief concern. Medical savings accounts meet that concern. Our bill has that in it. That is not driving people out of the system. That is reaching out, bringing people into the system, into the system for their Pap smears, into the system for their pelvic exams, into the system for early detection of cancer. There is the difference, driving people out or encouraging people to come in, making health care more affordable.

A medical savings account gives you 100-percent coverage, 100 percent of doctors to choose from. My Democratic colleagues have gone to great lengths to say our bill does not generate direct access to specialists; that our bill does not generate direct access to OB/GYNs; that we do not guarantee access to pediatricians; that we do not let patients choose their doctors; that we do not ensure that medical decisions will be made by a patient and that patient's doctor. They could not be more wrong.

If you own a medical savings account and you own insurance, you choose your own doctor, always. If you feel you need a specialist, then you go to the specialist. If you need direct access to an OB/GYN, you have it. If you need direct access to a pediatrician, nobody is sitting there as the gatekeeper they like to talk about; you are the person in power. You have the direct access.

Once again, for mandatory referral, you are in control of your destiny and the destiny that comes in cooperation with your primary care physician. That is what we are talking about, about personalizing health care and taking the Federal Government out of it. That is why Republicans have always supported MSAs. We are not saying everybody ought to have them. We are simply saying open up the option. Make it available as a matter of choice so you can choose between what you can afford and what has now become even more affordable. So we are not thrusting the Federal bureaucracy on the system and shoving up the cost by every legitimate estimator's estimation. We are, in fact, potentially driving those costs down.

A program that decreases the number of uninsured and gives patients direct access to their doctors is what this Senate ought to be about. If my Democrat colleagues truly want Americans to have affordable medical care that patients control, they should be clamoring for a medical savings account.

How can my colleagues stand up for a patient's right to greater access to cancer treatment when they are supporting a bill that leaves millions without health care coverage? I quoted the statistics, and they are very easy to extrapolate out of those figures. We are talking about hundreds of thousands fewer exams for potential cancer under what is now being proposed.

The answer is they really have not thought their bill through. They do not think the marketplace works, that somehow you can reform it and change it and control it by simply enacting a Federal regulation. Will costs not go up? We know they will go up. We know every time we have tampered with health care for the better benefit or for the less, we have had the direct impact on the marketplace that has driven health care costs up. Every time it is driven up, it is driven beyond the point of access by some Americans.

Why would they do this? I am not sure why they do this. I guess I could quote President Clinton at the defeat of health care last time, when he said:

> Now what I tried before won't work, maybe we can do it another way. That's what we've tried to do, a step at a time, until eventually we finish this.

I think that is the essence of what the Kennedy bill does, one step at a time, toward a greater sense of Federal control driving the cost up so the American consumer says, OK, give me Federal health care; I can't afford it any other way.

Mr. ROCKEFELLER. Mr. President, regular order.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Nevada is recognized.

Mr. REID. Mr. President, pursuant to the agreement with the Senator from Tennessee, I yield 3 minutes to the Senator from Illinois; following that, 3 minutes to the Senator from West Virginia; then 3 minutes to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The distinguished Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, yesterday was a banner day on the floor of the Senate for the insurance industry. Three different amendments were considered, amendments which the insurance industry of America opposed. The first of those amendments said a woman could keep her OB/GYN as her primary physician no matter what the HMO said. The Republican majority and the insurance industry defeated that.

The second said you should have access to the emergency room closest to your home when you have a family emergency. That amendment was defeated by the insurance industry and the Republican majority.

The third amendment said if you have a dispute with your insurance company about coverage, we are truly going to have an independent panel decide who is right and who is wrong. That amendment was defeated by the insurance industry and the Republican majority.

They may be dancing in the board rooms and the canyons of K Street, but I can tell you the people of America understand this debate, and they know they lost on the floor of the Senate yesterday.

We are now debating an issue of equal importance. If you have a health insurance plan and your doctor says: You have a serious condition; we need to try a new drug; it has been approved by the FDA; it may work and it may not; in that situation many health insurance companies say: No, we will not pay for it because it is "experimental."

Have you walked into a convenience store in your hometown and seen those little canisters on the counter asking you to leave 50 cents or a dollar to help that local family pay for a medical bill they cannot afford? Many of these same people are paying for drugs, reimbursement for which was turned down by health insurance companies because the treatment was experimental. People literally on the brink of life or death, following doctors' orders, using FDA-approved drugs, have been turned down by these insurance companies.

Senator DODD offers an amendment to protect our rights to use these drugs as doctors call for them to save our lives. The Republican majority and the insurance industry oppose it. We will face another vote today and another question as to whether American families will win or lose.

Last Sunday in Chicago, I met this little fellow in this picture. His name is Rob Cortez. He will melt your heart. He is about a year old. He suffers from spinal muscular atrophy. For a year, his family has been fighting to keep him alive, trying to keep their own courage together, trying to fight his disease, and every day fighting another insurance company decision that would turn off the ventilator which would be the end of his life. Imagine what that family goes through.

They had a drug that was prescribed by a doctor to fight infection in this poor little guy, and the insurance company said: No, it is experimental. We will not pay for it.

The battle goes on day after day in households across America. The Republicans can come to the floor with their cartoons and their slogans, but America's families understand this debate. What is at stake is our health and our health insurance. If people across America do not wake up to the reality of this debate, we are going to lose an opportunity to give piece of mind to families all across Illinois, all across the Nation, and to protect the lives of other vulnerable little kids. That is what the debate is all about.

I also want to make it clear that this clinical trial approach is cost-effective. Sloan-Kettering and M.D. Anderson have made it clear it is money saved.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from West Virginia is recognized for 3 minutes.

Mr. ROCKEFELLER. I thank the Chair.

Mr. President, this is an extraordinary discussion, and it is one of those things where I believe we ill serve the American people because points are made too extremely.

The Senator from Idaho was making the point about driving people out of health care because of rising costs, and that is just flat out undeterminable. GAO says so. CBO says so. He quotes things that say they do. I say they do not. I will be happy to show him the language if he is interested in seeing it.

I do not know if this is about ideology or not or if it is about preaching. I have no idea. But I do know this, Mr. President: Clinical trials are incredibly important. This has been a battle a number of us, cancer groups and others, have been fighting for many years. My friend, the Senator from the State of Iowa, will expand on this more eloquently.

It is a terribly important fight. It is a question of, can people have access to clinical trials? Insurance companies used to pay for them. Insurance companies now do not pay for them. Some people have come to a point where they have exhausted—and they might be in their thirties and forties; we are not talking necessarily about people in their eighties or nineties but people in their thirties, forties, and fifties—every possible approach trying to do something about their very dreadful disease, which could be any number of things, not just cancer but any number of things.

The insurance companies used to pay for that. Now the HMOs will not, and they will not for a very good reason: because those things tend to be costly sometimes.

It comes down to the classic choice: Does the HMO get the advantage at the bottom line or does the patient get the advantage? That is the basic decision and the difference between Members on the two sides of the aisle who are otherwise informed and are trying to do the right thing on this subject. All of us are trying to do our best.

We have to have clinical trials. The usual and ordinary expenses associated with that have to be paid; otherwise, people will not be able to afford it; they will not get clinical trials; therefore, they will die or they have a chance of dying. Finally, of course, clinical trials often are the best experiment and research that can possibly be done because they lead to new discoveries and new opportunities.

I hope very much the Dodd amendment can be adopted. It is an extremely important amendment. When people hear "clinical trials," they are not sure what we are talking about. There are hundreds of thousands of Americans at this point who have given up on regular therapies, but there is something out there on the cutting edge and they are ready to use it, but now the insurance companies will not pay for it, and the Democratic Patients' Bill of Rights will do that.

The PRESIDING OFFICER (Mr. HUTCHINSON). The time of the Senator from West Virginia has expired. The Senator from Iowa is recognized for 3 minutes.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that the privilege of the floor be granted to the following members of my staff during the pendency of S. 1344: Ann Procter and Bryan Johnson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, first I will address the issue that was brought up by the Senator from Idaho who stated that women are going to be driven out of cancer care because of this legislation. I could not believe what I was hearing. I asked the Senator from Idaho to yield for a question, but he would not yield to me. Therefore, I will bring it up now.

The Senator from Idaho stated that, because of this bill, thousands of people with breast cancer and lung cancer will be denied coverage. Why then, I ask, do the following organizations support our bill: The Alamo Breast Cancer Foundation, the Alliance for Lung Cancer, Advocacy Support and Education, the American Cancer Society supports this bill, the California Breast Cancer organization, Cancer Care, Inc., Minnesota Breast Cancer Coalition, National Alliance of Breast Cancer Organizations, the National Breast Cancer Coalition, the National Coalition for Cancer Survivorship, the North American Brain Tumor Coalition, the Rhode Island Breast Cancer Coalition, the Susan G. Komen Breast Cancer Foundation, the YME National Breast Cancer Organization—on and on. Why do all these cancer organizations support our bill?

If you listen to the Senator from Idaho, it is because they do not want anyone treated for cancer. How ridiculous. It just shows the ridiculous nature of the arguments made on the Republican side on this bill. What absolute, total nonsense.

That brings me to another ridiculous assertion made earlier. Someone on the other side of the aisle stated that to have people in clinical trials is going to be very expensive.

Sloan-Kettering did a study of the costs associated with clinical trials. They looked at a number of people over 3 years, and here is what they found: Hospital stays, 24 percent lower for clinical trials; radiation therapy, 25 percent lower cost; drugs and supplies, 25 percent lower cost; operating room, 8 percent lower cost. These are for clinical trials.

That was backed up by another study done by M.D. Anderson in Houston, and this was done on 3,000 patients enrolled in clinical trials. They found costs for ovarian cancer patients were 35 percent less. They found lung cancer costs 36 percent less. In prostate cancer trials, there was a negligible difference between research and standard care patients.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, of all the votes we will have and have had in the Senate yesterday, today and tomorrow, this ought to be the easiest. This ought to be the easiest if you are interested in research, if you are interested in the protection of patients.

If we look at what has happened historically, insurance companies have paid for routine care associated with clinical trials. The reason they have paid for it because they knew it was right. Secondly, as the Senator from Iowa has pointed out, covering routine costs associated with clinical trials actually provided savings to the insurance companies. But we now see a dramatic decline in clinical trial enrollment.

What are clinical trials? What do they represent? This is what they represent: A woman has cancer—it can be ovarian cancer, breast cancer, cervical cancer—and is told the ordinary treatments for cancer will not cure her disease. Her prospects are extremely grim. Her doctor advises that her only chance of survival is a treatment under study in a clinical trial. We should not permit the insurance companies or their bureaucrats to deny her access to that clinical trial. That is what this amendment is all about—access to the only treatment that may give her a chance of survival.

The greatest progress in cancer treatment has been made in childhood cancer, and it is no coincidence that the greatest number of clinical trials performed in this country have been in children's cancer. The reason, as most researchers and most cancer centers recognize, is the types of clinical trials that are taking place.

Congress is doubling the NIH budget to take advantage of what I like to think will be the life science century. Progress in making breakthroughs in so many different areas of disease—whether it be Alzheimer's or cancer or Parkinson's disease—potentially emptying nursing homes around this country and improving the health of Americans demonstrate the importance of clinical trials. Clinical trials are the critical aspect in finding effective treatment and cures for diseases. That is why this amendment is so important. All HMOs have to do is continue what insurance companies have historically done and that is cover the routine costs associated with clinical trials. The clinical trial sponsors pay the remaining costs.

The Republican proposal to study the importance of clinical trials is poppycock. The choice is: Will we maintain what every researcher, every patient organization, every doctor who works in the areas of these critical diseases recognizes as absolutely vital for medical progress, or will we study this issue some more?

The Republican proposal says let's do another study and let's get a report to the committee. We are saying that if the doctor says there are sound medical reasons for this type of treatment, access should not be denied by a bureaucrat or an insurance company. That is the issue this amendment addresses.

This amendment should receive overwhelming support. It is ridiculous that we are spending so much time debating the issue of whether clinical trials are important. Every single country in the world envies the progress the United States has made in the area of pharmaceuticals—every single country. Why? Because we have breakthrough drugs. Why? Because we move these breakthrough drugs from the laboratory to the bedside. How is that done? It is through clinical trials. We cannot move breakthrough drugs from the laboratory to the bedside without clinical trials.

That is what this issue is about. That is why we have such strong support from the cancer societies and organizations concerned about diseases like Alzheimer's and Parkinson's Disease. That is why we have the support of the disability community. That is why we have support from so many children's disease organizations.

That is why I hope the Dodd amendment will be accepted.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Would the Chair state how much time the minority has?

The PRESIDING OFFICER. The minority has 7 minutes 10 seconds.

Mr. REID. I yield 4 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington has 4 minutes.

Mrs. MURRAY. Thank you, Mr. President.

I thank my colleagues who have been on the floor talking about an issue this morning that I think is becoming more and more critical, and that is access to clinical trials, the amendment by Senator DODD.

It seems to me that in the Senate we have talked, in a bipartisan way, about making sure we have increased funding for NIH so we can have access to the best new research for diseases such as cancer, diabetes, and multiple sclerosis.

A lot of great research is occurring right now at NIH. Members have said many times that needs to be increased. In fact, the Labor Committee has worked very hard, and I am very proud of the fact we have increased funding to NIH by almost 40 percent.

However, today, citizens, taxpayers, who are paying the dollars for that increased research at NIH, are being routinely denied access to that new research when their HMO says they will not pay for a new clinical trial—these are new medications, new medical devices that have been researched and we have paid for the research through our own taxpayer dollars.

But when it comes to our constituents, who have paid for this research, having access to the clinical trials, having access to this new research, they are not allowed because their HMO denies it. That is why I think this amendment is so important to the taxpayers of this country.

I met recently with a number of cancer survivors in my own home State of Washington. Some of them were patients at the Fred Hutchinson Cancer Center, a very well known cancer research facility, one of the premiere centers in this country. The doctors and the patients told me about how they were routinely being denied access to these clinical trials—these people who have no other recourse, who may have MS or cancer or another severe illness, who have no other hope out there except for access to a clinical trial. It is their last chance at life and their doctors recommended it. The doctors at the Fred Hutchinson Cancer Center said: This is their chance at life, and their insurance company, their HMO, said: No, sorry; we're not going to pay for it.

One of the things the doctors said, which made an impression on me, was that a patient was going to receive some kind of care with some kind of cost that their insurance company was going to have to pay for, and, in fact, the clinical trials, for the most part, cost less than the treatment this person was going to have. So they did not understand why the insurance company was going to decide which treatment they were going to have. They felt very strongly the doctors ought to be the ones deciding what kind of medical treatment this patient should be having. And the clinical trials were their best chance at recovery and hope for life.

I hope the Members of the Senate will agree with Senator DODD and the other sponsors of this amendment and allow people to have access to the research they have paid for by taxpayers when they need it, when they are victims of cancer, when they have MS, when they have diabetes, and allow them to have access to clinical trials.

We will all win in the end because, without these clinical trials, we will not have the research we need to make sure these kinds of medical devices or these prescription drugs are then available to the general public as routine care that is paid for by HMOs.

I commend my colleagues for their debate on this issue. I urge all of us who have said we are for increased funding at NIH and increased funding for research to now allow our constituents in this country access to that care.

I thank the Senator.

Mr. KENNEDY. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I yield 2 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 minutes.

Mr. KENNEDY. If I could ask a question, through the Chair, of the Senator. You have one of the great cancer research centers in Washington—the Fred Hutchinson Cancer Center—that is world renowned. It is known throughout the United States as having the very best expertise in treating cancer.

I would be interested, as would the American people—we have one of the great children's research center—recognized recently as the No. 1 children's center doing great research—what does that center do for the citizens of Washington and the citizens of this country in terms of research programs, clinical trials?

Mrs. MURRAY. In response to the Senator from Massachusetts, the doctors at the Fred Hutchinson Cancer Center are very concerned about their patients who are being denied access to medical care because they say these trials are what will not only help patients but will help them give the best care to all of their patients. They are not able to do the job we expect them to do any longer, not because of medical decisions they make but because of the decisions made by HMOs.

Mr. KENNEDY. The doctors at that world-class cancer research are recommending clinical trials because they think those clinical trials can perhaps save the life of an individual who may have breast or cervical or ovarian cancer. You are finding in your State that managed care plans are denying access to clinical trials for their members?

Mrs. MURRAY. The Senator from Massachusetts is absolutely correct. These are world-class physicians, top physicians in cancer research, who think the best thing they can do for this patient is the clinical trial; and they are being told no.

Mr. KENNEDY. Would the Senator be surprised that the head of the Lombardi Cancer Research Center, one of the great research centers in Washington, DC, testified they had to hire eight individuals to deal with the insurance companies just on the issue of enrolling persons in clinical trials. Doctors were referring women to the Lombardi Center for lifesaving cancer treatment—for clinical trials—and the HMOs were denying coverage? These eight individuals were trying to deal with the HMOs so that these patients could receive potentially lifesaving treatments.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. All our amendment is trying to say is: if there is a clinical trial available, the value of the clinical trial is established, and if a doctor believes his patient can benefit from that clinical trial, the HMO ought to allow access. That is what this amendment is about. Without this amendment, there will be an increase in the number of clinical trials that are terminated.

Mrs. MURRAY. The Senator is absolutely correct. Not only will it hurt the health of the woman who has been denied access to the clinical trial who has ovarian cancer or breast cancer, but it also denies us, all the rest of us, access to good health care because we will never know whether or not that clinical trial works, which could then be available to the rest of us.

Mr. KENNEDY. In other words, the benefits of the research from the clinical trial will benefit people whether they live in the State of Nevada or the State of Massachusetts?

Mrs. MURRAY. That is correct.

The PRESIDING OFFICER. All the Senator's time has expired.

Mrs. FEINSTEIN. Mr. President, I support the amendment offered by Senator DODD to increase patient access to life-saving clinical trials. This amendment could assist in prolonging the lives of millions of patients with life-threatening or serious illnesses, for which no standard treatment is effective, by offering them access to new experimental therapies.

Clinical trials are the primary means of testing new therapies for deadly diseases such as cancer, congestive heart failure, Alzheimer's, and diabetes. Many health insurance plans cover the patient's routine costs associated with clinical trials. Recently, however, research institutions—particularly cancer centers—are finding that managed care plans will not pay for the costs associated with clinical trials. For many patients whose conditions have not responded to conventional therapies, clinical trials may be the only viable treatment option available.

The Dodd amendment requires health plans to cover the routine patient costs associated with these trials. Eligible patients are those with life-threatening or serious illnesses for which no standard treatment is effective, and those for whom participation offers meaningful potential for significant clinical benefit. Trials are limited to those approved and funded by one or more of the following: the National Institutes of Health (NIH); a cooperative group or center of the NIH; or, certain trials through the Department of Defense or the Veterans Administration.

The Republican bill does not provide for coverage of any routine costs related to clinical trials. Instead, they require only a study on the issue. The Republican bill does not offer hope to patients who have exhausted all other options except the promise of experimental treatment. We should not have to tell the thousands of desperate women with terminal breast cancer that we need to study this issue some more before we can offer them access to clinical treatment that might save their lives.

Republicans claim that we do not have enough information about the costs of clinical trials. They say we need, once again, yet another study. Every day we delay, with conversations about the need for another study which will undoubtedly demonstrate the continue importance of clinical trials, another patient suffers; another patient dies. The Republicans' claim that clinical trials are more expensive than conventional therapies is unjustified. The fact is that the cost of conventional therapies is not known with any precision. The cost varies case-by-case.

Republicans claim that covering the cost of patient care in clinical trials would be too expensive. The Congressional Budget Office found that 90 percent of health plans already cover routine patient costs in clinical trials. In an attempt to block patient access to clinical trials, insurance companies try to claim that a clinical trial is more expensive than conventional therapy. However, at Memorial Sloan-Kettering Cancer Center in New York, the cost of treating pancreas, breast, colon, lung, and ovarian cancer pursuant to a clinical trial were compared to the costs of treating the same cancers with standard therapies. Utilizing Medicare patients for this comparison, the average cost per patient was actually lower for those patients enrolled in clinical trials.

Let me explain who pays for trials. There are three categories of costs associated with a clinical trial:

First, the cost of the investigational drug is provided free of charge by the pharmaceutical sponsor.

Second, the costs associated with collecting and analyzing the data from the trial is covered by the trial sponsor through a federal research grant or other funding source (i.e., National Institutes of Medicine, Food and Drug Administration).

Third, routine patient care costs—physician charges, hospital fees and routine diagnostic tests—are the only costs that managed care plans would be asked to cover for patients participating in clinical trials. And as I mentioned earlier, over 90 percent of health plans already cover routine patient costs in clinical trials.

By early in the next century, Hispanics, African-Americans, and Native Americans will comprise nearly one-half of our nation's. In fact, Hispanics are the fastest-growing ethnic group in America today. This is alarming since heart disease, cancer, tuberculosis, HIV/AIDS and diabetes are disproportionally affecting minority communities.

Some specific forms of cancer affect ethnic minority communities at rates up to several times higher than national averages. African-American males develop cancer 15 percent more frequently than white males. Although the rate of breast cancer among African-American women is not as high as that among white women, African-American women are more likely to die from the disease once it is detected. Cervical cancer is nearly five times more likely among Vietnamese American women than white women, and it disproportionally affects Hispanics. Liver cancer is more than 11 times higher among Vietnamese Americans than among whites. Colon and rectal cancer is higher among Alaska Natives than other ethnic groups. Lastly, American Indians experience the lowest cancer survival rate of any U.S. ethnic group.

However, access to clinical trials is especially limited for racial and ethnic minorities. Of the people participating in clinical cancer trials, only 2–3 percent are minorities. The September Cancer March's Research Task Force said that one way of encouraging more participation is to require public and private insurers to cover the routine medical costs associated with clinical trials. Senator DODD's amendment to the Patients' Bill of Rights does just that.

In addition, women, the elderly, ethnic and racial minorities, and cancer patients are not participating in clinical trials proportional to the population. The September Cancer March's Research Task Force testified before the Senate Cancer Coalition that only 2 percent of cancer patients are enrolled in clinical trials. Of those participating, only 25 percent are elderly, even though the elderly represented some 63% of the cancer patient population during the mid-1990s.

Breast cancer is one of many diseases that cause more deaths among minorities than among white women. Researchers and patient advocates agree that understanding differences in disease progression requires the recruitment of a representative number of minorities to clinical trials. So why don't more ethnic/racial minorities participate in clinical trials? There are several reasons. Lack of access to health care and lack of insurance coverage are major reasons: 43 million Americans are uninsured. This number does not include the millions who are under-insured.

In closing, real improvements in health care, advancements in medical knowledge, are possible only through increased scientific clinical research and development. We cannot lose sight of the fact that without continued clinical research and access to clinical trials, life threatening diseases such as cancer will continue to ravage communities. Encouraging participation in clinical trials is essential, if not crucial, to the millions of Americans who live daily with life-threatening diseases. The unrelenting focus by HMOs on cutting rather than focusing on the long-term quality of our health care system is harming the American people, and we are not gaining scientific knowledge.

As our nation continues to move to a managed care based health system, patient enrollment in clinical trials is dropping. One of the reasons for this decline is the unwillingness of many health plans to cover routine patient care costs associated with participation in a clinical trial. This amendment to the Patients' Bill of Rights is the first step to ensuring access to clinical trials. We cannot continue to let HMOs put profits before patients.

Mr. FRIST. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. The Senator has 18 minutes 24 seconds remaining.

Mr. FRIST. And the other side?

The PRESIDING OFFICER. All time has expired.

Mr. FRIST. Mr. President, we are currently debating an amendment on clinical trials. It is something that is very close to my heart because, as I said earlier, I have been involved in clinical trials. I have seen the great advantages of having such clinical trials in that it allows us, through that final stage, to determine whether or not a particular intervention, whether it be a new medicine that might potentially cure prostate cancer or a medical device that might be used to hold open the coronary artery after a heart attack, a heart attack which results in a squeezing down or atherosclerosis or blockage of a coronary artery, put a little stint in that, opens it up, how do you take that to the clinical setting? How do you take that to where it can be distributed broadly across America and across the world, if it is beneficial?

I should mention that the United States is the leading Nation in taking such innovation and such creativity, capturing it, studying it carefully, putting it in appropriate clinical trials, and then having it applied, if it is safe, if it is effective, to people around the country and the world. It should give all of us in this body and in the country a great deal of pride that we are the leaders in medical technology, medical innovation, whether it be the use of pharmaceutical agents; that is, medicines, whether it is treatment of chemotherapy; that is, using medicines to treat cancer, or the application of medical devices.

Just a few days ago I was in Boston and visited some of the great, young, aggressive research people who, by hand, make those little stints, the stints that look like little springs, that keep thousands and thousands of people's coronary arteries open. They come in with an acute heart attack, a little balloon blows up in a vessel, a stint is placed. Twelve years ago those stints were not around. They had never been placed into a coronary artery. How do you get to that point to where it is used in just about every hospital, every cardiology hospital in the United States of America? Well, the last phase of development is clinical trials.

That is why it is so important to me. And it is, in a very direct but also an indirect way, important to every single American, no matter what age you are because everybody at some point in their lives will be sick or will be ill. Anything that we can do as a Nation to lower the barriers between whether it is industry or our investigators or medical science and the delivery, the effective delivery of safe and effective procedures is something we need to work on. We started much of that work 3 or 4 years ago in modernization of the FDA.

I spent some time explaining this aspect of clinical trials to reinforce how critical it is that we do everything we can to lower the barriers to participation in clinical trials.

One thing we have to be aware of in terms of clinical trials is that we don't fully know what—I use the word "incremental"—the increased cost, the incremental cost is when someone goes in to a clinical trial. As I mentioned earlier, usually you have one group of patients who did not get an intervention, one group of patients who did get an intervention, get that additional drug. You need to follow them over time and see what the incremental costs are of that clinical trial.

Mrs. MURRAY. Will the Senator yield for a question?

Mr. FRIST. I am happy to yield briefly for a question. My answer will be very short because I don't have enough time to finish.

Mrs. MURRAY. Mr. President, I appreciate the Senator yielding for just a quick question. Isn't it true that insurance companies, until recently, did pay for clinical trials, and it wasn't until we moved to the HMO era that we are now in that we are being denied access to those?

Mr. FRIST. Yes. I really appreciate the question because it shows why we are addressing this today. In part, it is because we are just beginning to understand the real importance of clinical trials. We are just figuring out the cost. The other dynamic is just that.

We have insurance companies and managed care companies and private payers today who basically say: We are in the insurance business. Our job is to deliver health insurance. If an individual comes in and they are sick, my obligation, as a managed care company or as an HMO or a health insurance company, is to take that patient and cover them by the definitions of that contract.

The question they are asking us today, and need to ask us on the floor, is shouldn't that be the responsibility of the Federal Government? Why should I, an HMO, an indemnity plan, a private health insurance plan, be paying for research that has potentially nothing to do with that particular patient? Because this is a mandate, the underlying Dodd amendment is a new mandate.

What Senator MACK and I will propose is also a mandate. So both sides are going to be hearing it. They are basically asking: Why are you all of a sudden thrusting on me the responsibility that is yours, the Senate, the Federal Government, the NIH? Why aren't you using Federal money, taxpayer money to subsidize this research, which is very beneficial? Why are you putting that mandate on my shoulders, the private insurance company?

Now, the answer to that is twofold. We probably need to do a little of both. We need to have more appropriate public investment in the clinical trials and at the same time have the private health insurance company in some way subsidized.

The problem with that is, if we put this new mandate on the managed care companies and the HMOs, somebody has to pay for it. The Federal Government is not going to pay for it. Unfortunately, I think we need to go back and address this same issue in Medicare. The Federal Government has basically said that we, except through the NIH, are not going to. For example, in the Medicare system, the health care delivery system for seniors, we have not approached the issue of how we subsidize these clinical trials.

So the private sector is saying: Why are you making us pay for it, while you in the Federal Government, at least in Medicare, have not yet addressed that?

The response to that is, yes, but we have the National Institutes of Health. We need to continue investing in that, and they oversee, along with other public agencies, clinical trials.

The private sector says: Why us? What the private sector is going to do is say: I am in the business of taking care of the heart attack that I cover under contract. Why am I having to, under your mandate, to have this clinical trial on prostate surgery or prostate cancer treatment? Why are you forcing me to subsidize that?

We need to answer that question. The general public good and the great advances are the answer to that question, but then somebody has to pay for it.

The health insurance companies, what are they going to do? Whatever that incremental cost is, they are going to charge their very next person that they cover. So they are going to pass it back to the patients.

Then all of a sudden you have the patient come forward basically saying: I came in because of a heart attack. Why are you increasing my premiums and making me pay more every year to do general research that benefits everybody across the world? I just want a health care plan that pays for my own insurance.

We have to be able to determine what that additional cost of this mandate is, and that is very unclear today. We have to determine what that is. Then we have to explain to people why that is going to result in increased premiums that are passed on to the individual patients. That is sort of the big picture.

Let me go back to the Senator's question because it was a good question. Twenty years ago we didn't have many HMOs. Twenty-five years ago, we didn't have coordinated care plans, HMOs, PPOs, provider-sponsored organizations. All these are new entities. It used to be that private health insurance would be able to subsidize or cross-subsidize some of these clinical investigations—not a lot but some. That was at a time where there was more room to maneuver.

Now, with the scarcity of the health care dollar, they have been squeezed down, physicians have been squeezed down. You hear it all the time. People who are in our reception room and here to lobby us all the time say: We are being squeezed down. Managed care companies say: We are being squeezed down. Everybody recognizes that in terms of health care dollars, the demand is so huge.

Technology allows us such a great opportunity to deliver heart transplants, which I was able to do every week, or putting in heart valves or hip replacements in 95-year-olds, things that we couldn't do 30 years ago. The overall expense has caused a squeezing down on everybody. You hear private health insurance companies saying: No longer can we subsidize; no longer can we take a little money from here and subsidize this research out of the goodness of our heart because we are squeezed so far. And thus we come in with some sort of mandate which is going to end up being in this bill, and some say performed to encourage and promote the private sector. We need to address it in the public sector in Medicare where we haven't addressed it for the private sector in some way to participate in clinical trials.

Mrs. MURRAY. If the Senator will further yield, I understand that the Senator is a surgeon and has seen clinical trials and knows the benefit of them. I listened with respect to his arguments.

But in this amendment, we are simply assuring that the patients will get the best care. And if the best care for their particular condition is a clinical trial that will not only benefit themselves but the rest of the people with that condition as well—and NIH has paid for the vast majority of this. I understand from CBO that 90 percent of insurance companies have been paying for clinical trials. The amendment ensures that won't go away. We are seeing more and more HMOs look at their bottom line and that benefit is being taken away. We want to make sure the insurance companies continue to pay their part. Certainly, a patient who goes in cannot afford to pay for that clinical trial, but they have been paying premiums for years. Shouldn't that be part of what they expect when they pay a premium to an HMO?

Mr. FRIST. I will respond, through the Chair, to my colleague that the gist of her question is, shouldn't we allow what used to be done to continue to be done, and we should encourage that. The models of health care are changing rapidly. I hate to look back and say that because something used to be done, it should be done today. In this case, I am one who wants to promote the expansion of clinical trials as much as possible.

How much time do we have?

The PRESIDING OFFICER. The Senator has 6 minutes 38 seconds remaining.

Mr. FRIST. I yield myself 6 minutes. Please notify me when we have 30 seconds remaining.

The real issue—and the reason why I urge my colleagues to defeat this amendment, as written—is the following:

I have explained the difference between overall cost and incremental costs, and the cost of the clinical trial. Let me say that the data presented by Senator HARKIN is good data, but it always asks for what the end number is in science, how many cases the data is on. I didn't hear that; I didn't know how many. One of the charts was around 100, maybe 130 patients. You are looking at small statistical differences. We need more patients if we are going to be making policy on studies. That involved very few patients.

We had the opportunity in committee to look at a number of studies. There have been three completed studies—not ongoing but completed—all of which had some limitations. All three included just cancer patients, which is a very important group. We don't want to extrapolate cancer patients to artificial heart patients where they are putting in artificial hearts, cardiac valves, or stints. We have to be careful with that. The overall sample and size of the studies is very small.

On the other hand, the charts, in essence, are right. If you get into a clinical study, the medicine continues to be very good. Why? Because you have outside people watching what every move is, making sure every lab test is justified. If you are going to do a lab test, it gives you the result; that is right. But there is an incremental increase in cost.

If you take two patients and you are studying them, you end up doing more testing. The side effect of the drug might be that it lowers one's blood test count, so then you have to test the hemateikon more. That increased cost is passed on to the patients in the private sector—not through Federal taxation going through Medicare and the subsidy coming down, but it is passed on by increased premiums.

We have to be able to explain to the patients, for the great public good, why they are having to pay more. I am saying basically that the science of knowing exactly what that cost is very young; it is in development. We should have 100 studies, not just 3, to be able to cite.

I think it is very important for us to continue as a body to encourage the gathering of that information and the academic study, careful study, through carefully controlled perspective trials, to determine what that cost is before we open the door broadly and pass that cost on to managed care companies, which on the very next day are going to put it on the backs of everybody who is listening to me speak today; that is, the patient—the patient who may have appendicitis 30 days from now, or a heart attack 60 days from now. Every day you are going to say tomorrow you are going to pay for this mandate we put on your managed care company.

In Medicare, which insures 36 million senior citizens and individuals with disabilities, we try to address it, and we are going to address it. But the reason we have not is we don't know what the cost will be. Where you have Medicare, you have a system going bankrupt over the next 15 years. We can't get together in this body, working with the President of the United States, to reform that in a sensible, modernized way. We just can't do it. We are not going to be throwing new mandates out there either—or we should not—which furthers that bankruptcy.

The question is, Where do we go from here? I think my objective is exactly the same as the principal sponsors of this amendment. There is one huge, gaping door there that I am most concerned about. I think the populations you have drawn from are probably appropriate, so we can get the data, the information to do this right. But basically the indication is that qualified individuals to whom this new mandate will apply in health care broadly—the indication is life-threatening or a serious illness. Now, having a category that broad in putting this mandate out on managed care, which is going to be passed on to patients—it has to be; there is nowhere else to pass it to; we are not taking it out of the Federal Treasury—before we do that, shouldn't we get a little more information and narrow the scope so we can learn and not make what could be a tragic mistake?

Saying that the people who are qualified is anybody who walks in and says they have a life-threatening illness, or anybody who has a serious illness, is very dangerous. If you are a patient and have appendicitis, that is a routine procedure and that is serious. Is it a life-threatening illness? No, but it is serious. As I go in as a patient under this new mandate, I might be able to say I want to be in a clinical trial.

Mr. DODD. Will my colleague yield?

Mr. FRIST. Let me finish my statement. What does that actually set into motion? I am not quite certain because we don't know exactly what the overall expense or cost range of those trials would be. So what I would like to see first would be an approach like the one of the Senator from Florida—to use the same overall indications but have the scope of a particular entity, instead of anybody who comes in and falls into the category of life-threatening or a serious illness because to a patient every illness is serious.

How much time remains?

The PRESIDING OFFICER. Thirty seconds remain.

Mr. DODD. Mr. President, I ask unanimous consent to have 1 minute to ask a question.

Mr. FRIST. The Senator would have to take it off the time of the bill.

Mr. DODD. Mr. President, I ask unanimous consent for 1 additional minute.

Mr. FRIST. On the time of the bill?

Mr. DODD. On our time, yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. My question to my colleague and good friend from Tennessee is this: As we have written this amendment, there are two other conditions. It isn't just life-threatening or serious illness. There has to be no other standard, no other option available to the person other than the clinical trials. So that is one. And, two, there has to be a limited time. For instance, it can't just be someone who has cancer but in certain stages of cancer.

So I appreciate his point that it can be pretty broad. But what we have done with our amendment is say that nothing else exists out there to possibly treat you, No. 1; and No. 2, it has to be done in a limited amount of time. He may want to respond to that.

Mr. FRIST. Mr. President, I yield myself 3 minutes on the bill—not on the amendment.

The PRESIDING OFFICER. The Senator is recognized.

Mr. FRIST. Mr. President, I appreciate the Senator's clarification of that because it is important. The concept is basically that we can't create a door that is so broad that anybody can come in. If I need a heart transplant, is there any other therapy available? Probably not. Does that automatically qualify me for arranging a clinical trial? That can be dangerous. I can tell you that putting an artificial heart in can cost $100,000 or $150,000. I have put in these devices before.

We have to be very careful because to put a $150,000 expense into a policy that is translated directly down to the shoulders of patients—not the patient who needs the artificial heart but somebody else—can be dangerous.

I want us to work together. We can do that in the underlying amendment. We may not be able to go as broadly as we all would like to go until we get the appropriate information on the incremental cost and how much of a burden we are placing on society.

Again, I think our goals are very similar. I will refuse to move as far as the Senator on that concept in terms of life-threatening or serious illness, such as the example I just gave of the artificial heart, but I look forward to working with the Senator.

I again urge my colleagues to vote against this amendment with the understanding that the outline Senator MACK put forward as an amendment hits right at the principles of a mandate where we will support clinical trials without an undue burden on the backs of patients. That will be to the benefit of all Americans.

I yield 30 seconds initially to my colleague from Maine so that she may submit her amendment, and I yield the remainder of the time if that is appropriate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maine is recognized.

AMENDMENT NO. 1241 TO AMENDMENT NO. 1239

(Purpose: To enhance breast cancer treatment)

Ms. SNOWE. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine (Ms. SNOWE), for herself, and Mr. ABRAHAM, Mr. FITZGERALD, Mr. CRAPO, Ms. COLLINS, Mr. JEFFORDS, and Mrs. HUTCHISON, proposes an amendment numbered 1241 to amendment No. 1239.

Ms. SNOWE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. FRIST. Mr. President, I yield 20 minutes, or whatever time is necessary, to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. SNOWE. Thank you.

I thank Senator FRIST for his leadership on obviously what is a very challenging and very difficult issue.

I think even in spite of the debate that has occurred on some of these issues where there may be apparent differences on how to approach this problem, there is no disagreement on the fact that we need to bring much needed reform to the managed care system in America today.

Mr. President, I rise today to submit an amendment to the Patients' Bill of Rights that will ensure that appropriate medical care—not a bureaucrat's bottom line—will dictate how long a woman stays in the hospital after undergoing a mastectomy.

This amendment that I am introducing, along with my colleague from Michigan, Senator ABRAHAM, and Senators FITZGERALD, CRAPO, COLLINS, JEFFORDS, and HUTCHISON, is based on bipartisan legislation that I was pleased to introduce at the beginning of this year with bipartisan cosponsors.

I have been in Congress for 20 years—10 of those years in the House when I served as cochairman of the Congressional Caucus on Women, which addressed issues that affected women and families in America on a bipartisan basis. Throughout that time, I fought long and hard to advance women's health issues, women's health research, and protection for patients who are facing life-threatening diagnoses of breast cancer.

I feel justified in saying that I come to this debate not only with strong feelings about the issue but with a long history of involvement and close familiarity with the problem. It is in that light, I believe, that the amendment I am submitting today, along with Senator ABRAHAM and my other colleagues, is the most effective approach to address the issue of those individuals who are faced with breast cancer.

Our amendment is straightforward. First, it says that the inpatient coverage with respect to the treatment of a mastectomy, regardless of whether the patient's plan is regulated by ERISA or State regulations—in other words, all plans will be provided for a period of time—will be determined by the attending physician in consultation with the patient as medically necessary and appropriate.

Second, it allows any person facing a cancer diagnosis of any type to get a second opinion on their course of treatment.

Imagine having a life-threatening disease and not having access to the best possible advice. A diagnosis of breast cancer is something that every woman dreads. But for an estimated 175,000 American women, this is certainly the fear that they have to realize. The fact is that one in nine women will develop this terrible disease during their lifetime, and for women between the ages of 35 and 54, there is no other disease which claims more lives.

So it is not hard to understand why the words, "You have breast cancer," are some of the most frightening words in the English language, because for the woman who hears them, everything changes from that moment. No wonder the diagnosis is not only accompanied by fear but also by uncertainty:

What will become of me?

What will they have to do to me?

What will I have to endure?

What is the next step?

For many women, the answer to that question is mastectomy or lumpectomy.

Despite the medical and scientific advances made, despite advances in early detection technology, and more and more often the need for radical surgery, it still remains a fact of life that at the end of the 20th century these procedures can be the most prudent options in attacking and eradicating cancer found in a woman's breast.

These are the kinds of decisions that come with the breast cancer diagnosis. These are the kinds of questions women must answer. And they must endure some of the most difficult and stressful circumstances imaginable.

The last question a woman should have to worry about at a time like this is whether or not her health insurance plan will pay for appropriate care after a mastectomy. A woman diagnosed with breast cancer in many ways already feels she has lost control of her life. She should not feel as though she has also lost control of her own treatment. All too often that is exactly what happens.

Imagine a patient who just had one or both of her breasts removed in the wake of a cancer diagnosis, and she agrees in consultation with her physician that it would be best if she stayed in the hospital for another day or so. Maybe it is because she still needs to learn how to take care of herself. Maybe there are concerns about the possible complications, like infections or uncontrolled bleeding.

Let's remember that this is a very complicated surgical procedure we are talking about. What other reason is the decision based on than medical advice from doctors who are likely involved with hundreds of thousands of these kinds of operations? Yet in many instances, because of the decisions made by accountants and insurance actuaries—none of whom have ever witnessed such operations, let alone go to medical school—that same woman cannot afford to follow her doctor's advice. She is not covered by her plan because whoever wrote her plan already decided that she didn't need inpatient care. Instead, that charge for that extra day in the hospital will come out of her own pocket, and unless it is an awfully deep pocket, she is just as likely to take her chances at home. That is just plain unacceptable.

If we are talking about patients' rights, I can't think of a more appropriate place to start than right here. That is why I appreciate that my Democratic colleagues raised this vital issue. As I have said, no one is more concerned about this issue than I am.

I looked carefully at the amendment and watched the debate very closely. But when all was said and done on this issue, and despite the good intentions of the amendment, I could not support the amendment that was offered yesterday by our colleague, Senator ROBB. Let me tell you why.

The Robb amendment relied on the phrase "generally accepted" medical standard to instruct insurance companies as to what constitutes a "medical necessity" that requires coverage. What exactly does that mean, "generally accepted" medical standard? That is a good question.

The fact is that we are not exactly sure what it means. In fact, the problem is that it means different things in different places. Moreover, there has never been a consensus concerning the definition of "medical necessity," though it has not been for lack of trying.

The most recent Federal attempt, as a matter of fact, was in 1993 when the Clinton health care working group tried and failed. But they didn't give up. Instead, they decided to leave the definition of this crucial term not to physicians and their patients but to a national administrative board.

Perhaps that working group would have been better served if they looked to 1989 when Medicare tried to define "medical necessity" and Medicare failed. Medicare failed. Why did it fail? Because terms like "medical necessity" and "appropriateness" cannot be defined for an entire nation, and they certainly can't be defined by Congress.

The standards change with time, they change with individual patients, they change depending on the illness or disease, and they should change because medicine is marching forward.

Likewise, trying to define "generally accepted medical standard" is like hitting a moving target, and a low target at that. "Generally accepted medical practices" will vary tremendously among communities, hospitals, and even among doctors.

Just look at the chart behind me that was used yesterday by my colleague, Senator FRIST. It is a good chart because I think it illustrates the point on the very treatment prescribed for breast cancer patients. In some cases they use "lumpectomy" more sparingly than they do "mastectomy." It obviously varies across regions and States.

Looking at the percentages using lumpectomy versus mastectomy treatments, very few were performed in South Dakota; but in the Northeast, including parts of New York, there is a higher degree of the use of lumpectomy versus mastectomy.

Obviously, the treatment varies. Obviously, the treatment is complicated. It is a very complicated treatment and set of options for a woman facing a mastectomy. As the chart shows, in the United States of America, the treatments vary all across the land. We cannot prescribe the status quo; we cannot prescribe uniformity. We have to allow the doctors and patients to have the latitude to determine what is best for the individual patient. We hear over and over again that the patient has choices. Let the patient have choices. This is allowing the patient to have choices as to what is in her best interest.

This chart illustrates very graphically the differences and the variations across the country in mastectomy and lumpectomy surgeries. What is generally accepted in one area is not generally accepted or performed in another area. That is the way it should be. Should we be telling a woman who can be treated with a smaller, less invasive and less traumatic lumpectomy, Sorry, in your community, the generally accepted medical standard is a mastectomy? Of course not.

And the reverse is true. Should a woman have a mastectomy without knowing that she can have a lumpectomy first, to determine whether or not it is necessary to go to the more invasive surgery?

How can we say what is generally acceptable for a 31-year-old athlete in Oregon is generally acceptable for a 78-year-old grandmother in Maine?

The phrase "generally accepted medical standard," far from representing the cutting edge of medicine, is nothing more than the medical community status quo, a status quo that simply cannot keep up with the pace of medical science and new technologies.

What we are talking about in this amendment is offering the best practice, the best standards, the best quality care. Think how far we have come in the past decade. Mastectomies were once virtually the only option. Today, we have a whole host of alternatives available, depending on the woman's circumstance. If a mastectomy is a generally accepted medical standard, there are other options a woman may be missing out on in making her decision.

The web site of NIH shows a variety of options available to a woman to determine for herself, with her doctors, what is best, depending on the progress of her cancer. She could have a lumpectomy; she could have a segmental mastectomy, a modified radical mastectomy, or, if necessary, even a radical mastectomy.

The fact is, hardly a day passes when we don't hear of a promising new treatment or a research breakthrough. Parties need to be able to take advantage of these advancements now. They can't wait for generally accepted medical standards to catch up with the times. Under this amendment, they will not have to.

In contrast, my amendment dictates coverage in terms of medical standards. If a doctor and a patient agree on a course of treatment of care and an insurance plan refuses to allow that treatment, the patient has a right to appeal to an independent medical expert in that field of medicine. In turn, that expert can take into account all pertinent information in determining what is medically necessary and appropriate based on the relevant scientific and clinical evidence. That includes evidence offered by the patient and her doctor, expert consensus of peer review literature.

Not only does this put the patient first, but it also ensures we are not lowering the bar of coverage by handcuffing the physicians in their ability to employ the best strategy, the latest medical technology, with respect to their specific patient. If anything, this amendment raises the bar precisely because the ultimate decisions will be driven by physicians and patients, not lawyers and regulators.

Let me add another point. I heard over and over again that the language offered in the amendment yesterday was the language offered in my bill and the bill offered by Senator D'Amato in the last Congress. Let me state for the record, the D'Amato-Feinstein-Snowe legislation offered in the last Congress was legislation that said it was medically appropriate—medically appropriate. It did not use the definition of generally acceptable medical standards and practices. The legislation offered by myself and Senator FEINSTEIN uses the word "medically appropriate."

The point I am making is, all of the bills that have been addressed in recent years on the issue of breast cancer treatment and whether or not the length of stay is to be determined by the doctor and patient have been using the words "medically necessary," "medically appropriate," not defining "medical necessity." This would be the first time we are dealing with a definition of "medical necessity" which heretofore has not been practiced by Medicare, by the President's health care group, when developing a health care plan, not by CHAMPUS, not by the VA, not by Medicaid, not by legislation introduced on a bipartisan basis over the last few years.

Finally, my amendment will also include the ability to provide full coverage for secondary consultations with a specialist whenever any type of cancer has been diagnosed or a treatment recommended. Imagine being given a life-threatening diagnosis and not being able to get another doctor's opinion. Patients cannot afford to forgo second opinions when it comes to cancer of any kind—from lung cancer, to leukemia, to breast cancer, to prostate cancer. Under this amendment, they will not have to. That is important because we all know, when it comes to cancer, time is of the essence and making the right decision in terms of treatment is paramount.

So often there are no second chances when it comes to taking the best course of action. Our amendment will allow the possibility of having that second opinion and making sure people are getting the right treatment so we can reduce senseless deaths resulting from false diagnosis, empowering individuals to seek the most appropriate treatment available.

The evidence for the need of this amendment is especially important when it comes to the so-called drive-through mastectomies. It is more than just allegorical, more than symbolism. We have heard time and time again antecdotal evidence that speaks for itself. Between 1986 and 1995, the average length of stay for mastectomies dropped from about 6 days to 2 to 3 days. Thousands of women across the country undergo radical mastectomies on an outpatient basis and are being forced out of hospitals before they or their doctors think is reasonable or prudent.

I recall the story of one woman from the State of Washington named Linda Schrier. Linda was a registered nurse who worked in the postoperative recovery room for 18 years before she underwent a mastectomy. Linda was doing well after the operation. The pain was under control. She opted to go home instead of staying overnight. Today, she believes that was a big mistake. When Linda woke up at home the next day without the benefit of the IV pain medication she had in the hospital, she was in excruciating pain. She also had tremendous difficulty caring for her wound.

Keep in mind, this is someone who worked in the medical profession. Today, she feels, very strongly, based on her own experience as a nurse and as a patient, that no one should go home the day of their mastectomy. She also believes that no insurance company should tell a woman how long her hospital stay should be. It should be up to a woman and her doctor.

I could not agree more. I know we all could not agree more. This decision must be returned to physicians and their patients. All Americans who face the possibility of a cancer diagnosis must be able to make informed decisions about the appropriate and necessary medical care.

As we debate the Patients' Bill of Rights this week, let us not forget the women and men across the country who are battling cancer. Let's do the right thing for all of them.

I yield back my time.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I have a great deal of admiration for the Senator from Maine, Ms. SNOWE, who, in my time with her over the last several years in the Senate, has worked long and hard on behalf of women's health issues. I appreciate she is offering an amendment that we offered yesterday on this side which deals with the issue of drive-through mastectomies. The language is very similar to the language offered by Senator ROBB from Virginia, along with myself, Senator MIKULSKI, Senator BOXER, Senator LANDRIEU, and Senator LINCOLN. It was defeated on a 52-to-48 vote yesterday.

We would have been delighted to work with our colleagues if they wanted to talk with us about a word or two about which they were concerned. We were not given that opportunity. The amendment was simply defeated.

We stand very strong on this side that we need to make changes in the health care delivery system in this country so that the woman from the State of Washington the Senator from Maine talked about is not sent home after a radical surgery, a mastectomy, to care for herself when she is unable to do so. The doctor and the woman should make the decision based on the best medical judgment, not based on the bottom line from an HMO. I agree entirely with the Senator from Maine.

Unfortunately, because it is offered in this way, what this amendment does is it gives us a Hobson's choice regarding women who have had a mastectomy because this amendment wipes out the amendment by Senator DODD on clinical trials that we have debated for the last several hours on this floor, where we have talked about the need for women with breast cancer or ovarian cancer, or the gentleman with multiple sclerosis or the man with heart disease, or the young child with diabetes, to have access to clinical trials so they can get the best medical research possible.

Organizations such as the National Coalition for Cancer Survivorship, Cancer Care Incorporated, Candlelighters, Childhood Cancer Foundation, Susan G. Koman Breast Cancer Foundation, National Alliance of Breast Cancer Organizations—and the list goes on—want the access to clinical trials that Senator DODD's amendment offers because those are the clinical trials that will assure that women, maybe, in the future, will not have to have a mastectomy.

I agree with the Senator from Maine. We want to make sure HMOs are not having drive-by mastectomies, where a woman is sent home. I commend her for the language of her amendment, except for the very first line, which cynically wipes out the clinical trials that Senator DODD has offered.

Mr. DODD. Will my colleague yield?

Mrs. MURRAY. I will be happy to yield.

Mr. DODD. Mr. President, if I may inquire of my colleague from Maine—I appreciate immensely what the Senator from Washington just said. It sounds to me what the Senator from Maine has offered is something with which I could certainly agree. I would add it to my amendment. There is no reason we ought to ask people to make a choice between a proposal dealing with breast cancer and a proposal dealing with clinical trials and prescription drugs.

So I make a request that this be added to the clinical trials amendment so we could achieve the goals of both dealing with the clinical trials issue and the issue the Senator from Maine has raised.

If it is appropriate, I ask unanimous consent the amendment by the Senator from Maine be added to the underlying Dodd amendment on clinical trials.

Mr. JEFFORDS. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Vermont.

Mrs. MURRAY. Mr. President, I am reclaiming my time.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. Reserving the right to object, I would like to point out——

Mrs. MURRAY. Mr. President, is this on my time? I do have the floor.

The PRESIDING OFFICER. The regular order is to object or not object. Is there objection?

Mr. JEFFORDS. Objection.

The PRESIDING OFFICER. Objection is heard.

Mrs. MURRAY. Mr. President, I am extremely concerned, as I am sure my colleague from Connecticut is as well, that an objection was heard and we were not able to just add this language directly to the underlying amendment on clinical trials, because what the Senator from Maine has now done is forced us into a vote where we would be voting against clinical trials in order for women not to have drive-through mastectomies. That is not a choice Senators ought to be having.

In addition, what it says to women across this country is you have a choice, a mastectomy or a clinical trial. That is not a choice we should be offering.

I really hope our colleagues on the other side of the aisle will reconsider their objection to this and we can work this out. The people of this country are watching this debate, asking whether or not we are going to move forward and give patients the ability to have the best care possible. If we can work out this amendment and add it to the clinical trials, we will have done the people of this country a service.

Mr. President, I reserve the remainder of our time, and I yield.

Mr. JEFFORDS. Mr. President, I yield myself 5 minutes off the bill time.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. JEFFORDS. Mr. President, I want to explain where we are right now. This monstrosity, whatever you want to call it, of a procedure which was set up by the leaders in negotiating back and forth leads us into these kinds of situations. We, on the Republican side, are trying to end up with the best bill, and we are intending to do that. This provision, which is offered by Senator SNOWE, is responding, to the extent that we desire to do so, to the question which has been raised about mastectomies.

If anybody would try to explain, even to our colleagues, as to this chart we use on the parliamentary procedure, we could spend the rest of the week just talking about that. What we are doing now is taking care of the issue raised with respect to women's health and mastectomies. We have a good provision. That is recognized by the other side. It is a fine position. Everybody ought to adopt it. We hope you do. I hope we get 100 votes on this amendment. We are going to take up and the other side will have an opportunity to reinstitute clinical trials at some point. This is the process that has been set up. We are trying to improve our bill, and by doing that we are going to make sure we have the best provision possible dealing with women with breast cancer. That is what we are doing.

The fact we attached it to a provision on clinical trials is the way the game is working back and forth. But we all, each of us, want to end up with the best possible bill for our side. Right now I point out we will have an amendment on clinical trials. That will end up eventually being in our bill which will be voted on at the end. People may disagree with what we end up with on clinical trials. They may have their own version. We will have a good provision. What we are trying to do right now is to make sure the best possible policy is established for women with breast cancer. So I hope people will try to understand this somewhat convoluted process is going to confuse you all the way along. You have to wait until the end to see what the final product is.

I reemphasize what the Senator from Maine said, as to what the Republican bill is across the board, the whole bill. It is different with respect to the protections people receive. For the first time, the Republican bill will provide to this Nation a standard which is the "best medicine" standard. It does away with the multiple standards across this Nation, about what is generally practiced in the area. This will give us the opportunity for every woman and every man to be able to get the advice as to what the experts, by analysis of all the processes that have been used, is the best medicine.

That is why this bill does a job in an area which has not been discussed much but we should concentrate on, which is AHCPR. That is the acronym for the agency which has been set up to learn what all of those interested in health care from the beginning of these great discussions starting in 1994 say we need to determine: How do you determine what the best results are?

How do you determine what the best results are? You set up a system where you can get outcomes research throughout this country, reporting of what was tried and what worked and what did not work.

As a result of that, we now will be able to help physicians across this Nation, under certain circumstances when problems occur, to know, about these following systems and methods, whatever was used to try to cure this disease or whatever, that these are the ones that worked. So that individual, trying to find out what kind of care they ought to get, will have the ability to first appeal it internally. If the doctor will say, "I do not believe what the HMO tells me I should do is the best medicine," they could do that review internally. If they are not happy with the internal review, then they ask for an external review. This external review person must be an expert in the area, an independent person, one who can be relied upon to give an independent judgment. If that individual says, "No we think the best care would be this process which across the Nation has worked the best," then the decision can be made. If the patient desires it, "I want the one that has been best across the Nation," they can get it. That is what we are talking about.

Right now we are in a convoluted process where people are going to be knocking amendments out with an amendment that may even be in a different area, but in the final analysis when we get to it tomorrow night, we expect to have a bill which will provide the best possible health care to all Americans. It is a little confusing.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. JEFFORDS. I yield 5 minutes to the Senator from Maine off the bill time.

Mr. REID. I am sorry, I did not understand that, Mr. President. The Senator is yielding 5 minutes off what?

The PRESIDING OFFICER. Off the bill time. The Senator from Maine is recognized.

Ms. SNOWE. Mr. President, I thank Senator JEFFORDS for his comment and for yielding time.

I want to clarify a few points that were made earlier because I do think it is important it does not get lost in the debate.

The amendment I am offering is not the amendment that was offered yesterday. The language is not identical. I thought I had made that abundantly clear. It is different from the D'Amato-Feinstein-Snowe legislation passed in the last Congress. It is different from the Snowe-Feinstein legislation offered in this Congress. It is different from the Feinstein-Snowe legislation because medical necessity is not defined, and that is the issue.

Secondly, the Robb amendment did not have a second opinion for cancer patients. That is included in this legislation.

This amendment is offered to the Republican legislation; that is, the substitute that was offered by the minority leader. That is the process that has been developed on a bipartisan basis and on unanimous agreement. The Republican substitute does not have this language. The option was to offer this amendment at this point in time.

I should also make it clear the amendment that was offered yesterday by the Senator from Virginia was restated in the language that was already included in the Democratic legislation. So it is just restating a fact. We are in a position to offer this legislation to the Republican substitute, language that has not been included in the Republican substitute.

This is the process that has been agreed to. Therefore, that is why this amendment is being offered at this time. I had hoped we could have worked on it yesterday, but the Robb amendment was offered to the Democratic plan yesterday, and that was a second-degree amendment. We had no ability to perfect that amendment.

Mr. DODD. I ask my colleague——

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I yield such time as the Senator may need.

Mr. DODD. Mr. President, before my colleague from Maine sits down, I know she cares about the clinical trials issue. She has one of the best bills on clinical trials, of which I am a supporter. What I have offered incorporates some of her ideas, some of Senator MACK's, and Senator ROCKEFELLER's ideas with the clinical trials.

I also agree with what my colleague from Maine is doing on mastectomies, on the breast cancer issue. I am perplexed a bit. We have a chance right now by taking the amendment of the Senator from Maine, of which I am supportive, and adding it to the clinical trials amendment, and we might just do something no one expects. We might actually do something in a bipartisan way on the Patients' Bill of Rights.

I do not understand why there is such objection to that. If we agree with Senator SNOWE and her amendment, if, by and large, we all agree on clinical trials, why does the Republican majority object to adding the Snowe amendment to the Dodd amendment, adopting both of them and moving on to the next amendment?

Mr. REID. Will the Senator yield for a question?

Mr. DODD. I will be happy to yield.

Mr. REID. It is true, is it not, I say to my friend from Connecticut, yesterday we had a drive-through mastectomy provision in the Robb amendment?

Mr. DODD. That is true.

Mr. REID. What I understand you are saying is, why don't we take that, which is in keeping with the amendment of the Senator from Maine, and——

Mr. DODD. I would take the amendment of the Senator from Maine, with all due respect to my colleague from Virginia.

Mr. REID. They are basically the same.

Mr. DODD. We agree on the clinical trials. We can put them together and move on to the next issue. That is what I recommend.

Mr. REID. Is it not true that the Senator from Connecticut asked unanimous consent that the clinical trials, which are so badly needed and on which we understand there is agreement, be accepted with the drive-through mastectomy?

Mr. DODD. I asked for that and objection was noted by the Republican majority.

Ms. SNOWE. I appreciate and applaud the leadership of Senator DODD on clinical trials, and I wholeheartedly agree——

Mr. JEFFORDS. I yield the Senator from Maine 5 minutes on the amendment.

Ms. SNOWE. I thank the Senator. It does obviously represent the legislation that I introduced on this issue. I appreciate the Senator's forceful advocacy. Obviously, the issue is concerning scope at this point in time. I might agree with him on what he is attempting to do, but obviously there is a big difference in our legislative approaches with respect to scope. There are differences. Perhaps that ultimately can be worked out on the whole issue of clinical trials, and I hope it is. I believe it is that important. We were left in the position, given the scenario that has been developed on both sides, because I think this is so important, of having to offer it at this point in time or I lost the opportunity. We think it is important to add this language to the Republican substitute. We lost an opportunity yesterday, to be honest with you, with the amendment that was offered to the Democrat's plan. We are left in this parliamentary process at this point in time.

Mr. DODD. If my colleague will yield, I gather it is not just her voice but obviously other voices here—the leadership. May I interpret that to mean that if I were to offer my clinical trials amendment as a freestanding proposal, I would then have her support of that proposal so we are not asking ourselves to make a choice between two items we like, and instead of adding one to another, we are substituting one for another; therefore, being put in a terrible parliamentary situation, unnecessarily, in my view. I am fearful if I offer my clinical trials amendment freestanding as to whether or not I will be able to have the Senator's support on that, maybe even as a cosponsor.

Ms. SNOWE. I will look at the language. I would certainly want to support it. I know it does not include FDA-sponsored trials. I cannot speak for everybody in this conference or in this Senate, but certainly it is something I could support and obviously do support, given the legislation I have introduced in this Congress. I will be more than happy to do that.

At this point, we have to address the issue of mastectomies. It is that important to this legislation. We lost an opportunity to improve upon the Robb amendment, because that was a second-degree amendment offered yesterday, and, obviously, that created another Hobson's choice.

Mr. DODD. Parliamentary inquiry.

The PRESIDING OFFICER (Mr. BURNS). Who yields time?

Mr. DODD. Parliamentary inquiry.

Mr. KENNEDY. I yield the time necessary for the parliamentary inquiry.

Mr. DODD. Mr. President, am I allowed to withdraw my amendment?

The PRESIDING OFFICER. It would take unanimous consent.

Mr. DODD. To withdraw my amendment.

The PRESIDING OFFICER. That is correct.

Mr. DODD. I thank the Chair.

Mr. ROBB. Mr. President, will the Senator from Maine yield for a question with respect to the process?

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Do I still have the time?

Mr. JEFFORDS. Mr. President, I yielded the Senator from Maine 5 minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized for 5 minutes.

Mr. ROBB. I thank the Chair, and I thank the Senator from Maine.

Yesterday, when we were debating the amendment I had the privilege of offering on behalf of myself and Senators MURRAY, MIKULSKI, BOXER, and others, we had no one from the other side of the aisle here to debate or discuss that during the entire period we were discussing that particular amendment. In a few minutes I am going to address the merits of what was said, but nothing was said, no engagement on the merits of the amendment that we offered was offered by anyone from the other side of the aisle. Was there a decision not to engage this side? Does the Senator know how to respond to that?

Ms. SNOWE. I was not aware of that. I was certainly not aware what was taking place on the floor. We were aware the Senator from Virginia was offering an amendment. I was aware, in fact, he was offering an amendment, but there was no strategy on this side to suggest we would not engage in that debate. I think there was some discussion on this side about the debate. I do not see that is a valid objection at all.

Mr. ROBB. I am only responding to the concern there was not adequate time for discussion. We were actively seeking engagement on this question, and it did not occur. I look forward to talking about the merits on my own time.

I thank you and I yield the floor.

Ms. SNOWE. Mr. President, I still have some remaining time.

I would like to make a point. I think the point is, there are substantial differences between the legislation offered by the Senator from Virginia yesterday and the legislation we are offering in this amendment. We are not defining "medical necessity." As I indicated previously, there has been no other legislation on this issue that defines "medical necessity," legislation that has been introduced on a bipartisan basis over the last few years.

That is going to take away from women the variety of treatments and prescriptions for breast cancer, as you can see what is illustrated on this chart. I think we ought to opt for the best treatment, the best practice, the best standard, and the best principles. No one else, no professional, no government agency, no private association with medical credentials has defined "medical necessity" because you can't.

Leave it up to the doctor and the patient. That is what we are asking with respect to women who have breast cancer. That is a huge difference between this amendment and the one that was offered yesterday. By the way, the language offered yesterday was already included in the minority's plan, so it did not have to be restated. I think we could have worked something out that we could have agreed to on a bipartisan basis, as we already have in legislation that has been introduced on this very issue.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I yield 7 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 7 minutes.

Mr. ABRAHAM. I thank the Senator from Vermont. I think I will be finished in that timeframe.

Mr. President, I would like to speak to the Snowe amendment substantively at this point. As I have a number of times over the past few years, I rise to join her in sponsoring an amendment to address the incidence of breast cancer in this Nation.

This year alone, 180,000 women will be diagnosed with breast cancer. Yet, in this Nation of vast medical resources a number of those women are being denied the best health care available. It is time we did something about it.

I have made increasing awareness and funding for breast cancer research a central part of my agenda since coming to the US Senate.

That is why I have fully supported the efforts of Breast Cancer Awareness Month, the Race for the Cure, and WeCan. This last organization, which stands for "We Encourage Cancer Awareness Network," brings together people we are interested in cancer control and prevention in Michigan, with a focus on breast and cervical cancer.

Awarness is important. Breast cancer survival rates are much higher when the disease is diagnosed early.

That is why I have participated in a number of campaigns aimed at encouraging women to have regular mammograms. It also is why I fought the National Cancer Institute's short-lived recommendation against all women in their forties getting mammograms.

As I said, awareness is critical. But it is not enough. Research also is desperately needed to fight this deadly disease. That is why I have supported Defense Department research in this area and cosponsored an amendment to the Treasury-General Government appropriations bill in 1997 to authorize creation of a new stamp to fund breast cancer research.

Like awareness, research is critical. And like awareness, research is not enough. Women must be empowered to make the best use possible of existing research and technologies in fighting breast cancer. And that means putting health care decisions in the hands of patients and their doctors.

The Women's Health and Cancer Rights Act, which my colleague and I are offering as an amendment to the underlying bill, would empower women; it would help them take charge of their own medical care during the time of crisis surrounding a breast cancer diagnosis.

Our amendment would require all—and I mean every—group health plan to cover inpatient care following a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer.

The length of stay would be determined by the physician, in consultation with the patient, and would be based solely on what is necessary and appropriate for that patient.

There would be no minimum stay required, and outpatient treatment would also be covered if the patient and her doctor agree that that is the best course.

Under current law, insurers may have guidelines recommending that mastectomies be performed on an outpatient basis. But a mastectomy is, in fact, a complicated surgical procedure, one from which significant complications can arise.

Under these circumstances, sending a woman home immediately after a mastectomy may not be the right thing to do. The woman may not have the information she needs, or even the care she needs during this critical time.

We must see to it that doctors are not pressured by health plans to release mastectomy patients before it is medically appropriate.

Women suffer immense emotional trauma from mastectomies. They also suffer from scarring and may suffer from significant and even dangerous complications hours after surgery.

It simply is not appropriate, then, to have anyone other than the patient and her physician deciding when it is safe and proper for her to go home.

Our amendment does just that. It allows patients and their physicians to make the critical, life-changing decisions concerning how to treat breast cancer.

In addition to these provisions, our amendment would help patients diagnosed with cancers of all kinds, by empowering them to seek second opinions.

Under the language of this amendment, patients diagnosed with any form of cancer by their primary care physician would be able to get a secondary consultation with a specialist. Group health plans would be required to include coverage for these visits.

Even if the specialist finds no cancer, the health plan would be required to cover that visit. And members of HMOs will still be covered if they go outside the HMO for their secondary consultation.

These provisions will defend a patient's right to a second opinion in addressing a cancer diagnosis. In a nation with the vast health care resources of our country, there simply is no excuse for not allowing patients to seek an independent second opinion when dealing with a cancer diagnosis.

This amendment would place these key health care decisions in the hands of patients and their physicians. It will put the priority back on patient care, where it belongs. It is an important element of our ongoing fight against cancer, and breast cancer in particular.

I urge my colleagues to lend their support for this important amendment.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I would like to yield myself 3 minutes.

Could I have the attention of the Senator from Michigan just for a moment?

I notice on page 3 of the amendment, talking about "Inpatient Care," under the title "In General" it states:

> . . . the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate. . . .

This is going to be universal. Why does the Senator from Michigan think we should protect a woman who has breast cancer and needs a mastectomy but not provide the same protection for a woman who has ovarian cancer and needs a hysterectomy. Why shouldn't we provide the same protection for someone who has brain cancer? Why do you believe this should be applicable to all HMO members—that a decision should be made by the doctor and the patient, using the best health guidelines—but not provide the same protections for these other diseases? What is the justification for this different treatment? Our bill does provide those protections.

These are in the findings, on page 3, under the "Inpatient Care," "In General." You provide:

> . . . is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate. . . .

You do it for a mastectomy, a lumpectomy, and for a lymph node. Why do it universally for all HMOs for these three procedures yet not provide the same protection for women with ovarian cancer, brain cancer, or other illnesses? That is what we would like to know. Because our bill would provide protection for all of these illnesses; yours for just one. What is possibly the rationale and justification for that?

Mr. ABRAHAM. Mr. President, I will answer with respect to this—would it be on your time?

Mr. KENNEDY. Yes.

Mr. ABRAHAM. Obviously, a number of people have worked in this area of breast cancer treatment. I believe Senator SNOWE, who has been the foremost leader on this in the Senate on working on this issue, will probably comment on this as well. We are attempting to work on getting legislation which she has spearheaded in the Senate into this bill.

I have no idea what other Senators may come to this floor with, with regard to other forms of cancer or other types of diseases or other types of treatment. They may well come here with such areas that are specialty areas and offer similar amendments. I would defer to them to do that. This is an area we are working on which we think, in fact, is justified in this respect and which is consistent with last year's amendment on reconstructive surgery.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. KENNEDY. Mr. President, I yield myself 2 more minutes.

It isn't a question of the particular process or procedure. The amendment says "as determined by the attending physician, in consultation with the patient, to be medically necessary." Why not use that standard on any of the other kinds of health care needs? Why apply this standard nationwide on the question of mastectomy and not provide it for protection of other areas health needs?

Mr. ABRAHAM. Which standard is that?

Mr. KENNEDY. As is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following a mastectomy, lumpectomy, or a lymph node dissection.

I am asking you, why can't you use that same protection: by the attending physician, in consultation with the patient, to be medically necessary, leaving it up to the doctor? That is what you do for these three procedures. You leave it up to the doctor.

Mr. ABRAHAM. Perhaps the Senator could direct the question to somebody who voted on the other side of that issue yesterday.

Mr. KENNEDY. That is what I am asking.

Mr. ABRAHAM. I voted yesterday, when we had the issue of medical necessity.

Mr. KENNEDY. Does the Senator agree——

Mr. ABRAHAM. That is how I voted yesterday. So perhaps the Senator should ask somebody who voted against it yesterday.

Mr. KENNEDY. Good. So if I understand—the Senator can obviously answer any way he wants to—you believe that decisions with regard to health care ought to be decided by the doctors and their patients?

Mr. ABRAHAM. That is how I voted yesterday.

Mr. KENNEDY. When we came to the scope amendment, would you agree then that we ought to apply whatever we are going to do with the 48 million self-insured to the other ⅔ of Americans left out under the Republican plan?

Mr. ABRAHAM. In general principle, I believe that these areas in which the Federal Government has not chosen to oversee, where the scope has already been provided to States to address—in my State, very aggressively—that we shouldn't preempt the significant progress that has been made in Michigan. I don't want to come to the floor to wipe out what I consider to be very effective patients' rights laws that my State has passed, which a scope amendment that would cover every single plan in every setting would have done in my State. There may be Members who have States that are in various ways deficient and ineffective. They may want to supersede what they have done. But this Senator chose not to, at least with respect to my State.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. KENNEDY. I yield myself 15 seconds.

There isn't a single State in the country that has that kind of protection. I know my friend from Vermont keeps insisting the State of Vermont does. We will give him that. But there isn't a single other State, if Vermont complies with those kinds of protections.

I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mrs. BOXER. I thank the Chair.

Mr. President, I feel really bad about what is happening here. Every single amendment, the people lose and the HMOs win.

There is a cruel irony in the Snowe amendment, which the Senator from Connecticut tried to repair and could not. Let me tell my colleagues about the cruel irony of the Snowe amendment.

That amendment treats women who need mastectomies with dignity, and I am for that. That is why I supported the Robb amendment yesterday, and that is why I agree with the Snowe amendment. But let me tell my colleagues what else the Senator from Maine does that makes this a real cruel irony. At the same time she gives dignity to women who have to undergo mastectomies and gives them bed care, she strikes the Dodd amendment which would allow those same women to choose another option other than mastectomy by getting into a clinical trial.

To explain that specifically, I have a dear friend who I have known for many years. She was diagnosed with breast cancer. The doctor said: You have three alternatives: One, you can get into a clinical trial on tamoxifen; two, you can get into a clinical trial on a new drug called reluxifen; three, you can have a double mastectomy. My friend wanted to avoid the mastectomy. She is doing everything she can to get into a clinical trial, and she is reaching obstacle after obstacle after obstacle.

The Dodd amendment says, if someone is in need of a different type of therapy—and it is very tightly drawn—they have a right to get into that therapy.

What the Snowe amendment says to women is: Yes, my dear, if you need a mastectomy, we will treat you fairly. That is good. But, no, my dear, we cannot guarantee you the right to get into a clinical trial to avoid that amputation, as my friend from Maryland called it yesterday.

That is just one example, a personal example of someone I know. There is no reason we can't get around the parliamentary hurdles. We are good at that. We know how to do it. As a matter of fact, I am going to make a unanimous consent request at the end of my remarks, I alert the Senator from Vermont, to solve our problem and to put the two together, the Snowe amendment and the Dodd amendment.

The Dodd amendment ensures that if your doctor says you need a certain type of drug to solve your health problem, your HMO cannot keep that prescription drug away from you by claiming it is not in their formula.

Here we have the Snowe amendment, which takes a giant step forward in the treatment of women with mastectomies but, at the same time, strikes the opportunity for women to get into clinical trials to get the drugs they need that are necessary to give them their health. This is a sad day.

What is the response from the Senator from Maine? Gee, I am sorry about this; it is parliamentary.

I am very sad. I have never seen the Senate be as partisan as it is on this issue. This is a sad, sad day. What happened to the days of Kennedy-Kassebaum? It wasn't that long ago that we worked together when we could agree. I think the American people are the losers, and women are the losers.

Yesterday, we had a situation on this floor—I have handed out on each desk an example of this—where Senator ROBB offered an amendment. Senator ROBB said that OB/GYNs want the right to be primary care providers. Senator FRIST stands up and says: They don't want to be primary care providers. He quoted a particular doctor and said this doctor, an OB/GYN, doesn't want to be a primary care provider.

That was false. That was false. I have the proof right on your desk. This doctor says:

> Senator FRIST's misuse of my statement in support of his position that OB/GYNs could not act as primary care physicians . . . is, to say the least, misleading and does an injustice to the true intent of my statements.

He supports OB/GYNs being designated as primary care providers.

Then a letter from the organization that says it is imperative that doctors who are OB/GYNs be primary care providers.

Let's stop the misstatements, and let's put together the Dodd amendment and the Snowe amendment.

As a matter of fact, I ask unanimous consent that S. 1344 and the Daschle substitute amendment be modified with language from the Snowe amendment No. 1241 prohibiting drive-by mastectomies and requiring coverage for second opinions, and this will keep the clinical trials and the drive-by mastectomies provision.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. Mr. President, I yield myself 20 seconds.

Under the Senate rules generally, as the Senator from California knows, if we were not forced into this agreement, the Senator from Connecticut could modify his amendment to include that. We have tried to get this legislation to the floor so that we could follow the historic rules of the Senate and were precluded from that, basically forced into this time element, voting Thursday evening. But we are getting very close to the point where we will not have the opportunity for having a full airing of these issues. We are getting very close to where some of us will believe that there has not been the full, complete fulfillment of the agreement. These issues may very well be left outstanding for future considerations.

We are getting very close to the point, Mr. President, where you have such a basic corruption of the rules. By denying what has historically been the rule—that would have permitted a Senator to modify an amendment prior to the time they get the yeas and nays—we are close to having a basic corruption of the rules. We had an agreement, and we are sticking with that agreement. Nonetheless, it will delay the Senate and frustrate, obviously, the opportunity for the good debate.

I yield 5 minutes to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, we are at a fork in the road today. We are at a fork in the road to show whether we really are engaged in a debate over partisan politics or whether we are engaged in a debate over how we can best help patients in the United States of America.

I urge my colleagues, in the situation we now find ourselves, to put partisan politics aside and reach out to what is in the best interests of patients, what is in the best interests of the people of the United States of America. That is why I think the suggestion of taking the Snowe amendment and attaching it to the Dodd amendment would show the American people that in this debate, at this time, at this moment, we are willing to put patients above politics. That is what I hope we can do.

There is much to be commended in the Snowe amendment. It is a very good amendment. I congratulate the Senator from Maine on this amendment. I would so like to support it. Unfortunately, it knocks out the Dodd amendment providing patients with access to clinical trials.

The Senator from Maine has had a longstanding reputation of really being an advocate for providing access to clinical trials. I recall with great fondness our battles, going back to the days in the House of Representatives, when she and Congresswoman Schroeder cochaired the women's caucus. We fought to get women included in the clinical trials at NIH. The Senator from Maine and all others will recall when we were systematically excluded. We worked together on a bipartisan basis when she came to the Senate. Working with her, Congresswoman MORELLA, and Congresswoman Schroeder, we were able to literally call NIH's bluff on their shallow and unscientific reasons for not including women in clinical trials.

When President Bush appointed Bernadine Healy as head of NIH, Senator KENNEDY and I worked to establish the Office of Women's Health at NIH, and now women are included in the clinical trials. What a hollow victory it will be today if we deny them the access to the very clinical trials we fought so hard to open up for women.

I am sorry we have come to this. At this fork in the road, let's not make another fork in the road over partisan politics. We can show the American people that we really want to be concerned about patients. We have done it before. We have done it with the people in this room. Some of the greatest pleasures and joys of my life have been working on a bipartisan basis, opening up clinical trials and establishing quality standards for mammograms.

So I am going to offer one more opportunity, and I plead with my colleagues to allow this to happen. I want to have the Snowe amendment attached to the Dodd amendment.

Therefore, I ask unanimous consent that S. 1344, the Daschle substitute amendment, be modified with language from the Snowe amendment, No. 1241, prohibiting drive-through mastectomies and requiring coverage for second opinions.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. JEFFORDS. Mr. President, I yield 1 minute to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I have to take exception to the comments that Senator KENNEDY made. I am not trying to get into an argument, but as anyone who has followed this debate knows, for 2 years we have offered the Democrats the ability to bring up their bill. Then we would bring up our bill and let the Senate choose. The Democrats dictated the format we are debating under, and they would not allow us to pass an appropriations bill until they got exactly the procedure they have today. Now that they have exactly the procedure that they dictated by holding the Senate up, they are unhappy with the procedure.

Might I also say, with all of these cries of partisanship, not one Democrat voted for any amendment offered by any Republican yesterday or Monday. Now, I don't understand bipartisanship as existing when Republicans vote to let the Government take over the health care system and to bring lawyers into the system rather than doctors but it is somehow not bipartisan when Democrats refuse to vote for our proposals. You can't have it both ways.

Mr. KENNEDY. I will use 30 seconds, Mr. President. The Senator had better get his facts straight. We have just offered to accept the amendment of the Senator from Maine. Yesterday the Democratic leader offered to accept the Nickles amendment on deductibility. So the Senator is fundamentally and actually wrong.

I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, my heart is heavy because, as I believe the Senator from Vermont knows, I was the lead Democratic sponsor of the D'Amato bill on mastectomy and cancer rights in the last Congress. Then Senator SNOWE became the lead Republican author on it when Senator D'Amato left the Senate and I am the lead Democratic sponsor in this Congress. So I feel very strongly about this bill and the amendment before us.

But what I see in the tactics being used is of very deep concern to me. Yesterday, we saw the Frist language on medical necessity essentially wiping out the Democratic language requiring that medical necessity be based on generally accepted principles of medicine. Our amendment would have covered a hospital stay for mastectomy as well any other hospital stay, by simply giving the physician the responsibility to make the call on how long a patient should stay in the hospital.

Now we have these individual cases like hospitalization for mastectomy. It is a very strong case that the Senator from Vermont makes. I myself saw, in 1996, where a major HMO in California was doing a same-day mastectomy and women who had surgery at 7:30 in the morning were being pushed out on the street in the afternoon, not recovered from anesthetic, with drains in their body, not knowing where they were or how to care for themselves. That simply is not the good practice of medicine.

So I think all of us have resolved that we want to do something about this situation. But at the same time, you give us a Hobson's choice, and that is unfortunate because Senator Dodd's amendment, requiring plans to cover the routine costs of clinical trials, is a good amendment.

I am the vice chairman of a national cancer dialogue initiated by the American Cancer Society. President George Bush is the chairman. Not too long ago I had the pleasure of spending the day with President Bush on one side of me and Mrs. Bush on the other while I chaired a meeting of the cancer dialogue. One of the outstanding results of that particular day was strong support for more access to clinical research trials. The entire clinical trial research effort is not going to be successful unless there is more access to these trials, and particularly by the minority population where participation is very small, largely because managed care plans do not cover the non-research, routine costs of care.

Therefore, Senator Dodd's amendment is timely, it is necessary, it is scientifically correct, it will help us speed these trials, add more trials, and it will mean a quicker cures for diseases if we pass the Dodd amendment.

The Hobson's choice, for those of us who have worked on this now for over 3 years, is that by voting for Senator Snowe's amendment, we negate the Dodd amendment. That is not right. It is not good medicine. It is not good politics.

I, too, join in complimenting my colleague and friend from California and the Senator from Maryland, both of whom spoke eloquently on this. Please, please, please don't do this.

Senator Dodd asked that his amendment be modified to include the Snowe amendment in his amendment. Twice I heard the Senator from California and the Senator from Maryland propound a unanimous consent request. I am also going to do the same thing. Don't present this body with this kind of Hobson's choice. Both amendments are necessary. Don't wipe out the clinical trials coverage amendment while attempting to put in patient protections for cancer patients. The American public deserves to be able to participate in clinical trials which, after all, could save your life, save the lives of the women of America, and men, because breast cancer affects men too. My father-in-law died of breast cancer when my husband was 10 years old.

Please, don't do this.

I, too, propound a unanimous consent request. I ask unanimous consent that S. 1344, the Daschle substitute, be modified with language from the Snowe amendment No. 1241 prohibiting drive-through mastectomies and coverage for second opinions.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. JEFFORDS. Mr. President, I yield the Senator from Tennessee 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, very briefly—I will not take 5 minutes—a number of issues have been discussed. Let me comment on a couple of issues.

The first has to do with some statements made by my colleague from California about obstetricians and primary care specialists; second, about clinical trials; and, third, scope.

I know my colleague from Texas has been waiting. I will conclude my remarks in 2 minutes, and then, hopefully, we can turn to her.

No. 1, do obstetricians want to be designated by their managed care companies to be primary care physicians? It sounds as if they do.

I have to say that if you are a primary care physician—that means if you are responsible for that managed care company, insurance, group, plan, or HMO—you are responsible really to become the gatekeeper. That means you have a specialist, obstetrician or gynecologist, who wants to be able to take care of the woman as a whole but doesn't necessarily want to take care of her ingrown toenails, appendicitis, headaches, or laryngitis.

That is the danger. It sounds good to say the OB/GYN is the primary care specialist for the patient. They are the primary care physician, the gatekeeper. That means the OB/GYN is going to be doing things that they are simply not trained nor want to do.

What women want in this country is to at any time be able to go to their obstetrician or gynecologist, whether it is an emergency or not, for routine care. That is what our bill does. That is what the American people want—to remove the barriers that exist today.

Yes, we need legislation. That is what our bill does. It drops that barrier so at any time a woman can go to, and be taken care of by, their obstetrician and gynecologist. It is in our bill.

The designation of "primary specialist" sounds benign. In truth, they are dangerous to the system. Obstetricians as a group may want it, and some may not.

I quote on behalf of 100 patients and provider groups, The Patient Access Coalition. They talk about these specialist amendments. They write to us very specifically:

> We do, however, wish to express concern about specialists being defined as primary-care providers.

It is very important that people do not come in and legislate and make them primary care providers. We want to remove the barriers to access to specialists. That is what we do.

No. 2, clinical trials. Again and again, the Dodd bill has some very good points in it. We are for clinical trials. We believe clinical trials should be part of the system, and I have spent most of the morning talking about that. But we don't know the overall cost. Before we know that cost, a managed care company is going to take care of that mandate from here, and they will put it on sick people who are getting sick and paying the tax. We don't have any idea what it is.

The amendment that will be offered tomorrow by Senator Mack looks at the cost issues. It has a mandate to cover clinical trials in an appropriate setting and in an appropriate way, but not in an irresponsible way.

We remove the Dodd language. We take what is very good in his amendment, and we will build on it and have a better amendment for the American people.

On the issue of scope in the underlying amendment about breast disease and cancer, the reason this scope is different from the other things is, they wanted to make this particular amendment consistent with the D'Amato approach from last year that had this with mastectomy and reconstruction of a breast—a procedure. What we did—and what was done by the Senator from Maine—was very specifically match that scope for this type of disease in a way that is consistent. That is why that scope is different. They are exactly right. There is some difference there.

Those are the three points I wanted to make on that.

I yield the floor.

Mr. KENNEDY. Will the Senator yield for a question on my time?

Mr. FRIST. I would be happy to.

Mr. KENNEDY. Last year the Republican proposal had this measure. Most of us who followed the Patients' Bill of Rights understood the reason for this measure. It was to get the Senator from New York, who felt so strongly about this provision, to support the overall Patients' Bill of Rights. When the Republicans introduced their bill this year, the provision was kept out. Now they are trying to put the provision back in.

Mr. FRIST. Does the Senator have a question?

Mr. KENNEDY. I am asking, is that not correct?

Mr. FRIST. That is incorrect.

Does the Senator have another question?

Mr. KENNEDY. No.

Mr. FRIST. I yield the floor.

Mr. KENNEDY. I will take 1 minute.

The fact is, that is exactly what happened. That is exactly what happened. I will put in the Record within the next hour this bill that showed that they took the provision out of this year's bill. I will put in the Record the bill that had the provision, and then the bill that took out the provision. Now the Republicans are trying to put the provision back in again after they voted against the Robb amendment. They now have the willingness of the principal sponsor of the amendment to accept it.

Who is playing games around here?

Mr. President, I yield 5 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 5 minutes.

Mr. ROBB. Thank you, Mr. President. I thank my distinguished colleague from Massachusetts.

I am pleased that the Senator from Tennessee is on the floor.

First, let me observe that I see a disturbing trend as we consider the basic proposal to grant patients' rights, however defined. Every time we have a Democratic amendment, we find some small objection to it, technical or otherwise, causing everyone on the other side to have to vote against it with the promise that tomorrow we will resubmit it with a word or two changed so it will be acceptable to our side.

If my observation is incorrect, I look forward to being corrected.

Yesterday the Senator from Tennessee, Senator FRIST, took the floor to say that he supported 98 percent of the amendment I offered on behalf of myself and Senators MURRAY, MIKULSKI, BOXER, and others, but he had just a couple of objections to it. He stated that the problems with our amendment were such that he had to urge all Members to vote against it and it could only be fixed with the alternative that Senator SNOWE and Senator ABRAHAM would cover today.

At the time my friend from Tennessee was speaking, I asked if he would yield for a question. He declined to do so. That is, of course, his right. But since my friend from Tennessee would not yield during yesterday's debate for a question on his claims, I want to take just a minute to correct the RECORD.

First of all, Senator FRIST said he had spoken with the chairman of the American College of Obstetricians and Gynecologists' Primary Care Committee, Dr. Robert Yelverton. My colleague said Dr. Yelverton told him that OB/GYNs would not qualify as primary care physicians. A number of OB/GYNs took exception to the claim of the Senator from Tennessee that Dr. Yelverton told him OB/GYNs are unqualified, including Dr. Yelverton.

I received a fax this morning from Dr. Yelverton which clarified these comments for me and for our colleagues. Let me read part of what he said.

He said:

> I have never spoken directly to Senator Bill Frist (R-TN) or any member of his staff on the subject of OB/GYNs as primary care physicians or on any other subject. The quote that Senator Frist attributed to me on the floor of the Senate today came from an article in the June 13, 1999, edition of the New York Times.)

He goes on to say:

> Senator Frist's misuse of my statement in support of his position that OB/GYNs could not act as primary care physicians because of the "high standards" that managed care organizations set for primary care physicians, is regrettably misleading to say the least, and does an injustice to the true intent of my statements.

Again, I am quoting Dr. Yelverton. He went on to say:

> I personally supported then and I support now the amendment sponsored by ACOG to allow OB/GYNs to act as primary care physicians and to allow direct access for women's healthcare and, did, in fact, spend a portion of this very afternoon e-mailing my senators and encouraging them to vote in support of the amendment.

Mr. President, I ask unanimous consent to have the doctor's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To Lucia DiVenere, ACOG Government Relations.
From Robert W. Yelverton, M.D., Chairman, Primary Care Committee.

I received your fax tonight and offer the following in response.

I have never spoken directly to Senator Bill Frist (R-TN) or any member of his staff on the subject of OB/GYNs as primary care physicians or on any other subject. The quote that Senator Frist attributed to me on the floor of the Senate today came from an article in the June 13, 1999, edition of the New York Times. The article may be viewed on the New York Times website (go to www.nytimes.com, then click on Health and Science). I was contacted by the article's author, Larry Katzenstein, and asked to comment on the impact of managed care on women's healthcare in this country. In my interview with Mr. Katzenstein, I discussed "barriers" that managed care organizations have raised against the efforts of OB/GYNs to become primary care physicians. The quote attributed to me by Senator Frist was from a non-quote in this article. I told Mr. Katzenstein that some managed care organizations have placed barriers consisting of such stringent (not "high" as Senator Frist stated) standards for their qualifications as primary care physicians that most OB/GYNs would not be able to meet them without further training.

One objective of my comments was to demonstrate that the College's interests were to allow OB/GYNs to provide women's healthcare to their patients unimpeded by the cumbersome requirements of managed care referral systems. Mr. Katzenstein's article did not emphasize to the degree it should have that these were barriers to OB/GYNs being designated primary care physicians—not "high standards"—as has been discussed repeatedly in meetings of the Primary Care Committee. I went on to say to Mr. Katzenstein that the qualification requirements that some managed care organizations impose on OB/GYNs in certain instances exceed even those required of family physicians. He chose not to include that statement in his article.

Senator Frist's misuse of my statement in support of his position that OB/GYNs could not act as primary care physicians because of the "high standards" that managed care organizations set for primary care physicians, is regrettably misleading, to say the least, and does an injustice to the true intent of my statements.

I personally supported then and I support now the amendment sponsored by ACOG to allow OB/GYNs to act as primary care physicians and to allow direct access for women's healthcare and did, in fact, spend a portion of this very afternoon e-mailing my senators and encouraging them to vote in support of the amendment.

Please contact me at (813) 269-7752 after 9:00 a.m. tomorrow (Wednesday). I will be glad to discuss this matter with you at that time and will support any effort that you want to undertake to clarify this issue now on the floor of the Senate.

Mr. ROBB. Mr. President, the same doctor my colleague quoted said the Republican arguments against our amendment are off base. Contrary to the comments of the Senator from Tennessee yesterday, the American College of Obstetricians and Gynecologists endorses our amendment.

I ask unanimous consent to have printed their letter on this issue.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS,
Washington, DC, July 12, 1999.

Hon. CHARLES S. ROBB,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR ROBB: On behalf of the American College of Obstetricians and Gynecologists (ACOG), an organization representing 40,000 physicians dedicated to improving the health care of women, I am pleased to offer ACOG's strong endorsement of the Robb-Murray Amendment to be offered during Senate consideration of managed care reform legislation this week. This amendment assures women access to obstetrician-gynecologists and the critical services they provide.

The Robb-Murray amendment allows women access to their ob-gyns in two important ways. First, it allows women to select a participating obstetrician-gynecologist as her primary care physician. Second, if a woman chooses a primary care physician of another speciality, this amendment allows her to have direct access to her ob-gyn provider without having to secure prior authorization or a referral from her primary care physician.

It is imperative that women's direct access to their ob-gyns not be limited by Congress' failure to classify ob-gyns as primary care physicians. Ob-gyns are often the only physicians many women regularly see during their reproductive years. Insurers often put barriers between women and their ob-gyns. The Robb-Murray amendment would allow them to choose the type of physician they want.

In addition, the Robb-Murray amendment makes clear that direct access to ob-gyn care is not at a managed care plan's option but rather a guarantee for women. The amendment also provides women access to all ob-gyn services covered by their health care plans, not just a subset of those services designated by the plan as routine. Ob-gyn providers would also be able to order appropriate covered follow-up ob-gyn care, including referrals for related care, without prior authorization.

Thirty-seven states have acted to address these issues, but these laws do not protect the many women enrolled in self-insured plans. The Robb-Murray amendment extends meaningful direct access to ob-gyn care to women in federally regulated plans. ACOG applauds your efforts in offering this important amendment for America's women.

Sincerely,

RALPH W. HALE, MD,
Executive Vice President.

Mr. ROBB. I ask my Republican friends: What are their objections to the proposal to allow women access to care that they want and need? How do those who voted against our amendment yesterday, which is so important to American women, justify doing so?

I want to clarify something my colleague from Tennessee said about our proposal to guarantee that doctors and patients—not insurance companies—decide how long a woman stays in a hospital after a mastectomy. Senator FRIST criticized a provision in our amendment that said physicians shall make decisions about the length of stay in a hospital in accordance with "generally accepted medical standards," arguing this standard would be used in determining whether a woman has a mastectomy, a lumpectomy, or a lymph node dissection.

I want the record to reflect that our amendment said nothing of the sort. The Robb-Murray amendment simply said that after a woman has had one of these procedures, a doctor and patient can then decide how long a woman stays in the hospital. That is what the amendment actually said. Our Republican colleagues are simply wrong when they say that the amendment would somehow apply to the decision of the kind of surgical procedure a woman undergoes.

Mr. President, I know there is a broader issue being debated over the definition of "medical necessity" and whether or not this definition is problematic. But that debate has nothing to do with the amendment we offered yesterday. Our amendment specifically said that physicians would be empowered to overrule insurance companies only when deciding how long a woman stays in the hospital after a woman has had a mastectomy, a lumpectomy, or lymph node dissection. Their argument that our amendment had a broader application is simply without merit.

The Republican arguments in this case against the mastectomy portion of our amendment were off base. Their argument against guaranteeing better care by an OB/GYN has been discredited by the doctor whom they quoted yesterday.

I hope we can come to some truly bipartisan resolution of these issues. They are important. They are important to women. They are important to all of the people in this country who are not currently covered. To restrict the scope of this amendment in such a way that specifically excludes women from having direct access to the type of health professionals with whom they are most comfortable is unconscionable.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mrs. HUTCHISON. Mr. President, it seems to me in watching the debate yesterday and today, both sides of the aisle want access to better care for every American who is in some form of an HMO or managed care plan. I think we should acknowledge that we do have different approaches on how to get there.

We can summarize the differences in three ways:

No. 1, we are looking at the costs. Many Members are concerned that if we raise the cost of a premium, a family has worse than a Hobson's choice as our colleagues have complained we are giving them with regard to floor debate. If the cost of health care rises too much, millions of Americans will have no choice at all when they lose their coverage. That has to be a consideration.

No. 2, on the issue of who defines the standards, our amendments and our underlying bill put the emphasis on the patient and the physician. They give the patient the right to have an internal appeal and then an external appeal to make sure they get the quality of care the physician believes is best for that patient.

No. 3, it is a matter of access to lawsuits. We have to make a fundamental choice: Do you want good care or do you want good lawsuits? That is going to make a big difference in the longevity of the HMOs and their ability to continue to give health care service.

Do we need better service? Absolutely. I don't know anyone who hasn't had a complaint about an HMO. That is why I think our approach of an internal review with a time limit, an external, binding review process, again with strict time limits, by medical experts outside of the HMO is far preferable to costly litigation that can take years to resolve.

This has been tested. It has been tested in my home State of Texas. We passed an internal and external review process in Texas that has worked for over a year. Part of it has been struck down by a Federal court because they said it was a Federal law that takes precedence over the State law. Some of it has been knocked out. But it was working, and, on a voluntary basis, still is. People were satisfied they had the right to a quick appeal to get the care they needed. About half of the appeals were won by patients and about half by the health insurance companies, which tells me it was probably a pretty fair system. Most people want to have the quality care and a fair, quick system to redress their complaints rather than the ability to sue. Our bill would establish a national system very similar to that passed in Texas, but without creating new incentives to sue.

Quality care is prospective; a lawsuit is retrospective. If a person wants good care, they are not as interested in a lawsuit later. They are interested in getting the access that the patient and the physician is seeking.

The Snowe-Abraham amendment is a good amendment. It does add to the Robb amendment from yesterday. I think it is a better approach. Our approach, saying we are not going to have any arbitrary time limits on how long a woman can stay in the hospital if she has a mastectomy or a lumpectomy, is a good approach. Everything I have read says the quicker a patient can go home and be cared for at home, the better off they are and the more likely they are to have a quick recovery. However, if you have a problem, a complication in your surgery, we don't want an artificial time limit on the length of the hospital. That is what the amendment of Senator SNOWE and Senator ABRAHAM provides.

Secondly, we have heard a lot of discussion this week about whether an OB/GYN would be primary care physician designee for a woman. The underlying Republican bill provides that both OB/GYNs and pediatricians will have direct access to a woman, in the case of the OB/GYN, or for the parent and the child, in the case of a pediatrician. That is very important.

We have direct access. It is unnecessary to go through a gatekeeper in the Republican bill to see an OB/GYN physician for an OB/GYN problem; nor does a child who needs to see a pediatrician have to go through a gatekeeper. I think that is very important.

I do know a number of women who only go to an OB/GYN and don't have regular checkups, although I have tried to talk my friends into getting regular physical exams. I think it is important to have a full checkup. Nevertheless, many women don't do it. So at the very least, our bill assures that they will have direct access to their OB/GYN, without going through a gatekeeper.

We are approaching this from different standards, there is no question about that. I think our approach is better. They think their approach is better. But I think we need to argue these points based on the merits. I think the Snowe amendment is a good amendment.

The issue of clinical trials will come up again. I believe there should be access to clinical trials to be paid for by HMOs, I really do. There is going to be an amendment on that. It will be somewhat different in approach. Again, the difference is going to be on who defines and what the standards are, and I think Senator MACK will have a good amendment that will be better than the Dodd amendment. Just as Senator SNOWE's amendment and Senator ROBB's amendment are very similar, but the differences are real, I think people will be able to make a choice. I think we are going to provide a very strong women's health care amendment with the Snowe amendment that will strengthen women's ability to have direct access to their OB/GYN and have the care they need based on consultations with their physicians, not a Federal rule that would have a one-size-fits-all approach.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Massachusetts has 11 minutes 2 seconds.

Mr. KENNEDY. I yield 9 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, let's make that 8 minutes; let me know in 8 minutes so my colleague from Nevada and anyone else can be heard on this. I don't think I need that much time.

Regarding this issue of clinical trials and the issue that has been raised by Senator SNOWE dealing with breast cancer, I guess you could divide the country into two groups. There are those who have had to deal with someone in their family who was dying or was threatened with death because of a serious illness, and those who have not been through it yet. You will; whether it is someone in your own family or a neighbor, someone you feel deeply about. Then you will understand, if you are not in the latter category, what my amendment tries to do. That is why I think it is so outrageous that on five different occasions in the last 2 hours, an effort to join together the Snowe amendment with the Dodd amendment has been objected to.

It is incredible to me that we are in the Senate dealing with two issues that cry out for a solution dealing with breast cancer and how women are treated by HMOs and hospitals and the right to get a clinical trial if you are dying. On five occasions in the last hour, a unanimous consent request has been made that would allow these two amendments to be joined, and I suggest be agreed to unanimously. And on five different occasions objection has been heard.

Someone may think they are scoring a political point here. Try to explain that to the people in the waiting room at a hospital in any State in the country at this very hour. Try to explain that to a family member who is looking at someone in a bed who is plugged into about 50 tubes. The doctors said: Look, there is only one way your husband, your wife, your child is going to survive and that is if you get into a clinical trial. That is it. And at 1:05 on this day, the 14th of July, we have a chance to do something about it and we are not going to do it because of gamesmanship, because someone may score a point. Instead of taking these two amendments and doing what any reasonable American would ask us to do—not Democrat, Republican, conservative, or liberal—we are not going to do it. Explain it to someone who says my family member needs clinical trials; my family member needs to get that breast cancer treated.

I have listened today to the most incredible arguments against this clinical trial amendment. I wouldn't mind if there were questions about facts, but it is just not factual. We limit clinical trials. Let me tell you how we do it. There are five conditions you must meet before you can qualify for a clinical trial.

Only those clinical trials sponsored by NIH, the Department of Defense, and the Veterans' Administration qualify. That is No. 1.

No. 2, there is no other standard treatment available anywhere in America for you. If there is, you do not get into the clinical trial. I am glad my colleague from Tennessee is here because he raised these issues earlier. If there is another standard procedure available to you, you do not get the clinical trial under my amendment.

No. 3, you have to be suffering from a life-threatening or serious illness.

No. 4, you have to have the potential to benefit from the trial that would be covered.

Last, you only get routine costs. My colleague from Tennessee said if you are going to get a heart, it is going to cost you a lot more because that is expensive. This amendment says no, no, no; only the routine costs are compensated by the HMO, not the device, not the prescription drugs—only the routine costs, under my amendment.

I beg the leadership on the majority side, let us take the Snowe amendment and take the Dodd amendment, if you will, on clinical trials, and let's move on to the next issue and say to the American public on this question we agree. Ironically, the trade association for the HMOs agrees. They have sent out bulletins saying to their own HMOs: We think you ought to have clinical trials and make them available to people. How ironic that we are about to vote down the right to have clinical trials which the HMOs think they ought to have.

I gather an amendment will be offered. "Wait until tomorrow. There will be an amendment tomorrow." Let me predict what the amendment will do. It will provide clinical trials for cancer. You tell that to someone who has AIDS or someone who has Alzheimer's or Parkinson's disease. You tell that family: I am sorry, we think clinical trials are OK for cancer but not OK for the other illnesses. What is the logic in that?

I think we have narrowed this pretty well. You limit it to NIH, Department of Defense, Veterans'; no other standard treatment is available in the country; you have to be dying; and it has to be able to treat the covered problem you have, and you only pay for routine costs, not for the devices or the equipment.

I am preaching to the choir when I talk to my colleague from Maine. She has written a good bill. I mentioned it earlier. Senator MACK has been on this bill, Senator ROCKEFELLER, others have been involved on a bipartisan basis. So my appeal in the last remaining minutes of this debate on this amendment is that we drop the objections, the five objections that have been raised. The costs on this are negligible. The estimates are 12 cents per covered patient per month—12 cents.

In fact, Sloan-Kettering Cancer Institute and the M.D. Anderson Center, two of the finest in the world, in their report stated that they believe the costs are lower for the clinical trials than for the other procedures—actually a lower cost. So you have Sloan-Kettering and M.D. Anderson lowering costs of clinical trials on their analysis of our amendment. Lower costs, 12 cents a month, you pick it.

We have narrowed it tightly so you limit it, as limited as I know how to make it, to life threatening, no other standard procedure available to you. You have to use one of the only three, clinical trials sponsored by NIH, Department of Defense, Veterans'. How much more narrow can we get? There is only one of three or four ways that we get new products out to people. You test it in a lab first. Then you give it to animals. Then you have to have clinical trials. You have to have them. If you do not have the clinical trials, then you cannot get the product to people. So it is not just the patient today who needs it, who is lying somewhere wondering whether or not they can get their HMO to include a clinical trial, but future patients. If we do not have the clinical trials today, that future patient will not get that medicine or may be delayed in getting it.

Mr. President, there may be other issues which divide us. This one should not. This one should not divide us. Can we not, for 5 minutes——

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. DODD. I will take 30 additional seconds. Can't we find 5 minutes this week to come to an agreement on the Snowe amendment and the Dodd amendment and move on to the next issue? Do we really have to make this a huge battle and fight, where we go through a battle to say, no to one, yes to another, maybe tomorrow. This is not fair to the American public. They expect I think a little more from us than this.

Mr. President, I will try one more time—one more time, the sixth time.

The PRESIDING OFFICER. The Senator's 30 seconds have expired.

Mr. DODD. I ask for 30 additional seconds. I ask unanimous consent—this is the sixth time this will be made in the last hour—that S. 1344, the Daschle substitute amendment, be modified with language from the Snowe amendment No. 1241 prohibiting drive-through mastectomies and requiring coverage for second opinions be included in the Dodd amendment.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. DODD. Mr. President, I am saddened by this objection. The American people ought to be deeply saddened by what they have heard on this issue in the last hour and half.

I yield the floor.

Mr. MURKOWSKI. Mr. President, I rise in strong support of the Snowe

Amendment—an amendment to rid the tragic practice of drive-through" mastectomies.

Mr. President, one out of nine American women will suffer the tragedy of breast cancer. It is today the leading cause of death for women between the ages of 35 to 54.

Alaskan women are particularly vulnerable to this disease. We have the second highest rate of breast cancer in the nation.

1 in 7 Alaska women will get breast cancer and tragically it is the Number One cause of death among Native Alaskan women.

We know that these deaths are preventable—and the key to prevention is early detection. It is estimated that breast cancer deaths can be reduced by 30 percent if all women avail themselves of regular clinical breast examination and mammography. I'm proud of the work that this body has done in the recent past to expand Medicare and Medicaid coverage for mammographies.

I am also proud of the efforts that my wife Nancy has done in expanding early detection efforts throughout Alaska. You see, Mr. President, for many Alaska women, especially native women living in one of our 230 remote villages, regular screening and early detection are often hopeless dreams.

For 25 years, my wife Nancy has recognized this problem and did something about it. In 1974, she and a group of Fairbanks' women created the Breast Cancer Detection Center, for the purpose of offering mammographies to women in remote areas of Alaska—regardless of a woman's ability to pay.

Now, the Center uses a small portable mammography unit which can be flown to remote areas of Alaska, offering women in the most rural of areas easy access to mammographies at no cost.

Additionally, the Center uses a 43-foot long, 14 foot high and 26,000 pound mobile mammography van to travel through rural areas of Alaska. The van makes regular trips, usually by river barge, to remote areas in Interior Alaska such as Tanana.

Julie Roberts, a 42-year-old woman of Tanana, who receives regular mammographies from the mobile mammography van, knows the importance of early screening:

There's a lot of cancer here (in Tanana)—a lot of cancer. That's why it's important to have the mobile van here . . . I know that if I get checked, I can catch it early and can probably save my life. I have three children and I want to see my grandchildren.

I am proud to say that the Fairbanks Center now serves about 2,200 women a year and has provided screenings to more than 25,000 Alaska women in 81 villages throughout the states. To help fund the efforts of the Fairbanks Center, each year Nancy and I sponsor a fishing tournament to raise money for the operation of the van and mobile mammography unit. After just three years, donations from the tournament have totalled over $1 million.

Mr. President, Nancy and I are committed to raising more funds for this important program so that every women in Alaska can benefit from the advances of modern technology and reduce their risk of facing this killer disease.

But, Mr. President, the fight against breast cancer does not end with detection of the disease. That is why I stand in strong support of Senator SNOWE's amendment. Her amendment will once and for all put an end to the practices of so-called drive-through" mastectomies.

In too many cases women who survive the trauma of a mastectomy are being forced to get out of the hospital only hours after their surgery. How can medical care professionals allow this? Simply because many insurance companies demand that the procedure of a mastectomy be considered an out-patient service."

Here's the horror that many insurance companies cause:

Nancy Couchot, a 60 year old woman had a radical mastectomy at 11:30 a.m. She was released from the hospital five hours —even though she was not able to walk or use the rest room without assistance.

Victoria Berck, had a mastectomy and lymph node removal at 7:30 a.m. Seven hours later, she was given instructions on how to empty two drains attached to her body and sent home. Ms. Berck concludes, No civilized country in the world has a mastectomy as an out-patient service."

Mr. President, it's for these very reasons that I am in strong support of Senator SNOWE's amendment. Specifically, the amendment will require health insurance companies to allow physicians to determine the length of a mastectomy patient's hospital stay according to medical necessity. In other words, the bill makes it illegal to punish a doctor for following good medical judgment and sound medical treatment.

This amendment is important follow-up to legislation that I and many in this Body worked on worked on to ensure that mastectomy patients have access to reconstructive surgery. Prior to our efforts in last year's Omnibus bill, scores of women were denied reconstructive surgery following mastectomies because insurers have deemed the procedure to be cosmetic" and, therefore, not medically necessary.

Mr. President, far too often breast cancer victims, who believe that they have adequate health care coverage, are horrified when they learn basic and sound medical practices are not covered in their health plan.

Mr. President, these issues are not partisan issues. We may have our differences regarding managing and financing health reform, but I think we all endorse accessible and affordable health care that preserves patient choice and physician discretion. Cancer does not look to see the politics of its victims.

Mr. KENNEDY. Mr. President, earlier I said that I would enter into the RECORD the fact that last Congress, the majority's version of the Patient's Bill of Rights included a mastectomy provision that was quite similar to the provision offered by Senator ROBB yesterday and by Senator SNOWE today. Yet, this mastectomy provision was conspicuously absent from the majority's bill this year. Drive-through mastectomies were discussed during committee markup but were not added back. In fact, the majority rejected an amendment by Senator MURPHY to end drive-through mastectomies. Now, in response to popular pressure, the majority is offering the Snowe amendment on mastectomies as a way of undermining our attempt to provide coverage for patients in clinical trials. I ask unanimous consent that the table of contents and relevant pages of the Republican bills from the last Congress and from this Congress be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2330, JULY 20, 1998

* * * * *

Subtitle C—Women's Health and Cancer Rights

Sec. 531. Short title.
Sec. 532. Findings.
Sec. 533. Amendments to the Employee Retirement Income Security Act of 1974.
Sec. 534. Amendments to the Public Health Service Act relating to the group market.
Sec. 535. Amendment to the Public Health Service Act relating to the individual market.
Sec. 536. Amendments to the Internal Revenue Code of 1986.
Sec. 537. Research study on the management of breast cancer.

Subtitle C—Women's Health and Cancer Rights

SEC. 531. SHORT TITLE.

This subtitle may be cited as the "Women's Health and Cancer Rights Act of 1998".

SEC. 532. FINDINGS.

Congress finds that—

(1) the offering and operation of health plans affect commerce among the States;

(2) health care providers located in a State serve patients who reside in the State and patients who reside in other States; and

(3) in order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States.

SEC. 533. AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.), as amended by sections 111 and 302, is further amended by adding at the end the following new section:

“SEC. 715. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

“(a) INPATIENT CARE.—

“(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

“(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

“(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

“(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

“(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

“(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

“(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

“(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

“(2) as part of any yearly informational packet sent to the participant or beneficiary; or

“(3) not later than January 1, 1999;

whichever is earlier.

“(d) NO AUTHORIZATION REQUIRED.—

“(1) IN GENERAL.—An attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

“(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a group health plan from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

“(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

“(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

“(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

“(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

“(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

“(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

“(f) RULES OF CONSTRUCTION.—

“(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

“(A) to undergo a mastectomy or lymph node dissection in a hospital; or

“(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

“(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

“(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

“(g) PREEMPTION, RELATION TO STATE LAWS.—

“(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

“(A) relates to hospital length of stays after a mastectomy, lumpectomy, or lymph node dissection;

“(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, of lymph node dissection; or

“(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

“(2) APPLICATION OF SECTION.—With respect to a State law—

“(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

“(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

“(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.”.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 note) is amended by inserting after the item relating to section 714 the following new item:

“Sec. 715. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies.”.

(c) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.

SEC. 534. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE GROUP MARKET.

(a) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 303(a), is further amended by adding at the end the following new section:

“SEC. 2707. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

“(a) INPATIENT CARE.—

“(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

“(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

“(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

"(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

"(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

"(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the enrollee upon enrollment and annually thereafter.

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 1999;

whichever is earlier.

"(d) NO AUTHORIZATION REQUIRED.—

"(1) IN GENERAL.—An attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

"(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a plan or issuer from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

"(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

"(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

"(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

"(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

"(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

"(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

"(f) RULES OF CONSTRUCTION.—

"(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

"(A) to undergo a mastectomy or lymph node dissection in a hospital; or

"(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

"(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

"(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(g) PREEMPTION, RELATION TO STATE LAWS.—

"(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

"(A) relates to a hospital length of stay after a mastectomy, lumpectomy, or lymph node dissection;

"(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, or lymph node dissection; or

"(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

"(2) APPLICATION OF SECTION.—With respect to a State law—

"(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

"(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

"(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.".

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to group health plans for plan years beginning on or after the date of enactment of this Act.

SEC. 535. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE INDIVIDUAL MARKET.

(a) IN GENERAL.—Subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-51 et seq.), as amended by section 303(b), is further amended by adding at the end the following new section:

"SEC. 2753. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER.

"The provisions of section 2707 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the date of enactment of this Act.

SEC. 536. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—Subchapter A of chapter 100 of the Internal Revenue Code of 1986 (relating to group health plan portability, access, and renewability requirements) is amended by inserting after section 9803 the following new section:

"SEC. 9804. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

"(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

"(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

"(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

"(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 1999;

whichever is earlier.

"(d) NO AUTHORIZATION REQUIRED.—

"(1) IN GENERAL.—A, attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

"(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a plan or issuer from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

"(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

"(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

"(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

"(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

"(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

"(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

"(f) RULES OF CONSTRUCTION.—

"(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

"(A) to undergo a mastectomy or lymph node dissection in a hospital; or

"(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

"(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

"(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(g) PREEMPTION, RELATION TO STATE LAWS.—

"(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

"(A) relates to a hospital length of stay after a mastectomy, lumpectomy, or lymph node dissection;

"(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, or lymph node dissection; or

"(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

"(2) APPLICATION OF SECTION.—With respect to a State law—

"(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

"(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

"(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.".

(b) CONFORMING AMENDMENTS.—

(1) The heading for subtitle K of such Code is amended to read as follows:

"Subtitle K—Group Health Plan Portability, Access, Renewability, and Other Requirements".

(2) The heading for chapter 100 of such Code is amended to read as follows:

"CHAPTER 100—GROUP HEALTH PLAN PORTABILITY, ACCESS, RENEWABILITY, AND OTHER REQUIREMENTS".

(3) Section 4980D(a) of such Code is amended by striking "and renewability" and inserting "renewability, and other".

(c) CLERICAL AMENDMENTS.—

(1) The table of contents for chapter 100 of such Code is amended inserting after the item relating to section 9803 the following new item:

"Sec. 9804. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies.".

(2) The item relating to subtitle K in the table of subtitles for such Code is amended by striking "and renewability" and inserting "renewability, and other".

(3) The item relating to chapter 100 in the table of chapters for subtitle K of such Code is amended by striking "and renewability" and inserting "renewability, and other".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.

SEC. 537. RESEARCH STUDY ON THE MANAGEMENT OF BREAST CANCER.

(a) STUDY.—To improve survival, quality of life and patient satisfaction in the care of patients with breast cancer, the Agency for Health Care Policy and Research shall conduct a study of the scientific issues relating to—

(1) disease management strategies for breast cancer that can achieve better patient outcomes;

(2) controlled clinical evidence that links specific clinical procedures to improved health outcomes;

(3) the definition of quality measures to evaluate plan and provider performance in the management of breast cancer;

(4) the identification of quality improvement interventions that can change the process of care to achieve better outcomes for individuals with breast cancer;

(5) preventive strategies utilized by health plans for the treatment of breast cancer; and

(6) the extent of clinical practice variation including its impact on cost, quality and outcomes.

(b) REPORT.—Not later than January 1, 2000, the Agency for Health Care Policy and Research shall prepare and submit to the appropriate committees of Congress a report concerning the results of the study conducted under subsection (a).

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S. 326, JUNE 17, 1999

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TITLE I—PATIENTS' BILL OF RIGHTS

Subtitle A—Right to Advice and Care

Sec. 101. Patient right to medical advice and care.

"SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

"Sec. 721. Patient access to emergency medical care.
"Sec. 722. Offering of choice of coverage options.
"Sec. 723. Patient access to obstetric and gynecological care.
"Sec. 724. Patient access to pediatric care.
"Sec. 725. Access to specialists.
"Sec. 726. Continuity of care.
"Sec. 727. Protection of patient-provider communications.
"Sec. 728. Patient's right to prescription drugs.
"Sec. 729. Self-payment for behavioral health care services.
"Sec. 730. Generally applicable provision.
Sec. 102. Comprehensive independent study of patient access to clinical trials and coverage of associated routine costs.
Sec. 103. Effective date and related rules.

Subtitle B—Right to Information About Plans and Providers

Sec. 111. Information about plans.
Sec. 112. Information about providers.

Subtitle C—Right to Hold Health Plans Accountable

Sec. 121. Amendment to Employee Retirement Income Security Act of 1974.

TITLE II—GENETIC INFORMATION AND SERVICES

Sec. 201. Short title.
Sec. 202. Amendments to Employee Retirement Income Security Act of 1974.
Sec. 203. Amendments to the Public Health Service Act.
Sec. 204. Amendments to the Internal Revenue Code of 1986.

TITLE III—HEALTHCARE RESEARCH AND QUALITY

Sec. 301. Short title.
Sec. 302. Amendment to the Public Health Service Act.

"TITLE IX—AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"Sec. 901. Mission and duties.
"Sec. 902. General authorities.

"PART B—HEALTHCARE IMPROVEMENT RESEARCH

"Sec. 911. Healthcare outcome improvement research.
"Sec. 912. Private-public partnerships to improve organization and delivery.
"Sec. 913. Information on quality and cost of care.
"Sec. 914. Information systems for healthcare improvement.
"Sec. 915. Reseafch supporting primary care and access in underserved areas.
"Sec. 916. Clinical practice and technology innovation.
"Sec. 917. Coordination of Federal Government quality improvement efforts.

"PART C—GENERAL PROVISIONS

"Sec. 921. Advisory Council for Healthcare Research and Quality.
"Sec. 922. Peer review with respect to grants and contracts.
"Sec. 923. Certain provisions with respect to development, collection, and dissemination of data.
"Sec. 924. Dissemination of information.
"Sec. 925. Additional provisions with respect to grants and contracts.
"Sec. 926. Certain administrative authorities.
"Sec. 927. Funding.
"Sec. 928. Definitions.
Sec. 303. References.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Sense of the Committee.

Mr. JEFFORDS. How much time do I have remaining?

The PRESIDING OFFICER. Nine minutes, 6 seconds.

Mr. JEFFORDS. I yield myself 3 minutes.

Mr. President, I have listened to the very excellent debate of my good friend from Connecticut, and it sounds very compelling. It is with some difficulty that I have to remind those across the aisle that we tried last year and we tried this year to have a face-off with the two bills: You put the best bill forward you have, we will put the best bill forward we have, we will allow amendments back and forth, 20 to a side, something like that. No, they did not want that. Why? They figured they would lose. We had a better bill. We have a better bill now.

No. 1, this bill, after the vote, assuming we win on the vote, the Senator from Connecticut will have the opportunity, the minority will have the opportunity to offer their provisions on clinical trials again. We will have several opportunities to do that. We are not cutting off the opportunity for that one to be reexamined.

What we are saying is, right now, we want to make sure we clear up the problems with respect to mastectomies and want to make sure this body will have an opportunity to, once and for all, bring back the so-called amendment of Senator D'Amato to make sure all women in this Nation have an opportunity for the best possible care for the very difficult problems of breast cancer.

We are ready to do that. There will be other votes. We will have more votes, I do not know, 5, 10 more votes between now and the time this debate ends. Right now, we want to have the vote on our amendment which, under this convoluted process we were talked into by the minority, which is very confusing—and maybe they want it that way—creates a mess for the public and even us as Members to understand what the process is or what is going to happen next or how we are going to end up.

I want to let everyone know I am sincerely in favor of good clinical trials, and I am sincerely in favor of taking care, as we would right now, of the problems of the mastectomies and also OB/GYN. We will be doing that. Since I am the one who is objecting, I want everyone to know that is my job as leader on the floor. I do not want it to be utilized as some way I am against these things personally.

I yield 2 minutes to the Senator from Tennessee.

Mr. FRIST. Mr. President, again I stand as an advocate for clinical trials and say at the end of the next 48 hours, we are going to have a very good amendment that will be added to this bill which will address the issue of getting clinical services to people earlier by lowering the barriers to get into clinical trials with a mandate on managed care, HMOs that will be very effective, that will be accountable, that will be affordable, and that will get things to people quickly.

Let me go back to the examples. It is so hard. You use an example and somebody plays off it. Artificial hearts are expensive. A clinical trial opens up. It is life-threatening; there is no alternative. Two patients: one dying of cardiomyopathy. The patient will hardly last 2 weeks. You put in an artificial heart to see if it works. The patient dies 2 weeks later. It is terrible. The artificial heart in the other patient keeps him alive and 2 weeks, 3 weeks has a stroke to the brain. He has a massive stroke and stays in the hospital for a week, 1 month or 2 months. He takes hematinics. He has about $4,000 to $5,000 of testing every year. There are 15 people or so monitoring that patient for the next week, 3 weeks, 6 weeks, or 8 weeks. Two different patients: the intervention, the artificial heart you introduced as part of the clinical trial, and this patient dies. The incremental cost, the difference between these two is the hospitalization for 3 weeks, 4 weeks, or 8 weeks and the medical care.

Again, the incremental cost you are going to make the managed care plan pay—since everybody is bashing managed care, that seems to be OK—but remember, all the managed care plan does is pass that cost on to the people who are sick. You have sick patients, whose premiums go up, who pay this bill. It is unintended. I know that is not what you meant, but by using life-threatening or serious illness where there is otherwise no alternative, using the example you introduced, which I refuted—I am going to throw it right back at my colleague—it is very complicated. We need to stay sharp and focused and pass a sharp bill.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. JEFFORDS. Mr. President, I yield the Senator from Maine such time as we have remaining.

Ms. SNOWE. How much time remains?

The PRESIDING OFFICER. The Senator from Maine is recognized for 3 minutes.

Ms. SNOWE. Mr. President, I want to make a few points to wrap up. I applaud the leadership of Senator DODD with respect to clinical study trials. Obviously, I could not agree with him more on this issue.

This is an issue that will be addressed further in this debate, as it should. But the Senator is frustrated, and if other Senators are frustrated at the process, then we all have a collective responsibility to make sure it does not happen again. We cannot pretend we do not know how we got here. It is unfortunate we have a Hobson's choice today, but we had a Hobson's choice yesterday when it came to mastectomies when the amendment was offered by Senator ROBB to the legislation that already had the identical language. I had planned to offer this legislation well before the recess because I wanted to improve upon the Republican legislation on managed care. I thought it was absolutely essential.

The Senator from Massachusetts asked, why did we just identify mastectomies and women with breast cancer? I say to the Senator, why? For the same reason the Senator singled out mastectomies in his own legislation and Senator ROBB singled it out in his amendment that he offered yesterday. Because we have an identifiable problem with drive-through mastectomies and HMOs. That was the genesis of the legislation to begin with when former Senator D'Amato had introduced that legislation with Senator FEINSTEIN and myself several years ago. I introduced the same legislation this year with Senator FEINSTEIN for that very reason, because there has been a problem with managed care and drive-through mastectomies.

We have all heard the horror stories. That is why this legislation was developed. That is why I am offering this amendment to the Republican legislation, because it does not have that language.

Some suggest there is some partisan political ploy. I will compare my credentials on bipartisanship with anybody across the aisle. We have worked on a bipartisan basis on issues concerning women's health since I came to the Congress 20 years ago. I would have hoped yesterday we would have had the opportunity to work it out rather than having to vote on an amendment that included language that was already in the Democratic bill.

We should have been working together, but now we are having to address the issue of defining "medical necessity" that no other legislation, no board, no governmental agency, no association has defined. It is going to limit the treatment that is offered to women when it comes to breast cancer. That is a fact.

So the choice is, are you going to get the best care, the best treatment, the best principles when it comes to breast cancer? Or are you going to lower the threshold and say: Well, everybody offers this, no matter what, when there are other options? There is better science developing all the time, and it could be available to a woman who has breast cancer.

Those are the choices. That is why we are at this point. I just say to everybody in this Chamber, if we want to avoid this kind of contrivance when it comes to this amendment process, then I suggest it is the responsibility of each of us to make sure it does not happen, so that we get the very best legislation, that we can walk across the aisle, rather than being constrained by the parliamentary procedures that we confront today.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada has 1½ minutes.

Mr. REID. I will take 2 minutes off the bill in addition to that.

Mr. President, the statements of the Senator from Vermont and my friend from Maine basically are cynical and very unreasonable. We have given the majority the opportunity to vote on drive-through mastectomies and also to maintain clinical trials. We could do that by voice vote. We could save a lot of time. The decision has been made by the majority to make sure that we do not have the opportunity to pass the clinical trials aspect of this bill.

They are always promising they are going to come back with something else a little better later. The fact of the matter is, this is not a Hobson's choice. What they are attempting to do is cynical and unreasonable.

Senator LOTT said this morning in his opening statement, Republicans have a medical doctor to support their positions. And I have the greatest respect for the junior Senator from Tennessee. The fact is, with his medical knowledge, though, he should relate the facts. And the fact is, on page 8341 of the CONGRESSIONAL RECORD of July 13, 1999, Senator FRIST said, among other things, "Let me share with Members what one person told me. Dr. Robert Yelverton, chairman of the American College of Obstetricians and Gynecologists.' . . ."

Fact: My friend from Tennessee never spoke to Dr. Yelverton.

Fact: Dr. Yelverton, even if he had spoken to him, disagrees with statements made by Senator FRIST about him.

I ask unanimous consent to have printed in the RECORD page 8341 of yesterday's RECORD. I also ask unanimous consent to have printed in the RECORD a memorandum to Lucia DiVenere from Dr. Yelverton, wherein that memorandum states:

> Senator Frist's misuse of my statement in support of his position . . . is regrettably misleading . . . and does an injustice to the true intent of my statements.

Further, I ask unanimous consent to have printed in the RECORD a letter to Dr. FRIST, dated July 14, 1999, from Dr. Hale, executive vice president of the American College of Obstetricians and Gynecologists.

That letter, in part, says:

> The American College of Obstetricians and Gynecologists and Dr. Yelverton fully support efforts in Congress, including the Robb/Murray amendment, which would enable ob-gyns to be designated as primary care providers. A recent . . . survey found that nearly one-third of all ob-gyns in managed care plans are denied the opportunity to be designated as primary care physicians. Ob-gyns are often the only health care provider many women see through their [entire] adult lives and are best suited to understand and evaluate the health care needs of their patients. . . .
>
> We also strongly endorse the Robb/Murray amendment's provision that would require managed care plans to allow women direct access to the full array of covered ob-gyn services under the plan.
>
> While the amendment failed yesterday on a 48 to 52 vote, we are hopeful the Senate will take up this important issue again. Dr. Yelverton and I urge you to vote in favor of these important policies.

I would hope my friend, Senator FRIST, and the other Republicans would take this to heart. I believe we need to review some of the votes taken yesterday.

There being no objection, the material was ordered to be printed in the Record, as follows:

EXCERPT FROM RECORD OF JULY 13, 1999

Mr. FRIST. In the Kennedy-Robb amendment is the issue of access.

Again, my colleagues on the other side hit it right on the head: Women today want to have access to their obstetrician. They don't want to go through gatekeepers to have to get to their obstetrician or gynecologist. That relationship is very special and very important when we are talking about women's health and women's diseases.

In the Kennedy-Robb amendment, the language is that the plan or insurer shall permit such an individual who is a female to designate a participating physician who specializes in obstetrics and gynecology as the individual's primary care provider.

It is true that in our underlying bill we don't say the plan has to say that all obstetricians and gynecologists are primary care providers. That is exactly right. The reasons for that are manyfold.

Let me share with Members what one person told me. Dr. Robert Yelverton, chairman of the American College of Obstetricians and Gynecologists' Primary Care Committee, stated:

> The vast majority of OB/GYNs in this country have opted to remain as specialists rather than act as primary care physicians.

He attributes this to the high standards that health plans have for primary care physicians, saying:

> None of us could really qualify as primary care physicians under most of the plans, and most OB/GYNs would have to go back to school for a year or more to do so.

You can argue whether that is good or bad, but it shows that automatically taking specialists and making them primary care physicians and putting it in Federal statute is a little bit like taking BILL FIRST, heart and lung transplant surgeon, and saying: You ought to take care of all of the primary care of anybody who walks into your office.

DOCTORS YELVERTON, LERNER,
FALLIERAS, KILBRIDE, MARSTON,
JAEGER, MINTON & BROWN,
Tampa, FL, July 13, 1999.

To: Lucia DiVenere, ACOG Government Relations.

From: Robert W. Yelverton, M.D., Chairman, Primary Care Committee.

I received your fax tonight and offer the following in response.

I have never spoken directly to Senator Bill Frist (R–TN) or any member of his staff on the subject of OB/GYNs as primary care physicians or on any other subject. The quote that Senator Frist attributed to me on the floor of the Senate today came from an article in the June 13, 1999, edition of the New York Times. The article may be viewed on the New York Times website (go to www.nytimes.com, then click on Health and Science). I was contacted by the article's author, Larry Katzenstein, and asked to comment on the impact of managed care on women's healthcare in this country. In my interview with Mr. Katzenstein, I discussed "barriers" that managed care organizations have raised against the efforts of OB/GYNs to become primary care physicians. The quote attributed to me by Senator Frist was from a non-quote in this article. I told Mr. Katzenstein that some managed care organizations have placed barriers consisting of such stringent (not "high," as Senator Frist stated) standards for their qualifications as primary care physicians that most OB/GYNs would not be able to meet them without further training.

One objective of my comments was to demonstrate that the College's interests were to allow OB/GYNs to provide women's healthcare to their patients unimpeded by the cumbersome requirements of managed care referral systems. Mr. Katzenstein's article did not emphasize to the degree it should have that these were barriers to OB/GYNs being designated primary care physicians—not "high standards"—as has been discussed repeatedly in meetings of the Primary Care Committee. I went on to say to Mr. Katzenstein that the qualification requirements that some managed care organizations impose on OB/GYNs in certain instances exceed even those required of family physicians. He chose not to include that statement in his article.

Senator Frist's misuse of my statement in support of his position that OB/GYNs could not act as primary care physicians because of the "high standards" that managed care organizations set for primary care physicians, is regrettably misleading, to say the least, and does an injustice to the true intent of my statements.

I personally supported then and I support now the amendment sponsored by ACOG to allow OB/GYNs to act as primary care physicians and to allow direct access for women's healthcare and did, in fact, spend a portion of this very afternoon e-mailing my senators and encouraging them to vote in support of the amendment.

Please contact me. I will be glad to discuss this matter with you at that time and will support any effort that you want to undertake to clarify this issue now on the floor of the Senate.

THE AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS,
Washington, DC, July 14, 1999.

Hon. BILL FRIST
Washington, DC.

DEAR SENATOR FRIST: As Executive Vice President of the American College of Obstetrics and Gynecologists (ACOG), I feel it necessary to clarify ACOG's position on the Robb/Murray amendment to allow women in managed care plans direct access to ob-gyn care. I've also attached a memo from Dr. Robert Yelverton, Chairman of ACOG's Primary Care Committee, correcting your misuse of his statements in a June 13 New York Times article.

ACOG and Dr. Yelverton fully support efforts in Congress, including the Robb/Murray amendment, which would enable ob-gyns to be designated as primary care providers. A recent ACOG/Princeton Survey Research Associates survey found that nearly one-third of all ob-gyns in managed care plans are denied the opportunity to be designated as primary care physicians. Ob-gyns are often the only health care provider many women see throughout their adult lives and are best suited to understand and evaluate the health care needs of their patients. While not all ob-gyns may choose to accept a PCP designation, all ob-gyns should have the opportunity to be designated as a woman's PCP under managed care.

We also strongly endorse the Robb/Murray amendment's provision that would require managed care plans to allow women direct access to the full array of covered ob-gyn services provided under the plan.

While the amendment failed yesterday on a 48 to 52 vote, we are hopeful the Senate will take up this important issue again. Dr. Yelverton and I urge you to vote in favor of these important policies.

Sincerely,

RALPH W. HALE, MD,
Executive Vice President.

Mr. KENNEDY. Mr. President, do we still have a minute and a half on the amendment?

The PRESIDING OFFICER. The time on the amendment has been consumed.

Mr. KENNEDY. I yield myself 1 minute off the bill.

The PRESIDING OFFICER. The Senator has that right.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the National Partnership for Women & Families and a letter from the National Breast Cancer Coalition. Both of these organizations support the Dodd amendment, and they urge opposition to the Snowe amendment because it strikes the underlying Dodd amendment on clinical trials.

The letter from the National Partnership for Women & Families says: It is essential that women and families have access to clinical trials. We oppose any effort to deny such access.

I ask unanimous consent that both these letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL PARTNERSHIP FOR WOMEN & FAMILIES,
Washington, DC, July 14, 1999.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: The National Partnership for Women & Families urges you to oppose the pending Snowe amendment because it strikes the underlying Dodd amendment on clinical trials. It is essential that women and families have access to clinical trials. We oppose any effort to deny such access.

Sincerely,

JUDITH L. LICHTMAN,
President.
JOANNE L. HUSTEAD,
Director of Legal and Public Policy.

NATIONAL BREAST CANCER COALITION,
Washington, DC, July 14, 1999.

Hon. THOMAS DASCHLE,
U.S. Senate, Washington, DC.

DEAR SENATOR DASCHLE: On behalf of the National Breast Cancer Coalition (NBCC), I want to express our deep concern about the fact that a choice has to be made between the length of hospital stay and the clinical trials amendments. If a choice must be made, NBCC's priority is access to clinical trials.

As you know, NBCC is a grassroots advocacy organization made up of more than 500 organizations and tens of thousands of individuals working since 1991 to eradicate this disease through advocacy and action.

While it is important for doctors and patients to make decisions about how long women should stay in the hospital following a mastectomy, an even more important amendment is Senator Dodd's access to clinical trials amendment. Clinical trials provide the best evidence of whether an intervention will work. Without them, we will never know how to prevent breast cancer, how best to treat it, or how to cure it-and our demands for "quality care" will have no meaning.

NBCC truly appreciates Senator Snowe's support of breast cancer issues. Unfortunately, under these circumstances we believe the length of hospital stay amendment should not be supported in lieu of ensuring access to the lifesaving therapies in clinical trials.

Thank you for your leadership. We look forward to working with you to get this important patient protection, and a comprehensive and enforceable "Patients Bill of Rights" enacted into law. Please do not hesitate to call me, or NBCC's Government Relations Manager, Jennifer Katz if you have any questions.

Sincerely,

FRAN VISCO,
President.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that Senator MURKOWSKI be added as a cosponsor to the Snowe amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I ask for the yeas and nays on the Snowe amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1241. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

The PRESIDING OFFICER (Mr. VOINOVICH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—55

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—45

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

The amendment (No. 1241) was agreed to.

Mr. FRIST. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from South Dakota.

AMENDMENT NO. 1242 TO AMENDMENT NO. 1239

(Purpose: To ensure that the protections provided for in the patients' bill of rights apply to all patients with private health insurance)

Mr. DASCHLE. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. DASCHLE), for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. WELLSTONE, Mr. WYDEN, Mr. REED, Mrs. MURRAY, Mr. CHAFEE, and Mrs. FEINSTEIN, proposes an amendment numbered 1242 to amendment No. 1239.

Mr. DASCHLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. LEAHY. Mr. President, will the Senator yield for a unanimous consent?

Mr. KENNEDY. Yes. I yield for that purpose.

Mr. LEAHY. I thank my friend from Massachusetts.

PRIVILEGE OF THE FLOOR

Mr. President, I ask unanimous consent that Rebecca Pastner of my staff be given the privilege of the floor today during votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself 7 minutes.

All patients, regardless of where they live or how they purchase their insurance, deserve to know that their health plan will cover the benefits they need when they are ill or injured.

When we say "all," we mean all.

That is a fundamental principle of HMO reform. But it is a fundamental principle that is ignored in the Republican minimal alternative.

The amendment that Senator DASCHLE, I, and others are offering makes clear that every provision of the Patients' Bill of Rights should apply to all 161 million Americans with private insurance coverage.

No patient should be turned away at the emergency room door, denied access to the specialist they need to save their life, or be told that they will not get the prescription drug they need to treat their illness because they live in Mississippi instead of Massachusetts or in Oklahoma instead of Ohio.

No child or parent or grandparent should be denied the medical care they need because they happen to work for a small business instead of a large corporation or because they are a teacher in a public school instead of an executive on Wall Street.

Of the 161 million Americans with private insurance, only 48 million are covered under the Republican plan; 113 million Americans are left out or are left behind. The Republican plan limits protections to those who receive their coverage from an employer who self-insures their health plan rather than purchasing an insurance policy.

Only the largest corporations self-fund their insurance plan. However, many employees of even the largest employers get their coverage through an fully-funded health plan. These employees would not be protected by the Republican bill.

What an incredible irony. Much of the public desire for patient protection legislation comes from the concern about the abusive practices of HMOs. But virtually no one enrolled in an HMO is covered by the Republican bill because HMOs are rarely part of self-funded arrangements.

These reforms are supposed to protect patients against HMO and insurance company abuses. But people with coverage from insurance companies and HMOs are not protected by the Republican bill.

Nothing more clearly demonstrates that the Republican bill is an industry protection act, not a patient protection act.

It is no wonder insurance companies support the Republican bill. It is no wonder that over 200 groups of doctors, nurses, patients, and advocates for women, children, and families oppose the Republican bill.

The "dishonor role" of those left out under the Republican plan is long.

We are talking about 75 million Americans who work for businesses that purchase insurance. We are talking about 15 million Americans who are small business men and women, self-employed salesmen, home day-care workers, early retirees, farmers, or others who purchase their own insurance instead of receiving it through their employer.

We are talking about 23 million schoolteachers, police officers, librarians, nurses, and other employees of State and local government.

Why are these people excluded?

This chart indicates exactly the point that we are making.

The Republican bill covers 48 million people. These are the people who receive health insurance through self-insured employer plans. These are the plans in which the company self-insures and, therefore, pays for the various medical treatments.

It doesn't cover the 75 million persons whose employers provide coverage through an insurance policy or HMO even though approximately 85 percent of the 75 million are enrolled in HMOs. It doesn't cover the 23 million State and local government workers. It doesn't include the people buying individual health insurance policies. Those are the very small businessmen, the farmers, and others.

Why are these people excluded, even though the Republican plan in the House of Representatives includes most of these individuals?

Mr. SARBANES. Will the Senator yield?

Mr. KENNEDY. I yield for a question.

Mr. SARBANES. As I understand this, we are dealing here with a Patients' Bill of Rights which is designed to, in effect, curb some of the practices of the HMOs. The proposal from the other side of the aisle by our Republican colleagues does not cover the bulk of the people who are in HMOs, is that correct?

Mr. KENNEDY. It covers virtually none of the people who are in HMOs.

Mr. SARBANES. What is the purpose of their exercise? It is a pretense, is it not, to assert some sort of Patients' Bill of Rights to deal with problems people are having with HMOs and then not to cover the very people who are in the HMOs? That is a pretense, is it not?

Mr. KENNEDY. I believe it is.

This chart clearly reflects the point the Senator has made. The 48 million who are covered are covered through self-funded plans. The largest group of persons receiving health care through HMOs are the 75 million where the employer purchases coverage through an insurance policy or an HMO; about 85 percent of the 75 million are enrolled in HMOs. This bill does not cover them.

This bill doesn't cover State and local workers, and it does not cover people buying individual policies.

The bill supported by the Republicans, which is a bill allegedly dealing with the problems occurring in HMOs, covers few if any of the members of Health Maintenance Organizations.

Is it any wonder the insurance industry is supporting their particular proposal and is opposed to the proposals we have supported? Isn't it understandable that the major medical groups and professions, the doctors and nurses who are concerned about managed care abuses—who understand the abuses happen to those with employer-provided plans, State and local government plans, and individual plans—uniformly support our legislation?

Mr. SARBANES. I did a fast calculation. As I calculate, more than 70 percent of the people who we are concerned about with respect to how they get their health care and the practices which are followed are excluded—not included, excluded—from the Republican proposal.

Mr. KENNEDY. The Senator is correct. That is why this debate has been rather empty until now. We heard much stated by the principal supporters of the other side's bill about all the benefits of the Republican bill. Now we have found out that the benefits do not apply to two-thirds of all those with insurance coverage, and most of those it may protect are not enrolled in HMOs.

(Mr. GREGG assumed the Chair.)

Mr. BIDEN. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. BIDEN. In my State, the vast majority of the people who have insurance work for Dupont, General Motors, Chrysler, the major pharmaceutical firms such as Zeneca and Hercules. Do you mean all those people—and they all have employer-provided health care—are excluded from coverage in the Republican bill?

Mr. KENNEDY. Not knowing whether those particular programs are self-funded offhand, it would be difficult to respond concerning particular companies.

However, only the larger companies self-fund. They are the only companies that have the resources to self-fund. It is generally the major companies and corporations that have the adequate resources to self-fund health coverage.

The people buying individual policies are the farmer, and the small shopkeeper. It is the men, women and children on Main Street who are not protected under the Republican plan.

When we talk about State and local government employees, we are talking about policemen and firefighters putting their lives on the line every day, their spouses, their children, their parents. They are the State and local government employees. About 75 percent are covered by an HMO—they are getting no protections under the Republican plan.

I am reminded by my staff that 89 percent of the people in Delaware who have privately purchased health insurance will not be covered under the Republican plan.

Mr. BIDEN. Eighty-nine percent?

Mr. KENNEDY. 89 percent will not be covered by the proposal. We have a breakdown for each State. In Delaware, it is 89 percent not covered by the Republican proposal. The protections they are talking about doing, or will do, will not cover 89% of the people in Delaware, with the exception of the amendment of the Senator of Maine that has just been adopted, which is universal. That is another issue we will come back to.

Mr. SARBANES. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. SARBANES. As I understand the Senator's chart, there are 15 million people buying individual policies. Under the Republican proposal, they will not be covered, is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. SARBANES. There are another 23 million people, State and local government workers, as I understand it, under the Republican bill, who will not be covered, but they will not receive any protections with respect to the practices of the HMOs, is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. SARBANES. Furthermore, there are another 75 million people whose employers provide coverage through an insurance policy or an HMO, 75 million, and those people will not be covered, is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. SARBANES. That is a total of 113 million people not covered.

As I understand it, the only people covered in this Republican proposal are 48 million people covered through a self-funded employer plan, which is less than 30 percent of the total number of people about whom we should be concerned.

Mr. KENNEDY. The Senator is quite correct.

That raises the question about supporting that plan. It is a legitimate question—whether we ought to be representing to American families that we are doing something to protect them when we are not, we are failing. By failing to provide universal protection, if the Republican proposal comes before the Senate and Members support it, we are failing 70 percent of the American people.

It is a fraud to represent that we are providing them with protections when we are not. This is why I think we are putting the Senate to the test this afternoon. We are testing the seriousness Members have for ensuring that whatever is passed will apply to everyone in this country who has insurance.

Mr. SCHUMER. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. SCHUMER. Does the Senator have information on what percentage are covered in New York?

Mr. KENNEDY. The answer to that is, yes, we do. Mr. President, 79 percent of those who are insured in the State of New York will not be covered. There are 10,300,000 individuals who are covered with privately purchased insurance, and the number of persons not covered under the Republican bill is 8,101,000, practically 80 percent. Four out of five of the citizens of New York will not be covered under the Republican program unless this amendment is accepted.

Mr. SCHUMER. And, further asking a question, that means that four out of five would not get emergency room coverage; four out of five would not get the right to specialists; four out of five would not get the extended appeals, the independent appeals; four out of five would not have any right to sue.

So this amendment that the Senator from Massachusetts is offering is probably, I would guess, the most important amendment because every other amendment is dependent on it. No matter how good an amendment you agree to, if the amendment of the Senator from Massachusetts is not agreed to, it does not matter to most Americans because they simply will not be covered. We would be voting for a bill that would do one-fifth as much, at best, as a proposal that would cover everybody. Am I correct?

Mr. KENNEDY. The Senator is quite correct. It is the difference between substance and process. You can have the greatest substance in the world, but if you control the process, you can limit it and restrict it in such a way to preclude people from being protected. That is exactly what is happening here.

Mr. SCHUMER. Right.

Mr. KENNEDY. Even the underlying substance of the Republican proposal we believe has fallen short in the areas mentioned by the Senator from New York. We are going to try, during the latter part of the afternoon, tonight, and tomorrow, to continue to address those inadequacies, and hopefully we will have some support.

Mr. SCHUMER. One final question. This chart would indicate it all. It is 48 million/161 million. Under our proposal, the Democratic proposal, 161 million Americans are covered for emergency room, for specialists, for independent review, for the right to sue. And, at best, even if all the other amendments are agreed to, under the Republican proposal under 48 million would be covered?

Mr. KENNEDY. The Senator is quite correct. On the other side of the room—I am glad to see our two colleagues. We are missing some of our other colleagues for this debate on a matter of such great importance.

I rarely see, and I ask my other colleagues how many times have they seen, legislation written that effectively excludes 72 or 73 percent of all Americans but meets American's needs? Yet we effectively exclude 72 or 73% of Americans who need these protections. This, I think, makes the proposal fraudulent in its representation to the American people.

Mr. SARBANES. Will the Senator yield further?

Mr. KENNEDY. Yes.

Mr. SARBANES. I think the Senator from New York has again emphasized an extremely important point. People watching this debate have to understand, we have had these amendments arguing about what practice should be covered—what practice should be covered. So we have an important difference there. But the fact of the matter is, under the Republican proposal, no matter what practice is covered, it is only going to reach less than 30 percent of the people.

For the remainder, the other 70 percent, the 113 million, this debate for them is completely irrelevant because they are not going to be covered at all. So all of this other argument about whether you cover this procedure or that procedure—which I think are extremely important arguments in and of themselves, and important issues—but unless we deal with this issue of coverage, which is the sharpest contrast between the two proposals, well over 70 percent of the people are simply going to be left out altogether. Is that not correct?

Mr. KENNEDY. The Senator is correct. But let me mention an additional fact you will hear from the other side. They will say: We want to cover these 48 million individuals, but the States are covering all the others; therefore, you have an empty argument, Democrats have an empty argument.

Do you know the answer to that? There is no State in this country that provides all the protections provided in the Democratic proposal—not one State. There is no State in the country that guarantees pediatric specialty care for children who may have cancer or other kinds of serious illness—not one.

You can pick and choose and find out that there are 18 States that have require some type of external appeal; almost all reject the kinds of appeal the Republicans have, the self-serving appeals where the HMO appoints the reviewer. They can fly-speck all afternoon and say we have this here and this here, but there is not a State that provides all the protections we provide.

I ask any of my colleagues who are on their feet if they differ with the concept that we ought to provide a basic floor of protections for all Americans. Then, if the States of New York, California, Massachusetts, or Maryland want to build on those protections, we may do so. This is the model used in the bipartisan legislation Senator Kassebaum and I sponsored which passed the Senate that allows employees to move from job to job while retaining health care coverage. We follow that pattern very closely with this legislation. We follow the same type of model—a federal floor—in COBRA legislation. We follow the same model for mental health programs.

We have followed that model with bipartisan support on 10 different programs, and I will have them printed in the RECORD this afternoon, and yet we have the Republicans saying no to the model on this legislation.

Why? The answer is, the insurance companies will not let them. That is the answer. There is no other answer. We challenge our Republican friends. They are not here. We challenge them. How do you justify following the same type of process and procedure we have used in 10 different programs that have bipartisan support and yet now saying no, no, no, we are not going to do it on this bill? Can they give me an answer? Can they give us a clear answer on why they will not do that?

I do not know. I think it is important, however, in giving a complete answer to the Senator, to at least know what they are saying and how inaccurate and implausible their explanation is.

Mrs. BOXER. Will the Senator yield for a question?

Mr. KENNEDY. I see my friend and colleague from Massachusetts.

Mr. KERRY. Mr. President, I ask my colleague from Massachusetts, who I think has hit the nail on the head when he talks about what the insurance companies will allow or not allow, for the average American listening to this, the immediate question is—it seems incomprehensible—how can we not be covered if that is the purpose of the bill?

The Republicans are going to hide behind a number of false arguments. I wonder if my colleague would share with us what the reality is of the cost, because the Republicans are going to hide behind the notion that somehow what the Democrats want to do, which is cover more Americans, is too costly, and they will bring out the old Harry and Louise chart again and try to confuse Americans about what will happen.

Will my colleague share with us and with the American people what the real costs are of what the Democrats are talking about doing?

Mr. KENNEDY. Mr. President, we have put into the RECORD the letter from the General Accounting Office that said it is 4.8 percent over 5 years. That figure was used by the majority leader, Senator TRENT LOTT, on "Meet The Press." He basically subscribed to that cost over a period of 5 years.

If you take the average program, it averages about $2,000 for an individual; $1,000 for a child; about $5,000 for a reasonably good family plan. Maybe it is somewhat more costly in the Northeast than it is in the South. If you look at a 5 percent cost, it would be $250 over 5 years: that is $50 a year. If you look at the percentage paid for by the worker, it is typically about 20%. If you do that for 12 months, do that over 1 year, it is less than $2 a month, it is a Big Mac.

I see a number of my colleagues. I think all of them would agree, every time we talk about family and medical leave we get a study done by the Chamber of Commerce. When we talk about minimum wage, we get those studies that are done by the restaurant association on the increase in the minimum wage. They talk about the escalation of costs and how it is going to put everybody out of business. The studies about cost used in this debate are studies that are bought and paid for by the insurance companies—bought and paid for by the insurance companies.

We have heard from our Republican friends for months and years, as the President of the United States said yesterday: We always rely on the CBO figures. Now we have a CBO figure, and they do not like it.

Their second point is that all those people are going to lose their health insurance. The fact is that the individuals and groups which have fought for expansion of health insurance coverage for years support our bill. Now we have the insurance industry saying pass this bill because it is going to mean the loss of health insurance coverage. That is poppycock. That is wrong.

The facts, again, is that the General Accounting Office—and I have put in the RECORD the particular provision—has said there may very well be an expansion in total coverage because there will be good benefits and good protections.

The line I like is the one that was stated so well by our good friend from Maryland earlier today at a press conference: Around here it used to be when you bought insurance, it was what you were buying, what you could expect; what you paid for is what you were going to get. Now when you give your money and buy insurance, it is what the insurance company is prepared to give you.

That is what has happened in the United States of America. It is what the insurance company is going to give you. As a result, it fails to give adequate coverage to those children and women, the disabled and people who have bought the insurance and deserve appropriate coverage. That is what is happening.

When they talk about costs, I wish they at least had the decency to address who picks up the cost when people fall through the cracks? It is charity care in the States. It is taxpayers who pick up the costs.

What about the cost of all that advertising we see every day? Mr. President, the profits of the top 10 HMOs total $1.5 billion. There are tens of millions of dollars spent for CEO salaries. Who is paying for all that? That is going to result in higher premiums for American workers, and that is what they should be outraged about.

I will take a couple more questions, and then I will be glad to yield the floor. Can I finish with my colleague?

Mr. KERRY. One further question, if I may. We have talked about some other States. In the State the Senator and I represent, Massachusetts, it is my understanding that 77 percent of the privately insured would not be protected under the Republican plan.

Mr. KENNEDY. That is my understanding as well, 3 out of 4.

Mr. KERRY. How can you describe the rationale for the Republicans coming to the floor and saying that, in fact, they are offering Americans a Patients' Bill of Rights?

Mr. KENNEDY. I find that has been the question for a long time. We had hoped to work in a bipartisan way as we did to get coverage for 5 to 10 million children with the Republicans on our committee. We had hoped to work in a bipartisan way as we did with Senator Kassebaum to allow health insurance to become more portable. We are hopeful of working some of the privacy issues out in a bipartisan way. Yet when it comes to the Patients' Bill of Rights, the wall came down. The insurance companies said absolutely not, not an inch.

I was listening to my colleagues say this is a regrettable situation: I wish we could get together. The insurance companies will not let them get together with us. They will not let them. This bill has been bought and paid for by the insurance industry; no question about it.

I yield to the Senator from North Dakota.

Mr. DORGAN. I appreciate the Senator yielding. I was standing here listening and thinking of Mark Twain. He was asked to engage in a debate at one point. He said: Fine, as long as I can be on the opposing side.

They said: We haven't told you what the subject is.

He said: It doesn't matter. Being on the opposing side doesn't require preparation.

There is no preparation here. We do not have a Republican on the floor at the moment. I am sorry, Senator JEFFORDS is here.

You can fill in the blank. It would not matter if you talk about managed care, minimum wage, clean air. You can talk about Medicare, you can talk about child labor laws, and there will be the same folks coming to the floor saying: It is not the Federal Government's responsibility; let the States do it.

The Senator from Massachusetts made the point that most of the people are left out of the Republican plan. If people wonder if it is us against them, here is a USA Today editorial. It says: "100 million Reasons GOP's Health Plan Fails."

> That is how many people the proposal will leave unprotected. Judging from the health insurance reform package announced this week by Senate Republicans, at least the title is correct. The proposal is called the "Patients' Bill of Rights," and if you are waiting for this perfunctory plan to protect you, you'll need to be patient indeed. Many of the plan's key protections are restricted to the 51 million Americans who get their insurance through self-insured plans, subject to Federal regulations, but another 100 million or so whose health plans are subject to state regulations are excluded.

The same editorial points out, as the Senator from Massachusetts has, that most of the States do not have these protections.

These folks who come to the floor and say the States already have the protection—access to nonnetwork providers, 35 States do not have that. I just do not understand. Instead of coming to the floor and being honest and saying: We have no interest in this bill, all we want to do is obstruct, we have no interest in passing anything similar to that. Instead of doing that, they come with all these fuzzy shells. You wrap a package. It looks to be the same package that is sitting across the desk, but it has nothing in it. That is what is happening. Amendment after amendment is an empty shell, a package with nothing in it.

USA Today says it right: "100 Million Reasons GOP's Health Plan Fails."

Isn't it the case, I ask Senator KENNEDY, because of this every single health organization in this country opposes the Republican plan and supports the Democratic plan? Is that not the case?

Mr. KENNEDY. The Senator is correct. Generally around here it is a pretty good test to take a piece of legislation and ask who is supporting it and who is going to benefit. That is not a bad test for the American public: Who is supporting the legislation—which groups, which people—and who is going to benefit.

What you find out is that our plan has the support of every health professional and every patient group. They are the ones supporting our bill.

Who is opposing it? The insurance industry. Who is supporting the opposition program? The insurance industry.

As this debate goes on and we get involved in technicalities, people ought to know at the bottom line of each and every one of these issues who supports our plan. On the OB/GYN issues, the medical professionals support our proposal in spite of the misrepresentations put forth in this Chamber.

That is what is happening. The reason for that, as the Senator understands, is we have worked this out with consumers and health professionals. We tried to find out what is needed from the consumers—the people who have suffered—and also the health professionals who have tried to protect the consumers. We were out there listening.

I will take these last two and yield the floor.

Mrs. BOXER. I have two quick questions. One involves the largest State in the Union, and that is the State I represent. This is really key. We have 33 million people living in California. How many of them, percentagewise, will not be covered by this Republican plan?

Mr. KENNEDY. It just so happens I have that information: 18 million privately insured persons, 18.6 million; 14,477,000, 77 percent of the people of California will not be covered if our amendment is not successful—77 percent of the people in California.

Mrs. BOXER. I think it is very important that the people in my home State understand that the Republican plan does not do anything for very many of them.

The second question I have deals with children. As the Senator from North Dakota pointed out, we do have national laws. This is one Nation, under God, indivisible, and we do have national laws. I find it unbelievable that colleagues on the other side—a couple came over and said: States are taking care of all these issues.

I want to talk about children. Every Senator in this body I know cares about kids. I know they care about kids. They care about their own kids, their grandkids, and the kids they represent. I ask my friend to elaborate on this. If we can have child labor laws which say you cannot hire a child, you have to wait for a certain age, and when you do, there are certain rules that apply, should we have a national law that protects every child in this country so if that child comes down with a cancer, they are not told by their HMO: Go see a general surgeon; you don't need a pediatric surgeon?

I know my friend has had experience with this. Can he talk just a moment about why the Democratic plan is for the children of this country and the Republican plan is a sham?

Mr. KENNEDY. As the Senator knows, the kinds of protections for children are included, including the preventive programs, specialty programs, the clinical trial programs, and the specialty care programs. Our good friend, Senator REED, is one of our real experts on these issues. The range of different protections and guarantees is out there for children. That is why every child's health group supports our program.

But let me mention something of interest that is on point. The Senate has just accepted the amendment of the Senator from Maine on the issue of mastectomies. In her amendment it says:

> [I]n order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among [all] States.

So perhaps we could find a distinction. I know the Senator believes strongly that is the kind of coverage we should have for women. But could the Senator possibly explain to me how we could justify supporting that particular provision and not say we need similar protection for children? Are we missing something on this? They will say: We will do it for this.

Right above that it says:

> [H]ealth care providers located in a State serve patients who reside in the State and [also] patients who reside in other States. . . .

What they are acknowledging is, people move from State to State, so they are going to provide for them.

It talks about the amendment covering all health plans. What is the rationale? Can the Senator tell me?

Mrs. BOXER. The only rationale I could find—I was here when my friend asked Senator ABRAHAM the same question—this Republican plan has been pieced together. It makes no sense. It is a political response, I believe, to the Democratic proposal. They looked at this issue, and they said: OK, when it comes to mastectomies, we'll make our plan apply to everybody.

But, by the way, if you get ovarian cancer, under the Republican plan you do not get the benefits. If a man gets prostate cancer, he doesn't get the benefits. If you are a little child and you have a rare form of cancer, like one of my constituents, Carley Christie—and there were only a couple doctors who knew how to handle it—you are out of luck.

They say leave it to the States? Fine. If the States want to do a good job, we are happy. We are just setting a floor in this bill, as the Senator from Massachusetts points out.

So I can only respond by saying their approach is pieced together. It is a political response to a real issue. They are doing the least they can do to try to say, with a straight face, they have done something. The bottom line is, their bill is hollow, and if my friend's amendment does not pass, it will make virtually no difference to most of the people in this country.

Mr. KENNEDY. I finally yield to the Senator.

Mr. WELLSTONE. I was going to hold up my own chart, but I would rather ask the Senator from Massachusetts, could you just give me the figures?

Mr. KENNEDY. You have your Minnesota figures there.

Mr. WELLSTONE. I enjoyed when you said: I just happen to have figures here.

Mr. KENNEDY. As the Senator well knows, the State of Minnesota has 3,400,000 privately insured persons and 1,986,000 not covered. So you are going to have some 58 percent—58 percent will not be covered.

Mr. WELLSTONE. The reason I asked my colleague for those figures is, that is over half the State's population.

Minnesota does better than some other States in terms of the number of families that would be covered under the Republican plan because we have more people who are self-insured.

But let me just be clear about this. The Senator from Massachusetts has made it clear that our amendment provides basic protection for every family in the country. We want some kind of floor. Any State that wants to do better, any State that wants to do better by way of protecting children, more access to specialty services, stronger consumer protection, can do so. But this amendment is an amendment to make sure that every family in the United States of America has some basic protection. Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. WELLSTONE. Let me just ask the Senator from Massachusetts one more question to finally put this debate in sharp focus—if we are going to have a debate. I do not know that we will.

Do you believe there is some correlation between the fact that the plan we now have on the floor of the Senate, the Daschle-Kennedy Democratic plan, altogether covers an additional 113 million people and the Republican plan only covers 48 million people altogether? The Republican plan provides as little coverage as possible to people. Is that why all the consumer organizations, all the provider organizations, doctors and nurses, support our plan and the insurance industry is the only interested party that supports the Republican plan? Do you believe there is any correlation on this whole question of how many people are covered?

Mr. KENNEDY. I think the Senator is correct in his statement. It is basically because the industry is putting its profits ahead of the protection of the patients.

We had reaffirmation yesterday, in an indirect way, with the publication of an article in the medical journal JAMA, that says the for-profit HMOs provide a good deal less service for the coverage of individuals than those which are not-for-profit. It is, I think, a kind of intuitive, self-evident factor that this is taking place.

I would be glad to yield time.

Mr. WELLSTONE. I would like to take 3 more minutes if I may.

Mr. KENNEDY. I am advised by my friend and colleague, 2½ minutes.

Mr. WELLSTONE. That is fine. That is all we have left?

Mr. REID. We have 7 and a half minutes.

Mr. WELLSTONE. I will do it in 1 minute. Then I will pass it on to others.

Let me just finish my line of questioning by saying here on the floor of the Senate that one of the things I have been most interested in as a Senator from Minnesota is reform and how to revitalize democracy, how to make sure that the Government belongs to the people, how to make sure that the Senate belongs to the people.

I really do believe that this vote on this amendment about whether or not we are going to cover all the families in our country and provide them with some basic protection, so that they can make sure they themselves and their loved ones receive the care they need and deserve, is a test case as to whether or not we have a system of democracy for the many or democracy for the few.

This vote ultimately is about more than health care. This is a vote about whether the Senate belongs to people in Minnesota and people in Massachusetts and people in New York and people in North Carolina or whether it belongs to the insurance industry. It is that simple.

I hope every citizen will hold all of us accountable for how we vote and whom we represent and for whom we fight.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. On behalf of Senator KENNEDY, I yield 2½ minutes to Senator DORGAN.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. REID. Could we change that to 2 minutes.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 2 minutes.

Mr. DORGAN. Senator KENNEDY has been talking about the issue of the number of Americans who would be covered under these two competing proposals. The point I have made in the past in quoting the USA Today editorial is the same point that a number of us have made: The fact is, our opponents' plan does not cover most of the American people. They say: Well, the States provide protection for those their bill leaves out. But the facts do not bear that out.

My preference would be that if they do not want to legislate in the area of health care, just say that. Do not make a pretense of coming over here and saying, we support all these issues, we support each and every one of them but then vote against the kinds of reforms that will really accomplish them.

My understanding is that the amendment we just agreed to by Senator SNOWE on the issue of breast cancer covers everyone in the country. Why cover all Americans on just that issue? Apparently you are willing to provide some protection for everyone on only that one issue but you are unwilling to cover everyone when it comes to all of the other issues. I do not understand that.

I wish I had the time to again show you the pictures of real victims of our current system to illustrate that this debate is not about theory; it is about real people. Unfortunately, I do not have the time. But this debate is about what kind of treatment patients will get in a health care system that in some cases—not in all, but in some cases—has put profits ahead of patients' medical needs.

Some in this Chamber say these stories don't matter. We stand with insurance companies. We stand with profits, and we don't believe patients need protection.

Others of us believe very strongly that it is time to provide the kinds of protections on a uniform basis that patients ought to expect when they purchase insurance or when they receive insurance through their employer.

Again, to those who have spent this week fuzzing up this debate, if you don't like the Federal Government legislating in this area, just say that. Don't bring a bunch of empty vessels to the floor of the Senate and then pretend they do something because you know better.

The PRESIDING OFFICER. The Senator's 2 minutes has expired.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Joshua Segall, an intern in the office of Senator PAUL WELLSTONE, be granted the privilege of the floor today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. How much time does the minority have?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. REID. Mr. President, I yield 2 minutes to the Senator from New York and, following that, 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I thank the Senator from Nevada.

There are two crucial numbers to look at as we debate this entire bill: 48 and 161—48 million Americans covered by the Republican plan, 161 million Americans covered by the Democratic plan. We are saying 70 percent of all Americans will get no protection.

Do we say 70 percent of all Americans are not covered by minimum wage? Do we say 70 percent of all Americans are not covered by Social Security? Do we say 70 percent of all Americans do not get child labor laws applied to them, do not get the Clean Air and Clean Water Acts applied to them? I have never heard anything such as this in my life—take a proposal needed by all people and arbitrarily say 30 percent of Americans will be covered and 70 percent of Americans will not.

This vote on the amendment of the Senator from Massachusetts will be the most crucial vote in the entire debate, because it will determine, do we really wish to cover all Americans.

Should only 30 percent of Americans get the right to emergency room care? Should only 30 percent of Americans get the right to see a specialist? Should only 30 percent of women get to treat an OB/GYN as their primary care specialist? Who would agree with that?

Anyone who votes against the amendment of the Senator from Massachusetts, anyone who votes for the Republican plan is arbitrarily, unfairly, and inhumanely cutting off 70 percent of all Americans.

The cost: $2 a month. The cost argument is bogus.

The real issue is, who will be covered and who will not be. Under this plan, we cover 161 million; they cover 48 million.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SCHUMER. Nothing more must be said.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, this is, indeed, the most important vote with respect to this issue. I congratulate my colleague from Massachusetts for his extraordinary leadership in putting this issue before the American people.

It is extraordinary to me; in the years I have been in the Senate, I think this is perhaps the single most contradictory, craven moment, in some regards, before the Senate. To come to the Senate and suggest you are going to have a Patients' Bill of Rights that in State after State after State leaves out 77, 80 percent, 89 percent of the American people is a contradiction on its face that denies any kind of reasonableness. I think most people in America will understand that our colleagues on the other side of the aisle have spent more time and energy protecting the right to bear arms than the right for citizens to get decent medical care.

What will happen in this legislation if the Republican charade passes—and they have the votes—is, once again, the American people will be left behind and business—and business only, the bottom line—will be the victor.

They are going to suggest there are costs, there is administrative overhead. We are going to go through the whole "Harry and Louise" thing again. Literally millions of dollars are being spent to scare Americans and confuse them.

When it is convenient for the Republicans, they love the Congressional Budget Office. The Congressional Budget Office provides the best figures, the most neutral and independent assessment of expenditures. But here, the Congressional Budget Office comes out and says the real costs of this are only 3 to 13 cents per month per beneficiary. There isn't an American I know who wouldn't pay 3 to 13 cents to have the decent kind of coverage and the protections they need in order to guarantee that coverage in a health care system that has run amok.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains for each side?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes, and the Senator from Tennessee has 15.

Mr. KENNEDY. I yield 2 minutes to the Senator from Illinois.

Mr. DURBIN. Mr. President, this amendment really gets to the heart of the debate: how many Americans will we leave behind when it comes to reforming our health insurance protection.

Senator KENNEDY and Senator DASCHLE offer an amendment which will reform health insurance plans across the country. The Republican side of the aisle would leave behind 113 million Americans. They argue that these families should not be protected by a national standard. Just by accident of birth or residence, some people would be disqualified.

Who are we talking about? We are talking about people such as the self-employed, small businesspeople, and farmers, those who have a tough enough time securing health insurance. They pay higher premiums for it, and they are not in a good position to really bargain when it comes to buying their health insurance.

This amendment gets to the heart of which party and which approach really care for American families and the challenges they face. I support Senator KENNEDY and Senator DASCHLE in this effort.

I just left the chatroom right off the floor of the Senate, where people have been, through the Internet and by telephone, calling in from across the United States. I think many people on the Republican side of the aisle have not really taken into consideration how important this issue is to Americans. They can vote with the insurance industry, and a Republican majority can defeat us on these amendments, but eventually they will have to go face the same families who I have spoken to and who write to my office—families who worry on a daily basis about whether their doctors are making medical decisions or the decisions are being made by insurance company professionals.

This amendment, which is about protecting all insured Americans, is one I am proud to support. The idea of picking and choosing the winners and losers across America is inconsistent with the policy that we should have coming out of this Chamber.

I hope a handful of Republican Senators will come forward and join the minority on the Democratic side and enact a bipartisan approach that is sensible.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. FRIST. Mr. President, I yield myself 2 minutes, followed by Senator GRAMM for 10.

The issue we are talking about is an amendment which came on the floor about 50 minutes ago. We are currently looking very carefully at that amendment. It is the first time we have seen the amendment. It comes down to a critically important issue, and that is one of scope.

We have a Patients' Bill of Rights. We have spent much of yesterday and the day before and this morning on what those rights should be. Are they consumer protections? Are they patient protections, gag clauses, access to specialists, access to emergency rooms, poststabilization in emergency rooms, continuity of care? We have talked about the issues of the internal and external appeals process. All are very important.

Now we turn to this underlying discussion of scope. We have heard again and again that our bill excludes a large number of people. No. 1, the whole information section of our bill applies to all 124 million people, the information to understand what is in that insurance policy, in that contract.

On the whole issue of genetic discrimination, something the other side has not even mentioned, again we apply it to all 124 million people. Why? Because it has not been adequately addressed in the United States of America today because projects such as the human genome project are just coming on line. Yet in advance we want to make sure that an insurance company does not use a predictive test in some way to either exclude somebody or raise policies.

No. 3, the internal and external appeals process, the whole accountability process, grievance procedures, inside, outside, applies to all 124 million people.

The issue which has been discussed over the last 40 to 45 minutes is that of the 48 million people who are uncovered today by State plans, cannot be regulated by State plans. It is to those 48 million people that we address the patient protections of gag clauses, access to emergency rooms, continuity of care, poststabilization in the emergency room. That is the focus. In our bill, internal and external appeals covers everybody; discrimination, everybody; information, everybody; recover the uncovered, regulate the unregulated.

I yield 10 minutes to the Senator from Texas.

Mr. KERRY. Mr. President, will the Senator from Texas yield before starting?

Mr. GRAMM. Mr. President, we have now listened to the minority use up their time. I think it is time for us to speak. So with all due respect, I didn't ask for them to yield on their time. I don't yield on my time.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, we have heard, for the last hour, in almost tearful terms, our colleagues talk about how in the amendment they now have before us "we are down to the heart of what separates the two parties."

Well, I don't know whether it is the heart, or the lungs, or the liver, but we are sure down to what separates the two parties. Our colleague from Massachusetts has a sign that talks about how we are not protecting Tennessee. That is interesting because Tennessee protected itself by electing one of the Nation's premier physicians to represent them in the Senate and to become the Nation's foremost spokesman on health care. Yet Senator KENNEDY believes he is somehow here to protect the people of Tennessee. I don't think they elected Senator KENNEDY. I think they elected Senator FRIST. I think they elected him because he does represent their views.

What is in this amendment that is supposed to be the heart of what defines the two parties? Well, it is very interesting. It is about two things. No. 1, they want to raise taxes about $5 billion. That does define the difference between the two parties. Whether it is the heart of the difference, or some other body part, I don't know. But the first thing that is different—and they are speaking in such passionate, tearful tones about it—is they want to raise taxes by $5 billion on this amendment.

So to take them at their word, if you want to know the difference between the two parties, the difference between the two parties is that they, by their own words and deeds and amendments, are the party that wants to raise taxes in the Senate. The tax burden is at the highest level in American history, but it is not high enough to suit them. They want $5 billion, and they want to take it $50 per household in America, and they want it in this amendment. That is the first thing they say defines the heart of the difference between the two parties.

The second thing they say defines the heart of the difference—and I agree with them—is that when they read the Constitution, they quit reading too soon because what the Constitution says in the tenth amendment is that those powers not specifically delegated to the Federal Government are reserved for the States and for the people.

Why is that relevant? Why it is relevant is, despite all the efforts to confuse people, under existing law, the States regulate insurance. There is a Federal statute that carves out between 40 and 50 million insurance policies where the companies actually underwrite the policies—a law called ERISA—where the Federal Government in these circumstances established its primacy and its jurisdiction so that the State legislature of Tennessee, and the State legislature of Texas, and the State legislature of all the States in the Union are prohibited from legislating in these ERISA plans where the company assumes liability for the insurance.

What we have done in our bill is, where the States can't reach, we have passed a bill that guarantees patients' rights, including the one right the Democrats preclude. The Democrats will let a patient look in the phone books' Blue Pages and call the Government if they are unhappy with an HMO, and they will let them look under "attorneys" in the Yellow Pages and hire an attorney if they are unhappy with an HMO; but the Democrats don't give them the freedom to fire the HMO. We give them that freedom.

Now, we have written a bill that is aimed at dealing with the part of this problem that comes under the Federal Government. Our Democrat colleagues are very unhappy because they want a national health plan. They believe Senator KENNEDY and President Clinton know everything there is to know about health care, that Dr. FRIST knows nothing about health care, and they would like to write health care policy for Texas.

Now, they want to do it without the inconvenience of having to move to Texas, pay taxes in Texas, and run for office in Texas. They want to assume that if you are elected to the Senate from Massachusetts, that allows you to tell people in Tennessee how insurance ought to be regulated, and that allows you to tell people in Texas how things ought to be. Now, Texas has already passed a comprehensive patients' bill of rights, but that doesn't stop those elected to the Senate from some other State from the right to come in and say to Texas: You don't know what you are doing, you don't know anything about health care, and you don't care about the people of Texas.

Having been elected in Massachusetts, they care about people from Texas; but they believe the people in the senate and the house of the Texas Legislature are somehow deficient in caring to suit them. So the second thing they differ on is that while States throughout the Union have tried to tailor their programs to meet their individual needs, the Democrats would have us say: Take everything Texas has done, everything Maine has done, everything the 43 States have enacted, and the other States that are about to act, and throw it in the trash can because all wisdom emanates from Washington.

So this "heart" of the difference between the two parties that we have been listening to for an hour really boils down to two differences. They want to raise taxes by another $50 per family on the amendment they just offered and they want to say to States: We are going to take away from you a right that has been historically guaranteed under Federal law and under the tenth amendment to the Constitution, which allows States, in the area of insurance where they regulate, to state their own policy, to decide what kind of policies they want operating within their own State borders.

Our colleagues have decided taxes are too low and that we don't have enough Federal regulation. So what they would do is attempt to substitute Federal mandates for what our Texas Legislature has decided, which would be dictated and enforced by Federal bureaucrats.

With all due respect, who is doing a poorer job than HCFA in regulating health care in America? Who is doing a poorer job than we are doing at the Federal level?

Our approach is an approach which says where we have responsibility, where only we can deal with a problem, we have put together a comprehensive program that makes sense. Granted, we didn't do a public opinion poll; we didn't get together focus groups and try to say if you ran a 30-second TV ad on this subject, would people tend to agree with it? We have Dr. FRIST. We have SUSAN COLLINS. We have JIM JEFFORDS. We sat down for over a year with people who knew something about the problem and we wrote a bill we believe people will be glad we wrote 10 years from now. But the reality is that there are two differences Democrats want to highlight today. There are two things they claim represent the heart of what separates the two parties.

They believe taxes ought to be higher. So they raise taxes by $5 billion with this amendment.

Second, they don't believe that Maine ought to set its health policy. These people in Maine don't understand health, and they don't care about people in Maine. Only people in Massachusetts care about people in Maine. Only people in Massachusetts care about people in Texas. And we don't understand it.

They are right. We don't understand it. We don't accept it. We reject it.

If the best they can do in telling us what is right with them and what is wrong with us is that they want higher taxes and they want to tell every State in the Union how to run health care, they are going to be in the minority a very long time.

I reserve the remainder of my time.

Mr. KERRY. Mr. President, will the Senator yield for a dialog?

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, I yield 10 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. KERRY. Mr. President, I believe I asked a question.

Mr. GRAMM. The Senator has no time.

Mr. ENZI. Mr. President, I ask unanimous consent that I not be interrupted.

The PRESIDING OFFICER. The regular order is that the time shall be controlled by the managers, and time has been yielded to the Senator from Wyoming.

Mr. KERRY. Parliamentary inquiry, Mr. President.

Mr. GRAMM. Could we have regular order, Mr. President?

The PRESIDING OFFICER. The Senator is unable to propound a parliamentary inquiry. Time has been yielded to the Senator from Wyoming.

PRIVILEGE OF THE FLOOR

Mr. ENZI. Mr. President, I ask unanimous consent that Patrick Thompson, my HELP subcommittee staff person, and Mark Battalini, my legislative fellow, be granted floor privileges during debate on S. 1344, the Patients' Bill of Rights.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENZI. Mr. President, I rise in opposite to this amendment. Among the handful of principles that are fundamental to any true protection for health care consumers, probably the most important is allowing states to continue in their role as the primary regulator of health insurance.

This is a principle which has been recognized—and respected—for more than 50 year. In 1945, Congress passed the McCarran-Ferguson Act, a clear acknowledgement by the federal government that states are indeed the most appropriate regulators of health insurance. It was acknowledged that states are better able to understand their consumers' needs and concerns. It was determined that states are more responsive, more effective enforces of consumer protections. And, as if we need to re-learn this lesson yet again, it is usually for the best when we let each state respond to the needs of its own consumers. State legislatures are watching, wondering how far we are going to dip into their authority.

As recently as this year, this matter of fact was re-affirmed by the General Accounting Office. GAO testified before the Health, Education, Labor, and Pensions Committee, saying, "In brief, we found that many states have responded to managed care consumers' concerns about access to health care and information disclosure. However, they often differ in their specific approaches, in scope and in form."

Wyoming has its own unique set of health care needs and concerns. But, despite our elevation, we don't need the mandate regarding skin cancer that Florida has on the hooks. My favorite illustration of just how crazy a nationalized system of health care mandates would be comes from my own time in the Wyoming Legislature. It's about a mandate that I voted for and still support today. You see, unlike in Massachusetts or California, for example, in Wyoming we have few health care providers; and their numbers virtually dry up as you head out of town. So, we passed an any willing provider law that requires health plans to contract with any provider in Wyoming who's willing to do so. While that idea may sound strange to my ears in any other context, it was the right thing to do for Wyoming. But I know it's not the right thing to do for Massachusetts or California, so I wouldn't dream of asking time to shoulder that kind of mandate for our sake when we can simply, responsibly, apply it within our borders.

An extra, unnecessary layer of mandates, whether they be for certain kinds of coverage or for a protection that not everybody needs or wants, are so-called "protections" we simply shouldn't force people to pay for. If we were all paying for skin cancer screenings that only a few of us need or want, or if we were all paying for any willing provider mandates that only some of us need to assure access, then we'd all be one of two things—either over-charged, not-so-savvy consumers, or we'd be uninsured.

As consumers, we should be downright angry at how some of our elected officials are responding to our concerns about the quality of our health care and the alarming problem of the uninsured in this country. It is being suggested that all of our local needs will be magically met by stomping on the good work of the states through the imposition of an expanded, unenforceable federal bureaucracy—kind of a one-size-fits-all plan. It was complicated before.

This is an overlay of how the plan will work under the Democratic plan. It is considerably more complex and considerably tougher to deal with. It is being suggested that our local needs would be magically met by stomping on the good ground of the States that have kept it simple and have the bureaucracy already in place.

It is being suggested the American consumers would prefer to dial a 1-800 number to nowhere versus calling their State insurance commissioner, real people who can be talked to each time you call. You don't have to repeat the same ground to bring them up to speed on where the problem is, and chances are because they know you they will get it solved right away. They are the people you meet in the grocery store after church on Sundays.

As for the uninsured population in this country, carelessly slapping down a massive new bureaucracy on our states does nothing more than squelch their efforts to create innovative and flexible ways to get more people insured. We should be doing everything we can to encourage and support these efforts by states. We certainly shouldn't be throwing up roadblocks.

And how about enforcement of the minority's proposal?

One of the findings of the amendment reads as follows, "It would be inappropriate to set federal health insurance standards that not only duplicate the responsibility of the 50 State insurance departments but that also would have to be enforced by the Health Care Financing Administration (HCFA) if a State fails to enact the standard."

That is a name you hear thrown around a lot because HCFA has some problems. HCFA is as much as 10 years late in sending out some notices which they need to send. They are already overburdened. If you don't believe me, talk to the people who are working with home health care, another area of health that is very important. They will tell you how HCFA is able to solve their problem. They are going out of business because of HCFA.

In other words, not only is it being suggested that we trample the traditional, overwhelmingly appropriate authority of the states with a three-fold expansion of the federal reach into our nation's health care, they want HCFA to be in charge. HCFA, the agency that leaves patients screaming, has doctors quitting Medicare, and, lest we not forget, is the agency in charge as the Medicare Program plunges towards bankruptcy.

And you want to give them all of this now, too?

I could go on at length about the very real dangers of empowering HCFA to swoop into the private market with its embarrassing record of patient protection and enforcement of quality standards. For example, it took ten years for HCFA to implement a 1987 law establishing new nursing home standards intended to improve the quality of care for some of our most vulnerable patients. According to the

General Accounting Office, HCFA missed 25 percent of its implementation deadlines for the consumer and quality improvements to the Medicare Program which were required under the Balanced Budget Act of 1997.

Even more alarming is that HCFA is still using health and safety standards for the treatment of end-stage kidney disease that are 23 years old. Equally astonishing is that HCFA has yet to update its 1985 fire safety standards for hospitals. HCFA is a federal bureaucracy at its worst, making it the last place to which we want our consumer protection responsibilities to revert—let alone complicating it such as this.

To me, the message is pretty clear. Expanding the role of the Federal Government well beyond its lawful authority would be a big mistake.

The scope of Federal authority under the Employment Retirement Income Security Act, ERISA, with regard to the regulation of health care, is well understood. Duplicating, complicating, and ultimately unraveling 50 years of State experience and subsequent action makes no sense. For those of my colleagues who think no one is bothered by that, I and 117 million Americans currently protected by State health insurance beg to differ.

Our Federal responsibility lies with those 48 million consumers who fall outside the jurisdiction of the State regulation. That is our scope. That is our charge. That is what the States are politely reminding Members of now. If we go through with this, they may remind us less politely.

In March of this year, the National Association of Insurance Commissioners implored Members to not make a mess of what they have done for health care consumers, saying:

> The states have already adopted statutory and regulatory protections for consumers in fully insured plans and have tailored these protections to fit the needs of their states' consumers and health care marketplaces. In addition, many states are supplementing their existing protections during the current legislative session based upon particular circumstances within their own states. We do not want states to be preempted by Congressional or administrative actions.

I am stunned that their pleas is so easy for some to ignore.

I yield the floor.

Mr. JEFFORDS. I yield 10 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 10 minutes.

Ms. COLLINS. Mr. President, I start by commending the Senator from Wyoming for his excellent statement. He has provided Members with a very clear explanation of the issue that is before the Senate.

I am disappointed to hear my friends and colleagues from the Democratic side of the aisle once again completely disregard and, indeed, belittle the tremendous efforts that the 50 States have made to protect health care consumers. It is disappointing to once again hear Senator KENNEDY completely ignore the good work of the States in this area.

The health committee bill builds upon the good work that the States have undertaken to protect health care consumers. Our legislation provides the key protections that consumers want, without causing costs to soar so high that we add to the growing number of uninsured Americans. We would apply the protections responsibly where they are needed.

Current Federal law prohibits States from acting to regulate and to provide consumer protections in self-funded plans. They are covered by Federal law, by ERISA, which specifically prohibits the States from acting in this area.

The States have had the primary responsibility for regulation of health insurance since the 1940s, more than 50 years. I served for 5 years in State government as commissioner of a department that included the Bureau of Insurance. I know how hard the civil servants at the Bureau of Insurance worked to protect Maine consumers. I know Maine health care consumers who are having problems with their insurance companies' coverage or have a dispute would rather call the Bureau of Insurance in Gardiner, ME, than have to go through the maze of the ERISA office in Boston. That is what this debate is about.

The fact is, the States have done a good job of responding to the needs and concerns of their citizens. In fact, every single State has debated and enacted legislation to protect health care consumers. That has been totally ignored by our friends on the other side of the aisle.

This chart shows the enormous number of State laws regulating health insurance. There are more than 1,400 State health insurance mandates—more than 1,400. Every single State has enacted legislation to protect health care consumers by mandating either specific coverages or specific procedures. It is not as if the States have ignored this responsibility. In fact, they have acted far ahead of Washington. They have acted without any prod from Washington. They have acted responsibly and swiftly—indeed, much more quickly than we have—to protect their consumers.

The next chart shows State laws protecting parties are extremely common. This chart demonstrates 47 States have passed laws prohibiting gag clauses that restrict communications between patients and their doctors. This is something I think every single Member of the Senate can agree on: Gag clauses should be prohibited. Mr. President, 47 States have acted to do just that; 50 States have consumer grievance procedure laws; 28 have external appeals; 36 have direct access to OB/GYN; 40 States have provisions dealing with access to emergency rooms.

The States have acted. They have acted in a way to tailor their laws to the problems within their particular State. These problems vary from State to State. We have rural States such as those represented by my friend from Wyoming which do not have a high penetration of managed care. Therefore, imposing all these burdensome new regulations is not necessary. In other States where managed care represents a high degree or a high concentration of the coverage provided, there may be a need for many more State laws.

The point is that the States have acted. They have acted without any mandate or prod from Washington, and they have acted in a way so as to tailor their laws to their marketplace. One size does not fit all. We do not know what is best for every State-regulated plan. What may be appropriate in one State may not be necessary in another.

A State that has been mentioned today, Florida, provides for a direct access to a dermatologist. That is because Florida has a very high rate of skin cancer. That mandate makes a great deal of sense in the State of Florida. It does not make much sense in many northern States where other problems occur and need to be addressed.

That is why the National Association of Insurance Commissioners, which is a bipartisan group, supports the approach that we have taken in our health committee bill. In a March letter to the chairman of the health committee, the NAIC pointed out:

> The states have already adopted statutory and regulatory protections for consumers in fully insured plans and have tailored these protections to fit the needs of their states' consumers and health care marketplaces. In addition, many states are supplementing their existing protections during the current legislative session based upon particular circumstances within their own states. We do not want states to be preempted by Congressional actions.

The letter continues:

> It is our belief that states should and will continue the efforts to develop creative, flexible, market-sensitive protections for health consumers in fully insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans.

That is precisely the approach taken in our Republican bill. We recognize the States cannot protect those health care consumers who are covered in self-funded ERISA plans. That is why we need to act on the Federal level. That is why we need to pass health care protections to reach those consumers whom the States cannot protect.

We received a letter today from the Republican Governors' Association. I ask unanimous consent to have that letter printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Ms. COLLINS. Let me quote from the letter because I think it captures the issue before the Senate.

> As Congress begins debate on managed care reform legislation, we would like to emphasize our confidence in states' achievements in managed care and ask that any legislation you consider preserve state authority and innovation. We applaud the Republican Leadership's efforts to complement the states' reforms by expanding managed care protections to self-insured plans without preempting state authority.
>
> Historically, regulating private insurance has been the responsibility of the states. Many, if not all of the ideas under consideration now in Congress, have been considered by states. Because the saturation of managed care is different throughout the nation, each state has its own unique issues relative to its market place. We have concerns about the unintended consequences of imposing one-size-fits-all standards on states which could result in increasing the number of uninsured and increasing health care costs.
>
> As Governors, we have taken the reports of abuses in managed care seriously and have addressed specific areas of importance to our citizens.

That is exactly the issue before us. We do need to act to protect those consumers who are beyond the reach of State regulation. We do not and should not act to preempt the good work done by our States.

Another issue that is before us, raised by the Kennedy one-size-fits-all approach, is what if a State has made an affirmative decision not to act in one of the areas which Senator KENNEDY would impose upon that marketplace? What if the legislature, perhaps even a legislature controlled by the Senator's own party, has reached the decision that a particular mandate is not appropriate for that State and would increase health care costs?

The PRESIDING OFFICER. The time of the Senator has expired.

Ms. COLLINS. Mr. President, I yield the floor. I know there are others waiting to speak. I reserve the remainder of my time.

EXHIBIT 1

REPUBLICAN GOVERNORS ASSOCIATION,
Washington, DC, July 14, 1999.

Hon. DON NICKLES,
Assistant Majority Leader, U.S. Senate,
U.S. Capitol, Washington, DC.

DEAR SENATOR NICKLES: As Congress begins debate on managed care reform legislation, we would like to emphasize our confidence in states' achievements in managed care and ask that any legislation you consider preserve state authority and innovation. We applaud the Republican Leadership's efforts to complement the states' reforms by expanding managed care protections to self-insured plans without preempting state authority.

Historically, regulating private insurance has been the responsibility of the states. Many, if not all of the ideas under consideration now in Congress, have been considered by states. Because the saturation of managed care is different throughout the nation, each state has its own unique issues relative to its market place. We have concerns about the unintended consequences of imposing one-size-fits-all standards on states which could result in increasing the number of uninsured and increasing health care costs.

As Governors, we have taken the reports of abuses in managed care seriously and have addressed specific areas of importance to our citizens. As you know, some analysts estimate that private health insurance premiums could grow from the current 6 percent to double-digit increases later this year. This does not include the costs of any new federal mandates. Health resources are limited.

We hope the Congress' well-intended efforts take into account the states' successful and historical role in regulating health insurance.

Sincerely,

FRANK KEATING,
Governor of Oklahoma,
Chairman.
ED SCHAFER,
Governor of North Dakota,
Vice Chairman.
DON SUNDQUIST,
Governor of Tennessee,
Chairman, RGA Health Care Issue Team.

Mr. JEFFORDS. Mr. President, I rise to alert those who followed the minority's debate earlier. It was not only confusing but most inaccurate as to scope. The Democrats claim: "The Republican plan would only apply to 48 million Americans."

This is accurate for one aspect, but it ignores many extremely important provisions. Further, charges regarding actions by the insurance industry were not only inaccurate but totally baseless.

Let me set forth what the scope of the protections actually is.

The Republican plan contains nine major patient protection provisions. One of the nine major components has six new access standards to ERISA for the 48 million in self-insured plans that State consumer protection standards cannot reach.

These include: the prudent layman's standard for emergency care; a mandatory point of service option; direct access to OB/GYNs; direct access to pediatricians; a continuity of care provision; and a prohibition of gag rules.

The majority of Americans already enjoy these protections, since most of the states have already adopted these standards through their regulation of health insurance companies.

The other major components of the Patients' Bill of Rights provide significant new protections for millions of Americans. Of these, some provisions are not even included in the Democratic bill. The provisions include:

1. A new health plan comparative information requirement to benefit all 124 million Americans covered by group health plans under ERISA;

2. Grievance procedures and internal and external appeal rights for all 124 million Americans covered by group health plans under ERISA;

3. Providing all 140 million Americans covered by group and individual health plans with new rights that will prevent discrimination based on predictive genetic information; and

4. Benefit all 270 million Americans by providing a stronger emphasis on quality improvement in our health care system with a refocused role for AHCPR.

The GOP plan creates new enforceable federal health care standards to cover those 48 million of the 124 million Americans covered by ERISA plans that the states, through their regulation of private health insurance companies, under the McCarran-Ferguson Act of 1945, cannot protect. We feel that it would be inappropriate to set federal health insurance standards that not only duplicate the responsibility of the 50 state insurance departments—but, that we know from a new GAO report won't be enforced.

The Democrats, by contrast, would set health insurance standards that duplicate the responsibility of the 50 state insurance departments and mandate that HCFA enforce them if a state decides not to adopt them. Building a dual system of overlapping state and federal health insurance regulation is in no one's best interest.

The federal regulators at HCFA have faced an overwhelming new set of health insurance duties under HIPAA. In the five states that have failed to or chosen not to pass the legislation required by HIPAA (California, Massachusetts, Michigan, Rhode Island, and Missouri), the HCFA is now required to act as insurance regulator for the state HIPAA provisions.

A GAO report that I released found that HCFA officials have confessed that their agency has thus far pursued a "minimalist" approach to regulating health insurance standards under HIPAA, and they attribute its limited involvement to a lack of experienced staff, as well as uncertainly about its actual regulatory authority.

There is a related concern that HCFA cannot fulfill its responsibilities for administering the Medicare program. At a July 16th, 1998 House Ways and Means hearing, HCFA's administrator stated that she intended to postpone the development of a Medicare prospective payment system for outpatient hospital care and home health services; the consolidated billing for physician and other Medicare part B services in nursing homes; and a new fee schedule for ambulance services. Delaying the implementation of these mandates will result in many home health providers and other providers not receiving the reimbursement that they deserve. It will put many home health agencies in the position of having to chose between turning Medicare patients away and insolvency.

Given HCFA's demonstrated inability to carry out its current responsibilities under both HIPAA and BBA, we believe it would be irresponsible to promise the American people that they will be able to receive new federal health insurance guarantees and then rely on HCFA to enforce these rights when we know they can't do the job.

Our proposal, by keeping the regulation of health insurance where it belongs—at the state level—provides the American people with a real Patients' Bill of Rights that they know from their personal experience will be enforced. The principle that the states should continue to regulate the private health insurance market, and that Congress should only set health care standards in those areas where the states have been preempted, guided the design of the six access standards in the Republicans' Patients' Bill of Rights because we know it works.

The PRESIDING OFFICER. The majority has 18 minutes remaining. Who yields time?

Mr. JEFFORDS. I yield 10 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. HAGEL. Mr. President, there is no issue more important to the American people than ensuring quality health care for themselves and their families. We all agree on that. It is the great common denominator in our society.

All of us in this debate, my Democratic colleagues and my Republican colleagues, want to help the people we serve. We want every citizen to have access to good, affordable health care. As a member of the Republican Health Care Task Force, I am very proud of the bill the Republicans have brought to the floor, the Patients' Bill of Rights Plus.

I think it is important that we focus on the completeness of what this bill is about, what it would do. This bill would increase the quality of health care, the accessibility of health care, and the affordability of health care for millions of Americans. Our bill protects 48 million Americans whose health care plans are not now covered by existing State regulations. Specifically, it provides the following:

Guaranteed access to emergency room care; health plans would be required to use the prudent layperson standard for providing in-network and out-of-network emergency care.

No. 2, guaranteed access to the doctor of your choice. Under our bill, these health plans must provide point-of-service and continuity-of-care options that allow persons to see physicians outside of their health care network.

No. 3, access to medication. Health plans would be required to provide access to noncovered drugs in cases where they are medically necessary and appropriate.

No. 4, our plan provides access to specialists, and no gag clauses that restrict doctors from discussing treatment options with their patients. Health plans would be required to ensure that patients have access to covered specialty care within the network or, if necessary, through contractual arrangements with specialists outside the network. If the plan requires authorization by a primary care provider, then the plan must have a defined referral and authorization process. Moreover, under our bill providers are given the unfettered right to discuss all treatment options with their patients.

No. 5, guaranteed access to an OB/GYN specialist. Health care plans would be required to allow direct access to obstetricians/gynecologists and pediatricians without the need for referral or the plan's prior authorization.

No. 6, timely appeals by patients who believe they were improperly denied coverage. This is a key part of our bill. Our bill would allow timely review of a patient's claim by medical experts not affiliated with the plan. In emergencies, the review would be within 72 hours. The decision of the outside review panel would be binding. This way, a sick or hurting patient gets the matter resolved now, quickly, rather than languishing in court proceedings for years in a typical lawsuit.

No. 7, it guarantees consumers access to plan information. Our bill requires all group health plans to provide consumer information about what is covered, what is not covered, how much they will have to pay in deductibles and in coinsurance, and how to appeal adverse coverage decisions.

No. 8, it protects patients from being discriminated against on the basis of genetic information. This is a very big part of why our bill is better. The Democrats do not cover this. Our bill expressly prohibits all health care plans and health insurers from collecting or using predictive genetic information about a patient or their family to deny insurance coverage or set premiums. The Democrats' bill has no such prohibition.

No. 9, changes in the Tax Code to make health care coverage more affordable and increase the number of people with health insurance. Isn't that what we are about—bringing more people on our health rolls; making quality, accessible health care affordable? If we want to help increase access to health care, one thing we could do is change the Tax Code. The self-employed ought to be able to deduct 100 percent of premiums for themselves and their families. Our Patients' Bill of Rights Plus does exactly this.

Our bill would give all Americans the opportunity to open a medical savings account, an MSA, to save for their health care needs. Many Americans work for employers who do not now offer health insurance, and they must pay for it out of their own pockets. An MSA would be a tremendous benefit for these individuals and would greatly expand the number of individuals with coverage for their health care needs. According to the General Accounting Office, nearly one-third of the participants in the MSA pilot program authorized by Congress a couple of years ago had been uninsured before utilizing these tax-free accounts.

It is also time to enact full tax deductibility for premiums that cover long-term care. The average annual cost of caring for a person in a nursing home is $50,000. Stories, of course, are legion of people exhausting their access and resorting to Medicaid to pay for nursing care. We address this issue in our bill.

What does the Republican bill not do? There are several important things that the Republican Patients' Bill of Rights does not do. Let's start with liability. The Republican bill achieves the proper balance between legal rights and affordability. Our bill would preserve one of the most important rights patients already possess, and that is the right to file a class action injunction to get coverage. The class action is one of the strongest protections of patient rights under ERISA.

You cannot sue your way to better health care. Let me say it again. You cannot sue your way to better health care. Rare are the patients who can afford a legal challenge against a big, well-financed insurance company. Mr. President, 22 States including Nebraska, my State, have already refused to expand liability and open up the opportunity for countless, endless lawsuits.

The Democrat bill would make employers liable for medical malpractice. That is an incredible thing. Their bill would make the employer liable for medical malpractice. Patients could sue the employer. I cannot think of a more certain way to drive up both the cost of health insurance and the number of uninsured. Small businesses are especially vulnerable. One huge claim could wipe them out completely. It is no surprise that in a verified recent poll of small businesses across this country, 57 percent of small businesses said they would drop their health coverage rather than expose themselves to ruin under the provisions of the Democrat health proposal.

The scope? Our bill does not unnecessarily duplicate State regulations, which adds more Federal Government mandates and increases costs. We do not need more Federal mandates. We do not need more Government mandates. We need more options for the patients and better health care. Our bill targets the 48 million Americans who have self-funded insurance policies. Democrats, including Vice President GORE in a recent CNN interview, and Senators, my friends on the other side of the aisle, have accused the Republican Senators of ignoring the roughly 100 million Americans insured in other ways.

If the Republican Patients' Bill of Rights is so good, my friend Senator KENNEDY asks, then why doesn't the GOP offer it to everybody? The answer is quite simple: Not everybody needs what we are offering. State laws and insurance regulations protect the rights of patients in all other plans but not necessarily in self-funded plans. We protect the people who need the protection. The Democrats duplicate the plans and protections already available under State laws.

Cost: Our focus should be on providing access to quality, affordable health care for more Americans. We heard a lot on the floor in the last few days about quality and access, but we have heard very little about affordability, who can afford health care, especially from those on the other side of the aisle who want to talk about this. Pricing people out of health insurance systems is no way to improve access.

The rate increases that would hit individuals would also hit employers. Dramatic hikes in health care costs cost employees their jobs, and what are we doing for America when we throw people out of work?

Back when I had a real job—and I did have a real job once; I was a small business owner—I remember poring over numerous health insurance plans to determine which were the best, which could I afford for my employees. I have yet to meet a small business owner who does not want to give their employees health insurance.

In conclusion, as I said at the outset of my remarks, there is no issue more important to more Americans than ensuring quality health care for themselves and their families, but in an effort to improve health care, it makes no sense to drive up costs and leave millions of Americans without health insurance.

I look forward to the passage of the Republican bill, the Patients' Bill of Rights Plus, and as one of the architects, one of the Senators who helped write it, I am very proud of it.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CRAIG). The Senator's 10 minutes has expired. Who yields time?

Mr. NICKLES. Will the Senator yield me 1 minute?

Mr. JEFFORDS. I yield 1 minute to the majority whip.

The PRESIDING OFFICER. The majority whip, the Senator from Oklahoma.

Mr. NICKLES. Mr. President, for the information of our colleagues, we are going to be voting on this amendment probably in another 10 minutes. I urge my colleagues to vote no for all the reasons that have been so amply discussed by my colleague, Senator HAGEL, just a moment ago, and Senator COLLINS earlier, Senator GRAMM, Senator ENZI, and others.

They are exactly right. We should not have "one size fits all" or "Government knows best."

There are a couple other reasons why they should vote against the KENNEDY amendment. It is a big tax increase. I look at page 14, section (H) and there is a tax increase, a tax increase that boils down to about $3.5 billion over the next 10 years. Section (I) on page 14 is a tax increase that is $1.2 billion over 10 years. Section (J), page 16, another tax increase of $288 million over 10 years. If you add all that together, this amendment we will be voting on increases taxes by $5 billion. I urge my colleagues to vote no on this amendment.

I thank my friend and colleague from Vermont. I compliment him for his outstanding leadership.

Mr. JEFFORDS. I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. SANTORUM. I thank the Chair.

Mr. President, I, too, congratulate all those who have spoken. I do not want to repeat what has been said. They said it well. In the Republican bill we are not leaving 100 million people uncovered. The fact of the matter is, the States that have the authority under the law, under the Constitution, and under the McCarran-Ferguson Act, to regulate insurance do the job and do it very well.

What this is all about, in my mind, is arrogance. This is about people walking around in Washington, DC, thinking: This is the center of the universe, and unless we decide what is best for all of you, you cretins out there in central Pennsylvania or in Wyoming or in Tennessee, you folks just do not understand what we, the enlightened in Washington, know what is best for you. So we are going to impose on you, State legislators, insurance commissioners, what we think you should be doing, even though you have gone through the process, an exhaustive process.

Pennsylvania went through an exhaustive debate in the House and the Senate and with the Governor on what kinds of patient protections they were going to provide for the people who were covered by State insurance, those 100 million people who are "uncovered."

For the people in Pennsylvania, rest assured, there was a fine Patients' Bill of Rights passed by the Pennsylvania Legislature and signed by Governor Ridge. In fact, I spoke with the sponsor of that bill over the weekend. He came up to me and said: Rick, please, please, don't pass a bill that is going to wipe out what we so carefully crafted that we believe is in the best interests of Pennsylvania.

Dr. Tim Murphy, the sponsor of the bill in the Pennsylvania Senate, someone who I think cares deeply about the concerns of children and concerns of the well-being of Pennsylvanians, said: Please, don't undermine what we have done. Don't put a layer of bureaucracy, the Health Care Financing Administration, overseeing the kinds of patient protections we have passed in Pennsylvania. Please, let us do what we do well, and if there are problems, we will deal with them, we will come back, and we will revisit this issue—just like the issue here is not over. But give us some credit that we know what is going on in our own States. We care about the people in Pennsylvania more than Senators from California or from Louisiana or from Massachusetts. We care about our people because they are our constituents.

We see a lot of examples of arrogance in Washington, of the "we know best" attitude in this town. This is an amendment that says: Washington knows best. What goes on in State capitals is irrelevant because they do not really care about their constituents. If I am in Massachusetts, I care more about what goes on in Pennsylvania than the Governor or the State legislators, State senators.

That is ridiculous. The fact of the matter is, the States are engaged actively. Frankly, they are much more active than we have been in the Congress. They have been actively engaged in dealing with the problems in their States, and we should let the States do what they do best, and we should do—and the Republican bill does—what only we can do, and that is to regulate ERISA plans, with patient protections and, I add, a lot more.

The one thing that really sort of irks me about this whole debate is that it is not just about protecting rights with HMOs. What our bill does is much broader and deals with issues of quality and choice, giving people alternatives to HMOs, not just locking them in and trying to fix something that may or may not be broken.

We say you can fire an HMO, go somewhere else, and get health care in a different way. The Democrats will not let you do that. We do.

We provide tax breaks for the self-employed which, again, increases access to the system. They do not. We have not only quality assurance; we have choice; we have access. The thing we do not do—and I am very proud we do not—we do not drive up cost and drive people out of the insurance market. They do.

On all four counts of what health care reform is supposed to be about—choice, quality, access, and cost—we are the winners, not the other side.

The PRESIDING OFFICER (Mr. CRAPO). The time of the Senator has expired. The Senator from Vermont has 2 minutes remaining.

Mr. JEFFORDS. Mr. President, I yield back the remainder of my time and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes off the bill.

The PRESIDING OFFICER. The Senator has that right.

Mr. KENNEDY. I have listened with a good deal of interest to our colleagues on the other side complaining. They want it both ways. On the one hand, they are supporting covering 48 million Americans and leaving out 113 million Americans—so they are covering some Americans—but they are not covering all Americans. Then they are troubled, evidently, because they are covering some Americans. Many of our colleagues on the other side, as we have just heard, do not think there ought to be any kind of protection for the American citizens, that we ought to just leave this up to the States.

My response is, the law of the jungle may be good in the jungle, but we do not accept that in the United States, when people are being exploited by the private sector. In this case, the insurance industry refuses to provide the protections for women and children in our country. The insurance industry refused to provide protections for workers in our country.

That is basically the fact of it. We hear repeatedly, mistakenly, that the States have provided protections. I will include in the Record the Families USA analysis of the various States.

> An examination of state legislation in 13 areas of basic managed care consumer protections finds that no state has all 13 on the books. . . .

I ask unanimous consent to have that analysis printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[Press Release from Families USA Foundation]

DESPITE STATE MANAGED CARE LAWS, MOST PEOPLE STILL GO UNPROTECTED

FAMILIES USA RELEASES COMPREHENSIVE REVIEW OF STATE MANAGED CARE LAWS

(Washington, DC) An examination of state legislation in 13 areas of basic managed care consumer protections finds that no state has all 13 on the books according to a new report released today by the national consumer group Families USA.

Hit & Miss: State Managed Care Laws examines state laws for a number of patient protections including the right to independent eternal appeals when health care services are denied, access to emergency room coverage, the right to sue health plans for wrongful denials of care, and the establishment of state funded consumer assistance programs. (See table 1, attached, for a list and explanation of the protections studied in the report.)

The study reveals that only one state, Vermont, had passed 10 or more of the protections, 16 states enacted 5 to 9 of the basic protections, 33 states had passed only 1 to 4 of the protections and South Dakota had passed none. (See table 1 attached.) The report also reveals that, despite state legislation on managed care, many consumers are not protected by those laws.

According to the report, one in three people with employer-based coverage are in self-insured health plans and are not covered by state consumer protection laws. The federal Employee Retirement Income Security Act (ERISA) exempts self-insured employer plans from state health insurance laws. Approximately 51 million Americans are not covered by any of the managed care consumer protection laws in their state because of ERISA.

"Not only do managed care consumer protections vary greatly from state to state," said Ron Pollack, executive director of Families USA, "but even with laws on the books, many consumers who get their coverage from their employer are not protected because of ERISA. Only a federal patients' Bill of Rights would ensure consumer protections for all Americans who receive employer provided coverage."

Other key findings of the report include:

The requirement of disclosure of treatment options and protection advocacy (that is a ban on "gag rules") has been passed by the most states—45 states and the District of Columbia.

Thirty-one states and the District of Columbia have passed laws requiring health plans to pay for emergency room care when a person believes he or she is experiencing a medical emergency.

Only 15 states have passed laws establishing an independent external appeals process for consumers who believe they have been wrongfully denied care.

Eight states have passed laws requiring plans to have a procedure to allow individuals to obtain prescription drugs that are not on the managed care plan's list or "formulary."

Of the 13 key protections studied, the establishment of independent consumer assistance programs and changes in liability laws had been passed by the fewest states.

Vermont is the first and only state to pass a law that provides funding for an independent statewide consumer assistance program.

Two states, Texas and Missouri, passed laws that open the door so that consumers can hold their health plans accountable through litigation. This issue is still being debated in the courts.

While the ERISA statute preempts state insurance laws for people in self-insured plans, the statute goes even further in preventing Americans from suing their health plan for damages in the event of wrongful denials of care. The study found that 83 percent of Americans who get their health care from their employer, 124 million people, cannot hold their health plans liable for their denials of care because of ERISA preemption of state laws relating to grievance resolution. Public employees (state and federal workers) are not preempted.

"ERISA—which was intended to protect employees in pensions and health plans—has become a protective shield for managed care plans even when they wrongfully deny care, either through negligence or malicious indifference," added Judy Waxman, director of government affairs at Families USA. "Health plans have no accountability for their decisions to deny needed care and treatment. This lack of meaningful remedies invites abuse."

Current proposals in Congress address many of the protections studied in the new Families USA report. The Patients' Bill of Rights introduced by Senators Daschle and Kennedy and Representatives Dingell and Gephardt would establish all 13 of the protections studied. The House Republican proposal, which is not yet in legislative form, would address from two to four of the issues. (See table 2 attached.)

"The American public has said very clearly that they want managed care protections, but because of ERISA they are denied the protections passed by their state," added Pollack. "Because of the federal ERISA law, this issue can not be left up to the states. Federal protections are needed to ensure all Americans get fair treatment from their managed care plans."

CONSUMER PROTECTIONS EXAMINED IN HIT & MISS

The 13 areas selected for special analysis in Hit & Miss were chosen for a combination of reasons. First, they are important rights to help ensure that health plan enrollees get the care promised by their plans. Second, these rights are sufficiently specific and understandable that consumers can assess their significance. And third, these rights provide good illustrations of the diverse state-by-state approaches to regulating managed care. The 13 protections are:

the right to go to an emergency room, and have the managed care plan pay for the resulting care, if a person reasonably believes he or she is experiencing an emergency;

the right to receive health care from an *out-of-network provider* when the health plan's network of providers is inadequate;

the right of a person with a serious illness or disability to use a *specialist as a primary care provider*;

the right of a seriously ill person to receive *standing referrals to health specialists*;

a woman's right to gain direct access to an *obstetrician or gynecologist*;

the right of a seriously ill patient or pregnant woman to continue *receiving health care for* a specified period of time *from a physician who has been dropped* by the health plan;

the establishment of a procedure that enables a patient to obtain specific *prescription drugs that are not on a health plan's drug formulary*;

the *right to appeal* denials of care through a review process that is external to, and independent of, health plans;

the establishment of *consumer assistance, or ombudsman*, programs;

prohibitions against plans' use of so-called "gag rules"—rules that prevent physicians and health providers from fully disclosing treatment options to patients;

prohibitions on plans' reliance on *inappropriate financial incentives* to deny or reduce necessary health care;

the establishment of state *laws* that prevent plans from *prohibiting participation in clinical trials*; and

the establishment of state laws enabling enrollees to sue their health plans when they improperly deny care.

TABLE 1.—HIT AND MISS: STATE MANAGED CARE LAWS

[The variability of State managed care consumer protection laws, as of July 14, 1998]

States	E.R. services	Access to providers				Continuity of care	Prescription drug access	Appeals procedures	Consumer assistance	Patient-provider relationship		Clinical trials	Liability
	Prudent layperson standard	Referral to out-of-network providers	Specialists as primary care providers	Standing referrals to specialists	OBGYN direct access	When physicians leave plan	Access to non-formulary prescriptions	Independent external reviews	Independent ombuds programs	Disclosure of treatment options	Prohibit physician financial incentives	Clinical trials	Right to sue health plans for damages
ALABAMA			•	•									
ALASKA										•	•		
ARIZONA								•		•			
ARKANSAS	•				•	•	•			•			
CALIFORNIA	•			•	•		•			•	•		
COLORADO	•	•			•	•				•			
CONNECTICUT	•				•			•		•			
DELAWARE					•					•			
DISTRICT OF COLUMBIA	•									•			
FLORIDA		•		•	•	•		•	•	•			
GEORGIA	•				•		•			•	•	•	
HAWAII	•							•		•			
IDAHO	•				•					•	•		
ILLINOIS					•								
INDIANA	•	•	•		•	•	•			•			
IOWA	•									•			
KANSAS				•		•				•	•		
KENTUCKY	•	•								•			
LOUISIANA	•				•					•	•		
MAINE	•	•			•					•			
MARYLAND	•				•			•		•	•	•	
MASSACHUSSETTS										•			
MICHIGAN	•							•		•			
MINNESOTA	•			•	•	•		•		•			
MISSISSIPPI					•								
MISSOURI	•	•	•	•		•	•	•		•			•
MONTANA		•			•					•	•		
NEBRASKA	•				•					•	•		
NEVADA	•									•	•		
NEW HAMPSHIRE										•			
NEW JERSEY			•		•	•				•	•		
NEW MEXICO	•	•	•	•	•			•		•	•		
NEW YORK	•	•	•	•	•	•				•			
NORTH CAROLINA	•	•			•					•			
NORTH DAKOTA										•			
OHIO	•	•	•	•			•			•	•		
OKLAHOMA										•			
OREGON	•				•		•			•			
PENNSYLVANIA	•		•	•	•	•		•		•	•		
RHODE ISLAND								•		•	•	•	
SOUTH CAROLINA	•				•								
SOUTH DAKOTA													
TENNESSEE		•	•	•	•	•		•		•			
TEXAS	•	•	•		•	•		•		•	•		•
UTAH		•								•	•		
VERMONT	•	•	•	•	•	•	•	•	•	•	•		
WASHINGTON	•				•					•			
WEST VIRGINIA	•				•					•	•		
WISCONSIN	•									•			
WYOMING										•			

TABLE 2.—BASIC CONSUMER PROTECTIONS: STATE LAWS AND FEDERAL PROPOSALS

Managed care consumer protection	Number of States *	Gingrich Plan	Daschle/ Kennedy Dingell/ Gephardt	Nickles Plan
Emergency Room Access	31	•	•	)
Access to Out-of-Network Providers.	15		•	
Specialist Can Be Primary Care Providers.	10		•	
Standing Referrals to Specialists.	12		•	
Direct Access to Obstetricians and Gynecologists for Women.	31	?	•	)?
Continuity of Care When Physician Leaves Plan.	14		•	)?
Access to All Prescriptions Drugs.	8		•	
Independent External Review of Complaints.	15	?	•	?
Independent Consumer Assistance Program.	2		•	
Disclosure of Treatment Options Required.	45	•	•	)
Prohibit Financial Incentives to Deny Care.	19		•	
Access to Clinical Trials	3		•	
Right to Sue for Damages	2		•	

? Details of the proposal are too sketchy to determine whether the proposal meets the standard.

* None of these laws apply to people in self-insured ERSIA plans (one in three Americans who have employer-based coverage).

• Applies to all consumers with employer-provided health coverage.

) Only applies to consumers in self-insured ERISA plans (one in three Americans who have employer based coverage).

Mr. KENNEDY. Vermont has 10 out of the 13, but no State has all 13. These are basic and fundamental standards that can be built upon. If Texas wants to do more, so be it. If Pennsylvania wants to do more, so be it. But these are the most basic and fundamental protections. That is what this legislation is all about. These are basic kinds of protections which, in most instances, have been included in the protections of the Federal employees, who include every Member of this body.

I have been so interested in listening to this debate about how we do not want the Federal Government having anything to do with health care. The Federal employment insurance has 11 million members. Every Member of this body has an opportunity to go in there and check a little box and say: We don't want the Federal employment protections. We don't want that. We want the private sector. Yet very few Members of this body have done that.

Eleven million Federal employees have these protections. It is so nice to hear: Well, we're glad to have protections for our children. We refuse to provide them for other people's children.

You don't hear anyone suggesting we are going to give up our Federal employees' health care. We should not say, when we provide this kind of protection for our children that we are going to provide the protection for other people's children. That is the heart of this issue.

I yield myself another minute off the bill.

I have included in the RECORD an analysis of which States provide these 13 basic protections and which States do not. They are rather basic and fundamental protections. They are protections concerning emergency care, OB/GYN care, access to clinical trials, access to specialists, ensuring adequate accountability, and eliminating the financial incentives that lead to denying people quality health care.

For all those who say they do not want these protections, I do not know what their States are like. I do not know the last time they talked to their insurance commissioners. I doubt if there is anyone in this body—1 more minute—anyone in this body who could call their insurance commissioner this afternoon and not hear scores of complaints. That is what is happening, maybe not in the Senate, but all across this Nation.

This amendment will make an important difference in terms of protection.

I reserve the remainder of my time.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield myself such time as I need off the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. NICKLES. Mr. President, I am glad my colleague is sitting down. We might need Dr. FRIST on the floor.

Mr. KENNEDY. Could the Senator yield, on my time, on that issue?

Mr. NICKLES. I am happy to yield.

Mr. KENNEDY. We couldn't see a specialist like Dr. FRIST under the Republican bill. I am glad to use him if I need him. I thank the Senator.

Mr. FRIST. He is here.

Mr. NICKLES. Mr. President, just a couple comments on the underlying amendment. I am always kind of amazed with the philosophy of saying, well, millions of people are not protected, as if the States have not been doing a good job. It is as if saying to the States: We don't care what you have done, it is not good enough. Senator KENNEDY has decided you haven't done good enough. HCFA should be running your health care plans. States need not apply. States, don't bother. We know better. The Federal Government knows better. HCFA, the Health Care Financing Administration, basically should be running your health care plans. We don't care what you have done, States. We don't care if 42 States have already passed a health care bill of rights or 50 States already have consumer grievance procedures or 47 States already have a ban on gag clauses. We are going to pass things that supersede what you have done. We know what is best.

The Health Care Financing Administration has done a crummy job, frankly, in administering rules dealing with home health care. We have home health care problems all across the country. A lot of it is because of HCFA. Or HCFA is getting information out to Medicare—which we passed in the Balanced Budget Act of 1997. They are supposed to give seniors information. They have not done it. Yet we are going to transfer the entire regulatory authority of all the health insurance plans of America over to this governmental agency? To a bunch of bureaucrats thinking they can do a better job than all the States? I do not think so.

If people are somewhat familiar with the labyrinth of regulations dealing with insurance plans, if we pass the Kennedy bill, as now proposed, the amendment that is before us, this is the kind of regulatory scheme we are going to have.

You talk about duplication, you talk about confusion, you talk about almost an impossibility if the State has a plan—wait a minute, do we comply with Federal regulations dealing with the bill of rights or do we comply with the State, or do we comply with the State ban on gag clauses or ours? Somebody says, well, if there is confusion, we will have HCFA decide. HCFA will decide, the Government will decide, the Federal Government will decide.

I urge my colleagues to vote no on this amendment. In addition, I would like to let my colleagues know there is $5 billion worth of new taxes in this amendment that is before us. If you want to increase taxes by another $5 billion, vote in favor of the Kennedy amendment. I urge my colleagues to vote no on this amendment.

Mr. KENNEDY. I yield myself 1 minute.

Mr. President, what about the bureaucrats in the insurance industry who are denying coverage for children in these emergency rooms? What about the bureaucrats who are denying women the right to be able to be in the clinical trials? What about those? This isn't HCFA. The Senator from Oklahoma knows this.

When the General Accounting Office recommended they get additional resources for HCFA, they led the fight against giving them resources to enforce the Kassebaum-Kennedy legislation. Go back and look at the RECORD, I say to the Senator. You know that.

I am not interested in going back and forth on this issue. But I daresay the bureaucrats in the insurance industry are the ones about whom people are most concerned. Americans know what the insurance industry is doing. They are looking at the bottom line. I think maybe HCFA has its problems—maybe they made some mistakes—but, by and large, they are dedicated men and women who are committed to public service who are trying to do a decent job. It is easy to beat up on employees, Government employees, but for my money, they do a great job.

The PRESIDING OFFICER. The time of the Senator has expired. All time has expired on the amendment. The question is on agreeing to amendment No. 1242. The nays and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER (Mr. SESSIONS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 52, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

NAYS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The amendment (No. 1242) was rejected.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1239, AS AMENDED

The PRESIDING OFFICER. The question is on amendment No. 1239 as amended.

The amendment (No. 1239), as amended, was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Maine.

AMENDMENT NO. 1243 TO AMENDMENT NO. 1232

(Purpose: To expand deductibility of long-term care to individuals; expand direct access to obstetric and gynecological care; provide timely access to specialists; and expand patient access to emergency medical care)

Ms. COLLINS. Mr. President, on behalf of myself, Senator HUTCHINSON, Senator FRIST, Senator JEFFORDS, Senator GRASSLEY, and Senator GRAMS, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine (Ms. COLLINS), for herself, Mr. HUTCHINSON, Mr. FRIST, Mr. JEFFORDS, Mr. GRASSLEY, and Mr. GRAMS, proposes an amendment numbered 1243 to amendment No. 1232.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Maine.

Mr. KENNEDY. Mr. President, may we be in order. The Senate is not in order. The Senator is entitled to be heard. We have had a good debate over the course of the day. Members have been attentive. We would like to make sure that the good Senator has the attention of the membership.

The PRESIDING OFFICER. The Senator is correct. Will the Senate come to order.

The Senator from Maine.

Ms. COLLINS. I thank the Presiding Officer. I thank my friend and colleague from Massachusetts.

Mr. President, on behalf of myself, Senator HUTCHISON, Senator FRIST, Senator JEFFORDS, Senator GRASSLEY, and Senator GRAMS, I have sent to the desk a four-part amendment.

We explained in producing our health committee bill that two of our goals were to expand access to health insurance and also to provide important consumer protections to those individuals who are insured in self-funded plans that the States cannot reach, cannot regulate, and that come under Federal jurisdiction. The amendment which I and my colleagues have proposed seeks to advance both those goals.

The legislation would permit individuals who purchase long-term care insurance that is not subsidized by their employer to deduct 100 percent of the cost of that coverage.

That is the first part of the amendment.

The second part of the amendment includes the access to emergency services provision which Senator HUTCHINSON and Senator FRIST have been working on. We believe it strengthens those provisions. It includes some of the language which Senator GRAHAM of Florida had offered yesterday, but that has been refined. It takes a somewhat different approach.

The third part of this amendment includes language developed by Senator FRIST dealing with timely access to specialists. Senator FRIST will explain that provision in more detail.

The fourth provision in this amendment has been developed by Senator JEFFORDS dealing with access to OB/GYNs. It is an attempt to improve upon and strengthen the health committee legislation.

I am not going to address the provisions that deal with long-term care insurance. Most Americans mistakenly believe that either Medicare or their regular health insurance policies will cover the costs of long-term care should they develop a chronic illness or a cognitive impairment such as Alzheimer's disease.

Unfortunately, far too late, far too many Americans discover their families do not have the coverage they need until they are confronted with a difficult decision of placing a frail parent or loved one in a long-term care facility and face the shocking realization they will have to bear those enormous costs themselves. With nursing home costs ranging from $40,000 to $70,000 a year, a chronic illness requiring long-term care can easily bankrupt a family. It can also result in the taxpayer eventually having to pick up the costs through the Medicaid program. Concerns about how to finance long-term care will only multiply as our population ages and is at greater risk of chronic illness.

By the year 2030, the demographics of 32 States will resemble those of Florida today. The number of people over age 65 will nearly double. Moreover, the fastest growing segment of our population are Americans who are age 85 and older. These older Americans are at least five times more likely to reside in a nursing home than people who are age 65.

Americans should obviously think about and plan for their future long-term care needs as they plan for their retirement or purchase life insurance to protect their families. Private planning for long-term care through the purchase of long-term care insurance will not only provide families with greater financial security, but it will also ease the growing financial burden on Medicaid and strengthen the ability of that program to serve as a vital safety net for those Americans most in need.

Moreover, private long-term care insurance policies provide Americans with much greater choice in the type of services they can receive. While government programs predominantly pay for nursing home stays, private long-term care policies provide a wide variety of services, ranging from personal assistance with activities of daily living such as bathing or eating or dressing, to 24-hour skilled nursing assistance. Many policies also cover assisted living.

In addition, policies often cover home care, adult day care, and respite care, giving seniors greater flexibility and enabling them to retain the dignity of choice and to have the most appropriate care in their senior years.

The Health Insurance Portability and Accountability Act of 1996 made long-needed changes in our Tax Code to give long-term care insurance essentially the same tax treatment as other health insurance. As a consequence, long-term care insurance premiums are now deductible for those employers who choose to offer the coverages of benefit and also are excludable for taxable income for the employee. Moreover, premiums for long-term care insurance are treated as a medical expense for the purposes of itemized deductions for medical expenses and are also partially deductible for self-employed individuals.

The amendment I am introducing today will expand the tax deductibility of long-term care insurance to encourage and to help more Americans to purchase it. In this regard, I want to acknowledge the leadership of Senator GRASSLEY as chairman of the Aging Committee on which I am privileged to serve. Senator GRASSLEY has been a long-time advocate of expanding the tax deductibility for long-term care insurance.

The legislation I am proposing will permit individuals who purchase long-term care insurance on their own, without any kind of subsidy from their employer, to deduct 100 percent of the cost of that insurance. Providing additional financial incentives for individuals to plan for their own future long-term care needs is particularly important in order to encourage younger people to purchase the coverage.

By encouraging individuals to plan now for retirement through the purchase of long-term care insurance, not only are we helping to ensure their future financial security; we are also giving them the peace of mind knowing that should they develop a chronic illness, should they become ill with Alzheimer's disease, for example, they will be covered by private insurance. Moreover, the insurance will ensure that they receive the choice of care they need and on their own terms.

Finally, encouraging individuals to plan and prepare for their future long-term care needs will help strengthen and preserve the financial solvency of the Medicaid program. This is an idea that I hope will have the support of colleagues from both sides of the aisle. I encourage all of my colleagues to join me in this effort to make this critical coverage more affordable to millions of Americans.

I yield such time as he desires to my colleague from Arkansas for an explanation of the emergency care provisions of this amendment.

Mr. HUTCHINSON. I applaud the Senator from Maine for her outstanding leadership on this legislation and particularly for this amendment and the tax provisions which I believe are going to provide significant tax relief. The Joint Committee on Taxation estimates that 3.8 million taxpayers benefit from this provision on long-term care. It is an important provision. Senator COLLINS and Senator GRASSLEY have been great leaders in pushing for this. I applaud their efforts.

I will briefly address the provisions in this amendment regarding access to emergency services, an issue we debated at some length yesterday. I think the provisions in this amendment adequately and significantly improve the Republican bill and address the concerns that have been expressed.

Let me compare briefly the Kennedy bill and the Republican bill in this area. Both bills, with the adoption of this amendment, will eliminate prior authorization for visiting the emergency room. This was included in the committee bill as it came out. We reaffirmed that in the amendment. It eliminates the need for the requirement for prior authorization, something that is obvious, something that is common sense. If you have an emergency event, you don't want to get preauthorization before you go to the emergency room. We eliminate that requirement for prior authorization. For policies that have it, we prohibit that.

Both bills require coverage for medical screening exams and stabilization services under the prudent layperson standard for emergency.

That language, that provision, is included in both the Democrat bill and the Republican bill. Both bills, with the adoption of this amendment, will ensure that patients will not have to pay more for emergency services provided by an out-of-network provider than an in-network provider. Many of the stories and examples we have heard on the floor of the Senate regarded individuals who had to pass by an emergency room when something tragic occurred, drive across town to find a provider that was in the network. That should never happen. It should not ever be required. No one should bypass an emergency room that is close to them because they are afraid of having to pay a penalty or pay a higher copay because that emergency room is not in the network. So we would prohibit that kind of differential. The Democrat bill has that provision. With the adoption of this amendment, we would prohibit that. You would go to the closest emergency room.

Both bills, with the adoption of this amendment, would provide the coverage of poststabilization services. The Republican amendment will do the following. It will require coverage of services to maintain the stability of the patient, those services which are related to the emergency condition, treatment related to the emergency condition, provided in the emergency room, and under the condition that the health plan has been contacted by the nonparticipating provider regarding approval for such services.

If the plan has not responded within 1 hour—this is exactly what is required under Medicare—to arrange for transfer, discharge, or for further care at a nonnetwork facility, the plan continues to be liable for the care needed to maintain stability and those conditions related to the emergency situation.

So we believe this is very strong language. It provides the kind of protections we need for poststabilization services. What it does not do—and this is the difference, this is the distinction—it does not allow someone to go into the emergency room with a genuine emergency and then ask for treatment of a condition totally unrelated to the emergency event. If you go in and you have a knee injury because of a fall and then, after you have been stabilized, you tell the doctor you have not had your heart checked and you haven't had an x ray and you want this done or that done, on conditions totally unrelated to the emergency event, that should not be required to be covered by the insurance policy.

We clarified what we believe was ambiguous language, where there had been abuses, to ensure that in fact treatment has to be related to the emergency event.

I think it is a very strong provision, and I urge my colleagues to support the overall amendment and this provision regarding access to emergency services.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I commend the efforts of the Senator from Arkansas. He has worked very hard on this issue. What he and the Senator from Tennessee have developed clearly strengthens the bill reported by the HELP Committee. I think it is an excellent refinement, and I commend him for his efforts.

I now yield such time as he may need to the Senator from Tennessee to explain the access to specialists provisions in the amendment.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I thank the Senator from Maine for laying out so well what this amendment is all about.

The amendment has four parts: Long-term care deductibility, which has been spelled out. The Senator from Arkansas has just laid out the second portion of this amendment on access to emergency services, something he and I have worked on very closely that I think really pulls together so much of the debate over the last 3 days and demonstrates we are working together to improve the underlying legislation as we go forward. Another demonstration of that is the third component, the access to specialists, which I will outline. Then I will turn to the Senator from Vermont to discuss the fourth component on access to obstetricians and gynecologists—again, an issue that has been on the floor again and again and again.

I think overall this amendment demonstrates our very sincere effort to work together as we go forward, taking ideas, bringing ideas forward, and improving this bill as the day develops.

Under access to specialist, we do four things:

No. 1, we ensure timely access to specialty care. "Timely" is the key word. Timely is important. I will come back to why it is important and what we do.

No. 2, we expand the provision to ensure access to primary care subspecialists. It is an expansion to the underlying provision, but again I think it is one that is very important to clarify the intent to which I believe both sides agree.

No. 3, the third component of the access to specialists is that we acknowledge, in very specific language, that a specialist could be the patient's case manager. That is important. It is very important to understand what a case manager is, and I will come back to that very briefly.

The fourth point I want to make in describing my aspect of this amendment is that there are concerns that referrals do not require a treatment plan to be in place.

No. 1, timely access to specialty care. This amendment is necessary to improve the underlying bill. It does so by requiring the plans to ensure "timely"—it is in the bill—access in accordance with the surrounding medical circumstances in the case. That is very important.

It is important to me as a physician, to patients, and to doctors because the last thing in the world we want to do is have something on the books that says you have access to a specialist, which we have in our bill, but to have a plan be able to delay in some way, or say, yes, the provisions are there; we are going to work on it. So we want to put a temporal component in it to make sure you have timely access, that you can see that specialist in a timely way so you get that care when you actually need it. Therefore, we have timely access.

Why is it in the Patients' Bill of Rights? Basically to guarantee to the patients, to assure the patients, the plan has to respond in a way that meets the circumstances of their particular care—appendicitis, heart disease, lung disease; that they will have a timely response to that with a specialist.

No. 2, we expand the provision to ensure access to primary care subspecialists. Again, this is something very close to me. Again we focus on access because that is what patients want. They don't care what titles these people have, but what they say is: If I need a cardiologist, I can get to a cardiologist; I can get to a heart transplant surgeon. I want to make sure that care is there. So we remove the barriers. We do not try to dump people into categories and give them labels.

There are some subspecialties within primary care that are actually subspecialties under primary care, and we want to make absolutely sure, because for those individuals it is critical that they are involved in chronic care—we want to make sure it is very clear. We want to reach out and expand that amendment to include that definition of specialty care to include both primary and specialty health care professionals who are appropriate to the patient's condition. If you have heart disease, it needs to be a cardiologist. If you have cancer, it needs to be an oncologist.

A typical example to bring this home is a cardiologist. I am a heart transplant surgeon. We also have cardiologists. I operate on patients. Cardiologists are the medical end of the study of the heart. To become a cardiologist, you go through training to become an internist, or internal medicine. Internal medicine is considered a primary care specialty. But a subspecialty of internal care medicine is cardiology. You may go for 3 or 4 years of internal medicine training, which is a primary care field; then you go ahead and do a subspecialty of internal medicine, and that is cardiology, an additional 2 or 3 years.

I want to make clear that we are talking about access, we are talking about the subspecialties underneath the primary care of internal medicine. This amendment ensures that access.

No. 3, I want to make sure, what this amendment does is it acknowledges that many times the treating specialist could be the patient's case manager, the person who is coordinating that care. Therefore, our amendment adds the words "case manager" where information may be required to be communicated to a patient, to a patient's primary care provider, in the creation of a whole section called Treatment Plan. Both the Democratic bill and the Republican bill have a section called Treatment Plan. This also applies to obtaining an adequate number of referrals.

The fourth point: The Republican bill follows the recommendation put forth by the President's own quality commission, the commission we referred back to that was in effect for about a year and produced a document. Under their section, Access To Specialists, they use the word "authorization." I quote from that:

> Authorization when required should be for an adequate number of direct access visits.

I wanted to actually take that language and put it in our bill.

> Authorization when required should be for an adequate number of direct access visits.

Again, that is from the President's commission, his quality commission. What we have done there is follow their recommendations. What our amendment does is revise and amend and improve that recommendation to clarify that a treatment plan is not required to obtain an adequate number of referrals. We need to make very clear that the treatment plan does not have to be the provision in order to get an adequate number of referrals. It is a necessary clarification because the underlying bill simply states that a plan may require the specialist to put together a treatment plan in consultation with the patient and primary care provider or case manager, but we do not require or expect that a treatment plan will be required or necessary for every patient.

I have spoken long enough on this whole issue of access to specialists. The timely component, the case manager component, the access to subspecialists, and adequate number of direct visits are very direct components. I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I commend the Senator from Tennessee. As the Senate's only physician, he brings a unique perspective and a very useful perspective to these important health care issues. He has been a leader in working to improve still further on the work that was done in the HELP Committee.

The task force has been working on this issue for some time. We first started working on the issue in January of last year. We met every week for many months. That is an indication of our determination to produce a balanced bill that will really make a difference to millions of Americans.

Our efforts did not cease. Once we went to the HELP Committee, we continued our work, and we are continuing our work today. That is why we have come up with this amendment to further strengthen and improve the legislation reported by the HELP Committee.

I yield as much time as he would like to the chairman of the HELP Committee, the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, women have special health needs that require the expertise of practitioners trained in obstetrics and gynecology. We must offer them the best means to provide for their preventive women's health needs, as well as access to an obstetrician to ensure a safe pregnancy and delivery of healthy children. Under our bill, direct access for women to routine gynecological care will be ensured. Obstetrical care and needed follow-up are also ensured without requiring preauthorization by the plan. For coordination of care, providers may be asked to provide on a continuing basis the medical treatment plans in order to allow for good coordination of a woman's health care needs.

In Vermont, legislation has ensured that women have direct access for their obstetrical and routine gynecological needs in order to facilitate optimal care. Vermont's law however does not cover 42 percent of women in Vermont who are in self-insured group health plans. Our bill will ensure that all women in Vermont will be guaranteed direct access for their preventive women's gynecological health needs, as well as obstetrical care.

I do not support the Democratic bill that requires health plans to designate their practitioners specialized in obstetrics and gynecology as primary care providers. This provision in the Democratic bill would force practitioners specialized in obstetrics and gynecology to practice primary care, independent of whether they feel qualified or have the desire to do so. Some obstetricians and gynecologists may be adequately trained and experienced in primary care medicine as well as their specialty. In those special cases, the plan will be able to review their competency and comfort level, and determine if women in the plan would be well served to be able to designate them as their primary care doctor as well. We must protect our women's health care needs to the same degree as we protect our men's, and ensure that women are being cared for by the people best trained to do so.

I want to ensure that women's health care needs are met the best possible way. We will do so by requiring direct access in self-ensured group health plans for obstetrical and routine gynecological services to practitioners specialized in these areas. We will also expect the same degree of training for the providers looking out for the overall health needs of women, by not assuming that all obstetricians and gynecologists are as well trained in primary care as providers who have had focused training and practice experience in providing for the total general health. I strongly urge my colleagues to ensure that the best health care needs for women is met. This will be done by supporting our bill.

I reserve the remainder of the time and yield the floor.

Mrs. BOXER. Mr. President, I wonder if the Senator will yield for a question.

Mr. JEFFORDS. On your time.

Mr. REID. Mr. President, I yield the Senator from California up to 5 minutes.

Mrs. BOXER. I am very interested in the comments by the Senators who support this amendment because if one reads their bill, first of all, they say women deserve OB/GYN care, and they are right. That is why Senator ROBB offered his amendment to cover all the women in America.

I ask my friend from Vermont: How many patients are covered by this amendment?

Mr. JEFFORDS. As we are going along here, we have two different approaches, and the approach we take is that we are trying to help those women who are primarily under ERISA prohibitions——

Mrs. BOXER. I am just asking the Senator if he can tell us how many women are covered, just the number.

Mr. JEFFORDS. I can give you a number.

Mrs. BOXER. Perhaps I have the answer to the question.

Mr. JEFFORDS. Somewhere around 20 million.

Mrs. BOXER. Twenty million.

Mr. JEFFORDS. There are 48 million. It is higher. Somewhere in that area. From 20 to 48.

Mrs. BOXER. I say to my friend, 50 million are left out. I say to my friend, the vast majority of women are left out. In the last amendment by Senator SNOWE, the one good thing she did is cover all the women in terms of her amendment that dealt with mastectomies. We are facing an amendment, whereas the underlying bill will guarantee—that is the Democratic bill—all women these protections, this only applies to a very small percentage of the women. Let's make sure people know this is a sham.

Mr. DORGAN. Will the Senator from California yield for a question?

Mrs. BOXER. I will be happy to yield.

Mr. DORGAN. I wonder if the Senator will include in her question why a proposal would have been offered by one Senator, Senator Snowe, that covers all the women. With respect to mastectomies, but the proposal offered on OB/GYN leaves out up to 50 million women.

Mrs. BOXER. It would leave out about two-thirds. My friend is correct. I wonder, I say to my friend, what his response is. I was asked that question by Senator Kennedy. The only thing I can come up with is politics. The heat was on on the mastectomy issue, the light was on, so they covered everybody. Now on this other amendment, they do not cover all the women.

If my colleagues will turn to page 8 of this bill, I say to my friend from Maine and my friend from Vermont, if they will read the way they have structured this, it says:

> A group health plan described in this paragraph may treat the ordering of other care that is related to obstetrics or routine gynecological care.

"May treat." It does not say they have to. This, I say to my friends, is a sham proposal. It does not do anything for the women of this country. It leaves out two-thirds of the women, and it leaves it up to the health plan if they are going to give this kind of care.

Let me tell my colleagues specifically what I mean. Yes, they provide access for routine gynecological care. Suppose you finish your checkup, everything is fine and a month later you find a lump in your breast. You cannot go to that OB/GYN, except if the Democratic bill passes because we give direct access to women and make OB/GYNs the primary health care provider.

In the debate yesterday, the Senator from Tennessee stood on this floor and said the OB/GYNs do not want to be primary care providers. That was an untruth. We have a letter on the desks from the organization that represents them, and the gentleman who was cited on the floor of this Senate said it was a misrepresentation; they support the Democratic proposal. They want to be primary care providers.

So we have an amendment here that purports to help women, but, A, it does not help the vast majority of the women in this country; B, it undermines the Democratic bill, which says you can go to your OB/GYN any time you want without having to go through a gatekeeper; and, C, it does not treat women the way they ought to be treated.

So I would call on my colleagues to support the underlying Democratic bill.

Mr. DORGAN. Will the Senator yield?

Mrs. BOXER. Yes.

Mr. DORGAN. Instead of saying this helps women, this amendment should be characterized as saying it helps some women but not most women. Would that be accurate?

Mrs. BOXER. I would say some women just a little bit. Not as much as they say.

The PRESIDING OFFICER. The Senator has used 9 minutes.

Mr. REID. Mr. President, I would like to direct a question to the manager of the bill, the Senator from Vermont. There is a provision in your bill—by the way, let me, for everyone, just explain. Because of the way we were forced to debate this issue, we have been unable to look at this amendment. We just got this amendment. What happens in the ordinary course in the Senate is if somebody offers an amendment, under normal conditions, we would ask for a quorum call so we could take a look at the amendment before the debate started. We cannot do that. Our time is running as we speak. So we are trying to work our way through this amendment they have jammed in here at the last minute without giving us any notice as to what was going to be in it.

But my question to the Senator from Vermont is, there is a provision—in fact, it is the first provision in the bill—that includes long-term care insurance. Would the Senator from Vermont tell the minority how much this is going to cost and from where the money comes?

I would like the Record to note the dull silence.

Mr. DORGAN. Will the Senator yield while waiting for an answer?

Mr. REID. Yes.

Mr. DORGAN. I think there are two other questions on that point: Not only how much does it cost, but because this is a tax provision, is it not the case that this clearly is a blue-slip provision? A tax provision cannot start in the Senate.

Mr. REID. Will the Senator explain what this means to the people watching?

Mr. DORGAN. Constitutionally you must not start a tax provision in the Senate; it has to originate in the House. Second, is it offset? If so, how would one pay for this tax incentive? I think those questions should be asked as well. I wonder if we could get an answer to that.

Mr. REID. I would ask, through the Chair, the manager of the bill to answer those questions, if he would, please. We have just received a copy of the amendment from the pages a couple minutes ago.

Mr. JEFFORDS. I will defer to the distinguished Senator from Oklahoma.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Let me make a couple comments on the bill in general. I am assuming I am on our time.

The PRESIDING OFFICER. Yes.

Mr. NICKLES. How much time remains on the amendment?

The PRESIDING OFFICER. The majority has 23 minutes 6 seconds; the minority has 42 minutes 45 seconds.

Mr. NICKLES. Mr. President, one. I understand some of my colleagues made the statement, what about a blue slip? If we pass a tax cut, won't the House of Representatives automatically blue-slip it? For those people who are not aware of what that means—and probably a lot of people watching do not have the faintest idea what that means and what that has to do with health care—the idea of a blue slip is that the Constitution of the United States says: All revenue measures must originate in the House. If the Senate originates a tax cut or revenue measure, the House can refuse to take it. They can blue-slip it and not have it go anywhere. We do not plan on having that on this particular bill. We have seen it before.

I might mention, in the unanimous-consent agreement that was agreed to, that outlined the procedures for the bill. We agreed:

> That following passage of the bill, should the bill upon passage contain any revenue blue slip matter, the bill remain at the Desk; that when the Senate receives the House companion bill, the Senate proceed to its immediate consideration; that all after the enacting clause be stricken, the text of the Senate-passed bill be inserted in lieu thereof, and the bill, as amended, be passed; and that the Senate insist on its amendment and request a conference with the House, all without any intervening action or debate.

What that means is, obviously, we knew in the Senate bill it was our intention to deal with tax issues because we want to increase access; we want to improve access; we want to increase the number of people who are insured. Unfortunately, our colleagues' bill, the Democrat bill, the Kennedy bill, will increase the number of people who are uninsured. It is estimated by people to increase the number of uninsured by 1.8 million, maybe 2 million people who would lose their insurance. We don't want to do that.

I stated on the floor of the Senate, maybe 2 years ago, that whatever we did we should do no harm, we should not increase health care costs, and we should not increase the number of uninsured. We should be doing just the opposite. We should be increasing the number of insured.

In the amendment the Senator from Maine has offered, we have given a tax credit for people with long-term health care, a provision I believe and I hope and expect will improve the access to long-term health care, which is a problem for millions of Americans. That will improve it dramatically. It will be a very positive change.

I compliment my friend and colleague from Maine for basically saying: We want this in our bill. Long-term health care is a very significant problem. There are a lot of people going into nursing homes and they are going bankrupt or their families are going bankrupt trying to take care of loved ones in nursing homes.

Shouldn't we do something to address that? In the Tax Code we have incentives to help with health care, rather significant incentives. Large corporations get to deduct 100 percent. Unfortunately, the self-employed only get to deduct 45 percent. We have already addressed that. That was one of the amendments we agreed to yesterday, allowing 100-percent deductibility for the self-employed. That is a positive change.

This change, as offered by our colleague from Maine, and others, is a very positive change saying, let's give a tax deduction for people in purchasing long-term health care coverage so they will not be so dependent on their kids or their grandkids, in some cases, or other family members, so they can start working on preparing for their later years and making that available for them now. That will improve their quality of health care now, or they will be ready for it now. Most people do not do that. Most companies do not do it. Most plans do not do it. We want to encourage it. We want to jump start it. We want to make it a common option, a common fringe benefit that, frankly, right now is not there. Most people do not have it, do not think about it until it is too late, until a loved one goes into a nursing home or maybe a loved one has a real problem with Alzheimer's or something, and the expenses are very large.

So the provision my friend and colleague, Senator COLLINS, has offered allows individuals with no employer subsidy to deduct 100 percent of the cost of long-term care insurance and allows long-term care benefits to be offered through a cafeteria plan.

The estimated cost—I think somebody asked that—is $5.4 billion over 5 years and would benefit an estimated 3.8 million taxpayers. I make that clear.

One of my colleagues said: How is it paid for? How are you going to pay for it? What is your intention on how to pay for it?

We actually do intend on having some offsets. We have not introduced those yet. We will at the appropriate time.

I have been somewhat critical and maybe have had a little fun with my colleague, Senator KENNEDY, because he had some tax increase in some of the provisions including Superfund and others. I do not think Superfund belongs in this bill. We do plan on having some offsets at the appropriate time. We do not have to, under this UC, have them in the bill at this point or else my colleague could make a point of order on it. That is not allowed in the unanimous consent agreement that was already reached by both sides, and so I just mention that.

But at the appropriate time we expect to have an offset. Even if we did not have an offset, the bill would not pass the Senate; it would be held at the desk until we received the appropriate vehicle from the House of Representatives.

Mr. President, I reserve the remainder of my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I think this is an interesting argument, to say the least. We have, on this side, striven, worked very hard to make sure there are some benefits for long-term care. It is great that there is some acknowledgement they want to do that, but in this age of frugality, it is interesting that the majority is willing to spend $5.4 billion with no offset. Anything we have set forth in this bill had offsets. We looked at the Superfund as an appropriate offset, and the only complaints we heard were from the majority in this regard. In short, it appears that we have, as the Senator from California pointed out, a provision to help women that really doesn't help women. Helping the women which is about 20 million women, is not mandatory. The HMO could do it if they want to. It is permissive. It is like having nothing.

We have learned from a letter from the President of the American College of Obstetricians and Gynecologists that at least a third of the women who want to go to a gynecologist in these HMOs are refused. This amendment, the little bit that we have been able to see in the last few minutes, it is clear, has no substance. It is a sham. It is a phantom.

It is, as I pointed out in my opening statement, a game that I first learned when I went to New York, the shell game. Every time you look under one of these shells that the majority gives us, it is empty. There is nothing there. You keep looking, hoping that one of the times you are going to pick up a shell and there is going to be something of substance. This amendment that we have been able to see, again, is similar to the rest of the game that has been played here the last 3 days.

The shells appear. We anxiously pick one of them up. And just like the street game in New York, they are empty.

Mr. DORGAN. I wonder if the Senator will yield for a question?

Mr. REID. I am happy to yield.

Mr. DORGAN. This all reminds me of that old moonwalk that you have seen people do, where they look like they are walking forward, but, in fact, they are making no progress. A famous singer used to do that moonwalk. That is what I see on the floor of the Senate. We offer a proposal that has the support of virtually every health organization in this country and every consumer and patient group in this country.

Mr. REID. My only correction is, not virtually every group. Every group.

Mr. DORGAN. Every group. And the proposal deals with care by specialists, emergency care, OB/GYN. It covers the vast array of the American people.

Then we have amendment after amendment that is kind of like decoration. It is kind of like the paint and the chrome and the hood ornaments to try to dress things up and make it look like it is something, but it is a vehicle without an engine.

The engine is what we have produced on the floor in terms of a bill that says we are going to do something real for patients who are not getting the health care they need. So we will give them some protection.

The response we get is to come out here with some empty vessels and some dressing up of some empty vessels saying: We share your concern and so here is how we address it.

On the issue before us, isn't it the case that when someone stands up and says: Women have a right to get treatment by their OB/GYN, except when they offer the proposal, it is a right for only some women, but a right that will be denied to most women? Isn't that the case?

Mr. REID. And a right that doesn't mean anything. It says that the group health plan described in paragraph 2 may treat the ordering of other care, "may treat." That says, as my friend from Massachusetts has talked about for 3 days, if the insurance company decides it is good for them; right? What are they going to decide is good for them? The bottom line, what is going to give the HMOs another top $10.5 billion in profits.

Mr. DORGAN. One additional question: Wouldn't it be the case that if the Senator from Nevada brought to the floor a tax proposal, or a spending proposal for that matter, that costs $3 or $5 billion, our friend would chase you off the floor and say: If you are bringing something to the floor that is not paid for, come on, that violates all the rules of the Senate?

Yet we just heard from our friend from Oklahoma that this provision provides tax incentives. It is going to cost billions of dollars. How are you going to pay for it? Well, we don't pay for it in this bill, but we have an intention to pay for it at some point along the way.

Do you think our friend from Oklahoma would let you get by with that, bringing a provision to the floor that says we are going to have a tax incentive and you are not going to pay for it, but you will come up with an answer later?

Mr. REID. I say to my friend from North Dakota, maybe it is going to be paid for the same way as the huge cuts that American veterans are getting. It could be paid for the same way: Cut them some more, as the budget that passed this body that not a single Democrat voted for.

Mr. DORGAN. Talking about health care.

Mr. REID. I am talking about health care for veterans. Maybe that is where we could get part of it, cut them some more, the veterans.

Mr. DORGAN. Obviously, the Senator is talking about the budget that was passed by the Senate on a partisan basis. I did not support that. It is not the right approach to have substantial veterans' health care cuts. The Second World War veterans are reaching a time when they need maximum health care that was promised them. The right approach is not to cut veterans' health care. The need is to increase it. Getting back to the point, we have an amendment that was offered, which we had not previously seen, that suggests it will provide some protection. In fact, it denies that protection to the majority of the American women. It doesn't guarantee it, in any event, and provides tax cuts that are not paid for.

Mr. REID. I say to my friend, it guarantees them that they may, if the insurance company or HMO decides they want to give it to them, get it. It is permissive. That is what it does. It guarantees nothing.

Has my friend from Florida—again, we have had little opportunity to look at this—has my friend from Florida, who has done such an outstanding job in previous days talking about our second amendment that we offered on emergency medical care, had an opportunity to look at their provision in this amendment, beginning page 15?

Mr. GRAHAM. I say to my colleague, the answer is, briefly, yes. I have a couple of questions. Maybe I could engage in a dialogue with Senator HUTCHINSON on these matters.

Mr. REID. I yield my friend from Florida 3 minutes for this question so that we leave the Senator from Massachusetts ample time. If you need more time, we will consider it. Three minutes to the Senator from Florida.

Mr. GRAHAM. That depends on how long it takes to respond to the question. I will get started

As I said last night, there were two principal differences between the Republican and Democratic emergency medical care provisions. The first of those was the question of, if your child has a 103-degree fever and needs to go to an emergency room, and the closest emergency room is one that doesn't belong to your HMO, but you are taken there anyway, can you be required to pay higher charges for that closest emergency room as opposed to taking him to the more distant hospital that belongs to your HMO's network?

What had concerned me was the language in the original Republican bill. I am looking at subpart (C), section 721, Patient Access to Emergency Medical Care, in the original Republican bill. On page 5, lines 5 through 18, is the outline of the uniform cost-sharing provision. I had read the equivalent language in the amendment which appears on page 18, line 13 through line 2 on page 19. I have tried to read them, and I believe the language is verbatim the same.

This is what the committee report which was issued by the Committee on Health, Education, Labor, and Pensions and signed by all of the Republican Members said about that language:

> Plans may impose cost sharing so long as it is uniformly applied to similarly-situated individuals and to all benefits consisting of emergency medical care. The committee believes that it would be acceptable to have a differential cost sharing for in-network emergency coverage and out-of-network emergency coverage, so long as such cost sharing is applied consistently across a category.

The language is verbatim in the amendment as it was in the original Republican bill. So can I assume that that committee language, which interprets what section (B)(1) on page 5 of the original Republican bill, lines 5 through 18 meant, is the same thing that the verbatim language in your amendment says?

(Mr. ABRAHAM assumed the Chair.)

Mr. HUTCHINSON. I respond to the Senator from Florida by, first of all, complimenting him for his concern and interest in this issue and for, I think, pointing out clearly some improvements that were needed in the committee bill. I do not believe it was the intent of the committee to allow a differential in cost sharing for out-of-network providers.

Mr. GRAHAM. Would the Senator look at page 29 of the committee report, the first full paragraph?

Mr. HUTCHINSON. I have looked at that. I cannot explain that language, but I believe a clarification was necessary. We have made that clarification in the amendment.

Mr. GRAHAM. Then why is the amendment—what concerns me is that the amendment has, word-for-word, much of the same language as contained in the underlying Republican bill to which this paragraph relates.

Mr. HUTCHINSON. I say to the Senator, the change in the amendment is in in-network uniform cost sharing. That was the intent to be permitted. The amendment, on page 19, on out-of-network care, makes it abundantly clear that such differentials in going to an emergency room that may not be in the network and requiring a penalty, requiring an additional copayment because you went to an out-of-network, would not be permissible.

Mr. GRAHAM. That language is also verbatim in the underlying Republican bill. There is a paragraph in the committee report that interprets that, as well. That says:

> The committee adopted an amendment offered by Senator HUTCHINSON, adding a new paragraph (2) to Section 721(b)—

Which is the same language in the amendment—

> clarifying that plans may not hold a participant or beneficiary liable for any additional charges—

That is not the issue of copayments or deductible; that is additional charges. This is what we used to refer to as double billing.

> —from a nonparticipating provider who has provided emergency services for the participant or beneficiary. In many communities, plans and MCOs typically contract with specific providers and hospitals. However, an individual as a prudent layperson may seek services at the nearest facility, depending on the severity of the symptoms. It is the committee's intent to ensure that individuals acting under the prudent layperson standards are not held liable financially for exercising this right when they seek care at a non-network facility.

That refers to the double billing; that is, if you go to a nonparticipating emergency room, they can't charge you more. But the issue—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAHAM. The subject of subparagraph 1 is the issue of whether they can charge you a different copayment or deductible; that is, if my standard deductible, if I go to an in-network emergency room, is, let's say, 20 percent, can I be charged a 70-percent copayment because I am going to an out-of-network? That is what both subparagraph 1 and the paragraph on top of page 29 of the committee report refers to. They are two significant and different concepts.

Mr. REID. Mr. President, on our time, I say to my friend from Florida, he has answered his own question. The fact of the matter is, they have copied the old stuff from the old bill. They have changed nothing. They have packaged it in this fancy package with all these ribbons and bows, as the Senator from North Dakota said. As I have said, we have this shell game being played. We pick it up and there is nothing under it.

I respect and admire so much the Senator from Florida, who is an expert in emergency room care. He has given a number of dissertations on the floor that have been outstanding. I say that sincerely. Obviously, he understands this issue much better than some who have tried to speak on this issue.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. REID. I yield the Senator another minute.

Mr. GRAHAM. If we both have the same objective, which is to ensure that a family with a child with a 103-degree temperature won't be at an economic disadvantage by going to the nearest emergency room—if our desire is to encourage that, let's not be vague about it. Let us not leave this ambiguous.

Mr. HUTCHINSON. Will the Senator yield?

Mr. REID. On your time?

Mr. GRAHAM. No one is served by ambiguity.

Mr. HUTCHINSON. I don't think it is ambiguous at all. There has been a misunderstanding of the language in the amendment.

Certainly, there can be a differential in a network plan between going to an emergency room and going to a provider other than an emergency room. That is what is clear both in the bill and in the amendment. If you will listen to the language of the out-of-network case, I think it is as unambiguous as any language can be:

> The plan shall cover emergency medical care under the plan in a manner so that, if such care is provided to a participant or beneficiary by a nonparticipating health care provider, the participant or beneficiary is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating provider.

I believe that is as clear and unambiguous as language can be. It was our intent that you should not have any incentive to drive across town while your child or your spouse is in jeopardy, that you should be able and would be able to go to the closest emergency room without incurring additional costs. That is what the amendment does, and that is what I think should be done.

Mr. GRAHAM. Here is the problem. I am a court or I am an administrative agency trying to apply this law. I have exactly the same language in this amendment as was reported by the Senate committee of jurisdiction. That committee issued a report that, in very unambiguous language, specifically interprets these words to mean that you can't be charged more if you take your kid to the closest emergency room that doesn't happen to be a part of a participating network.

Now, you have said, Senator FRIST has said, and I think everybody agrees, that we don't want that to be the result. So why don't we get a set of words that removes any ambiguities so that no one, a year from now, can go back to this same report and read what the committee allegedly meant as applied to the Senate words. It is not a complicated concept to articulate. We ought to do it.

Mr. FRIST. Mr. President, I yield myself 2 minutes. To clear this up, the three of us have had discussions. The issue in the underlying bill was not clear. The question was raised two or three nights ago by the Senator from Florida that there is a potential barrier there that we need to clarify, to make sure you can go to the closest emergency room, that there is not an economic barrier there, believing you are going to be charged more if that is an out-of-network provider or participant.

I agreed on the floor openly two or three nights ago. The committee report I disagree with, he disagrees with it, and Senator HUTCHINSON disagrees because it says—I don't have the exact words, but it implies they are allowed to charge more out-of-network. Therefore, agreeing with that, we have come up with this wording, which is as clear as we can make it. I want to make sure the RECORD is clear that I agree with the Senator from Florida and with Senator HUTCHINSON, and this is our best effort to be as clear as we can, and that the language in the committee report is inconsistent with the amendment on the floor.

I yield the floor.

Mr. GRAHAM. I don't mean to be repetitive, but my concern is that the language in the amendment is exactly the language that is in the underlying bill to which that committee report was written.

PRIVILEGE OF THE FLOOR

Mr. DORGAN. Mr. President, I ask unanimous consent that Marc Schloss be allowed privilege of the floor.

Mr. REID. Mr. President, I yield 5 minutes to the Senator from Rhode Island to talk about the provision in this amendment dealing with specialists.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Thank you, Mr. President. I thank Senator REID for yielding.

This amendment contains many elements, one of which is apparently an attempt to provide access to specialty medicine and specialists. But it is an attempt that I think falls far short of the mark.

If you look at the definition of specialty care, it means, according to the legislation, someone who has "adequate expertise." I don't know of any medical professional who would define themselves as a specialist using that terminology—it seems oxymoronic—"adequate expertise."

It also says "age appropriate expertise." That is one of the crucial issues we must address. It is one of the critical differences between the Democratic proposal and the Republican amendment that is before us today, because in our proposal we specifically guarantee access to pediatric specialists. For example, these are individuals who we hope have more than "adequate expertise." These are individuals who have been recognized by their colleagues as in fact highly qualified, highly specialized practitioners of medicine.

Their amendment is somewhat illusory. It talks about specialists. But then it just says to the insurance company that if you can find someone with adequate expertise, you can call him or her a specialist. And with respect to age, it doesn't have to be a pediatric specialist; it can just be someone who has, as I quote, "age appropriate expertise."

What does this mean? Someone who 2 years ago saw a 12-year old or a 13-year old—the individual might, in fact, be a cardiologist, or a nephrologist, but saw the child a couple of years ago—is that "age-related expertise?"

That is not what I think we have to ensure in this legislation. We should be able to guarantee to every parent that if their child is seen by a general practitioner—a pediatrician, we hope, in the case of a child—and that child needs a consultation, or referral, to a pediatric specialist, that is what will happen. Sadly, this legislation falls far short of that. We must do that.

I just spent several hours on Monday at the Providence, RI, General Hospital. I met with pediatricians and pediatric specialists. They all told me the same thing. They have a lot of difficulty getting referrals in managed care to pediatric specialists. They sometimes might be offered a referral to an adult specialist. But there is a difference. I think anyone with any knowledge of the medical profession—in fact, far more than I—would identify and recognize immediately that a pediatric cardiologist and a pediatric nephrologist are in a different subset of specialties from what you find at the adult level.

Our legislation guarantees this type of elasticity to the family.

The other chorus I heard from listening to these practitioners is the fact that the primary care physician in the pediatric field today are overwhelmed because they are seeing children—particularly in the context of some of these attention-deficit disorders—and they are in five or six different types of medicines that they don't see frequently or commonly in their practice. They need to get a referral to a specialist in child psychiatry, for example, or someone who has much more expertise. And, once again, without hard, iron-clad guarantees of access to pediatric specialists, this will not happen. It is not happening now.

I seriously question the effectiveness of this particular language when it comes to doing what we think can and must be done; that is, to have, particularly with some of the children—I have made this point time and time again—to have children be with pediatric specialists and not just with people with "adequate expertise," not just someone who may have seen a few children a few years ago but recognized pediatric specialists.

I continue to hammer away at this issue of children because typically they are so poorly served in managed care in regard to access to specialists. For one reason, there is a very small volume of chronically ill children who need this access. As a result, managed care panels seldom will employ these pediatric specialists.

For this reason, and for the reasons from the other side, my colleagues, I think this amendment falls far short of what we need to do. I strongly urge its rejection and acceptance of the Democratic alternative.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield 3 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Mr. President, I say to my colleagues and to the Senator from Tennessee that I suffer from the disadvantage of having seen this amendment only for a short period of time, as my other colleagues have. But just in that short period of time, I have found what appear to me to be—and I am perfectly willing to listen to an explanation—three gaping holes in this amendment, particularly as it relates to the issue of specialty care. I think our amendment completely closes those holes.

Hole No. 1: Even though the bill provides for timely specialty care in accordance with the exigencies of the case of access to primary and specialty care specialists—that on the surface sounds wonderful—here is the problem. There are three huge holes in that provision.

No. 1, the plan can still do anything it wants to control costs, which means the plan can have a provision that essentially wipes out access to some particular specialty, or some particular kind of specialty care, in order to control costs. All they have to do is justify it on that basis, which is to control costs.

So they can essentially eliminate the value and substance of this provision by simply saying, as they do every day now: We are doing this on the basis of cost. That is the reason the HMO is doing this. We have to do it for cost control—so they can keep kids from seeing specialists and so they can keep adults from seeing specialists. And their justification is, they are controlling costs.

Huge gaping loophole No. 2: They can still condition access to a specialist in a treatment plan, which means the HMO can provide a treatment plan that is completely contrary to what the medical professionals taking care of the patient believe the patient needs to see in terms of a specialist.

If that treatment plan—written by the health insurance company, written by the HMO—is inconsistent with what the doctor is doing in taking care of, for example, a young child whom he believes he needs to see in terms of a pediatric specialist, then the right to see a pediatric specialist is gone.

So we already have two huge gaping holes:

No. 1, the HMO can keep people from seeing specialists by just saying, we are controlling costs. That is as simple as that. It is over. Control is in the hands of the health insurance company.

No. 2, if they say we have a treatment plan that is different from what the treating doctors say the child needs, they can keep the child from seeing a specialist, completely eliminating the right.

And the killer is gaping hole No. 3, particularly working in combination with the other two, which is, there is no right to an external appeal.

The result of this is, if the HMO says, we are not going to let you see a specialist because of cost, we are not going to let you see a specialist because we have a treatment plan that is inconsistent with what the treating doctors say, the patient is completely out of luck. They can't do a single thing about it. They have no right to an external appeal. They are completely stuck. The power remains entirely in the hands of the HMO and the health insurance company.

It doesn't cure it in any way because of the extraordinary problems we have with access to specialty care today.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Thank you very much.

Mr. President, I rise to lend my voice in support of Senator COLLINS' amendment regarding deductibility for long-term care insurance.

I know some of those on the other side call this a sham-type proposal. But to the minority, a lot of times a sham, or empty vessel, or a shell game, if the Government doesn't do it, or buy it, or provide it somehow, if you encourage personal responsibility, if you encourage individuals to buy in the private sector, that doesn't count. The Government is left out.

I think by offering this amendment—by offering the tax incentives—to try to level the playing field between big employers, self-employed, and employees who do not have coverage, and giving them this incentive, many will take the option to buy this long-term insurance because they will have more access and because it will be more affordable.

That is the heart and basis of this amendment.

As Senator COLLINS mentioned, the long-term care provision of this amendment was contained within the Health Care Access and Equity Act which I introduced last month. I am pleased the Senate will get a chance to vote on this issue because it is such an important issue for today's seniors and tomorrow's retirees.

Mr. President, it is estimated that, in the history of the world, half of the people who have ever reached age 65 are alive today. As the baby boom generation ages, the population of those over age 65 will increase quicker than at any time in history. The increase in the aged population brings with it a number of complex and vexing issues, one of which is long-term care.

The Health Insurance Portability and Accountability Act tinkered slightly with the issue of long-term care insurance, but we need to meet the issue head on rather than skirt the edges.

I have believed we should encourage individuals to save for their retirement needs and, for a number of reasons, usually cost, long-term care insurance is often overlooked during retirement planning. Unfortunately, I think this often leads to individuals spending themselves down to poverty and relying on Medicaid in order to pay for long-term care.

Again, the heart of this amendment is to encourage people when they are planning for those years to also include long-term care to protect their estate, to protect their heirs.

By allowing individuals to deduct the costs of long-term care insurance, we can prevent many of our elderly from impoverishing themselves in order to receive long-term care.

I also wanted to express my appreciation to Senator HUTCHINSON for his work on the prudent layperson language which is so important to all of our constituents.

As many of my colleagues know, I have been working on emergency medical services issues for the past 3 years and believe this provision will not only help patients in their time of emergency, but it will help our EMS providers continue to offer the most advanced emergency care in the world. This will help do that.

Finally, Mr. President, I'd like to express my appreciation to the physician Senator from Tennessee for not only his work on the access to specialists provision, but also his work throughout this debate providing a voice of experience and reason.

Again, I would urge my colleagues to vote for this much needed tax relief for long-term care insurance.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Before my friend from Minnesota leaves the floor, I am curious as to how you are going to pay for the $5.4 billion that the long-term care would cost. Where would that money come from?

Mr. GRAMS. We have discussed that. I believe Senator NICKLES has today talked about that. We do have provisions that will be offered.

The plan is there. Don't think Republicans would offer this without a plan to go along with it.

Mr. REID. What is the plan?

Mr. GRAMS. As Senator NICKLES said, it will be offered.

Mr. REID. He said it would be offered later.

Mr. GRAMS. It will not come out of the Superfund money, I assure you of that.

Mr. REID. What other ideas do you have as to where it would come from?

Mr. President, I yield 4 minutes to the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I appreciate the chance to speak about the pending amendment, particularly about the specialty care provision of the pending amendment.

I read it recently, but I think there are some serious concerns that need to be addressed. The Senator from North Carolina has raised them. I know others have as well.

As I understand the amendment now, there is no provision in it to restrict an HMO from charging additional for a patient if they need to go outside the plan to get specialty care. One of the things we have tried to do in the amendment we drafted on specialty care is to ensure not only that a person has the right to specialty care but that they cannot be charged whatever the HMO determines in additional charges they want to tack on in order to get that access.

I think this is important. Clearly, if a person has signed on to a health care plan, they expect to be able to access the care they need without incurring additional costs, particularly when there is no restriction in this legislation or this pending amendment, that I am aware of, which would in any way restrict the amount of the additional cost that might be added. That is a very real concern which I think we have to bear in mind.

Another concern is, the amendment we intend to offer on specialty care tries to specify that if a person has a chronic illness that requires the care of a specialist, that specialist could be designated as the primary care provider. For example, someone who is diabetic and who needs to see a specialist, an endocrinologist—which I believe is the specialty that is focused on dealing with the problems of diabetics—a person could have that endocrinologist designated as their primary care physician so they could go directly to that person and not have to go through a primary care provider in each case.

As I read this amendment, it says nothing in this section shall be construed to prohibit a plan from requiring the authorization of a case manager—that is, the person working for the insurance company—or the primary care provider each time you go to see a specialist.

I think that is another defect in the bill, as I understand it. Now, I could be corrected on any of this if the author of the amendment can point to other language that I am not aware of.

The third point I want to make is the same question the Senator from North Carolina raised. He referred to it as "gaping hole No. 3." That is the question about what do you do when the health maintenance organization says no, we will not allow you to access a specialist. That is a real-life circumstance that many people face.

In the amendment we intend to offer, we provide if you are denied access to a specialist, you can get an independent reviewer to review that decision on a very timely basis and then abide by that decision. There is nothing in the pending amendment I can see that would provide for any such appeal if the HMO turns down a patient's request for specialty care.

We had a very good opportunity earlier today to hear from a mother of a 4-year-old boy about the problems she encountered in trying to get access to specialty care for him. That circumstance is one that many people face. She was delayed and delayed and delayed by the health maintenance organization constantly saying they would not allow her to see anyone but her primary care physician for the various ear infections her 4-year-old son was having because they believed those should be treatable by that primary care physician. After more than 2 years of being delayed, she finally did get access to a specialist. The specialist did a surgical operation which corrected the problem.

Unfortunately, because this situation existed at this time in her son's life, her son now has a speech impairment and is having to go through therapy for that. Again, she is encountering problems getting access to that speech therapy for her son through the HMO.

I don't believe the specialty care provision in this amendment that is pending solves the problem for most Americans.

I yield the floor.

Mr. JEFFORDS. I yield 5 minutes to the Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am pleased to support Senator COLLINS' amendment that addresses several important areas. In particular, I am glad to support the provision to allow a 100% above the line tax deduction for the long-term care insurance.

As chairman of the Special Committee on Aging, addressing the challenges of long-term care have been high on my list of priorities. During the past two years, I've heard firsthand from individuals and family members about the financial challenges that go along with managing long-term care needs, such as those associated with Alzheimer's Disease.

In too many cases, families experience financial devastation when faced with long-term care needs. Unfortunately, many families do not plan for costs associated with long-term care. And many families are mis-informed about what Medicare and Medicaid cover in respect to long-term care.

Today's average cost of nursing home care is about $40,000 a year. When individuals are faced with a chronic or disabling condition in retirement, they often quickly exhaust their resources. As a result, they turn to Medicaid for help.

In fact, the care for nearly 2 out of every 3 nursing home residents is paid for by Medicaid. As many seniors realize too late, Medicare does not cover long-term care costs.

I introduced legislation last Congress and again this Congress to provide an incentive for individuals to plan and prepare for long-term care cost. Like the provision in Senator COLLINS' amendment, my bill will allow Americans—who do not currently have access to employer subsidized long-term care plans—to deduct the amount of such a plan from their taxable income.

This encourages planning and personal responsibility by helping to make long-term care insurance more affordable for middle class taxpayers.

Longer and healthier lives are a blessing and a testament to the progress and advances made by our society. But Americans must be alert and prepare for long-term care needs. The role of private long-term care insurance is critical in meeting this challenge. Over the past ten years, the long-term care insurance market has grown significantly. The products that are available today are affordable and of high quality.

As policy makers, our job is to develop policies for public programs that can deliver efficient and cost-effective services. Yet, equally important is the role of private long-term care financing. We must take steps to inform Americans about the importance of planning for potential long-term care needs. And, in turn, we should provide incentives now for the families to prepare financially for their retirement.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, I yield the Senator from Maine such time as she may take.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I ask unanimous consent that the Senator from Michigan, Mr. ABRAHAM, be added as a cosponsor to the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I yield to the Senator from Tennessee as much time as he may desire.

Mr. FRIST. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Vermont has 7 minutes; the Senator from Massachusetts has 10 minutes 40 seconds.

Mr. FRIST. Mr. President, a number of issues have been raised again. I appreciate the debate. I think it has been very good on a number of these issues, some of which we have talked about in the past and some of which have come up on the floor. It is difficult, with the amendments being presented, to know exactly what to address and what not to address. Those of us who have been looking at this for the last year, and through the Health, Education, Labor, and Pensions Committee, have looked at a number of these issues. Let me comment.

The allegation has been made the Republican bill does not assure access to specialty care. The fact is the following: The Republican bill guarantees access to specialists. Period. Section 725 states that plans "shall ensure access to specialty care when such care is covered under the plan." We brought up again and again that the problem with the Democratic bill is that it guarantees that 1½ million Americans, if it were adopted, would not have any health insurance at all and, therefore, would not have access to specialty care.

No. 2, we have heard that under the Republican bill there is no guarantee a child with cancer will have access to a pediatric oncologist. That came up earlier in the debate. The Senator from Rhode Island brought it back up, so let me just clarify what we have done. Again, it has been a process, as we talked again and again about that.

The Senator from Rhode Island says we need to specifically say "appropriate pediatric expertise." We talked about it in the committee. The reason we use the words "age appropriate expertise" instead of just pediatric, which is much more narrow than "age appropriate expertise" is because it includes pediatrics but it also includes a terribly important part of our population and that is the geriatric aspect of health care.

We are going to have a doubling of the number of seniors over the next 30 years in this country. We have to write this legislation for today and 10 years from now and 20 years from now. By using the words "age appropriate expertise" instead of the very narrow construction of "appropriate pediatric expertise," we include the geriatrician, both of today and the future, as well as the pediatrician; on either end of the spectrum. That is the intent. That is the way it is written. That is the way it is spelled out very clearly in the committee language in the report.

Going through, we have heard again and again: Under the Republican bill, patients could be charged more for out-of-network specialty care, even if the plan is at fault for not having access to appropriate specialists.

Again, let me read from the committee report, on page 33, because some people have not gone back to read the original committee report which is the intent behind the language. We say:

> . . . the committee intends that when the plan covers a benefit or service that is appropriately provided by a particular type of specialist not in the network, the benefit will be provided using the "in-network" cost-sharing schedule.

I want people to understand that. It is on page 33 of the committee report, for people to refer back to that.

I heard again and again: The Republican bill will not allow patients to appeal a denial of access to a specialist, to make that appeal to an independent reviewer. The fact of the matter is the Republican bill provides the right to an independent, external review by a medical expert when the access to a specialist is denied on the basis that care is not medically necessary or not medically appropriate.

So, again, let me summarize for, I think, the Senator from Rhode Island. The "pediatric expertise" I have explained to be more "age appropriate expertise." The Senator from North Carolina listed three gaping holes which I simply contend are not gaping holes.

I have not addressed one. The first was the plan can do anything to control costs. That was his point No. 1. Let me say that what we have used in the bill is, in fact, almost the exact words out of the Democratic bill. He is referring to the rule of construction under the timely access provision, section 104. Basically, we lifted—used the exact same wording as the rule of construction. It goes something like:

> Nothing in this paragraph shall be construed to require the coverage under a group health plan of particular benefits or services or prohibit a plan from including providers . . .

And it goes on forward.

With that, I will simply refer him to the rule of construction on page 34 and 35 of their bill, of the underlying Kennedy bill, because that is where we took that rule of construction, about not requiring coverage.

The second so-called hole was the treatment plan issue and the limitation. Again, from your bill, if you look at page 12 where we say we require a treatment plan, your bill requires the same sort of treatment plan as what we actually required. Again, you can be critical of it in our plan, but explain why it is in your plan on page 12.

The third is this right to appeal. It is very important to deal with that right to appeal. Saying there is no right to appeal is, basically, absolutely false. We have obtained a legal opinion on this to make absolutely sure. If required, the treatment plan is required—what they told me, it is to be an element of medical judgment; that is, is it medically necessary or not necessary, which takes it in the realm of medical judgment. If that is the case, there can be an appropriate request for an external appeal, where you have a medical physician, independent reviewer, have the final say as to whether or not that coverage is there.

That is about 9 or 10 of the complaints that have been discussed over the course of the day.

Senator BINGAMAN mentioned cost sharing. Again, I would refer him to page 33 of the report where we talk about in-network cost sharing.

His second point where the specialists have to be primary care physicians, I have gone on and on about this. I just disagree. Specialists today—a heart transplant surgeon does not need to be designated a primary care physician from an access standpoint when you have removed the barriers, and that somebody does have access, as guaranteed in the bill.

I see there to be no reason why you designate a heart transplant surgeon to be a medical specialist. We just disagree. I yield the floor.

The PRESIDING OFFICER. Time has expired on the time of the Senator from Vermont. Who yields time? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to go over where we are in the debate. The amendment that has been proposed by our Republican colleagues covers, as close as I can figure, four different areas: One is the tax credit of long-term care. It is being defined. We have asked the Treasury Department to look at that because many of us are interested in the long-term care issue. We have not heard back from the Treasury Department. Time has expired on this particular amendment.

There is also the issue of changes to the OB/GYN provision and whether this is a change which gives the protections to women which we have included in our legislation. The provisions have been examined by various OB/GYN specialists. We will include in the RECORD the inadequacies of those particular provisions in achieving the objectives described on the floor. The OB/GYN specialists find the language included in that amendment fails. That will be available to the Members.

Third is the speciality issue. Our good friends, the Senator from New Mexico and the Senator from Iowa, as well as the Senator from Rhode Island and the Senator from North Carolina, and others will address in greater detail the issue of specialists.

I want to make a brief comment in response to the particular proposal of the Senator from Tennessee. In reading through the language—and it is important to read the language, as the Senator has said—it says:

> Nothing in this section shall be construed to prohibit a group plan from requiring that speciality care be provided pursuant to a treatment plan so long as the treatment plan——

Is developed by the specialist. On page 12, it says:

> . . . appropriate to the conditions of the participant or beneficiary, when such care is covered under the plan, such access may be provided.

"When such care is covered under the plan" makes the provision meaningless because the care is covered only if authorized by the gatekeeper. It says when the care is covered, but it does not say it has to be covered.

Then it says:

> Such access may be provided through contractual agreements with specialized providers outside the network.

That is optional. You can read all the lines you want about age-appropriate speciality if they include it in the plan, but if you start right out and say it is not included and is optional, it is meaningless. That is not only my opinion, but it will be gone into to some degree by others.

I listened to my friend and colleague from Tennessee say the issue is appealable. Why not write that in the bill? We wrote it in. Why leave any question? Why does he have to quote a letter from some law professor? I have a letter from a law professor that says it does not. Why not just write it in the bill?

I hope there will be some kind of response. I will be glad to yield for a minute. We wrote in our bill that it is appealable if a specialist such as a pediatric oncologist or necessary specialist is denied. Why isn't it included in the Republican plan? It is not.

We will have an opportunity to debate that issue.

I do not want to get off message, but I hope our good friend from Oklahoma, as well as our good friend from Texas, will now look at what the Republican bill is costing.

This is what the Republican bill is costing. According to joint tax, it is $1 billion for patient protections; 100 percent deductibility for small business is $2.9 billion; liberalized MSA, $1.5 billion; flexible spending account is $2.3 billion. That adds up to $7.7 billion. Long-term care is $5.4 billion. That is $13 billion—$13 billion for the Republican plan.

I hope we do not hear any more about the cost of the plan with no offsets. I hope we can get rid of that argument. It has taken us 2½ days. Under CBO, ours is $7 billion. The Republican plan with this will virtually be doubled. I hope we are going to be free of that argument. We want to focus on what we are interested in, and that is the Patients' Bill of Rights.

We are going to have an amendment when I yield back the time in just a moment. I want the membership to understand, this amendment will not be targeted to OB/GYN. It will not be targeted to long-term care. It will not be targeted to emergency room care, though there are many different provisions in that with which we take issue, which our friend from Florida has pointed out. This will only be targeted to the provisions of the Republican amendment on speciality care.

Our amendment is accepted and those who will put forward and present it are Senator BINGAMAN, Senator HARKIN, Senator EDWARDS, and others will debate that for the next 50 minutes. It will only be amending that particular provision. We will have an opportunity to make a judgment on the rest of the provisions later, depending upon what happens on this.

We are limiting this debate to what we have always wanted: a debate on the Patients' Bill of Rights, and that is, protecting people from the abuses of HMOs. Long-term care is not a part of that provision, although it was brought in and that is important. We do not believe it belongs on this, but it is here.

Many of us are unprepared to make a judgment on that since we just found out about that particular provision. We will be interested in what the offsets are going to be.

The next proposal will be the amendment that will be offered by the Senator from New Mexico which will be targeted to speciality care. We are protecting patients, and we insist they get the specialty care we believe is so essential.

Mr. President, I yield back the remainder of my time.

Mr. GREGG. Will the Senator yield for a question prior to yielding back his time?

Mr. KENNEDY. Not at this time.

The PRESIDING OFFICER. All time is now yielded back on the Collins amendment.

AMENDMENT NO. 1245 TO AMENDMENT NO. 1243

(Purpose: To guarantee access to specialty care)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Massachusetts [Mr. KENNEDY], for Mr. BINGAMAN, for himself, Mr. HARKIN, Mr. DODD, Mrs. MURRAY, Mr. REID, Mr. EDWARDS, Mrs. BOXER, Mr. DURBIN, Mr. GRAHAM, Mr. KENNEDY, Mr. DASCHLE, Mr. FEINGOLD, Mr. ROCKEFELLER, Mrs. FEINSTEIN, and Mr. REED, proposes an amendment numbered 1245 to amendment No. 1243.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KENNEDY. Mr. President, I am going to yield the floor. If the Senator has a question, I will be glad to yield for a minute to respond. I want to have our colleagues talk about this amendment.

Mr. GREGG. I can respond on our time relative to this amendment. I will do it then.

Mr. KENNEDY. Fine. I did not want to be discourteous to the Senator. I yield 7 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 7 minutes.

Mr. BINGAMAN. I thank the Chair, and I thank the Senator from Massachusetts for yielding this time.

Mr. President, this is a very important amendment. This is the amendment that I believe is the most significant for many Americans in this entire debate. This is the amendment that relates to the question of whether they are going to have access to speciality care as part of their arrangement with their health maintenance organization.

Often, if speciality care is denied or if access to speciality care is delayed for a substantial period of time, it can involve a real health risk and even death for a patient. This is not an insignificant matter. This is a very important matter which is essential we deal with if we are going to put in place some protections for patients in this legislation.

The amendment that Senator KENNEDY has sent to the desk on my behalf establishes, first of all, a general right to speciality care if it is medically necessary. If a plan cannot provide such care within its own network, then it must allow the patient who needs that care to go outside the network at no extra cost to the patient. This is in sharp contrast to the amendment we were talking about before which the Senator from Maine sent to the desk. In that case, there was no restriction on the HMO in its ability to charge additional amounts to the patient if they went outside the plan.

We provide that no additional charges can be imposed. This is a procedure which is in place in many of our managed health care plans, but unfortunately not in all. What we would do is say that this is a basic right that people in this country are entitled to if they have health care through health maintenance organizations.

The second thing this amendment does is it allows people who have a chronic or a serious ongoing illness that requires specialty care to receive that care either through a standing referral to a specialist or by designating a specialist as their primary care provider

This is very important. This is an important protection for disabled people, for individuals with serious chronic illnesses, such as diabetes. In my comments a few minutes ago, I referred to the fact that a person with diabetes clearly needs access to a specialist on an ongoing basis. They receive most of their care from a specialist who understands their condition, and that specialist is in the best position to coordinate their care.

The plan which the Republican Members offered a few minutes ago does not guarantee access to that specialty care without additional cost. It does not guarantee access to that specialty care for all patients. And it does not guarantee access to that specialty care on an ongoing basis with that specialist being designated as a standing referral or as a primary care provider.

So there is a very great difference between what we are offering in this second-degree amendment and what was earlier discussed.

This amendment I think is absolutely crucial for people who suffer from these ongoing chronic diseases. This is an issue which we heard very dramatically described earlier this morning in a press conference that occurred outside the Capitol.

We had a woman attend who talked about the problems—she is a nurse herself, so she knows a great deal about providing medical care to individuals—and she talked about the problems she and her husband had in gaining access to specialty care for their young child, their 4-year-old son Matthew. What she said I think rings true to a lot of Americans.

Let me just go briefly through her story. She talked about Matthew having a significant speech delay that had been directly linked to his repeated ear infections. She said for the first 2 years of his life Matthew suffered 14 ear infections. In most cases this is a normal childhood illness that is treatable by antibiotics, but in the case of Matthew it was not a normal childhood illness.

The doctor who treated Matthew repeatedly used antibiotics instead of granting the request, which the parents made, for a referral to an ear, nose, and throat specialist. As a nurse, this mother, Beth Gross, knew the risks of the chronic condition. She grew frustrated at how a simple surgical procedure called an ear tube placement could have immediately corrected this problem, and eventually her frustration grew to a level where she made the decision to change her primary care physician.

She called the insurance company at that point. She said when she explained the dilemma she was in, she was outraged by the response she received from the insurance company.

This is a quotation from her statement. She said:

> We could not get a referral for Matthew because it was their policy [the policy of the insurance company] to impose monetary sanctions on the physician for giving a referral for something that he is able to treat.

It was the view of the insurance company that he was able to treat this. They were going to impose monetary sanctions on him if there was a referral made. On that basis, they would not allow the referral. So she had to fight for another year to get the referral that Matthew needed.

By that time, Matthew was 18 months old and was still not speaking. Although she had changed doctors, she could not change insurance companies. When they finally did see the specialist they needed, the specialist immediately knew the right procedure and performed it to correct the problem. So Matthew finally did receive this ear tube surgery that he desperately needed. After that, his hearing cleared up; the problem was solved.

Unfortunately, though, if Matthew had only been treated earlier he would have been able to avoid the speech problem he now has as a 4-year-old. She said in her statement:

> Now our family must work to correct his speech problem. Our insurance company has changed since then, but it has been another fight with another HMO to cover speech therapy. They denied coverage for that service until the National Patient Advocate Foundation stepped in and won that battle for Matthew.

We have a serious problem in gaining access to specialty care in the case of many of these HMOs. The amendment we have prepared has the support of a tremendous number of groups: The National Alliance for the Mentally Ill, the Patients Access Coalition, the Religious Action Center of Reform Judaism, the Coalition of Cancer Organizations, the Oncology Nursing Society, the American Thoracic Society, and on and on.

So there is a very long list of organizations that believe very strongly we need to have this protection built into the law. I believe very strongly in that.

When I travel through New Mexico and talk to people about their health care problems, of all the issues that I am told about, probably this issue of gaining access to specialty care is the most significant.

People are very concerned that if a circumstance befalls them or their child or their parent, they will be denied access to specialty care unless we do something to ensure that that access is there. The amendment we are offering will provide that access. It will ensure that access is there. It is a basic right that we ought to ensure.

Let me mention one other thing because I think this is a point that was made several times this morning.

We spend billions and billions of dollars in this country, and we vote for those dollars right here on this Senate floor, to support the very best medical research in the world. At the National Institutes of Health, I think their budget this year is somewhere in excess of $13 billion. We do have the specialists that the rest of the world envies. People come here from all over the world to gain access to these specialists.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator's time has expired.

Mr. BINGAMAN. Unless we put some of these protections in the law, we are denying our own citizens, in many cases, access to the specialists their tax dollars have paid to train in the specialty care their tax dollars have gone to develop. So we need to put these protections into place. The great research and the great health care that is developed at NIH needs to get to the patient, and that is what this amendment will try to do.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BINGAMAN. I very much hope that all Members of the Senate will support this amendment.

I yield to the Senator from Nevada the remainder of my time and yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. REID. I yield 7 minutes to the junior Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, this is an extremely important issue that Senator BINGAMAN has come up with. I am proud to be a cosponsor of the amendment with him. I will just read the list of additional cosponsors: Senators DODD, MURRAY, REID of Nevada, EDWARDS, BOXER, DURBIN, GRAHAM of Florida, KENNEDY, DASCHLE, FEINGOLD, ROCKEFELLER, FEINSTEIN, and REED of Rhode Island.

This is an important issue. I have worked, as Senators know, for a long time on issues dealing with disabilities, people with disabilities in this country. This is an extremely important issue for people with disabilities and people with long-term chronic health conditions such as cancer and others. The Bingaman amendment would ensure access to specialty care would be guaranteed to individuals in a group health plan so they have access to the specialty care they need. The inability to access specialists is the No. 1 reason people give for leaving HMOs. When I hear criticism of managed care from my constituents, it almost always involves some sort of problem with access to specialists.

Senator BINGAMAN has articulated the differences in the bill. I want to review them again so people have a clear understanding of what the Bingaman amendment does.

First, the amendment guarantees patients access to specialists who are qualified to treat their conditions. If the specialist in the plan's network cannot meet a patient's needs, this amendment allows the patient to see a specialist outside of the HMO's network at no additional cost.

For example, there are several rare and deadly forms of cancer that strike children at an early age. Pediatric oncologists often have advanced skills and technical knowledge that general oncologists do not possess. We have to make sure the parents of these kids can gain access to such specialists, even if the plan they have doesn't have pediatric oncologists in its network.

We have to ensure they can get these without additional cost. The Republican proposal fails to provide this basic protection.

Secondly, our amendment allows a specialist to be the primary care coordinator for patients with disabilities or life-threatening or degenerative conditions. For example, imagine a woman with severe heart disease who also has diabetes and hepatitis. She recently had heart surgery and wants her cardiologist to coordinate her care. The Bingaman amendment would allow her to have her cardiologist as her primary care coordinator, who would then coordinate her care under a treatment plan in collaboration with her internist, endocrinologist, gastroenterologist, and the health plan.

Again, the Republican proposal fails to provide this logical protection. According to their version of patients' rights, a patient with a serious illness could be required to entrust important decisions to a primary care doctor who has no knowledge of the specific disease the patient may have. If someone has a chronic or degenerative illness or disability, it is only logical to have a specialist who understands those special needs to coordinate the patient's care.

The third element of this amendment provides for standing referrals for people who need ongoing specialty care, which enables them to go straight to the specialist instead of jumping through hoops time after time after time with primary care doctors or insurance companies.

Here is a true story: A San Diego woman with paraplegia wanted a standing referral to a rehab specialist, but her HMO primary care physician refused that. After she developed a severe pressure wound, something a rehab doctor would have caught and treated, her primary care physician still refused a referral. Eventually this woman had to undergo surgery and spent a year on her back in the hospital with round-the-clock nursing care. Later the HMO's medical director was quoted as saying, managed care "doesn't accurately meet the needs of the special patient."

Again, the Republican proposal fails to provide this commonsense protection. According to the Republican's version of patients' rights, a patient receiving ongoing care from a specialist would have to go back and go back and go back to her or his primary care doctor whenever he or she needed to visit the particular specialist.

From anyone's point of view, this does not make sense. By requiring a patient with an ongoing medical condition to continue to go back time and time again to a primary care doctor, every time they need to be treated by a specialist, inhibits the process of making the patient well.

Some people say our amendment would create onerous new burdens on plans. In fact, many plans already allow specialists to be primary care coordinators, and they let people have standing referrals. In addition, the numerical estimates don't factor in the importance of Americans' trust in the health care industry. The patients' rights we are legislating on will build consumer trust in the health care industry and consumer satisfaction. I believe that is in the best interest of our entire health care system.

Most importantly, when you step back and consider the policy of the Bingaman amendment, it is very simple: Insured Americans should get access to specialty care when and how they need it. They shouldn't be charged a single dime more than what they bargained for—nothing more and nothing less.

A lot of organizations support this amendment, including the American Academy of Pediatrics, the Consortium for Citizens with Disabilities, and the Patient Access Coalition.

I encourage my colleagues to join in supporting the Bingaman amendment.

Mr. REID. Mr. President, I yield 7 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Mr. President, first, I join my colleagues, Senators BINGAMAN and HARKIN, in support of their amendment. I strongly support it. They have made great cases for it.

There is another issue I will address that goes to this amendment but also goes to the amendment presently pending from the other side which deals with issues of specialty care, emergency room care, and OB/GYN care. I want the American people who are listening to this debate to listen carefully to what I am about to say.

There is a huge, fundamental issue we are debating in the Senate this week. That issue is, are health care decisions going to be made by doctors and patients, or are they going to be made by insurance companies and HMOs.

Every provision that has passed and has been proposed, including this amendment presently before us, leaves power in the insurance company. It leaves power in the HMO. The arguments we hear that these bills are true patient protections are entirely circular.

If the American people believe insurance companies and HMOs should continue to make all the decisions, should continue to have control of the process, then they should support what our colleagues on the other side have been supporting. If they believe there needs to be a change in that system, then they should support what we are proposing and supporting.

The very simple reason—it is easy to understand—why their bills change nothing about the present system is because there is no way to enforce them. They allow appeals only on the issue of what is medically necessary. It is the only thing that is appealable. What is medically necessary is determined by the HMO and the health insurance company. They write in the contract what is medically necessary. So no matter what we do in the Senate, no matter what we pass, so long as the insurance company and the HMO can define what is medically necessary—and we have seen some ludicrous definitions discussed on the floor, including, for example, that it shall be in the sole discretion of the HMO and health insurance company to determine what is medically necessary, which means they can do anything they want, since that is the only thing that is appealable and, therefore, the only thing that is enforceable—the HMO has total control over this process. The patient has no power whatsoever.

To me, it is as if having a law saying you can't steal money from people but not having a court system to enforce it, not having a police force to enforce it. So when somebody steals something from you, you say: Wait a minute, you can't do that. That is against the law. And the person who has just stolen from you says: So what? What are you going to do about it?

What we have done is left the power entirely in the hands of the HMO to determine what is medically necessary and, as a result, to determine what is appealable. The only enforcement that any patient has is the appeal, which means the health insurance company has total control of the entire process.

This argument is completely circular. It makes no difference what we pass. We can pass anything—OB/GYN reform, emergency room reform, specialists reform. It doesn't matter. The health insurance company gets to determine what is medically necessary. The health insurance company gets to determine, therefore, what is appealable.

Those things have already passed, before this debate that is going on right now.

The bottom line is this: Patients have no power; they have no ability to enforce anything. As long as the health insurance company maintains control over the appeal and grievance process, as long as they maintain control over the only enforcement mechanism that exists, we have no police, we have no court, we have no way to hold the HMOs accountable.

When we finish the debate this week, and whatever passes here, HMOs are going to have a field day. They are going to go back with their teams of lawyers, and they are going to write contracts that completely protect them from any patient ever being able to appeal anything. That is all they have to do. There is nothing in anything we have passed thus far that will prevent them from doing that. They can write their contracts any way they want. They get to decide what is medically necessary. What I have just talked about applies to everything; it applies to everything that has passed thus far.

I will say what my colleagues have said. If what I am saying is not true, why don't we simply say, for example, in the amendment that is presently pending from the other side, which deals with OB/GYN, emergency room care, specialist care—why don't we put one sentence in that says: Any denial of services under this amendment shall be subject to independent appeal and review.

That is all it would take. Then it is enforceable. Then you have police and a court system. But when that doesn't exist —and it doesn't exist, in my opinion, for a reason, in that amendment. I might add, that it is clearly stated in the amendment that Senator BINGAMAN has just offered. There is a direct, independent appeal if the HMO denies service.

It is very simple. It is a question of who has power. The way we live in the health care system in this country, the power rests with the HMO and the health insurance company. I hoped that the debate on the floor this week would be about how we can go about shifting that pendulum so we put more power in the hands of patients, more power in the hands of doctors, that we would pass some thoughtful, moderate legislation that would move the pendulum back to the middle.

Unfortunately, as long as there is no way to enforce it, as long as the HMO can write the contract any way they want, they can define medical necessity. They define the appeal process and, therefore, they can eliminate the right to enforce anything. The power rests entirely with the HMO and entirely with the health insurance company, which is where it is today, and that is what I believe we need to do something about.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I yield myself such time as I may consume.

I have listened to the Senator, and I guess he has not been listening to the debate because the very argument he made, which has been made before—and we spent the time of this body going through the law, going through the definitions, going through the committee reports—is 100 percent wrong. The patient is in control. The patient has the right, first of all, to an internal review. First of all, the standard is not just necessary; it is necessary and appropriate.

Mr. EDWARDS. Will the Senator yield for a question?

Mr. JEFFORDS. Let me talk first and then I can yield. I want to inform you because, obviously, you are talking from a poor base of information, so there is no sense discussing it until I explain to you what is in the bill.

First of all, we have established for the first time in this country the right of patients to be able to get the necessary and appropriate health care that they deserve and are entitled to under their plan. That is why we have set up an internal review process first, which can be appealed within the HMO. And then if care is not given to the patient that the patient thinks is appropriate and necessary, there is an external review. That external review is made by someone outside of the HMO who is a qualified individual, knowledgeable on the subject, with the authority to overrule the HMO.

So how can the Senator get out of that the fact that they have no rights, when for the first time we give them rights? We give much more rights than your bill does to ensure that people in these HMOs have the absolutely necessary and appropriate care that they are entitled to.

So I hope that we will not continue to hear this repetition of things that are not true. Yesterday, the Senator from Pennsylvania came and read this to all of you. He read all this, which explains and details this and gives you exactly what the process is. And now you turn around and say it doesn't exist. It does exist.

Mr. EDWARDS. Will the Senator yield for a question? I request permission to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator yield?

Mr. JEFFORDS. Yes, I yield for a question.

Mr. EDWARDS. Mr. President, I have two questions.

First, let me ask the Senator, is it his understanding that the insurance company, the HMO, writes in the contract what the definition of what medically necessary is?

Mr. JEFFORDS. Yes, but that is appealable.

Mr. EDWARDS. Is it the Senator's understanding that what is appealable is based upon the insurance company's definition that is contained in the contract?

Mr. JEFFORDS. No, that is not correct.

Mr. EDWARDS. Can he show me that in any bill, in anything we have passed——

Mr. JEFFORDS. We have read it to you.

Mr. EDWARDS. Let me finish the question. I don't mean to interrupt you. Can he show me anyplace, in anything we have passed, where we have put any confines, any kind of restrictions on how the HMO or health insurance company can define what is medically necessary? Can he show me anything to prevent them from defining what is medically necessary any way they want?

Mr. JEFFORDS. They can do that, but it will not be legally binding. The patient will have an appeal because in the law it says it must be necessary and appropriate care that must be provided. They cannot define necessary. They cannot define appropriate. That is a standard which we established after evidence as to what the best care is that should be available to them. The provisions are in the bill.

Mr. EDWARDS. I am reading from your bill, page 173, where it says what is appealable is what is medically necessary and appropriate "under the terms and conditions of the plan."

Mr. JEFFORDS. Mr. President, I want to continue this only if it is on the Senator's time. I don't have the ability——

Mr. REID. Mr. President, I yield such time as the Senator from North Carolina needs to finish his statement.

Mr. EDWARDS. I am reading from your bill, where it specifically says what is appealable is what is medically necessary and appropriate "under the terms and conditions of the plan"—under the terms and conditions of the plan written by the health insurance company. Your own bill specifically says that the only thing that is appealable is what the insurance company's written plan says is medically necessary. How does that change the power from the insurance company having total control over the enforcement mechanism?

Mr. KYL. Mr. President, will the Senator from North Carolina yield?

Mr. JEFFORDS. We are getting into a lengthy dissertation. I think the Senator is reading from the old bill, which is a starting problem.

Mr. EDWARDS. I respectfully suggest that what I am reading from is the actual bill.

Let me ask the Senator one last, simple question. If what he is saying is true, is the Senator willing to put in the amendment presently before us OB/GYN care, specialty care, and emergency room care? On those three provisions, is he willing to put in a specific provision that says denial of any of those services is directly appealable to an independent body? Would he be willing to do that?

Mr. JEFFORDS. It is unnecessary. It is already in the bill.

Mr. EDWARDS. Is the Senator not willing to do it?

Mr. JEFFORDS. We have legal opinion given to us to exonerate.

Mr. EDWARDS. What is the right to do it?

Mr. JEFFORDS. We believe what we have is absolute protection for the patient. Not only that, it establishes a new national standard, which yours does not. You are using generally acceptable practices, which is a much lower standard. We establish a higher standard that every patient is entitled to the best medical care which is necessary and appropriate. That is a new standard. That is why the doctors are concerned, because they are going to have to reach a new standard.

Mr. EDWARDS. On my time, I am only asking the Senator, if that is true, why does he have any objection to a simple sentence in this amendment that says denial of services under any of those areas is directly appealable to an independent body? Does the Senator object to that?

Mr. JEFFORDS. It is already in the bill, so why should I need to put it in?

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we have gone over this before. Senator KENNEDY made the same offer. Our legislation says that anything, as set forth by the Senator from North Carolina, is appealable. It is as simple as that. It is appealable. They are depending on a legal opinion from some insurance lawyer. We are not willing to do that. We want appealable as part of the legislation. They are unwilling to do that for obvious reasons, because their legislation is dictated by the insurance companies.

I also say that the majority leader today bragged about one of his Members. I would like to brag about one of our Members.

We have JOHN EDWARDS, a new Senator from the State of North Carolina, who has represented the injured, the maimed, and the wrongfully killed for many years. He is one of the prominent attorneys in the United States. He is one of the finest representatives of protecting the rights of the oppressed and injured.

That should be spread across the RECORD of this Senate.

We have heard some people boasting about Members on the other side. We have one of the finest lawyers in America, now a Member of the Senate. We are very proud of that.

I think he has made a very clear case that the reason they are unwilling to agree to his simple words "it is appealable" is that they don't want it appealable. They know it is not appealable.

Mr. President, will the Chair indicate to the Senator how much time the minority has left on this amendment?

The PRESIDING OFFICER. The minority has 26 minutes 11 seconds remaining.

Mr. REID. I yield 5 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Thank you, Mr. President.

I rise in strong support of the Bingaman amendment and the Harkin amendment and all my colleagues who are supporting it.

This amendment is particularly responsive to the needs of children in the health care system. That is why it has been endorsed by the Children's Defense Fund.

We find when we look at the access to pediatric specialists that children don't have that kind of adequate access. As a result, they are the ones who will suffer the most, I believe, if we do not have strong, explicit language giving the right to access to pediatric specialists.

There was a survey done in 1992 by Pediatrics magazine. This survey indicated that of the pediatricians who were asked, 35 percent represented that they thought their patients' health outcome was severely upset by denial of access to a pediatric specialist. They found that this practice was all too common. For children, in particular with chronic illnesses, they must seek specialists. It must be clear. It must not be some type of very ambiguous language, as we find in the Republican version of the legislation.

Let me suggest another area when it comes to children where access to specialists is difficult. I have a letter from Paul L. Schnur, who is president of the American Society of Plastic and Reconstructive Surgeons. He points out that approximately 7 percent of American children are born with pediatric deformities and congenital defects such as birthmarks, cleft lips, cleft palates, absent external ears, and even more profound facial deformities. Yet, even in these compelling circumstances, he reports that it is very difficult to get a referral from a managed care plan to a specialist, and it is probably even more difficult to get a referral to a pediatric specialist.

Of the surgeons who indicated they had trouble getting referrals, 74 percent had patients denied coverage for initial procedures and 53 percent had patients denied coverage for subsequent procedures.

What you see is, access to specialists is difficult for children. Access for pediatric specialists is extraordinarily difficult for children. And unless we do something about this, we are going to find the situation where children will again and again be shortchanged by the managed care system.

The Republicans have said, listen, we have some in here who say it is "age specific."

We have a great deal of respect and esteem for our colleague from Tennessee, who is a physician. I suspect if he were making these decisions about referrals to specialists, he would be sensitive to "age specificity." But that is not who makes these referral decisions. It is attorneys, reviewers, bureaucrats, and technicians. And, frankly, when they see "age specific," they are going to say: Well, you know, we don't have a pediatric specialist on our panel. But that is OK, because we can find somebody who perhaps saw a child in the last year or two, and that is "age specific" enough for us.

This whole approach is an invitation, once again, to the HMO to make up the rules and then make those rules work against the interests of their patients, and particularly I am concerned that they will work against the interests of children.

There has been some various research done about managed care plans throughout the country. But I received some firsthand information from a doctor in Los Angeles who is conducting a very interesting program. It is Dr. Craig Jones. He is at the UCLA Medical School. He has developed a "Breathmobile program." This program goes right to the schools in Los Angeles, and they deal with the No. 1 environmental illness affecting children, and that is chronic asthma.

Dr. Jones has treated lots of children. He has had a great outcome. But they collected data. The startling thing about their data is that a child in managed care gets the same kind of treatment for severe asthma as a child without any insurance. If they look at the numbers, there is no difference, because a child in managed care doesn't get the referral to a pulmonary specialist or a respiratory specialist. They get—like every other child who shows up in the emergency room—a little bag with an inhaler, and some medicine, and are told to go home.

We can do better, and we must do better. But we will not do better until health care plans are required to make references to specialists and, in the particular case of children, pediatric specialists. I have said this over and over again, but it still remains true. There is a difference between an adult oncologist and a pediatric oncologist. I don't think anyone in this body would dispute that.

One other final point, if I may make it, is that when you go around and look at how physicians are categorized and how specialists are categorized, you are not going to find an "age appropriate" specialty. You are not going to find someone who says, I am qualified "age appropriate." They are pediatricians, neurologists, and a whole host of people who have special qualifications. We have to work with those categories and not some vague, disingenuous category which will be severely distorted by the insurance companies.

I urge passage of the Bingaman amendment.

Mr. BINGAMAN. Mr. President, the amendment that myself, Senator HARKIN, and many of my colleagues are offering today guarantees American families the right to access medical specialists. Our amendment is fair. It is what working families pay for each month, and very simply put; this amendment can literally save lives.

Let me briefly outline the fundamental components of this amendment.

First, our amendment says that if you pay for health insurance, you are guaranteed the right to see a specialist if medically appropriate.

Second, if a plan cannot provide such care within its network, it must allow the patient to go outside the network to an institution or individual competent to provide the care, at no cost to the patient beyond what would be required if the patient were treated in network.

Third, this amendment allows people with chronic or serious ongoing illnesses that require continued specialty care to receive that care either through a standing referral to a specialist or by designating the specialist as their special care coordinator.

The current requirement that patients must go back to a primary care doctor whenever they need to see a specialist or when additional care is ordered is at best an inconvenience, and at worst, a real detriment to timely, appropriate medical services. This is especially critical for the disabled and for people with chronic disorders and serious or complex medical conditions.

Our Republican colleagues have said that they cover access to specialists in their bill. In fact, their bill does not guarantee access to specialists. Under their bill, patients could actually be charged more for out-of-network specialty care—even if the plan is at fault for not having access to appropriate specialists within the plan.

Our amendment will have a profound effect on the lives of American children and the families who care for them.

For example, our amendment would allow a child with leukemia to go directly to a pediatric oncologist instead of being hauled from doctor to doctor.

A sick child should not have to go through such an additional ordeal. This makes perfect sense to me and the American people overwhelmingly agree. People who are fighting to stay healthy should not have to battle their HMO as well.

This amendment has other common sense effects. The access provisions in this amendment, when combined with a right to a meaningful and speedy independent appeal, will help minimize the need for litigation by helping ensure patients get the benefits they need from appropriately qualified providers in a timely fashion. The guaranteed right to have access to a specialist should not be a controversial issue. This is a simple matter of allowing working Americans to get what they pay for—the best medical health care available.

Mr. President, I believe this amendment is fair. The current system wasn't fair for Henry, a 40-year-old man from Albuquerque, New Mexico who had what the doctors refer to as "lymphocytic lymphoma" a form of cancer.

Henry was not responding to conventional therapy and quickly required a specialized procedure. This was not an experimental procedure and he would most certainly die without it. His doctor immediately applied for the referral.

Since there were no facilities for such a procedure in Henry's managed care network, his doctor requested a referral to a specialist out of network, a right he would have guaranteed under our amendment.

Even knowing exactly what kind of speciality procedure was necessary, where that specialist was, and that time was critical, the managed care company held multiple meetings which dragged on for more than a year.

Under our amendment speciality care is guaranteed to be available and accessible because we recognize the importance of providing timely, appropriate medical services.

A final meeting was held between Henry's doctors and the managed care company personnel. During that meeting, the managed care company required that Henry's doctor explicitly relate descriptions of what would happen to Henry without the referral for the necessary procedure.

Henry's doctor writes:

> I had to sit in front of this patient and his wife and explain in graphic detail just exactly how he would die, how that would be, and how little hope there actually was that anything else would occur.

Henry's doctor continues, "Henry had been pretty strong until that time, but this broke him and after that point he lost any spirit to fight."

After one year of requests and delays, the managed care company did, in fact, approve the referral, but by that time Henry's condition had deteriorated and it was too late. Henry died.

In a final, sad epilogue to this story, the managed care plan is on record as having approved the referral to the specialist for the procedure.

We are fortunate to live in a country that has seen so many medical advances. We all have family or friends who have benefited from the knowledge and expertise of specialists. Blocking access to these health care professionals is wrong and it is well past time to address this issue.

Mr. President, I ask unanimous consent to have printed in the RECORD letters in support of the amendment from the American Academy of Pediatrics, the Children's Defense Fund, the American Academy of Physical Medicine and Rehabilitation, the National Breast Cancer Coalition, Consortium for Citizens with Disabilities, the National Association of People with AIDS, the Oncology Nursing Society, and the National Multiple Sclerosis Society.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN ACADEMY OF PEDIATRICS,
Washington, D.C., July 12, 1999.

Hon. JEFF BINGAMAN,
U.S. Senate,
Washington, DC.
Hon. TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATORS BINGAMAN AND HARKIN: On behalf of the 55,000 physician members of the American Academy of Pediatrics, I am writing in support of your amendment to guarantee that managed care enrollees have access to appropriate providers of care.

In many ways, children differ from adults. They have a wider spectrum of disorders and much of their care is more complex than similar care in the adult patient. Also, because children are rapidly developing, they often require more comprehensive services in order to promote appropriate development. Physicians who are approximately educated in the unique physical and developmental issues surrounding the care of infants, children, adolescents, and young adults should provide their care.

Your amendment would ensure access to specialty care, including, in the case of a child, pediatric medical subspecialists and pediatric surgical specialists. The Academy strongly believes that pediatric-trained physician specialists should have completed an appropriate fellowship in their area of expertise and be certified by specialty boards in a timely fashion if certification is available. These practitioners should also be engaged actively in the ongoing practice of their pediatric specialty and should participate in continuing medical education in this area. This is a critical guarantee for the pediatric population.

The Academy also agrees that an efficient process for approving referrals to pediatric specialists, in- and out-of-plan, should be developed and publicized widely to plan members. In some instances, this might include the provision of standing referrals for children with certain health care needs. Your amendment would make this possible.

Additionally, we support proposed arrangements to allow a specialist to serve as primary care provider in certain cases. Though the role of the "gatekeeper" should be assumed by the primary care pediatrician (i.e., the physician who assures that all referrals are medically necessary), this function might be transferred to a pediatric specialist team for certain children with complex physical health problems (e.g., those with special health care needs such as cystic fibrosis, juvenile rheumatoid arthritis, etc.) if the specialist assume both responsibility and financial risk for primary and specialty care.

Finally, we strongly support the ability of a beneficiary to go out of network, at no additional cost, if the plan has not contracted with appropriate specialty providers or they are not available. For children in need of specialty care, this protection is crucial. Because children tend to be generally healthy and a majority of them do not require specialty services, in some areas and/or within some plans, pediatric medical subspecialists and pediatric surgical are not available. This should never, however, be an excuse to force a family to take a child to a lesser-qualified provider.

If we can be of assistance or provide additional information in support of your efforts, please do not hesitate to contact us.

Sincerely,

GRAHAM NEWSON,
Director, Department of Federal Affairs.

CHILDREN'S DEFENSE FUND,
Washington, DC, July 13, 1999.

Hon. JEFF BINGAMAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR BINGAMAN: I am writing to let you know that the Children's Defense Fund supports the access to specialty care amendment that you and Senator Harkin plan to offer during the Senate debate this week on the Patients' Bill of Rights. As you know, the mission of the Children's Defense Fund is to Leave No Child Behind® and to ensure every child a Healthy Start, a Head Start, a Fair Start, a Safe Start, and a Moral Start in life and successful passage to adulthood with the help of caring families and communities. Your amendment will ensure that families and their children in managed care get access to needed specialty care to help those children get the healthy start in life that they deserve.

Children with special health care needs often need out-of-network specialty care. Cost cutting and profit maximizing managed care decisions all too frequently serve as a bar to access to specialty care for these children. Also, when these children receive ongoing specialty care treatment, they should be able to designate their specialists as their primary care providers.

Your amendment will guarantee that children will get access to the specialty care they need and ensure that children in managed care have the opportunity to grow and develop. Without such protection, children will suffer harm that is unconscionable. Thank you for taking a leadership role in raising this important amendment for consideration by the Senate. We look forward to implementation of meaningful managed care reform that includes these important specialty care provisions.

Sincerely,

GREGG HAIFLEY,
Health Division Deputy Director.

AMERICAN ACADEMY OF PHYSICAL MEDICINE AND REHABILITATION,
Chicago, IL, July 13, 1999.

DEAR SENATOR HARKIN AND SENATOR BINGAMAN: The American Academy of Physical Medicine and Rehabilitation, representing 6,000 physicians who provide comprehensive rehabilitation services to people with physical disabilities, strongly endorses your amendments to assure direct access to specialists for people with disabilities who need specialty care and others who may have ongoing specialty care needs.

While S. 326 includes a provision on access to specialty care, it does not assure access for it does not enable a person with a condition requiring ongoing specialty care, such as spinal injury, brain injury or stroke, to have direct access to a specialist. Primary care providers are empowered to continue as gatekeepers in such cases under S. 326. Your amendments would authorize standing referrals to specialists or allow a person with conditions such as spinal injury to utilize a specialist as the care coordinator. Your amendments would therefore assure direct access to the specialist while S. 326 would not.

Sincerely

JOHN MELVIN, President,
American Academy of Physical Medicine and Rehabilitation.

NATIONAL BREAST CANCER COALITION,
Washington, DC, July 13, 1999.

Hon. JEFF BINGAMAN,
Hon. TOM HARKIN,
U.S. Senate, Washington, DC.

DEAR SENATORS: On behalf of the National Breast Cancer Coalition (NBCC), I am writing to thank you for your leadership in offering the access to specialists amendment to the "Patients' Bill of rights" being debated in the U.S. Senate this week. NBCC is a grassroots advocacy organization dedicated to eradicating breast cancer through action and advocacy. Formed in 1991, the Coalition now has more than 500 member organizations and tens of thousands of individual members. NBCC seeks to increase the influence of breast cancer survivors and other activists over public policy in cancer research, clinical trials, and access to quality health care for all women.

As you know, NBCC believes that this amendment is an essential component of a meaningful patients' bill of rights. By offering this amendment and making it a priority, you highlight the importance of ensuring that individuals in group health plans have access to the specialty care they need.

We appreciate that your amendment includes standing referrals that would allow patients to go straight to their oncologist instead of jumping through hoops with primary care doctors or insurance companies. This direct access is extremely important for women who are fighting for their lives against breast cancer.

We look forward to working with you to get this important patient protection, and a comprehensive and enforceable "Patients' Bill of Rights" enacted into law. Please do not hesitate to call me, or NBCC's Government Relations Manager, Jennifer Katz, if you have any questions.

Sincerely,

FRAN VISCO,
President.

CONSORTIUM FOR CITIZENS WITH DISABILITIES,
Washington, DC, July 9, 1999.

Re CCD strongly supports the Bingaman/Harkin amendment on access to specialists.

Hon. JEFF BINGAMAN,
U.S. Senate,
Washington, DC 20510

DEAR SENATOR BINGAMAN: We are writing as Co-Chairs of the Health Task Force of the Consortium for Citizens with Disabilities (CCD) to express our strong support for the amendment you intend to offer along with Senator Harkin to ensure appropriate access to specialty care during the upcoming debate on the Patient's Bill of Rights. CCD is a Washington-based coalition of nearly 100 national organizations representing the more than 54 million children and adults living with disabilities and their families in the United States.

Ensuring that people with disabilities and others with complex medical conditions can designate a specialist as the primary care provider (PCP) is among the most necessary new patient protections, along with the right to go out of network for specialty care when such specialty care is not readily accessible within the network. Most people with disabilities live with extremely complex conditions and getting access to appropriately trained providers with the knowledge and skill to treat their condition can have an enormous impact on their health status. When persons are treated by providers without the expertise or experience with their particular condition, many people unnecessarily become further debilitated, their capacity to function independently is often diminished, or their quality of life could be substantially eroded.

The Republican Leadership's reform plan clearly fails Americans who may ever need access to a specialist. Consider, for example, a person with a neurological condition. Under the Republican Leadership's proposal, a health plan could refuse to allow the patient to designate a qualified neurologist as their primary care provider. Or, the health plan could restrict the patient's access to a limited number of specialty visits—even when the nature of the condition clearly justifies the need for on-going specialized medical treatment. Any legislation that purports to protect patients, but doesn't give them the basic right to be seen by appropriately trained providers does not deserve to be enacted—and does not address the widespread concerns of the American people.

The CCD Health Task Force is pleased that you will offer an amendment that will ensure that people whose health condition warrants it are guaranteed that their health plan must enable them to seek the specialty care they require. This amendment addresses the dual issue of access to a specialist as a primary care provider and access to out-of-network specialists when such specialty care is not available within the health plan's network.

The CCD Health Task Force is grateful for your leadership on this critical issue and we look forward to working with you and your staff to ensure that this amendment is adopted.

Sincerely,

JEFFREY CROWLEY,
National Association of People with AIDS.
BOB GRISS,
Center on Disability and Health.
KATHY MCGINLEY,
The Arc of the United States.
SHELLEY MCLANE,
National Association of Protection and Advocacy Systems.

THE NATIONAL ASSOCIATION OF PEOPLE WITH AIDS,
Washington, DC, July 9, 1999.

Re NAPWA strongly supports the Bingaman Harkin amendment on access to specialists.

Hon. JEFF BINGAMAN,
U.S. Senate, Washington, DC.

DEAR SENATOR BINGAMAN: I am writing on behalf of the National Association of People with AIDS (NAPWA) to express our strong support for the amendment you intend to offer along with Senator Harkin to ensure appropriate access to specialty care during the upcoming debate on the Patient's Bill of Rights. NAPWA serves as a national voice for the nearly one million people living with HIV and AIDS in the United States. We advocate on behalf of all people living with HIV in order to end the HIV pandemic and the human suffering caused by HIV and AIDS.

Ensuring that people living with HIV and AIDS and others with complex medical conditions can designate a specialist as the primary care provider (PCP) is among the most necessary new patient protections, along with the right to go out of network for specialty care when such specialty care is not readily accessible within the network.

In recent years, medical advances and the development of highly active antiretroviral therapy (HAART) have given hope to hundreds of thousands of people living with HIV in the United States. This new drug therapy has been successful in preventing or slowing HIV progression for many people. Making appropriate treatment decisions, however, is incredibly complex. If we were to look only at the complexities involved in devising a medication regimen, there are numerous factors to be considered. Most current antiviral combinations involve taking at least three medications. Some of them produce certain types of side-effects more commonly than others. Some must be taken with food, while others must be taken without food. Some medications develop resistance in ways that if you become resistant to one drug you could become resistent to all of a particular class of drugs—and this impacts decisions about which drugs you should take first and which ones you should reserve in case your treatment regimen begins to fail.

Keeping up with the latest research, working with patients to devise a regimen to which they can adhere, and monitoring HIV progression is very complex. Unless providers have the training and spend time treating many people living with HIV, they cannot treat them well. Shouldn't people have a right to designate a primary care provider that has the training and expertise to treat them effectively? I am glad you think so. Unfortunately, the Republican Leadership proposal would not give America's health care consumers that right. Shouldn't a person be guaranteed that if their health plan does not have the in-network specialists they need, they can go out-of-network, and the health plan will pay for such care? I think this is common sense. And I think the American people think that is what health care is supposed to be all about.

I am hopeful that you and Senator Harkin will prevail in convincing a majority of your colleagues to support ensuring access to specialists. Now that our nation's scientists have delivered us medications that provide hope to people living with HIV until a cure is found, Congress needs to take the next step and make sure that heartless managed care does not deny people the specialty care that can help to keep them alive.

Sincerely,

CORNELIUS BAKER,
Excecutive Director.

ONCOLOGY NURSING SOCIETY,
Pittsburgh, PA, July 13, 1999.

Hon. JEFF BINGAMAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR BINGAMAN: The Oncology Nursing Society (ONS) is the largest professional oncology group in the United States and is composed of over 29,000 nurses dedicated to improving the care of oncology patients and oncology health services. We endorse the Harkin-Bingaman amendment to assure that managed care plans do not discriminate among providers, such as the care provided by a nurse practitioner. We urge the Senate to pass provisions to allow for the non-discrimination of providers in managed care plans.

This amendment is extremely important to patients in managed care, especially in rural and underserved areas, such as New Mexico. Many areas in this country do not have enough physicians to adequately care for patients in our growing health care system. Many private and managed care plans do not allow nurse practitioners to be reimbursed for their services, thus preventing them from being full partners in our health care system.

Advanced practice nurses, such as nurse practitioners, provide competent and needed health care resources and information, particularly to the under-served. In one study in Tennessee, it was shown that nurse practitioners provided more care to women and to young clients than physicians. It has been shown that nurse practitioners provide more teaching and counseling services, smoking cessation counseling, weight reduction counseling, as well as nutrition counseling than other providers. These are valuable and needed services to improve many patient's overall health and ultimately reduce future health care costs.

Nurse practitioners are well prepared to care for the health care needs of patients. Nurse practitioners are well-educated to provide health care services. Most nurses entering advanced degree programs already have a wealth of experience in their planned specialty even before entering the advanced educational programs to prepare them as a nurse practitioner. As our population ages, more individuals will have cancer, and the majority of nurse practitioners working with oncology patients have many years of experience as oncology nurses. This type of specialization and care for patients with cancer must be supported. Also, as health care moves from hospital-based care to more care given in out-patient settings, nurse practitioners will become more needed to fill the growing gaps in health care resources. It is of outmost importance that they are recognized and receive reimbursement for their health care services.

The Oncology Nursing Society fully endorses the Harkin-Bingaman amendment to provide for the non-discrimination of providers in managed care. We urge the Senate to pass this amendment.

Sincerely,

ROBERT STROHL, RN, MN, AOCN,
President.

PEARL MOORE, RN, MN, FAAN,
Chief Executive Officer.

NATIONAL MULTIPLE SCLEROSIS SOCIETY,
New York, NY, July 13, 1999.

Hon. Jeff Bingaman,
U.S. Senate, Washington, DC.

DEAR SENATOR BINGAMAN, The National Multiple Sclerosis Society is pleased to support the Bingaman/Harkin amendment (access to specialists) to the Patient's Bill of Rights legislation pending in the Senate. Passage of patient protection legislation is one of the top public policy issues for the National Multiple Sclerosis Society. The MS Society supports legislation that would assure the right to quality medical care for all people, including those with chronic illnesses such as MS.

Our top priority for patient protection legislation is access to specialists. The Society supports legislation that:

Provides for direct access to a specialist when there is a life-threatening or chronic illness;

Provides for standing referrals when a patient regularly needs to see a specialist, thereby eliminating unnecessary delays;

Allows an individual with a life-threatening or chronic illness to choose a specialist as primary care physician.

We commend your continued leadership in the managed care reform debate and look forward to working with you on the common goal of getting the best medical care possible for patients. Please let us know what we can do to help persuade your colleagues to pass comprehensive bipartisan managed care reform legislation.

Sincerely,

MIKE DUGAN,
General, USAF, Ret.,
President and CEO.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, let me begin by complimenting Senator JEFFORDS, the chairman of the committee, for the work the committee has done, and all of the members of the committee, in bringing forth this legislation. I make a point to those who might be watching, this debate, frankly, is not quite as cut and dried, as black and white, as people on both sides of the aisle are attempting to make it. This is a complicated issue. I want to compliment some of my friends on the Democratic side for insisting the issue be brought before the Senate for debate.

There are, indeed, situations around this country in which some HMOs have abused their position. In order to cut costs—which we all would like to see—some HMOs have denied the highest-quality care to people under their care. That is something about which we all should be concerned.

Just as much, we need to be concerned about how much it will cost to fix the problem. If it costs too much, the cost of insurance escalates too high, too many people will no longer be able to buy the insurance that is offered.

We have to be very careful that in working out a solution to what is, in fact, a real problem, we don't go too far. That is where the differences of opinion are. They should be considered reasonable differences between reasonable people. But I fear that too much of the debate has been characterized by finger-pointing and by both sides characterizing the other side's ideas as absolutely off the wall, or that no one could possibly ever think such a thing could solve the problem, when, in reality, there are some common answers and there are some good ideas on both sides.

One of the problems Senator EDWARDS was referring to a moment ago was a problem during the external review process and what would be included in that external review process. There is going to be a change made by Senator ASHCROFT and myself that I am sure will be fully acceptable to the Senator from North Carolina. It accepts part of the definition he and others have offered with respect to what ought to be considered. Specifically, among the factors to be considered are not just what the HMO writes as its "practice guidelines or definitions," but also "recognized best practice" and "generally accepted medical practice." I know the Senator would be pleased with that.

The fact of the matter is if we continue to talk about this we are going to be able to come to some common agreement about what will make this work. We have to be careful it doesn't end up costing so much that it drives people off of insurance plans.

I will talk about that for a moment. David Broder, a respected columnist, wrote on April 7 in the Washington

Post that the cold truth about health care raises this critical policy issue which is the irrefutable link between health care premium increases and the number of Americans without insurance. He said as we debate these various proposals, we have to keep this linkage in mind.

My colleagues on the other side are quick to point out their bill could improve health care, but they are not so quick to admit it will raise costs. That is the problem. If it raises costs too much, some employers will stop offering health insurance as a benefit. That will make insurance unaffordable for more Americans. Obviously, that means people are worse off, not better off.

Here are some statistics I think we should keep in mind. The Lewin Group, a very respected consulting group, said for each 1 percent of premium increase, an additional 300,000 citizens will lose their insurance; 300,000 people will lose their insurance for every 1 percent premium increase.

The Barents Group, another respected entity, projects a 5-percent premium increase would cause 1.6 million Americans to become uninsured. It further points out the increase would force employees who already have insurance to pay an additional average of $935 per household in out-of-pocket expenses. Most families are not going to be able to afford that.

The Congressional Budget Office has concluded the bill offered by our colleagues on the other side of the aisle, the Daschle-Kennedy Democratic proposal, would increase premiums by 6.1 percent. That is the Congressional Budget Office. That is not a biased insurance company study. By these projections of these specialty groups, this would result in almost 2 million more uninsured nationally.

In my own State of Arizona, over 34,000 people who are currently insured would be uninsured as a result of the increased premium costs, if the Democratic proposal were to pass. That is why some of the people on this side of the aisle are so concerned about what is being done. Yes, there is a problem, but the physician's first rule of thumb is to do no harm. We are concerned on this side that the proposal of the Democrats is so costly that it would, in effect, remove 3 million people from the insurance rolls. That is a worse result than is currently the case.

We believe, and David Broder concluded in his column, by correctly pointing out, that additional benefits for those with insurance are less vital than providing access to basic care for the uninsured. This is one of the reasons why we have provisions in our bill which would provide more of an opportunity for people to actually get insurance and why we think the Democratic version of this bill is just too expensive.

What does the Congressional Budget Office score the Republican bill as costing? Less than 1 percent. That is why we believe ours is a better approach. We would not preempt the laws of 50 States, as would the Democratic bill.

Here are some of the things the Republican bill would do:

First, we make health care more affordable for the self-employed by letting them deduct 100 percent of their health premiums in the year 2000, 3 years ahead of schedule.

We give more patients more control over their medical care and make it more affordable by expanding access to medical savings accounts. These MSAs can provide coverage for a lot of Americans who currently are not covered.

We require the health plans actually provide the benefits that have been promised.

We require the health plans provide care based on the best scientific information available.

We require the health plans provide patients with access to their medical records and ensure that the medical information will only be used to provide better care, not to increase their premiums.

We require the health plans provide reasonable access to specialists such as OB/GYNs and pediatricians without the need for referral.

We require them to remove so-called gag clauses. I worked on that with my colleague, RON WYDEN.

We require they be held accountable through the appeals process. This is where I refer back to the colloquy Senator JEFFORDS and Senator EDWARDS had a moment ago. It is true that HMOs write their contracts. They are the ones that write the contract. They can't force any employer to contract with them. This is a matter of bargaining. It is a matter of competition. It is a matter of what they cover. Once a contract has been written and an employer has bought that contract and provided coverage to his employees, the question then is in any given case whether or not a particular procedure may be medically necessary.

What we provide in our legislation is a two-step process by which this matter can be reviewed. It is by an independent party with the external review. Not by the HMO, not by somebody the HMO picks; rather, it is by an independent external medical reviewer, someone who has expertise in the area in which the diagnosis is involved.

This has to be done on an expedited basis so if there is a concern about time, the care can be provided in a timely way.

Senator ASHCROFT and I will be proposing two changes to the language which I think solves two big problems. The first is the problem Senator EDWARDS raised. We add to the factors that the external review specialist has to consider not only the party's records and the evidence submitted by the plan and the guidelines offered by the plan but also the external review expert would have to examine the recognized best practice and generally accepted medical practice as part of the consideration of what is appropriate in any particular case. It wouldn't be bound by any of these specifics but would have to consider these factors.

Another thing we have added, and I think it is very important, in the event for some reason the HMO would decide, even though it had been ordered by the external reviewer to provide a certain procedure or care, should it decide not to do so, then in that case we have provided a new process whereby the patient will be able to go to some other physician or some other provider and have that care provided by the other provider and bill the HMO that refused to follow the recommendation or the order of the external reviewer. So in no case should there be a situation where after the expert external review process takes place and a particular procedure has been ordered, in no case should the party be denied that care.

There is one final thing I want to say. There has been a lot of finger-pointing about HMOs, about doctors, and so on. I think it is important to recognize that HMOs have provided an important contribution to reducing costs and providing quality care to the citizens of our country. It is equally important to note that physicians have done a tremendous job in working under the conditions that were unfamiliar to them—the conditions of managed care—which require them in many cases to submit their diagnosis, plans, and care plans to someone else for review, something they are loath to do. And in many cases they have been overruled with respect to the care they would like to provide. The physicians are not just out to put money in their pockets. They are guaranteed only a certain amount by these HMOs, and it is a less and less amount each year. They are concerned for the good of their patients. I do not think we ought to be constantly pointing our fingers at doctors as if they are somehow the problem. Physicians are fighting for their patients, for the kind of care they think their patients need.

When a group such as the American Medical Association, for example, lobbies legislation, they are trying to do what they think is right for the good of their patients. Even though I do not support the legislation they have been sponsoring primarily, I am going to be the first to defend the physicians of this country, and specifically the American Medical Association, for doing what it thinks is right.

So I urge my colleagues, as we trade charges back and forth, that we just lower the rhetoric a little bit, recognize there is a problem to be solved, recognize that both sides of the controversy have something important to contribute, and try to come together with an idea that will solve the problem at an affordable cost.

That is what I think the Republican bill does. I again commend Senator JEFFORDS and his committee for coming forth with this legislation.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I have been keeping score of these votes, where the HMOs are in every single vote. It may not be an All-Star game, but 7–0, HMOs over patients, that is where we are. Every single amendment they have won on their position, and the vote on every single amendment has basically been party line. To me, it is a sad day in this greatest of all deliberative bodies to have such partisan voting.

I wanted to mention a couple of things to the Senator from Arizona before he leaves the floor. In his opening he was very gracious. He said: Yes, it is true, some HMOs have made mistakes in their zeal to cut costs. I think he was very accurate in the way he talked about it.

The Republican bill—and this is such an irony—does not even cover HMOs. It covers only the 48 million people who essentially have self-funded plans. So the Republican bill doesn't even reach to the people in this country who utilize HMOs.

Mr. KYL. Will the Senator yield on that?

Mrs. BOXER. On your time I will be happy to.

Mr. KYL. Mr. President, I ask Senator JEFFORDS for 30 seconds, if I could?

Mr. JEFFORDS. I yield 30 seconds.

Mr. KYL. Is the Senator from California aware the external review process and internal review process, the appeal process we have been talking about, applies to all people, to HMOs, too, not just the ERISA plans?

Mrs. BOXER. Yes. I will take this on my own time. As Senator EDWARDS pointed out, it is a meaningless situation which I hope the Senator is going to correct. We talked about correcting it after the Senator from Vermont said it is perfect. Now we hear there is an amendment coming. Good, we are looking forward to seeing it.

But the basic bill, as Senator KENNEDY has pointed out, does not cover the vast majority of the people. Take the Collins amendment. The Collins amendment does not cover the vast majority of women in its provisions, or the vast majority of patients. Mr. President, 77 percent of the people in California are not covered by the basic bill. If you look at the whole Nation, it is about 70 percent or so. So it is 7–0, and we have many more amendments to go. I do not have much hope this is going to change. That is why I have this little flip chart. But we are hoping for something better in the later innings.

Let me say to my friends who support the Collins amendment, do not be fooled. You better look at this letter that just came in from the American College of Obstetricians and Gynecologists. Let me tell you what it says.

> This amendment is an empty promise to the millions of women enrolled in managed care plans, covering only one in three women in ERISA-regulated plans. . ..[It erects] new barriers to follow-up care for both ob and gyn services.

I ask unanimous consent that the entire letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS,
Washington, DC, July 14, 1999.

Senator TRENT LOTT,
Majority Leader.

Senator THOMAS DASCHLE,
Minority Leader.

DEAR SENATORS LOTT AND DASCHLE: The American College of Obstetricians and Gynecologists, representing the nation's 39,000 ob-gyns and the women they serve, does not support passage of Amendment 1243 to the Patients' Bill of Rights, offered by Senator Collins. This amendment is an empty promise to the millions of women enrolled in managed care plans, covering only one in three women in ERISA-regulated plans.

While this amendment supposedly addresses the weaknesses in the Majority's managed care reform bill, it takes away as many protections as it provides. It removes barriers to access to obstetrical care while erecting new barriers to follow-up care for both ob and gyn services. While under this amendment, health plans would be required to provide direct access to the full range of initial obstetrical services, plans would still be able to limit direct access to needed gynecological care. The amendment would also weaken access to follow up ob and gyn care if a problem is identified in a routine or periodic visit. Indeed, by changing "shall" to "may" the follow up care provisions does no more than restate current law.

We continue to look forward to working with both sides of the aisle, but are disappointed that this amendment offers women less than half a loaf of needed protections.

Sincerely,

RALPH W. HALE, M.D.,
Executive Vice President.

Mrs. BOXER. Mr. President, this debate is very interesting, but it is very sad because we, on our side of the aisle, are offering amendments to try to correct real problems that are happening to real people. On the other side, we get empty promises. Not my words, the words of the OB/GYNs: Empty promises, sham, shells, but nothing real. So it is 7–0.

I rise also in support of a very fine amendment. I rise in very strong support of Senator BINGAMAN's amendment on specialists.

I want to tell you about one of my constituents, Carley Christie. I met her dad a long time ago. These are his words:

> Carley was 9 years old when she was diagnosed with malignant kidney cancer: When the HMO insisted we trust our daughter's delicate surgery to a doctor with no experience in this area, we were forced to find an expert and pay for it ourselves.

Mr. President, $50,000 Mr. Christie had to come up with. He said:

> You only get one chance at removing a Wilms' tumor correctly and successfully to ensure the highest probability of survival in children, and we weren't going to take that chance with our daughter's life because the HMO wanted to save money.

And he goes on to say:

> Congress must close the ERISA loophole and hold health plans accountable for cost-cutting decisions that result in patient injury.

These are the words of a dad, a loving dad. We have a lot of loving dads in this institution. We have a lot of loving granddads in this institution. One is on the floor right now, the Senator from Utah.

I have to tell you, we have to start acting to help loving moms and dads such as this because we are not doing that.

I ask for 30 additional seconds.

Mr. KENNEDY. I yield the Senator from California 30 seconds.

Mrs. BOXER. We are not acting on behalf of loving dads such as Harry Christie. We are turning our backs on them and we are acting in favor of the HMOs against the patients, against the Carley Christies, against the Harry Christies. It is wrong and we ought to change and we ought to support the Bingaman amendment and get on the right track.

I yield the floor.

Mr. KENNEDY. Mr. President, I yield 30 seconds to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, the Bingaman amendment offered by the Senator from New Mexico, I began speaking about it, the Senator from California spoke about it, Senator REID spoke about it, but I have not heard one word on the other side about the Bingaman amendment that allows people to go outside their plan to get specialty care, as Senator BOXER just mentioned. Not one word from the Republican side about this amendment.

What is it? Are they going to support it? Are they going to oppose it? What are they going to do? Not one single word about it.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I yield 15 minutes to the Senator from Utah.

Mr. HATCH. Mr. President, we are nearing the end of debate on legislation that is, unquestionably, one of the most important measures to be considered in the 106th Congress.

We have heard the horror stories about denials of coverage for certain treatments. We have heard about the bureaucratic nightmares suffered by family members who have a simple question: Why can't the insurance companies understand a family's anxiety as well as they understand the costs of diagnostic tests or the arcane science of filling out forms?

As a matter of fact, our constituents may be surprised to know that many of us have also experienced the bureaucratic two-step, many of us have also sat on "hold" trying to get past an automated switchboard.

Our colleagues on the other side of the aisle have made it seem that we are completely oblivious to the health care needs of the American people.

On the contrary, we are well aware of the public's frustration and of the need for effective legislation to ensure that those individuals enrolled in managed care plans are provided quality health care.

Over the past several years, numerous hearings have been held in both the Senate and the House of Representatives, exposing story after story about individuals who had complaints about their managed care plans.

The National Association of Insurance Commissioners (NAIC) recently published figures that, in 1998, more than 35,000 health insurance complaints were made to state insurance departments.

According to an article in the February edition of the Employee Benefit Plan Review magazine, "consumer complaints about health insurers and HMOs are surging." The article goes on to say that "these complaints encompassed matters such as health care claim denials, disputed claims, slow payments by health insurers, and premium-related matters."

But the article also reports that insurance commissioners in 12 states where the data were collected "doubt the rise implies a deterioration in care but rather that the numbers reflect greater public readiness to fight HMOs, and encouragement by states for consumers to file complaints."

Enrollees in managed care plans are not likely to acquiesce and abide by coverage decisions as final—when their lives are at stake. That is why we are here today and that is why the Senate is now poised to take significant action in addressing this issue for the American people.

The question before the Senate this week is not so much will we pass a patients' bill of rights measure—and I hope and believe that we will—but rather what kind of patients' rights bill will the Senate pass and send over to the House of Representatives for consideration?

All of us in this Chamber know very well there are numerous competing bills that have been introduced over the years that provide a variety of legislative remedies to address these concerns. In many respects, these bills have common components intertwined with similar and, in some cases, identical provisions.

It is my understanding that there are presently 47 various bills that have been introduced in the Senate and House this year alone which are designed to provide patient protections to managed care enrollees.

Clearly, we are all concerned. But, for Congress to act and pass responsible and workable legislation, we must come together in a bipartisan fashion and put forth the best bill for the American people. We have done this many times on health care legislation in the past, and there is no reason why we cannot succeed again today and do what is right for the country.

I have joined 49 of my colleagues in sponsoring one of the proposals currently under consideration, S. 300, the Patients' Bill of Rights Plus Act of 1999. This legislation, along with its companion bill, S. 326, represents a balanced approach at addressing the concerns over managed health care.

This bill is sound public policy that avoids unnecessary and costly federal mandates that would ultimately undermine the affordability and availability of health insurance to millions of Americans.

S. 326 was considered in the Senate Health, Education, Labor, and Pensions Committee, where extensive hearings were held affording an opportunity for all points of view to be heard on the various provisions of the legislation.

The HELP Committee reported S. 326 on March 18, 1999, and I want to commend Senator JEFFORDS and the members of the HELP Committee—Senators FRIST, COLLINS, GREGG, and others—for their work on this legislation.

S. 300 is identical to S. 326 except that it contains important tax provisions that will make health insurance more affordable for those who either do not have insurance, or are paying high premiums for such coverage out of their own pocket.

For instance, pursuant to the Title V provisions of S. 300, self-employed taxpayers would be permitted a 100 percent deduction for health insurance premiums. This provision would be effective beginning next year thereby easing the financial burden for self-employed individuals.

Moreover, S. 300 removes the current law provisions restricting Medical Savings Accounts, or MSAs, to employees of small employers and self-employed individuals, making MSAs far more generally available to individuals than they are today. This legislation also eliminates the existing 750,000 policy cap on the number of taxpayers who can have MSAs as well as the cap placed on Medicare+Choice MSA plans.

I would emphasize that a December 1998 report from the General Accounting Office concluded that 37 percent of those individuals who enrolled in MSAs were previously uninsured. Clearly, with greater availability and flexibility in the MSA design, these plans will attract even more of the uninsured.

These tax provisions will provide much needed reforms in tax-based assistance to those individuals without employer-subsidized insurance. They also will help millions of employees and business owners in obtaining coverage.

Today, however, the pending bill is S. 1344, championed by Senator KENNEDY and my colleagues on the other side of the aisle. For months, we have heard from a number of our colleagues on the Democrat side about their desire to bring their bill to the floor for a vote. I am glad they got their wish, although I happen to believe that Senator LOTT was quite generous in agreeing to this debate before we had even finished the appropriations bills. So, I hope we will hear no more about the majority's unwillingness to have this debate.

So, tomorrow, with the roll call of the clerk, we will decide which approach to managed care reform will be in the best interest of our constituents. So I encourage the American people to listen carefully to this debate. I encourage them to listen with discernment. They will have to separate a lot of fact from fiction and a lot of reality from rhetoric.

Let me see if I can shed some light on the fundamental differences that distinguish the Republican bill from the bill being advanced by Senator KENNEDY and President Clinton.

Contrary to the allegations made by some of my colleagues, the Republican bill that was reported by the HELP Committee—S. 326—is not the insurance industry's bill. In fact, the insurance industry's idea of a bill is no bill at all. Officials from the insurance and managed care industry tell me they not only oppose the Democrats' bill, S. 1344, but they also oppose the Republican bill, S. 326.

S. 326 would, in fact, impose a number of new rules on group health plans relating to access to care, scope of coverage, disclosure of plan information to enrollees, and appeals of claim denials.

Our Democrat colleagues assert that our bill is limited in scope and that it does not apply to all enrollees in ERISA plans. That simply is not true. Our bill includes many important features that will provide patient protections for enrollees in self-insured ERISA plans, about 48 million people.

However, our bill also provides protections to all ERISA enrollees, or 124 million people, regarding the critically important issues relating to an internal and external appeals process, patient information disclosure, and on discrimination in underwriting based on genetic information.

On the surface, the Democrats' criticism of our bill sounds credible. But the fact of the matter is that states have historically regulated the insurance market for those individuals not in self-insured ERISA plans. Why should Congress now suddenly preempt these regulations and impose a whole new series of costly federal mandates on plans that are already state regulated?

In Utah, there are currently 21 state mandates on fully insured health insurance plans. Let me just highlight some of these rules:

Direct access to OB GYNs was adopted in 1995.

The ban on the so-called gag clause was adopted in 1997.

We have rules on drug abuse treatment, alcoholism treatment, maternity stays, coverage for optometrists, nurse midwives, podiatrists, psychologists, chiropractors, and well-child care.

Why does the Congress need to duplicate and preempt what the states are already doing? And perhaps the single most driving reason why we should not impose these rules on all health plans is that the Health Care Financing Administration would ultimately regulate this whole program. Frankly, I have more confidence in our state legislature and governor in deciding what is best for Utah.

I mean, if you think health insurance is complicated and bureaucratic now, just wait until HCFA is second-guessing everything from Washington, D.C. HCFA is that federal agency that administers Medicare and Medicaid—both of which have regulations that are the size of the New York City telephone directory.

Mr. President, our constituents will benefit absolutely nothing if we merely transfer regulatory power from states to the federal government. On the contrary, they will suffer even more frustration since decisionmaking is more remote in terms of both distance and impact.

Under the Republican bill, those plans which historically have been subject to state insurance regulation will remain subject to state law.

This is consistent with the McCarren-Ferguson Act of 1945 which essentially codified the states traditional role in regulating the insurance industry. This is a wise policy that has worked well in many sectors including life insurance, automobile insurance, business casualty insurance, as well as health insurance.

All of these areas are important, and thank goodness we don't hear cries to federalize matters like car insurance.

The McCarren-Ferguson Act embraces the important principles contained in the 10th Amendment to the Constitution, which reserves to the states all governmental functions not specifically assigned elsewhere in the Constitution to the federal government. Elected state and local officials can weigh unique state and local conditions. As well, state and local officials can be held politically accountable for their decisions concerning state and local matters—including insurance regulation.

So, while it may be true that health care is a vitally important matter, it does not necessarily follow—as my colleagues across the aisle apparently believe—that we should rush headlong into federalizing every aspect of health care delivery. The Congress wisely rejected this type of misguided thinking in 1994 when the public registered its adamant opposition to the Clinton/Kennedy/Gephardt health care reform bill.

I do not think my friends on the other side of the aisle really mean to send the message that only the federal government can tackle "important" matters and that states and local governments are okay to handle the insignificant, less important issues. If that isn't the height of federal elitism, I don't know what is.

From the beginning of our nation it has been left to the states to regulate the licensure of doctors and nurses. What is more important to the integrity and performance of the health care system than the credentialing of health care professionals? Do my colleagues want to take that over as well?

Don't be fooled by the false argument that if something is not federally controlled and regulated by Washington that somehow that it will be second-rate.

The Republican bill recognizes the traditional role of the states in the health insurance arena. By and large our states do a first-rate job with the responsibilities assigned to them under the Constitution and by law. States have done a good job in regulating the insurance industry—a task assigned to the states back in 1945 by the McCarren-Ferguson Act.

This is not to say that every aspect of the insurance industry should be beyond some reasonable federal requirements. The bipartisan Health Insurance Portability legislation is one example where we all worked together to fashion a narrow, targeted, and effective set of federal rules that apply to health insurance.

The challenge for legislators is to evaluate carefully which particular issues require national rules and which issues are best left to the states. In this regard, I must highlight the Republican bill's treatment of one of the most important aspects of this legislation—dispute resolution.

Under our bill, the important appeals process protections, which are the fundamental heart of this debate, apply to all ERISA plans. The Republican bill revises and improves the existing internal appeals provisions and adds new external appeal and nonappealable grievance procedures. And, as under current ERISA law, the claims procedures apply to both self-insured and fully-insured group health plans.

I would add that the issue of ensuring a patient's right to an appeals process, for both internal and external review, is one of the central issues in the patient protection debate. Under the Republican bill, health plans are required to issue an internal coverage decision within 30 days after the date on which the request for review is submitted. The notice of the decision must be issued no later than 2 working days after the decision is made.

For matters in which a patient's life or health is in jeopardy, a plan's decision must be made within 72 hours after a request for review is submitted. A notice of that decision must be made within that 72 hour period.

Moreover, the review is to be conducted by an individual with appropriate expertise who was not involved in the initial determination. Appeals involving issues of medical necessity or experimental treatment are to be conducted by physicians with appropriate expertise.

With respect to appeals for external review, the Republican bill requires that after a patient's internal appeal is denied, he or she can then submit a written request for review which must be submitted within 30 days after the date of the internal review decision. Within 5 working days after the receipt of a request for review, the plan will select an external appeals entity that will designate external reviewers.

These entities could include an independent expert in the diagnosis or treatment under review, or certain state or federally authorized or privately accredited entities using appropriate credential experts.

In addition, external reviewers are required to make an independent determination and consider all appropriate and available information on the patient. The review must be conducted no later than 30 working days, or earlier, after either the date on which a reviewer is designated, or all necessary information is received. And, finally, the decision of the external reviewers is binding on the health plan.

With respect to the consumer protection standards, our bill provides for the following:

Our bill requires that a group health plan ensure that enrollees have access to specialty care when covered by the plan.

Our bill would require a plan to provide coverage for emergency medical care, including severe pain, without prior authorization by applying the so-called prudent layperson standard to medical screening.

Our bill would permit individuals, with their providers consent, to continue a covered course of treatment for up to 90 days when a contract between a group health plan and health care provider is terminated.

Our bill would permit women to obtain gynecological and obstetric care from a participating OB-GYN specialist without prior authorization by a primary care provider.

Our bill would permit a child to obtain pediatric care from a participating pediatric specialist without prior authorization by a primary care provider.

And, under our bill, a plan could not impose a prohibition or restriction on advice by a health professional for medical care or treatment. In effect, our bill prohibits the imposition of the so-called gag rule.

With respect to the issue of information disclosure by managed care plans, S. 326 requires new information collection and reporting requirements relating to benefits, access to specialty care, coverage of emergency services, advance directives, prior authorization rules, appeals and grievance procedures and a list of specific prescription medications included in the formulary of each plan.

And, on the controversial issue of drug formularies, both physicians and pharmacists must participate in the development of a drug formulary, and a plan must have a process to allow physicians to prescribe drugs that are not listed on the formulary.

Finally, I want to commend my colleague, Senator **FRIST**, for his principal role in developing the provisions for a comprehensive independent study of patient access to clinical trails and for developing the provisions to improve medical outcomes research.

Senator **FRIST** is the only physician in the Senate and, quite frankly, I'd much rather have his advice and expertise in developing this legislation than the input of attorneys who had helped shape the Democrats' bill.

Mr. President, for anyone to describe S. 326 as ineffective and not doing much to help patients, I would respectfully submit that they simply have not read the bill.

S. 326 will help people. It will help those people who most need our help: those people who are enrolled in health plans that are not regulated by the states.

This legislation strikes an appropriate balance between ensuring patient protections without imposing excessive and costly new federal mandates on the private sector.

In that respect, let me also add one other point: I was not particularly enamored with S. 326 when I first read it. It contains numerous federal mandates which, historically, I have opposed.

I find it particularly troubling that the federal government will impose these mandates on the private sector because this action will drive-up the costs of health insurance which may ultimately lead to employers dropping health insurance altogether.

And I can assure you that comments from the business community about dropping health insurance altogether are not idle threats. The one issue I hear most often from employers, especially from small and middle size companies which comprise most of the businesses in Utah, is the rapidly escalating costs associated with providing health insurance to employees.

Employers want to provide their employees with comprehensive health insurance plans. In fact, in order for them to compete in today's competitive marketplace for talented and skilled help, they must offer employees decent health insurance coverage.

I recently received a letter from one of my constituents who owns and operates a small company. Ms. Hydee Willis owns a small business called "Creative Expressions" in Murray, Utah. She wrote to me and said:

> I am a woman owned business person—fought through the ranks over the last 18 years of being in business [and] of fighting the entire stigma a woman in business [has] in this country. I have struggled with the intense feelings of inadequacy and helplessness as I lost employee after employee to larger companies able to offer wonderful benefits.

She further states:

> After weeks of research and many agents, we finally found a plan that gave our employees at least part of what they wanted. Yesterday, the final program papers were put on my desk and a check was being requested by the insurance agent. My heart sunk. To insure 13 people, basic health coverage with $250 individual deductible, my costs are $3,700 per month per employee or $44,400 per year.

Moreover, she writes that the employees' share of the premium was equally staggering with "one manager with a family of five having a bill of $458 per month."

Ms. Willis will ultimately pay the price for the federal mandates imposed under any legislation passed by the Senate. And so will her employees.

Here is where the rubber meets the road. Here is where all of our platitudes about quality collide with issues of access and affordability. Here is where reality should set in for my colleagues who are advocating on behalf of the Clinton administration's proposal.

While I have admitted my concerns about the Republican bill, at least, the increase in premiums will be .04 percent annually. Under the Democrat plan, the increase in premiums will be 6.1 percent annually. The former may be manageable; the latter will undoubtedly have serious repercussions.

Mr. President, we simply cannot ignore the fact that whatever legislation we pass here in the Senate this week will ultimately be paid for by employers and employees alike. The federal government is certainly not going to pay for this; the American people—employers and employees alike—will pay for it, and that is precisely the reason why I oppose the Democrats' bill.

Too many federal mandates will only mean no patient protection because no one will be able to afford health insurance. Who is left to protect when employers drop health coverage altogether because they and their employees can no longer afford it?

In fact, we are already seeing an average premium increase this year of approximately 10 percent. With the 6.1 percent premium increase that the Congressional Budget Office estimates as the cost of the Democrats' bill, you are conceivably looking at a 16 percent increase in health insurance premiums—in just one year!

That is not the kind of legislating I believe the vast majority of my constituents in Utah would support. Nor would most Americans.

Even the letters I've received from my constituents who support the Democrats' bill are sensitive to the unintended financial consequences that passage of a misdirected and overly broad bill will have on health insurance affordability.

Another area where there is wide disagreement between the Republican plan and the Democrat plan is on the issue of expanded litigation.

The core of this debate is the critical issues associated with the expansion of health plan liability for coverage decisions and to allow tort actions for wrongful death and personal injury under state malpractice laws. Under the Republican plan, when patients are denied medical treatment or benefits, they have the right to a second opinion from a trained medical professional.

Under the Democrat plan, when patients are denied medical treatment or benefits, they have the right to see a lawyer. Am I missing something here? If I have a medical condition, I want the services of a medical professional. Why is it that the first thing the Clinton administration thinks of is going to court?

However, as a former medical malpractice attorney myself, I fully understand and appreciate how trial lawyers will benefit from the expanded litigation provisions in the Democrats' bill. It would be a bonanza for trial attorneys.

The expanded liability provisions in S. 1344 are, by far, the most costly component of their bill. Expanded liability would increase costs by eroding the ability of a health plan to contain costs and provide quality care. It will also compel health plans to allow for coverage of defensive medicine practices, or the inappropriate and even unnecessary medical care to protect themselves from liability.

Earlier this year, the Health Care Liability Alliance sponsored a briefing identifying the impact of the current health care liability system on health care costs and access issues. At that briefing, former Attorney General Dick Thornburgh provided an overview of the current state of affairs in our nation's legal system with respect to health care liability.

Mr. Thornburgh stated, "We've got plaintiffs' lawyers raking in millions in contingency fees while the clients they represent settle for pennies on the dollar. This is increasingly becoming the case in class action lawsuits." He further states, "there are estimates that lawsuit abuse is costing the U.S. economy as much as $150 billion each year! And, there is the social cost to society with the impulse to settle every squabble with a subpoena."

In addition Mr. Thornburgh says,

> Few areas provide such ample evidence of a legal system run amok than the area of medical liability. Compared to lawsuit abuse in other sectors of the economy and society, the litigation explosion in the health care area is, if anything, more damaging precisely because health care means so much not only to patients involved, but to all of us who—as potential patients—count on a vital, vibrant health care system to give us the best care that medical science can provide.

Under the Democrats' bill, ERISA would be amended to expand state tort liability to health plans—and to employers. Interestingly, with respect to the practice of medicine, ERISA currently does not preempt state law malpractice claims against medical professionals for providing substandard care. A patient can sue an ERISA plan for medical malpractice.

In addition, there has been a clear trend in recent years in federal court decisions that managed care organizations are held "vicariously liable" for the malpractice of health providers.

With respect to denied benefits, ERISA already provides for a "full and fair review" of disputed claims. If the result of the benefit plan's internal appeal process is not satisfactory to the patient, then ERISA provides patients with a right to judicial review in either federal or state court, and the court may award attorneys' fees, court costs, the benefits denied, and "other equitable relief" as needed.

In lieu of expanding health care litigation, the Republican bill provides specific internal and external appeals rights that would apply to all 124 million Americans covered by group health plans under ERISA.

It seems to me to make better sense to provide an appeals mechanism that is timely and responsive to those individuals who seek a remedy on matters involving benefit coverage or denial.

The Republican bill will achieve that objective.

I have heard from many Utahns who voice strong opposition to expanding liability to both health plans and employers. Our objective is to ensure patients obtain the necessary treatment they need. I say to my colleagues on the other side, the ability to sue will not help those who face life threatening diseases.

Malpractice claims take an average of 16 months to file and 25 months to resolve. And, as the record clearly shows, the contingent fee system promotes an aggressive trial bar that dramatically inflates medical malpractice claims.

I would add that even the President's own Advisory Commission on Consumer Protection and Quality in the Health Care Industry did not recommend expanded liability for health plans as the commissioners agreed that such a recommendation would have serious consequences within the industry as well as for employees who would likely see the costs of their premiums increase dramatically.

Furthermore, plaintiffs receive only 43 percent of their tort awards—the other 57 percent goes to the trial lawyers.

We need a workable system that establishes specific time frames to ensure patients have an effective appeals process to address disputes.

The Employee Retirement Income Security Act of 1974 has served this country well over the last 24 years by enabling employers to provide health care coverage and other benefits that meet the needs of their employees and families. Approximately 124 million Americans are enrolled in health care coverage through their employers under ERISA.

Health care coverage for these people will clearly be threatened by opening up the floodgates to expanded litigation and shifting millions of dollars away from the provision of health care to the pockets of trial attorneys.

The Republican bill provides an expeditious remedy under which patients can appeal decisions. In my opinion, the appeals mechanism in our bill is far preferable than handing these matters over to the courts and to trial lawyers. I might also speculate that resources not spent on lawsuits could be spent more productively on behalf of patients.

Mr. President, as I have listened to the debate on patients' protection legislation, I am struck by the emotion and intensity that this issue holds for many of my colleagues in the Senate. This is a deeply personal issue for all of us because it literally affects the lives of people. At the end of the day, isn't that the reason why we are here? We are here to help our constituents and, indeed, to help all Americans.

I had hoped this debate would have produced more consensus. I believe there is probably more agreement on these issues than is apparent by this week's debate. I support the Republican leadership bill because it provides a balanced approach at addressing the complex and emotional issue of patient protection.

It's not a perfect bill and, for that matter, neither is the bill offered by the Democrats. But we have an obligation to the American people to do what is reasonable and responsible.

I want the American people to know that we in the U.S. Senate are dedicated to providing access to the highest possible quality care at an affordable price to everyone across the country. For my part, I will continue to fight for increasing access to health care to the medically uninsured. It is troubling to me that 43 million Americans do not have health insurance coverage.

But, I am afraid that the Clinton administration proposal violates the Hippocratic oath to do no harm. Accordingly, I urge my colleagues to support the Republican bill for the good of their constituents, and for the good of the American people.

Thank you Mr. President.

Mrs. MURRAY. Mr. President, my colleagues have clearly spelled out the intent and necessity of this amendment so I will not take much time to go through its benefits. I came to the floor simply to urge my Republican colleagues to really think about how much more protection this amendment provides their constituents than their bill does.

The so-called access to speciality care provisions in the Republican bill are nothing more than a statement on the importance of speciality care. They do not guarantee the care; they simply reiterate current insurance practices.

During committee consideration of this legislation, a similar amendment was offered to ensure access to specialists and to ensure that patients could designate a specialist as their "care coordinator." During that debate in committee, we heard a great deal about training and experience. We were told how an oncologist was a trained specialist in treating cancer regardless of the age or gender of the patient. We were told a neurologist was a trained specialist regardless of the age or gender of the patient. We were told the training was the same and practice experience was not important.

I find this hard to believe, I ask my colleagues again: is there a difference between treating a child with cancer and treating an adult? Are the treatment regimes for a 3-year-old with a brain tumor the same as those for a 50-year-old? I doubt it. It seems likely to me that a cancer treatment regime for a 50-year-old could kill a 3-year-old. That treatment could render the child disabled or seriously impair his or her developmental progress.

I urge my colleagues to talk to people at their children's hospitals, to their pediatricians, to their ob/gyns and to their cancer specialists. I have. And what I heard was that patients need to see the specialists most qualified and trained to deal with them and their specific illnesses.

If your child had a brain tumor, would you want to be told there are no pediatric neurosurgeons or pediatric oncologists in your network, but that on page 215 of your physician directory you will find a list of the oncologists approved by the plan? I certainly wouldn't. I would want a specialist trained in pediatrics.

The Republican bill does not allow for access to speciality care. It is that simple. You can say it does and in fact some of my colleagues may hope it does, but it does not. I can assure my colleagues that the language in both the bill and the committee report will allow plans—not your specialist—to make the final determination on access and treatment.

Here is what the committee report says:

> This section would NOT prevent a plan from requiring that the specialists adhere to a treatment plan if it: (1) is developed by the specialist in consultation with the patient and the patient's primary care provider; (2) is approved by the plan; and (3) meets the quality assurance and utilization review standards of the plan.

What does this mean?

It means that if the patient is lucky enough to get a specialist, that specialist—who is a trained and qualified doctor—could be required to meet the plan's treatment standards. So maybe you could see a specialist, but you might not be allowed to be treated by one.

Yesterday we offered the Robb/Murray amendment to allow women direct access to their ob/gyns. It was defeated.

Today we are offering a broader amendment in the hopes of giving all insured Americans the hope that they can get the best care possible for their sick or injured child. If we do not adopt this amendment, once again the patient loses and the insurance company wins.

I urge my colleagues to support this amendment and yield back my time.

Mrs. FEINSTEIN. Mr. President, today I want to talk about the importance of patients being able to see medical specialists. I support the Bingaman amendment to the HMO bill before us.

As co-chair of the Senate Cancer Coalition, I am keenly aware of the importance of being able to see a doctor that has the expertise to properly diagnose and treat illnesses, particularly a complex or difficult-to-diagnose illness. There are hundreds of medical conditions that probably require a specialist and sooner or later we all have to visit with one—whether it be a dermatologist, a cardiologist, or an oncologist, to name a few.

For cancer, here's how the American Cancer Society has expressed it:

> Diagnosing and treating cancer is complex, multi-stage process often involving many visits with an oncologist or other specialist. Timely referrals are critical. However, according to a poll [March 1997] by the Commonwealth Fund, 8 of 10 physicians in managed care plans report "somewhat or very serious problems with being able to refer patients to specialists of their choice." This same poll also found that 22 percent of physicians with more than half of their patients in managed care plans say they have a direct disincentive to refer.

The amendment before us would:

Require plans to refer patients, who have conditions requiring treatment by a specialist, to specialists in a timely manner. If a qualified specialist is not available in the plan, it requires the plan to cover services provided by the outside specialist at no additional cost to the patient. If a qualified specialist is available in the plan, it requires the patient to pay any costs over what the plan would pay;

Require plans to permit patients to designate specialists as their primary care physician, when the patient has a life-threatening, degenerative, or disabling disease requiring specialized care over a prolonged period of time, such as cancer or heart disease. The specialist would coordinate the patients' overall care; and

Require plans to give patients with a condition requiring ongoing care, a standing referral to the specialist so that patients do not have to obtain a separate referral for each visit.

We need to pass this amendment guaranteeing access to specialists because we have heard story after story about managed care plans refusing to let sick people see a specialist and using financial incentives to, for example, punish doctors who refer to specialists. A study reported in the November 19 New England Journal of Medicine found that 57 percent of physicians said they felt pressure from managed care plans to limit referrals.

Sick people need specialized care. This amendment addresses the concerns of many doctors and patients who have shared their experiences with me. Specialists, from neurologists to pediatric nephrologists, report that plans regularly deny referrals for their specialized expertise. Even more troubling, these specialists report that they often still find themselves called for advice in these complicated cases without the benefit of ever having seen or examined the patient.

Here are some examples:

Dr. Jack Thomas, of Long Beach, California, in a Los Angeles Times article on May 13, 1999 said that one patient was "in severe pain for several weeks while awaiting orthopedic consultation" and that urgent consultation with gynecology was not approved after a two-week wait for another patient who continued "to experience severe dysfunctional uterine bleeding."

When the list of providers for the HMO did not have any physicians skilled in the treatment of brain tumors with which her daughter Sarah had been born (and as had been recommended by a neurosurgeon), Brenda Pederson, of San Mateo, California reports that her HMO told her "we're not giving you second best, we're giving you what's on the list." Patients such as Sarah should not be limited to who is "on the list," but should be able to go the doctor her mother and her doctor believe has the expertise to treat the illness.

Dr. Jack Shohet, Director of Neurology, University of California, Irvine, has said, "Delay of referral is very common in the area in which I practice." He gives the following example: A 48-year old woman presented to her primary care provider about 6 months before seeing Dr. Shohet, with complaints of an ear ache. She was treated with multiple courses of antibiotics over 5 months by her primary care physician. The primary care physician noted a large mass in her auditory canal and biopsied it. It was positive for squamous cell carcinoma. He then referred to her Dr. Shohet (who is out of network) for therapy. By this time, she had a fungating mass with metastasis and cancer and spread in her neck. She had to have an operation which necessitated sacrificing her hearing. He says, "One wonders how extensive her disease would have been 5 months earlier had she been referred early on to a qualified specialist."

Denial of care is the biggest ethical concern to a majority of younger physicians, according to the August 1998 California Physician.

Having a standing referral to a specialist for ongoing care is important too. Patients should not have to continually return to their primary care provider for a referral when they have found a specialist who can treat that illness. California has a state law allowing enrollees who require continuing care to have standing referrals to specialists.

Writing to me in March of this year, a constituent who has battled chronic disease for twenty years requiring multiple surgeries noted, "I cannot underscore the incredible waste of time it is for patients with Crohn's disease to have to see two doctors for every visit to the gastroenterologist!!" This bill requires a standing referral to specialists for persons who require ongoing care from specialists so that patients can get the care they need in a timely manner.

Care by specialists benefits patients with chronic disease. Analyzing data about asthma patients in a major California HMO (Health Net), a report in the March 9, 1998 Archives on Internal Medicine concluded "asthma specialists provided more thorough care than did primary care physicians." A 1997 study from the Mayo Clinic notes that "outcomes, coordination, and patient satisfaction are superior when specialists have a central role" in the management of chronic rheumatic and musculoskeletal diseases.

Specialists' care is good business. Providing access to speciality care makes good business sense. Citing its "market-driven design" including use of focus groups, Blue Shield of California has been offering direct access to speciality care since 1998. Its "Access Plus" plan allows patients to go directly to a specialist for a fixed, $30 copayment per visit. In the May/June 1999 issue of Health Affairs, Blue Shield senior managers Kathleen Richard and Ken Wood report that the health plan is the fastest growing HMO in California. They also report that patient satisfaction has increased by 50 percent.

And how much did this new program cost? Blue Shield found that the actual cost of the direct access program was much, much lower than even they themselves had forecast—fully 75 to 90 per-cent less than what they had anticipated.

Providing prompt, continued access to specialists can also result in cost savings in a managed care environment. Dr. Roland Blantz who heads the Division of Nephrology at the University of San Diego noted in a visit to our office a seven-year Kaiser study in the Los Angeles area which showed highly significant savings when patients were referred to kidney specialists for evaluation and treatment of elevated creatinine levels.

Our California experience shows that access to specialists can improve patients' health and increase plan satisfaction while keeping costs down.

Delayed care hurts. The bill requires that plans provide timely referrals to specialists who are available and accessible. A December 1998 General Accounting Office report on specialty care found that heart attack survivors who were seen regularly by cardiologists have better compliance with medications, by a factor of almost 50 percent, over treatment by generalists. Having to wait weeks or even months to get an appointment with a specialists from an HMO is a frequent complaint.

Mary Schriever of Cypress, California tried to get a referral from her HMO for psychiatric care for her son Bill who had performed self-mutilation on his arms by burning and carving himself. After two refusals over 18 months, they paid themselves for him to see a counselor. But even as his behavior deteriorated more, their further attempts to obtain the help of a specialist continued to be rebuffed. It was only in jail, after he was taken into custody by the police, that he finally saw a physchiatrist. Before being released and after a fight, he died of a brain hemorrhage.

Some have said, HMOs are fine—until you get sick.

A recent survey by Franklin Health entitled "Facing Serious Illness in America" and published on May 17, 1999, found that "fully 6 out of 10 Americans believe that the current system is profoundly inadequate when it comes to dealing with medical catastrophes" and that 93 per-cent of those surveyed believed that it is very important to have the right to choose one's own doctor regardless of plan.

Patients should not have to fight for their health care. This amendment will ensure that when people are really sick and need to see experts, they can. They will be able to use often what little energy they have when ravaged by serious illness to obtain the specialized care they need to make important decisions at such critical times.

I hope my colleagues will join me in passing this amendment.

Mr. GRAHAM. Mr. President, I rise today in strong support of this amendment to ensure that managed care enrollees have access to specialists.

Specialists are an integral part of our health care network. As a result, access to quality specialty care can often be a matter of life and death. In a recent Harvard study, 56 percent of doctors cited the bureaucracy involved with referrals to specialists as one of their top three problems with HMOs. In addition, 40 percent of doctors felt limited by managed care companies from referring patients to appropriate specialists.

No managed care issue has raised more concern among consumers and providers alike than access to specialty care; especially the issue of having specialty physicians acting as primary care providers. Mr. President, you can imagine what a challenge this is for individuals with chronic or disabling conditions.

My own daughter has been in the position where she needed a specialist to coordinate her care. She had triplets a few years ago, and her medical needs were not unlike many young mothers in similar situations. I am convinced that my daughter's health would have been seriously compromised if she had been denied access to a multiple birth specialist. Multiple birth pregnancies are often high risk, but because she had the proper care, I can now gladly say that I am the proud grandfather of three beautiful girls.

The language in this amendment would ensure that if an individual has a condition or disease of sufficient severity and complexity to require treatment by a specialist, and the benefit is provided under the plan, then the plan shall make or provide for a referral to a specialist who is able to provide the treatment for such condition or disease.

The rigid restrictions by some HMOs on who can and cannot serve as a primary care physician are another obstacle to access to specialty care. In fact, several states (Indiana, Kentucky, New Mexico, Pennsylvania, New Jersey, New York and Texas) allow an enrollee with chronic health problems to select a specialists, such as a neurologist, a mental health provider, or a cancer specialist as their main health care provider.

A recent Families USA report—"HMO Consumers at Risk—States to the Rescue"—cites far too many cases where a patient's care was compromised because their primary care physician lacked the expertise to deal effectively with their particular chronic condition.

I cite the case of Ms. N., a 51-year-old woman with multiple sclerosis (MS). Although her primary care physician agreed that she had MS, he would not refer her to a neurologist. He said that since MS cannot be cured, a specialist could do her no good.

In another situation, an eight-year-old boy was not allowed to visit his cystic fibrosis (CF) care center for routine checkups even though regularly scheduled visits to a CF care center are essential to treatment. His primary care physician did not believe that aggressive treatment was appropriate, as patients with cystic fibrosis do not have a "good prognosis."

Every Member of this body would demand the best care for their child. If a specialist was best suited to provide that care, then every one of my colleagues would insist that their child receive that care regardless of cost and coverage. Why not guarantee this same right to the rest of the American people?

In addition, a recent survey by the National Coalition for Cancer Survivorship stated that oncologists should be the primary managers of care for individuals with cancer. To support their argument they cited factors such as: the complexities of treating cancer; their specific knowledge of long-term and late effects, rehabilitative services, pain management and hospice; and the importance of early detection and treatment for survivors who have an increased risk for second malignancies.

With regard to out-of-network specialists, the Republican bill lacks basic protections to ensure that patients can see doctors qualified to treat their condition. For example, a child with diabetes should be able to receive care from a pediatric endocrinologist. However, if there is no pediatric endocrinologist available in the network to provide care for the child with diabetes, the family should be able to seek care from an out-of-network physician at no addition cost.

We must ensure access to qualified specialists, outside of the network if necessary, and without high out-of-pocket expenses for enrollees who are forced to go outside the plan to be treated by the needed specialist.

The Republican bill also fails to hold a plan responsible for not having an adequate network of specialists. In fact, Sec. 725 in the Republican bill states that "such access may be provided through contractual arrangement with specialized providers outside the network of the plan."

Beneficiaries should not have to suffer because of their health plans' inadequacies. They should receive the care they need by the most appropriate health professional. The Republican bill's guarantee to specialists is weak and does not even guarantee that children can see pediatric specialists.

Finally, the legislation we are considering today only provides access to specialists for only 48 million Americans with private insurance. It leaves out the 113 million individuals who choose to enroll in managed care plans.

Plans should provide patients with an adequate network of physicians, and when they fail to do so, should allow the beneficiary to step out of the network at no extra charge. We must protect our frailest and sickest patients. Individuals with life-threatening and disabling conditions should be allowed the use specialists—the best source of information and care for specific and advanced diseases—to coordinate care.

The PRESIDING OFFICER (Mr. BROWNBACK). Who yields time?

Mr. JEFFORDS. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. JEFFORDS. I appreciate the tremendous effort the Senator from Utah has made in this debate. I think he has hit upon the critical issue. We must remember, all of us, every time we do make changes which result in increased costs, people become uninsured. That is the advantage of the Republican package and why it is so much better than the Democratic package.

If you want to keep score, as my friend from California wishes to do on victories here, they will have 1.8 million victims from their cost increases; we will have about 240,000. And who are those victims? They are the working poor. They are the ones those of us who are compassionate always feel sorry for. We ought to be spending our time and ability to increase their capacity for health care, not throw them off the plans. That is the difference between the two bills in the final analysis when you come down to it; and that is, we will not make the working poor suffer more and throw 1.8 million people off of the rolls of the insured. So keep that in mind when you think about which bill you want to vote for. Because, to me, that is the top concern.

In addition to that, we also create a standard, a higher standard for all Americans with respect to what they should get from health care and from the HMOs, et cetera; and that is, to get away from the old standard where you did not have to worry about the changes in the medical profession or what advantages would be accomplished. With all of the work we are doing now in the outcomes of research to determine what works and what does not work, that is going to be available to us. It is available now, but as we move forward it is going to be more and more available.

We demand that the doctors must give the best health care, not just something that happens to be generally practiced in the area.

So we have two huge advantages with the Republican bill. I hope Members will keep that in mind as we move forward in the process.

I yield the floor.

Mr. KENNEDY. I yield the Senator from Iowa 15 seconds.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 15 seconds.

Mr. HARKIN. Mr. President, we are considering an amendment by Senator BINGAMAN to allow people with chronic illnesses, people with disabilities, to go outside the plan and get the specialty care they need; yet, again, not one Republican will get up and even talk about it. Not even one Republican will get up and talk about it.

Mr. KENNEDY. Mr. President, I yield 2½ minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2½ minutes.

Mr. SCHUMER. I thank the Senator from Massachusetts.

As the Senator from Iowa noted, no one seems to be debating this amendment. Everyone seems to be debating other parts of the bill. There is a very simple reason why. Our bill says, when your primary care physician says you need a certain specialist, you will get one. Their bill says, when you need a certain specialist, maybe you will get one if the HMO says you can.

Let me tell you a story about a young woman in my State, a nurse, in her prime of life, 24 years old, a good athlete. She had a health care plan from her father because he was a lineman for the phone company. She developed a tumor on her femur. She went to her primary care physician. He said: This is dangerous. You need an oncological orthopedic surgeon. Her HMO said: No, no, no. You can use an ordinary orthopedic surgeon. The primary care physician said: No. You need an oncological orthopedic surgeon. This is a very difficult tumor.

But they were not a rich family. When the HMO said no, she went and had the operation from the orthopedic surgeon. Guess what. The tumor grew right back. She went back to the HMO. She said: I did what you said. I went through a painful operation. Now let me go to the specialist my primary care physician says I need. They said no again. She went on her own, paid $36,000 out of her pocket. It cured the tumor, but now she can hardly walk.

When she went to the HMO and said, please, pay for this, they said, no, no, no. Under the Democratic bill, Debra Bothe would not have had to go through this. She would have had the specialist she needed. She would be walking today. Her family would not be totally out of money today. Under the Republican bill, nothing would have changed.

That can be repeated in story after story, in anecdote after anecdote, on factual basis after factual basis. If you need a specialist, if you are deathly ill—I ask the Senator if I could have 30 seconds?

Mr. KENNEDY. I yield the Senator 30 seconds.

Mr. SCHUMER. If you are deathly ill, and your physician says you need a certain specialist, do you want the Democratic bill that says you get one or the Republican bill that says maybe you will get one, if your HMO allows you to?

I say to my friend, the Senator from Vermont, that is what working families want and need—this kind of bill, this kind of proposal, not a proposal that is toothless and sides with the insurance companies time after time after time.

I thank the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself such time as I might use.

We are coming into the final moments before we will vote on this amendment. I will take at least these final moments to point out where we are.

Primarily, what we are talking about are the protections that have been included in our Patients' Bill of Rights. No matter how many times our Republican friends say they are shocked, shocked to discover the deficiencies in their amendments and promise to do better, their new product is just the same old, tired, flawed proposal in fancy dress. The problem is a simple one: Insurance companies don't want real protections, so Republicans won't produce them.

We have two different proposals on emergency care, two different proposals on OB/GYN care, and another proposal in terms of specialty care this evening—all changes, alterations, in terms of their original proposal. No matter how many times they alter or change, they still do not meet the basic standard and test of providing that the medical professions make the judgment of what is in the interest of that patient, not the insurance company.

Access to the needed specialty care is one of the most critical ingredients in quality health care. Timely access to a qualified specialist can often determine whether a patient lives or dies. For those living with chronic illnesses or with a physical or mental disability, access to specialty care can improve the quality of life, prevent deterioration, or cure or ameliorate the disease.

Nowhere is the contrast between the Republican plan and our proposal clearer than on the issue of access to needed specialty care. Our amendment, offered by Senators BINGAMAN, HARKIN, REED, and others, guarantees it. The Republican plan is a sham proposal that carries the label of access to specialty care but does nothing meaningful to help patients.

Our amendment has key protections that guarantee appropriate specialty care. Health plans are required to provide care by a qualified specialist or center of excellence when needed. If sufficient expertise does not exist inside the HMO network, it must allow patients to go to a specialist or a center of excellence outside the network, without any additional financial burden beyond what would be involved in seeing a network specialist.

For chronic or ongoing conditions, HMOs must allow standing referrals to a specialist or, where appropriate, allow the specialist to be a care coordinator—in effect, the primary care gatekeeper for treatment related to the condition.

These provisions are especially critical for anyone suffering from a chronic disease or disability and for disabled children with their complex needs. If there is a disagreement between a plan and a physician or patient about the need for specialty care or out-of-network care, the dispute will be resolved by a speedy independent review. It is guaranteed. It is written into the law.

The Republican plan includes none of these critical guarantees, not a single one. More than two-thirds of all patients are excluded even from the minimal protections it does provide. Access to qualified specialists is essential to quality care, particularly for those who need care the most: those with a disabling or life-threatening illness. If our proposal is adopted, every family can be confident that if serious illness strikes, their health plan will not deny them the care that is essential for recovery—no ifs, ands, or buts; the guarantee is there.

Once again, the issue is clear: Will the Senate protect the patients or will it protect the insurance industry profits? That is what is before the Senate in this amendment. That was basically the protections that were included in our legislation. This amendment will guarantee that any measure that comes out of this body will have those protections, and that is why this amendment is so important to be accepted.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, may I ask for time to ask for unanimous consent?

Mr. KENNEDY. Of course.

Mr. BINGAMAN. Mr. President, I referred in my earlier comments to a circumstance that was described to us this morning. Beth Gross talked about her 4-year-old named Matthew and the difficulties the family had in obtaining access to specialty care. I have been given a copy of a statement she made describing that in more detail. I ask unanimous consent that that statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

My name is Beth Gross, and I am here today on behalf of patients everywhere who are crying out for a real patients' bill of rights. We need protection, and can no longer afford to be at the mercy of health maintenance organizations.

While other interests say that the industry can regulate itself, my 4-year-old son can barely say anything at all because of an HMO policy. I am here today to tell you that my son was denied access to necessary, specialized medical treatment.

Matthew has a significant speech delay that has been directly linked to his repeated ear infections. For the first two years of his life, Matthew suffered 14 ear infections. In most cases, this is a normal childhood illness treatable with antibiotics. But the fluid in Matthew's ears remained behind the eardrum for a long period of time—causing repeated infection and delayed speech. To a young child like Matthew, when this fluid remains behind the inner ear, it distorts sound and sometimes impairs hearing completely.

The doctor who treated Matthew repeatedly used antibiotics instead of granting my request for a referral to an Ear, Nose, and Throat Specialist. As a nurse, I knew the risks of this chronic condition, and grew frustrated to know that a simple surgical procedure called an ear tube placement could immediately correct Matthew's problem. But I was left at the mercy of a doctor who kept treating Matthew with antibiotics—antibiotics that were never going to be able to correct the structural problems within his little ears.

I made the decision at that point to change my primary care physician, and called the insurance company. When I explained our dilemma, I was outraged at their response. We could not get a referral for Matthew because it was their policy, to impose and I quote, "monetary sanctions" on the physician for giving a referral for something that he is able to treat." I felt shocked and helpless. I could not believe that I lived in a country that allowed an insurance company to be so ruthless with a child.

I fought for more than a year to get the referral Matthew needed. By that time, Matthew was 18-months-old and was still not speaking. Although we changed doctors, we could not change insurance companies. When he finally saw the Ear, Nose, and Throat Specialist, Matthew's test results were heartbreaking. His impairment left him only to hear distorted sounds of human speech, which is one of a child's most important tools for developing language.

Thankfully, Matthew finally received the ear tube surgery that he desperately needed. On the morning we brought him home from the hospital, you should have seen the joy and excitement in his face as he first heard birds chirping—a sound so many of us take for granted. Two and a half years have passed since our ordeal and Matthew has never had another ear infection. The ear tubes immediately corrected his hearing. He also had his adenoids removed, which were so large that they were blocking the natural structure of the inner ear that allows fluid to normally drain. These enlarged adenoids could only have been found by an Ear, Nose, and Throat Specialist.

If only Matthew had been treated earlier. Now our family must work to correct his speech problem. Our insurance company has changed since then, but it's been another fight with another HMO to cover speech therapy. They denied coverage for that service, until The National Patient Advocate Foundation stepped in and won that battle for Matthew.

I look back on our situation and wonder what our lives would be like today if there had been a law preventing that insurance company from financially penalizing our physician for giving a referral. Matthew would have had normal hearing during the critical developmental phase of his life. Instead, now Matthew is unable to make the correct sound for 90 percent of the alphabet. If Matthew received a timely specialist referral, my son wouldn't be self-conscious and hesitant to speak because he fears people not being above to understand him.

Matthew was caught in the crossfire of an insurance company being able to tell a doctor how to practice medicine. This is just plain wrong. Cost effective health care has cost my family, especially an innocent child, too much. I urge you to pass meaningful patients bill of rights for me and Matthew.

Thank you.

Mr. KENNEDY. Mr. President, I yield 4 minutes to my colleague, the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 4 minutes.

Mr. KERRY. Mr. President, we have the best specialists, the best delivery system in the world. We have people who come here from all over the world to share in the remarkable expertise and capacities of our specialists in this country. Yet the fact is, under the Republican plan millions of our own citizens would be denied the right of access to specialists.

The stories of individuals are remarkable. I know every single one of us has received letters from anguished parents who run into the most extraordinary barriers of resistance from an HMO that is simply concerned with its bottom line and not concerned with the proper delivery of health to the individual they represent.

I will speak for just a few minutes today about one of the issues I believe cuts to the heart of this debate over managed care reform in the Senate today, and that is the broader question of what kind of access we are going to guarantee to specialists. Mr. President, in the United States, we are fortunate to have world-renowned health care facilities and some of the best doctors and researchers in the world. Each year thousands of people from around the world travel to this country because we have the best specialists in the world. But at the same time, every year, thousands of letters pour into my office from constituents in managed care plans who can't see the specialists their own doctors know have the expertise to meet their medical needs—because their HMOs won't permit it. Mr. President, there's something disturbing in the dichotomy we are facing: all the world knows our doctors are the best trained, our specialists the best educated and the most highly skilled—but our citizens aren't permitted to see them when they need them most. What can we say about that system which defies the limits of common sense and every notion of human compassion? I believe we should all be able to say that it demands reform—today.

When the American people say they support managed care reform, they are rejecting the one-size-fits all brand of health care practiced by many HMOs. Let me assure you, as well, that one of the most critical elements of any Patients' Bill of Rights must be access to quality speciality care—literally, the difference between life and death for thousands upon thousands of Americans each year.

Too many of the tragic cases that we hear about in the United States are the result of delay and denial of access to cardiologists, oncologists, surgeons, pediatric specialists and the doctors who have the specialized knowledge absolutely critical in so many cases today. I will never forget the story of Morgan smith—four years old, diagnosed with brain cancer, facing a life-threatening tumor. Imagine the horror of her parents, hearing that grim diagnosis. And you can understand her parents' reaction when pediatric oncologists at Hasbro Children's Hospital in Providence told them that Morgan needed to go to New England Regional Medical Center in Boston for a special chemotherapy treatment—her mother said "I need to do whatever it's going to take to save my daughter's life, and I'm going to listen to our doctor."

But can you imagine how Morgan's mother felt when she got a letter in the mail from her HMO denying payment for a specialist—demanding that she get a second opinion? Meanwhile, Mrs. Smith took Morgan to Boston for her treatments, unsure about how she would pay for it, but knowing that she couldn't afford to risk Morgan's health while she fought the insurance company. Despite a second opinion that Morgan needed the expertise of specialists in Boston, the HMO still refused to pay for the treatment. Mrs. Smith had to wage her own battle against the HMO by starting a letter-writing campaign, along with Morgan's doctors.

Fortunately, Morgan's story, unlike too many others, has a happy ending. Close to a month after Morgan had started her treatment, the insurance company finally agreed to cover the procedure that all the medical professionals agreed was necessary. But I would remind you that had Morgan's parents followed the HMO's mandate, their daughter may not have received the treatment that saved her life and it was at the very least, delayed. Morgan's parents have since changed insurance companies, but their health plan contract will be rewritten in August and the family is very nervous about possible changes that may affect Morgan's health care. Morgan will be six years old this November and she is attending kindergarten. We need to take the right steps today to guarantee that Morgan and children like her never face another HMO nightmare like the one that could have cost her and her family her life. We need to take the necessary steps to prevent the kind of bureaucratic nightmare that almost killed Sarah Pederson. Sarah Pederson's parents lives were changed overnight when their healthy, beautiful seven month old baby was diagnosed with an inoperable brain tumor—a condition which had to be monitored carefully by a specialist. But the Pedersons' HMO—in spite of the recommendation of their pediatrician—would not allow Sara to see a pediatric neuro-oncologist. A seven month old baby with a brain tumor, a brain tumor so complicated that the Pedersons' pediatrician knew only of a few pediatric neuro-oncologists capable of treating it, and the HMO said "no"—they insisted that this child be sent to an adult neuro-oncologist. Why? No explanation was given other than "this is our policy." And it goes on and on. The HMO refused to approve the chemotherapy regimen prescribed by their specialist—until it was approved by another one of their specialists. And what happened during that month of delay? The tumor grew. And in the end, what saved Sarah Pederson? Did the HMO relent and allow the doctors and the family to make decisions in the best interests of this child? No. The Pedersons only found relief when they left their HMO—and mortgaged their home to join a fee for service program. I challenge any one to look the Pedersons in the eye and tell them we don't need managed care reform to guarantee appropriate access to specialists.

Mr. President, I can tell you that—thanks to parents who didn't give up, who put their own financial security on the line, who fought and fought the red tape—Morgan Smith and Sarah Pederson survived. They survived in spite of their HMO's. Jack Jennings wasn't so lucky. Jack was from Andover, Massachusetts. He was diagnosed with mild emphysema, and later on with a pneumothorax, which can lead to a collapsed lung. His doctor believed a lung reduction procedure could not just improve his quality of life, but actually save his life—but this primary care doctor knew it would take a specialist to perform that operation. Jack was referred to see Dr. Sugarbaker, a top physician in Boston. The HMO rejected the referral. Jack's doctor wrote a lengthy appeal. The HMO rejected it. Months went by. Jack appealed again and again—literally taking a break from his oxygen machine to speak on the phone with the HMO claims adjuster. Finally, a letter arrived at the Jennings household, the referral for a specialist approved, a date for surgery set. But here's the tragedy: Jack Jennings had died before the letter reached his house, before the surgery was approved. And the letter from the HMO was right there in a pile of mail, surrounded by condolence cards. Mr. President, how can we say with a straight face that HMO's aren't running roughshod over patients in dire need of specialty care. How can we say that this isn't a gross abuse of fundamental patients' rights?

Our access to specialists amendment helps to ensure that patients will be able to secure the health care they need, no matter what the circumstance. All patients with special conditions absolutely must have access to providers who have the expertise to treat their problems.

Our amendment delivers on these common sense propositions: ensuring access to specialists by allowing patients in an HMO network of physicians to find specialty care outside that network at no extra cost if there is no qualified specialist available in the network and allowing patients who are seriously ill or require continued care to have their specialists coordinate their care without being required to ask permission again and again from a primary care provider. The Republican bill does not ensure access to speciality care; it lacks basic protections to ensure that patients can see doctors qualified to treat their condition. For example, if a child with cancer needed access to a pediatric oncologist, there is no guarantee in the Republican bill that she will have access to that specialist.

Not only that, but the Republican bill does not allow patients with diseases or disabilities requiring continuing care by a specialist to designate their specialist as their primary care doctor who can coordinate their care. Under the Republican bill, patients could be charged more for out-of-network specialty care—even if the plan is at fault for not having access to appropriate specialists. The Republican bill would not allow patients to appeal a denial of access to appropriate specialists. If the Republicans pass the legislation that they want to pass, children and adults with diseases such as cancer or severe arthritis will continue to face insurance company red tape when they go for routine visits to the oncologist or rheumatologist.

Mr. President, our opponents will say their bill includes access to specialty care but the fact is that their bill leaves out the key elements needed to ensure access to specialty care. Their bill may have the title Patients' Bill of Rights, but it sure doesn't have the substance. At a time when millions upon millions of Americans are feeling the squeeze from their HMO's, when millions of Americans are suffering needlessly because decisions are being made by bureaucrats rather than doctors, the style without the substance won't do a single thing to make health care better—it won't save Morgan Smith's family from another battle with an HMO when her family's energy should be dedicated to a fight against cancer, it won't do a single thing to prevent the all-too-real suffering that has become standard practice in the maze of red tape that is managed care health care in the United State today. Mr. President, we can do better than the Republican propsoal—we can actually guarantee access to a specialist. And that is a responsibility every one of us ought to work towards fulfilling.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. KERRY. Mr. President, it is clear that every American has the right to have a specialist, and we need to pass this amendment in appreciation of that fundamental need and right of our citizens.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, the issue of access to specialty care is very important. Many of us represent, as I do, hospitals that are very intensive tertiary care facilities with lots of specialists. Those of us who have had young children have had experience at children's hospitals and have dealt with specialists and recognized the need for that.

I can tell you as a father of four young children and a child who is due in September, I am not going to stand here and say we are not going to provide access to the kind of specialty care for children, or anybody else, that is needed. I am confident that the bill before us does exactly that. It does exactly that. It provides access to specialty care when it is necessary to save or help improve the life of a young child or anybody else.

As an example, if you have a baby who is born with a rare heart disease and the pediatrician recommends that a pediatric cardiologist treat the baby, the claim is made and it is denied initially, and it goes through the internal review process. Specialty care is covered under the contract. Remember, we are dealing with covered benefits, so obviously if it is not a covered benefit, that is a different issue. But if it is covered—and, of course, most HMOs cover some sort of specialty care—it is covered.

But in this case, say the network doesn't have a pediatric cardiologist. So you have, in a sense, what is laid out by the other side, the worst case scenario. The network doesn't have a specialist, and therefore they just won't give this specialist treatment because there isn't a pediatric cardiologist available to treat this. So a regular pediatrician would have to do so.

Well, that is not the case in our bill. Our bill says that this particular denial is eligible for review by an independent external reviewer. The dispute is about who should provide the specialty care. That is an element of medical judgment. Therefore, if it is an element of medical judgment, it is eligible for review. If it is an independent review and the reviewer says yes—

Mr. KERRY. Will the Senator yield for a question?

Mr. SANTORUM. If I can get through this first. It is eligible for a review. An independent reviewer, under our bill, will look at all of the facts in the case and determine whether, in fact, the pediatric cardiologist is necessary in medical judgment to, in fact, perform this procedure. They make an independent medical determination based on all of the information that is reviewed, including the recommendation of the doctor, the original pediatrician, including the recommendation by the internal reviewer. They look at all of the information, they get all of the relevant facts, and they put this together—as has been listed many times here—a laundry list of factors to consider, and they make an independent judgment as to whether a pediatric cardiologist is necessary. If it is necessary, the denial is overturned. The specialist outside of the network is selected to provide the care for this child within the HMO.

That is in our bill. That is covered under our bill. So all of this talk about we are not going to have this kind of access is not carefully reading this bill. I give a lot of credit to Senator FRIST and Senator JEFFORDS and those on the health committee. They have done an excellent job of looking through and making sure all of these kinds of situations where you have limitations—and in many cases you do have limitations, and the networks don't have a lot of specialists. But you can go outside the network if an independent reviewer determines that is what is medically necessary in that case.

Mr. BINGAMAN. Will the Senator yield for a question?

Mr. SANTORUM. Yes.

Mr. BINGAMAN. As I understand the bill you are referring to, you say it provides this access. There is no requirement that access to the specialist be provided at the regular amount that is being paid. Whatever the HMO determines the additional cost should be to go to the outside specialist would be charged, is that correct? That is my understanding. I have read the bill fairly carefully, and that is a major difference between the amendment I have offered and the amendment that you are referring to.

The PRESIDING OFFICER. The time allotted to the Senator from Pennsylvania has expired.

Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield to the Senator from West Virginia.

PRIVILEGE OF THE FLOOR

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that Stephen Downs, a health care policy fellow, be given privileges of the floor during consideration of S. 1344.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, yesterday, I talked to a 56-year-old woman I have known for a long time in West Virginia. She has a rare heart disease. She has been struggling with it. She has now discovered that the operation she is potentially going to need is not available for her in West Virginia. She is going to have to go to another State far south in order to get that operation. The problem is that her insurance company said they will not pay for her operation. They said she will either get her operation in West Virginia, where this kind of operation is not readily available because it is rather rare or she won't get it at all, or she has to pay for it herself. She is not a corporate giant. She runs a small business and has six people working for her.

This kind of thing should never happen. The Democratic bill would prevent that from happening. She would be able to go to that southern State where they do this kind of operation constantly and get that operation. That should happen in the United States of America.

Secondly, I talked with the physician of an 8-year-old girl 4 days ago. She has growth problems, seizure problems, and development problems, and she is under the care of a pediatric specialist in endocrinology and neurology at Western University. If you have a pediatric endocrinologist and somebody says you have to use an adult endocrinologist because that is in our plan, well, then people say, well, an endocrinologist is an endocrinologist. Not true. She will be denied care, and that is wrong.

The PRESIDING OFFICER. The time of the proponents has expired.

Mr. ROCKEFELLER. Under the Democratic bill, she would get pediatric care, and she should.

Mr. JEFFORDS. Mr. President, I yield 1 minute to the Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I wanted to respond to the Senator from

New Mexico. My time had run out. My understanding is that the provision in the bill says the network has to provide access to specialty care. We define in the report language clearly what access means as far as cost sharing is concerned:

> When the plan covers a benefit or service that is appropriately provided by a particular type of specialist not in the network, the benefit will be provided using the in-network cost-sharing schedule.

In other words, no additional costs. Only in cases where it is a preference to go outside the network for a specialist, other than somebody in the network, where it has not been referred by the plan or determined by a reviewer, is that additional cost borne. As long as an independent reviewer or the plan refers out of network, the cost sharing is the same.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. I yield the remaining time to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 9 minutes.

Mr. GRAMM. Mr. President, I wanted to come over today and try to end this debate by making a point this debate has cried out for all day.

What we have heard all day long is our Democrat colleagues stand up and attack HMOs. Every horror story they could imagine, every outrage that the human mind could conceive, they have talked about and laid at the doorstep of HMOs. I think someone watching this debate who just got off a turnip truck or who just emerged from a 10-year trip to outer space would believe that our Democrat colleagues hate HMOs and that they are the enemies of HMOs.

But let me remind those who may have just gotten off a turnip truck, or those who may have forgotten what has occurred in America in the last 20 years that you have been listening all day to the fathers and mothers of HMOs. They brought HMOs into Federal statutes. They exempted them from health planning.

They liked HMOs so much that in 1994 they sent this bill to the Congress.

For those who have forgotten it, this is the Clinton health care bill. The Clinton health care bill, which our colleagues who spoke today all supported and uniformly loved, forced every American to go into an HMO that was set up as a local health care cooperative. It was an HMO run by the Government with all the compassion of the IRS and with all of the efficiency of the post office.

They loved HMOs so much and they were so confident in them that they said: If you refuse to join your local health cooperative, HMO, Government-run health care system, we are going to fine you $5,000.

That was their position in 1994.

Now they have taken a poll. They have done a focus group. They do not love HMOs anymore. But in 1994 they loved them so much that they were going to fine every American $5,000 for refusing to join their Government-run HMO.

By the way, they banned suing the HMO when it was their HMO, when it was the Government HMO. They thought we ought not to do it.

Today they are worried about doctors providing care, and that for a doctor under an HMO, they can't do it. But when they were writing their health care bill, they fined a doctor $50,000 if he provided health care that their Government-run health care cooperative, HMO, did not allow.

So under this bill, when you had a health care collective run by the Government—one great big HMO, and if a doctor prescribed a medicine that they didn't allow, or prescribed a treatment, or provided a treatment that they didn't think was medically necessary, that is Dr. Clinton or Dr. Kennedy didn't think was necessary, a doctor could be fined $50,000 under this bill.

If your baby was really sick and they banned the treatment, and if I went to Dr. FRIST and I said, Dr. FRIST, I want my child to have this surgery, I know you can do it, I know that our Government collective HMO bans it, but I am willing to pay you for it, if Dr. FRIST had taken that payment, he would have gone to prison for 15 years under the Clinton health care bill.

These are the people who invented the HMO. They are the people who love HMOs. They are the people who wanted to put us under an HMO and fine us $5,000 for not giving it our money, and it put a doctor in prison for 15 years for violating their statute on what they thought was good medicine.

Today it has been a horror show about HMOs.

I want to conclude. I know people want to go home.

How do they fix this problem? They fix the problem with what they call a Patients' Bill of Rights.

There are two rights that they guarantee.

No. 1, you can look in the blue pages of the phonebook, and you can call up a Government bureaucrat, and you can complain. You can get an appointment. You can go see them next Tuesday at 8 o'clock. You can get a bureaucrat to join you in the examining room. That, to them, is a health care bill of rights.

The second right they guarantee is, you can call up an attorney. You can open up the Yellow Pages. Here is one that says, "No fees unless we get you money." Anyway, whoever you find in here—criminal law, family law, personal injury specialist—you can pick any lawyer you want under their health care bill of rights, and you can call him, and you can sue.

But what you cannot do under their so-called bill of rights that you can do under our bill of rights is, under our bill of rights you can fire your HMO. You can set up a medical savings account and then you can look in the Yellow Pages under "Physician." You can call any physician you want to call, and you can say to them, do you take a check? If they do, with the medical savings account that you can have under our bill with your employer, you can say "no" to your HMO. You don't call up the Government, because you don't like how they are treating you, or, go hire a lawyer. You fire your HMO and hire your doctor.

You can see what real freedom is. You can say to the HMO, you haven't done me right, you haven't treated my children right, and you are fired.

Our bill does that. Their bill does not do that.

I cannot end the day without pointing out two things.

One, all day long you have heard from people who invented HMOs and who love them so much that they wanted to put the whole country under HMOs in a mandated Government-run program. And they still do.

Second, their remedy for all of these concerns is, call the Government, or call a lawyer.

Our remedy is to first deal with the real concerns in HMOs with a review process that really works.

But we have one more freedom they don't have. Under our bill, you can fire your HMO. That is what I call real freedom. That is what we provide.

If you have listened all day to these horror stories, please remember, this is a monster that they helped create and that they loved so much, they wanted to mandate that everybody be in it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I am a good friend of the Senator from Texas. I will tell you, Mr. President, the Senator is as wrong in his explanation about the debate here on the floor of the Senate and as wrong about President Clinton's bill on health care as he was about President Clinton's proposal about economic recovery in 1993 when he predicted the end of the free market system, that inflation was going up through the roof, with unemployment lines around the Capitol of the United States. He predicted that deficits were going to grow and it was going to be the end of the American free enterprise system. He was wrong then, and he is wrong tonight.

Mr. President, I yield the last minute to the Senator from South Dakota,

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I will take a minute off the bill.

I do not know how you top that. I was simply going to say that if you believe anything the Senator from Texas just said, you are going to buy a turnip truck from him, too.

But I hope everybody can remember what this is all about. This is simply about whether or not patients have the right to a specialist, whether or not the HMO under any circumstances can tell a patient and his or her doctor that, no, you cannot go to a specialist, because in millions of cases around the country today, tomorrow, and for the past several years, that is exactly what has happened.

Do we have access to specialists or not? The Democrats are saying yes, we need access to the specialist. That is the essence of health care in America today. But people are being denied that access. We want to change that. This amendment will do it. It deserves our support.

I yield the floor.

Mr. GRAMM. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Republican side controls 1 minute 30 seconds on the amendment.

Mr. GRAMM. Mr. President, I will take a very short amount of time.

If I am so wrong about the Clinton health care bill, I hope tomorrow to offer it as an amendment, and we will give everybody a chance to vote on it. We debated it for 2 years. It was like a great big overinflated balloon. When somebody pricked it with a little pin, all of the air ran out of it. We never got around to voting on it. We have it here. We can send it up tomorrow and give everybody a chance to vote on it.

If Senator KENNEDY thinks it is so right—I know he does in his heart because he is a very sincere person—then he can vote for the Clinton health care bill, and fine these people, and put doctors in prison for 15 years for providing "unauthorized" care. Then we will know where we all stand on these issues.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield the remainder of our time and ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. NICKLES. Mr. President, for the information of all Senators, this will be the last vote tonight. The Senate will go into morning business at 9:30 and be back on the bill at 10 o'clock tomorrow. We expect the first vote to be at approximately noon tomorrow.

The PRESIDING OFFICER (Mr. ALLARD). The question is on agreeing to amendment No. 1245.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 47, nays 53, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The amendment (No. 1245) was rejected.

Mr. ENZI. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROTH. Mr. President, health care in America is the envy of the world. We have the finest doctors, nurses, and medical care personnel available anywhere. We have the best research facilities and the most advanced—state-of-the-art—technology. We are the world's leader in providing new and effective treatments and therapies. And it doesn't seem that a day goes by without news of some exciting breakthrough in medicine and health.

While this is the good news, there's no question that our health care delivery system also faces some serious challenges. No one argues that there isn't cause for concern when it comes to making high quality health care more affordable, and therefore more accessible, to millions of Americans who currently have no coverage, and for those who may even have coverage, but who are receiving substandard and even poor care.

For the last fifteen years, Congress has been concerned about the skyrocketing costs associated with health care. I remember the dire predictions we listened to in the 1980s and early 1990s. I recall the testimony of OMB Director Dick Darman in 1992, when he warned that given its current rate of increase, total public and private health spending was quickly taking over the Gross National Product. Unless something was done, he said, expenditures—which were less than six percent of GNP three decades earlier—would reach the unmaintainable level of 26 percent of GNP by the year 2030.

One of the innovative answers to curb this dangerous increase was the advent of managed care and the creation of Health Maintenance Organizations. Through this system, millions of Americans found access to health care that was affordable. Small businesses were better able to provide insurance for their employees. And competition between HMOs and other health care providers in the miraculous free market system worked to reduce the exploding costs of coverage. At the same time, it allowed those incentives to work that were continuing to promote new research and development, new therapies and technology, and the daily breakthroughs I mentioned earlier.

Was everything perfect? No. Questions and concerns—very relevant questions and concerns—soon surfaced regarding the quality of care delivered by some of the providers participating in the managed care system. But just as valid as these concerns was the fact that through managed care, millions of satisfied Americans were receiving high quality services that may have, otherwise, been unavailable to them. And because of the influence that managed care was having on the delivery of health care in America, free market principles were continuing to reward innovation and quality, while at the same time creating a new dimension of competition to help control costs.

With this background, we see more clearly the dynamics involved in the issue before us today. As we look to address the need of establishing a patients' bill of rights—and, again, the need is very real—we see clearly how the improvements we incorporate in such a bill of rights must protect Americans and improve the quality of the health care they are receiving while, at the same time, not undermine the strengths of the current system.

This is a delicate balance—one that was of primary importance to the task force that I served on with several of my colleagues. Together, we listened to dozens of experts and consumer representatives. We collected and reviewed reams of information. We reviewed countless areas that might be addressed and looked at countless possibilities for legislative action. There was no question that managed care could be improved. In fact, many providers from within managed care organizations agreed that there were improvements to be made, and it became clear by the evidence we reviewed that a bill of rights is warranted.

Our goal was simple: increase standards and the quality of health care delivered by providers, without excessively escalating costs that would make health care coverage less available to Americans who need it most. There is no question that any time costs go up, those who are most adversely affected are those who are least able to afford the increases. This not only includes the millions of American families that might not have access to health care without competitive managed care providers, but it also includes millions of Medicare beneficiaries who—to receive extra coverage and benefits—are participating in managed care programs.

If attempts to improve the system go to the extreme—opening up, and even encouraging, litigation, or increasing government intervention and regulation, or holding small businesses that provide health care coverage liable for the judgments made by physicians—costs are going to explode; countless individuals and families are going to suffer the adverse consequences.

On the other hand, if improvements focus on protecting the patient while strengthening the current system, then coverage can be expanded, quality can be assured, and even the most vulnerable will be protected. This, Mr. President, is our objective; it's what we intend to do with the Patients' Bill of Rights Act—a well-studied and common sense approach to protecting Americans, while at the same time improving our health care delivery system. The legislation we introduce today not only targets specific problems in the current system, but it will make health care more affordable, more accessible, and give consumers greater choice concerning their own care.

This is accomplished in several ways.

First, this legislation will guarantee patients a more thorough due process than they currently receive when they are denied a benefit by their health plan. This includes an external review by an independent medical expert to determine if a health plan has unfairly denied a benefit. In urgent cases, this review must be completed within 72 hours. This provision is so important because it will ensure that patients get the benefits they are entitled to, when they need those benefits most.

If, for some reason, the safety net of an independent external review process fails, our plan preserves an individual's right to sue his or her health plan in Federal court for all benefit denials. The individual can also sue in State court for malpractice claims.

Beyond this, our legislation increases the choices that are made available to patients by requiring health plans that contract with businesses of 51 or more employees to offer participants the opportunity to receive health care service from out-of-network providers. In this way, consumers will be able to choose providers that best suit their needs.

Outside of encouraging greater choice, our plan effectively increases access to health insurance by making coverage for self-employed Americans 100 percent tax deductible, starting next January. This is a provision that is long overdue. Self-employed individuals have unfairly been limited in the amount of money they can deduct from their taxes for health care coverage, while business and corporations have been able to deduct all the health care benefits they provided their employees. This provision will not only help restore equity, but it will benefit 25 million Americans who are in families headed by a self-insured individual—five million of whom are currently uninsured.

The legislation will require patients to be fully informed concerning their coverage, including cost-sharing requirements, supplemental benefits, out-of-area coverage, options for selecting primary health care providers, access to emergency care, and preventative services. In other words, no more surprises. And this legislation also gives patients the right to request and be given information concerning their plan's administrative details. For example, providers will be required to answer their customers' queries into the licensure and qualifications of the professionals who participate in the providers' plans. They will be required to provide relevant information concerning participating health care facilities and reimbursement methods between the plan and its participating professions, as well as the status of the plan with accrediting organizations. Likewise, consumers can request information about medications that are included in the plan and procedures to obtain medications that may not be a part of the program.

All of these provisions are fundamentally important to the rights that patients should have when dealing with their health care providers. But as you can see, Mr. President, they are constructed and included in this legislation in a way that the benefits are received without adversely influencing accessibility and affordability. In fact, as I have shown, accessibility and affordability will actually increase with this Patients' Bill of Rights Plus Act.

But the benefits of this plan do not stop there. The Patients' Bill of Rights Plus Act includes important prohibitions against gag rules that some health plans use to limit communication between doctors and patients. This legislation will prohibit health plans from restricting their doctors from sharing information and discussing treatment options with their patients.

This legislation will also patients to have direct access to obstetricians, gynecologists, and pediatricians for routine care without referrals.

And it includes important measure to protect sensitive patient information. It prohibits the use of genetic information to deny health care coverage or to set premium rates. And it enhances the role of the Agency for Health Care Quality Research to continue the important effort of improving the system for long-term.

These, too, are important, but perhaps the provisions in this legislation with which I am most pleased are those that will advance research, prevention and treatment for women with cancer and cardiovascular disease. These provisions will expand basic and clinical research, specifically for women, on the underlying causes and prevention of these diseases. Beyond this, the Patients' Bill of Rights Plus Act will fund extended research related to osteoporosis and women's geriatric concerns. And it will support continued data collection through the National Center for Health Statistics and the National Program of Cancer Registries—two leading women's health data centers.

Mr. President, I don't think there's anyone who can argue with the important measures contained in this bill. It is, indeed, comprehensive. At the same time, it's balanced and constructive. It's the kind of effective leadership Americans expect from Congress—making access to health care easier, not harder, for individuals and small businesses.

It allows the incentives that make our health care system the envy of the world to continue, while it includes new incentives for providers to offer better quality, greater efficiency, and to be more responsive to their customers. While addressing the shortcomings of the current system, this legislation builds on what is good—what is working—in the current system. It expands the real rights of patients and provides for continued research and development in areas that are vitally important to America's changing demographics.

For these important reasons, I encourage all of my colleagues to join us in supporting this Patients' Bill of Rights Plus Act. It is not only comprehensive and very workable, it is constructive and necessary.

Mr. KOHL. Mr. President, I rise to express my strong support for S. 6, the Patients Bill of Rights. After 2 years of partisan struggles, I am pleased that we finally have the opportunity to consider this important bill, which could benefit all 161 million Americans in managed health care plans.

For many years, managed care has helped to rein in the rapidly growing costs of health care. That benefits all patients across the nation and helps to keep health care costs in check.

However, there is a real difference between making quality health care affordable and cutting corners on patient care. In Wisconsin, we are lucky that most health plans do a good job in keeping costs low and providing quality care. But too often across this nation, HMOs put too many obstacles between doctors and patients. In the name of saving a few bucks, too many patients must hurdle bureaucratic obstacles to get basic care. Even worse, too many patients are being denied essential treatment based on the bottom line rather than on what is best for them.

The Patients' Bill of Rights will ensure that patients come first—not HMO profits or health plan bureaucrats. It makes sure that doctors, in consultation with patients, are the ones who decide which treatments are medically necessary. It gives patients access to information about all available treatments and not just the cheapest. Whether to seek emergency care, pursue treatment by a specialist, or try an innovative new treatment—these are hard questions that should be answered by caring physicians and concerned families—not by a calculator. S. 6 puts these decisions back in human hands where they belong.

This legislation will also make sure that health plans are held accountable for the decisions they make. First, all health plans must have an external appeals process in place, so that patients who challenge HMO decisions may take their case to an independent panel of medical experts. And second, if a health plan's decision to deny or delay care results in death or injury to the patient, this bill ensures that the health plan can be held accountable for its actions.

Most importantly, this bill gives all of these protections to all Americans in managed health care plans, not just a few. All 161 million Americans in managed health plans deserve the same protections—no matter what State they live in.

I am shocked by the refusal of some of my colleagues to endorse this commonsense legislation. If you or a member of your family got sick, who would you trust to make decisions about their care? Who would you trust to decide what kind of specialist was necessary? Who would you trust to tell you about all available treatments and not just the cheapest? Wouldn't you insist on having access to the best possible medical care? Most of us would. Why should the 161 million Americans in managed health care deserve less than what we would insist upon?

The answer is, simply, that all Americans deserve access to the best quality health care available. As someone who comes from a business background, I understand the concerns of employers. Some of my colleagues on the other side have claimed that our bill will increase health care costs by as much as $72 billion, making it impossible for employers and families to afford coverage. But the Congressional Budget Office reported that the patient protections in our bill will only increase premiums by 4.8 percent over 5 years. This translates into only $2 per month for the average employee. An independent Coopers & Lybrand study found that our provision to hold health plans accountable—the provision the other side opposes the most—would only cost 3 to 13 cents per person per month. This is a small price to pay to make sure that health plans cover the health care services we all deserve.

I am willing to look at possible improvements to the bill. But there is no reason whatsoever to continue to allow health plans to skimp on quality in the name of saving profits. Patients have been in the waiting room long enough. It is time for the Senate to act and make sure they receive the health care they need, deserve, and pay for.

Mr. BURNS. Mr. President, I wish to talk about health care. I am very proud that this great country of ours provides the best quality of health care in the world. With this comes the question of how to manage the constantly growing costs associated with this and how to guarantee that as many Americans as possible can be provided affordable health care.

Currently, 43 million Americans are uninsured and many more live with the anxiety that they will lose their employer-sponsored health plans if premiums go up. The Congressional Budget Office estimates that Senator KENNEDY's bill, S. 6, will increase private health insurance premiums 6.1 percent above inflation. Data from the Barents Group, an economic consulting firm, reveal an increase of this magnitude will impose hundreds of dollars in hidden taxes on families, eliminate jobs, and cancel the health coverage of millions.

In Montana, farmers, ranchers, and small businesses pull the wagon and are the main source of income in our great state. You can only imagine what would happen if Senator KENNEDY's Patients' Bill of Rights bill passes. Hundreds of Montanans will lose their insurance for their families and quite possibly many could lose their jobs. With the current agriculture prices as low as they this would only make things much worse for Montanans.

The Republican Patients' Bill of Rights bill provides new rights to American patients. This bill will guarantee access to emergency room care, access to the doctor of your choice, access to ob-gyn care without prior authorization and access to a pediatrician without prior authorization. The Republican bill also improves continuity of care if a doctor leaves a health plan and improved access to medication. These are just a few of the things that our Patients' Bill of Rights bill guarantees patients.

I will not vote for a bill that squeezes patients into a one-size-fits-all health plan. We do not want a Washington-knows-best solution. As a former county commissioner I have always believed in local control.

The Republican bill provides tax-free medical savings accounts for patients and allows for 100 percent deductibility of health care costs for the self-employed. Medical savings accounts are similar to individual retirement accounts, except they are used to pay for health care needs instead of retirement. They permit individuals to set aside money, tax-free, to pay for medical expenses.

The Democrats want to pass a bill that would regulate the structure and operation of all health insurance products at the federal level; impose mandates on consumers, health insurers and employers; enable new lawsuits against employers and insurers for unlimited compensatory and punitive damages; and increase the number of uninsured Americans by an estimated 1.9 million.

In contrast the Republican bill guarantees to make health insurance more affordable for the self-employed by letting them deduct 100 percent of their health premiums in 2000—three years ahead of schedule. The Congressional Budget Office estimates that the Democrats bill, S. 6, would increase health insurance premiums an average 6.1 percent which would force 1.8 million to 1.9 million Americans to lose their health coverage. This bill will also lower household wages an average of $207 annually, and would eliminate 194,000 jobs by 2003.

I am firmly behind a bill in the United States that will provide consumer protections and enhanced health care quality, while keeping insurance affordable and actually expanding access to insurance for millions of Americans.

Under the Republican bill, the patients have the right to talk freely and openly with their doctors about all treatment options and the right to see the doctor of their choice. Even more important, they have the right to a quick and cost-free appeals process if a health plan refuses to cover treatment.

The Republican bill does all these things, and also expands opportunity for millions of uninsured Americans to come into the health care system. We offer tax-free medical savings accounts to all, and extend tax equity to self-employed individuals.

Mr. President, the Republican Patients' Bill of Rights Plus makes sure all Americans have the access and protections they need and want. Americans deserve access to the best doctors and specialists available; reliable information about their doctors and their health plans, and affordable, quality care at every stage of life. This week, I will work to make sure Congress addresses these important issues with a plan that puts you, not a bureaucrat, in control of your health care.

I thank the chair.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. Under the order of June 15, 1999, the Senate having received from the House of Representatives the bill H.R. 2465, all after the enacting clause of H.R. 2465 is stricken, and the text of S. 1205, as amended, is inserted in lieu thereof.

Under the previous order, H.R. 2465 is read the third time, and passed, and the motion to reconsider is laid on the table.

The bill (H.R. 2465), as amended, was read the third time, and passed.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendment and requests a conference with the House on the disagreeing votes of the two Houses on H.R. 2465, and the Chair is authorized to appoint conferees on the part of the Senate.

The Presiding Officer appointed Mr. BURNS, Mrs. HUTCHISON of Texas, Mr. CRAIG, Mr. KYL, Mr. STEVENS, Mrs. MURRAY, Mr. REID, Mr. INOUYE, and Mr. BYRD conferees on the part of the Senate.

MEASURE INDEFINITELY POSTPONED—S. 1205

The PRESIDING OFFICER. Under the previous order, passage of S. 1205 is vitiated, and the bill is indefinitely postponed.

MORNING BUSINESS

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 13, 1999, the Federal debt stood at $5,625,005,258,555.97 (Five trillion, six hundred twenty-five billion, five million, two hundred fifty-eight thousand, five hundred fifty-five dollars and ninety-seven cents).

One year ago, July 13, 1998, the Federal debt stood at $5,528,489,000,000 (Five trillion, five hundred twenty-eight billion, four hundred eighty-nine million).

Five years ago, July 13, 1994, the Federal debt stood at $4,624,337,000,000 (Four trillion, six hundred twenty-four billion, three hundred thirty-seven million).

Ten years ago, July 13, 1989, the Federal debt stood at $2,800,206,000,000 (Two trillion, eight hundred billion, two hundred six million).

Fifteen years ago, July 13, 1984, the Federal debt stood at $1,534,369,000,000 (One trillion, five hundred thirty-four billion, three hundred sixty-nine million) which reflects a debt increase of more than $4 trillion—$4,090,636,258,555.97 (Four trillion, ninety billion, six hundred thirty-six million, two hundred fifty-eight thousand, five hundred fifty-five dollars and ninety-seven cents) during the past 15 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:30 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 916. An act to make technical amendments to section 10 of title 9, United States Code, and for other purposes.

H.R. 2465. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes.

MEASURES REFERRED

The following bill, previously received from the House of Representative for the concurrence of the Senate, was read the first and second times and referred as indicated:

H.R. 1569. An act to prohibit the use of funds appropriated to the Department of Defense from being used for the development of ground elements of the United States Armed Forces in the Federal Republic of Yugoslavia unless that deployment is specifically autorized by law; to the Committee on Foreign Relations.

The following concurrent resolution, previously received from the House of Representatives for the concurrence of the Senate, was read and referred as indicated:

H. Con. Res. 88. Concurrent resolution urging the Congress and the President to increase funding for the Pell Grant Program and existing Campus-Based Aid Programs; to the Committee on Health, Education, Labor, and Pensions.

MEASURE PLACED ON THE CALENDAR

The following bill was read twice and placed on the calendar:

H.R. 1654. An act to authorize appropriations for the National Aeronautics and Space Administration for fiscal years 2000, 2001, and 2002, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4191. A communication from the Director, Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medical Devices; Performance Standard for Diagnostic X-ray Systems; Amendment" (Docket No. 98N–0877), received July 13, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–4192. A communication from the Secretary of Commerce, transmitting, pursuant to the Anti-Bribery and Fair Competition Act of 1998, the annual report dated July 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–4193. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; West Virginia: Approval of Revisions to Coal Preparation Plants and Coal Handling Operations" (FRL # 6372–3), received July 7, 1999; to the Committee on Environment and Public Works.

EC–4194. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants: Halogenated Solvent Cleaning" (FRL # 6376–5), received July 7, 1999; to the Committee on Environment and Public Works.

EC–4195. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans Tennessee: Approval of Revisions to the Tennessee SIP Regarding National Emission Standards for Hazardous Air Pollutants and Volatile Organic Compounds" (FRL # 6378–4), received July 13, 1999; to the Committee on Environment and Public Works.

EC–4196. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Plans for Designated Facilities; New York" (FRL # 6378–4), received July 13, 1999; to the Committee on Environment and Public Works.

EC–4197. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality State Implementation Plans; Louisiana; Approval of Clean Fuel Fleet Substitution Program Revision" (FRL # 6378-3), received July 13, 1999; to the Committee on Environment and Public Works.

EC-4198. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clean Air Act Direct Final Approval of Title V Prohibitory Rule as a State Implementation Plan Revision; Sacramento Metropolitan Air Quality Management District, California" (FRL # 6378-5), received July 13, 1999; to the Committee on Environment and Public Works.

EC-4199. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Final Regulations on Lump-Sum Payments for Annual Leave", received July 13, 1999; to the Committee on Governmental Affairs.

EC-4200. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC-4201. A communication from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "Amendments to Deferred Maintenance Reporting"; to the Committee on Governmental Affairs.

EC-4202. A communication from the Special Counsel, transmitting, pursuant to law, the annual report for fiscal year 1998; to the Committee on Governmental Affairs.

EC-4203. A communication from the Acting Assistant Attorney General, transmitting, pursuant to law, a report entitled "Attacking Financial Institution Fraud: Fiscal Year 1996"; to the Committee on the Judiciary.

EC-4204. A communication from the Under Secretary of Defense, transmitting, pursuant to law, a report entitled "Defense Manpower Requirements Report for Fiscal Year 2000"; to the Committee on Armed Services.

EC-4205. A communication from the Under Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, a report relative to export licenses for commercial communications satellites and related items for the period February 26, 1999 to May 21, 1999; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1248. A bill to correct errors in the authorizations of certain programs administered by the National Highway Traffic Administration (Rept. No. 106-107).

By Mr. JEFFORDS, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. Res. 138. An original resolution authorizing expenditures by the Committee on Health, Education, Labor, and Pensions.

By Mr. SHELBY, from the Select Committee on Intelligence, without amendment:

S. Res. 139. An original resolution authorizing expenditures by the Select Committee on Intelligence.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BURNS:

S. 1362. A bill to establish a commission to study the airline industry and to recommend policies to ensure consumer information and choice; to the Committee on Commerce, Science, and Transportation.

By Mr. DURBIN:

S. 1363. A bill for the relief of Valdas Adamkus, President of the Republic of Lithuania; to the Committee on Finance.

By Mr. BAYH (for himself, Mr. DOMENICI, Mrs. LINCOLN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. GRAHAM, Mr. LUGAR, Mr. VOINOVICH, Mr. ROBB, Mr. BREAUX, Mr. EDWARDS, and Mr. BINGAMAN):

S. 1364. A bill to amend title IV of the Social Security Act to increase public awareness regarding the benefits of lasting and stable marriages and community involvement in the promotion of marriage and fatherhood issues, to provide greater flexibility in the Welfare-to-Work grant program for long-term welfare recipients and low income custodial and noncustodial parents, and for other purposes; to the Committee on Finance.

By Mr. MURKOWSKI (by request):

S. 1365. A bill to amend the National Preservation Act of 1966 to extend the authorization for the Historic Preservation Fund and the Advisory Council on Historic Preservation, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1366. A bill to authorize the Secretary of the Interior to construct and operate a visitor center for the Upper Delaware Scenic and Recreation River on land owned by the New York State, and for other purposes; to the Committee on Energy and Natural Resources.

S. 1367. A bill to amend the Act which established the Saint-Gaudens Historic Site, in the State of New Hampshire, by modifying the boundary and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. TORRICELLI (for himself, Mr. KERRY, and Mr. CLELAND):

S. 1368. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal land, and to designate certain Federal land as ancient forests, roadless areas, watershed protection areas, special areas, and Federal boundary areas where logging and other intrusive activities are prohibited; to the Committee on Energy and Natural Resources.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. SCHUMER, Mr. KERRY, Mr. LAUTENBERG, Mr. DODD, and Mr. KENNEDY):

S. 1369. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SHELBY:

S. 1370. A bill to amend the Internal Revenue Code of 1986 to extend the time for payment of the estate tax on certain timber stands; to the Committee on Finance.

By Mr. GORTON:

S. 1371. A bill to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel Ocean Pride; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JEFFORDS:

S. Res. 138. An original resolution authorizing expenditures by the Committee on Health, Education, Labor, and Pensions; from the Committee on Health, Education, Labor, and Pensions; to the Committee on Rules and Administration.

By Mr. SHELBY:

S. Res. 139. An original resolution authorizing expenditures by the Select Committee on Intelligence; from the Select Committee on Intelligence; to the Committee on Rules and Administration.

By Mr. CAMPBELL:

S. Res. 140. A resolution congratulating the United States women's soccer team for winning the 1999 Women's World Cup, recognizing the important contribution of each individual team member to the United States and to the advancement of women's sports, and inviting the members of the United States women's soccer team to the United States Capitol to be honored and recognized by the Senate for their achievements; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BURNS:

S. 1362. A bill to establish a commission to study the airline industry and to recommend policies to ensure consumer information and choice; to the Committee on Commerce, Science, and Transportation.

TRAVEL AGENT COMMISSIONS

Mr. BURNS. Mr. President, I rise today to introduce a bill that will establish a commission to study the future of the travel agent industry and determine the consumer impact of airline interaction with travel agents.

Since the Airline Deregulation Act of 1978 was enacted, major airlines have controlled pricing and distribution policies of our nation's domestic air transportation system. Over the past four years, the airlines have reduced airline commissions to travel agents in an competitive effort to reduce costs.

I am concerned the impact of today's business interaction between airlines and travel agents may be a driving force that will force many travel agents out of business. Combined with the competitive emergence of Internet services, these practices may be harming an industry that employs over 250,000 Americans.

This bill will explore these concerns through the establishment of a commission to objectively review the emerging trends in the airline ticket distribution system. Among airline consumers there is a growing concern that the airlines may be using their market power to unfairly limit how airline tickets are distributed.

Mr. President, if we lose our travel agents, we lose a competitive component to affordable air fare. Travel agents provide a much needed service and without, the consumer is the loser.

The current use of independent travel agencies as the predominate method to distribute tickets ensures an efficient and unbiased source of information for air travel. Before deregulation, travel agents handled only about 40 percent of the airline ticket distribution system. Since deregulation, the complexity of the ticket pricing system created the need for travel agents resulting in travel agents handling nearly 90 percent of transactions.

Therefore, the travel agent system has proven to be a key factor to the success of airline deregulation. I'm afraid, however, that the demise of the independent travel agent would be a factor of deregulation's failure if the major airlines succeed in dominating the ticket distribution system.

Travel agents and other independent distributors comprise a considerable portion of the small business sector in the United States. There are 33,000 travel agencies employing over 250,000 people. Women or minorities own over 50 percent of travel agencies.

The assault on travel agents has been fierce. Since 1995, commissions have been reduced by 30 percent, 14 percent for domestic travel alone in 1998. Since 1995, travel agent commissions have been reduced from an average of 10.8 percent to 6.9 percent in 1998. Travel agencies are failing in record numbers.

Mr. President, I think it is important to study this issue as well as the related issues of the current state of ticket distribution channels, the importance of an independent system on small, regional, start-up carriers, and the role of the Internet.

By Mr. DURBIN:

S. 1363. A bill for the relief of Valdas Adamkus, President of the Republic of Lithuania; to the Committee on Finance.

PRIVATE RELIEF LEGISLATION FOR HIS EXCELLENCY VALDAS ADAMKUS OF LITHUANIA

Mr. DURBIN. Mr. President, I am introducing legislation today on behalf of the current President of Lithuania, His Excellency Valdas Adamkus. President Adamkus is a Lithuanian native and a former U.S. citizen with more than a quarter century of distinguished service to our nation. His election last year to the Lithuanian presidency made necessary his renunciation of his U.S. citizenship. My legislation provides an exemption for President Adamkus from several consequences associated with his renunciation. More specifically, my bill exempts President Adamkus from any expatriate taxes, restores President Adamkus' Social Security benefits, ensures his right to his federal pension, and grants President Adamkus the right to travel freely throughout the United States.

Valdas Adamkus was born on November 3, 1928 in Kaunas, Lithuania. Before immigrating to the United States in 1949, he was involved with Lithuanian resistance efforts against both Nazi Germany and Soviet Russian invaders. Settling in Chicago, President Adamkus remained active in Lithuanian Emigre organizations and helped raise public awareness of Lithuania's occupation by the Soviet Union. Following the return of independence to the Baltics, President Adamkus served as a Coordinator for the United States Aid to the Baltic States, specializing in environmental issues and academic coordination.

President Adamkus is a graduate of the Illinois Institute of Technology, where he earned a B.S. in civil engineering before spending ten years as a consulting engineer. In 1970, President Adamkus joined the newly-created United States Environmental Protection Agency where he initially served as the Deputy Regional Administrator of the fifth region—which includes Illinois, Indiana, Michigan, Minnesota and Ohio. In 1981, President Adamkus was promoted to Regional Administrator for the fifth region, a position he held until his retirement in 1997.

In a distinguished EPA career which stretched 27 years, President Adamkus held a number of leadership positions, including Chairman of the Great Lakes Water Quality Board and Chairman of the United States group that worked with the Soviet Union on water pollution issues. In 1975, he was appointed Advisor to the UN World Health Organization and represented the EPA on environmental issues in the Soviet Union, Eastern Europe, Japan, and China.

In 1985, President Reagan personally presented President Adamkus with the Executive Presidential Rank Award—the highest honor for a civil servant. Other honors he earned include the EPA's highest award, the gold medal for exceptional service, and the EPA's first Fitzhugh Green Award in 1988 for outstanding contributions to environmental protection internationally.

To President Adamkus, the collapse of the Soviet Union in the late 1980s and subsequent liberation of the Baltics marked the successful culmination of his lifelong commitment to Lithuania's freedom. As Lithuania began the long and painful transition from a communist totalitarian system to a free-market economy, Mr. Adamkus emerged as an ideal candidate for the Lithuanian presidency, not only because of his past work for Lithuanian freedom, but also because of the experience he gained through his career as a U.S. civil servant.

Mr. Adamkus was elected President of the Republic of Lithuania on January 4 of last year and took office on February 25. Before assuming the Lithuanian presidency, Mr. Adamkus was required to renounce his U.S. citizenship. As I mentioned at the beginning of my statement, the bill I am offering today provides a limited exemption for President Adamkus from some of the negative consequences associated with renunciation. More specifically, my bill:

(1) Exempts President Adamkus from the expatriate tax. As an expatriate, President Adamkus is subject to sections 877 and 2107 of the Internal Revenue Code, provided it is determined that his renunciation had "for one of its principal purposes the avoidance of taxes." My bill exempts President Adamkus from sections 877 and 2107 by stating that his renunciation shall not "be treated as having as one of its purposes the avoidance of any Federal tax."

(2) Restores President Adamkus' Social Security benefits and ensures his right to his federal pension. Title 42 Section 402(t) of the US code denies Social Security benefits to non-citizens residing outside the United States. While Section 433 of that title allows our President to enter agreements with foreign countries which allow non-resident non-citizens to receive pension benefits based on periods of coverage in the United States, the U.S. currently has no such agreement with Lithuania. As a result, President Adamkus is not entitled to the Social Security benefits he earned from 37 years of work in the United States. My bill restores these benefits. My bill also ensures that Mr. Adamkus retains the federal pension he earned as an employee of the EPA.

(3) Restores President Adamkus' right to travel in the United States. As a non-resident alien, Mr. Adamkus no longer has the right to travel freely in the U.S. My bill restores this privilege.

Mr. President, with this bill, I do not suggest that we trivialize the act of renouncing one's U.S. citizenship. Renunciation of U.S. citizenship is an act of the highest gravity that should not be undertaken without fully considering its consequences. I believe it appropriate, however, that we provide President Adamkus with special treatment in light of his long and distinguished service to our nation, his lifelong commitment to freedom and democracy in Lithuania, and his reason for renunciation. Indeed, it is in the interest of the United States that developing countries—particularly the former Soviet Republics—succeed in establishing free-market democratic societies. Hence, even in renouncing his citizenship, President Adamkus continues to serve our nation admirably. I thank my colleagues for their consideration and urge them to join me in supporting this bill.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1363

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the renunciation of United States citizenship by Valdas Adamkus on February 25, 1998, in order to become the President of the Republic of Lithuania shall not—

(1) be treated under any Federal law as having as one of its purposes the avoidance of any Federal tax,

(2) result in the denial of any benefit under title II or XVIII of the Social Security Act, or under title 5, United States Code, or

(3) result in any restriction on the right of Valdas Adamkus to travel or be admitted to the United States.

By Mr. BAYH (for himself, Mr. DOMENICI, Mrs. LINCOLN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. GRAHAM, Mr. LUGAR, Mr. VOINOVICH, Mr. ROBB, Mr. BREAUX, Mr. EDWARDS, and Mr. BINGAMAN):

S. 1364. A bill to amend title IV of the Social Security Act to increase public awareness regarding the benefits of lasting and stable marriages and community involvement in the promotion of marriage and fatherhood issues, to provide greater flexibility in the Welfare-to-Work grant program for long-term welfare recipients and low income custodial and noncustodial parents, and for other purposes; to the Committee on Finance.

RESPONSIBLE FATHERHOOD ACT OF 1999

• MR. BAYH. Mr. President, I rise today with my good friend Senator DOMENICI to introduce the Responsible Fatherhood Act of 1999.

The irony in our nation's unprecedented economic prosperity is that many Americans still feel the country is on the wrong track—that there is a deterioration of values in our society. There seems to be a fraying of the social fabric and many indicators point to the increase in absentee fathers as the culprit.

America's moms are true heroes in the lives of their children. While most fathers are heroic in their own right, many are not involved enough—too many are completely absent. Fathers can teach kids about respect, honor, duty and the values that make our communities strong. But there has been a troubling decline in the involvement of fathers in the lives of their children over the last 40 years—a decline that should worry us all.

The number of kids living in households without fathers has tripled over the last forty years, from just over 5 million in 1960 to more than 17 million today. The United States leads the world in fatherless families and too many kids spend their lives without any contact with their fathers. The consequences of this dramatic decrease in the involvement of fathers in the lives of their children are severe. When fathers are absent from their lives, children are: five times more likely to live in poverty, twice as likely to commit crime, more likely to bring weapons and drugs into the classroom, twice as likely to drop out of school, twice as likely to be abused, more likely to commit suicide, over twice as likely to abuse alcohol or drugs, and more likely to become pregnant as teenagers.

Community efforts have sprung up around the country to stem the rising tide of fatherless families and encourage responsible parenting. Today I am introducing the Responsible Fatherhood Act of 1999 with Senators DOMENICI, LINCOLN, LIEBERMAN, LANDRIEU, GRAHAM, LUGAR, VOINOVICH, ROBB, BREAUX, EDWARDS, and BINGAMAN. This bill is a fiscally responsible approach that will provide support to states and communities to promote responsible fatherhood.

Specifically, our bill would do three things. First it would raise awareness about the importance of responsible fatherhood by authorizing a public awareness campaign, designed by states and communities, to help change attitudes, particularly among young men, about the responsibilities that go with fathering a child. Second, our legislation creates a block grant program expanding responsible fatherhood promotion programs at the state and local level. The grants would be supplemented by funds and involvement from state and local government, civic, charitable, non-profit and faith-based organizations. Finally, the bill changes existing federal law to encourage a stronger connection between fathers and their children through increased child support to families and more available training through the Welfare-to-Work program for low-income fathers.

Congress alone cannot solve this problem. However, I believe this bill represents an important first step toward reversing the rising tide of fatherlessness in this country. I urge my colleagues to support this important initiative.•

• Mr. DOMENICI. Mr. President, it is with great pleasure that I rise today with Senator BAYH to introduce the Responsible Fatherhood Act of 1999.

Even on its best day the government can never be a replacement for a loving two parent family. As the father of eight I cherish the moments I have spent and will spend with my children because they are my best friends.

But sadly, there is a growing trend among American children, they are growing up without the love and guidance of their fathers and in many cases these children are going years without seeing their fathers.

This trend has taken a terrible toll on not only our children and families, but our nation as a whole. For instance in my home state of New Mexico over 24 percent of families do not have fathers present in the home.

Nationally, the numbers are not any better; nearly 25 million children or 36 percent of all kids live without their biological father and since 1960 the number of children living without their father has jumped from 5 million to 17 million. Additionally, about 40 percent of these children have not seen their father in the last year.

I cannot think of two more important issues facing our nation than the dual goal of promoting marriage and responsible fatherhood. I believe you could describe the role parents play in the lives of their children in the following way: providing love, guidance, and discipline; while at the same time teaching about respect, honor, duty and the values that make our nation so great.

And while we all acknowledge the positive benefits of a two parent family these are more and more families where fathers simply are not present in the lives of their children. I would submit this is a tragedy because a child growing up without a father or a mother simply misses out on something very special.

I recently came across a quotation that I think is appropriate: "it is a wise father that knows his own child." However, the exact opposite is now occurring with a growing trend towards absentee fathers.

The bill we are introducing today seeks to reverse this trend by providing states and communities with support for the dual goal of promoting marriage and responsible fatherhood.

Specifically, the bill: authorizes a public awareness campaign to promote responsible fatherhood and the formation and maintenance of married two parent families.

Additionally, our bill creates a responsible parenting block program to provide support for state and local governments, nonprofit, charitable and religious organizations' efforts to promote responsible fatherhood and the formation and maintenance of married two parent families at the state and local level.

The final component of the bill changes existing Federal law to encourage a stronger connection between fathers and children through increased child support to families and more available training through the Welfare-to-Work program for low-income noncustodial fathers. There is one provision within this component I would like to specifically focus on and that is the State option to disregard child support collected for purposes of determining eligibility for, or amount of, TANF assistance.

While it is the intent of this section to allow States to disregard certain child support collected that amount is also limited only to cases where states have chosen to pass-through up to $75 of child support payments per month directly to the family and then only that $75 may be disregarded by states.

In closing, I want to encourage my colleagues to lend their support to this important issue and Senator BAYH, I very much look forward to working with you on this exciting piece of legislation.●

● Mr. LIEBERMAN. Mr. President, our society is suffering from the deterioration of the married, two-parent family. According to a recent report by the National Marriage Project at Rutgers, "The State of Our Unions: The Social Health of Marriage in America," marriage rates are at a 40-year low and there are fewer social forces holding them together. As the number of marriages has declined, unwed births have dramatically grown. Unfortunately, the result is more and more children are being born into fragile families.

As the report states, "Marriage is a fundamental social institution . . . It is the 'social glue' that reliably attaches fathers to children." Nearly 25 million children, more than 1 out of 3, live absent their biological father, and 17 million kids live without a father of any kind. Even more troubling, about 40 percent of the children living in fatherless households have not seen their fathers in at least a year, and 50 percent of children who do not live with their fathers have never stepped foot in their father's home.

This growing problem of father absence is taking a terrible toll on those children, who are being denied the love, guidance, discipline, emotional nourishment and financial support that fathers usually provide.

Parents act as a nurturing and stable foundation for children. They are a guiding force to which children readily open their arms. In a recent poll conducted by Nickelodeon and Time magazine, three-quarters of the children, ages six to 14, polled stated that they wished they could spend more time with their parents. In addition, kids consistently ranked parents at the very top of the list when asked to name the people they look up to.

More than friends or teachers, parents shape their children's value systems. As dads disappear, the American family is becoming significantly weaker, as are the values we depend on families to transmit. In turn, the risks to the health and well-being of children are becoming significantly higher. Social science research repeatedly shows that children growing up without fathers are far more likely to live in poverty, to fail in school, experience behavioral and emotional problems, develop drug and alcohol problems, commit suicide, and experience physical abuse and neglect.

We have seen the devastating results of this breakdown in our culture as the number of violent incidences among young males, in particular, rises. Statistics reveal that violent criminals are overwhelmingly males who grew up without fathers.

Concerned citizens and grass-roots groups are paying attention to the statistics, and they are actively seeking solutions neighborhood by neighborhood across the nation. A shining example of this united effort is the National Fatherhood Initiative (NFI) which was formed to help raise awareness of the problem of father absence and its consequences and to mobilize a national response to it. To date, the NFI has made tremendous progress, working in communities across the country to set up educational programs and promote responsible fatherhood.

There are limits to what we in government and here in Congress can do to change society's attitudes toward marriage and out-of-wedlock births, but we are not powerless. I am proud to sign on to the proposal introduced by my colleagues Senators EVAN BAYH and PETE DOMENICI, "The Resppnsible Fatherhood Act of 1999," that will help strengthen fragile families and promote responsible fatherhood, as well as promote the formation and maintenance of married, two-parent families.

I would like to highlight a few key provisions that will significantly increase efforts at the state and local level to reconnect fathers and families, thereby ensuring a brighter, more secure future for our youth.

Unfortunately, few television shows and movies produced today highlight the value of marriage. Cohabitation and out-of-wedlock sex are handled so casually that young people see little incentive for marriage. This bipartisan legislation authorizes a challenge grant to encourage states and local communities to initiate media campaigns that promote responsible fatherhood and the importance of a married, two-parent family in a child's life. Rather than the typical barrage of negative images, young people need to see positive messages on fatherhood and marriage.

States, localities and community organizations are already helping lead the fight at the local level for responsible fatherhood. Their efforts must be bolstered, not hindered. This proposal authorizes a Responsible Parenting Block Grant to provide support for state and local government, nonprofit, charitable and religious organizations' efforts.

No one solution exists that will reconnect fathers and families, but a combined effort can make a difference. That is why a national clearinghouse would be established to facilitate the exchange of ideas and sharing of success stories. Such a clearinghouse also would produce and distribute resources to aid those leading the charge at the community level. The National Fatherhood Initiative has been highlighted as an exemplary group to house such a clearinghouse.

Although many fathers desire to make a financial contribution to their family, they are unable to because they lack the necessary skills to obtain jobs. In 1997, Congress passed Welfare to Work legislation to help the hardest-to-employ welfare recipients and low-income, non-custodial parents move into jobs. Unfortunately, many states have not been able to use their full funding because of restrictive federal guidelines. The Responsible Fatherhood Act will provide states and cities the flexibility they need to serve a broader group of low-income, noncustodial fathers, and provide services to increase the employment and parenting skills of eligible fathers.

Under the current system, fathers with children on welfare are discouraged from paying child support as payments are instead typically shifted to state agencies to offset welfare benefits. Research demonstrates that fathers are more connected with their children and more likely to pay child support when they believe their payment is going directly to their family, and not the government. Children on welfare are precisely the children who have been identified as group most in need of father involvement, and we should eliminate any barriers that prevent this critical bond from taking place. Therefore, this legislation would establish the federal government as a partner to states that want to exercise an option to pass-through up to $75 of child support payments per month directly to the family without impacting welfare eligibility.

Implementing new innovative fatherhood initiatives should not be a rigorous, burdensome process. States should have the flexibility to use child-support funds on programs that support and promote fatherhood instead of paying funds back to TANF. Getting fathers back to work and reconnected to their families will do more to move families off of welfare permanently.

The Responsible Fatherhood Act of 1999, I believe, marks a major turning point in the politics of the family as is evidenced by the solid bipartisan consensus coalescing behind this proposal. Promoting responsible fatherhood does not take away from the efforts of single mothers, but helps ensure that children receive the benefits provided by two caring parents. Addressing the critical role fathers play in the lives of their children is no longer a politically taboo topic. The research is convincing and, unfortunately, mounting every year—children need the support and involvement of both parents to lead happy, healthy, productive lives.

I thank Senators BAYH and DOMENICI for leading this effort. I am proud to join them as a cosponsor.●

By Mr. MURKOWSKI (by request):

S. 1365. A bill to amend the National Preservation Act of 1966 to extend the authorization for the Historic Preservation Fund and the Advisory Council on Historic Preservation, and for other purposes; to the Committee on Energy and Natural Resources.

AUTHORIZATION FOR THE HISTORIC PRESERVATION FUND AND THE ADVISORY COUNCIL ON HISTORIC PRESERVATION

Mr. MURKOWSKI. Mr. President, at the request of the administration, I rise today to introduce legislation to extend the authorization for the Historic Preservation Fund, and for other purposes.

I ask unanimous consent that the bill, a summary of the legislation, and the administration's letter of transmittal be printed in the RECORD for the information of my colleagues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1365

Be it enacted by the Senate and the House of Representatives of the United States in Congress assembled,

That the National Historic Preservation Act of 1966 (P.L. 89-665; 80 Stat. 915; 16 U.S.C. 470) is amended—

(1) in section 108 (16 U.S.C. 470h), by striking "1997" and inserting "2005"; and

(2) in section 212(a) (16 U.S.C. 470t(a)), by striking "2000" in the last sentence and inserting "2005".

SUMMARY

This legislation amends the Historic Preservation Act of 1966 to extend the authorization of $150,000,000 per year for the Historic Preservation Fund through fiscal year 2005 and the authorization of $4,000,000 per year for the Advisory Council on Historic Preservation. The fund is currently authorized through fiscal year 1996, and the Council through fiscal year 2000.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, April 9, 1999.

Hon. ALBERT GORE, JR.,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft of a bill "to extend the authorization for the Historic Preservation Fund, and for other purposes. Also enclosed is a section-by-section analysis of the bill. We recommend that the bill be introduced, referred to the appropriate committee for consideration, and enacted.

The enclosed bill would amend the Historic Preservation Act of 1966 to extend the authorization of $150,000,000 for the Historic Preservation Fund through the year 2005. The fund is currently authorized at $150,000,000 per year through 1997. In addition, the enclosed bill would amend the 1966 Act to extend the current authorization of $4,000,000 for the Advisory Council on Historic Preservation through 2005. The Counsel's authorization expires at the end of fiscal year 2000.

The Historic Preservation Act of 1966 provides for the protection of significant historic properties across the country. It encourages and supports America's effort to preserve the tangible evidence of our past for the benefit and enjoyment of future generations. As part of the National Historic Preservation Act, Congress established the Historic Preservation Fund to carry out the provisions of the bill.

The purpose of this measure is to continue this successful program of protecting historic structures and sites. For over 30 years, since the passage of the National Historic Preservation Act, private citizens, industry, Federal, state, local and tribal governments have worked together to create a cost-effective, successful program. These unique partnerships have resulted in the preservation of historic places, which are the tangible embodiment of American history.

The Office of Management and Budget has advised that there is no objection to the enactment of the enclosed draft legislation from the standpoint of the Administration's program.

Sincerely,
STEPHEN C. SAUNDERS,
Acting Assistant Secretary for Fish and Wildlife and Parks.

By Mr. MURKOWSKI (by request):

S. 1366. A bill to authorize the Secretary of the Interior to construct and operate a visitor center for the Upper Delaware Scenic and Recreation River on land owned by the New York State, and for other purposes; to the Committee on Energy and Natural Resources.

UPPER DELAWARE SCENIC AND RECREATION RIVER LEGISLATION

Mr. MURKOWSKI. Mr. President, at the request of the administration, I rise today to introduce legislation to construct and operate a visitor center for the Upper Delaware Scenic and Recreational River on land owned by the State of New York, and for other purposes.

I ask unanimous consent that the bill, a section-by-section analysis of the legislation, and the administration letter of transmittal be printed in the RECORD for the information of my colleagues.

There being no objection, the material ordered to be printed in the RECORD, as follows:

S. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Upper Delaware Scenic and Recreational River Mongaup Visitor Center Act of 1999."

SEC. 2. FINDINGS.

(1) the Secretary of the Interior approved a management plan for the Upper Delaware Scenic and Recreational River, as required by P.L. 95-625 (16 U.S.C. 1274 note), on September 29, 1987;

(2) the river management plan called for the development of a primary visitor contact facility located at the southern end of the river corridor;

(3) the river management plan determined that the visitor center would be built and operated by the National Park Service;

(4) the Act which designated the Upper Delaware Scenic and Recreational River and the approved river management plan limits the Secretary of the Interior's authority to acquire land within the boundary of the river corridor; and

(5) the State of New York authorized on June 21, 1993, a 99-year lease between the New York State Department of Environmental Conservation and the National Park Service for the construction and operation of a visitor center by the Federal government on state-owned land in the Town of Deerpark, Orange County, New York in the vicinity of Mongaup, the preferred site for the visitor center.

SEC. 3. AUTHORIZATION OF VISITOR CENTER FOR UPPER DELAWARE SCENIC AND RECREATIONAL RIVER.

For the purpose of constructing and operating a visitor center for the Upper Delaware Scenic and Recreational River and subject to the availability of appropriations, the Secretary of the Interior may—

(a) enter into a lease with the State of New York, for a term of 99 years, for State-owned land within the boundaries of the Upper Delaware Scenic and Recreational River located at an area known as Mongaup near the confluence of the Mongaup and Upper Delaware Rivers in the State of New York; and

(b) construct and operate a visitor center on land leased under paragraph (a).

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SECTION-BY-SECTION ANALYSIS—UPPER DELAWARE SCENIC AND RECREATIONAL RIVER

Section 1. SHORT TITLE.—Provides a short title for the Act—"Upper Delaware Scenic and Recreational River Mongaup Visitor Center Act of 1999."

Section 2. FINDINGS.—Provides a discussion regarding the need for a visitor center at the Upper Delaware Scenic and Recreational River including references in the enabling legislation for the river and general management plan. Also cites the State of New York's granting of permission of construction and operation of the facility on state-owned land.

Section 3. AUTHORIZATION OF VISITOR CENTER.—Provides the Secretary of the Interior the authority to enter into a lease with the State of New York for a term of 99 years and authorizes the Secretary to construct and operate a visitor center on the leased property.

Section 4. AUTHORIZATION OF APPROPRIATIONS.—Authorizes funds that may be necessary to carry out the purposes of this Act.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, April 30, 1999.

Hon. ALBERT GORE, Jr.,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To authorize the Secretary of the Interior to construct and operate a visitor center for the Upper Delaware Scenic and Recreational River on land owned by the State of New York, and for other purposes." We recommend the bill be introduced, referred to the appropriate committee, and enacted.

The legislation would authorize the Secretary of the Interior to construct and operate a visitor center on state-owned land within the boundary of the Upper Delaware Scenic and Recreational River. The Act which established the Upper Delaware Scenic and Recreational River severely limited the Secretary's authority to acquire land. The approved general management plan for the river calls for the development of a visitor center and determined that the best location for such a center was at Mongaup near the confluence of the Mongaup and Delaware Rivers.

The preferred site is on property owned by the State of New York and administered by the New York Department of Environmental Conservation. The New York State Legislature authorized the Department of Environmental Conservation to enter into a lease with the National Park Service for the construction and operation of a visitor center on the preferred site.

This legislation is necessary because the Secretary of the Interior is not authorized to expend federal funds for the construction and operation of a facility on non-federal land. Passage of this legislation would provide the authority for the Secretary to enter into a lease with the State of New York and to subsequently develop a visitor center on the site thus implementing a significant element of the Upper Delaware Scenic and Recreational River's River Management Plan.

The Office of Management and Budget has advised that there is no objection to the enactment of the enclosed draft legislation from the standpoint of the Administration's program.

Sincerely,

DONALD J. BARRY,
Assistant Secretary for Fish and Wildlife and Parks.

By Mr. MURKOWSKI (by request):

S. 1367. A bill to amend the Act which established the Saint-Gaudens Historic Site, in the State of New Hampshire, by modifying the boundary and for other purposes.

SAINT-GAUDENS HISTORIC SITE LEGISLATION

Mr. MURKOWSKI. Mr. President, at the request of the administration, I rise today to introduce legislation to modify the boundaries of Saint-Gaudens National Historic Site, in the State of New Hampshire.

I ask unanimous consent that the bill, a section-by-section analysis of the legislation, and the administration's letter of transmittal be printed in the RECORD for the information of my colleagues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1367

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

The Act of August 31, 1964 (78 Stat. 749), which established Saint Gaudens National Historic Site is amended:

(1) in Section 3 by striking "not to exceed sixty-four acres of lands and interests therein" and inserting "215 acres of lands and buildings, or interests therein";

(2) in Section 6 by striking "$2,677,000" from the first sentence and inserting "$10,632,000"; and

(3) in Section 6 by striking "$80,000" from the last sentence and inserting "$2,000,000".

SECTION-BY-SECTION ANALYSIS—SAINT-GAUDENS NATIONAL HISTORIC SITE

Amends the Act of August 31, 1964, which originally established the historic site.

Amendment (1).—Authorizes the Secretary to acquire additional lands, up to 215 acres, which will be added to the historic site.

Amendment (2).—Increases the authorized development ceiling for the site to $10,632,000, to allow for the implementation of the approved general management plan.

Amendment (3).—Increases the authorized land acquisition ceiling for the site to $2 million, to allow for the acquisition of the lands identified for expansion in the general management plan.

DEPARTMENT OF THE INTERIOR,
Washington, DC, April 30, 1999.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft bill "to amend the Act, which established the Saint-Gaudens National Historic Site, in the State of New Hampshire, by modifying the boundary and for other purposes." We recommend the bill be introduced, referred to the appropriate committee, and enacted.

The purpose of the legislation is to authorize the Secretary to expand the boundary at the site in response to the recommendations of the general management plan completed in 1996. The legislation would also increase the land acquisition ceiling and the development ceiling for the site so as to allow the acquisition of lands identified for expansion in the general management plan and to address the site development program outlined in the plan.

The present boundary of Saint-Gaudens National Historic Site includes approximately 150 acres. The majority of this acreage is the historical zone of the historic site and therefore unavailable for the development of visitor service facilities, parking, administrative offices and facilities, or new exhibition space. The enlarged boundary would allow for the development of such facilities. The current natural areas that are part of the site would be protected with the addition of adjacent property and the viewshed from the historic area would also be protected.

The Office of Management and Budget has advised that there is no objection to the enactment of the enclosed draft legislation from the standpoint of the Administration's program.

Sincerely,

DONALD J. BARRY,
Assistant Secretary for Fish and Wildlife and Parks.

By Mr. TORRICELLI (for himself, Mr. KERRY, and Mr. CLELAND):

S. 1368. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal land, and to designate certain Federal land as ancient forests, roadless areas, watershed protection areas, special areas, and Federal boundary areas where logging and other intrusive activities are prohibited; to the Committee on Energy and Natural Resources.

THE ACT TO SAVE AMERICA'S FORESTS

• Mr. TORRICELLI. Mr. President, today, Senator KERRY and I are introducing the Act to Save America's Forests. When this country was founded over two hundred years ago, there were hundreds of millions of acres of virgin forest land across what is now the United States. Today, 95 percent of those original virgin forests have been cut down.

Our Federal forests are unique and precious public assets. Large, unbroken forest watersheds provide high-quality water supplies for drinking, agriculture, industry, as well as habitat for recreational and commercial fisheries and other wildlife. The large scale destruction of natural forests threatens other industries such as tourism and fishing with job loss. As a legacy for the enjoyment, knowledge, and well-being of future generations, provisions must be made for the protection and perpetuation of America's forests.

Clearcutting, even aged logging practices, and timber road construction have been the preferred management practices used on our Federal forests in recent years. These practices have caused widespread forest ecosystem fragmentation and degradation. The result is species extinction, soil erosion, flooding, declining water quality, diminishing commercial and sport fisheries, including salmon, and mudslides. Mudslides in Western forest regions during recent winter flooding have caused millions of dollars of environmental and property damage, and resulted in several deaths.

An environmentally sustainable alternative to these practices is selection management: the selection system involves the removal of trees of different ages either singly or in small groups in order to preserve the biodiversity of the forest.

Destructive forestry practices such as clearcutting on Federal lands was legalized by the passage of the National Forest Management Act of 1976. From 1984 to 1991, an average of 243,000 acres were clearcut annually on Federal lands. During the same time period an average of only 33,000 acres were harvested using the protective selection management practices. Pro-clearcutting interpretations of forestry laws have also been used by Federal managers to promote even age logging and road construction. In addition, the laws are not effective in preserving our forests because in many cases judges do not allow citizens standing in court to ensure that the Forest Service or other agencies follow the environmental protections of the law.

I am introducing this legislation to halt and reverse the effects of deforestation on Federal lands by ending the practice of clearcutting, while promoting environmentally compatible and economically sustainable selection management logging. It is important to note this legislation would only apply to Federal forests which are currently supplying less than 6 percent of America's timber consumption. According to a recent Congressional Research Service report we can reduce timber supply from the national forests and still meet our nation's timber needs. The vast majority of the 490 million acres of harvestable timber are privately owned and unaffected by the bill.

This legislation puts forward positive alternatives that will achieve two principal policies for our Federal forests. First, the Act would ban logging and road-building in remaining core areas of biodiversity throughout the Federal forest system including roadless areas, specially designated areas and 13 million acres of Northwest Ancient Forests. Second, in non-core areas it would abolish environmentally destructive forms of logging such as clearcutting and even aged logging.

The Act requires selection management logging practices to be used. Therefore, timber companies would only be allowed to log a certain percentage of the forests over specified periods of time. Further it takes extra steps to protect watersheds and fisheries by prohibiting logging in buffer areas along streams, lakes, and wetlands. The Act would also call for an independent panel of scientists to develop a plan to restore and rejuvenate those forests and their ecosystems that are damaged from decades of these logging practices. And finally, the legislation would empower citizen involvement in insuring compliance with environmental protections of forest management laws by making certain that all citizens have standing to pursue actions in court.•

• Mr. KERRY. Mr. President, I want to speak for a few minutes today in support of the Act to Save America's Forests. Over the past 200 years, 95 percent of America's forests have been logged. The Act to Save America's Forests is an effort to save the remaining 5 percent of these original forests.

The legislation is based on our best science and recognizes that we can preserve our national forests for future generations and still harvest the renewable resource of timber. It is supported by over 600 scientists, who wrote to Congress that the act will "give our nation's precious forest ecosystems the best chance for survival and recovery into the 21st century and beyond."

The truth is, this bill represents a prudent approach. It has been criticized by those who want to ban all logging on national lands and by those who feel that our current forest policy is too restrictive. I am optimistic that it will bring opposing sides together around common progress.

The Act to Save America's Forests will protect some of the most treasured wild lands in America. Millions of Americans visit our national forests every year, generating more than $100 billion for local economies. In our forests, families hike, fish, boat, mountain climb, bird watch ad even dog sled. And, they act as watersheds and are home to rare species.

In Oregon, our national forests have trees over 1,000 years old. The Sequoia National Forest in California is home to the world's oldest trees. These are true natural—and national—treasures.

In New England, we have the Green Mountain and White Mountain National Forests. Only 100 miles from Boston, they are home to Mt. Washington, the Old Main of the Mountain and the Appalachian Trail. These are favorite spots for our citizens to backpack, ski, canoe, kayak and witness the fall foliage.

The remaining unbroken forests in the Green Mountain draw wildlife from great distances, such as migratory song birds from central and South America. The Lamb Brook, Glastenbury and Robert Frost Mountain forests, which are threatened with clearcut logging, are critical habitat for New England's black bear population, who needs these remote areas of solitude to breed and forage. The Act to Save America's Forests would permanently protect these forests and their biodiversity from logging or road-building.

Today, there are 490 million acres of harvestable timberlands in the United States. Only approximately 20 percent of this harvestable timberland, some 98 million acres, are owned by the Federal Government and would be impacted by the Act to Save America's Forests. The remaining 80 percent of the harvestable timberland is on private land, and would not be regulated by the Act to Save America's Forests.

The major provisions of the Act to Save America's Forests will ban logging and road building of any kind in 13 million acres of "core" national forest. Core forests include ancient forest and biologically significant and roadless areas. Only environmentally compatible, sustainable logging would be permitted outside of the protected core forest areas. Clearcutting and even age logging would be banned on all federal lands. The Act will protect watersheds and fisheries by prohibiting logging within 300-foot buffer areas along streams and lakes. It directs the Federal agencies to protect and restore native biological diversity. Finally, it establishes a panel of scientists to provide guidance on Federal forest management.

I want to thank Senator TORRICELLI for introducing this legislation and Representative ANNA ESHOO for offering similar legislation in the House of Representatives. I strongly support this effort to balance our need to preserve and restore our national forests while allowing for the harvest of the renewable resource these forests provide.•

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. SCHUMER, Mr. KERRY, Mr. LAUTENBERG, Mr. DODD, and Mr. KENNEDY):

S. 1369. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

CLEAN ENERGY ACT OF 1999

Mr. JEFFORDS. Mr. President, I rise today to introduce the Clean Energy Act of 1999, for myself and Senators LIEBERMAN, MOYNIHAN, SCHUMER, KERRY, LAUTENBERG, DODD, and KENNEDY.

Air pollution from dirty power plants threatens the health of lakes, forests, and people across our Nation. Today, we call for an end to code red air pollution alerts, smog filled afternoons and chemical induced haze. Today, we will introduce legislation to protect our environment from the damaging effects of air pollution and move our Nation closer to a sensible energy future.

Why should we live with smog, acid rain and code red summer afternoons when the technology is here to capture the sun and wind in our backyard? It is time for our Nation to transition from smokestacks, coal power and smog to a future with windmills, solar power and blue skies. Like the wall in Berlin, we hope to watch the dirty power plants dismantled brick, by brick, knowing that once again we can breath freely.

As the U.S. PIRG report indicates, air pollution produced from dirty power plants has skyrocketed. With recent wholesale deregulation, coal fired power plants increased their output almost 16%. This has got to end.

Electric utility deregulation has the potential to save consumers millions of dollars in energy costs. At the same time, deregulation can move us away from reliance on dirty fossil fuels. A study by the Union of Concerned Scientists showed that we can decrease electricity prices by 13% while still achieving great public and environmental benefits.

Electricity prices in the Northeast are double those in the Midwest. Under current law, old, dirty coal fired power plants in the Midwest are exempt from the same air quality standards that our plants meet. Their emissions settle into our streams, forests, eyes, and lungs. They get the benefit, we get the cost.

Not anymore. Our bill will level the playing field for clean Northeast utility companies. It will knock dirty upwind coal burners out of the competitive arena. It will give our utilities the ability to compete successfully in deregulated markets.

Our proposal will cap emissions from generation facilities, forcing old coal plants to meet tighter air quality standards or shut down. We attack pollutants that lead to smog, acid rain, mercury contamination and ground-level ozone.

Our bill will put in place a nationwide wires charge to create an electric benefit fund to develop renewable energy sources and promote energy efficiency and universal access. It will mandate that generation facilities purchase increasing percentages of renewable power each year. We begin at 2.5% in 2000 and increase to 20% renewables by 2020. Either buy renewables, or don't play in the market place.

Our legislation will make it cheaper and easier for consumers to install renewable energy sources in their homes, farms, and small businesses by simplifying the metering process. And finally, our bill has a comprehensive disclosure provision, giving consumers honest and verifiable information regarding their energy choices.

Our Nation's future depends on clean, reliable energy. We can end dirty air from tall utility smokestacks. We can capture the global market for renewable energy. We can stop acid rain from killing our forests and we can keep our summer days from being ozone days. We can increase our energy security. And we can do all this while saving consumers millions of dollars on their utility bills.

Mr. LIEBERMAN. Mr. President, I am pleased today to join with my distinguished colleague from Vermont to introduce the Clean Energy Act of 1999. This landmark legislation provides a comprehensive, long-term blueprint for fulfilling the promise of fishable rivers, swimable streams, and clean, breathable air as envisioned by the groundbreaking Clean Water and Clean Air Acts.

As Senator JEFFORDS has explained, the Clean Energy Act would reduce emissions of the full range of pollutants that damage human health and the global environment. The public health standards embodied in this bill are ambitious. But they reflect the significant strides Northeastern utilities have made in recent years to reduce pollution from electric power plants. They also reflect the reality that goals can, and must, be achieved regionally and nationally if we are to ensure clean air and clean water for every community.

As utilities invest in control technologies to help them meet existing and future clean air requirements, they face difficult choices. Some technologies control for one pollutant, while exacerbating emissions of another and often utilities make large capital investments without knowing what pollutant reductions may be required of them in the future. The Clean Energy Act will bring order to the equation by providing a comprehensive but flexible guide for controlling the full range of pollutants associated with electricity generation, including nitrogen oxides, sulphur dioxide, mercury, and carbon.

The Clean Energy Act will help reduce emissions of nitrogen oxides that lead to smog that makes it difficult for children, asthmatics, and the elderly to breathe. It will help reduce acid rain by reducing the amount of sulphur that our smokestacks pump into the air.

The bill will accelerate efforts to make the fish in rivers safe to eat by lowering the amount of mercury introduced into the food chain. And it will help reduce the U.S. contribution to the problem of climate change by recognizing carbon dioxide as a pollutant of the global atmosphere.

Last year, I introduced a bill designed to close a loophole in the Clean Air Act that exempts older power plants from rigorous environmental standards. We know that to ensure fairness in an era of increasing competitiveness, we must strengthen pollution controls so that dirty power plants don't gain an unfair share of the market while polluting at higher rates than cleaner, more efficient utilities. The Clean Energy Act builds on the effort begun last year, by requiring all plants, no matter what their vintage, to meet the same standards.

Electricity deregulation carries the promise of enormous benefits for the consumer—mainly in reduced electric bills—which I strongly support. But electricity deregulation can also cause adverse environmental and public health consequences if we don't do it right.

The principles behind the Clean Energy Act—comprehensive control of pollutants and equitable across-the-board standards, enhanced by emissions trading—provide a vision for how the electricity industry and our economy can grow even as we improve the quality of our air and water for generations to come.

● Mr. KERRY. Mr. President, I rise today to make a few remarks in support of the Clean Energy Act of 1999.

There is a strong consensus in Congress, and throughout the nation, that it is time to restructure our electric utility industry. The driving force behind this consensus is the potential to save working families and businesses billions of dollars in their electricity bills as competition replaces regulated markets and drives down costs.

The Clinton Administration has estimated that the nation may save as much as $20 billion through restructuring, and other estimates are even higher. Some twenty states, including Massachusetts, have already acted to bring competition to their state industry and capture these savings.

In addition to saving billions of dollars, electric utility restructuring also presents us with the opportunity to enhance environmental protections. The Clean Energy Act of 1999 advances environmental goals that I believe should be considered as part of the final electric utility restructuring proposal passed by the Senate—and that is why I am an original cosponsor.

I know that some in Congress have argued that we should not include environmental protections in a utility restructuring proposal. I think that would be a grave mistake, because some—by no means all—power plants are the source of too much pollution to be ignored.

In Massachusetts, for example, five power plants release more than 90 percent of the pollution from power plants in the state. If each of these plants met modern standards, it would reduce as much pollution as taking more than 750,000 cars off the road. And, while Massachusetts struggles with some of these dirty plants, many more can be found in the Midwest and other parts of the nation.

The consequences of this pollution are significant. In the Northeast we experience frequent and widespread violations of national health standards for ozone. Long-term exposure to ozone may increase the incidence of respiratory disease and premature aging of the lungs. Acid deposition, whose source may be plants far outside of the Northeast, degrades public health and damages aquatic and terrestrial ecosystems. Mercury, which is highly poisonous, accumulates in aquatic species. Finally, carbon dioxide pollution continues to accumulate in the atmosphere and increase the potential for destructive and irreversible climate change.

The Clean Energy Act of 1999 would put in place important public health and environmental policies. Most importantly, it would level the playing field by requiring old, heavily-polluting power plants that are now exempt from health and environmental standards, to clean up. This is important for New England, because while many of these plants are located in the Midwest, their pollution is carried through weather patterns to our air, forests, lakes, streams and lungs.

We should close this loophole. Many energy companies have achieved environmental improvements, and those achievements should not be minimized, but the fact remains that electricity generation from old, heavily-polluting power plants increased 15.8 percent from 1992 to 1998, nationwide.

I want to add that I have heard from the citizens of Massachusetts who live around old coal and oil plants that pollute far more than newer plants. They feel strongly that all plants should comply with environmental standards and employ the best environmental technology, and that no family should be forced to live in the shadows of a plant that may cause environmental harm.

In addition to having tougher standards and closing loopholes in current law, the Act would require the Environmental Protection Agency to review any plant that emits excessive pollution through pollution permit trading to determine whether it is causing adverse local environmental and health impacts. As a result, the bill allows for robust trading so that we can capture all of its economic and broader environmental benefits, but only when it does not harm local communities.

Finally, other provisions of the Act will benefit the environment and make the U.S. a leader in clean energy technologies. For example, it would require that a percentage of the Nation's power is generated by solar, wind and other renewable sources. For years we have given heavily-polluting plants a free ride. Now it is time to reverse course and create a market force to bolster our renewable energy technologies so that we will have a growing clean power industry as we start the 21st Century.

I thank Senator JEFFORDS for introducing the Clean Energy Act of 1999, and I am pleased to join Senators LIEBERMAN, MOYNIHAN, SCHUMER, KENNEDY, DODD, and LAUTENBERG as an original cosponsor. I hope this legislation will help shape the Senate debate over utility restructuring and ensure that provisions to protect the environment and the public health will be part of the final legislation.●

By Mr. SHELBY:

S. 1370. A bill to amend the Internal Revenue Code of 1986 to extend the time for payment of the estate tax on certain timber stands; to the Committee on Finance.

TIMBERLAND CONSERVATION AND TAX RELIEF ACT OF 1999

Mr. SHELBY. Mr. President, I recently introduced legislation that would amend our estate taxation laws to correct a highly unjust situation that regularly occurs throughout our country. The problem I am referring to is the difficult situation persons who inherit valuable timberland often find themselves. Because the timberland is usually the major estate asset, the estate frequently lacks the liquidity to pay the hefty tax burden. Therefore, many times persons are forced to harvest the timber or even worse, to sell portions of the land, just to be able to meet this large tax liability.

Besides essentially invalidating many testamentary gifts, such a tax policy creates numerous economic and ecological problems. As estate taxes are due nine months after a decedent's death, the current law strongly encourages persons to harvest the timber regardless of it's maturity, prevailing price or demand. Encouraging such behavior not only leads to economic waste, but also discourages responsible use of a valued natural resource. The decision of if and when to harvest timberlands should be made by the individual landowner after he has considered the current market, tree maturity and other relevant factors. It certainly should not be based on an uncompromising tax code that completely disregards these critical factors.

Mr. President, the decision to sell the land is in no way a viable alternative to premature harvesting. Selling portions of a contiguous tract leads to fragmentation of the land, which in turn can lead to legal disputes and other inefficiencies. Furthermore, wildlife and forestry conservation efforts by earlier landowners are often ignored by new owners who look to exploit the land in order to turn a quick profit. But most importantly, our tax code should never place someone in a position where they must sell a testamentary gift just to be able to pay the taxes on the transfer. Besides being inherently unfair, such a tax tramples upon the property rights of American landowners.

Mr. President, we must not allow the tax code to perpetuate these injustices. My bill, the Timberland Conservation and Tax Relief Act of 1999 eliminates these problems by removing mechanical and unthinking tax laws from the decision of when it appropriate to harvest American timberlands. It introduces a flexible deferred payment provision into the estate taxation scheme that will allow timberland owners to exercise their own good judgment in deciding what the most efficient use of their land would be. Furthermore, the Timberland Conservation and Tax Relief Act promotes the responsible use of our environment by no longer placing persons in a position where they must harvest immature or unneeded timber. For these reasons, I strongly urge my colleagues in the Senate to join me in support of this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX ON CERTAIN TIMBER STANDS.

(a) IN GENERAL.—Subchapter B of chapter 62 of the Internal Revenue Code of 1986 (relating to extensions of time for payment) is amended by adding at the end the following:

"SEC. 6168. EXTENSION OF TIME FOR PAYMENT OF ESTATE TAX ON CERTAIN TIMBER STANDS.

"(a) IN GENERAL.—In the case of an interest in a qualified timber property which is included in determining the gross estate of a decedent who was (at the date of his death) a citizen or resident of the United States, the executor may elect to pay part or all of the tax imposed by section 2001 on or before the date which is the earliest of—

"(1) the date the property is no longer qualified timber property,

"(2) the date the individual who inherited the interest in the qualified timber property either transfers the interest or dies, or

"(3) the date which is 25 years after the date of death of the decedent.

"(b) LIMITATION.—The maximum amount of tax which may be paid under this subsection shall be an amount which bears the same ratio to the tax imposed by section 2001 (reduced by the credits against such tax) as—

"(1) the fair market value of the interest in the qualified timber property, bears to

"(2) the adjusted gross estate of the decedent.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED TIMBER PROPERTY.—The term 'qualified timber property' means trees and any real property on which such trees are growing which is—

"(A) located in the United States, and

"(B) used in timber operations (as defined in section 2032A(e)(13)(C)).

"(2) ADJUSTED GROSS ESTATE.—The term, 'adjusted gross estate' means the value of the gross estate reduced by the sum of the amounts allowable as a deduction under section 2053 or 2054. Such sum shall be determined on the basis of the facts and circumstances in existence on the date (including extensions) for filing the return of tax imposed by section 2001 (or, if earlier, the date on which such return is filed).

"(3) CERTAIN TRANSFERS AT DEATH OF HEIR DISREGARDED.—Subsection (a)(2) shall not apply to any transfer by reason of death so long as such transfer is to a member of the family (within the meaning of section 267(c)94)) of the transferor in such transfer.

"(d) ELECTION.—Any election under subsection (a) shall be made not later than the time prescribed by section 6075(a) for filing the return of tax imposed by section 2001 (including extensions thereof), and shall be made in such manner as the Secretary shall by regulations prescribe. If an election under subsection (a) is made, the provisions of this subtitle shall apply as though the Secretary were extending the time for payment of the tax.

"(e) TIME FOR PAYMENT OF INTEREST.—If the time for payment of any amount of tax has been extended under this section, interest payable under section 6601 on any unpaid portion of such amount shall be paid at the time of the payment of the tax.

"(f) SPECIAL RULE FOR CERTAIN DIRECT SKIPS.—To the extent that an interest in a qualified timber property is the subject of a direct skip (within the meaning of section 2612(c)) occurring at the same time as and as a result of the decedent's death, then for purposes of this section any tax imposed by section 2601 on the transfer of such interest shall be treated as if it were additional tax imposed by section 2001.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to the application of this section.

"(h) CROSS REFERENCES.—

"(1) SECURITY.—For authority of the Secretary to require security in the case of an extension under this section, see section 6165.

"(2) LIEN.—For special lien (in lieu of bond) in the case of an extension under this section, see section 6324A.

"(3) PERIOD OF LIMITATION.—For extension of the period of limitation in the case of an extension under this section, see section 6503(d).

"(4) INTEREST.—For provisions relating to interest on tax payable under this section, see subsection (j) of section 6601.".

(b) CONFORMING AMENDMENTS.—

(1) Section 163(k) of the Internal Revenue Code of 1986 is amended by striking "6166" in the heading and the text and inserting "6166 or 6168".

(2) Section 2053(c)(1)(D) of such Code is amended—

(A) by striking "6166" and inserting "6166 or 6168", and

(B) by striking "6166" in the heading and inserting "6166 OR 6168".

(3) The following provisions of such Code are amended by striking "or 6166" each place it appears and inserting "6166, or 6168":

(A) Section 2056A(b)(10)(A).

(B) Section 2204(a).

(C) Section 2204(b).

(D) Section 6503(d).

(4) Section 2011(c)(2) of such Code is amended by striking "or 6166" and inserting ", 6166, or 6168":

(5) The following provisions of such Code are amended by inserting "or 6168" after "6166" each place it appears:

(A) Section 2204(c).

(B) Section 6601(j) (except the second sentence of paragraph (1)).

(C) Section 7481(d).

(6) Section 6161(a)(2) of such Code is amended—

(A) in subparagraph (A), by striking "or" at the end,

(B) in subparagraph (B), by adding "or" at the end,

(C) in the matter following subparagraph (B)—

(i) by striking "subparagraph (B)" and inserting "subparagraph (B) or (C)", and

(ii) by inserting "or payment" after "installment", and

(D) by inserting after subparagraph (B) the following:

"(C) any part of the payment determined under section 6168,".

(7) Section 6324A of such Code is amended—

(A) by adding at the end the following:

"(f) APPLICATION OF SECTION TO DEFERRED TAX UNDER SECTION 6168.—Rules similar to the rules of this section shall apply to the amount of tax and interest deferred under section 6168 (determined as of the date prescribed by section 6151(a) for payment of the tax imposed by chapter 11).", and

(B) in the title, by striking "**estate tax deferred under section 6166**" and inserting "**deferred estate tax**".

(8) The table of sections for subchapter B of chapter 62 of such Code is amended by adding at the end the following:

"Sec. 6168. Extension of time for payment of estate tax on certain timber stands.".

(9) The item relating to section 6324A in the table of sections for subchapter C of chapter 64 of such Code is amended by striking "estate tax deferred under section 6166" and inserting "deferred estate tax".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after the date of enactment of this Act.

ADDITIONAL COSPONSORS

S. 25

At the request of Ms. LANDRIEU, the names of the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Kansas (Mr. ROBERTS), the Senator from Nebraska (Mr. KERREY), and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of S. 25, a bill to provide Coastal Impact Assistance to State and local governments, to amend the Outer Continental Shelf Lands Act Amendments of 1978, the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes.

S. 85

At the request of Mr. BUNNING, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 85, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 216

At the request of Mr. MOYNIHAN, the names of the Senator from Nebraska (Mr. KERREY) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 216, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the use of foreign tax credits under the alternative minimum tax.

S. 253

At the request of Mr. MURKOWSKI, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 253, a bill to provide for the reorganization of the Ninth Circuit Court of Appeals, and for other purposes.

S. 317

At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 317, a bill to amend the Internal Revenue Code of 1986 to provide an exclusion for gain from the sale of farmland which is similar to the exclusion from gain on the sale of a principal residence.

S. 333

At the request of Mr. LEAHY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 333, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to improve the farmland protection program.

S. 472

At the request of Mr. GRASSLEY, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 486

At the request of Mr. ASHCROFT, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 486, a bill to provide for the punishment of methoamphetamine laboratory operators, provide additional resources to combat methamphetamine production, trafficking, and abuse in the United States, and for other purposes.

S. 510

At the request of Mr. CAMPBELL, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 510, a bill to preserve the sovereignty of the United States over public lands and acquired lands owned by the United States, and to preserve State sovereignty and private property rights in non-Federal lands surrounding those public lands and acquired lands.

S. 515

At the request of Mr. AKAKA, the names of the Senator from California (Mrs. BOXER) and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of S. 515, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 635

At the request of Mr. MACK, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 635, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

S. 664

At the request of Mr. CHAFEE, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 676

At the request of Mr. CAMPBELL, the names of the Senator from Alabama (Mr. SHELBY) and the Senator from Illinois (Mr. FITZGERALD) were added as cosponsors of S. 676, a bill to locate and secure the return of Zachary Baumel, a citizen of the United States, and other Israeli soldiers missing in action.

S. 720

At the request of Mr. HELMS, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 720, a bill to promote the development of a government in the Federal Republic of Yugoslavia (Serbia and Montenegro) based on democratic principles and the rule of law, and that respects internationally recognized human rights, to assist the victims of Serbian oppression, to apply measures against the Federal Republic of Yugoslavia, and for other purposes.

S. 820

At the request of Mr. CHAFEE, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 820, a bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-

cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

S. 926

At the request of Mr. DODD, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 926, a bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes.

S. 935

At the request of Mr. LUGAR, the names of the Senator from Colorado (Mr. ALLARD), the Senator from South Dakota (Mr. DASCHLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Nebraska (Mr. KERREY), the Senator from Vermont (Mr. LEAHY), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 935, a bill to amend the National Agricultural Research, Extension, and Teaching Policy Act of 1977 to authorize research to promote the conversion of biomass into biobased industrial products, and for other purposes.

S. 980

At the request of Mr. BAUCUS, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 980, a bill to promote access to health care services in rural areas.

S. 1017

At the request of Mr. MACK, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1044

At the request of Mr. KENNEDY, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 1044, a bill to require coverage for colorectal cancer screenings.

S. 1074

At the request of Mr. TORRICELLI, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1074, a bill to amend the Social Security Act to waive the 24-month waiting period for medicare coverage of individuals with amyotrophic lateral sclerosis (ALS), and to provide medicare coverage of drugs and biologicals used for the treatment of ALS or for the alleviation of symptoms relating to ALS.

S. 1142

At the request of Ms. MIKULSKI, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1142, a bill to protect the right of a member of a health maintenance organization to receive continuing care at a facility selected by that member, and for other purposes.

S. 1165

At the request of Mr. MACK, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1165, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 1215

At the request of Mr. DODD, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1215, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish headstones or markers for marked graves of, or to otherwise commemorate, certain individuals.

S. 1268

At the request of Mr. HARKIN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1268, a bill to amend the Public Health Service Act to provide support for the modernization and construction of biomedical and behavioral research facilities and laboratory instrumentation.

S. 1310

At the request of Ms. COLLINS, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1310, a bill to amend title XVIII of the Social Security Act to modify the interim payment system for home health services, and for other purposes.

S. 1341

At the request of Mr. DORGAN, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1341, a bill to amend the Internal Revenue Code of 1986 to expand the applicability of section 179 which permits the expensing of certain depreciable assets.

SENATE CONCURRENT RESOLUTION 9

At the request of Ms. SNOWE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

SENATE CONCURRENT RESOLUTION 25

At the request of Mr. JEFFORDS, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of Senate Concurrent Resolution 25, a concurrent resolution urging the Congress and the President to fully fund the Federal Government's obligation under the Individuals with Disabilities Education Act.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. SPECTER, the names of the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of Senate Concurrent Resolution 34, A concurrent resolution relating to the observence of "In Memory" Day.

SENATE RESOLUTION 118

At the request of Mr. REID, the names of the Senator from Georgia (Mr. CLELAND), the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. HAGEL), the Senator from Florida (Mr. MACK), and the Senator from Ohio (Mr. DEWINE) were added as cosponsors of Senate Resolution 118, a resolution designating December 12, 1999, as "National Children's Memorial Day."

SENATE RESOLUTION 139—AUTHORIZING EXPENDITURES BY THE SELECT COMMITTEE ON INTELLIGENCE

Mr. SHELBY, from the Select Committee on Intelligence, reported the following original resolution: which was referred to the Committee on Rules and Administration:

S. RES. 139

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Select Committee on Intelligence is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $2,674,687, of which amount not to exceed $65,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(b) For the period October 1, 2000 through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,141,189, of which amount not to exceed $65,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000 and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee, from October 1, 1999, through September 30, 2000, and October 1, 2000 through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 140—CONGRATULATING THE UNITED STATES WOMEN'S SOCCER TEAM FOR WINNING THE 1999 WOMEN'S WORLD CUP, RECOGNIZING THE IMPORTANT CONTRIBUTION OF EACH INDIVIDUAL TEAM MEMBER TO THE UNITED STATES AND TO THE ADVANCEMENT OF WOMEN'S SPORTS, AND INVITING THE MEMBERS OF THE UNITED STATES WOMEN'S SOCCER TEAM TO THE UNITED STATES CAPITOL TO BE HONORED AND RECOGNIZED BY THE SENATE FOR THEIR ACHIEVEMENTS

Mr. CAMPBELL submitted the following resolùtion; which was referred to the Committee on the Judiciary:

S. RES. 140

Whereas each of the athletes on the United States women's soccer team has honored the Nation through her dedication to excellence;

Whereas the United States women's soccer team has raised the level of awareness and appreciation for women's sports throughout the United States;

Whereas the members of the United States women's soccer team have become positive role models for the young people of the United States aspiring to participate in national and international level sports; and

Whereas the United States women's soccer team has qualified for the 2000 summer Olympic games: Now, therefore, be it

Resolved,

SECTION 1. CONGRATULATION, RECOGNITION, AND INVITATION.

The Senate—

(1) congratulates the United States women's soccer team for winning the 1999 Women's World Cup;

(2) recognizes the important contribution of each individual team member to the United States and to the advancement of women's sports; and

(3) invites the members of the United States women's soccer team to the United States Capitol to be honored and recognized by the Senate for their achievements.

SEC. 2. TRANSMISSION OF ENROLLED RESOLUTION.

The Secretary of the Senate shall transmit an enrolled copy of this resolution to the United States women's soccer team.

Mr. CAMPBELL. Mr. President, today I submit a resolution in honor of the Women's World Cup Soccer Champions, the U.S. Women's Soccer Team.

From the first game of the Women's World Cup in New Jersey, which was played before a sold-out crowd, to the final game at the Rose Bowl filled with 90,185 screaming fans, setting the women's sports record for attendance, this U.S. Women's Soccer Team has inspired us all. The U.S. Women's Soccer Team had an outstanding run during the 1999 Women's World Cup which culminated in an amazing victory against the Chinese in the final game.

After 120 minutes of exciting soccer, the game came down to a shoot-out where the U.S. Women's Team prevailed 5 to 4 to become the champions. From Briana Scurry's game winning save to the nail-biting seconds before Brandi Chastain made the winning goal, they had us all sitting on the edge of our chairs.

As a former Olympic athlete, I know the dedication and determination that these women must have in order to achieve this tremendous accomplishment. I want to point out that every member of this team either has a college degree or is pursuing one. I can't think of better role models for today's youth than this World Cup Team.

I want to congratulate and recognize each and every member of this team and I ask unanimous consent that their names and the resolution be printed in the RECORD. I would also like to thank my good friend and former Olympian Donna de Varona, the Chairwoman of the Women's World Cup, for her hard work and dedication to ensure that women's soccer is finally given the recognition it deserves. I urge my colleagues to join in strong support of passage of this resolution.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

U.S. WOMEN'S SOCCER TEAM

Michelle Akers, Brandi Chastain, Tracy Ducar, Lorrie Fair, Joy Fawcett, Danielle Fotopoulos, Julie Foudy, Mia Hamm, Kristine Lilly, Shannon MacMillan, Tiffeny Milbrett, Carla Overbeck, Cindy Parlow, Christie Pearce, Tiffany Roberts, Briana Scurry, Kate Sobrero, Tisha Venturini, Saskia Webber, Sara Whalen.

AMENDMENTS SUBMITTED

PATIENTS' BILL OF RIGHTS ACT OF 1999

SNOWE (AND OTHERS) AMENDMENT NO. 1241

Ms. SNOWE (for herself, Mr. ABRAHAM, Mr. FITZGERALD, Mr. CRAPO, Ms. COLLINS, Mr. JEFFORDS, Mr. MURKOWSKI, and Mr. DEWINE) proposed an amendment to amendment No. 1239 proposed by Mr. DODD to the bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; as follows:

Strike section 152 of the bill, and insert the following:

WOMEN'S HEALTH AND CANCER RIGHTS.

(a) SHORT TITLE.—This section may be cited as the "Women's Health and Cancer Rights Act of 1999".

(b) FINDINGS.—Congress finds that—

(1) the offering and operation of health plans affect commerce among the States;

(2) health care providers located in a State serve patients who reside in the State and patients who reside in other States; and

(3) in order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States.

(c) AMENDMENTS TO ERISA.—

(1) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by section 301, is further amended by adding at the end the following:

"SEC. 715. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

"(A) a mastectomy;

"(B) a lumpectomy; or

"(C) a lymph node dissection for the treatment of breast cancer.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

"(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 2000;

whichever is earlier.

"(d) SECONDARY CONSULTATIONS.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

"(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

"(e) PROHIBITION ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not—

"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (d).".

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 714 the following new item:

"Sec. 715. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".

(d) AMENDMENTS TO PHSA RELATING TO THE GROUP MARKET.—Subpart 2 of part A of title XXVII of the Public Health Service Act, as amended by section 201, is further amended by adding at the end the following new section:

"SEC. 2708. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

"(A) a mastectomy;

"(B) a lumpectomy; or

"(C) a lymph node dissection for the treatment of breast cancer.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

"(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 2000;

whichever is earlier.

"(d) SECONDARY CONSULTATIONS.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

"(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

"(e) PROHIBITION ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not—

"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (d).".

(e) AMENDMENTS TO PHSA RELATING TO THE INDIVIDUAL MARKET.—Subpart 2 of part B of title XXVII of the Public Health Service Act, as amended by section 202, is further amended by adding at the end the following new section:

"SEC. 2754. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND SECONDARY CONSULTATIONS.

"The provisions of section 2708 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.".

(f) AMENDMENTS TO THE IRC.—

(1) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 401, is further amended—

(A) in the table of sections, by inserting after the item relating to section 9813 the following new item:

"Sec. 9814. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations."; and

(B) by inserting after section 9813 the following:

"SEC. 9814. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

"(A) a mastectomy;

"(B) a lumpectomy; or

"(C) a lymph node dissection for the treatment of breast cancer.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

"(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

"(c) NOTICE.—A group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan and shall be transmitted—

"(1) in the next mailing made by the plan to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 2000;

whichever is earlier.

"(d) SECONDARY CONSULTATIONS.—

"(1) IN GENERAL.—A group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

"(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

"(e) PROHIBITION ON PENALTIES.—A group health plan may not—

"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan involved under subsection (d).".

(2) CLERICAL AMENDMENT.—The table of contents for chapter 100 of such Code is amended by inserting after the item relating to section 9813 the following new item:

"Sec. 9814. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".

KENNEDY (AND OTHERS) AMENDMENT NO. 1242

Mr. DASCHLE (for Mr. KENNEDY (for himself, Mr. REID, Mr. DURBIN, Mr. WELLSTONE, Mr. WYDEN, Mr. REED, Mrs. MURRAY, Mr. DASCHLE, Mr. CHAFEE, and Mrs. FEINSTEIN)) proposed an amendment to amendment No. 1239 to the bill, S. 1344, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. APPLICATION TO ALL HEALTH PLANS.

(a) ERISA.—Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 101(a)(2) of this Act, is amended by adding at the end the following:

"SEC. 730A. APPLICATION OF PROVISIONS.

"(a) APPLICATION TO GROUP HEALTH PLANS.—The provisions of this subpart, and sections 714 and 503, shall apply to group health plans and health insurance issuers offering health insurance coverage in connection with a group health plan.

"(b) TREATMENT OF MULTIPLE COVERAGE OPTIONS.—In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of this subpart, other than section 722, shall apply separately with respect to each coverage option.

"(c) PLAN SATISFACTION OF CERTAIN REQUIREMENTS.—

"(1) SATISFACTION OF CERTAIN REQUIREMENTS THROUGH INSURANCE.—For purposes of subsection (a), insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the following requirements of this Act with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer:

"(A) section 721 (relating to access to emergency care).

"(B) Section 722 (relating to choice of coverage options), but only insofar as the plan is meeting such requirement through an agreement with the issuer to offer the option to purchase point-of-service coverage under such section.

"(C) Section 723, 724 and 725 (relating to access to specialty care).

"(D) Section 726) (relating to continuity in case of termination of provider (or, issuer in connection with health insurance coverage) contract) but only insofar as a replacement issuer assumes the obligation for continuity of care.

"(E) Section 727 (relating to patient-provider communications).

"(F) Section 728 (relating to prescription drugs).

"(G) Section 729 (relating to self-payment for certain services).

"(2) INFORMATION.—With respect to information required to be provided or made available under section 714, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide or make available the information (and is not liable for the issuer's failure to provide or make available the information), if the issuer is obligated to provide and make available (or provides and makes available) such information.

"(3) GRIEVANCE AND INTERNAL APPEALS.—With respect to the grievance system and internal appeals process required to be established under section 503, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide for such system and process (and is not liable for the issuer's failure to provide for such system and process), if the issuer is obligated to provide for (and provides for) such system and process.

"(4) EXTERNAL APPEALS.—Pursuant to rules of the Secretary, insofar as a group health plan enters into a contract with a qualified external appeal entity for the conduct of external appeal activities in accordance with section 503, the plan shall be treated as meeting the requirement of such section and is not liable for the entity's failure to meet any requirements under such section.

"(5) APPLICATION TO PROHIBITIONS.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of section 727, the group health plan shall not be liable for such violation unless the plan caused such violation.

"(6) CONSTRUCTION.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

"(d) CONFORMING REGULATIONS.—The Secretary may issue regulations to coordinate the requirements on group health plans under this section with the requirements imposed under the other provisions of this title.".

(b) APPLICATION TO GROUP MARKET UNDER PUBLIC HEALTH SERVICE ACT.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 203(a)(1)(B), is further amended by adding at the end the following new section:

"SEC. 2708. PATIENT PROTECTION STANDARDS.

"(a) IN GENERAL.—Each group health plan shall comply with the following patient protection requirements, and each health insurance issuer shall comply with such patient protection requirements with respect to group health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection:

"(1) The requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

"(2) The requirements of section 714 of the Employee Retirement Income Security Act of 1974.

"(3) The requirements of subsections (b) through (g) of section 503 of the Employee Retirement Income Security Act of 1974.

"(b) NOTICE.—A group health plan shall comply with the notice requirement under section 104(b)(1) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) and a health insurance issuer shall comply with such notice requirement as if such section applied to such issuer and such issuer were a group health plan.".

(c) Application to Individual Market Under Public Health Service Act.—Subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-51 et seq.), as amended by section 203(b)(2), is further amended by adding at the end the following new section:

"SEC. 2754. PATIENT PROTECTION STANDARDS.

"(a) In General.—Each health insurance issuer shall comply with the following patient protection requirements with respect to individual health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection:

"(1) The requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

"(2) The requirements of section 714 of the Employee Retirement Income Security Act of 1974.

"(3) The requirements of section 503 of the Employee Retirement Income Security Act of 1974.

"(b) Notice.—A health insurance issuer under this part shall comply with the notice requirement under section 104(b)(1) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of such subtitle as if such section applied to such issuer and such issuer were a group health plan.

"(c) Nonapplication of Certain Provision.—Section 2763(a) shall not apply to the provisions of this section.".

(d) Application to Group Health Plans Under the Internal Revenue Code of 1986.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Standard relating to patients' bill of rights."; and

(2) by inserting after section 9812 the following:

"SEC. 9813. STANDARD RELATING TO PATIENTS' BILL OF RIGHTS.

"A group health plan shall comply with the following requirements (as in effect as of the date of the enactment of such Act), and such requirements shall be deemed to be incorporated into this section:

"(1) The requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

"(2) The requirements of section 714 of the Employee Retirement Income Security Act of 1974.

"(3) The requirements of section 503 of the Employee Retirement Income Security Act of 1974.".

(e) Conforming Amendment.—Section 2721(b)(2)(A) of the Public Health Service Act (42 U.S.C. 300gg–21(b)(2)(A)) is amended by inserting "(other than section 2708)" after "requirements of such subparts".

(f) No Impact on Social Security Trust Fund.—

(1) In general.—Nothing in the amendments made by this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) Transfers.—

(A) Estimate of secretary.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(B) Transfer of funds.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

(g) Information Requirements.—

(1) Information from group health plans.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) Information from group health plans.—

"(A) Provision of information by group health plans.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) Provision of information by employers and employee organizations.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) Information elements.—The information elements described in this subparagraph are the following:

"(i) Elements concerning the individual.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) Elements concerning the family member with current or former employment status.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) Plan elements.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) Elements concerning the employer.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) Use of identifiers.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) Penalty for noncompliance.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a)."

(2) Effective date.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(h) Modification to Foreign Tax Credit Carryback and Carryover Periods.—

(1) In general.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(A) by striking "in the second preceding taxable year,", and

(B) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(2) Effective date.—The amendment made by paragraph (1) shall apply to credits arising in taxable years beginning after December 31, 2001.

(i) Limitations on Welfare Benefit Funds of 10 or More Employer Plans.—

(1) Benefits to which exception applies.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) In general.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(2) Limitation on use of amounts for other purposes.—Section 4976(b) of such Act (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) Special rule for 10 or more employer plans exempted from prefunding limits.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made.

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

(j) MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXBAYERS.—

(1) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(A) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

"(a) USE OF INSTALLMENT METHOD.—

"(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2)."

(B) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) of such Act are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(2) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of such Act (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

COLLINS (AND OTHERS) AMENDMENT NO. 1243

Ms. COLLINS (for herself, Mr. HUTCHINSON, Mr. JEFFORDS, Mr. FRIST, Mr. GRAMS, Mr. GRASSLEY, and Mr. ABRAHAM) proposed an amendment to amendment No. 1232 proposed by Mr. DASCHLE to the bill, S. 1344, supra; as follows:

In the language proposed to be stricken, at the appropriate place, insert the following:

SEC. ___. INCLUSION OF QUALIFIED LONG-TERM CARE INSURANCE CONTRACTS IN CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND HEALTH FLEXIBLE SPENDING ACCOUNTS.

(a) IN GENERAL.—Section 125(f) of the Internal Revenue Code of 1986 (defining qualified benefits) is amended by striking the last sentence and inserting the following: "Such term includes any qualified long-term care insurance contract."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. ___. DEDUCTION FOR PREMIUMS FOR LONG-TERM CARE INSURANCE.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following:

"SEC. 222. PREMIUMS FOR LONG-TERM CARE INSURANCE.

"(a) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a deduction an amount equal to 100 percent of the amount paid during the taxable year for any coverage for qualified long-term care services (as defined in section 7702B(c)) or any qualified long-term care insurance contract (as defined in section 7702B(b)) which constitutes medical care for the taxpayer, his spouse, and dependents.

"(b) LIMITATIONS.—

"(1) DEDUCTION NOT AVAILABLE TO INDIVIDUALS ELIGIBLE FOR EMPLOYER-SUBSIDIZED COVERAGE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), subsection (a) shall not apply to any taxpayer for any calendar month for which the taxpayer is eligible to participate in any plan which includes coverage for qualified long-term care services (as so defined) or is a qualified long-term care insurance contract (as so defined) maintained by any employer (or former employer) of the taxpayer or of the spouse of the taxpayer.

"(B) CONTINUATION COVERAGE.—Coverage shall not be treated as subsidized for purposes of this paragraph if—

"(i) such coverage is continuation coverage (within the meaning of section 4980B(f)) required to be provided by the employer, and

"(ii) the taxpayer or the taxpayer's spouse is required to pay a premium for such coverage in an amount not less than 100 percent of the applicable premium (within the meaning of section 4980B(f)(4)) for the period of such coverage.

"(2) LIMITATION ON LONG-TERM CARE PREMIUMS.—In the case of a qualified long-term care insurance contract (as so defined), only eligible long-term care premiums (as defined in section 213(d)(10)) shall be taken into account under subsection (a)(2).

"(c) SPECIAL RULES.—For purposes of this section—

"(1) COORDINATION WITH MEDICAL DEDUCTION, ETC.—Any amount paid by a taxpayer for insurance to which subsection (a) applies shall not be taken into account in computing the amount allowable to the taxpayer as a deduction under section 213(a).

"(2) DEDUCTION NOT ALLOWED FOR SELF-EMPLOYMENT TAX PURPOSES.—The deduction allowable by reason of this section shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2."

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 62 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (17) the following:

"(18) LONG-TERM CARE INSURANCE COSTS OF CERTAIN INDIVIDUALS.—The deduction allowed by section 222."

(2) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the last item and inserting the following:

"Sec. 222. Premiums for long-term care insurance.
"Sec. 223. Cross reference."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. ___. PATIENT RIGHT TO MEDICAL ADVICE AND CARE.

(a) IN GENERAL.—Part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.) is amended—

(1) by redesignating subpart C as subpart D; and

(2) by inserting after subpart B the following:

"SEC. 723. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE

(1) GENERAL RIGHTS.—

(A) WAIVER OF PLAN REFERRAL REQUIREMENT.—If a group health plan described in paragraph (2) requires a referral to obtain coverage for speciality care, the plan shall waive the referral requirement in the case of a female participant or beneficiary who seeks coverage for obstetrical care or routine gynecological care (such as preventive gynecological care).

(B) RELATED ROUTINE CARE.—With respect to a participant or beneficiary described in subparagraph (A), a group health plan described in paragraph (2) may treat the ordering of other care that is related to obstetric or routine gynecologic care, by a physician who specializes in obstetrics and gynecology as the authorization of the primary care provider for such other care.

(2) APPLICATION OF SECTION.—A group health plan described in this paragraph is a group health plan (other than a fully insured group health plan), that—

(A) provides coverage for obstetric care (such as pregnancy-related services) or routine gynecologic care (such as preventive women's health examinations); and

(B) requires the designation by a participant or beneficiary of a participating primary care provider who is not a physician who specializes in obstetrics or gynecology.

(3) RULES OF CONSTRUCTION.—Nothing in this subsection shall be construed—

(A) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of obstetric or gynecologic care described in paragraph (1);

(B) to preclude the plan from requiring that the physician who specializes in obstetrics or gynecology notify the designated primary care provider or the plan of treatment decisions;

(C) to preclude a group health plan from allowing health care professionals other than physicians to provide routine obstetric or routine gynecologic care; or

(D) to preclude a group health plan from permitting a physician who specializes in obstetrics and gynecology from being a primary care provider under the plan.

(4) APPLICATION OF PROVISIONS.—

(A) IN GENERAL.—Notwithstanding any other provision of this Act (or an amendment made by this Act), the provisions of this subsection shall only apply to group health plans (other than fully insured group health plans).

(B) FULLY INSURED GROUP HEALTH PLAN.—In this subsection, the term "fully insured group health plan" means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.

"SEC. 725. TIMELY ACCESS TO SPECIALISTS.

"(a) TIMELY ACCESS.—

"(1) IN GENERAL.—A group health plan (other than a fully insured group health plan) shall ensure that participants and beneficiaries have timely, in accordance with the medical exigencies of the case, access to primary and speciality health care professionals who are appropriate to the condition of the participant or beneficiary, when such care is covered under the plan. Such access may be provided through contractual arrangements with specialized providers outside of the network of the plan.

"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed—

"(A) to require the coverage under a group health plan of particular benefits or services or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants or beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan; or

"(B) to override any State licensure or scope-of-practice law.

"(b) TREATMENT PLANS.—

"(1) IN GENERAL.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring that speciality care be provided pursuant to a treatment plan so long as the treatment plan is—

"(A) developed by the specialist, in consultation with the case manager or primary care provider, and the participant or beneficiary;

"(B) approved by the plan in a timely manner in accordance with the medical exigencies of the case; and

"(C) in accordance with the applicable quality assurance and utilization review standards of the plan.

"(2) NOTIFICATION.—Nothing in paragraph (1) shall be construed as prohibiting a plan from requiring the specialist to provide the case manager or primary care provider with regular updates on the specialty care provided, as well as all other necessary medical information.

"(c) REFERRALS.—Nothing in this section shall be construed to prohibit a plan from requiring an authorization by the case manager or primary care provider of the participant or beneficiary in order to obtain coverage for speciality services so long as such authorization is for an adequate number of referrals.

"(d) SPECIALITY CARE DEFINED.—For purposes of this subsection, the term 'speciality care' means, with respect to a condition, care and treatment provided by a health care practitioner, facility, or center (such as a center of excellence) that has adequate expertise (including age-appropriate expertise) through appropriate training and experience.

SEC. . PATIENT ACCESS TO EMERGENCY MEDICAL CARE.

(a) COVERAGE OF EMERGENCY CARE.—

(1) IN GENERAL.—To the extent that the group health plan (other than a fully insured group health plan) provides coverage for benefits consisting of emergency medical care (as defined in subsection (c)) or emergency ambulance services, except for items or services specifically excluded—

(A) the plan shall provide coverage for benefits, without requiring preauthorization, for emergency medical screening examinations or emergency ambulance services, to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations or emergency ambulance services to be necessary to determine whether emergency medical care (as so defined) is necessary; and

(B) the plan shall provide coverage for benefits, without requiring preauthorization, for additional emergency medical care to stabilize an emergency medical condition following an emergency medical screening examination (if determined necessary under subparagraph (A)), pursuant to the definition of stabilize under section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).

(2) REIMBURSEMENT FOR CARE TO MAINTAIN MEDICAL STABILITY.—

(A) IN GENERAL.—In the case of services provided to a participant or beneficiary by a nonparticipating provider in order to maintain the medical stability of the participant or beneficiary, the group health plan involved shall provide for reimbursement with respect to such services if—

(i) coverage for services of the type furnished is available under the group health plan;

(ii) the services were provided for care related to an emergency medical condition and in an emergency department in order to maintain the medical stability of the participant or beneficiary; and

(iii) the nonparticipating provider contacted the plan regarding approval for such services.

(B) FAILURE TO RESPOND.—If a group health plan fails to respond within 1 hours of being contacted in accordance with subparagraph (A)(iii), then the plan shall be liable for the cost of services provided by the nonparticipating provider in order to maintain the stability of the participant or beneficiary.

(C) LIMITATION.—The liability of a group health plan to provide reimbursement under subparagraph (A) shall terminate when the plan has contacted the nonparticipating provider to arrange for discharge or transfer.

(D) LIABILITY OF PARTICIPANT.—A participant or beneficiary shall not be liable for the costs of services to which subparagraph (A) in an amount that exceeds the amount of liability that would be incurred if the services were provided by a participating health care provider with prior authorization by the plan.

(b) IN-NETWORK UNIFORM COSTS-SHARING AND OUT-OF-NETWORK CARE.—

(1) IN-NETWORK UNIFORM COST-SHARING.—Nothing in this section shall be construed as preventing a group health plan (other than a fully insured group health plan) from imposing any form of cost-sharing applicable to any participant or beneficiary (including coinsurance, copayments, deductibles, and any other charges) in relation to coverage for benefits described in subsection (a), if such form of cost-sharing is uniformly applied under such plan, with respect to similarly situated participants and beneficiaries, to all benefits consisting of emergency medical care (as defined in subsection (c)) provided to such similarly situated participants and beneficiaries under the plan, and such cost-sharing is disclosed in accordance with section 714.

(2) OUT-OF-NETWORK CARE.—If a group health plan (other than a fully insured group health plan) provides any benefits with respect to emergency medical care (as defined in subsection (c)), the plan shall cover emergency medical care under the plan in a manner so that, if such care is provided to a participant or beneficiary by a nonparticipating health care provider, the participant or beneficiary is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating provider.

(c) DEFINITION OF EMERGENCY MEDICAL CARE.—In this section:

(1) IN GENERAL.—The term "emergency medical care" means, with respect to a participant or beneficiary under a group health plan (other than a fully insured group health plan), covered inpatient and outpatient services that—

(A) are furnished by any provider, including a nonparticipating provider, that is qualified to furnish such services; and

(B) are needed to evaluate or stabilize (as such term is defined in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd)(e)(3)) an emergency medical condition (as defined in paragraph (2)).

(2) EMERGENCY MEDICAL CONDITION.—The term "emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

(A) placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

(B) serious impairment to bodily functions, or

(C) serious dysfunction of any bodily organ or part.

(d) APPLICATION OF PROVISIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act (or an amendment made by this Act), the provisions of this section shall only apply to group health plans (other than fully insured group health plans).

(2) FULLY INSURED GROUP HEALTH PLAN.—In this section, the term "fully insured group health plan" means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

CONRAD AMENDMENT NO. 1244

(Ordered to lie on the table.)

Mr. CONRAD submitted an amendment intended to be proposed by him to the bill (S. 1233) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes; as follows:

On page 76, between lines 6 and 7, insert the following:

TITLE —RURAL ECONOMY EMERGENCY STABILIZATION

SEC. 01. SHORT TITLE.

This title may be cited as the "Rural Economy Emergency Stabilization Act of 1999".

SEC. 02. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—Except as provided in subsections (d) and (e), the Secretary of Agriculture (referred to in this title as the "Secretary") shall use not more than $5,600,000,000 of funds of the Commodity Credit Corporation to provide assistance to owners and producers on a farm that are eligible for payments for fiscal year 1999 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) to partially compensate the owners and producers for the loss of markets for the 1999 crop of a commodity.

(b) AMOUNT.—Except as provided in subsections (d) and (e), the amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the contract payment received by the owners and producers for fiscal year 1999 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

(c) TIME FOR PAYMENT.—The assistance made available under this section for an eligible owner or producer shall be provided as soon as practicable after the date of enactment of this Act.

(d) DAIRY PRODUCERS.—

(1) IN GENERAL.—Of the total amount made available under subsection (a), $200,000,000 shall be available to provide assistance to dairy producers in a manner determined by the Secretary.

(2) FEDERAL MILK MARKETING ORDERS.—Payments made under this subsection shall not affect any decision with respect to rulemaking activities under section 143 of the Agricultural Market Transition Act (7 U.S.C. 7253).

(e) PEANUTS.—

(1) IN GENERAL.—Of the total amount made available under subsection (a), the Secretary shall use not to exceed $45,000,000 to provide payments to producers of quota peanuts or additional peanuts to partially compensate the producers for the loss of markets for the 1998 crop of peanuts.

(2) AMOUNT.—The amount of a payment made to producers on a farm of quota peanuts or additional peanuts under paragraph (1) shall be equal to the product obtained by multiplying—

(A) the quantity of quota peanuts or additional peanuts produced or considered produced by the producers under section 155 of the Agricultural Market Transition Act (7 U.S.C. 7271); by

(B) an amount equal to 5 percent of the loan rate established for quota peanuts or additional peanuts, respectively, under section 155 of that Act.

SEC. ___03. CROP INSURANCE PREMIUM REFUNDS.

The Secretary, acting through the Federal Crop Insurance Corporation, shall use not more than $400,000,000 of funds of the Commodity Credit Corporation to provide premium refunds or other assistance to purchasers of crop insurance for their 2000 or preceding insured crops.

SEC. ___04. CROP LOSS ASSISTANCE.

(a) IN GENERAL.—In addition to amounts that have been made available before the date of enactment of this Act to carry out section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105–277) under other law, the Secretary shall use not more than $360,000,000 of funds of the Commodity Credit Corporation to provide crop loss assistance in accordance with that section in a manner that, to the maximum extent practicable—

(1) fully compensates agricultural producers for crop losses in accordance with that section (including regulations promulgated to carry out that section); and

(2) provides equitable treatment under that section for agricultural producers described in subsections (b) and (c) of that section.

(b) CITRUS CROP LOSSES.—Notwithstanding any other provision of law (including regulations), for the purposes of section 1102 of that Act, a loss of a citrus crop caused by a disaster in 1998 shall be considered to be a loss of the 1998 crop of the citrus crop, without regard to the time of harvest.

(c) COMPENSATION FOR DENIAL OF CROP LOSS ASSISTANCE BASED ON TAXPAYER IDENTIFICATION NUMBERS.—The Secretary shall use not more than $70,000,000 of funds of the Commodity Credit Corporation to make payments to producers on a farm that were denied crop loss assistance under section 1102 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105–277), as the result of a change in the taxpayer identification numbers of the producers if the Secretary determines that the change was not made to create an advantage for the producers in the crop insurance program through lower premiums or higher actual production histories.

SEC. ___05. EMERGENCY LIVESTOCK FEED ASSISTANCE.

For an additional amount to provide emergency livestock feed assistance in accordance with section 1103 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (7 U.S.C. 1421 note; Public Law 105–277), there is appropriated, out of any money in the Treasury not otherwise appropriated, $295,000,000.

SEC. ___06. FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32).

For an additional amount for the fund maintained for funds made available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), there is appropriated, out of any money in the Treasury not otherwise appropriated, $355,000,000.

SEC. ___07. DISASTER RESERVE.

(a) IN GENERAL.—For the disaster reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), there is appropriated, out of any money in the Treasury not otherwise appropriated, $500,000,000.

(b) CROP AND LIVESTOCK INDEMNITY PAYMENTS.—The Secretary shall use the amount made available under this section to establish a program to provide crop or livestock indemnity payments to agricultural producers for the purpose of remedying losses caused by damaging weather or related condition resulting from a natural or major disaster or emergency over a prolonged period.

SEC. ___08. FLOODED LAND RESERVE PROGRAM.

For an additional amount to carry out a flooded land reserve program, there is appropriated, out of any money in the Treasury not otherwise appropriated, $300,000,000.

SEC. ___09. FARM SERVICE AGENCY.

For an additional amount for the Farm Service Agency, to be used at the discretion of the Secretary, for salaries and expenses of the Farm Service Agency, there is appropriated, out of any money in the Treasury not otherwise appropriated, $50,000,000.

SEC. ___10. OILSEED PURCHASES AND DONATIONS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall use not less than $750,000,000 of funds of the Commodity Credit Corporation for the purchase and distribution of oilseeds, vegetable oil, and oilseed meal under applicable food aid authorities, including—

(1) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b));

(2) the Food for Progress Act of 1985 (7 U.S.C. 1736o); and

(3) the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.).

(b) LEAST DEVELOPED COUNTRIES.—Not less than 75 percent of the commodities distributed pursuant to this section shall be made available to least developed countries, as determined by the Secretary.

(c) LOCAL CURRENCIES.—To the maximum extent practicable, local currencies generated from the sale of commodities under this section shall be used for development purposes that foster United States agricultural exports.

SEC. ___11. UPLAND COTTON PRICE COMPETITIVENESS.

(a) IN GENERAL.—Section 136(a) of the Agricultural Market Transition Act (7 U.S.C. 7236(a)) is amended—

(1) in paragraph (1), by inserting "(in the case of each of the 1999–2000 and 2000–2001 marketing years for upland cotton, at the option of the recipient)" after "or cash payments";

(2) by inserting "(or, in the case of each of the 1999–2000 and 2000–2001 marketing years for upland cotton, 1.25 cents per pound)" after "3 cents per pound" each place it appears;

(3) in paragraph (3), by striking subparagraph (A) and inserting the following:

"(A) REDEMPTION, MARKETING, OR EXCHANGE.—

"(i) IN GENERAL.—The Secretary shall establish procedures for redeeming marketing certificates for cash or marketing or exchange of the certificates for—

"(I) except as provided in subclause (II), agricultural commodities owned by the Commodity Credit Corporation in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates; or

"(II) in the case of each of the 1999–2000 and 2000–2001 marketing years for upland cotton, agricultural commodities owned by the Commodity Credit Corporation or pledged to the Commodity Credit Corporation as collateral for a loan in such manner, and at such price levels, as the Secretary determines will best effectuate the purposes of cotton user marketing certificates, including enhancing the competitiveness and marketability of United States cotton.

"(ii) PRICE RESTRICTIONS.—Any price restrictions that would otherwise apply to the disposition of agricultural commodities by the Commodity Credit Corporation shall not apply to the redemption of certificates under this subparagraph."; and

(4) in paragraph (4), by inserting before the period at the end the following: ", except that this paragraph shall not apply to each of fiscal years 2000 and 2001".

(b) ENSURING THE AVAILABILITY OF UPLAND COTTON.—Section 136(b) of the Agricultural Market Transition Act (7 U.S.C. 7236(b)) is amended—

(1) in paragraph (1), by striking "The" and inserting "Except as provided in paragraph (7), the"; and

(2) by adding at the end the following:

"(7) 1999–2000 AND 2000–2001 MARKETING YEARS.—

"(A) IN GENERAL.—In the case of each of the 1999–2000 and 2000–2001 marketing years for upland cotton, the President shall carry out an import quota program as provided in this paragraph.

"(B) PROGRAM REQUIREMENTS.—Except as provided in subparagraph (C), whenever the Secretary determines and announces that for any consecutive 4-week period, the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) $1\frac{3}{32}$-inch cotton, delivered C.I.F. Northern Europe, adjusted for the value of any certificate issued under subsection (a), exceeds the Northern Europe price by more than 1.25 cents per pound, there shall immediately be in effect a special import quota.

"(C) TIGHT DOMESTIC SUPPLY.—During any month for which the Secretary estimates the season-ending United States upland cotton stocks-to-use ratio, as determined under subparagraph (D), to be below 16 percent, the Secretary, in making the determination under subparagraph (B), shall not adjust the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) $1\frac{3}{32}$-inch cotton, delivered C.I.F. Northern Europe, for the value of any certificates issued under subsection (a).

"(D) SEASON-ENDING UNITED STATES STOCKS-TO-USE RATIO.—For the purposes of making estimates under subparagraph (C), the Secretary shall, on a monthly basis, estimate and report the season-ending United States upland cotton stocks-to-use ratio, excluding projected raw cotton imports but including the quantity of raw cotton that has been imported into the United States during the marketing year.

"(E) LIMITATION.—The quantity of cotton entered into the United States during any marketing year described in subparagraph (A) under the special import quota established under this paragraph may not exceed the equivalent of 5 weeks' consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the 3 months immediately preceding the first special import quota established in any marketing year.".

(c) REMOVAL OF SUSPENSION OF MARKETING CERTIFICATE AUTHORITY.—Section 171(b)(1)(G) of the Agricultural Market Transition Act (7 U.S.C. 7301(b)(1)(G)) is amended by inserting before the period at the end the following: ", except that this subparagraph shall not apply to each of the 1999–2000 and 2000–2001 marketing years for upland cotton".

(d) REDEMPTION OF MARKETING CERTIFICATES.—Section 115 of the Agricultural Act of 1949 (7 U.S.C. 1445k) is amended—

(1) in subsection (a)—

(A) by striking "rice (other than negotiable marketing certificates for upland cotton or rice)" and inserting "rice, including the issuance of negotiable marketing certificates for upland cotton or rice";

(B) in paragraph (1), by striking "and" at the end;

(C) in paragraph (2), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(3) redeem negotiable marketing certificates for cash under such terms and conditions as are established by the Secretary."; and

(2) in the second sentence of subsection (c), by striking "export enhancement program or the marketing promotion program established under the Agricultural Trade Act of 1978" and inserting "market access program or the export enhancement program established under sections 203 and 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623, 5651)".

SEC. 12. EMERGENCY CONSERVATION PROGRAM.

For an additional amount to carry out the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204) to provide cost-sharing assistance to eligible persons—

(1) to control weeds and establish cover crops in counties in which at least 20 percent of available cropland is prevented from being planted to an agricultural commodity as the result of damaging weather or related condition; and

(2) to reestablish permanent vegetative cover on acreage on which such cover is absent as the result of prolonged flooding;

as determined by the Secretary, there is appropriated, out of any money in the Treasury not otherwise appropriated, $30,000,000.

SEC. 13. EMERGENCY REQUIREMENT.

(a) IN GENERAL.—The entire amount necessary to carry out this title and the amendments made by this title shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) is transmitted by the President to Congress.

(b) DESIGNATION.—The entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of that Act (2 U.S.C. 901(b)(2)(A)).

SEC. 14. AVAILABILITY.

The amount necessary to carry out this title and the amendments made by this title shall be available for fiscal years 1999 and 2000.

PATIENTS' BILL OF RIGHTS ACT OF 1999

BINGAMAN (AND OTHERS) AMENDMENT NO. 1245

Mr. KENNEDY (for Mr. BINGAMAN (for himself, Mr. HARKIN, Mr. DODD, Mrs. MURRAY, Mr. REID, Mr. EDWARDS, Mrs. BOXER, Mr. DURBIN, Mr. GRAHAM, Mr. KENNEDY, Mr. DASCHLE, Mr. FEINGOLD, Mr. ROCKEFELLER, Mrs. FEINSTEIN, Mr. REED, and Mr. KERRY)) proposed an amendment to amendment No. 1243 proposed by Ms. COLLINS to the bill, S. 1344, supra; as follows:

At the appropriate place, insert the following:

SEC. . ACCESS TO SPECIALTY CARE.

(a) SPECIALTY CARE FOR COVERED SERVICES.—

(1) IN GENERAL.—If—

(A) an individual is a participant or beneficiary under a group health plan or an enrollee under group health insurance coverage offered by a health insurance issuer,

(B) the individual has a condition or disease of sufficient seriousness and complexity to require treatment by a specialist, and

(C) benefits for such treatment are provided under the plan or coverage,

the plan or issuer shall make or provide for a referral to a specialist who is available and accessible to provide the treatment for such condition or disease.

(2) SPECIALIST DEFINED.—For purposes of this subsection, the term "specialist" means, with respect to a condition, a health care practitioner, facility, or center (such as a center of excellence) that has adequate expertise through appropriate training and experience (including, in the case of a child, appropriate pediatric expertise) to provide high quality care in treating the condition.

(3) CARE UNDER REFERRAL.—A group health plan, or health insurance issuer in connection with group health insurance coverage, may require that the care provided to an individual pursuant to such referral under paragraph (1) be—

(A) pursuant to a treatment plan, only if the treatment plan is developed by the specialist and approved by the plan or issuer, in consultation with the designated primary care provider or specialist and the individual (or the individual's designee), and

(B) in accordance with applicable quality assurance and utilization review standards of the plan or issuer.

Nothing in this subsection shall be construed as preventing such a treatment plan for an individual from requiring a specialist to provide the primary care provider with regular updates on the specialty care provided, as well as all necessary medical information.

(4) REFERRALS TO PARTICIPATING PROVIDERS.—A group health plan or health insurance issuer is not required under paragraph (1) to provide for a referral to a specialist that is not a participating provider, unless the plan or issuer does not have an appropriate specialist that is available and accessible to treat the individual's condition and that is a participating provider with respect to such treatment.

(5) TREATMENT OF NONPARTICIPATING PROVIDERS.—If a plan or issuer refers an individual to a nonparticipating specialist pursuant to paragraph (1), services provided pursuant to the approved treatment plan (if any) shall be provided at no additional cost to the individual beyond what the individual would otherwise pay for services received by such a specialist that is a participating provider.

(b) SPECIALISTS AS CARE COORDINATORS.—

(1) IN GENERAL.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, shall have a procedure by which an individual who is a participant, beneficiary or enrollee and who has an ongoing special condition (as defined in paragraph (3)) may receive a referral to a specialist for such condition who shall be responsible for and capable of providing and coordinating the individual's primary and specialty care. If such an individual's care would most appropriately be coordinated by such a specialist, such plan or issuer shall refer the individual to such specialist.

(2) TREATMENT AS CARE COORDINATOR.—Such specialist shall be permitted to treat the individual without a referral from the individual's primary care provider and may authorize such referrals, procedures, tests, and other medical services as the individual's primary care provider would otherwise be permitted to provide or authorize, subject to the terms of the treatment plan (referred to in subsection (a)(3)(A)).

(3) ONGOING SPECIAL CONDITION DEFINED.—In this subsection, the term "special condition" means a condition or disease that—

(A) is life-threatening, degenerative, or disabling, and

(B) requires specialized medical care over a prolonged period of time.

(4) TERMS OF REFERRAL.—The provisions of paragraphs (3) through (5) of subsection (a) apply with respect to referrals under paragraph (1) of this subsection in the same manner as they apply to referrals under subsection (a)(1).

(c) STANDING REFERRALS.—

(1) IN GENERAL.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, shall have a procedure by which an individual who is a participant, beneficiary or enrollee and who has a condition that requires ongoing care from a specialist may receive a standing referral to such specialist for treatment of such condition. If the plan or issuer, or if the primary care provider in consultation with the medical director of the plan or issuer and the specialist (if any), determines that such a standing referral is appropriate, the plan

or issuer shall make such a referral to such a specialist.

(2) TERMS OF REFERRAL.—The provisions of paragraphs (3) through (5) of subsection (a) apply with respect to referrals under paragraph (1) of this subsection in the same manner as they apply to referrals under subsection (a)(1).

(d) APPLICATION OF SECTION.—This section shall supersede the provisions of section 104.

(e) REVIEW.—Failure to meet the requirements of this section shall constitute an appealable decision under section 132(a)(2).

(f) PLAN SATISFACTION OF CERTAIN REQUIREMENTS.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any provision of this subchapter, the group health plan shall not be liable for such violation unless the plan caused such violation.

(g) NONAPPLICATION OF CERTAIN PROVISION.—Only for purposes of applying the requirements of this section under section 714 of the Employee Retirement Income Security Act of 1974 (as added by section 301 of this Act), sections 2707 and 2753 of the Public Health Service Act (as added by sections 201 and 202 of this Act), and section 9813 of the Internal Revenue Code of 1986 (as added by section 401 of this Act)—

(1) section 2721(b)(2) of the Public Health Service Act and section 9831(a)(1) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section; and

(2) with respect to limited scope dental benefits, subparagraph (A) of section 733(c)(2) of the Employee Retirement Income Security Act of 1974, subparagraph (A) of section 2791(c)(2) of the Public Health Service Act, and subparagraph (A) of section 9832(c)(2) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section.

(h) NO IMPACT ON SOCIAL SECURITY TRUST FUND.—

(1) IN GENERAL.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) TRANSFERS.—

(A) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(B) TRANSFER OF FUNDS.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

(i) LIMITATION ON ACTIONS.—

(1) IN GENERAL.—Except as provided for in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 of the Employee Retirement Income Security Act of 1974 by a participant or beneficiary seeking relief based on the application of any provision in this section.

(2) PERMISSIBLE ACTIONS.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 of the Employee Retirement Income Security Act of 1974 by a participant or beneficiary seeking relief based on the application of this section to the individual circumstances of that participant or beneficiary; except that—

(A) such an action may not be brought or maintained as a class action; and

(B) in such an action relief may only provide for the provision of (or payment for) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.

(j) EFFECTIVE DATE.—The provisions of this section shall apply to group health plans for plan years beginning after, and to health insurance issuers for coverage offered or sold after, October 1, 2000.

(k) INFORMATION REQUIREMENTS.—

(1) INFORMATION FROM GROUP HEALTH PLANS.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) INFORMATION FROM GROUP HEALTH PLANS.—

"(A) PROVISION OF INFORMATION BY GROUP HEALTH PLANS.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) PROVISION OF INFORMATION BY EMPLOYERS AND EMPLOYEE ORGANIZATIONS.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) INFORMATION ELEMENTS.—The information elements described in this subparagraph are the following:

"(i) ELEMENTS CONCERNING THE INDIVIDUAL.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) ELEMENTS CONCERNING THE FAMILY MEMBER WITH CURRENT OR FORMER EMPLOYMENT STATUS.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) PLAN ELEMENTS.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) ELEMENTS CONCERNING THE EMPLOYER.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) USE OF IDENTIFIERS.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) PENALTY FOR NONCOMPLIANCE.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a).".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(l) MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.—

(1) IN GENERAL.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(A) by striking "in the second preceding taxable year,", and

(B) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to credits arising in taxable years beginning after December 31, 2001.

McCAIN AMENDMENTS NOS. 1246–1249

(Ordered to lie on the table.)

Mr. McCAIN submitted four amendments intended to be proposed by him to the bill, S. 1344, supra; as follows:

AMENDMENT NO. 1246

At the appropriate place, insert the following:

SEC. ___. PERMISSIBILITY OF CIVIL ACTIONS.

(a) IN GENERAL.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended by adding at the end the following subsection:

"(e) PREEMPTION NOT TO APPLY TO CERTAIN ACTIONS ARISING OUT OF PROVISION OF HEALTH BENEFITS.—

"(1) NON-PREEMPTION OF CERTAIN CAUSES OF ACTION.—

"(A) IN GENERAL.—Except as provided in this subsection, nothing in this title shall be construed to invalidate, impair, or supersede any cause of action under State law to recover damages resulting from personal injury or for wrongful death against any person—

"(i) in connection with the provision of insurance, administrative services, or medical services by such person to or for a group health plan; or

"(ii) that arises out of the arrangement by such person for the provision of such insurance, administrative services, or medical services by other persons.

"(B) REQUIREMENTS.—A participant or beneficiary may only commence a civil action under subparagraph (A) if the participant or beneficiary has participated in and completed an external appeal with respect to the decision involved.

"(C) DAMAGES.—In a civil action permitted under subparagraph (B), the participant or beneficiary may only seek compensatory damages.

"(D) LIMITATION ON DAMAGES.—A group health plan shall not be liable for any noneconomic damages in the case of a cause of action brought under subparagraph (A) in excess of $250,000.

"(2) EXCEPTION FOR EMPLOYERS AND MEDICAL PROVIDERS.—

"(A) EMPLOYERS.—

"(i) IN GENERAL.—Subject to clause (ii), paragraph (1) does not authorize—

"(I) any cause of action against an employer maintaining the group health plan or against an employee of such an employer acting within the scope of employment, or

"(II) a right of recovery or indemnity by a person against an employer (or such an employee) for damages assessed against the person pursuant to a cause of action under paragraph (1).

"(ii) SPECIAL RULE.—Clause (i) shall not preclude any cause of action described in paragraph (1) against an employer (or against an employee of such an employer acting within the scope of employment) if—

"(I) such action is based on the employer's (or employee's) exercise of discretionary authority to make a decision on a claim for benefits covered under the plan or health insurance coverage in the case at issue; and

"(II) the exercise by such employer (or employee of such authority) resulted in personal injury or wrongful death.

"(B) MEDICAL PROVIDERS.—Paragraph (1) does not authorize any cause of action against a health care provider for failure to provide a health care item or service where such provider acted in good faith in relying upon a determination by the group health plan involved to deny such item or service and such denial results in injury or death.

"(3) CONSTRUCTION.—Nothing in this subsection shall be construed as permitting a cause of action under State law for the failure to provide an item or service which is specifically excluded under the group health plan involved.

"(4) DEFINITION.—In this subsection, the term 'medical provider' means a physician or other health care professional providing health care services.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to acts and omissions occurring on or after the date of the enactment of this Act from which a cause of action arises.

AMENDMENT NO. 1247

At the appropriate place, insert the following:

SEC. . COVERAGE OF MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

(a) GROUP HEALTH PLANS.—

(1) PUBLIC HEALTH SERVICE ACT AMENDMENTS.—

(A) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 201, is further amended by adding at the end the following:

"SEC. 2708. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE.—A group health plan under this part shall comply with the notice requirement under section 713(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of this section as if such section applied to such plan.".

(B) CONFORMING AMENDMENT.—Section 2723(c) of the Public Health Service Act (42 U.S.C. 300gg-23(c)) is amended by striking "section 2704" and inserting "sections 2704 and 2708".

(2) ERISA AMENDMENTS.—

(A) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.), as amended by section 301, is further amended by adding at the end the following:

"SEC. 715. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE UNDER GROUP HEALTH PLAN.—The imposition of the requirements of this section shall be treated as a material modification in the terms of the plan described in section 102(a)(1), for purposes of assuring notice of such requirements under the plan; except that the summary description required to be provided under the last sentence of section 104(b)(1) with respect to such modification shall be provided by not later than 60 days after the first day of the first plan year in which such requirements apply.".

(B) CONFORMING AMENDMENTS.—

(i) Section 731(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191(c)) is amended by striking "section 711" and inserting "sections 711 and 715".

(ii) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711" and inserting "sections 711 and 715".

(iii) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 714 the following new item:

"Sec. 715. Standards relating to benefits for minor child's congenital or developmental deformity or disorder.".

(3) INTERNAL REVENUE CODE AMENDMENTS.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 401, is further amended—

(A) in the table of sections, by inserting after the item relating to section 9813 the following new item:

"Sec. 9814. Standards relating to benefits for minor child's congenital or developmental deformity or disorder."; and

(B) by inserting after section 9812 the following:

"SEC. 9814. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.".

(b) INDIVIDUAL HEALTH INSURANCE.—

(1) IN GENERAL.—Part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-41 et seq.), as amended by section 202, is further amended by inserting after section 2753 the following new section:

"SEC. 2754. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE.—A health insurance issuer under this part shall comply with the notice requirement under section 713(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) as if such section applied to such issuer and such issuer were a group health plan.".

(2) CONFORMING AMENDMENT.—Section 2762(b)(2) of the Public Health Service Act (42 U.S.C. 300gg-62(b)(2)) is amended by striking "section 2751" and inserting "sections 2751 and 2754".

(c) EFFECTIVE DATES.—

(1) GROUP MARKET.—The amendments made by subsection (a) shall apply with respect to group health plans for plan years beginning on or after January 1, 2000.

(2) INDIVIDUAL MARKET.—The amendment made by subsection (b) shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after such date.

(d) COORDINATED REGULATIONS.—Section 104(1) of Health Insurance Portability and Accountability Act of 1996 is amended by striking "this subtitle (and the amendments made by this subtitle and section 401)" and inserting "the provisions of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, the provisions of parts A and C of title XXVII of the Public Health Service Act, and chapter 100 of the Internal Revenue Code of 1986".

• Mr. McCAIN. Mr. President, I am offering an amendment which would help one of our most vulnerable populations, our children, by addressing the growing problem of HMOs denying insurance coverage of reconstructive surgery for kids suffering from physical defects and deformities. This amendment would require medical plans to cover the medical procedures to reconstruct a child's appearance if they are born with abnormal structures of the body, including a cleft lip or palate.

Today, approximately seven percent of American children are born with pediatric deformities and congenital defects such as cleft lip, cleft palate, missing external limbs, such as ears, and other facial deformities. Unfortunately, it has become commonplace for insurance companies to label these medical procedures as cosmetic surgery and deny coverage to help these children eradicate or reduce deformities and acquire a normal appearance.

In fact, a recent survey of the American Society of Plastic and Reconstructive Surgeons indicated that over half of the plastic surgeons questioned have had a pediatric patient in the last two years who has been denied, or experienced tremendous difficulty in obtaining, insurance coverage for there surgical procedures.

I find it disgraceful that many insurance companies claim that reconstructive procedures are not medically necessary and are therefor cosmetic. These companies claim that medical services restoring some semblance of a normal appearance are superfluous and performed merely for vanity or cosmetic purposes. Many of my colleagues may be wondering how such a ludicrous and cruel practice can occur when it seems obvious that these procedures are clearly reconstructive and not cosmetic in nature. While an insurance plan may attempt to claim that helping a child born without ears or with a cleft so severe it extends to her hairline is superfluous surgery, I adamantly disagree and am committed to stopping the abhorrent practice.

The medical and developmental complications which arise from many of these conditions are tremendous. Speech impediments, hearing difficulties and dental problems are a few of the physical side effects which may result from a child's physical deformity. In addition, the effect a child's deformities may have on their personal development, confidence, self-esteem and their future aspirations and achievements are often very far reaching.

A healthy self image is vitally important to develop self esteem and confidence. How a person sees themselves, and how others see them, determines how the person feels about himself and defines whether he has the strength to resist unfortunate obstacles, including the taunting of peer and disengagement from school activities. As parents, we want our children to be armed with a healthy sense of self esteem and confidence. The best way to guarantee that happens is to help them develop a strong and health self image. While this is critical, we must be pragmatic and recognize that we live in a society which places a high value on physical beauty and often unfairly uses it as a measurement of a person's worth, ability or potential in society. While this is wrong and we must work together to instill self-worth in our children, it is unrealistic to not recognize the importance which is place on physical appearances in our world and the unfair obstacles which children born with deformities face if they are not provided access medical services which help them attain a normal physical appearance.

Some of my colleagues may know that my daughter Bridget, whom Cindy and I adopted from Mother Theresa's orphanage in Bangladesh, was born with a severe cleft. We are fortunate to have had the means and opportunities to provide the expert medical care necessary to help Bridget physically and emotionally. However, we, too, encountered numerous obstacles and denials by our insurance providers who did not believe that Bridget's medical treatment was necessary. Fortunately, Cindy and I were able to provide Bridget access to the reconstructive services she needs, despite denials by our health plan. Unfortunately, most hard working American families are not so fortunate. This is not right and it is why I am offering this important amendment to assist all American children.

I want to stress that this is not a new mandate which could cause health care premiums to escalate. What I am proposing simply prohibits plans from frivolously ruling that substantial, medically needed reconstructive surgery for children to obtain a relatively normal appearance is cosmetic, or denying reconstructive coverage which American families have purchases. I urge each of my colleagues to work with me on behalf of our children and ensure that they are afforded an opportunity to realize their full potential.•

AMENDMENT NO. 1248

At the appropriate place, insert the following:

SEC. . COVERAGE OF MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

(a) GROUP HEALTH PLANS.—

(1) PUBLIC HEALTH SERVICE ACT AMENDMENTS.—

(A) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 203(a), is further amended by adding at the end the following:

"SEC. 2708. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE.—A group health plan under this part shall comply with the notice requirement under section 713(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of this section as if such section applied to such plan.".

(B) CONFORMING AMENDMENT.—Section 2723(c) of the Public Health Service Act (42 U.S.C. 300gg-23(c)) is amended by striking "section 2704" and inserting "sections 2704 and 2708".

(2) ERISA AMENDMENTS.—

(A) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.), as amended by section 111 and 202(a), is further amended by adding at the end the following:

"SEC. 716. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE UNDER GROUP HEALTH PLAN.—The imposition of the requirements of this section shall be treated as a material modification in the terms of the plan described in section 102(a)(1), for purposes of assuring notice of such requirements under the plan; except that the summary description required to be provided under the last sentence of section 104(b)(1) with respect to such modification shall be provided by not later than 60 days after the first day of the first plan year in which such requirements apply.".

(B) CONFORMING AMENDMENTS.—

(i) Section 731(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191(c)) is amended by striking "section 711" and inserting "sections 711 and 716".

(ii) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711" and inserting "sections 711 and 716".

(iii) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 715 the following new item:

"Sec. 716. Standards relating to benefits for minor child's congenital or developmental deformity or disorder.".

(3) INTERNAL REVENUE CODE AMENDMENTS.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 204, is further amended—

(A) in the table of sections, by inserting after the item relating to section 9814 the following new item:

"Sec. 9815. Standards relating to benefits for minor child's congenital or developmental deformity or disorder."; and

(B) by inserting after section 9814 the following:

"SEC. 9815. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.".

(b) INDIVIDUAL HEALTH INSURANCE.—

(1) IN GENERAL.—Part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-41 et seq.), as amended by section 203(b), is further amended by inserting after section 2753 the following new section:

"SEC. 2754. STANDARDS RELATING TO BENEFITS FOR MINOR CHILD'S CONGENITAL OR DEVELOPMENTAL DEFORMITY OR DISORDER.

"(a) REQUIREMENTS FOR RECONSTRUCTIVE SURGERY.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer offering group health insurance coverage, that provides coverage for surgical benefits shall provide coverage for outpatient and inpatient diagnosis and treatment of a minor child's congenital or developmental deformity, disease, or injury. A minor child shall include any individual through 21 years of age.

"(2) REQUIREMENTS.—Any coverage provided under paragraph (1) shall be subject to pre-authorization or pre-certification as required by the plan or issuer, and such coverage shall include any surgical treatment which, in the opinion of the treating physician, is medically necessary to approximate a normal appearance.

"(3) TREATMENT DEFINED.—

"(A) IN GENERAL.—In this section, the term 'treatment' includes reconstructive surgical procedures (procedures that are generally performed to improve function, but may also be performed to approximate a normal appearance) that are performed on abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease, including—

"(i) procedures that do not materially affect the function of the body part being treated; and

"(ii) procedures for secondary conditions and follow-up treatment.

"(B) EXCEPTION.—Such term does not include cosmetic surgery performed to reshape normal structures of the body to improve appearance or self-esteem.

"(b) NOTICE.—A health insurance issuer under this part shall comply with the notice requirement under section 713(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) as if such section applied to such issuer and such issuer were a group health plan.".

(2) CONFORMING AMENDMENT.—Section 2762(b)(2) of the Public Health Service Act (42 U.S.C. 300gg–62(b)(2)) is amended by striking "section 2751" and inserting "sections 2751 and 2754".

(c) EFFECTIVE DATES.—

(1) GROUP MARKET.—The amendments made by subsection (a) shall apply with respect to group health plans for plan years beginning on or after January 1, 2000.

(2) INDIVIDUAL MARKET.—The amendment made by subsection (b) shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after such date.

(d) COORDINATED REGULATIONS.—Section 104(1) of Health Insurance Portability and Accountability Act of 1996 is amended by striking "this subtitle (and the amendments made by this subtitle and section 401)" and inserting "the provisions of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, the provisions of parts A and C of title XXVII of the Public Health Service Act, and chapter 100 of the Internal Revenue Code of 1986".

AMENDMENT NO. 1249

Strike section 302 of the bill and insert the following:

SEC. 302. PERMISSIBILITY OF CIVIL ACTIONS.

(a) IN GENERAL.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended by adding at the end the following subsection:

"(e) PREEMPTION NOT TO APPLY TO CERTAIN ACTIONS ARISING OUT OF PROVISION OF HEALTH BENEFITS.—

"(1) NON-PREEMPTION OF CERTAIN CAUSES OF ACTION.—

"(A) IN GENERAL.—Except as provided in this subsection, nothing in this title shall be construed to invalidate, impair, or supersede any cause of action under State law to recover damages resulting from personal injury or for wrongful death against any person—

"(i) in connection with the provision of insurance, administrative services, or medical services by such person to or for a group health plan; or

"(ii) that arises out of the arrangement by such person for the provision of such insurance, administrative services, or medical services by other persons.

"(B) REQUIREMENTS.—A participant or beneficiary may only commence a civil action under subparagraph (A) if the participant or beneficiary has participated in and completed an external appeal with respect to the decision involved.

"(C) DAMAGES.—In a civil action permitted under subparagraph (B), the participant or beneficiary may only seek compensatory damages.

"(D) LIMITATION ON DAMAGES.—A group health plan shall not be liable for any noneconomic damages in the case of a cause of action brought under subparagraph (A) in excess of $250,000.

"(2) EXCEPTION FOR EMPLOYERS AND MEDICAL PROVIDERS.—

"(A) EMPLOYERS.—

"(i) IN GENERAL.—Subject to clause (ii), paragraph (1) does not authorize—

"(I) any cause of action against an employer maintaining the group health plan or against an employee of such an employer acting within the scope of employment, or

"(II) a right of recovery or indemnity by a person against an employer (or such an employee) for damages assessed against the person pursuant to a cause of action under paragraph (1).

"(ii) SPECIAL RULE.—Clause (i) shall not preclude any cause of action described in paragraph (1) against an employer (or against an employee of such an employer acting within the scope of employment) if—

"(I) such action is based on the employer's (or employee's) exercise of discretionary authority to make a decision on a claim for benefits covered under the plan or health insurance coverage in the case at issue; and

"(II) the exercise by such employer (or employee of such authority) resulted in personal injury or wrongful death.

"(B) MEDICAL PROVIDERS.—Paragraph (1) does not authorize any cause of action against a health care provider for failure to provide a health care item or service where such provider acted in good faith in relying upon a determination by the group health plan involved to deny such item or service and such denial results in injury or death.

"(3) CONSTRUCTION.—Nothing in this subsection shall be construed as permitting a cause of action under State law for the failure to provide an item or service which is specifically excluded under the group health plan involved.

"(4) DEFINITION.—In this subsection, the term 'medical provider' means a physician or other health care professional providing health care services.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to acts and omissions occurring on or after the date of the enactment of this Act from which a cause of action arises.

NOTICE OF HEARING

SUBCOMMITTEE ON WATER AND POWER

Mr. SMITH of Oregon. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Water and Power.

The hearing will take place on Wednesday, July 28, 1999 at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 624, To authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana, and for other purposes; S. 1211, to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner; S. 1275, to authorize the Secretary of the Interior to produce and sell products and to sell publications relating to the Hoover Dam, and to deposit revenues generated from the sales in to the Colorado River Dam fund; and S. 1236, to extend the deadline under the Federal Power Act for commencement of the construction of the Arrowrock Dam Hydroelectric Project in the State of Idaho.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Water and Power, Committee on Energy and Natural Resources, United States Senate, 364 Dirksen Senate Office Building, Washington, DC, 20510–6150.

For further information, please call Kristin Phillips, Staff Assistant or Colleen Deegan, Counsel, at (202) 224–8115.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, July 14, for purposes of conducting a joint committee hearing with the Committee on Indian Affairs, which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the Report of the General Accounting Office (GAO) on the Interior Department's Planned Trust Fund.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing on conformity under the Clean Air Act on Wednesday, July 14, 9:30 a.m., Hearing Room (SD–406).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be permitted to meet on Wednesday, July 14, 1999 at 3:00 p.m. for a hearing on S. 1214, the Federalism Accountability Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs and the Senate Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, July 14, 1999 at 9:30 a.m. to conduct a joint oversight hearing on the Report of the General Accounting Office (GAO) on the Interior Department's Planned Trust Fund Reform. The hearing will be held in room 216 of the Hart Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for a hearing re Broadband: Competition and Consumer Choice in High-Speed Internet Services and Technologies, during the session of the Senate on Wednesday, July 14, 1999, at 10:00 a.m., in SD226.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 14, 1999 at 2:00 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Children and Families, be authorized to meet for a hearing on FMLA Oversight during the session of the Senate on Wednesday, July 14, 1999, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. JEFFORDS. Mr. President, the Finance Committee Subcommittee on International Trade requests unanimous consent to conduct a hearing on Wednesday, July 14, 1999 beginning at 3:00 p.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO EVERETT McKENNEY, LEGION OF HONOR AWARD RECIPIENT

• Ms. SNOWE. Mr. President, I rise to congratulate a courageous World War I veteran from my home state of Maine who on Friday will be awarded the most prestigious honor that France bestows, the National Order of the Legion of Honor.

Everett McKenney who has lived in Augusta and Waterville will receive this distinguished honor for the tremendous sacrifices he made to safeguard freedom and democracy while serving in France during the first World War.

In 1998, the French Government announced Project 1918–1998. The purpose of Project 1918–1998 is to honor the 80th anniversary of the armistice of World War I, and as part of this undertaking, France announced that it would award the Legion of Honor designation to surviving American veterans who, like Mr. McKenney, served in France between 1914 and 1918. This step is taken in recognition of the decisive support Americans gave to French soldiers as they fought to defend French soil.

Up to 1,000 American veterans who served in France during World War I may still be alive today, and there is a search underway to locate as many of these men and women as possible.

Private Everett McKenney, who is 104 and a longtime resident of Waterville and Augusta, has two daughters, five grandchildren, four great grandchildren, and one great, great grandchild. He was the youngest of four children and was born in Freedom, Maine in 1895. He enlisted in July 1918 at 23, in Waterville. He was stationed in Fort Devens, Massachusetts and received special training in New Jersey. He was assigned to the 41st Rainbow Division and later was assigned to the 101st Field Artillery unit. In New Jersey, he was notified to pack his gear and prepare for an overseas assignment. During a 12-day Atlantic crossing, a flu epidemic broke out and many of his comrades were buried at sea. This would be the first of many trials he would face.

I have nothing but the utmost respect for those who have served with courage, honor and distinction when their country—and the world—needed them so desperately. Indeed, I am truly honored to represent these men and women as Maine's senior Senator.

On November 11, 1918, almost 81 years ago, at the eleventh hour, the Armistice was signed in France that silenced the guns and ended the carnage of World War I. From the War for Independence, to World War I, through the Persian Gulf War and the Balkans more than two hundred years later, Americans like Everett have answered the call to duty—not for the glory or conquest or empire, but to ensure that the flame of liberty burns ever brightly.

The debt of gratitude owed to our veterans can never be fully repaid. What we can and must do for those who, like Mr. McKenney, answered the call to duty is keep alive the values of freedom and democracy they have defended, and honor them as the guardians of those ideals.

Elmer Runyon once wrote that: "We will remain the home of the free only as long as we are also the home of the brave." Today, America and the world is basking in the shine of freedom because of yesterday's and today's service men and women—who offer nobly to sacrifice in war so that others may live in peace. These are America's true heroes.

This occasion reminds us that winning freedom is not the same as keeping it. The cost of safeguarding freedom is high. It requires vigilance and sacrifice. Time and again when freedom has been threatened, men like Everett McKenney emerged as heroes. America's veterans have served our country and the world ably in times of need, and know well the personal sacrifices which the defense of freedom demands. It is a true honor to congratulate Mr. McKenney on a well-deserved recognition.•

RAE LIU

• Mr. MOYNIHAN. Mr. President, today I rise to thank Rae Liu, a brilliant young intern from Columbia University where she is a National Merit Scholar and a debater. Rae came to my office this May. When an opening appeared on my personal staff in June, Rae was our unanimous choice to fill it until we could hire someone permanently. At 18, she took on the task of being a full-fledged member of my staff.

From the outset, Rae displayed judgment, maturity, initiative, and a work ethic way beyond her years. She worked tirelessly overhauling and drafting legislation, attending policy reviews, and meeting with constituents. She quickly made herself indispensable to my foreign policy, intelligence, and defense legislative assistant, and distinguished herself with her quick mind, sharp wit and devastating competence. It is rare to see so much ability and professionalism in one so young.

Rae is exactly the sort of young person we need to attract to public service. This is not going to be easy as we compete with the best law and business schools for talented young Americans who can earn much more than taking the Queen's shilling. We must try, however, for if we do not, we risk losing a new generation of bright ideas and insights. This would be not only tragic but shortsighted.

I wish this young lady from Texas godspeed in her studies and thank her again for her contributions.•

TRIBUTE TO DOCTOR EUGENE OLIVERI

• Mr. ABRAHAM. Mr. President, I rise today to honor the newly elected President of the American Osteopathic Association, Dr. Eugene Oliveri.

Dr. Oliveri is a prominent leader in the practice of osteopathic medicine. Throughout his career, he has maintained the strongest of commitments to the highest level of medical standards. From his early days as an undergraduate at Brooklyn College in new York, Dr. Oliveri has distinguished himself for his extensive knowledge and tireless support of osteopathy. Dedicated to helping others, Dr. Oliveri took two years off from his personal studies to work in the U.S. Army Medical Corps. Perhaps most importantly, Dr. Oliveri has raised three wonderful children: Gregory, Lisa, and Michelle.

Dr. Oliveri serves on numerous professional boards, and is currently practicing at Botsford General Hospital in Farmington Hills, Michigan, as the senior member of the Department of Internal Medicine. He also serves as a director of a fellowship program and chairman of a section of Gastroenterology at Botsford Hospital. Most recently, he has also served as a Vice-

Chairman for the American Osteopathic Association. Dr. Oliveri's experience and renowned leadership capabilities make him well suited for this exciting new challenge.

Mr. President, it gives me great pleasure to congratulate Dr. Oliveri on this tremendous honor. I am confident that the American Osteopathic Association will be well served during his tenure as President.●

TRIBUTE TO JOHN McLAUGHLIN

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor John McLaughlin, Chairman of McLaughlin Transportation Systems, Inc. for being named the 1999 Greater Nashua Chamber of Commerce Citizen of the Year.

The Citizen of the Year Award is an effort to recognize a local individual for their contributions to the betterment of life in the Greater Nashua Area. The award recipient has sustained a lifelong commitment to the best interests of Nashua and the state of New Hampshire. John has definitely exceeded these requirements.

A longtime resident of Nashua, New Hampshire, John started with his father's business as a teenager sweeping floors. After graduating from high school and serving in the armed forces, he went to work for the company upon his father's death in 1949. From the company's initial size of 3-4 trucks and a hand full of employees, McLaughlin Transportation has grown into a company that includes approximately 120 trucks, five facilities, and approximately 150 employees. The company's core focus is the moving and storing business, however, they have now expanded to include a limousine service and fuel-oil delivery business.

Although he has been extremely successful in business, John is equally recognized for his community stewardship. He has been involved with the Nashua Chamber for over 50 years, served for two decades as the Nashua fire commissioner and served four terms as the District 13 State Senator. In addition, he has held many leadership positions within the community, including the Nashua Parks and Recreation Commission, Rivier College Advisory Board, N.H. Council on Aging, and many more.

As a former small business owner, I admire John for his hard work, determination and dedication to the community. He is a role model for us all and I commend him for his efforts. It is an honor to represent him in the United States Senate.●

A TRIBUTE TO FRED GYLFE, LEGION OF HONOR AWARD RECIPIENT

● Ms. SNOWE. Mr. President, I rise today to pay tribute a veteran from Maine who this week will have bestowed upon him high honors from the French Government for the sacrifices he made during World War I.

Fred Gylfe will receive the most prestigious honor that France bestows, the award of the National Order of the Legion of Honor, in gratitude for the valor he displayed serving in France during the First World War.

Last year, the French Government announced Project 1918-1998, which honors the 80th anniversary of the armistice of World War I. As part of this undertaking, France is awarding the Legion of Honor Award to surviving American veterans who served in France between 1914 and 1918—in recognition for the crucial support American veterans lent to French soldiers fighting to defend French soil.

It is estimated that as many as 1,000 American veterans who served in France during World War I may still be living, and there is a search underway to locate as many of these men and women as possible.

Fred Gylfe was born in Worcester, Massachusetts on August 14, 1897. His parents emigrated from Sweden, and he was their first child born in the U.S. He entered the U.S. National Guard in 1916 and departed for France on May 16, 1918. He fought in Ypres/Lys and Saint Quentin Tunnel in the French province of Somme. He was a Sergeant in Headquarters Company for the 108th Infantry 27th division of the New York National Guard. He is the father of two children, and three grandchildren.

I have nothing but the utmost respect for those who have served with courage, honor and distinction, answering the call to duty when their country—and the world no less—needed them so desperately. Indeed, it is no small challenge to put into words the enormous pride I feel for the opportunity to represent men like Fred Gylfe as Maine's senior Senator.

On November 11, 1918, almost 81 years ago, at the eleventh hour, the Armistice was signed in France that silenced the guns and ended the carnage of World War I. From the War for Independence, to World War I, through the Persian Gulf War and the Balkans more than two hundred years later, Americans have answered the call to duty—not for the glory of conquest or empire, but to ensure that the flame of liberty burns ever brightly.

The debt of gratitude owed to our veterans can never be fully repaid. What we can and must do for the men and women who, like Mr. Gylfe, answered the call to duty is keep alive the values of freedom and democracy they have defended, and honor them as the guardians of those ideals.

This occasion reminds us that winning freedom is not the same as keeping it. The cost of safeguarding freedom is high. It requires vigilance and sacrifice. Time and gain when freedom has been threatened, men like Fred Gylfe emerged as heroes, America's veterans have served our country and the world ably in times of need, and know well the personal sacrifices which the defense of freedom demands. It is a true honor to congratulate this Maine hero today on such as well-deserved recognition.●

EXECUTIVE SESSION

NOMINATION OF ROBERT A. KATZMANN, OF NEW YORK

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider Executive Calendar No. 160 on today's Executive Calendar. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was considered and confirmed, as follows:

DEPARTMENT OF JUSTICE

Robert A. Katzmann, of New York, to be United States Circuit Judge for the Second Circuit.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Will my friend yield for a moment at this point?

The PRESIDING OFFICER. Does the Senator from Wyoming wish to yield to the Senator from Vermont?

Mr. ENZI. Certainly.

Mr. LEAHY. I thank my friend from Wyoming.

Mr. President, I know there are going to be more statements made afterward. We have just confirmed Robert Katzmann, of New York, to be United States Circuit Judge for the Second Circuit. This is to replace the very distinguished and former chief justice of the Second Circuit, Jon Newman, who has retired, or has taken senior status. I cannot say he is retired. I know how hard Judge Newman continues to work. I get reports from his former law clerk, Bruce Cohen, who is the chief counsel for the Democrats on the Judiciary Committee.

I note Judge Katzmann now for two reasons. First, of course, Vermont is in that circuit. But far more important, this is a man who was brought here at the strong urging and behest of the senior Senator from New York, my dear friend and one of the most distinguished Members of this body, Senator DANIEL PATRICK MOYNIHAN, really the intellectual giant of the Senate.

I first met now Judge Katzmann when Senator MOYNIHAN brought him to my office, and I was immediately impressed with him. This is the first circuit court judge to be confirmed this year.

Historians can determine what helped the most: the brilliance of persuasion of the distinguished Senator from New York or the brilliance of Judge Katzmann. I say that it was a symbiotic relationship that made the confirmation possible. I applaud my dear friend from across that great and beautiful Lake Champlain, my dear friend from New York, but I also commend Robert Katzmann. I thank my dear friend from Wyoming for allowing me to say this.

Mr. MOYNIHAN. Will the Senator from Wyoming yield for a very brief remark?

Mr. ENZI. Certainly.

Mr. MOYNIHAN. Mr. President, first, I thank my friend and distinguished ranking member on the Judiciary Committee for his remarks about Judge Katzmann, as I believe he now is. I am very much indebted to Senator HATCH, the chairman of the committee. I thank the acting majority leader, the Senator from Wyoming.

On a brief personal note, this is a very special moment for the Senator from New York. Judge Katzmann was a graduate student of mine. I was a member of the orals examining committee when he received his Ph.D. He has been a remarkable student, a professor of law at Georgetown University at this point, and an author of important articles and books on the relationship between the Congress and the judiciary, a subject little attended and important. It attracted the attention of Senator HATCH and Senator LEAHY.

I thank the Senator for his indulgence. I thank the Senate for its great good judgment in this important confirmation which I do believe history will one day record.

Mr. ENZI. Mr. President, I thank our colleagues for their kind words about our new judge. I will mention, any other statements relating to the nomination will be printed in the RECORD. I am certain that since he has had such distinguished tutoring, there will be more comments. I am pleased to know that.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR THURSDAY, JULY 15, 1999

Mr. ENZI. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Thursday, July 15. I further ask unanimous consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate stand in a period for morning business until 10 a.m., with Senators allowed to speak for up to 5 minutes each, with the following exceptions: Senator SPECTER, 15 minutes, and Senator BYRD, 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENZI. Further, I ask unanimous consent that Senator NICKLES, or his designee, be recognized at 10 a.m. to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ENZI. Mr. President, for the information of all Senators, the Senate will convene at 9:30 a.m. and be in a period for morning business until 10 a.m. Following morning business, the Senate will immediately resume consideration of S. 1344, the Patients' Bill of Rights legislation. Senator NICKLES, or his designee, will then be recognized to offer a second-degree amendment to the Collins amendment No. 1243. By previous consent, this legislation will be completed on Thursday. Therefore, Senators can expect additional amendments and votes throughout tomorrow's session of the Senate.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. ENZI. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:19 p.m., adjourned until Thursday, July 15, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 14, 1999:

THE JUDICIARY

JAMES J. BRADY, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF LOUISIANA VICE JOHN V. PARKER, RETIRED.

CHARLES A. PANNELL, JR., OF GEORGIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA VICE FRANK M. HULL, ELEVATED.

FLORENCE-MARIE COOPER, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA VICE LINDA H. MCLAUGHLIN, DECEASED.

DEPARTMENT OF STATE

TIBOR P. NAGY, JR., OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS CHIEF OF NAVAL PERSONNEL, UNITED STATES NAVY, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5141:

To be vice admiral

REAR ADM. NORBERT R. RYAN, JR., 4487

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. ROBERT J. NATTER, 9953

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be major

JAMES R. JUDKINS, 6011

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVAL RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

DEAN D. HAGER, 5457
DAVID F. SANDERS, 4443

WITHDRAWAL

Executive message transmitted by the President to the Senate on July 14, 1999, withdrawing from further Senate consideration the following nomination:

DEPARTMENT OF VETERANS AFFAIRS

KENNETH W. KIZER, OF CALIFORNIA, TO BE UNDER SECRETARY FOR HEALTH OF THE DEPARTMENT OF VETERANS AFFAIRS FOR A TERM OF FOUR YEARS, WHICH WAS SENT TO THE SENATE ON JANUARY 6, 1999.

CONFIRMATION

Executive nomination confirmed by the Senate July 14, 1999:

DEPARTMENT OF JUSTICE

ROBERT A. KATZMANN, OF NEW YORK, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT.

HOUSE OF REPRESENTATIVES—*Wednesday, July 14, 1999*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. TAYLOR of North Carolina).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 14, 1999.

I hereby appoint the Honorable CHARLES H. TAYLOR to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Sam Whaley, Word of Faith Fellowship, Spindale, North Carolina, offered the following prayer:

Let us pray. Father God, we count it an honor to come before You on behalf of our Congress and leaders. We need You to be in control of our Nation. We are in desperate need of Your wisdom, Your will, and Your divine protection. We cry out for Your wisdom and courage to come to the hearts of our leaders so they will have strength to take a stand for righteousness. Cause them to be aware of how important it is to inquire of You before any decision is made since You and You alone place them in the authority to execute Your righteous judgments.

Father, forgive us. We as a Nation have not reverenced and inquired of You for our land to be healed. Have mercy on us. Put a heart of prayer in Your people. Thank You, Dear Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Pennsylvania (Mr. MASCARA) come forward and lead the House in the Pledge of Allegiance.

Mr. MASCARA led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 one-minute speeches on each side.

HELP THE MINING INDUSTRY; DO NOT ELIMINATE IT

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the basis of our Nation's mining laws was enacted on May 10, 1872. Over the years, this law has become probably the most misrepresented statute on the books today.

This land tenure law governs access to public lands for mineral exploration and specifies the conditions under which title to mineral deposits can be obtained once they are discovered.

The 1872 law primarily affects the 12 western States in this Nation, and these 12 States account for 75 percent of the minerals produced and more than 92 percent of the public land of this Nation.

Before Congress enacts any significant new policies, we must carefully consider the effects and consequences that could adversely affect this valuable industry and dramatically reduce the quality of life for all Americans, which would further destroy tens of thousands of high-paying jobs if not done correctly.

The mining industry is already in danger due to an unending mudslide of Federal regulations, fees, and needless bureaucracy. Mr. Speaker, we have come to the point where we need to begin helping the mining industry instead of trying to eliminate it.

PRESCRIPTION DRUG PRICES

(Mr. MASCARA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MASCARA. Mr. Speaker, I rise today to ask my colleagues to join with me in sending a message to our senior citizens across this country that we in Congress are committed to cutting the cost of their prescriptions.

Many of the seniors that I spoke with during the July 4th break told me about the difficulties they are experiencing in paying for their prescriptions. Oftentimes they are being forced to make a choice between buying food or buying their medicine. It is a national disgrace that we in the wealthiest country in the world are having our elderly make that decision in the first place.

Cutting the dosage or doing without prescriptions eventually adds to the cost of health care. This is a no brainer. Join the gentleman from Tennessee (Mr. WAMP) and me in support of a House concurrent resolution dealing with this matter. I ask my colleagues to express their commitment to provide our Nation's seniors with fair and reasonable access to prescription drugs.

Our senior citizens have asked for our help, and it is now time to deliver. Now, not later.

FLORIDA KEYS

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, the Florida Keys are made up of 100 miles of 30 islands that form a chain. Adjacent to the Keys is the most extensive living coral reef in North America and the third largest in the world.

These coral reefs are intertwined to a marine ecosystem that supports one of the most diverse and unique collections of plants and animals in North America.

Millions of people come from all over the United States and the world to visit the Florida Keys. This is both a blessing and a big part of the problem. The Keys are suffering from pollution brought about by humans.

Some of our beaches have already had to be closed over the July 4th weekend because of these contaminants. Even more crucial, the living coral reef is in danger of dying from pollutants if the water quality is not improved immediately.

I urge my colleagues, therefore, to preserve one of our national treasures, the Florida Keys, by acting on the bill of the gentleman from Florida (Mr. DEUTSCH), the Florida Keys Water Quality Improvement Act of 1999, H.R. 673.

AMERICAN BORDERS WIDE OPEN WHILE GUARDING BOSNIA AND KOSOVO

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. TRAFICANT. Mr. Speaker, all heroin and cocaine comes across our borders, and everyone agrees that heroin and cocaine cause most of the crime, murder, and medical bills in America. And Congress does nothing.

While American soldiers are guarding the borders of Bosnia and Kosovo, American borders are wide open. And Congress does nothing. Beam me up, Mr. Speaker.

A Nation without secure borders is a Nation without security. A Congress that turns its back on our borders is a Congress that invites disaster.

I yield back the stupid un-American policies.

SURPLUS IS NOT PRESIDENT'S MONEY TO SPEND

(Mr. GARY MILLER of California asked and was given permission to address the House for 1 minute.)

Mr. GARY MILLER of California. Mr. Speaker, last week when the President was in California, he was quoted in the newspaper as saying, "It would be wrong to spend our hard-earned surplus on tax cuts."

What the President meant by "our" was the government's. So he said it would be wrong to spend the government's hard-earned surplus on tax cuts. When did the government ever earn any money?

How would the President know what the private producing sector of our country can and cannot afford? His whole life he has worked for government. According to his own biography, the closest he ever came to being paid by the private sector is when he won a college scholarship. Even then, the government gave him a grant to supplement his tuition to Georgetown.

When the President says we cannot afford a tax cut, he only speaks from the perspective of government. He does not know any better. I will repeat, he does not know any better.

Well, as someone who has signed both sides of a paycheck, I can speak for the private sector when I say he is wrong. What we cannot afford to do is keep the surplus in Washington, D.C. to grow government. It is not the President's money. Let us send the American people's money back to the producing sector of our Nation, the American people.

CHILD GUN SAFETY LEGISLATION

(Ms. DeGETTE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DeGETTE. Mr. Speaker, in June, the House of Representatives had the opportunity to pass bipartisan moderate gun safety legislation. We had a chance to make this country a safer place, and we let it slip away.

Yesterday, again, we had the opportunity to add child gun safety legislation to the Treasury Postal appropriations bill. Three amendments were offered at the committee markup mirroring the Senate legislation which was passed in May. Unfortunately, all three of these amendments were defeated in committee.

The people of this country want child gun safety legislation. I have received many, many letters from mothers, fathers, teachers, ex-military officers, even Republicans urging me to do something, to make schools safer for all of the children and to keep guns out of the hands of children.

Tackling this problem of guns should not preclude the need to address our cultural problems. But we need to look at all of these issues to address child safety in this country. I urge my colleagues to do this before the August recess.

LEGAL SERVICES CORPORATION NOT PROVIDING SERVICES IT CLAIMS TO BE

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, many years ago, the Congress of the United States, under the principle that all Americans, rich or poor, should have equal access to protection under the law through legal representation in the courts, created the Legal Services Corporation. This was designed to give the itinerant, the poor American without means, access to the courts.

We had hoped it would do a good job of service for the American people. Many of us have been surprised to discover the number of times we hear from constituents that they have been turned away from the Corporation. They did not have time for this person's case. So we began to ask what is going on. I have to tell my colleagues, Mr. Speaker, the results we are discovering are heartbreaking.

Reports from the Inspector General's office showed that the Legal Services Corporation grossly overstated their case load by 70 percent. But they have not told Congress.

Since Congress could no longer rely on timely, accurate information from LSC, we asked the General Accounting Office to look at five of LSC's largest grantees, Baltimore, Chicago, Los Angeles, New York City, and Puerto Rico. GAO found the same: LSC bloating the numbers, misrepresenting the number of people they actually assist.

At the very least, Congress needs to be able to trust the information government departments and agencies provide and that it is timely and accurate. Not only does LSC give Congress overstated caseload reports, they hide the truth and refuse to tell Congress. Personally, I find this insulting. The American people have a right to expect more from their government.

Mr. Speaker, it comes down to this: How can the Legal Services Corporation claim to be helping poor people when they do not even know how many people they are helping?

Mr. Speaker, when Congress expresses the compassion of the American people by providing a service to its very most poor and needy, those agencies must deliver those services, and they must be accountable to Congress.

Legal Services Corporation must be made to do their duty for the American people. We simply cannot fund that kind of misrepresentation of the Nation's goodwill.

MODEST GUN SAFETY LEGISLATION KILLED WITH BACKROOM ARM TWISTING

(Ms. DeLAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DeLAURO. Mr. Speaker, yesterday, the Republican leadership killed modest gun safety legislation, not once, but three times. Backroom arm twisting by high-powered members of the NRA left the 13 members of the Committee on Appropriations switching their votes on sensible reforms.

We could have closed the loophole on background checks at gun shows, banned the importation of high-capacity ammunition clips, and ensured that all handguns come with child safety locks. But instead, there is no progress to report, only partisanship.

We have been waiting for months for the Republican leadership to act on this issue. Thirteen children are killed every day by guns. Yet, on this side of the aisle, we are stymied and stonewalled at every turn.

The Republican leadership is woefully out of step with American parents. Youth violence is a complex problem. It requires several answers. Parental involvement, safe schools, better discipline, and violence in the media are all involved, but gun safety is part of this puzzle. Now is the wrong time to do the bidding of the National Rifle Association.

I urge the Speaker, take up sensible measures passed by the Senate. Appoint conferees immediately. Acting now is the right thing to do. We have already waited too long, and too many youngsters have died.

□ 1015

DEMOCRATS HAVE NO INTENTION OF WORKING WITH REPUBLICANS THIS YEAR ON ANYTHING

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, this week The Washington Post reported a startling admission. One of the leaders of the liberal wing of the Democratic party stated point blank that Democrats have no intention of working with Republicans this year on anything. In fact, they would rather play politics with seniors, with children, with working families than pass legislation to help America stay strong and prosperous.

Listen to this quote given by the distinguished gentleman from Massachusetts, a hero to liberals everywhere. "It is not our responsibility to legislate anymore. It doesn't make sense for us to compromise."

I certainly do appreciate the gentleman's candor, but let us think about this idea that it does not make sense for us to compromise. What he means is that it does not make political sense for Democrats to compromise. They want to block Republican bills, then turn around and blame extremist Republicans for failing to pass important legislation.

Is this what Democrats stand for? What happened to their call for civility and bipartisan cooperation? Why do they now want to be obstructionists?

REPUBLICANS BLOCK DEMOCRATIC EFFORTS IN SENATE TO IMPROVE AMERICA'S HEALTH CARE INSURANCE

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, the morning papers are recounting what took place in the Senate yesterday when the Republicans blocked the efforts to try to provide better health care to people who have health insurance.

When the Democrats offered amendments to make it easier for women to choose their primary care physician, to choose an obstetrician/gynecologist, the Republicans blocked that effort. When the Democrats tried to offer an effort to make it easier for people who are denied services to have grievances against the HMO and the managed care corporations, the Republicans blocked that effort. When the Democrats tried to make it easier for people to go to the nearest emergency room in an emergency and know that they would be reimbursed for going to that emergency room, the Republicans killed that effort.

However, the Republicans did decide that they would let women who had had a mastectomy stay in the hospital a couple days longer. Apparently, the Republicans will not let us go to the doctor to detect a cancer, but if we have the cancer they will let us stay in the hospital 2 days extra.

REPUBLICAN TAX CUT PLAN IS BALANCED AND SENSIBLE

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, even though there is a budget surplus here in Washington, the liberals are attacking the Republican tax cut proposal, calling it "risky." They think it is risky because they do not trust the taxpayers to spend it right.

Well, I have a different view. I do not trust the liberals to leave the taxpayers' money here in Washington. In fact, I think that it is truly risky to leave Americans' hard-earned taxes lying around here in Washington for people who have made their careers expanding government. It should come as no surprise that the money somehow gets spent. It always does, it always has, and it always will.

Politicians will spend the taxpayers' money, then they will tickle their ears with wonderful reasons why they just had to spend it. Face it, the only way to stop politicians from expanding government and reducing hard-working Americans' freedoms is to give the money back to the people who earned it.

I like the Republican plan: Lock up two-thirds of the money that is taken from the FICA payroll deductions for retirement security and give the other third back to the hard-working Americans who earned it. It is a balanced and sensible plan. I ask all my colleagues to support it.

HATE-CRAZED GUNMAN

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SCHAKOWSKY. Mr. Speaker, I represent the district in which six Jews were shot and Rick Byrdsong was killed. I received this E-mail yesterday:

> Please allow me to express my horror at the tragedy that has befallen my family. On my way home from synagogue, I was shot by a hate-crazed gunman. I spent 4 days in the hospital. My wife, who was due to give birth any day, witnessed me prostrate on the steps of a house bleeding from wounds to my abdomen, arm and shoulder.
>
> I am grateful I am alive. I did not think I would get to see my wife and 22-month-old daughter again. I do not know how to convey to you the horror of being shot from close range because I belong to the 'wrong' religion. This used to happen all too frequently to my European ancestors. There, too, people shrugged and moved on to their daily routines until it was too late.
>
> This event has harmed my family in so many ways it will take years to heal the wounds.

That is from Hillel Goldstein. His mother, Batya Abraham-Goldstein, said, "This was not just hate. This is what happens when hate is given a gun."

LIBERALS FIND IT DIFFICULT TO ACCURATELY DESCRIBE REPUBLICAN TAX CUT PROPOSAL

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, why is it so difficult for liberals to accurately describe our tax cut proposals? In fact, to date I have yet to hear a single Democrat describe our budget surplus proposal by what is actually in our proposal.

As this chart illustrates, Republicans have indicated their priorities by putting $2 for retirement security to every $1 for tax relief from projected surpluses over the next 10 years. Let me repeat that. From the budget surpluses, we allocate $2 for retirement security for every $1 for tax relief.

That means that Social Security and Medicare will be preserved. It also means that our preference is for tax relief over new Washington spending.

Make no mistake about it, whenever the Democrats talk about their opposition to tax cuts and their preference for debt reduction, we can be sure that this will mean new Washington spending. If the 40 years of Democrat control in the House are any indication, that money will be spent.

A balanced reproach is $2 for $1: $2 for retirement security, $1 for tax relief.

HONORING MEMBERS OF SAFE COLORADO

(Mr. UDALL of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. UDALL of Colorado. Mr. Speaker, over the next 2 days we Members of Congress will have the opportunity to hear from a bright and dedicated group of high school students from the State of Colorado. These students are Members of an organization called SAFE Colorado, or Sane Alternatives to the Firearms Epidemic. This group formed in the aftermath of the Columbine High School tragedy, and they are here in Washington, D.C., to encourage Congress to pass laws to keep guns out of the hands of juveniles and criminals.

While these SAFE students are here, I urge that all Members listen to what they have to say. I have visited numerous high schools in my district, and what I have learned is that these young women and men know their schools better than anyone else in their communities and certainly better than any of us here in the Congress. We can all learn from their experience and advice.

Additionally, these young men and women do not care about politics or posturing. Instead, they care about whether they are going to be safe in their schools. As a father of two children in the public schools, I understand their concerns. The tragedy at Columbine High School has deepened my commitment to measures to make our communities safer and our schools safer.

Gun laws are not the only answer, but I think they are a crucial part of the equation. I hope the House will have the wisdom to listen to these students and pass sensible gun safety measures that our colleagues in the Senate have already endorsed.

Mr. Speaker, I rise today to pay tribute to these brave and conscientious young people from Colorado. I wish them a safe trip, and I wish them success in convincing the Congress to act to curtail gun violence in America today. The vast majority of Coloradans and Americans support sensible gun safety laws and so should we.

FINANCIAL FREEDOM ACT OF 1999

(Mr. CALVERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CALVERT. Mr. Speaker, I rise today to wholeheartedly endorse the Financial Freedom Act of 1999, legislation sponsored by the gentleman from Texas (Mr. ARCHER) to provide broad-based tax relief to help individuals and families make ends meet. This is common sense legislation that will not only bring tax relief to all Americans but also prevent special interests in Washington from spending the budget surplus on a myriad of unnecessary new government programs.

I particularly support the inclusion of death tax relief. The death tax has robbed millions of Americans, especially our Nation's farmers, of their hard-earned money and their ability to leave a legacy to their children and grandchildren. The death tax unfairly punishes those who have worked hard their entire lives to achieve the American Dream and provide a safe and secure environment for their families.

Death tax relief also will allow family businesses and farms to remain in the family, ensuring that both the business and the jobs it provides continue to live on for the next generation.

The bill of the gentleman from Texas also incrementally decreases the tax burden, eliminating it over the next 10 years. This balanced and fair approach will provide immediate relief in the short term, while not making unreasonable demands on our budget surplus.

Americans currently pay the highest taxes since World War II, and for the first time in a generation, we have the financial strength to safely return a portion of our surplus to hard-working Americans. This is solid legislation, and I urge all my colleagues to support it.

HOUSE MUST PASS A MEANINGFUL MANAGED CARE REFORM BILL

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, during the July 4th celebrations, I had the opportunity to experience the quality health care that is offered in my own hometown of Houston, and it made me come back realizing how important a real, meaningful managed care reform bill is and what is going on in the United States Senate.

The American people have been clear to us that they want meaningful managed care reform. It is estimated that 122 million Americans do not have simple patient protections. This is not about politics, Democrat versus Republican, it is about what patients need and the providing of quality health care.

We need to eliminate gag laws. Patients need to talk to their doctor about their injuries. We need to have access to specialists and particularly make those doctors the one to define a medical necessity. We need to have an external-internal appeals process. We need to cover emergency room care instead of making someone have to decide they have to go past the closest emergency room to one on their list. They ought to get the health care they need immediately.

We should also have accountability. If the doctor making the decision is accountable and he is under law, so should the person making that decision in place of that doctor. This is not about employees suing employers. It is not about higher costs for health care. In fact, our own Congressional Budget Office and our own experience in the State of Texas shows there was little or no cost at all in providing these protections.

Let us not lose this opportunity to help our constituents.

STATISTICS DO MATTER

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, the pollsters and political pundits tell us not to use statistics in our speeches. They tell us people's eyes glaze over at hearing the numbers. No matter. Honest statistics do matter.

When this administration came to power in 1993, the Federal Government took in 17.8 percent of our gross domestic product in taxes. Today, that share is 20.7 percent. Let us hear those numbers again, because they are important in discussing whether or not tax cuts are a good idea. They are also numbers that we will never, ever hear the other side refer to. Ever.

In 1993, when this administration came to power, the Federal taxes were 17.8 of the economy. Today, the tax burden is 20.7 percent of the economy. In other words, the Federal tax burden is at a record peacetime level.

Taxes are higher than they need to be so that Washington can spend more and more money creating new programs and expanding old ones and giving us less power and control over our lives. One-fifth of the economy in Federal taxes is just too much.

AMERICANS DO NOT WANT A FEEL-GOOD-VOTE-FOR-ME-IN-2000 TAX CUT

(Ms. HOOLEY of Oregon asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HOOLEY of Oregon. Mr. Speaker, seems like everyone is talking about tax cuts. As a Member with a tax cut proposal before Congress, H.R. 2085, I am glad that the majority party is suddenly and somewhat frantically interested in moving forward with a tax cut proposal.

But I ask my friends in Congress to take this step forward carefully. Americans deserve a tax cut, but first they want to make sure that Social Security is solvent; and, second, they want to make sure that Medicare is there for them in the future. They do not want a tax cut that raises the national debt. And the last thing hard-working Americans do not want is a feel-good-vote-for-me-in-2000 tax cut that cannot survive a downturn in the economy.

Fiscal responsibility always seems to suffer in election years, and the 2000 election has Washington pandering. Let us stop and think about the long term before we move forward. H.R. 2085 walls off Social Security and Medicare funds, helps pay down the national debt and still gives Americans a meaningful tax cut.

There is room to do the prudent thing here. Let us work together and get it done in a fiscally responsible manner.

TAX CUTS WILL BRING BENEFITS OF ECONOMIC GROWTH TO ALL AMERICANS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, last week all of us will remember the President took a well-publicized poverty tour. More than 6.5 years into his administration, the President wanted to call attention to poverty, and I understand that. Although we are now in the eighth year of economic growth, the benefits of our strong economy have eluded too many Americans.

Instead of setting up a public relations event, however, I urge the President to take solid steps to expand the scope of our economic well-being and develop constructive legislation with Republicans.

□ 1030

One of the ideas we have as Republicans is to reduce taxes. Putting more money back into the pockets of taxpayers will spur investments and spending and generate, of course, more economic activity and ultimately help the poor.

Our plan to reduce taxes, at the same time protecting Social Security and preserving Medicare, is the best means I believe for bringing the benefits of economic growth to all Americans. After all, it is their money, our money, and we can spend it better for ourselves than the Government can.

DEATH OF CIVIL RIGHTS PIONEER JAMES L. FARMER

(Mr. CLYBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLYBURN. Mr. Speaker, I rise today on behalf of the Members of the Congressional Black Caucus to join the chorus of millions around the Nation and the world to express our heartfelt sorrow over the passing of civil rights pioneer James L. Farmer.

James Farmer was founder of the Congress of Racial Equality. He organized the famous Freedom Ride of the 1960s to challenge the Jim Crow laws of racial segregation in public transportation.

During his lifetime, Farmer was the recipient of numerous awards, including the Presidential Medal of Freedom in 1998.

On a personal level, I experienced firsthand his inspiring leadership while a student of the South Carolina State University. As a member of CORE, I participated in the lunch counter sit-ins and other direct action activities organized by Mr. Farmer. These activities were the driving current for the student movement.

We in the CBC and others will honor his memory by always striving to emulate his shining example. I extend our deepest condolences and our thoughts and prayers to his two daughters, Tami Lynn and Abbey Lee, and the entire Farmer family.

REPUBLICANS WANT TO HELP BOTTOM 50 MOVE INTO TOP 50

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, the top 50 percent of income earners pay 96 percent of the Federal income taxes. The bottom 50 percent are carrying only 4 percent of the load.

My colleagues heard that right. The bottom 50 percent are paying almost no Federal income taxes at all, just 4 percent of the load.

Guess who President Clinton and the Democrats want to give a tax cut to? My colleagues guessed it: the 50 percent of taxpayers who are paying almost no taxes already.

"Aha," my liberal colleagues will say, "just as I have always suspected. The only people you Republicans care about are the top 50 percent."

Now, I urge my colleagues on the other side of the aisle to listen closely. That kind of thinking perfectly misunderstands what Republicans are about. Republicans want to help the bottom 50 percent move into the top 50 percent.

In fact, most people do just that over the course of their lifetimes. They start out young and have entry-level jobs and incomes, and then they move up in education, experience, and in income.

Democrat rhetoric constantly, constantly seems to imply there are fixed categories, haves and have-nots. This is just not true.

PRESIDENT TAKES CREDIT FOR WHAT REPUBLICANS HAVE ACHIEVED

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, Republicans have had to get used to hearing the President take credit for what Republicans have achieved many times despite what the President himself desired.

Take welfare reform, for example. Republicans forced the President to sign welfare reform in 1996, something that he had refused to pass when the Democrats controlled both Houses of Congress. He signed welfare reform only after vetoing it twice and only then in an election year, with promises to undo it as soon as he got the chance. And then he took credit for it.

Now, the President is taking credit for the first budget surplus since the Mets won the pennant back in 1996 despite the fact that it was the Republicans who forced him to scrap his initial budget plans, which had huge deficits as far as the eye could see.

Ronald Reagan once said that you can accomplish a great deal if you do not worry about who takes credit for it.

So let us save Social Security, save Medicare, pay down the national debt, and give the American people substantial tax relief even if the President takes credit for it.

GAO REPORTS CONCERNING OPERATION OF LEGAL SERVICES CORPORATION ARE VERY TROUBLING

(Mr. MILLER of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Florida. Mr. Speaker, I rise today to comment on the recent GAO report on the Legal Services Corporation.

It turned out that audits conducted by the Legal Services Corporation's Inspector General during 1998 revealed gross overstatement of cases in all five of the grantees examined and 200,000 cases were invalidated from audits on those five grantees alone.

A subsequent GAO study on five more grantees was requested by several Members of Congress to determine the scope of this problem, and the results showed even more reason for concern.

Besides invalidating at least 75,000 more cases, the GAO discovered that two of the five grantees, Puerto Rico and Chicago, had destroyed their client case files. In fact, the destruction of these files in Puerto Rico interfered with the ability of the GAO to conduct their audit. In Illinois, the destruction of the case files is against legal requirements set by the Illinois Supreme Court.

The Legal Services Corporation itself claims to require their grantees to maintain their case files for at least 5 years, and that requirement is apparently violated.

These reports are indeed very troubling concerning the operation of the Legal Services Corporation.

NOMINATION OF RICHARD HOLBROOKE AS AMBASSADOR TO UNITED NATIONS IS BEING BLOCKED

(Mr. SCHAFFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAFFER. Mr. Speaker, the nomination of Richard Holbrooke to be ambassador of the United Nations is being blocked across the Capital because of this administration's failure to answer questions about the Linda Shenwick case.

Linda Shenwick is a loyal State Department employee who has offended the White House.

Her crime? She told the truth. She told the uncomfortable truth to the United States Congress, as she is required to do by law; and then she was punished for it. She told the truth about what the U.N.'s appalling budget practices are and about massive waste in the United Nations.

For that she has been declared "enemy number one" by high officials at the White House, all because she is a whistle-blower.

Whistle-blowers were hailed in the press under Republican administrations, but the outrageous indefensible retaliation against this whistle-blower under this administration has been almost ignored by the press and, of course, by the President's party, a party that used to join Republicans in defending the little guy, the innocent people who suffer at the hand of those who abuse power and exploit workers.

It is an outrage, Mr. Speaker.

REPUBLICANS HAVE THE BEST AGENDA

(Mr. COOKSEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COOKSEY. Mr. Speaker, what is the Republican agenda? The Republican agenda is the BEST agenda for all Americans.

"B" is for bolstering the national security. "E" is for education excellence. "S" is for strengthening retirement security. And "T" is for tax relief for working Americans.

Americans, Republicans do have the best agenda. It is a positive, forward-looking agenda that recognizes that our military needs to be given a higher priority in a dangerous world, that our schools need to be improved if our children are going to enjoy a bright future, that seniors need to be protected against the looming Social Security and Medicare crises, and that Americans who pay the taxes should be given tax relief, not more rhetoric about why Washington needs the money.

Bolstering national security. Education excellence. Strengthening retirement security. Tax relief for working Americans. Republicans have the BEST agenda.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the further consideration of H.R. 2466, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Pursuant to House Resolution 243 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2466.

□ 1039

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, July 13, 1999, the amendment offered by the gentleman from New York (Mr. CROWLEY) had been disposed of and the bill was open for amendment from page 19, line 10, through page 21, line 6.

Are there further amendments to this portion of the bill?

The Clerk will read.

The Clerk read, as follows:

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 384 passenger motor vehicles, of which 298 shall be for replacement only, including not to exceed 312 for police-type use, 12 buses, and 6 ambulances: *Provided*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, biology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $820,444,000, of which $60,856,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $137,674,000 shall be available until September 30, 2001 for the biological research activity and the operation of the Cooperative Research Units: *Provided*, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.: *Provided further*, That the United States Geological Survey may hereafter contract directly with individuals or indirectly with institutions or nonprofit organizations, without regard to 41 U.S.C. 5, for the temporary or intermittent services of students or recent graduates, who shall be considered employees for the purposes of chapters 57 and 81 of title 5, United States Code, relating to compensation for travel and work injuries, and chapter 171 of title 28, United States Code, relating to tort claims, but shall not be considered to be Federal employees for any other purposes.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only;

$110,082,000 of which $84,569,000 shall be available for royalty management activities; and an amount not to exceed $124,000,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: *Provided*, That to the extent $124,000,000 in additions to receipts are not realized from the sources of receipts stated above, the amount needed to reach $124,000,000 shall be credited to this appropriation from receipts resulting from rental rates for Outer Continental Shelf leases in effect before August 5, 1993: *Provided further*, That $3,000,000 for computer acquisitions shall remain available until September 30, 2001: *Provided further*, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721(b) and (d): *Provided further*, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: *Provided further*, That notwithstanding any other provision of law, $15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or Tribes, or to correct prior unrecoverable erroneous payments.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,118,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $95,693,000: *Provided*, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 2000 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $196,458,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $8,000,000, to be derived from the Federal Expenses Share of the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: *Provided*, That grants to minimum program States will be $1,500,000 per State in fiscal year 2000: *Provided further*, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 percent shall be used for emergency reclamation projects in any one State and funds for federally administered emergency reclamation projects under this proviso shall not exceed $11,000,000: *Provided further*, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 percent limitation per State and may be used without fiscal year limitation for emergency projects: *Provided further*, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That funds made available to States under title IV of Public Law 95–87 may be used, at their discretion, for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: *Provided further*, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: *Provided further*, That, in addition to the amount granted to the Commonwealth of Pennsylvania under sections 402(g)(1) and 402(g)(5) of the Surface Mining Control and Reclamation Act (Act), an additional $300,000 will be specifically used for the purpose of conducting a demonstration project in accordance with section 401(c)(6) of the Act to determine the efficacy of improving water quality by removing metals from eligible waters polluted by acid mine drainage: *Provided further*, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001–2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, $1,631,050,000, to remain available until September 30, 2001 except as otherwise provided herein, of which not to exceed $93,684,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed $115,229,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 2000, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs; and up to $5,000,000 shall be for the Indian Self-Determination Fund, which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts, or cooperative agreements with the Bureau under such Act; and of which not to exceed $400,010,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 2000, and shall remain available until September 30, 2001; and of which not to exceed $58,586,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, land records improvement, the Navajo-Hopi Settlement Program: *Provided*, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed $42,160,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost grants associated with the operation of Bureau-funded schools: *Provided further*, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2001, may be transferred during fiscal year 2002 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: *Provided further*, That any such unobligated balances not so transferred shall expire on September 30, 2002.

CONSTRUCTION

For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $126,023,000, to remain available until expended: *Provided*, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further*, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: *Provided further*, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: *Provided further*, That for fiscal year 2000, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: *Provided further*, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: *Provided further*, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: *Provided further*, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): *Provided further*, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e): *Provided further*, That notwithstanding any other provision of law, collections from the settlement between the United States and the Puyallup Tribe concerning the Chief Leschi school are to be immediately made available for school construction in fiscal year 2000, and thereafter.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $25,901,000, to remain available until expended; of which $25,030,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618 and 102–575, and for implementation of other enacted water rights settlements; and of which $871,000 shall be available pursuant to Public Laws 99–264 and 100–580.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed loans, $4,500,000, as authorized by the Indian Financing Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $59,682,000.

In addition, for administrative expenses to carry out the guaranteed loan programs, $508,000.

ADMINISTRATIVE PROVISIONS

The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations or pooled overhead general administration (except facilities operations and maintenance) shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

In the event any tribe returns appropriations made available by this Act to the Bureau of Indian Affairs for distribution to other tribes, this action shall not diminish the Federal government's trust responsibility to that tribe, or the government-to-government relationship between the United States and that tribe, or that tribe's ability to access future appropriations.

Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.

Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995.

Department Offices

Insular Affairs

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $66,320,000, of which: (1) $62,326,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $3,994,000 shall be available for salaries and expenses of the Office of Insular Affairs: *Provided*, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: *Provided further*, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104–134: *Provided further*, That Public Law 94–241, as amended, is further amended (1) in section 4(b) by deleting "2002" and inserting "1999" and inserting after the words "$11,000,000 annually" the following: "and for fiscal year 2000, payments to the Commonwealth of the Northern Mariana Islands shall be $6,000,000, but shall return to the level of $11,000,000 annually for fiscal years 2001 and 2002. In fiscal year 2003 the payment to the Commonwealth of the Northern Mariana Islands shall be $5,000,000"; (2) deleting the word "and" at the end of subsection (4)(c)(2); (3) deleting the period at the end of subsection (4)(c)(3) and inserting in lieu thereof "and"; and (4) in section (4)(c) by adding a new subsection as follows: "(4) for fiscal year 2000, $5,000,000 shall be provided to Guam.": *Provided further*, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: *Provided further*, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): *Provided further*, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

POINT OF ORDER

Mr. YOUNG of Alaska. Mr. Chairman, I make a point of order against the language beginning on page 37, line 23 and ending on page 38, line 13, as follows:

Provided further, that Public Law 94–241, as amended, is further amended (1) in section 4(b) by deleting "2002" and inserting "1999" and inserting after the words "$11,000,000 annually" the following: "and for fiscal year 2000, payments to the Commonwealth of the Northern Mariana Islands shall be $6 million, but shall return to the level of $11,000,000 annually for fiscal year 2001 and 2002. In fiscal year 2003 the payment to the Commonwealth of the Northern Mariana Islands shall be $5,000,000"; (2) deleting the word "and" at the end of subsection (4)(c)(2); (3) deleting the period at the end of subsection (4)(c)(3) and inserting in lieu thereof "and"; and (4) in section (4)(c) by adding a new subsection as follows: "(4) for fiscal year 2000, $5,000,000 shall be provided to Guam."

This language clearly amends an underlying statute, Public Law 94–241, by reducing mandatory payments to be made to the Northern Mariana Islands and authorizes funds for another entity not contemplated in Public Law 94–241. This constitutes legislation on an appropriations bill in violation of clause 2(b) of Rule XXI of the Rules of the House of Representatives.

I ask that the Chair sustain my point of order.

Guam is due the $5 million that is in the present bill for compact impact. This administration should work to fund Guam for this unfunded mandate but not penalize Mariana's covenant funds.

□ 1045

Mr. Chairman, I ask to sustain my point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. DICKS. Mr. Chairman, I am prepared to concede the point of order.

The CHAIRMAN. Any other Member wish to be heard?

Mr. REGULA. Mr. Chairman, we concede it.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentlemen.

The CHAIRMAN. The Chair is prepared to rule.

For the reasons stated by the gentleman from Alaska, the point of order is sustained and the unprotected proviso is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $20,545,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $62,864,000, of which not to exceed $8,500 may be for official reception and representation expenses and of which up to $1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $36,784,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $26,086,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $90,025,000, to remain available until expended: *Provided*, That funds for trust management improvements may be transferred, as needed, to the Bureau of Indian Affairs "Operation of Indian Programs" account and to the Departmental Management "Salaries and Expenses" account: *Provided further*, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 2000, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: *Provided further*, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: *Provided further*, That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least eighteen months and has a balance of $1.00 or less: *Provided further*, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.

INDIAN LAND CONSOLIDATION PILOT

INDIAN LAND CONSOLIDATION

For implementation of a pilot program for consolidation of fractional interests in Indian lands by direct expenditure or cooperative agreement, $5,000,000 to remain available until expended, of which not to exceed $500,000 shall be available for administrative expenses: *Provided*, That the Secretary may enter into a cooperative agreement, which shall not be subject to Public Law 93–638, as amended, with a tribe having jurisdiction over the pilot reservation to implement the program to acquire fractional interests on behalf of such tribe: *Provided further*, That the Secretary may develop a reservation-wide system for establishing the fair market value of various types of lands and improvements to govern the amounts offered for acquisition of fractional interests: *Provided further*, That acquisitions shall be limited to one or more pilot reservations as determined by the Secretary: *Provided further*, That funds shall be available for acquisition of fractional interest in trust or restricted lands with the consent of its owners and at fair market value, and the Secretary shall hold in trust for such tribe all interests acquired pursuant to this pilot program: *Provided further*, That all proceeds from any lease, resource sale contract, right-of-way or other transaction derived from the fractional interest shall be credited to this appropriation, and remain available until expended, until the purchase price paid by the Secretary under this appropriation has been recovered from such proceeds: *Provided further*, That once the purchase price has been recovered, all subsequent proceeds shall be managed by the Secretary for the benefit of the applicable tribe or paid directly to the tribe.

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (Public Law 101–380), and Public Law 101–337; $5,400,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: *Provided*, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: *Provided further*, That no programs funded with appropriated funds in the "Departmental Management", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oil spills; for response and natural resource damage assessment activities related to actual oil spills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That for emergency rehabilitation and wildfire suppression activities, no funds shall be made available under this authority until funds appropriated to "Wildland Fire Management" shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: *Provided further*, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Sec. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

Sec. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

Sec. 107. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore oil and natural gas preleasing, leasing and related activities placed under restriction in the President's moratorium statement of June 12, 1998, which includes the areas of: northern, central, and southern California; the North Atlantic; Washington and Oregon; the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude and any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-year Oil and Gas Leasing Program, 1997–2002; the North Aleutian Basin planning area; and the Mid-Atlantic and South Atlantic planning areas.

Sec. 108. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—

(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or

(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

Mr. DICKS. Mr. Chairman, I ask unanimous consent that the remainder of title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. SANDERS. Point of information, Mr. Chairman. What page does that go up to?

Mr. DICKS. Fifty-six.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. REGULA. Reserving the right to object, Mr. Chairman, what is the request?

Mr. DICKS. Just to open up the rest of title I.

Mr. REGULA. Mr. Chairman, after checking, we have no objection.

The CHAIRMAN. Without objection, the bill through title I will be considered as read, printed in the Record, and open to amendment at any point.

There was no objection.

The text of the remainder of title I through page 56, line 2 is as follows:

Sec. 109. (a) Employees of Helium Operations, Bureau of Land Management, entitled to severance pay under 5 U.S.C. 5595, may apply for, and the Secretary of the Interior may pay, the total amount of the severance pay to the employee in a lump sum. Employees paid severance pay in a lump sum and subsequently reemployed by the Federal Government shall be subject to the repayment provisions of 5 U.S.C. 5595(i)(2) and (3), except that any repayment shall be made to the Helium Fund.

(b) Helium Operations employees who elect to continue health benefits after separation shall be liable for not more than the required employee contribution under 5 U.S.C. 8905a(d)(1)(A). The Helium Fund shall pay for 18 months the remaining portion of required contributions.

(c) The Secretary of the Interior may provide for training to assist Helium Operations employees in the transition to other Federal or private sector jobs during the facility shut-down and disposition process and for up to 12 months following separation from Federal employment, including retraining and relocation incentives on the same terms and conditions as authorized for employees of the Department of Defense in section 348 of the National Defense Authorization Act for Fiscal Year 1995.

(d) For purposes of the annual leave restoration provisions of 5 U.S.C. 6304(d)(1)(B), the cessation of helium production and sales, and other related Helium Program activities shall be deemed to create an exigency of public business under, and annual leave that is lost during leave years 1997 through 2001 because of 5 U.S.C. 6304 (regardless of whether such leave was scheduled in advance) shall be restored to the employee and shall be credited and available in accordance with 5 U.S.C. 6304(d)(2). Annual leave so restored and remaining unused upon the transfer of a Helium Program employee to a position of the executive branch outside of the Helium Program shall be liquidated by payment to the employee of a lump sum from the Helium Fund for such leave.

(e) Benefits under this section shall be paid from the Helium Fund in accordance with section 4(c)(4) of the Helium Privatization Act of 1996. Funds may be made available to Helium Program employees who are or will be separated before October 1, 2002 because of the cessation of helium production and sales and other related activities. Retraining benefits, including retraining and relocation incentives, may be paid for retraining commencing on or before September 30, 2002.

(f) This section shall remain in effect through fiscal year 2002.

Sec. 110. Notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, hereafter funds available to the Department of the Interior for Indian self-determination or self-governance contract or grant support costs may be expended only for costs directly attributable to contracts, grants and compacts pursuant to the Indian Self-Determination Act and hereafter funds appropriated in this title shall not be available for any contract support costs or indirect costs associated with any contract, grant, cooperative agreement, self-governance compact or funding agreement entered into between an Indian tribe or tribal organization and any entity other than an agency of the Department of the Interior.

Sec. 111. Notwithstanding any other provisions of law, the National Park Service shall not develop or implement a reduced entrance fee program to accommodate non-local travel through a unit. The Secretary may provide for and regulate local non-recreational passage through units of the National Park System, allowing each unit to develop guidelines and permits for such activity appropriate to that unit.

Sec. 112. Notwithstanding any other provision of law, in fiscal year 2000 and thereafter, the Secretary is authorized to permit persons, firms or organizations engaged in commercial, cultural, educational, or recreational activities (as defined in section 612a of title 40, United States Code) not currently occupying such space to use courtyards, auditoriums, meeting rooms, and other space of the main and south Interior building complex, Washington, D.C., the maintenance, operation, and protection of which has been delegated to the Secretary from the Administrator of General Services pursuant to the Federal Property and Administrative Services Act of 1949, and to assess reasonable charges therefore, subject to such procedures as the Secretary deems appropriate for such uses. Charges may be for the space, utilities, maintenance, repair, and other services. Charges for such space and services may be at rates equivalent to the prevailing commercial rate for comparable space and services devoted to a similar purpose in the vicinity of the main and south Interior building complex, Washington, D.C. for which charges are being assessed. The Secretary may without further appropriation hold, administer, and use such proceeds within the Departmental Management Working Capital Fund to offset the operation of the buildings under his jurisdiction, whether delegated or otherwise, and for related purposes, until expended.

Sec. 113. Notwithstanding any other provision of law, the Steel Industry American Heritage Area, authorized as part of Public Law 104–333, is hereby renamed the Rivers of Steel National Heritage Area.

Sec. 114. Refunds or rebates received on an ongoing basis from a credit card services provider under the Department of the Interior's charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital Fund established under 43 U.S.C. 1467 and used to fund management initiatives of general benefit to the Department of the Interior's bureaus and offices as determined by the Secretary or his designee.

SEC. 115. Appropriations made in this title under the headings Bureau of Indian Affairs and Office of Special Trustee for American Indians and any available unobligated balances from prior appropriations Acts made under the same headings, shall be available for expenditure or transfer for Indian trust management activities pursuant to the Trust Management Improvement Project High Level Implementation Plan.

SEC. 116. All properties administered by the National Park Service at Fort Baker, Golden Gate National Recreation Area, and leases, concessions, permits and other agreements associated with those properties, hereafter shall be exempt from all taxes and special assessments, except sales tax, by the State of California and its political subdivisions, including the County of Marin and the City of Sausalito. Such areas of Fort Baker shall remain under exclusive Federal jurisdiction.

SEC. 117. Notwithstanding any provision of law, the Secretary of the Interior is authorized to negotiate and enter into agreements and leases, without regard to section 321 of chapter 314 of the Act of June 30, 1932 (40 U.S.C. 303b), with any person, firm, association, organization, corporation, or governmental entity for all or part of the property within Fort Baker administered by the Secretary as part of Golden Gate National Recreation Area. The proceeds of the agreements or leases shall be retained by the Secretary and such proceeds shall be available, without future appropriation, for the preservation, restoration, operation, maintenance and interpretation and related expenses incurred with respect to Fort Baker properties.

SEC. 118. Where any Federal lands included in the boundary of Lake Roosevelt National Recreational Area for grazing purposes, pursuant to a permit issued by the National Park Service, the person or persons so utilizing such lands shall be entitled to renew said permit. The National Park Service is further directed to manage the Lake Roosevelt National Recreational Area subject to grazing use in a manner that will protect the recreational, natural (including water quality) and cultural resources of the Lake Roosevelt National Recreational Area.

SEC. 119. Notwithstanding any other provision of law, grazing permits which expire during fiscal year 2000 shall be renewed for the balance of fiscal year 2000 on the same terms and conditions as contained in the expiring permits, or until the Bureau of Land Management completes processing these permits in compliance with all applicable laws, whichever comes first. Upon completion of processing by the Bureau, the terms and conditions of existing grazing permits may be modified, if necessary, and reissued for a term not to exceed ten years. Nothing in this language shall be deemed to affect the Bureau's authority to otherwise modify or terminate grazing permits.

SEC. 120. For the purpose of reducing the Indian probate backlog in the Department of the Interior, the Secretary may, notwithstanding any other provision of law, including the provisions of title 5, United States Code pertaining to competition in the appointment process and actions covered by section 7521 of title 5, appoint administrative law judges for such periods of time as the Secretary considers to be necessary.

The CHAIRMAN. Are there any amendments to that portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $204,373,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $181,464,000, to remain available until expended, as authorized by law.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for administrative expenses associated with the management of funds provided under the headings "Forest and Rangeland Research", "State and Private Forestry", "National Forest System", "Wildland Fire Management", "Reconstruction and Maintenance", and "Land Acquisition", $1,254,434,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l-6a(i)): *Provided*, That unobligated balances available at the start of fiscal year 2000 shall be displayed by extended budget line item and region in the fiscal year 2001 budget justification.

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and water, $561,354,000, to remain available until expended: *Provided*, That such funds are available for repayment of advances from other accounts previously transferred for such purposes: *Provided further*, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 1999 shall be transferred, as repayment for past advances that have not been repaid, to the fund established pursuant to section 3 of Public Law 71–319 (16 U.S.C. 576 et seq.): *Provided further*, That notwithstanding any other provision of law, up to $4,000,000 of funds appropriated under this appropriation may be used for Fire Science Research in support of the Joint Fire Science Program: *Provided further*, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest Service and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research.

RECONSTRUCTION AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, $396,602,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed: *Provided further*, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided: *Provided further*, That any unobligated balances of amounts previously appropriated to the Forest Service "Reconstruction and Construction" account as well as any unobligated balances remaining in the "National Forest System" account for the facility maintenance and trail maintenance extended budget line items at the end of fiscal year 1999 may be transferred to and merged with this "Reconstruction and Maintenance" account.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $1,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended: *Provided*, That subject to valid existing rights, all Federally owned lands and interests in lands within the New World Mining District comprising approximately 26,223 acres, more or less, which are described in a Federal Register notice dated August 19, 1997 (62 F.R. 44136–44137), are hereby withdrawn from all forms of entry, appropriation, and disposal under the public land laws, and from location, entry and patent under the mining laws, and from disposition under all mineral and geothermal leasing laws.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 110 passenger motor vehicles of which 15 will be used primarily for law enforcement purposes and of which 109 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed three for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 213 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture, or to implement any reorganization or other type of organizational restructuring of the Forest Service without the advance consent of the House and Senate Committees on Appropriations.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that the balance of the Forest Service section through page 65, line 15 be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the remainder of the bill through page 68, line 15 is as follows:

Any appropriations or funds available to the Secretary of Agriculture may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions if and only if all previously appropriated emergency contingent funds under this heading have been released by the President and apportioned.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 105–163.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report 105–163.

No funds appropriated or otherwise available to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the advance approval of the House and Senate Committees on Appropriations.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $1,000,000, may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than $200,000 shall be available for administrative expenses: *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: *Provided further*, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, $2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and "Reconstruction and Construction" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided*, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further*, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed $500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters. Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

The CHAIRMAN. Are there any amendments to that portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(DEFERRAL)

Of the funds made available under this heading for obligation in prior years, $190,000,000 shall not be available until October 1, 2000: *Provided*, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon, $359,292,000, to remain available until expended, of which $24,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me thank the chairman and the ranking member for constructing a bill on the interior that all of us are very gratified to support. The gentleman from Ohio (Mr. REGULA) knows that last session I talked to him about a monument preserving the legacy of Soujourner Truth, and I hope that we will have an opportunity to raise that issue, although we have not raised it this time around, that we will continue to keep that vision before us. There is certainly debate as to what kind of monument that should be, but I believe that we will ultimately come to a resolution of that.

I rose and rise in particular to indicate that I had intended to offer an amendment in Title I, but I look forward to working with the gentleman from Ohio (Mr. REGULA) and as well the ranking member, the gentleman from Washington (Mr. DICKS), and, of course, the chairman of the Committee on Appropriations on refocusing on many of our historic areas in urban communities.

For example, in the City of Houston, the fourth largest city in the Nation, we have a community in the 18th Congressional district that is called Town. That is a town that was founded by freed slaves, and I would hope that the parks and recreation provisions would allow us to be able to enhance culturally diverse, historic communities. That is found in Town in Houston and as well in Fifth Ward in Houston.

Fifth Ward in Houston happens to be the birthplace of two of our former colleagues, the esteemed and honored Barbara Jordan and Mickey Leland, now deceased. Those particular communities in the 18th Congressional District have active historic preservation activists who are trying with their own resources to preserve the legacy of our history, in Fourth Ward in particular, Jack Yates, his son, the many historic churches, and as well the legacy of those who fought for the freedom of slaves in America.

In Fifth Ward, in particular, it is characterized as an area where the early entrepreneurs and artisans of the African American community in the State of Texas lodged and resided and in fact developed the first intellectual base and the first middle class. I think it is extremely important that we use the resources Federally to conserve and to protect the history of this Nation.

In addition, let me thank the committee for its work with the National Endowment for the Humanities and the National Endowment for the Arts. It is certainly gratifying not to have an NEA fight this year or an NEH fight this year, although all of us would have liked to have seen more money.

I would hope, and may I just, although the gentleman from Washington (Mr. DICKS), I am surprising him a little bit with this, but may I just inquire, if he would? He has done such a good job, and the same thing with the chairman, and I am not intending to surprise them, but we have had previous conversations on whether or not we have a commitment to preserving our historic communities and working with our historic communities in this Nation. They both have done a good job.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I have always been a strong proponent of historic preservation and preserving our communities. I would like to think that in my district, Tacoma, Washington, has been a hallmark of that with the Union Station restoration project and many others. We believe in this, and we are very supportive of it

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman very much.

Mr. Chairman, I do not want to put the gentleman from Ohio (Mr. REGULA) on the spot, but we have had conversations before. I know the commitment of his wife; I know the commitment that the gentleman has coming from the historic community that he comes from, and I just like to inquire whether this bill reflects, and maybe, as we move into the next fiscal year, we will be able to engage more of our communities.

But anyhow, reflects a commitment to preserving the historic regions and communities here in the United States.

Mr. REGULA. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentlewoman from Texas and would say that we will continue to communicate. We do not know what we will have next year in the way of resources. This year was a pretty tight budget, but obviously we will be very receptive to continued discussion.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman, and let me close by simply encouraging the constituents of my district to work with me as I work with them both particularly in the Fourth Ward and Fifth Ward to secure resources to compliment their efforts in preserving the historic communities of Fourth Ward and the efforts of the Texas Trailblazers that have been so vital to treating the historic places in our community properly and educating our youth and giving respect to those who have gone on before us who have worked so hard for our freedom.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER OF FUNDS)

Moneys received as investment income on the principal amount in the Great Plains Project Trust at the Norwest Bank of North Dakota, in such sums as are earned as of October 1, 1999, shall be deposited in this account and immediately transferred to the general fund of the Treasury. Moneys received as revenue sharing from operation of the Great Plains Gasification Plant and settlement payments shall be immediately transferred to the general fund of the Treasury.

NAVAL PETROLEUM AND OIL SHALE RESERVES

The requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 2000: *Provided* That, notwithstanding any other provision of law, unobligated funds remaining from prior years shall be available for all naval petroleum and oil shale reserve activities.

ELK HILLS SCHOOL, LANDS FUND

For necessary expenses in fulfilling the second installment payment under the Settlement Agreement entered into by the United States and the State of California on October 11, 1996, as authorized by section 3415 of Public Law 104–106, $36,000,000 for payment to the State of California for the State Teachers' Retirement Fund from the Elk Hills School Lands Fund.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $718,822,000, to remain available until expended, of which $25,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account: *Provided*, That $153,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99–509, such sums shall be allocated to the eligible programs as follows: $120,000,000, contingent on a cost share of 25 percent by each participating State or other qualified participant, for weatherization assistance grants and $33,000,000 for State energy conservation grants.

AMENDMENT NO. 14 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 14 offered by Mr. SANDERS:

Page 70, line 22, after the dollar amount, insert the following: "(increased by $13,000,000)".

Page 70, line 25, after the dollar amount, insert the following: "(increased by $13,000,000)".

Page 71, line 5, after the dollar amount, insert the following: "(increased by $13,000,000)".

Page 71, line 19, after the dollar amount, insert the following: "(reduced by $13,000,000)".

Mr. SANDERS. In fact, Mr. Chairman, I have two amendments that I will be offering today on what I consider to be one of the very, very important issues dealt with in this appropriation bill, and that is the issue of weatherization.

□ 1100

It is no secret that all over this country when the weather gets 20 below zero, as in my State, or when the weather gets 120 degrees, as in some of our southern States, that a lot of people, including many senior citizens, suffer terribly because they do not have the resources to adequately warm their homes or, when the weather gets too hot, adequately cool their homes.

A number of years ago, I know the chairman will remember that in the city of Chicago, for example, in a hot weather period we had a terrible disaster where hundreds of senior citizens in that city actually died from heat exhaustion. We are seeing that problem right now as the hot weather hits various parts of our country.

Certainly in the northern States there is no question that cold weather is not only a problem in terms of potentially hurting people, but what the weatherization program deals with is creating a cost-effective approach so lower-income people can have good insulation, good storm windows, good roofing.

Historically what has been shown is the weatherization program is enormously cost-effective and environmentally sound. What sense is it that we have low-income people see their energy go out their windows, go out their doors, go out their roofs, because those homes are not adequately insulated?

Similarly, what sense is it that in those States where the weather becomes very hot and seniors have air conditioners, they lose the coolness in their homes because their homes are not adequately ventilated and adequately insulated?

Unfortunately, the subcommittee has cut funding for weatherization by $13 million beyond where it was last year. The first amendment that I am offering would require that we at least level fund the program.

This amendment that I am offering, as cosponsored by the gentleman from Ohio (Mr. NEY), the gentleman from Wisconsin (Mr. KIND), the gentleman from West Virginia (Mr. RAHALL), the gentleman from Virginia (Mr. BOUCHER), the gentleman from New York (Mr. ACKERMAN), the gentleman from Ohio (Mr. BROWN), the gentlewoman from New York (Ms. VELÁZQUEZ), and the gentleman from New York (Mr. MCNULTY), this amendment is simple and it is straightforward. It would simply increase the highly successful and cost-effective weatherization assistance program by $13 million to its fiscal year 1999 level, and reduce the Strategic Petroleum Reserve account by the same, $13 million.

The Senate level-funded this program at $133 million. The President had requested $154 million for this important and much needed program. Unfortunately, as I just mentioned, the committee chose to cut funding for last year by $13 million, from $133 million to $120 million. This amendment level funds the program and brings it up to the level provided by the Senate. That is all we are asking to do.

Let me quote from a letter of July 13 from Bill Richardson, Secretary of Energy:

> In this time of economic prosperity, it is questionable for Congress to target a program that helps a population with the greatest need and the least resources. We are also disturbed that Congress would act,

and now I am talking about the next amendment that I am going to offer, which we are really concerned about, as well,

> That Congress would act without being provided a more thorough analysis of the impact of the proposed action, without public hearings, and without the opportunity to hear from the States and the people affected.

What Mr. Richardson and the Energy Department are talking about is another amendment that came from the committee which I think has disastrous consequences which would require a 25 percent matching fund from the States.

Let me go back to the letter from the Secretary:

> The administration is strongly opposed to a reduction in weatherization assistance program funding and to the legislative language that would change the distribution criteria for the program by requiring about $30 million in State cost share. Under the committee language, no State would receive its formula share of the weatherization assistance program's appropriation in fiscal year 2000 unless it provided 25 percent in State matching funds.

So Mr. Chairman, the two amendments that we are dealing with are, number one, to restore funding for the very successful weatherization program to the level fund that it had last year, to be put where the Senate is.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. Mr. Chairman, the second amendment would question and challenge what the committee has done in requiring that the States provide a 25 percent match.

The bottom line here in terms of the weatherization program is that it is cost-effective. It is environmentally sound. What sense does it make to have low-income people put money into their heating bills, into their electric bills, and see the energy go right out the door?

So what the weatherization program has done, which has been very successful, is allow lower-income homes all over the United States of America to have decent insulation, storm windows, decent roofing to retain the heat or to keep their homes cool.

So this is a sensible program. It is a program that has worked. What we are asking in this particular amendment is to restore the funding that has been cut, to raise the funding by $13 million, and to allow us to have the level funding that we had from last year and the funding that the Senate has provided.

This is not as much as the President has asked for, but, at the very least, we should level fund this very important program, which is very important to so many lower-income families throughout the United States.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would ask the gentleman, has he checked with Secretary Richardson as to whether or not he agrees that this money should be taken out of SPR? Because I know that he has advised us that he wants to add oil to SPR, rather than to take it out.

The gentleman's money deals with the operation of the SPR account, but we are already short there. The pumps are not working properly. My question is, has Secretary Richardson endorsed the idea of taking money out of SPR?

Mr. SANDERS. To the best of my knowledge, he has not. On the other hand, let us be very clear that Secretary Richardson in this letter makes it very clear that he does not want any cuts in the weatherization program, and he is very strongly opposed to the matching 25 percent proposal that came out of the committee.

So I am not here to tell the gentleman that he has endorsed taking money from SPR. On the other hand, what this letter tells us is that he does not support the cuts that the committee has brought forth.

Mr. REGULA. If the gentleman will yield further, and I will mention this on my own time, but what we are trying to do is get more money into weatherization, but we feel the States ought to participate in this program.

Mr. SANDERS. I understand. That is the second amendment that we have. This amendment deals with the $13 million.

The gentleman would not be kind enough to agree with my amendment and restore the $13 million so we could begin with the next debate, would he?

Mr. REGULA. Not at the moment, no.

Mr. SANDERS. The bottom line here on this amendment, and there should not be confusion, there are two separate amendments, this one simply restores the House's contribution to level fund where it was last year, to match where the Senate is, and all of this does not go as far as the President appropriately wanted to go.

The bottom line is that we should not be cutting back on a very much needed program, on a cost-effective program that keeps many Americans, including senior citizens, warm in the wintertime and cool in the summertime. We do not want to see another occurrence of where elderly people are dying because they cannot afford to maintain their apartments to be cool or to be dying when it gets to be 20 below zero.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Ohio.

Mr. REGULA. As the gentleman understands the costs, and I think this would be part of what the gentleman outlined, the costs are in LIHEAP. They would only be addressed with LIHEAP.

Mr. SANDERS. Not really, I would say to the gentleman.

Here is the problem. I understand LIHEAP very well, and am a strong supporter of LIHEAP. But here is the problem, Mr. Chairman. As I am sure the gentleman knows, LIHEAP helps people pay their energy bills. But what is the sense of helping somebody pay their energy bills if their energy costs are going to be much higher because their homes are poorly insulated? So the two issues really are very directly related.

Mr. REGULA. I would point out to the gentleman that in the LIHEAP program, 15 percent of that goes for the weatherization programs, in addition to paying the bills. So it is a double dip in a sense, the weatherization program.

Mr. SANDERS. I know the chairman has financial constraints. I do know that. The gentleman has to balance a whole lot of priorities. I appreciate that very much.

However, I think the gentleman would not disagree with me that if we help the lower-income senior citizens with LIHEAP to adequately heat their homes, their electric bills are going to go up because their energy is going out the door and out the roof, would the gentleman not agree with that?

Mr. REGULA. That is true. What we are trying to do, and would agree to, in a way, to help these people, would be to agree to level funding but keep the requirement that the States put in the 25 percent, which of course would mean that there would be another $28 million available for the program.

It would seem if the States believe in this, and they administer it, and they are all in a budget surplus position, that they would want to do this.

Mr. SANDERS. That takes us to the next amendment.

Mr. REGULA. I understand.

Mr. SANDERS. I appreciate where the gentleman is coming from. The problem is, without getting into that argument right now, that the gentleman I think will acknowledge that there have been no hearings, no real discussion, no input from the States.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. I think we have heard from a number of the States that say, we have not heard about this. We do not know if we can participate in the program.

So at the very least, I would have thought that there needed to be hearings and input from the States that were going to be affected by this.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we have not heard from the States. It has been on the table for quite some time. I do not think it is something that is being brought up at the last minute.

I think it is certainly in keeping with the State-Federal partnership, and again, I would emphasize that under what I have proposed here, which would be to accept the gentleman's first amendment, level fund it, and keep the 25 percent requirement, which would give them another $28 million, and when the States are in surplus and the needs are, as the gentleman outlined, very substantial, and since they administer the programs, they should know where they can best use that funding.

Mr. SANDERS. I thank the gentleman for his kind offer. I cannot accept it at this time because I think the administration is correct in expressing very serious questions about that 25 percent at this point. I am going to have to go forward with both amendments.

Mr. REGULA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to say to the gentleman, I understand the gentleman's concerns. We likewise have a concern. We feel that we have a responsible way to address this situation by saying that in view of the fact that we have so little money to work with in terms of our responsibilities under this bill. As I mentioned yesterday, we had over 400 letters, more than 2,000 requests, and we have had tried to balance it out in every way possible.

So what we have proposed was a very small reduction, relatively, in the weatherization program and give the States the ability to match with a 25 percent amount on their part. I think that is a very responsible way to do this. They match in Medicaid. They match in a number of the other programs that are part of our social support system. I see no reason they could not match on this one at least 25 percent. I think the percentage in Medicaid is higher than that.

Plus, if the States were putting money in, I think they would do a more efficient job of administering the program. They would be stakeholders, and they would perhaps make a greater effort to ensure that the monies would be spent wisely.

On balance, what we have proposed in the combination of a slight reduction plus the 25 percent match would increase the program $17 million over level funding, and this would be an increase of about $28 million or more over the bill number.

So I hope that the Members will give this some thought, because I know that States always want to get in, and it is nice to get the free money. But we have a Federal responsibility. We have a responsibility to a whole host of things, parks and forests and just dozens of things. Therefore, I think the States should certainly take some measure of responsibility in this.

Mr. Chairman, I would have to oppose the amendment, in the absence of making an agreement to not offer the second amendment on the 25 percent match, because I think the two fit together.

Overall we are saying, in effect, we want the States to have more money to spend in weatherization, to increase the program, but that they at least take a reasonable share of the cost. I do not think that is asking too much of the States.

In the absence of that, we would have to oppose this amendment because, of course, to take the money out of the administration of the SPR account does not make good policy at this juncture. Right now we are in good shape on energy, but a few of us remember the late seventies when we were not so good. We have created SPR, Strategic Petroleum Reserve, to give us energy independence.

To take money out of that account which is designed to administer the SPR program, to make sure the pumps are working, it is not much value to have these millions of barrels of oil in the ground if we cannot pump it out in the event of a crisis or in the event of a shortfall.

□ 1115

In my judgment, the fact there is an SPR has probably helped avoid another OPEC blackmail because those who would do something of that type of action again know that we do have a means of responding. We do have a reserve. Something like 60 days worth of oil. And I think it would be a grievous policy mistake to not allow us to keep those facilities in operating condition.

Secretary Richardson advised our subcommittee that he wants to put more oil in the SPR reserve to give us a greater energy independence. We see how volatile the events are in the Balkans where, of course, as well as the Middle East; and I hope the Members will weigh carefully taking money out of an account that is very important to our energy security.

We are spending $265 billion to have security with airplanes and tanks and so on. But if we do not have petroleum, we do not have much security; and, therefore, I would urge Members to vote against this amendment unless we can work something out to establish a requirement for the States to participate.

Let me point out again that the States at this point, 50 States, it was 49 last year, have surplus balances and $28 million would be a very small amount spread over the 50 States for them to contribute. And I again have to emphasize that if the States are administering the program, they are responsible for it, at the very minimum they should be participating.

We hear a lot about partnerships today. That word is used repeatedly on the floor of this House.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, this is a classic example of making the States partners. We are not saying 50 percent. We are saying 25, so we can preserve the security of SPR which is very important to all the States and very important to all the people of this Nation.

I can remember in the late 1970s when I had businesses that closed their doors because they did not have hydrocarbons. I can remember the long lines at the gasoline stations. That is why we have a SPR. Let us not tamper with that when the States could very easily contribute to weatherization to help people with these problems.

Mr. Chairman, I urge my colleagues to vote against this amendment and against the subsequent amendment that would take out the provisions that the States contribute 25 percent.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, just for clarification purposes, there are two separate amendments. The amendment that we are discussing now is the cut of $13 million below level funding. The next amendment is what the gentleman was talking about, this 25 percent. And I know the relationship between the two.

Mr. REGULA. Mr. Chairman, reclaiming my time, the gentleman is correct. It would be two votes unless it is worked out. Regardless, it would be two votes. One is to restore the $13 million to bring it to fiscal year 99 level. The other vote will be on the question of whether States should contribute 25 percent of the costs.

Mr. KIND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today as a strong supporter and a sponsor of this amendment.

First, I would like to thank my colleagues and especially the gentleman from Vermont (Mr. SANDERS), my good friend, for the work that they have done on this measure for continued support of the weatherization assistance program.

Mr. Chairman, my district in western Wisconsin experiences some of the coldest winters and some of the hottest summers in our Nation. Oftentimes, the poor, elderly and disabled cannot afford the high home energy costs associated with these conditions. It is critical that we help them withstand the seasons by reducing these costs through various home improvements. The weatherization assistance program does just that.

The program is of particular interest to me, since the first weatherization assistance program in the Nation was launched in western Wisconsin back in 1974. Mr. Chairman, 25 years later, between April, 1998, and March, 1999, 505 households in my district, or roughly 13 percent of the entire State's total, were weatherized.

To give this issue a human face, this means roughly 1,600 of my constituents no longer have to choose between buying food and buying fuel.

To humanize this a little bit further, I would like to read a letter that was sent recently in regards to the weatherization program from a person from Boyd, Wisconsin, a constituent of mine, and I quote:

> I want to take this opportunity to thank each and every one of you for your part in the wonderful blessings that I received this year. What a change in luck for someone disabled. My heating and cooling bills immediately went down quite noticeably. This in turn made quite an impact on my ability to live on my budget, and a noticeable effect on my health! I am now able to better afford enough warmth to alleviate some of my chronic pain. Also, I think this infusion of goodwill aided me in escaping the grip of serious depression, which I had battled with for many years. Now I have even been able to handle some part-time work.
>
> This is what you did for me: Insulated the entire attic to a high R value; installed numerous outdoor vents: Roof vent, a bathroom fan/light and vent, dryer vent, and a cook top vent; replaced my gas furnace and added a fresh air intake for it; insulated the basement box sill and filled the cement block tops with foam.
>
> All this was done, and more. And was done with a smile. Now I have a smile, too. Thank you from the bottom of my heart.

Mr. Chairman, here is another letter that was sent from a 75-year-old woman back in western Wisconsin in which she writes:

> A million thanks to Roger and the other young fellows who helped snug up our 100 year old house. It was toasty warm last winter and is improved in many other ways, too. This 80 acre farm was given to an 1812 war veteran and the deed was signed by Abraham Lincoln, so we appreciate the history of it and treasure our old house, but it used to be pretty cold in the winter. But now I believe it is good for another hundred years thanks again to Westcap.

Mr. Chairman, this amendment simply levels funding for the weatherization assistance program at the fiscal year 1999 level. In fact, the Senate appropriation committee has already taken the lead on this matter, reporting $133 million in the weatherization fund for the next fiscal year.

Finally, I am pleased that this amendment is fiscally responsible. My colleagues and I have identified an offset that transfers $13 million from the Strategic Petroleum Reserve. I understand there is some controversy in regards to that reserve program and last year Congress agreed to build our Nation's oil reserve. But this offset would merely slow down the purchase of less than 2 hour's worth of oil supply in that strategic reserve.

Mr. Chairman, I urge my colleagues to support this vital amendment which has been endorsed by the Department of Energy. And I happen to agree with the gentleman from Vermont that without hearings and input from the States in regards to the 25 percent cost share we are going to be taking many of those States by surprise. And, unfortunately, I think the ultimate adverse impact is going to fall on people like the two who just wrote letters expressing their appreciation for the program.

I would encourage my colleagues to think seriously before agreeing to this cost share with the States. Without extensive hearings and without more in-depth input from the States on whether to move to a 25 percent cost share, which I am not philosophically opposed to, but doing so with the speed that is being contemplated, may leave some people who need this assistance out in the lurch in the coming fiscal year. So I would ask my colleagues to support both of the amendments offered.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. KIND. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, let me point out that this amendment does not go to the question of filling the Strategic Petroleum Reserve. It goes to the question of operating it, to keep the pumps operating. It is very expensive to be ready to go if there is a need.

And I would also point out that the supply goal we set in the 1970s when we created SPR would be a 90-day supply. It is down to 60 days at this time. To the credit of Secretary Richardson, he has worked out I think a rather imaginative solution whereby he is taking the government's share of revenues in oil and putting it in SPR. And part of this is to replace what was sold in order to meet a crisis.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. KIND) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. KIND was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, if the gentleman would continue to yield. I think that we should not be tampering with SPR because, if we have another crisis, that is going to be a vital part of our energy independence and, therefore, our Nation's defense. If we cannot pump it because we have not provided the money to keep the equipment operating, one can understand the problem.

Mr. Chairman, let me also point out that Wisconsin has a $6 million surplus this year, and I would think that they would want to help take care of the needs that the gentleman has outlined.

Mr. KIND. Mr. Chairman, reclaiming my time, I am not philosophically opposed to the cost sharing. I am a supporter of SPR as well. If the gentleman from Ohio (Mr. REGULA) would be willing to help us find other offsets to get the funding up to fiscal year 1999 levels, we would be happy to work with him on that.

Mr. REGULA. Mr. Chairman, we have an offset. It is the 25 percent the State will put in.

Mr. KIND. We have been around that block already.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to share my concern of the impact of this amendment. I share the goal of the gentleman from Vermont (Mr. SANDERS) and the gentleman from Wisconsin (Mr. KIND) for funding this program. I support full funding of this program. And I personally think we need to step back and look at the big picture.

The gentleman from Ohio (Mr. REGULA) and those who came up with this idea, and we will give the credit to the staff, are pretty creative. I come from State government, 19 years. I served in Pennsylvania State government up to 3 years ago. My own State currently has a $750 million surplus from last year and over a billion dollars in their rainy day fund. I would prefer to see them there than where they were a few years ago with a billion in the hole under different leadership.

States will step up and I think it is ingenious to bring them into this issue because State governments in the areas that use this program, lobby us very effectively. If they are really serious about this issue, they will pay one-fourth of the fund; and they should. They administer the program.

I have had the privilege of serving in local government, in State government, and now in Washington. I have always found that we serve people best when we work as a team. And when we can put the State government together with the Federal Government on this issue, in my view we have strengthened the program long term.

I find it quite confusing that the first amendment we have is to bring it up to level and then the second amendment says take away the 25 percent the States should give. Now, that will reduce the total number available. If the same gentlemen are successful twice, we will have 15 percent less money for weatherization and for fuel assistance than we do if we defeat them both.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I think we both recognize that the problem that we have is we do not have enough money to do all of the things that we would like to do. The gentleman is not hearing me argue against SPR. We are arguing priorities.

The gentleman will not deny that there were no hearings on this important issue. And I know that the gentleman cannot tell us with certainty, because it is not the case, that all 50 States are prepared to put in their 25 percent. And the gentleman cannot tell us, I know he cannot because nobody can, that there are not perhaps a number of States who for a variety of reasons will not participate and that a lot of low-income people will be hurt as a result.

Mr. PETERSON of Pennsylvania. Mr. Chairman, reclaiming my time, my experience in State budgets, when we can get $3 for every $1 we spend, we seldom miss that opportunity, no matter what issue we are dealing with. When I was at the State level for 19 years, when we could get $3 for $1 of investment, we make that investment. And it is in the States where it is needed. It is where the public pressure is, where these same groups that are lobbying us will be lobbying them and they will be successful.

This is an ingenious idea. We should go forth.

But I want to go back to the issue of where we are taking the money, and that is even of greater concern. This Congress in my view has been far too uninterested in the energy future of this country. And when the rubber hits the road, again we will have energy prices to heat our homes that will double and triple. Then we will be looking for all kinds of LIHEAP money.

We need to get our focus on our future energy needs for this country, and we need to sort out the environmental issues and all the reasons why we cannot drill for oil and dig for coal, and we do not have a secure in-house energy solution for down the road. And I believe we have blinders on because of cheap energy prices. We are only going to have a 60-day supply. The oil that is being put in the reserve, the money that we are taking is not for buying oil. It is for replacing the pump. It is for the maintenance of a very complicated system of storage. And we have cut them 30 to 40 percent in the last 4 years. Now we are cutting them again because we do not understand what they do and what it costs.

Mr. Chairman, I think it is vital that we do not take $13 million from the reserve and for the operation of the reserve. If Congress was doing what it ought to be doing, we would be filling the reserve for the future of American citizens, having at least a 90-day supply of oil that we are so dependent on to get us through the next crisis. I think it is a tragedy.

□ 1130

I was shocked when I came here 2 years ago and found out we were selling from the reserve $30 oil for $12 to fund the reserve. That has stopped, and I commend those who stopped that. But cutting this program is one of the most inappropriate programs for the future of energy availability and affordability. Long-term, we are going to lose.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment to restore funding to the Department of Energy Weatherization program.

The Interior appropriations bill calls for a reduction in $13 million in this program. What is worse, it calls for a 25 percent State matching share in order for them to receive weatherization grants in the future.

As has already been mentioned, I am not aware of any legislative hearings that have been held on this. It is a rather unique approach and first-time-ever approach to this type of funding.

A State matching share for obtaining Federal weatherization grants has never been required in the past and, in my opinion, should not be required in the future. One of the amendments that the gentleman from Vermont (Mr. SANDERS) is offering today will strike that provision from the Interior appropriations bill.

Including this mandate in H.R. 2466 is legislating on an appropriations bill and should be stricken from the bill.

The President has requested increased funding for weatherization, not a cut.

This is a program that delivers energy savings of 30 percent and returns $2.40 for every Federal dollar spent in energy, health, safety, housing, and related benefits. More important, these weatherization funds go mostly to low and moderate income senior citizens and to families to help them lower their heating bills in dead winter.

Mr. Chairman, fewer than 10 States currently appropriate funds for weatherization purposes. But a vast majority of States have worked hard over the years to leverage other funding, including substantial private contributions, as their share of the energy conservation responsibility, assisting the poorest of our populations.

If the States are now required to match Federal weatherization grants by 25 percent, more than 40 States, including my home State of West Virginia, will lose substantially.

Weatherization grant funds save energy, and they provide a safe and healthy environment for low income, elderly, and poor families with children.

I urge my colleagues to vote for these amendments. Vote to restore the $13 million in funding, and vote to strike the 25 percent State match requirement being added to the national weatherization program.

Let me close by reiterating, Mr. Chairman, that these weatherization grants serve the elderly and the poor, enabling those who live in substandard housing to reap the benefits of energy-efficient homes and life-saving warmth in cold weather months.

I say support the Sanders amendment.

Mr. Chairman, I yield to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman from West Virginia (Mr. RAHALL) for yielding to me, and just concur with everything he said.

I simply make a point that I think it is important to hear this. Number one, there were no hearings on this idea, so we do not know what the long-term implications are. It is one thing to say, oh, all the States will jump on to this program, but that is not the case.

In fact, what we do know is that the National Association of State Energy Officials did a survey in response to a July 1, 1999 survey. Most States have indicated for a variety of reasons, given the short notice that they received, that they cannot meet this new 25 percent State match requirement. I have a list of those States that said that they cannot.

So I would say this, the major argument, whatever the long-term wisdom or lack of wisdom is, that to just suddenly go ahead without informing the States I think will be a disaster. I think the gentleman from West Virginia (Mr. RAHALL) is absolutely right.

Mr. RAHALL. Mr. Chairman, I thank the gentleman from Vermont for his comments, and I want to commend him for the leadership he has shown on both of these amendments and hope that the House in its wisdom will accept both of his amendments.

Mr. WAMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I certainly do not expect to take issue with the benefits of weatherization. As a member of the subcommittee, I can assure my colleagues, we all support the benefits of weatherization.

But what I would like to point out is that, over the course of yesterday and today, there seems to be a propensity here in the process on the floor to somewhat override this process of our subcommittee and full committee reporting a bill out to the House, and then every single amendment that comes up, enormous lobbying takes place from the outside.

Winston Churchill once said, "This is the worst form of government imaginable except for every other." What he meant was that it is sometimes messy and sloppy, but this business of electing people to represent us, sending them up here to educate themselves on the issues and participate in this committee process is a beautiful thing.

The members of our subcommittee have studied these issues extensively. From the parks to the lands to these energy issues, extensively, these subcommittee members have studied these issues. Not once did this issue come up at the subcommittee with Democrats and Republicans or at the full committee as the Committee on Appropriations reported these bills out to the floor.

I understand that the gentleman from Vermont (Mr. SANDERS) believes a hearing could have been held. But I know what the States are going to say, and I know that the States will constantly say: we cannot do it. We cannot do it. We cannot do it.

But then they come to us and say we want every dime of the tobacco money, and I am all for saying so. I know they want a variance here and they want a variance there and they want to be able to come up with new programs and initiatives. Most of the time, we accommodate them. But the States have had a really good run.

Our subcommittee and our full committee took a hard look at this issue, and I would suggest that what happened yesterday here in this body is not good for the American people.

Here is what happens: members come across the parking lot or through the halls, and they are inundated by these outside groups who have an agenda of their own. Most of the time, it is to raise more money for their groups.

These groups hire these people, most of the time. They are attractive young people that will appeal to the Members coming to the floor to vote; and they hand out all this propaganda, "This is how we want you to vote."

Members come down here, and they vote based on the propaganda that was just handed to them instead of recognizing the subcommittee studied the issues. We did have hearings. We did have markups. We have been meeting all year. We have traveled to the parks. We studied these issues. By george, this did not just come out of the sky. This is a complicated puzzle.

We have got $14.1 billion and a whole bunch of priorities, and we have got to somehow make it work. This is not arbitrary. It is very scientific.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. WAMP. I am happy to yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I happen to be a supporter of the subcommittee and committee process. I know that they do a whole lot of work. The gentleman from Tennessee (Mr. WAMP) is not suggesting, of course, that we should eliminate the amendment procedure in the House. He is not suggesting that. He is not suggesting, for example, that there is a problem when a radical change to an effective program takes place and we do not involve the States in the process.

It is not fair, I think, in all due respect, to say, oh, we know what the States would say. Let them say it. Let them tell us what will happen if we require a 25 percent input next year. I think they should have been having that discussion.

Mr. WAMP. Mr. Chairman, reclaiming my time, it is not a radical idea that the States and the Federal Government should participate and both meet an obligation to the people. It is a radical idea that the Federal Government has to do everything in this country. It is a radical idea that all decisions are made in Washington, all the money is collected from Washington, and the States cannot meet their respective obligation.

I appeal to Members, recognize that we have done our job, we put this puzzle together, and quit cutting it into little pieces based on what propaganda is handed to them on the floor.

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sanders amendment. I agree with those who have debated and those who have discussed that it is very difficult to get too many things out of too little money. But I have always been told that the greatness of a society is known by how well it treats its old, how well it treats its young, and how well it looks after those who have difficulty looking after themselves.

When we talk about restoring the $13 million to the weatherization program, we are actually talking about providing resources, in many instances, to the neediest members of our society.

I come from a congressional district where there are 175,000 people who live at or below the poverty level. I come from a congressional district where there are large numbers of elderly, where there are large numbers of children. I also come from Chicago, the home of the hawk, the Windy City, one of the coldest areas that one will experience during winter, one of the hottest areas that one will experience during summer, and an old city, a city where many of the buildings were constructed, many of the homes were built 100 years ago, and so the energy easily escapes the building.

The weatherization program has been one of the most effective programs that we have had. It has provided an opportunity for people to experience warmth in the winter and for senior citizens to have a little bit of relief during the summer.

I know the difficulty, and I will agree with those who suggest that we have to balance small amounts of money. But I would implore this body to follow the dictates of the idea that, when we help those most in need, we are doing the work of the Master.

I urge support for the Sanders amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Ohio is recognized for 5 minutes.

There was no objection.

Mr. REGULA. Mr. Chairman, I would make a couple of points. One, this is not a LIHEAP. LIHEAP provides the financing for the programs and also provides 15 percent of the money, and LIHEAP goes to weatherization.

Number two, this amendment would take money out of SPR. I want to emphasize that because we have SPR to give us energy independence. There will not be any heat for anybody if we do not have oil. Having oil, I believe, prevents OPEC blackmail.

I think it is a big mistake to erode the SPR program at this point by not providing the money to properly maintain the equipment. That is exactly what would happen if this amendment were to pass. We will have less money. We already are on the low side on the maintenance of the SPR, and this would be very damaging to that fund.

So I think that Members, in making their decisions on this vote, ought to remember that they have to look at the total picture. It may sound good to put money back into the weatherization program, but in the process, we are denying this Nation a greater potential for energy independence.

Some of us here remember the 1970s, probably quite a few. We do not want to repeat that. We want to have a sense of security that SPR gives us. Again, I thank Secretary Richardson's program. He wants to bring the supply up to 90 days. That is all the more reason that this equipment has to be maintained in first-class condition.

A vote "yes" will be very damaging to the SPR equipment. A vote "no" will preserve the program we have to maintain and keep it up to first-class conditions.

Mr. SANDERS. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Vermont is recognized for 5 minutes.

There was no objection.

Mr. SANDERS. Mr. Chairman, I just want to clarify again what might be a complicated issue to the Members. There are two separate amendments. This amendment would restore the $13 million that the committee cut and would bring funding to the same level that has been proposed by the Senate and to significantly less than the administration proposed. That is what this amendment is about.

The next amendment we will debate is the proposal to provide a 25 percent offset from the States.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I am happy to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman from Vermont will agree, though, as a point of clarification, that the $13 million will come out of SPR.

Mr. SANDERS. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

AMENDMENT NO. 15 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 15 offered by Mr. SANDERS: Page 71, beginning on line 5, strike ", contingent on a cost share of 25 percent by each participating State or other qualified participant."

Mr. SANDERS. Mr. Chairman, in many ways we have already touched on this particular amendment. This is a second amendment. What this amendment deals with is a new proposal that came out of the committee that would do the following: what this proposal would do is say to any State in the country that wants to participate in the very successful weatherization program that they must come up with a 25 percent match.

□ 1145

And if they do not come up with that match, they will not participate in the program. There is no debate that that is what the committee is proposing.

Now, the objections to this are many. For a start, the very serious objection is that this proposal comes before us today without any hearings. We have not heard from the States. We talk about trying to improve Federal-State relations and yet we are imposing a significant mandate on the States which they have never had in the history of this program, and yet no one has bothered to ask the governors or the people who are in charge of the energy departments of the various States what the impact will be.

Within that regard, let me mention to my colleagues that in July of 1999, recently, a survey was done by the National Association of State Energy Officials, these are the people that implement this particular program, and what they found was that most States have indicated that they cannot meet this new 25 percent State match which has suddenly been imposed on them. The following 23 States have said that they will not be able to match 25 percent of the weatherization funds and that they will not be able to apply for the fiscal year 2000 funds.

This is the result of a survey done by the States, and I presume they are trying to develop and improve Federal-State relations: Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Iowa, Louisiana, Maine, Michigan, Nebraska, New Hampshire, New York, North Dakota, Pennsylvania, Rhode Island, Tennessee, Texas, Utah and West Virginia. They have said, for a variety of reasons; maybe their legislature is out of session; maybe they are unable to debate this at the appropriate time.

Now, it seems to me to be extremely unfair to those States and other States, to the lower-income people, to the senior citizens in those States, that suddenly out of nowhere this very cost-effective, successful program will not be able to be implemented in their States. And this is my fear, and nobody can answer this question, because there have been no hearings on this question, what happens, for a variety of reasons, when 10 States say we choose not to participate in that program? The chairman cannot tell me that that is an impossibility. Nobody can because we do not know.

Now, my fear is twofold. If 5 States or if 10 States say we cannot participate in the program, tens of thousands of low-income people will not be eligible to participate in this cost-effective program.

Secondly, this is what will happen in years to come, and I think the gentleman understands this, that if 10 States do not participate in the program, somebody will come before the Congress and say, "Listen, why are we funding a program when we have 10 or 15 States who are not participating? Who needs this program? Let us end this program."

I believe this is a good, cost-effective and important program. Low-income people spend a substantial part of their limited income on energy. It makes no sense to our State as a whole and to the individuals to see energy dissipate through the windows, through the doors, through the roofs because homes are not adequately insulated. And in some cases, and people may not recognize this, this is a life and death issue.

Our friend and colleague from Chicago got up here and talked passionately about the issue. He will remember, as we will all remember, that a number of years ago hundreds of elderly people in the City of Chicago died from heat exhaustion. They died from heat exhaustion. The President has made mention that people are dying today from that problem. This is not a program we want to cut.

So I simply say to my good friend, I do understand the difficult problems we have balancing this program with that program. But we have a program that has worked, that has been cost-effective, and we have not gone out to the States.

And let me read something, if I might, to the gentleman. This is a letter that comes to me from the Governor of West Virginia, and he states that, "With the considerable demands for the limited State funds available, I doubt that West Virginia would be able to meet the match requirement."

In the State of Oregon, the energy program manager writes, "If the United States House of Representatives is successful in requiring a 25 percent match in order for States to be awarded low-income weatherization assistance program funds, then Oregon, and perhaps many other States, will not be able to assist the economically disadvantaged with Department of Energy WAP funds."

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 1 additional minute.)

Mr. SANDERS. In a July 9, 1999, letter, the Georgia Environmental Facilities Authority writes, "The record shows we already are making a significant commitment to this program and an additional 25 percent match is unnecessary."

We are hearing this from States all over the country. If my colleague thinks this is a good idea, then I think it should go through the normal process. My friend over there talked about the normal process. Take it through the authorization committee, debate it, have input from the States, and if people feel that it works, then we may want to go to it. I have my doubts about it. But to suddenly spring this on the States, with the result I think a number of States will not be able to participate in this important program, is wrong; and I would strongly ask for support of the Sanders amendment.

Mr. REGULA. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Just let me say there is never a right time for anything, but if there is a right time, this is it. I think it is about time that the States take some responsibility.

We have federal-state partnerships. We have partnerships in Medicaid; we have partnerships in the welfare programs. This is very consistent with that. And to say the States cannot handle it, let me just point out that every State, every State, all 50, project a surplus for 1999. Forty-nine States had a surplus in 1998; 13 States had surpluses in excess of $1 billion; 21 States had surpluses in excess of 10 percent of their annual budget.

So when we look at these numbers, the States are perfectly capable of doing this. And if they believe in the program, that is the key, if they believe as much as the gentleman from Vermont said, they are going to come through.

Now, it is not something that will happen next week. This program has a lag time. The money for the 1999 budget will be distributed at the end of the year. So the States have plenty of time to accommodate to this program. Obviously, the legislatures, as they meet this year or next year will be able to address this if they believe in the program. That is the key. If they believe in it, they are going to come up with their 25 percent. And just as important, I think they are going to do a better job of administering the funds.

If we want to help the people who need this program, as pointed out by the gentleman from Chicago, we should vote against this amendment because, as the language in the bill reflects, that will result in people having more weatherization money. True, the States will have to contribute, but there is no reason in the world, with the kind of balances they have, that they cannot be a partner with the Federal Government in providing and meeting the needs of those people who are beneficiaries of the weatherization program.

Now, let me emphasize again, this is not LIHEAP. LIHEAP is in the Health and Human Services budget. That money will be dealt with at a different time. We are talking about putting on storm doors and storm windows and fixing the roofs of those homes that need weatherization programs. I think it is imperative that this Congress, this body, address a problem of ensuring that there is more money available for those who need help, and certainly with the kind of balances that the States have, there is no reason they cannot share in serving the people of their State along with the Federal Government.

We are still talking about 75 percent of this being Federal taxpayers' money, and certainly the States can meet their share. So I would urge my colleagues to not vote for this amendment. Vote against the second Sanders amendment. Let us make the States a partner in a program that is very important to the people of this Nation. Let us ensure that there will be more funding available for weatherization than we presently have.

This amendment is structured in a way that the States will have plenty of time to accommodate. I have not heard one word from a governor, neither have my colleagues on the subcommittee, and yet this has been in our subcommittee mark for several weeks. We had no comment in the subcommittee markup; no comment, as the gentleman from Tennessee pointed out, in the full committee. It is not a surprise. We are talking about something that is historically part of the Federal-State partnership. We all serve the same people.

Here is an opportunity, by voting against this amendment, to give the people in all our States more help for their weatherization problems.

Mr. DEFAZIO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I respect the comments of the gentleman who preceded me in the well, but I would like to make a rejoinder on behalf of the States and on behalf of this program which provides vital services for low-income Americans to meet their heating and cooling needs in the different parts of the country.

One point I would make first would be it is fine to say many States are running a surplus, but are they running a surplus because they have met all their needs and obligations or are they running a surplus because of cuts in programs that serve many of these same people? That is one point.

The second point is, have we done away with all of the unfunded mandates? There are so many things that the Federal Government requires of our States which do not have Federal dollars attached, and now we are going to impose essentially here a new mandate by saying if they want to participate in this program they have to put up 25 percent of the money. That, I think, is very problematic.

It is particularly problematic logistically for many States. My State legislature is about to adjourn, having completed the budget. They do not know about this. They have not anticipated it. So I guess next winter, unless we have an emergency session of the legislature to come up with more money in order to meet this match, Oregonians will not get this low-income weatherization assistance.

States are also, of course, by law, most States are required to have balanced budgets. They have had balanced budgets for decades. That is why, in fact, I was a very early person on this side to support a balanced budget amendment for the United States. And we are headed towards a balanced budget, supposedly a theoretical surplus here. So what are we doing? Why are we gouging the States now? Why are we hitting at the little people and the low-income weatherization? This is something that is going to cause a lot of disruptions in the next year. Yes, some States could probably accommodate it. Many will not be able to logistically. Many may not be able to financially.

I really believe that this is an ill-intentioned amendment. It has not come from the authorizing committee. It is being proposed by the Committee on Appropriations. And if this is meritorious, it should go back to the Committee on Commerce and they should have a discussion in making changes in the authorization for this program.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I think the gentleman from Oregon just made a very important point, and maybe somebody can correct me if I am wrong here. My understanding is that this particular program is up for reauthorization next year. If that is so, and I cannot swear to it, but that is my understanding, then that is the time to discuss this issue.

Now, the truth of the matter is what we are doing here, and maybe the chairman wants to deny it, is we are legislating in an appropriations bill. I guess there is a rule that allows the chairman to do it, but that is what he is doing. We are making a profound change in a bill that should be dealt with in an authorizing committee, that should have serious debate, that should involve the States.

The gentleman from Oregon (Mr. DEFAZIO) raised some very important issues. Some of the States have balanced budgets precisely because they have cut back on programs like that, and we are now going to go to the States and expect that they are going to add more money to programs that they have already cut? I doubt it.

What is the impact? Have we really studied the impact of what it would mean for a number of States, maybe some of the poorest States in this country, not to have this program? How many people might die?

I would refer my colleagues to The Washington Post of last Friday. "Officials said that those who died in the heat wave may have not had air conditioners on because they worried about payment of the electricity bills or kept their windows closed." Those are exactly the people that we are trying to help out in this very successful, cost-effective program.

So I would hope that if the chairman believes in this idea, he will bring it back next year when this bill is reauthorized and we can have a serious debate on it, but I would ask for support for the Sanders amendment, which has widespread support.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, to support this amendment, we are voting to have less resources available for the poor to assist them with their heat and their cooling needs.

I said earlier, having just spent 19 years in State government, we never missed the chance, and for 9 or 10 years I was an appropriator, we never missed the chance to get $3 for $1. Never. States do not walk away from money when they spend $1 and end up with $4.

And States should be a partner. One of the strongest lobbyists for this program has been the States, so they believe in it. Well, when we believe in something, we ought to be a partner, and we are a partner when we invest.

Now, who lobbies us and who lobbies the States? The utilities lobby us, and they are very effective at lobbying the States. Utilities in my district all have a program where every time I pay one of my electric or gas bills, I or my wife can decide to give a couple bucks to their energy fund, because they have one that works along with ours to help poor people who cannot pay their bills.

□ 1200

They talked about the problem of next winter. Next winter we are dealing with last year's money. Next winter we will be dealing with this year's money. This is not a time problem. It is not a time problem. The States have more than adequate time to deal with it.

I urge all of our colleagues to be futuristic. Let us make the States the partners. Let us let them stand up and support what they so adequately lobby for.

I want to tell my colleagues, there is no State that cannot afford to support this program. Every State is in surplus. The State I come from has a $750 million surplus. They can fund the whole program nationally themselves and not ruin the State budget.

I believe it is vital that we move forward and be futuristic with this proposal. I think it is an ingenious proposal. It will strengthen the program. It will make States be partners with us and not just asking us for something. They will be partners. It will make the program stronger. The program will be more likely to remain, not less likely. This is good public policy.

I oppose the amendment that destroys one of the better ideas I have seen since I have been here.

Mr. WAMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, let me just say that this is a change not in terms of the policy with the program but a change in the funding formula; and that is much more simple than a change in the actual program itself, which the gentleman from Vermont (Mr. SANDERS) wanted hearings on. It is simply a funding issue.

One thing I believe has happened in the last 4½ years is we have given back flexibility and authority to the States on a host of issues across the country. And the governors let us know about it. We have, in fact, given them more money than they had in the past and a whole lot of flexibility.

Frankly, I hear from a lot of people that the best job in Government in America today is to be a governor. They get to make all the decisions. They get to dole out the money. They now have more flexibility. It is a better job.

Well, right now it is a tough job to serve in Congress because we have got a balanced budget framework to live with and we have got difficult decisions to make and we have to somehow balance these priorities.

I have not heard the hue and cry from the States on this particular issue, and one reason I think we have not heard that is because they know they have had a real good run for the last 4½ years getting more flexibility, getting more power, getting more authority back so they can make the decisions locally.

I say to my colleagues, they cannot have it both ways. They cannot have States' rights, Tenth Amendment kind of State control where they collect the money and make the decisions and not have sometimes a partnership cost-share type approach. That is what this is about, a reasonable partnership between the States and the Federal Government.

I urge my colleagues to vote "no" on both amendments offered by the gentleman from Vermont (Mr. SANDERS).

I want to make a point that the same people who have cried out for this country to have energy independence are, in the first Sanders amendment, trying to take that money elsewhere, take it from some other from energy independence over to Federal programs. And they cannot have that both ways, either.

With all due respect, vote "no" on both amendments offered by the gentleman from Vermont (Mr. SANDERS).

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sanders amendment.

We have all talked about and the committee agrees with the importance of the weatherization program, helping to improve the energy efficiency of low-income families throughout the country, reducing energy costs for those who are least able to afford them.

There are 29 million households eligible for weatherization programs. The program, since 1976, has weatherized 4.7 million homes.

Clearly, there remains a great need for these programs. We are not disputing that at all. It has positive impact also on energy savings. The average American household spends 3.5 percent of its income on home energy. The typical low-income households spend approximately $1,100 per year on energy. That is 14.5 percent of their annual incomes.

This weatherization program ensures that our neediest households receive the crucial benefits of energy efficiency technologies. Two-thirds of those who are served by the program have annual incomes of under $8,000. Nearly all have incomes under $15,000. Many of the weatherization recipients are families with small children, disabled, or the elderly.

Under the current committee language, no State would receive its formula share of the Weatherization Assistance Program's appropriation in FY 2000 unless it provide 25 percent in State matching funds.

I recognize the difficult situation the committee has been placed in and I know what they are trying to do.

I have heard from my jurisdiction, from my State, and from my county. The belief is that this is a step backwards at this point away from our cost-effective investments in our communities, in our neediest households, the investment that the Federal Government has made.

As the bill now stands, it would deprive 40 States of critical weatherization funding. Only 10 States report that they could provide the required 25-percent match for their projected Weatherization Assistance Program grant. Many States have been able to successfully leverage other Federal and non-Federal funds to weatherize about 200,000 homes per year. These are States in which a formal match for DOE weatherization funds would be impossible. This means that for these States there would be no weatherization services for low-income families.

Well, this program, the weatherization program, has helped thousands of low-income families living in my district, Montgomery County, Maryland; and the loss of this funding would be a major blow to such low-income households.

So although I recognize what the committee and subcommittee and full committee have done, I do ask my colleagues to support this amendment to strike the required State match for the low-income weatherization program.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, weatherization is without question one of the most important programs that this country has. We have a finite amount of natural resources on this planet. It is not likely that we are going to continue to find new North Slopes, that we are going to find new hits off of Mexico, that we are going to find new sources of energy in Kazakhstan.

Yes, there will be additional discoveries. But the reality is that, as much as we want to see additions to the overall supply of natural gas and oil in the world, that the real North Slopes, the new Gulfs of Mexico, the new Kazakhstans are in each one of our homes, in each one of our automobiles.

The more efficient that we make each home, the more efficient that we make each automobile, each refrigerator, each stove is the more energy that we are able to live without because we do not have to import that oil, we do not have to discover that new natural gas strike.

That is what the weatherization program is all about at its heart. It is ensuring that we reduce as much as possible the amount of energy which we consume in this country.

Those are the great new strikes that we are going to make, the new wells that we are going to dig. They will be in each home in America, in each automobile, in each appliance.

So this program which has been without question an unmitigated success over the last generation is something which is critical.

The Sanders amendment ensures that this program continues, that we do not run into the technical difficulties, the funding difficulties which clearly are going to manifest themselves if the underlying language in this bill is allowed to stand.

It is critical for our country that we have a clear understanding of our path to energy independence. It is largely going to be because we become more energy efficient, because we understand that there was an artificially high consumption of energy which was in fact indulged in by our Nation when we believed that there were unlimited sources of energy at that point into the 1930s, 1940s, 1950s, and 1960s. But we have learned our lesson.

Now, in this era in which we have found that we are going to run a $5-trillion surplus over the next 15 years, I think that this is one program that we should keep intact. It is relatively modest. It deals with a segment of the population which is not responsive to larger economic forces because of the income level in the families. It clearly is a last place discretionary expenditure which families would make in the absence of some kind of Federal program.

I think that, for us, we would be wise to continue this program as it has been put on the books and to support the Sanders amendment today.

This is basically working smarter, not harder. It is understanding that by using our minds, giving resources to the poorer people in our society that we can reduce our overall dependence upon imported oil in our country.

I urge a very strong "aye" vote on behalf of the Sanders amendment here on the floor today.

Mr. Chairman, I rise in support of this amendment. The Weatherization Assistance Program serves a dual purpose. It provides health and economic benefits to the poor, by assisting in keeping low-income homes warm. And it improves the environment by reducing energy loss from those homes. The program achieves these benefits in an efficient and effective manner in cooperation with local groups experienced in on-the-ground work. Funding from the Weatherization Assistance Program is used along with other funds to weatherize roughly 200,000 homes each year. This work is especially important in Massachusetts and other states that face harsh winters; last year $3.8 million went to assist low-income homes in Massachusetts.

Yet this bill would attack this program by requiring all states to match the federal funds with specific contributions. Most states already use Weatherization Assistance Program funds to leverage variety of other federal, state, and private funding. However, many states could not meet the additional requirements in the bill, leaving no weatherization services available for the poor in those states. The amendment sponsored by Mr. Sanders would restore the program to its current status and allow it to continue in all states.

I strongly support this amendment to continue to promote energy efficiency and assist low-income areas, and I urge my colleagues to vote for it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on Amendment No. 15 offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 243, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 14 offered by the gentleman from Vermont (Mr. SANDERS); and amendment No. 15 offered by the gentleman from Vermont (Mr. SANDERS).

The Chair will reduce to 5 minutes the time for an electronic vote on the second vote in this series.

AMENDMENT NO. 14 OFFERED BY MR. SANDERS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 14 offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 243, noes 180, not voting 11, as follows:

[Roll No 284]

AYES—243

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barcia
Barrett (WI)
Bartlett
Bass
Becerra
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cook
Costello
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Goode
Gordon
Green (WI)
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Houghton
Hulshof
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
Kuykendall
LaFalce
LaHood
Lantos
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McGovern
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Nadler
Napolitano
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Pickett
Price (NC)
Quinn
Ramstad
Rangel
Reyes
Reynolds
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sawyer
Saxton
Schakowsky
Scott
Serrano
Shays
Sherman
Sherwood
Shimkus
Sisisky
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Sununu
Sweeney
Talent
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weller
Wexler
Weygand
Whitfield
Wise
Woolsey
Wu
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—180

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Barton
Bateman
Bentsen
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehrlich
Everett
Ewing
Fletcher
Fowler
Ganske
Gekas
Gibbons
Gilchrest
Goodlatte
Goodling
Goss
Graham
Granger
Green (TX)
Greenwood
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hobson
Hoekstra
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Isakson
Istook
Jefferson
John
Johnson, Sam
Jones (NC)
King (NY)
Kingston
Knollenberg
Kolbe
Lampson
Largent
Latham
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Murtha
Myrick
Nethercutt
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Radanovich
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun (KS)
Salmon
Sandlin
Sanford
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)

NOT VOTING—11

Baldwin
Brown (CA)
Kasich
Lewis (CA)
McCarthy (NY)
McDermott
McNulty
Rahall
Rivers
Thurman
Wynn

□ 1235

Messrs. GOSS, BONILLA, VITTER, SHAW and COBLE changed their vote from "aye" to "no."

Mr. GALLEGLY, Ms. McCARTHY of Missouri, Mr. REYNOLDS and Mr. HALL of Ohio changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 243, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the next amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 15 OFFERED BY MR. SANDERS.

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 15 offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 198, noes 225, not voting 11, as follows:

[Roll No 285]

AYES—198

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barcia
Barrett (WI)
Bentsen
Berkley
Berry
Bishop
Blagojevich
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Camp
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doyle
Duncan
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Fletcher
Forbes
Ford
Fossella
Frank (MA)
Frost
Gejdenson
Gephardt
Gilman
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)

Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Inslee
Jackson (IL)
Jefferson
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
LaFalce
Lantos
Larson
Leach
Lee
Levin
Lewis (GA)
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McGovern
McHugh
McIntosh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Pomeroy
Price (NC)
Quinn
Rangel
Reyes
Roemer
Rothman
Rush
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Scott
Serrano
Sherwood
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Spratt
Stabenow
Stark
Strickland
Stupak
Sweeney
Tanner
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wilson
Wise
Woolsey
Wu

NOES—225

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bereuter
Berman
Biggert
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dingell
Doggett
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Everett
Ewing
Foley
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hunter
Hutchinson
Hyde
Isakson
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (OK)
Luther
Manzullo
McCarthy (MO)
McCollum
McCrery
McInnis
McKeon
Menendez
Metcalf
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Radanovich
Ramstad
Regula
Reynolds
Riley
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanford
Saxton
Scarborough
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Baldwin
Brown (CA)
Kasich
Lewis (CA)
McCarthy (NY)
McDermott
McNulty
Rahall
Rivers
Thurman
Wynn

☐ 1244

Mr. DIXON changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

☐ 1245

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $2,000,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $159,000,000, to remain available until expended.

AMENDMENT NO. 16 OFFERED BY MS. SLAUGHTER

Ms. SLAUGHTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Ms. SLAUGHTER:

Page 71, line 19, insert "(reduced by $20,000,000)" after the dollar figure.

Page 87, line 19, insert "(increased by $10,000,000)" after the dollar figure.

Page 88, line 18, insert "(increased by $10,000,000)" after the dollar figure.

Ms. SLAUGHTER. Mr. Chairman, I rise to offer an amendment that will give badly needed relief to both the National Endowment for the Arts and the National Endowment for the Humanities. In particular, it would provide $10 million in additional funding for each agency.

For the past 4 years this body has missed a golden opportunity to benefit millions of Americans by choosing to level fund these two most important agencies. In fiscal year 1996 both received 40 percent reductions to their budgets, cuts from which very few agencies could possibly recover.

As a Member who has seen firsthand the positive and lasting effects of both the arts and humanities on Americans across the country, this is simply unacceptable. My amendment would take a small but important step towards reinvigorating the NEA and the NEH.

As we head into a new millenium, these modest increases will allow the agencies to spread the wonderful work that they do for people in every city, town, village, and Hamlet in America. The NEA and NEH have the power to change lives, and I firmly believe that now is the time to help them to do it.

With the intent of broadening its reach to more Americans, the National Endowment for the Arts recently proposed a $50 million Challenge America initiative. If fully funded, this program would allow the agency to make a thousand small- to medium-sized grants to communities that have previously been underserved by the agency.

Some of our colleagues have raised concerns that the NEA ignores numbers of our districts. While the arguments they made were extremely flawed, they did succeed in highlighting the need for this important program.

From the fields of rural America to the streets of our inner cities, the National Endowment for the Arts plans to spread the power of art. In addition, the agency has spent the past few years implementing reforms to make itself more accountable to the American people. I strongly believe that they have earned the opportunity to pursue this plan.

The arts are supported by such entities as the U.S. Conference of Mayors, the National Association of Counties, by the National Conference of State Legislatures, by the National Governors Association, the National League of Cities, and all State legislatures. It is time for the House of Representatives, Mr. Chairman, to get with the program.

Let me quote from the last paragraph of the chart here. It says, by these undersigned, the people I have just mentioned, "We commit ourselves and encourage all elected and appointed officials at the Federal, State, and local level, mayors, county commissioners, city and county managers, Governors, legislators at the Federal, State, and local levels, and the President of the United States to strengthen leadership and increase support for a sustainable cultural economy which unselfishly provides a measure of public service, defining our ultimate legacy as a Nation."

It seems that everyone in the United States is supporting this program. In addition, this agency, as I point out, has reorganized itself. These reorganizations that I spoke of earlier support the arts because they provide the economic benefits to our communities.

Last year, and this is very important, last year the $98 million allocated to the NEA provided the leadership and backbone for a $37 billion industry. For the price of 100th of 1 percent of the Federal budget, we help to create a system that supports 1.3 million full-time jobs in States, cities, towns, and villages across the country, providing back to the Treasury the $98 million, back into the Treasury. We got $3.4 billion in income taxes.

We also know the academic benefit and the academic impact that the arts have on children. As we learn more and more about the development of the human brain, it is becoming clear that instruction in the arts leads to improved scholastic achievement. In fact, a study conducted by the College Entrance Examination Board showed that students with 4 or more years of art classes raised their SAT scores by 53 points on the verbal and 35 points on the math portions of the exam.

In addition, we are now starting to learn about the positive effects of the arts on troubled youth. I am extremely impressed by a recent initiative known as the Youth Arts Development Project. This program is a collaboration between local arts agencies in Portland, San Antonio, and Atlanta, along with the Americans for the Arts, the United States Department of Justice, and the NEA.

The three cities involved evaluated current youth arts programs to determine their effectiveness in working with youth at risk, and the results were remarkable. Children in these programs gained valuable anger management skills and learned how to communicate their feelings without having to resort to violence. They developed self-esteem, and showed improvements in their attitudes toward their schools. They learned how to discipline themselves, Mr. Chairman, so they could successfully finish what they had started. As a result, evidence showed the children involved in these programs experienced fewer court referrals and less crime than children who were not in the program.

As impressive as they are, these results are not surprising when we understand the simple reason behind them: The arts provide children with the opportunity to express their fears, angers, and hopes, in a constructive manner that does not involve guns, drugs, or violence.

I urge my colleagues please to support these amendments.

I want to thank the gentleman from Ohio (Mr. REGULA) and the gentleman from Washington (Mr. DICKS). I know they worked very hard on the bill, and I appreciate everything they have done. However, we find that this is so important that we are going to ask this one time that we try to give these agencies some more so they can help every hamlet, everybody from the front porch to the auditorium in every city in the country.

Mr. HORN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I agree with the gentlewoman from New York (Ms. SLAUGHTER) that we owe a great debt to the chairman of this committee, the gentleman from Ohio (Mr. REGULA), and the gentleman from Washington (Mr. DICKS), the ranking Democrat. They have done a splendid job and I have voted with them on every item, but I am going to vote against the Members on this one.

The reason is simple. We have a new day in the National Endowment for the Arts and the National Endowment for the Humanities. Bill Ivey has come in and has been a superb administrator. He is a great communicator. The endowments are focused on peoples' real needs.

I grew up on a farm in rural America in a county that only had 13,000 people and was 60 miles long. I shall never forget that when I was 6 years old and my parents took me to a concert at the county high school. On the stage there was a beautiful symphony. It was the WPA symphony orchestra. The Works Progress Administration, funded musicians, artists, and writers during the Great Depression. The WPA put people to work in the thirties when one-third of Americans were unemployed.

Did that change my life? Absolutely. In high school, I became a music major and still maintain a deep interest in that field—an interest that I will never let go.

Even though I come from urban America, I want to see the arts and the humanities in every precinct, in every city and in every councilmanic district in America, be it urban or rural. Every one of our students should have an understanding of the arts, as the gentlewoman from New York has noted so often in her role as chairman of the Arts Caucus. The effect on the brain of music is amazing, and how people do a lot better when they have had that type of education.

What I want to stress today, however, is that there has been a change at NEA and NEH and we should increase their budget. We are taking the money from the Strategic Petroleum Reserves, that $20 million would provide $10 million to the arts endowment and the other $10 million to the National Endowment for the Humanities. All of these additional funds will go for projects. Not one penny would go for administration. That is a commitment from the administrator, Bill Ivey. We agree with that. These funds will mean additional opportunities throughout America.

Mr. Chairman, I would like to stress one aspect in particular, it is the results of the youth arts, youth at risk program, which was compiled by Caliber Associates under contract to the Office of Juvenile Justice and Delinquency Prevention in the Department of Justice. It has shown clearly and positively the impact on the skills, the attitudes, and the behaviors of the program participants. This helps demonstrate the constructive efforts of arts-based juvenile delinquency prevention and intervention programs.

The additional $10 million would go specifically to fund these important youth at risk programs. I think that is very important. That is prevention. We can help save individuals before they go down the wrong path again.

Opponents argue that not enough congressional districts receive funding from the NEA. That just is not true. NEA's grants in support allow orchestras, dance companies, performers to travel out of the major cities and reach the small towns and communities of this land. The new Challenge America initiative will go even further to address those concerns by continuing to expand the NEA's reach in underserved areas.

As for the humanities, what are they are doing? They are saving precious manuscripts, newspaper runs that go into the 19th century and into the 20th century. This material, because of the acid in the paper since the 1830s. That newsprint is very combustible and easily destroyed. It is important that the Nation's heritage be saved in every part of the country.

Every American has made our history as a nation. All of us are immigrants or sons and daughters of immigrants. That is where the $10 million is going, including the 50 States and the the six United States trust territories. We need to catalog and preserve the newspapers that have been in America since the 1690s.

I urge my colleagues to vote for this Slaughter amendment, and the $10 million for the arts endowment and the $10 million for the humanities. It is a drop in the bucket, given our heritage, given the need, given the response and the new type of administration we have there. I have not heard a complaint in 6 months on anything about either of those endowments.

It is long overdue that we increase their funds. This is simply an adjustment for inflation. I urge my colleagues to vote in support of this worthwhile amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of this amendment. I would call the attention of my colleagues to Mr. Ivey's new program called Challenge America, because he is committed to doing exactly what this body has wanted the National Endowment for the Arts to do all along. He is challenging America at the neighborhood level to develop the arts in our schools, in our neighborhoods; to make partnerships between neighborhoods and old established art museums and symphony orchestras on a level and with a variety of creative approaches that simply is unprecedented.

Little tiny bits of money can leverage partnerships between businesses, schools, and outstanding art museums that are simply unprecedented.

Some have had the idea that the NEA does not affect them. I got a letter citing my district as one of the ones that did not get one brown cent from the NEA, and I want to tell the Members, that was so far off base it was really tragic. I have walked into schools in my home town and seen fifth graders with their shiny faces looking up at me and saying, you know, we are a HOT school. So what is a HOT school? A HOT school is a higher order of thinking school.

As we walk through these HOT schools, an NEA idea, NEA money, local money, school money, do Members know what they have to do to get a HOT school grant? The principal, the teachers, and the parents have to go to a summer education program that is at least a week and some years 2 weeks. When we get this approach in place, our kids have an opportunity to integrate the arts and every other aspect of learning that is unprecedented.

□ 1300

The kindergartners were doing self-portraits in the style of Miro. He is a very abstract painter, but when we see how he paints a head, think of the discussion among kids of communication, of self-concept, of cultural issues, of history, of our times.

So this little fifth grader was showing me how on the hallway these were the kindergartner's self-portraits in the style of Miro. And then she showed me in another hallway the fifth grader's renditions of Lascaux cave drawings as if they were in a Connecticut hillside in contemporary America.

Mr. Chairman, these kids are learning history, they are learning the arts, they are drawing themselves. Every 2 weeks they have an assembly at which kids perform. They read their poetry and their stories; and throughout this curriculum they are integrating the arts, the performing arts, communications.

When we came to the school, the kids were lined up. There were two people who followed me around all day drawing everything I did, two taking notes to write up everything that went on and so on and so forth.

These kids are in a public school system in a city with the old kind of inner city where the jobs have flown, the difficulty of property taxes supporting our education system is just a struggle every single year. And yet these kids's scores are going up like we would not believe because they are a HOT school in every sense of the word. And the idea that this kid would look at me and say, "We are a Higher Order of Thinking school" really blew me away.

The arts matter in our lives. The arts are not just about symphony orchestras and art museums, as important as they are. They do help our kids grow. They do help our kids learn, and the evidence, the research shows it. If a kid is exposed to the arts when they are young, they do better as an adult because their intuitive thinking has developed along with their logical thinking.

HOT schools, if our kid came home from school all excited because now his trumpet playing, his trombone, whatever it was, he has had the chance to learn to play with those who are experts in the music of Duke Ellington and compete in a high school jazz band competition and festival, we would not ask him who paid for it. He would not tell you it was the NEA because he probably did not know, but that is exactly what happened in the high school in the town next to me.

The New York City Ballet Hispanico was up at Plainville High School in my district. How else would they have an opportunity unless someone could help, that is, the Federal Government could help share that tremendous resource of New York City with the small towns around?

I urge support for this bill. It is just $10 million more for the NEA, $10 million more for the NEH, and we owe it to our kids.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong support of the Slaughter amendment to make important increases to the NEA and the NEH. I do so not only as a proponent of Federal support for the arts and the humanities but also as one who has seen firsthand the inner workings of the NEA.

Along with the gentleman from North Carolina (Mr. BALLENGER), I have the privilege of serving as one of five congressional Members on the National Council on the Arts, which basically serves as the board of directors. In reviewing and voting on NEA grant applications, the members of the National Council take their responsibilities to United States taxpayers very seriously. They are united by their commitment to making the arts accessible to all Americans, which is what this debate is all about.

Mr. Chairman, we know that the arts are crucial to the development of our culture and our economy and beneficial to all our citizens.

This year, NEA Chairman Ivey unveiled a major new initiative called Challenge America which would further arts education outreach and organizational initiatives, particularly in underserved areas. At this bill's current funding level for the NEA, this worthy and creative initiative will remain unfunded.

We need to support this amendment to provide a Federal commitment to this program and the other important activities the NEA offers in our communities. Likewise, we know that the National Endowment for the Humanities provides funding for student essay contests, teacher seminars, museum exhibitions, documentary films, research grants, public conferences and speakers and library-based reading and discussion programs. Through all of these programs, the NEH helps to provide a greater understanding of our Nation's history and culture.

One of the standards by which we judge a civilized society is the support it provides for the arts and the humanities. In comparison to other industrialized nations, the United States falls woefully behind in this area, even with a fully funded NEA. In a Nation of such wealth and cultural diversity it is a sad commentary on our priorities that year after year we must continue to fight about an agency that spends less than 40 cents per American each year and in return benefits students, artists, teachers, musicians, orchestras, theaters, dance companies, and their audiences across the country.

Polls overwhelmingly show that the American public supports Federal funding for the arts. And if those reasons are not compelling enough for some, let us just talk dollars and cents. For every one dollar the NEA spends it generates more than 11 times that in private donations and economic activity. That is a huge economic return on the government's investment, and we certainly do not have to be from New York to see the impact of the arts on a region's economy.

Mr. Chairman, let us use this opportunity to begin to provide a level of resources to the NEA and the NEH which we can all be proud of. And I urge my colleagues to support this amendment and funding for cultural expression, celebration.

Ms. SLAUGHTER. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentlewoman from New York.

Ms. SLAUGHTER. Mr. Chairman, I thank the gentlewoman from New York (Mrs. LOWEY) for yielding to me. It is very difficult for a southern-born woman to speak fast enough to get everything into 5 minutes, and so that I can finish the rest of my speech, if any of my colleagues would be generous enough to throw me 30 seconds or a minute, I would be grateful.

I need to talk about the National Endowment for the Humanities because it plays an important role in our society. For the past 35 years, that agency has been at the forefront of efforts to improve and promote education at the humanities level in school. At a time when our State and local governments are struggling to hire new teachers, this small amount of money goes a very long way towards making sure that teachers are well-trained in history, government, literature, civics and social studies.

Through its summer seminars and institutes for teachers, the NEH is working to enhance and expand the knowledge of our educators on such topics as the Lewis and Clark expedition and Homer's Iliad. Prior to the 36 percent cut in 1996, the NEH was able to offer close to a hundred of these seminars. This year, that number will be closer, unfortunately, to 29.

In addition, the NEH is using its Teaching With Technology Initiative to bring the humanities to life in the Information Age. Through the use of computers, educational software, and the World Wide Web, the NEH is ensuring that none of our students are left behind.

Mr. Chairman, as I said before, I completely understand the budgetary constraints that our chairman and ranking member are under and to that extent I applaud them for the wonderful work they have done. I particularly applaud their efforts to increase the budgets for the Smithsonian Institution, the Woodrow Wilson Center, the National Gallery of Art and the Kennedy Center. However, not all of our citizens have the ability to work or to travel to the Nation's Capital.

The CHAIRMAN. The time of the gentlewoman from New York (Mrs. LOWEY) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mrs. LOWEY, was allowed to proceed for 2 additional minutes.)

Ms. SLAUGHTER. Mr. Chairman, if the gentlewoman would continue to yield, my amendment would simply expand our commitment to bringing the arts and humanities to the streets, the theaters, the schools and the front porches of all Americans. It does so by reducing the $20 million fund for the Strategic Petroleum Reserve, a program I also support, but I feel that it is vitally necessary that we do more for these agencies because they do so much for us.

Mr. Chairman, it is finally time in the House of Representatives to close the door on the tactics which have made the arts and humanities a political hostage for far too many years. The benefits that we receive for our economy, for our children, for our communities far outweigh the small financial investment that we are making. This amendment would simply provide a modest increase for two programs that have been ignored and antagonized for nearly 5 years. It is time now to correct this injustice.

I believe this is a reasonable amendment, a fair amendment, and a responsible amendment. I urge all of my colleagues to support it and add simply one thing and that is we have been assured that every cent of money, if this amendment passes, will be used for new grants.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise first to acknowledge the fact that for the last 4 years Congress has funded the NEA at $98 million and the NEH at $110.7 million. There has not been a change in this funding in 4 years. I feel extraordinarily compelled to come and speak in support of a modest amendment, really, offered by the gentleman from California (Mr. HORN) and the gentlewoman from New York (Ms. SLAUGHTER) to change this funding level by adding $10 million to the NEA for a total of $108 million and $10 million to the NEH for a total of $120.7 million. We are talking about an increase of only $10 million in each.

I rise in support of the Horn-Slaughter amendment because it's a very modest amendment which will have a large impact by bringing the arts to more communities previously underserved, like our inner-cities and rural areas, and by encouraging more support for preserving and promoting our cultural heritage.

Mr. Chairman, national support of the arts is a measure of the success of a thoughtful Nation. Funding for the NEA and the NEH helps thousands of performers who may not be celebrities but who enrich their lives by performing and who enrich the lives of everyone who enjoys their performance. They contribute, I think, to the soul of the community. Arts and humanities improve the lives of so many people, including children, the elderly and those on limited budgets who might not otherwise have the opportunity to see very beautiful art and enjoy enriching performances.

Mr. Chairman, as I said before, the NEA and the NEH have not received an increase in funding in 4 years, and I urge us to wake up and begin to fund sufficiently these two important government programs.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to say also a few words in support of this amendment which allows the National Endowment for the Arts and the National Endowment for the Humanities to expand their outreach and educational efforts. What the endowments want to do and what we want them to do is support education and extend the excellent programs that they provide to all Americans.

For example, NEH has programs to provide training for elementary and high school teachers to help them update and improve their curriculum, they are popular, but NEH would like to reach more teachers and, therefore, obviously more students. NEH is developing web sites as well to provide material that teachers can use in their course work.

NEA is reaching out to minorities and getting children at risk in our cities interested in and excited about art. We have heard from Justice Department officials that these programs are enormously effective in reducing delinquency as well as an appreciation for the art itself.

Those are practical effects, but there are also intangible values as well. NEA and NEH help to build and develop our culture. They also help to democratize it, to demonstrate that art and music are not the property of the wealthy and the elite alone but something that can enrich the lives of all of us.

In that sense, they belong in the Interior bill since it is the Interior bill that protects our beautiful places simply because they are beautiful and that offers recreation to our citizens because enjoyment and recreation is in and of itself a good.

Mr. Chairman, the increases we are requesting in this amendment are small, too small in my judgment, but they are an excellent investment. It is the culture we foster now that will be remembered for the next 100 years. This is a good amendment. I hope it has the support of the Members of the House.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong support of the Slaughter-Horn amendment to add $10 million for the National Endowment for the Arts and the National Endowment for the Humanities. There are many reasons to support Federal funding for the NEA and the NEH. When the arts are allowed to put down roots in the culture of the community, they create jobs and they stimulate the economy. The nonprofit arts industry generates more than $36 billion annually. It generates $1.3 million jobs and returns more than $3 billion to the Federal Government in income taxes.

□ 1315

Arts programs are basic to a thorough education, improving students' communication skills, self-discipline and self-concept. Studies show that young people who study music indicate an increased ability in math. According to a study conducted by the College Entrance Examination Board in 1995, students who studied the arts more than 4 years scored 59 points higher than those with no arts background. That is pretty incredible.

Arts in education produces the kind of resourceful and creative problem solvers that employers prefer. The arts inspire creativity in all aspects of a person's life regardless of whether his or her career path leads to technology or engineering.

The humanities are a foundation for getting along in the world, for thinking and for learning. The NEH spends about 70 cents per person on the humanities, on history, English, literature, foreign languages, sociology, anthropology, and other disciplines.

I know that each of us in Congress can point to worthwhile projects in our districts that are aided by the NEA and the NEH.

In my district, Montgomery County, Maryland, the NEA funds the puppet theater at Glen Echo Park, just a few miles from the Capitol. It is a 200-seat theater created out of a portion of a historic ballroom at Glen Echo Park. The audience is usually made up of children accompanied by their families and teachers, representing the cultural and economic diversity of Maryland, Virginia, and the District of Columbia.

An NEA grant allows the puppet company to keep the ticket prices low so that many young families can attend the performances.

In my district, the NEH has provided Montgomery College with a $500,000 challenge grant to help create the Montgomery College Humanities Institute. This institute is a permanently endowed college-wide center for scholarly activity and public programming in the humanities.

In addition, the college is working in partnership with the Smithsonian Institute, using the resources that are available at the Smithsonian and providing internships for students who are interested in the humanities.

Both the arts and the humanities teach us who we were, who we are, and who we might be. Both are critical to free and a democratic society. It is important, even vital, that we support and encourage the promotion of the arts and humanities so that the rich and cultural story of our past can be made available to future generations.

I urge a "yes" vote on the Slaughter-Horn amendment.

Mr. FARR of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. I want to ask my colleagues, look around us. Look at the room we are in and think about how much art has touched our lives, our daily lives. Art is our flag. Art is this Chamber. Around this Chamber is sculptured relief of 23 law givers who represent the humanities which we are trying to support.

This whole Capitol, the Nation's Capitol, is filled with art. It is one of the most attractive tourist places in America.

The engine of America's creativity is based in our arts and centered in our humanities. America's technology and leading technological advances are based on creativity.

Fortune 500 companies support the National Endowment for the Arts because they know that, if we are going to be the engine of creativity in the world, we are going to have to nurture our schools and our children and the populous of this great Nation in understanding how to express themselves in art form.

We need to remain the center of creativity, and we are only going to do that by nurturing the arts. We can do it in two forms. We can do it by private sector contributions, and we can do it by public sector contributions.

This issue is about public sector contributions. Why is that so important? Because there needs to be a leader in being able to determine how to best invest one's monies. That is why so many of the Fortune 500 companies support the National Endowment for the Arts because they put up corporate money to match that. And they want the leadership of the National Endowment to point out the direction that money ought to go. So we need to increase and keep that funding.

Frankly, the amount of money we put into the National Endowment for the Arts for the function it serves is absolutely embarrassing for this country. Many other countries in the world put more money into art creativity than this Nation does.

So I ask my colleagues, join us in supporting this amendment. I challenge my colleagues to think about it in their own lives. Think about it, whether my colleagues are walking around this Capitol, whether they are watching their children at play, about how this Nation was founded, and see the important role that arts and humanities play in the everyday theater of our own lives.

Support funding for the National Endowment for the Arts and the National Endowment for the Humanities. Support America. Make it stronger.

Mr. BALLENGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, once again, it is time for our infamous and often contentious debate on the funding for the National Endowment for the Arts.

In the years past, I supported cuts of the NEA based upon budget realities and concerns over questionable NEA funding choices. However, I rise today to urge my colleagues to support the funding level included in the Fiscal Year 2000 Interior Appropriations Act.

Some people would like to see this funding level increase, while others would like to see the level decrease or NEA eliminated altogether. But I suggest that, in the light of the tight budget caps enacted by the Balanced Budget Act of 1997 and the needs of our Nation in terms of the arts, the funding level is on target.

Over the last few years, Congress has helped to make NEA into a better organization. The NEA has instituted its own reforms to ensure that taxpayer money is used efficiently and wisely. Six Members of Congress now sit as nonvoting members on the National Council on the Arts, the governing board of the NEA, acting as an added check on the endowment's activities. I am one of these Members and have found significant and positive changes have been made in the NEA to address past concerns.

There has been much controversy in the past over grants to individual artists whose work has offended the sensibilities of many of us. I am glad to report that these individual grants, except the literature fellowships, have been eliminated. Also, the practice of allowing third parties to gain access to NEA funds through subgrants has been terminated to ensure that the agency keeps control over the projects being funded.

Applicants, like local museums and arts centers, must apply for specific project support, and changes to the project cannot be funded unless the agency approves such changes.

In North Carolina, the NEA funds, in whole or in part, projects that I believe are beneficial to our citizens, like the North Carolina Symphony Society or the Opera Carolina or the North Carolina Museum of Art Foundation, just to name a few.

Let us give the recently enacted reforms a chance to work so that NEA can help fund meaningful projects in our States.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am embarrassed. I am embarrassed as a Member of Congress. I am embarrassed for this House of Representatives. I am embarrassed for our country. Because, once again, this House is inadequately funding the arts and the humanities.

This is the fourth year in a row where funding for the National Endowment for the Arts and the National Endowment for Humanities has been held level. We all know that what that means is that it is a cut in the funding.

Opponents of NEA cry fiscal discipline as if the richest nation in the world needs to be culturally impoverished.

I fear that money is not what this is all about, because we know, we absolutely know that every dollar we invest in the arts leverages matching grants and multiplies the same dollar many, many times, 11 times for every dollar that is spent on the arts through the NEA.

With flat funding and with the proposed cuts in the NEA that the gentleman from Florida (Mr. STEARNS) will propose later today, I fear that we could be witnessing an assault again on free expression, a war on culture. It is a battle as old as the stockades in Puritan times, and it is a battle that is wrong headed.

The arts teach us to think. The arts encourage us to feel, to see in a new way, and to speak. The arts help us to grow.

I hope that all of my colleagues will support the Slaughter-Horn amendment to increase funds for the NEA and the NEH. It is a very small investment. The returns are vast. They are vast in many, many ways, including being as vast as our imagination.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise reluctantly to, I guess, maybe throw a wet blanket over a love fest that we have been listening to for the last hour, 45 minutes.

This will be the fifth amendment that cuts energy programs for America. I find it interesting and troubling. We found that weatherization was ahead of having a strategic oil reserve. This will be the second amendment that strikes at the funds that are needed to manage the future energy supply for this country.

A few hours ago or yesterday, we provided that State parks were more important than energy research. We also yesterday said payment in lieu of taxes, an issue that I have always fought for, was more important than energy. I was forced to not support the PILT amendment.

Now we are having a very impassioned argument for NEA and NEH. But this will be almost $100 million taken from the future of America's energy needs. Have we forgotten 1973 and 1974? Have we forgotten the lines in this country? Have we forgotten what it did to our economy? Have we forgotten what it did to job opportunities and growth in this Nation? Have we forgotten how it made us vulnerable?

This country does not have an energy policy. We have drifted to where we are more than 50 percent dependent on foreign oil. Are we comfortable with Venezuela, Iran, Nigeria, Kuwait, Iraq, Indonesia, and Russia as our source of energy?

We have been fortunate to have Saudi Arabia, our friend. But remember when Iran was our friend, how quick that can change. If Saudi Arabia leadership would change and we lose that cheap source of oil, this country would be in jeopardy. Our future and all of these things that we are talking about would seem minuscule to the energy resources that are important to this country.

The energy resource that we have cut here previously is about clean air. It is about better use of our energy.

The Strategic Oil Reserve that was to give us a 90-day supply in case of one of these foreign countries turning against us has never been filled because Congress and the current administration has not had the will to fill it. In fact, a few short years ago, we were selling $30 oil for $12 to run it because we did not fund it. That has been changed.

This is the second cut. I am not arguing what the money is used for. But is the future energy needs of this country so insignificant that everybody is going to target energy to fund their program?

I think the future energy needs of this country are far more important than collectively all the programs we funded by taking the money.

We need to continue clean coal research. We need to continue to get more oil out of the ground more efficiently and more cost effectively so that we have to import less. All of those things are important to clean air, to clean water, and to the safety and future of this country.

I just find it incredible that amendment after amendment attacks the energy line items that are about our future for something that may be nice, that may be good. But is it more important than the future economy of this country, the future energy needs of this country?

We see oil prices double, and we will see weatherization needs skyrocket. We see oil prices double, we will see our economy go in the tank real quick. And we will not have money for anything here. We will be cutting all kinds of programs.

The future of this country's military might depends on a sufficient supply of energy, and it appears we have somehow swept that aside, and this is the year to attack energy, a budget that is underfunded in its own right.

I guess I have to stress that, collectively, in my view, these amendments have a negative impact on our environment.

□ 1330

Because the research that we are cutting, the oil reserve that we are cutting is so vital to our economic future and for the clean and more efficient use of fuels and the realization that we have planned for our children's future by providing an energy source when something goes wrong in this world that destabilizes our current sources, to not have the reserve full is a tragedy, to cut its budget is a mistake.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would acknowledge that it is no small feat that we have arrived at today, an opportunity to have a positive discussion on the Nation's cultural investments and our priorities without the acrimony that we have seen in recent years. And I tip my hat to the members of the committee for their leadership in guiding this forward, in taking a deep breath and sort of exhaling to make sure that we can be clear about what we are trying to achieve, rather than making it an opportunity to score partisan political points on a philosophic basis.

I think the next step is for us to see how our cultural investments fit with the committee's marker that they have set down in terms of beginning the discussion for this important budget and what is going to happen over the course of the next 50 years. I think in that context we ought to be looking at the direction of the budget, and it is why I support the amendment that has been offered up by the gentlewoman from New York (Ms. SLAUGHTER) and the gentleman from California (Mr. HORN).

The investment that we have made in cultural activities in my community that have served as a catalyst by Federal investment has been a key to the partnerships that have characterized what we have seen around the country. It has leveraged, as has been referenced on the floor, many times over the resources from the private sector, from philanthropic undertakings, and it has inspired people to be more entrepreneurial in the delivery of services. These partnerships are key in all of our communities but, unfortunately, the Federal Government has been lagging in terms of its involvement with these partnerships. It has not been keeping pace.

The Federal Government, ironically, would end up making more by investing in arts activities because we can see in every one of our districts cultural investments that have provided a spark economically for local festivals, arts districts, for community events that have made a huge difference and that are a significant and growing economic presence across the country. It enables us to coax more out of our educational investments, as has been referenced by the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentlewoman from Maryland (Mrs. MORELLA). I have seen it in the school districts in my community where these dollars have leveraged spectacular results from young people.

It has made a difference in terms of how people regard their communities, in the activities and the way that they invest themselves. Indeed, in a number of communities, we have seen arts organizations provide regional cohesion in a way that governments have been unable to. And we have seen artificial boundaries that have divided our solutions for things like storm water runoff or watershed or air pollution come together as a result of arts organizations putting together voluntary regional approaches that really can be a pattern to show how we can solve problems generally.

It is not a subsidy for those who are well off. In all of our communities, most of the people of means would actually be money ahead if they would not spend their time and energy that they do in making these partnerships work but simply buy their tickets to go to San Francisco, New York or Seattle. But what we are doing is we are coaxing them to make the investments locally so that they can share the resources in terms of symphonies and in terms of museums. It is not for the wealthy and the well-positioned, it is for the young, the old, and the poor.

I strongly urge support of this amendment and hope that it will begin our efforts to reinvest in a wiser fashion in the future. It is time for us, for America, to catch up with where our citizens want us to be and how the rest of the world is treating their arts and cultural resources.

Mrs. KELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to support the Slaughter-Horn-Johnson amendment to increase funding for both the National Endowment for the Arts and the National Endowment for the Humanities by $10 million each.

Being from Westchester County, New York, my neighbors and I have the benefit of our proximity to New York City, which provides us access to the premiere cultural center in this country. However, we do not take the impact of our exposure to the arts for granted. If anything, it has highlighted for us the important role that the arts can play in all of our lives. Without the NEA and their aid, the private sector is unlikely to replace Federal funding; and this, Mr. Chairman, would be a great tragedy.

There are thousands, literally thousands of people employed in the arts in my district, authors, painters, applied arts conservationists, TV production people. As a matter of fact, the City of Peekskill has been able to encourage and engage in real urban renewal based around the arts.

For the last 4 years, we have not given the NEA and the NEH any substantial increase in funding. We have asked, however, that the NEA institute reforms in their grant process and reduce the size of infrastructure. The proposed $10 million increase to each, the National Endowment for the Arts and the National Endowment for the Humanities, is much needed. These are jobs we are talking about.

As a former teacher, I can attest to the fact that the impact of the arts on our children is instrumental in their education. And with this small increase, the NEA will be able to reach more teachers and more students. They cannot do this alone. They need our support.

Mr. Chairman, I ask my colleagues to support the Slaughter-Horn-Johnson amendment and support this modest increase for the NEA and the NEH. As we work to create a solid foundation for our children, we need to ensure that they have the opportunity to understand and appreciate all of the arts.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support this amendment to increase funding for the National Endowment for the Arts and the National Endowment for the Humanities by $10 million each. It is about time we had a fair, open debate on increasing funding for the arts.

In the past, we have funded NEA as high as $167 million. But, since 1995, Congress has consistently cut funding for the NEA to below $100 million. This amendment is a very modest increase, and it is still far less than the President's request of $150 million. We should do more for our artists and cultural institutions, not less. We should remember that, because NEA funding is matched by private dollars, for every dollar we have cut from the NEA's budget at least double that amount has been cut from organizations that receive NEA funding; and for every dollar we restore now, at least double that will be restored for NEA recipients.

In addition to budget reductions from the Federal Government, private funding for the arts has been slipping as well. This has been occurring at a time when more and more Americans are seeking out the arts and benefiting from our cultural institutions. Recent reports are that museum attendance nationwide is at an all-time high, yet museum visitors are finding higher entrance fees from Philadelphia to Seattle and from Portland to Chicago. Visitors to New York's Metropolitan Museum of Art recently have been jolted by a suggested admission price of $10. The world-famous Metropolitan Opera finds itself with a deficit expected to be more than $1.5 million just for the year. The Met, long a favorite of private and corporate donors, will survive, but the survival of other institutions, especially smaller, less well-known institutions, is much more problematic, especially since many of them have been hit by cuts in government support at every level. Many have already been forced to close their doors or to scale back their programs dramatically. We should increase the funding to keep these arts institutions alive and well in America.

It is important to realize how the funds distributed by the NEA intrinsically connect the entire country. For example, last year, the NEA, working in association with the New York-based Chamber Music America, made a $300,000 grant to underwrite the development of a special project celebrating the millennium. In carrying out the project, Chamber Music America is working with more than 300 organizations and artists around the Nation to produce a 3-year musical celebration. The NEA's $300,000 grant has been leveraged into more than $4 million in support for the projects widely distributed throughout the country. This is just one example of how the effort which began at the NEA at the Federal level soon blossomed into musical programs all over the country.

It is particularly unfortunate that this bill places an artificial limit on funding to areas that have a concentration of arts institutions. We in New York are proud that New York City attracts the best and the brightest artists from around the country, but this legislation places an artificial cap on funds to New York City and to other such areas. It is unfair. It is time to stop punishing and start rewarding States and localities that nurture the arts. We send our agriculture subsidies to agricultural States, and New York City does not complain for not getting any part of the wheat subsidy, and that is entirely appropriate. But it is also appropriate to send support for the arts to the regions that produce the most arts and culture. We should acknowledge that certain regions offer products and services that benefit all of us, even though they originate, in some cases, from concentrated areas.

The NEA is a good investment for American taxpayers. It helps improve our economy, educate our children, enrich our every day-lives and, therefore, should receive increased Federal funding, especially since it leverages a lot of private funding.

The National Endowment for the Humanities complements the work of the NEA and provides critical Federal support to the Nation's educational and cultural life. The humanities are critical to any free and democratic society. The study of history, philosophy, literature and religion are critical to creating an informed public, which is the bedrock of democracy. How can we expect people to make intelligent decisions and govern themselves well without the study of the humanities?

The NEH is crucial to our efforts to preserve the writings and ideas of American culture. In fact, the endowment plays a critical role in efforts to preserve the writings of American presidents such as George Washington, Thomas Jefferson and Dwight Eisenhower. We should support the increase in funding for a program whose primary purpose is to preserve American history and culture.

What happened to the Met—and what has affected hundreds of cultural institutions nationwide—is that the Reader's Digest Association, facing stagnant sales in 1997, began a retrenchment that included a cut in its stock dividends. The handsome annuity from the company's dividends, that had found its way to cultural institutions nationwide through the Lila Acheson Wallace Foundation, was slashed. The Met, long a favorite of private and corporate donors, will survive, but the survival of other institutions is much more problematic, especially since many of them have been hit by cuts in government support at every level. Many have been forced to close their doors or dramatically scale back their programs.

In fact, the NEA has specifically worked to expand the geographical reach of its programs. IN 1994, the NEA provided $300,000 to start the Rural Residency Program, which is designed to enrich the musical life of underserved rural communities. Since its inception the program has placed 98 musicians with 23 different rural host organizations in 11 states. They have worked in schools, visited nursing homes, performed outreach concerts, and taught individual students. NEH is to promote research, education, and the preservation of our cultural heritage. We should demonstrate our support for these goals by increasing funding for this agency.

The NEH promotes the study of the humanities in numerous ways. The endowment has funded professional development for 50,000 teachers in its summer seminars, and they have reached in turn 7½ million students. Due to the severe cuts in funding sustained since FY 1996, the NEH is now able to fund only about one-third the number of summer seminars and institutes for teachers as they had before. They are seeking additional funds this year to reverse that trend and to expand on the educational mission of the agency. They will continue to support the premier Internet resource for humanities teachers, EDSITEment, which provides links to and lesson plans for 50 top-quality humanities websites.

The NEH also funs multimedia database programs on the Supreme Court, the Civil War, and the philosophies and civilizations of ancient Greece and Rome. The NEH plans a special initiative that will bring online tens of thousands of digital images of manuscripts, maps, photographs, and artifacts. The NEH also provides national leadership for efforts to digitize and make more accessible such important tests as the Dead Sea Scrolls, ancient Egyptian papyrus fragments and the works of Shakespeare. The endowment has preserved 750,000 brittle books and 55 million pages of American newspapers. The NEH is planning a new program of awards to small libraries and museums to support staff attendance at preservation training sessions, on-site consultations by preservation experts, and the purchase of preservation supplies and equipment.

Mr. Chairman, these two programs, the NEA and the NEH, with the very modest $10 million increases in this amendment, will still be funded at levels 40 percent less than that 5 years ago. We should restore them to at least what they got 5 years ago, but, failing that, this amendment is a small first step in that direction. I congratulate the sponsors, and I urge my colleagues to vote for it.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Slaughter-Horn-Johnson amendment. I will say at the outset that I am a little reluctant, because it takes funding from the strategic petroleum reserve, but I am going to go ahead and support the amendment. I hope that it passes, and I hope when this bill goes into conference with the other body that it is worked out and the SPR funding can be worked out as well because it has an impact on industry in my State.

But I also think this adjustment in the funding for both the National Endowment for the Arts and the National Endowment for the Humanities is terribly important. Over the last 15 to 17 years this body has had a number of very controversial debates over whether or not the Federal Government should be involved in the funding of these activities. I strongly believe that we should.

The gentleman before me just spoke about wheat subsidies and whether or not that affects people in New York City. I would argue, in effect, that it does because it involves stabilizing the price of food that ends up on the shelves of grocery stores in New York City and every city and every town across this country. In the same respect, funding for the National Endowment for the Arts and the National Endowment for the Humanities affects every sector of American society.

And what it really is about is preserving and collecting and preserving our heritage, the American history, American arts, American culture. And when we compare what we have done in this great country in the last 218 years and the heritage we have, the amount of resources that we provide to it compared to other industrialized nations is really woefully lacking.

□ 1345

I think that it is important that we do provide these resources. I think it is important that, as part of growing the American experiment and showing what it has been and how it has worked, that we provide some resources through the NEA and the NEH.

I would also add, over the last years of this debate, and I had the opportunity to watch them both as a Member of this body and as a member of the staff to this body in the 1980s, we have seen through both the previous Bush administration and the Clinton administration safeguards put into effect to deal with the question of controversial funding. And I think that those have worked.

We have also seen the funding through the administrators of the agencies, particularly the NEA, spread more evenly across the country, in my opinion. The funding does not just go to artists in New York City or Los Angeles. There is a lot of funding that comes to my area, in the greater Houston area, and it does not just go to the arts. Yes, the Houston Symphony gets funding. The Museum of Fine Arts in Houston gets funding. The Contemporary Arts Museum in Houston gets funding. But so does San Jacinto Community College get funding through the NEA. I think it has been a successful program.

I think it is important for the United States to invest in our cultural heritage, and I strongly support making this adjustment, which I think is fair in the context of a balanced budget to do.

I do hope that we can work out the funding in the long-run so we are not taking it outside of the SPR funding. But I do support the amendment of the gentlewoman.

Mr. COOK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from New York and the gentleman from California.

The National Endowment for the Arts and the National Endowment for the Humanities provide opportunities for Americans to experience art, culture, and humanities far beyond the small amount of Federal money we invest each year. The money serves as a catalyst that is used in my State of Utah for programs such as the Mother Read/Father Read, which is a family reading project combining parenting and reading skills. It targets at-risk elementary school children and teenage parents and shows them the importance of reading to their children and helps them improve their own parent and reading skills.

Our small Federal investment is combined with State, local, and private funds to provide grants to organizations like the Utah Symphony, the Salt Lake Opera, the Ryrie Ballet, and Utah Arts Festival. It makes possible the annual Living Traditions Festival, which brings together artists, native and folk craftsmen. The Great Salt Lake Book Festival is a gathering of readers and writers and anyone who loves books. The Utah Arts Councils offer free summer concerts that allow urban and inner-city residents the exposure to forms of music they otherwise would never hear.

Arts programs have helped reach children who have difficulty learning to become more interested in school. The Art Access program partners artists and teachers to help teach disabled and special education children learn through visual arts, dance, and storytelling.

If my colleagues talk to their local arts councils, they will tell them story after story of children who were disinterested in school who through art and music programs learned self-worth, confidence, and gained a renewed interest in their studies.

A film project for rural children in Monument Valley in Utah allowed them to learn the art of filmmaking while studying mineral deposits on their land. The resulting film has gained national recognition. A similar project in northern Utah lets children film and study a local bird refuge, and the resulting film is now being used by the Utah Department of Parks and Wildlife.

I commend the gentleman from Ohio (Chairman REGULA) for his recognition of the fine work in support of the NEA and NEH. But I believe this small additional funding will allow its fine work to be even more effective.

I urge my colleagues to support this amendment.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in very strong support of this amendment.

I have done my very best to be faithful to what the subcommittee did, but I made it very clear in this process that I favored some increase in the funding for the National Endowment for the Arts and Humanities.

I have served on this subcommittee for 23 years. I can remember in the early days when Livingston Biddle was chairman of the National Endowment for the Arts, we had three major challenge grants out in Seattle, and in those days Seattle was just emerging in the arts. And those three challenge grants led to a tremendous Pacific Northwest Ballet, to the Seattle Art Museum, the Seattle Symphony. All of those institutions have become major performing arts institutions in our Nation. But particularly in the Northwest, it brought the arts at a very high level to these communities. And it also created jobs.

Sometimes we forget that the arts and the humanities create jobs in our country, particularly when we think about the performing arts. I can remember the days when we had to fight to preserve this budget even at a 50-percent reduction. But I am pleased today to hear the bipartisan support that there is on this floor and the understanding about the importance of the arts and humanities to the American way of life.

I can tell my colleagues, in my own hometown of Bremerton, Washington, our local community came together to restore the Admiral Theater, and our local symphony performs there and other arts institutions; and we have the touring arts groups that go over all our State. I believe that the Federal participation here, even though it is meager, is still very significant because it demonstrates to the American people and to the private sector that we in the Congress and at the executive branch support the performing arts, support the National Endowment for the Humanities.

We have a school in Tacoma, Washington, Jason Lee School. Dale Chihuly is one of the world's renowned glass artists. There is an after-school program now where literally dozens of kids who would otherwise be on the streets or have nothing to do after school are involved in creating glass art. And these kids love it. I went up and I participated with them to see them actually involved in the creation of pots and various items that are important in terms of producing glass art. These kids enjoyed these programs.

I think the police are correct when they say that, if we have programs like this for kids, they will not get in trouble. And these are things that the Endowment has supported, and youth education.

I can remember being out with Jane Alexander in Garfield High School in Seattle and seeing the kids in the after-school program there involved in the creation of art and have them explain what they have created. It gave them something positive in their lives. I believe that these programs are very important. And I believe that for 4 years now we have not had any increase whatsoever.

I am glad that we have reached a point where we are not trying to eliminate these programs, which would be dreadful. But my hope is that today we can show that we have gotten beyond this kind of reactive anti-approach to the arts and humanities and that we now support them.

I want to compliment our chairman, the gentleman from Ohio (Mr. REGULA). He and I worked on language in several instances to try to get the Endowment to focus on quality, recognizing that we cannot fund everything, that we had to focus on quality to fund those projects which reach the highest levels of artistic and human expression. And by doing that, we have gotten away from some of the more controversial areas. That will always be a debate in the arts.

But I think the committee has succeeded, and I think it has met some of the criticisms; but I think now it is time to show that there is still in this Congress a majority that will support this modest increase for the arts and humanities. They deserve it. The country deserves it. It will be wisely spent. Our kids will benefit from it. Our communities will benefit from it. And the American people support it.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to the speeches, and I think, of course, that they have some positive merits. I think that the National Endowment for the Arts, under the rule changes that we have made, has been much more effective.

I believe that Mr. Ivey, as chairman of the NEA, has done a good job of trying to reach out across the Nation to ensure that the money is used to stimulate art activity in small villages, small cities, as well as in the large cities. I think the program has done some very positive things.

I have to point out that this bill is flat funded. We did not have any increases. We did have increases in the parks, but we had to decrease elsewhere. By and large, we have only been able to flat fund all of the programs.

For these reasons, I think that what we have in the bill is a responsible number. It is not an increase, but it is not a decrease. And there are different shades of opinion in the House as to increasing and decreasing the arts number and more so with the arts than with the humanities.

It would be nice if we had a lot of money to provide for some increases. But in the absence of having a larger allocation, I think what we have tried to do is fair to the NEA and the NEH.

I am pleased that the conditions that we have put in in the last several years have worked well in ensuring that the money spent does not go to projects that are offensive to the American people. I give credit to Mr. Ivey, as well as others who have worked to ensure that that happens.

I think our representatives on the board, and I might say this was a suggestion of Mr. Yates, as a matter of fact, that we have three members from the House and three from the Senate to be on the NEA board. I would say, and I hope Mr. Yates is watching this because he was the champion of the arts and the humanities, and his suggestion, which we adopted, of having six of our Members and of the other body has worked out well. I think if my colleagues would talk with them, they recognize that the programs have worked as we would hope they would.

I have to say that I would oppose this amendment simply because I think what we have done is fair in light of the allocation that was made to our committee. Right now, we are about a million dollars under last year. And what we have done with the arts and the humanities have kept them at last year's level, so that I would like to see it stay at that level.

I would also point out that if we take more money out of SPR, we have already taken $13 million out of SPR in a recent amendment, this would add to that another $20 million and we are talking about $33 million coming out of SPR. I do not think it is good policy for our country to take that much money out of SPR, because this is our insurance policy that we are not going to be trapped in another embargo that was so difficult and created so much in the way of problems in the 1970s.

Still, as I said earlier, the fact that it is there, I believe, is a deterrent to an embargo such as OPEC imposed on the United States.

So, for all of those reasons, I hope that we will maintain the level of funding that is in the bill. There will be some amendments to cut NEA and NEH funding. I will oppose those, also.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, the gentleman mentioned the name of Sid Yates, who for many years was chairman and then ranking member of this subcommittee. I have had the honor of trying to fill those very big shoes.

I just wanted my colleague to know that, if Sid were looking at the TV today, Mr. Chairman, he would be in support of this amendment.

Mr. REGULA. Mr. Chairman, reclaiming my time, he would probably already have a larger amount in the bill. I understand.

But, as the staff just reminded me, Mr. Yates is also a strong supporter of SPR, so he might have some concerns about where the offset is located.

Mr. DICKS. Mr. Chairman, if the gentleman would yield further, what he would say, Mr. Chairman, is that we will find a better source in the conference for this.

Mr. REGULA. Well, the conferences have some pluses I must say. But I hope the Members will maintain the level that we have in the bill. I think it is a responsible amount.

Again, I commend the chairman of NEA and also the chairman of NEH. Both have provided excellent leadership for the programs, and that is very important in maintaining public acceptance and Congressional support.

□ 1400

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Slaughter-Horn amendment to the Interior appropriations bill to increase funding for the NEA and the NEH by $10 million each. In doing so, I too want to pay tribute to our former colleague, Sid Yates. Everyone who enjoys the arts in America owes a great debt of gratitude to Sid Yates. We miss him.

The gentleman from Washington (Mr. DICKS) is doing a good job in managing his first bill and of course it is with great admiration and respect for the chairman of the subcommittee that I respectfully disagree with him and in support of this amendment.

Next I want to congratulate the gentlewoman from New York (Ms. SLAUGHTER) for her leadership as head of the Arts Caucus in the Congress. This is a very, very important part of our congressional agenda and it is one that deserves a great deal of attention from Members. We are all in her debt for the time and the commitment she has given to the arts on behalf of everyone in America and on behalf of her colleagues.

Mr. Chairman, the poet Shelley once wrote that the greatest force for the moral good is imagination. In the challenges that our young people face today, they need all the imagination that they can get. The exposure to the arts that they get through the NEA helps them build confidence in their classwork, honors their creativity and it is just good for their personal enrichment as well as their ability to earn a living later.

The increase that is requested in the President's budget for the NEA will enable the NEA to implement its Challenge America initiative. Challenge America would ensure that increased funding would go directly to underserved populations in order to increase participation and exposure to the arts by focusing on arts education and broadening access to the arts, after-school programming for young people at risk, preservation of cultural heritage, and building strong community-based arts partnerships. Again, encouraging imagination.

Bringing the arts to the center of community life through partnerships with arts organizations, school districts, chambers of commerce, social service agencies, city parks departments, tourism and convention bureaus and State arts agencies is a crucial part of the agency's mission and of the Challenge America initiative.

Federal support for the arts is necessary to ensure that broad access is possible for people of all economic backgrounds and in all regions of the country. Today, arts agencies in 50 States and six territories receive Federal funding through the NEA to support the arts. Over the last three decades, the NEA has substantially increased arts activities in every State in this country.

We have talked about building confidence, we have talked about the arts being a bridge to greater academic achievement and what that means in a young person's life. The gentleman from Washington cited some examples in his experience. I just wanted to convey to my colleagues my experiences, I will just do one example, though, of town meetings I have had in areas of our community which would fall into the category served by Challenge America, underserved populations. In those communities where crime is a big issue and unemployment is a fact of life, the parents who come to my town meetings say to me, "Please, please, please do not cut the arts programs in our schools." This is the one source of encouragement, the one place where our children gain confidence, the one place where they express themselves freely. We must retain it. It is interesting, because one would think that these parents would start talking about other issues relating to crime or to joblessness or other concerns that challenge the community. But they see and recognize how fundamental the arts are to the self-fulfillment of their children and how indeed through imagination they can attack some of the problems that they face in society and that they will face as they grow older.

Again echoing the words of the poet Shelley, imagination is the greatest force for moral good. Let us support imagination. Support the Slaughter-Horn amendment.

Mr. BALDACCI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to recognize the good work of the gentleman from Washington (Mr. DICKS) and the gentleman from Ohio (Mr. REGULA) and to support the Slaughter-Horn amendment to increase the funding for the NEA/NEH.

Americans in communities all across the country benefit from the small Federal investment in the arts and humanities.

In Maine, NEA funds have been used for a statewide training program to help identify traditional artists and build partnerships to promote local culture in Maine communities; to allow students to participate in the national "Essentially Ellington High School Jazz Band Competition and Festival" and to support appearances of nationally recognized dance companies, among other things.

NEH funds have allowed the Maine Humanities Council to implement the Born to Read family literacy program which this year will provide more than 3,000 Maine families with high quality children's books that they can keep as well as tips and techniques for having fun interacting with their babies and children around the books.

These are just a few examples of the high quality programs that are available to rural Maine families that without this Federal funding would not otherwise be able to be provided.

Our investment in the arts and humanities provides seed money for private development. For every dollar of NEH money that goes into Maine's Born to Read program, it has generated three additional dollars of private dollars, a good match between the Federal Government and the private sector working together to make sure that rural communities throughout Maine and the country have these advantages for their families and children and for our future. Our long-standing Federal investment also ensures access for all families to these rich cultural resources. I strongly support this amendment which will provide a very modest increase in Federal support for the arts and humanities.

To paraphrase President John Adams in a letter to his wife Abigail, "I must study politics and war so that my sons and daughters may have the liberty to study mathematics, natural history and agriculture, in order so that their sons and daughters may have the right to study painting, poetry, music and architecture."

Since that time, we have been able to be fortunate to have the humanities and arts education become an important part of our children's overall education. The arts and humanities are also important in and of themselves. They enrich our children's lives and the world around us. This amendment represents a very small but a significant investment in our national culture. I urge my colleagues to support it.

Mr. GILMAN. Mr. Chairman, I rise today to express my strong support for my colleagues' amendment to increase the funding for the National Endowment of the Arts and the National Endowment of the Humanities. For the 4th straight year, the National Endowment for the Arts and the National Endowment for the Humanities have not received any increase in funding. As a result, my colleagues, Representatives SLAUGHTER and HORN, have offered an amendment to increase the budget of both agencies by $10 million.

The National Endowment for the Arts helps bring the arts to millions of young people through classes and after school programs. Recently, both the National Endowment for the Arts and the National Endowment for the Humanities have launched major new initiatives to reach out to more Americans. The Endowment has been criticized for not reaching out to enough people in every congressional district. That argument is without merit, but an increase in funding for the National Endowment for the Arts will provide more small to medium sized grants that will help bring arts programs into areas that had been previously under served by the National Endowment for the Arts.

Increased funding for the arts is about improving the quality of life for communities by allowing families to come together to learn and experience the arts. The National Endowment for the Arts is trying to address congressional requests that priority be given to providing services or awarding financial assistance to populations historically underserved by the National Endowment for the Arts. By increasing the funding for the National Endowment for the Arts, we can help ensure a nationwide access to the arts.

An education through the arts improves a student's overall ability to learn, it instills self-esteem and discipline, and provides creative outlets for self expression. A recent study by the endowment has concluded that participating in the arts leads to improved academic performance, increased ability to communicate, a commitment to finishing tasks and a decrease in frequency of delinquent behavior. Young people who are involved in the arts are more likely to become involved with positive people who can help steer them in the right track. Participating in the arts can be the constructive influence that helps ignite children's imaginations, making a difference in their lives that will help keep away from drugs and violence.

The National Endowment for the Arts is committed to strengthening America's families and communities through the special powers of the arts. The $10 million increase in funding that this amendment provides is specifically targeted to fund arts programs for at risk youth. The increase of funding by $10 million for both agencies will help create stronger, more creative outlets for our children, as well as stronger, more creative people for our communities. Accordingly, I urge my colleagues to support this amendment.

Ms. DELAURO. Mr. Chairman, I rise in strong support of the Slaughter-Horn amendment to provide a desperately needed increase for the National Endowment for the Humanities and the National Endowment for the Arts. Since 1995, serious funding cuts have endangered the work of the NEA and the NEH across the country. Today, we have the opportunity to provide the first meaningful increase for these programs that are so deserving of our support.

The cuts on Humanities programs have fallen disproportionately on programs which bring Humanities into our communities, for example, library based reading programs, lecture series, historical exhibits and radio and television programming.

Some of my colleagues would have you believe that the NEA only supports projects in a select few cities, and that it is not worth our time or money to make the arts and humanities a national priority. But the NEA's new Challenge America program is designed so that nearly 1,000 communities nationwide would receive modest arts program grants, and 150 communities across the country would benefit from larger grants.

One of the most exciting aspects of the Challenge America program is its potential to help at-risk youth—children who are slipping through the cracks and need exposure to a constructive new way of self-expression and self-esteem.

Recent studies have shown that participation in arts programs helps children learn to express anger appropriately and enhance communication skills with adults and peers. Students who have benefitted from arts programs have also shown an improved ability to finish tasks, less delinguent behavior, and a more positive attitude toward school. The results are in: we must support these programs now, while their benefits are just beginning to be realized.

The NEH and NEA make up just a tiny portion of our budget—and that investment pays off in so many ways, spurring jobs and private investment and preserving our heritage for generations to come. Who knows how many children have had their interest sparked in a whole new subject thanks to an NEA or NEH sponsored program. Don't put out that spark. Don't destroy our heritage. Vote for this amendment, support the NEA and the NEH.

Mrs. CAPPS. Mr. Chairman, I rise in support of this critical amendment to increase funding for the National Endowment for the Arts and the National Endowment for the Humanities. This funding would support grants for arts education, access to underserved areas and other outreach projects proposed under the NEA's Challenge America Initiative.

The arts represent the finest that American culture has to offer. Funding for the arts provides a life line for many arts organizations in communities throughout our country. In Santa Barbara and San Luis Obispo Counties, which I am proud to represent, the NEA supports programs such as the Children's Creative Project, the Cal Poly Arts Program, the Cuesta College Public Events Program and the Santa Barbara Museum of Art. The seed money provided by the NEA allows these programs to flourish and contribute to their respective economies.

The NEA broadens Americans' access to the arts and promotes lifelong learning. Arts education improves the lives of young people by teaching them self-esteem, teamwork, motivation, discipline and problem solving skills that will assist them later in life. Research has shown that students who studied the arts scored an average of 83 points higher than non-arts students on the Scholastic Achievement Test (SAT). Yet sadly, many students today do not have access to arts education in our schools.

Mr. Chairman, working in our local schools for over twenty years, I have seen first-hand the benefits of arts education. I have also seen arts programs stripped from schools and unfortunately our children have suffered the consequences. Arts education demands discipline and perseverance, requires critical judgment and self-reflection, and teaches decision making, problem solving and teamwork. We all know that these are necessary skills for success in today's workplace—and more importantly, success in life.

The arts boost our national economy as well. The nonprofit arts community generates an estimated $37 billion in economic activity, employs a work force of nearly three million people, increases tourism, and generates new business in communities. An investment in the arts is not only an investment in culture and community, but also in the economic vitality of our country.

Mr. Chairman, the NEA budget accounts for less than one tenth of 1 percent of the federal budget and provides invaluable services to our communities and students. I strongly support this amendment and encourage my colleagues to vote in support of this pragmatic investment in our nation's future.

Mr. INSLEE. Mr. Chairman, I rise today in support of the Slaughter amendment to strengthen our commitment to the National Endowments for the Arts and Humanities (NEA/NEH). It is extremely important that we do what we can to support the artists, educators and students in our communities.

Mr. Chairman, the people of the First Congressional District have directly benefited from NEA and the NEH. Without the support of these groups, many of our children would not have access to the arts and humanities that are a vital component of their education.

The NEA and the NEH reach out to underserved communities—communities that traditionally do not have access to our cultural treasures. The Slaughter amendment would allow the NEA and the NEH to provide more grants to our underserved communities so that all of our children receive important exposure to the arts.

The Slaughter amendment will go a long way to provide the NEA and the NEH with the means to offer greater participation in our cultural heritage. The NEA and the NEH were created with the intention to help preserve and foster the culture of America. Our communities deserve to continue to be exposed to the rich cultural legacy of the United States.

I urge my colleagues to support the Slaughter amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. SLAUGHTER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. REGULA. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentlewoman from New York (Ms. SLAUGHTER) will be postponed.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $72,644,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

The Secretary of Energy hereafter may transfer to the SPR Petroleum Account such funds as may be necessary to carry out draw down and sale operations of the Strategic Petroleum Reserve initiated under section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241) from any funds available to the Department of Energy under this or previous appropriations Acts. All funds transferred pursuant to this authority must be replenished as promptly as possible from oil sale receipts pursuant to the draw down and sale.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $2,085,407,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: *Provided*, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further*, That $395,290,000 for contract medical care shall remain available for obligation until September 30, 2001: *Provided further*, That of the funds provided, up to $17,000,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: *Provided further*, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): *Provided further*, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2001: *Provided further*, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: *Provided further*, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $238,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs for fiscal year 2000 associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, of which $5,000,000 is for new and expanded contracts, grants, self-goverance compacts or annual funding agreements and such new and expanded contracts shall receive contract support costs equal to the same proportion of need as existing contracts: *Provided further*, That, notwithstanding any other provision of law, no new or expanded contract, grant, self-goverance compact or annual funding agreement shall be entered into once the $5,000,000 has been committed.

POINT OF ORDER

Mr. KILDEE. Mr. Chairman, I make a point of order against the language beginning on page 76, line 16 that reads:

"And such new and expanded contracts shall receive contract support costs equal to the same proportion of need as existing contracts: Provided further, That notwithstanding any other provision of law, no new or expanded contract, grant, self-governance compact or annual funding agreement shall be entered into once the $5,000,000 has been committed."

Mr. Chairman, this language clearly violates clause 2(b) of House rule XXI against legislating on an appropriations bill.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. REGULA. Mr. Chairman, we concede the point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

For the reasons stated by the gentleman from Michigan, the point of order is sustained and the provision is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $312,478,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: *Provided further*, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: *Provided further*, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: *Provided further*, That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: *Provided further*, That notwithstanding any other provision of law, hereafter any funds appropriated to the Indian Health Service in this or any other Act for payments to tribes and tribal organizations for contract or grant support costs for contracts, grants, self-governance compacts or annual funding agreements with the Indian Health Service pursuant to the Indian Self-Determination Act of 1975, as amended, shall be allocated and distributed to such contracts, grants, self-governance compacts and annual funding agreements each year on a pro-rata proportionate basis regardless of amounts allocated in any previous year to such contracts, grants, self-governance compacts or annual funding agreements: *Provided further*, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: *Provided further*, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

POINT OF ORDER

Mr. SIMPSON. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SIMPSON. Mr. Chairman, on behalf of the gentleman from Alaska (Mr. YOUNG), I make a point of order against the language beginning on page 80, lines 11 through 23 that reads:

> Provided further, That notwithstanding any other provision of law, hereafter any funds appropriated to the Indian Health Service in this or any other Act for payments to tribes and tribal organizations for contract or grant supports costs for contracts, grants, self-governance compacts or annual funding agreements with the Indian Health Service pursuant to the Indian Self-Determination Act of 1975, as amended, shall be allocated and distributed to such contracts, grants, self-governance compacts and annual funding agreements each year on a pro-rata proportionate basis regardless of amounts allocated in any previous year to such contracts, grants, self-governance compacts or annual funding agreements.

This language clearly violates clause 2(b) of House rule XXI against legislating on an appropriations bill.

The CHAIRMAN. Does any other Member wish to be heard?

Mr. REGULA. Mr. Chairman, we concede the point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order? If not, for the reasons stated by the gentleman from Idaho, the point of order is sustained and the provisions referred to are stricken from the bill.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we conceded on this point of order because obviously it is legislative language, but I would point out that it is a basic fairness issue. Unfortunately, we do not have enough money to do 100 percent of contract support costs. The result is that if the funding is not distributed on a pro rata basis, it ends up that some tribes will get 100 percent of what they should and others will get less or nothing. The Bureau of Indian Affairs uses the pro-rata distribution of contract costs, and we would hope that the Indian Health Service could do the same. I think our position is fair, and we recognize that the limited funding results in some tribes getting very little or nothing. However, that is a policy issue that should be addressed by the authorizing committee and we recognize that. I hope that the authorizers will take a look at it and perhaps we could get more money so that we could provide funding for everybody that has need of health services.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word. In response to the gentleman from Ohio, I am pleased that he accepted the point of order. We had this discussion last year. We have started the process of the hearings. We have had a report back from the GAO. We are looking into this issue. But I would like to stress one thing for those that may not be aware of this. Just disbursing moneys to all the tribes does not solve the health issue. One of the problems that I have had with the BIA, and especially this present administration, is that in my State they recognize 227 tribes. We do not have 227 tribes in my State. We have probably 11 tribes in my State. Those 11 tribes supply very good health services to all the members of those tribes because they have enough money to do the job correctly. And because of administrative costs, I would suggest all the smaller tribes would apply for money but yet not provide the health care.

I have no one in my State that is asking for this type of pro-rata formula be used in my State. They think it would destroy a very efficient, very high class health system. And so for that reason, we are going to look at this. But I hope we are not trying to give everybody a little piece of the apple when there is not enough apple left to make a pie. Really that is what we are attempting to do.

I want to thank the gentleman for his accepting the point of order, but this issue goes far beyond just supposedly being fair. This goes to the basics of good health care. We have the Yukon-Kuskokwim area which has one of the finest health care systems, it provides health care for basically 58 tribes. If we were to split that up in 58 small groups, we would have no health care for the recipients. So this is a health care issue which I feel very strongly on. We are going to work on it and try to get more money so that we can do it for everyone.

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But just to spread it out does not solve the problem of good health care.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman is satisfied that all of the Native Americans in Alaska that need health care will have access. There may be great distances involved, but they will have access in the points where we are now providing funding.

Mr. YOUNG of Alaska. They will have access; they will have good health care; they will have the ability to take and receive the health care as they have in the past, in fact, improve upon it. But if we disburse it in very small areas, they will not have that.

Mr. Chairman, I yield to the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Chairman, there is no question that both the gentleman from Ohio (Mr. REGULA) and the gentleman from Alaska (Mr. YOUNG) are deeply concerned about Indian health care. They have demonstrated that time and time again. I think the question that the gentleman from Alaska (Mr. YOUNG) and I have and the problem we have is so diluting and spreading these funds so thin that they become meaningless; and we have to address this, and we can address it perhaps in the authorization process or appropriate more money for this service.

But I think this would dilute and make money ineffective, the money that is available right now, and I certainly commend both the gentleman from Alaska (Mr. YOUNG) and the gentleman from Ohio (Mr. REGULA) for their concern here, but I think this provision in the appropriations bill, which has been stricken, would spread too thin the money.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93-531, $13,400,000, to remain available until expended: *Provided*, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: *Provided further*, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $371,501,000, of which not to exceed $48,471,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: *Provided further*, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H St., N.W. building in the District of Columbia: *Provided further*, That this use of Federal appropriations shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government: *Provided further*, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H St. building or of planning, designing, and constructing improvements to such building.

REPAIR, RESTORATION AND ALTERATION OF FACILITIES

For necessary expenses of repair, restoration and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $47,900,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and repair or restoration of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price: *Provided further*, That funds previously appropriated to the "Construction and Improvements, National Zoological Park" account and the "Repair and Restoration of Buildings" account may be transferred to and merged with this "Repair, Restoration, and Alteration of Facilities" account.

CONSTRUCTION

For necessary expenses for construction, $19,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to initiate the design of any expansion of current space or new facility without consultation with the House and Senate Appropriations Committees.

None of the funds in this or any other Act may be used to prepare a historic structures report, or for any other purpose, involving the Holt House located at the National Zoological Park in Washington, D.C.

The Smithsonian Institution shall not use Federal funds in excess of the amount specified in Public Law 101-185 for the construction of the National Museum of the American Indian.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $61,538,000, of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $6,311,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $12,441,000.

CONSTRUCTION

For necessary expenses for capital repair and rehabilitation of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $20,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $7,040,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $83,500,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to sections 5(c) and 5(g) of the Act, for program support, and for administering the functions of the Act, to remain available until expended.

AMENDMENT NO. 17 OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 17 offered by Mr. STEARNS: Page 87, line 19, insert "(reduced by $2,087,500)" after the dollar figure.

Mr. STEARNS. Mr. Chairman, my amendment would reduce the NEA funding by about $2 million, and, Mr. Chairman, this is about 2½ percent of the budget. And I noticed earlier that a lot of Members coming down to the well and my good colleague, the gentlewoman from New York (Ms. SLAUGHTER), who indicated that we need to increase the funding. I think it is appropriate that I come forward also. So there are many of us do not think we need to increase the funding for NEA; and in fact over the years I have been in the House, the funding for the NEA has always been in question.

There was a colleague of ours, Tim Penny from Minnesota. I think a lot of Members on that side will remember him, a Democrat who was an outstanding distinguished Member. He used to come on the House floor and always have an amendment to reduce funding of every appropriation bill by about 2½ percent. Sometimes it would be 5 percent. I think we remember that.

Mr. Chairman, his thinking was to get the budget under control, we could take a modest reduction in every government program, and so the huge amount of savings that comes from across-the-board cut of 2½ percent or 5 percent is enormous. It is just this little small trim, modest amount, has a major impact on the budget.

So I think this particular agency is obviously one of the agencies that I think that we could trim. So my amendment takes a very modest step in beginning a process of reduction; and of course, budget reduction requires discipline, and I think it is important that we look at the NEA. This is an agency that many of us question whether it should be in existence; but, as my colleagues know, the sentiment today, a lot of the pro NEA folks have won out, and when Congressman Sid Yates was here we used to debate, he and I, all the time. But it appears that a lot of sentiment is on my side to increase the funding for the NEA. I am still one of those who think that we can do a modest across-the-board cut of 2½ percent.

I am not here to argue the merits of the NEA; we have had that discussion together with the gentleman from Washington (Mr. DICKS) and I and the gentleman from Ohio (Mr. REGULA) and the gentlewoman from New York (Ms. SLAUGHTER). We have taken that question of merit of the NEA and pounded it into the ground, and I am not necessarily hoping that the folks are going to get up and argue the merits of the NEA. But I am here to say that I think even though we have a surplus, it would not hurt to have a little fiscal responsibility here; and so I think on this side of the aisle there are many people who say, yes, we can reduce the Federal agency, no matter what agency in question. We can reduce it by 2 percent or 2½ percent.

The NEA is not necessarily an agency that is absolutely mandatory. It does not shield us from economic hardship. It is not there to defend us against invasions. It does not guarantee Medicare. It does not guarantee Social Security. It does none of the things that one would say, well, the government programs should do this. This is simply a program that provides government funding for the arts.

But I say to my colleagues, the Federal Government currently supports over 200 programs for the arts and humanities. Let me just give my colleagues a couple of examples so when my colleagues think, well, the NEA is the only agency that does it, there is over 200 of these programs. These programs just sort of fan out like minnows: the Commission on Fine Arts, the JFK Center for the Performing Arts, the National Gallery of Arts, the Indian Arts and Crafts Board, just to name a few.

So my colleagues here tonight get very sensitive about the NEA, but, I mean, there are over 200 of these programs. It is not the sole source of art funding in America i.e. the NEA. If we decrease the NEA funding, the art community is not going to fall apart. So I do not think we have to throw up our hands and say this is an emergency, a dire crisis.

It only accounts for only less than 1 percent, 1 percent of the approximately $10 billion we spend in this country for art work, and there is going to be a new charitable revolution in America as a result of the stock market and the good economics times we have today. This revolution is going to come about because of private investment and not because of the United States Government. And that is why I am really puzzled to see this side of the aisle and a few Members on that side say we have got to increase the funding for the NEA.

As my colleagues know, I would like to conclude by just putting this in perspective for some of my colleagues. Let us go back in history now to the framers of our Constitution in 1787. During the Constitutional Convention, Charles Pinckney of South Carolina offered a motion to authorize and "establish seminaries for the promotion of literature and the arts and sciences."

The motion was overwhelmingly defeated because the framers of our Constitution did not want the Federal Government to promote the arts with Federal funds. It did not want to tax Americans and say we are going to take your money, send it to Washington D.C. and then we are going to hand out all this money to the artists, the elite groups that the government thinks are the talented artists of the day.

So from that point on, we never had the Federal Government involved with supporting the arts. We let the private sector do it. But around 1967, as my colleagues know, that all changed with President Lyndon Johnson.

I am reminded of a remark by the noted American artist, John Sloan.

The CHAIRMAN. The time of the gentleman from Florida (Mr. STEARNS) has expired.

(By unanimous consent, Mr. STEARNS was allowed to proceed for 2 additional minutes.)

Mr. STEARNS. Mr. Chairman, the American artist John Sloan, this is what he said:

"It would be fine to have a ministry of fine arts. Then we would know where the enemy is."

So, I mean, this is an American artist talking about the government taking over the arts program. Even artists today recognize that the government bureaucracy today cannot create art. As my colleagues know, when we put this in perspective, we are spending $10 billion in the private sector for art. Surely we have to question the value of this little program. But I will grant that the program is getting more support in Congress, and I accept that fact.

So we have a modest cut of 2½ percent, and if the amendment earlier that all of my colleagues supported, i.e. increasing $10 million, goes forward, then this reduction will even be less. It will probably be about a 1 percent reduction in the NEA budget.

So I say to my colleagues, and they have been kind enough to give me 2 additional minutes, that they have many on their side advocating more spending on the NEA. As my colleagues can see, I am pretty much defending the leak of more spending in the wall here with my thumb. So I am glad to have this additional 2 minutes.

As my colleagues know, I think the NEA is a luxury. Let us face it, it is a luxury; and my colleagues want to continue this luxury, and I think at this point there is lots of us who say we can cut this program by 2½. If it is increased by $10 million, like my colleagues wanted to do earlier, then my amendment will eventually provide a cut of only 1 percent. Let's keep Congress on budget.

So in honor of Tim Penny, who used to come on the House floor and try and cut 2½ percent, I think we should pass the Stearns amendment. I think the bottom line is simple. We need to eliminate excess. We need to trim all Federal programs across the board, because this surplus is not going to go on forever. I mean, the President is projecting surpluses for the next 10 to 15 years, but all of us know this is not going to happen. We have never seen a country go forward with its economy without any recession in 10 to 15 years.

So ultimately this surplus is going to be gone, and we are going to have to start reducing Federal spending, I think this is one program, if we are serious about reducing government, I think this is a good place to start; and I thank my colleagues for the 2 additional minutes.

Mr. DICKS. Mr. Chairman I rise in strong opposition to the amendment offered by the gentleman from Florida (Mr. STEARNS).

Mr. Chairman, the gentleman will remember in fiscal year 1995 there was $170 million in funding for the National Endowment for the Arts. Today, it is $98 million. The National Endowment for the Arts has been cut back dramatically by this Congress, by previous Congresses. I think that was a terrible mistake.

The gentleman is right. There are many of us on this side who strongly support the National Endowment for the Arts, and we have today heard many more than just one on the other side who stood in this well and supported the National Endowment for the Arts and Humanities.

Now we are faced with the prospect of a cutting amendment, of .49 percent, which would mean a cut here of $470,000. So there is another chance if people feel compelled, and I will be opposing that amendment to make some modest cuts, but I also would say to the gentleman, since the revolution of 1994 this budget has been on hold, and inflation has already cut it by at least 8 or 9 percent over that 4-year period; and I think the gentleman understands how that works. Inflation, as my colleagues know, and then we keep it at a fixed level, and so the purchasing power of the money has eroded by at least 8 to 10 percent since 1994.

So I think what we have heard today I think in this House is that there is strong support for the Endowment because it is doing a fine job, and it is helping bring the arts all over this country and there may have been a day when the arts were focused in New York and Chicago and some of the large cities. That is not true today.

Get the list of the National Endowment grants in all of the communities of this country and my colleagues will see that the arts have proliferated. We have literally hundreds of ballets, hundreds of symphonies, hundreds of orchestras. I mean, there has been a revolution, and I would argue that that revolution was moved forward dramatically in 1965 when this Congress created the National Endowment for the Arts and the National Endowment for the Humanities.

□ 1430

I think those were incredibly bold acts, and the private sector growth in funding has paralleled the creation of the endowments. The private sector looks at the National Endowment for the Arts as kind of the Good Housekeeping Seal of Approval.

We do not pick these things, by the way. The government does not pick. We have panels that review all the applications. The panel system has worked brilliantly, I think, to help in supporting the arts around the country.

Mr. Chairman, I stand here today and tell the Members that I think this is a mistake. Let us have a vote on the Slaughter amendment. Let us try to do the right thing, which is to increase funding for the arts, not decrease it. I think that there is a strong consensus in the House that because we have had no increase in 4 years, that the Slaughter-Horn $10 million increase is the appropriate direction. Let us not confuse this with the Stearns amendment.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment of my good friend and colleague, the gentleman from Florida (Mr. STEARNS). First, I would like to speak in support of the underlying bill.

The gentleman from Ohio (Chairman REGULA) and the ranking member, the gentleman from Washington (Mr. DICKS), have put forward a very balanced and thoughtful bill. I commend them for keeping the horrible anti-environmental riders and many other commercial riders that were attached to the Senate version off, and I commend them on putting forward this product.

I would like very much to be associated with many of the comments of my colleague and friend, the gentleman from Washington (Mr. DICKS), who pointed out that the National Endowment for the Arts and the National Endowment for the Humanities has been cut dramatically since 1994 and is now at a mere $98 million for the National Endowment for the Arts, and that I strongly support my colleague, the gentlewoman from New York (Ms. SLAUGHTER), who has come forward with a thoughtful amendment, a very modest one, to increase the funding to the NEA and NEH by $10 million each.

Right now, Mr. Chairman, we spend more on the Marine Corps Band than we do on the NEA and NEH. In fact, we give less to the arts than any other Western country. Even during the Middle Ages, the arts were something to be protected. The humanities were supported and preserved. Their importance was understood.

Mr. Chairman, we have heard many testimonies from my good friend, the gentleman from California (Mr. HORN) on the other side of the aisle that the arts are good for the public. He is a former professor, and he cited study after study that shows that children who are exposed to the arts and humanities do better in school and have higher self-esteem.

Mr. Chairman, the money for the National Endowment for the Arts and the National Endowment for the Humanities touches the lives of millions of Americans. In my own home district, the Metropolitan Museum of Art, thousands and thousands of people flood in and out of their doors each day. The American Ballet Company travels around the country bringing the grace of ballet to every area of our country.

Before the NEA was created in 1965, there were only 58 orchestras in the country. Today there are more than 1,000, and I am building on the comments of the gentleman from Washington (Mr. DICKS) on how the seed money from the NEA spurs the arts in communities clear across the country.

Before the NEA, there were 37 professional dance companies in America. Now there are over 300. Before the NEA, only 1 million people attended the theater each year. Today over 55 million attend regional theaters. Mr. Chairman, many of these institutions that have grown are there because of the support from the NEA, which then attracts private dollars.

I would like to mention that the new director of the NEA, Mr. Ivey, has come forward with an innovative program that my colleague, the gentlewoman from Connecticut (Mrs. JOHNSON) spoke on called Challenge America, which reaches out to neighborhoods across America through community-driven grants.

I would like to be associated, really, with the fine analysis that my colleague and friend, the gentlewoman from New York (Ms. SLAUGHTER) gave about the economic benefits of the arts to communities, and how the investment grows to more dollars in our economy, more tax dollars coming back to the Federal treasury.

She also pointed out very forcefully that all of the additional monies that she included in her amendment are direct grant monies. None of it will be used for administration in either the NEA or the NEH, but will be going to community groups through the challenge grant across America.

In closing, in addition to the economic benefits, the impact the arts have on our culture and the development of our children and our society is priceless. It is a small part of our budget. I fully support the Slaughter amendment, I support the underlying bill, and I am opposed to the amendment offered by my good friend, the gentleman from Florida (Mr. STEARNS).

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, President John F. Kennedy said of the arts, a nation without the arts has nothing to look backward to with pride nor look forward to with hope.

In the Middle Ages it was the archdukes, the doges, the princes, who selected out of their treasures the arts to be supported; who set the tone, who set the quality, and decided what was art.

We do not have doges or princes or kings in our pluralistic society today, but we do have the public trust, a public that understands that it is the arts, that it is the neighborhood theaters, that it is the small community concerts that express the conscience of a Nation, the spirit of a people.

These small amounts of public funds that have stimulated neighborhood theater, that have encouraged social commentary, that have lifted the spirit of a people have come out of the National Endowment for the Arts and National Endowment for the Humanities.

To say that the arts and this small amount of funding are a luxury is to misunderstand the spirit of a Nation. I think it is unreasonable to propose such a petty amount of cut in a program that has such a broad social appeal and that serves to lift the spirit of a people, a community, such as Moose Lake in my district, which put on a marvelous performance, written locally, produced locally, with local participants, about the ethnic history of that area, about the devastating fire at the turn of the century that destroyed communities but which were rebuilt, and the story was told through this neighborhood community theater.

These are the kinds of things that the National Endowment for the Arts can and does and should continue to support. The small amount, as portrayed, of cut is big for those small communities. We should be generous enough to support the arts through the public means, through the public support that we offer the National Endowment for the Humanities. I urge a "no" vote.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. STEARNS. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Florida.

Mr. STEARNS. Mr. Chairman, I am sorry that the gentleman from Minnesota (Mr. OBERSTAR) just left the Chamber. I wish he was here. He was quoting President Kennedy. I think this quote by President Kennedy is more appropriate. He stated his opposition to government involvement in the arts.

Let me repeat that. President Kennedy, a Democrat president, voiced his opposition to the government's involvement in the arts with this quote: "I do not believe public funds should support symphonies, orchestras, or opera companies, period."

Now, the gentlewoman from New York (Mrs. MALONEY) talked about the increased attendance at all these different functions, arts festivals and operas and ballets. The NEA provides less than 1 percent of the overall amount that is spent in the arts, $10 billion in the private sector and under $100 million in the government. So surely all this attendance is not because of the NEA. It is because of the increased funding in the private sector.

I would point out to my colleagues that before 1967 there was not an NEA, so for 200 years in this country we functioned without the government involved. Surely we had priceless artwork, we had activities available for our constituents without government funding. As I pointed out earlier, the Framers never intended that the government should get involved with supporting the arts.

The last point I would make, Mr. Chairman, I would say to the gentleman from Washington (Mr. DICKS), 166 congressional districts get no money, and mine is included. So when the gentleman talks about fairness, the fairness is that the large cities get the money, but there are 166 congressional districts that get zero.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, the numbers are very good, though, because that means that 269 districts do get money. And I do not believe those numbers are correct, and we will check on them for the gentleman from Florida. But even under the gentleman's math, a vast majority of these districts do get funding and support.

Remember this, if we have the ballet in Seattle but it tours all over the State of Washington, it is benefited by that. So I would just suggest to the gentleman that there are some positive implications of this.

Mr. STEARNS. Mr. Chairman, if the gentleman will yield further, statistics are clear, the education and labor provided those statistics that 166 congressional districts get no funding. So it is not something I made up. I think if the gentleman is talking about real democracy, then every Member of Congress should benefit from a government-funded program by taxpayers, and it is not happening. There is an elite group it goes to. It does not go to a lot of congressional districts. That is just a point.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I might just add to that. I represent 20 percent of Pennsylvania, which includes State College, a fast-growing suburban type area. My district has historically received no NEA funding.

Ms. SLAUGHTER. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentlewoman from New York.

Ms. SLAUGHTER. Mr. Chairman, Bushnell, in Florida, I believe in the gentleman's district, I would say to the gentleman from Florida (Mr. STEARNS), is a participating school. Ocala, Florida, does the gentleman represent Ocala? Orange Park, the Orange Park High School. Those three had NEA grants last year.

Mr. STEARNS. If the gentleman will continue to yield, Mr. Chairman, what happens is that money is given to the State and then the State gives it to them, but it is not given from the Federal government to these agencies.

Ms. SLAUGHTER. If the gentleman from Pennsylvania will yield further, Mr. Chairman, I would say, this is NEA money.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I was sitting and waiting my turn to speak, I happened to glance straight over the Chairman's head at that quote there from one of the great members of the other body, Daniel Webster.

The quote says, "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered."

What do we remember nations for? What do we remember 16th century Italy for? Can we name her kings? Can we name her doges? Can we name her wars, her conquests? No, but we can name her artworks. We can name da Vinci. We remember Leonardo da Vinci. We still treasure the Mona Lisa. We remember Erasmus and his contributions to the humanities.

What do we remember of ancient Greece? Can we name her generals? Can we name the dictators of Sparta, the leaders of Athens? Very few of them, but we remember the Iliad and Odyssey. We remember her philosophers, we profit from them. We remember the humanities and the arts. This is ultimately much of what a nation is remembered for, and what gives us much of our value and our humanity.

The Federal budget this year is about $1.7 trillion, $1.7 trillion. The budget for the arts is about one ten thousandths of 1 percent, if I have my decimal places right, about $100 million, and we are debating whether to increase that by one one hundred thousandths of 1 percent, $10 million, or to decrease it by two-tenths of one one hundred thousandths of 1 percent of the budget, $2 million.

Of course, the gentleman from Florida (Mr. Stearns) does not really care about the $2 million. What he really objects to, as he said himself, is we should not be funding the arts in the first place. That is what this really is. It is a symbolic amendment against funding for the arts.

□ 1445

But the fact is before the NEA. Yes, the NEA is only $100 million. It ought to be $150 or $160 million. And it is only a small part of all the arts funding in the country. But we have heard the speakers say before, we know the facts, that for every NEA dollar that an institution gets it leverages a lot of private money, that it brings forth private money into the arts.

We have heard people speak about the economic value, that it is worth billions and billions of dollars for the economy of this country. We have also heard some bogus arguments against it. We have heard that 166 districts get no funding, no funding directly. But the fact of the matter is that, first of all, it is not even true, because the money is given to the State Arts Council which is going to those districts. But, second of all, there are plenty of institutions in New York, in Los Angeles, and many other places which may be headquartered in those places but which have traveling arts shows, traveling dance troupes which go to all of these other places around the country.

One of the real worths of the NEA is that it has spread the arts and made it available. Before the NEA 30 years ago, citizens could be exposed to the arts if they lived in New York or Los Angeles or Chicago. But if citizens lived in a small town in rural America, there were no symphonies, no plays, no traveling arts troupes to go to. The NEA provides the funding for that to spread the arts all through this great Nation of ours. That is really what it is. That is really what it does.

And then we hear again the same bogus argument: Too few places get too much of the money. That is absurd. Do we ever hear representatives from New York complain that the district of the gentleman from Florida (Mr. STEARNS) or districts in Indiana get too much of the wheat subsidy, too much of the agricultural subsidy? Manhattan does not get a dime in agricultural subsidies.

Mr. Chairman, it would be ridiculous to say that. We do not have agriculture in Manhattan. We give the subsidies and the aid where the industry we are aiding or subsidizing is. And if agriculture is in Indiana and Illinois and wherever, that is where the money should go. And if the arts and arts institutions are headquartered in New York or L.A. or wherever, that is where more of the money should go, especially if they spread their benefits all through the breadth of this land as they do.

Mr. Chairman, it has been said the Framers never intended subsidy of the arts. The Framers never intended Social Security or Medicare either. The Framers never intended a lot of things that most people in this country support. We advance. Times change. The people of this country decide through their representative institutions what the Federal Government should be doing. It is not simply limited to what an 18th century people thought it should be doing at that time.

Mr. STEARNS. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Florida.

Mr. STEARNS. Mr. Chairman, I would ask the gentleman from New York if he thinks the Federal Government should discriminate based on who they give their artwork to?

The CHAIRMAN. The time of the gentleman from New York (Mr. NADLER) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. NADLER was allowed to proceed for 1 additional minute.)

Mr. NADLER. Mr. Chairman, I did not understand the question.

Mr. STEARNS. Mr. Chairman, if the gentleman would continue to yield, in his speech here he has indicated that the government should have the right to decide what cities it is going to put the art in, which indicates they are deciding, which means they are discriminating against people who are not getting the art. So would the gentleman allow the Federal Government to discriminate?

Mr. NADLER. Mr. Chairman, reclaiming my time, I do believe that in any grant program we have provisions to make sure that it is broadly spread and should not all go to a few places. But, obviously, it cannot be exactly evenly spread.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, as the gentleman well knows, we have a panel system and all the people send in their applications and a group of distinguished panelists review those applications and pick those of the highest quality. That is about the best way to do it.

Mr. NADLER. Mr. Chairman, reclaiming my time, I would simply add we do it the same way in medical research. Maryland gets a disproportionate share of our medical research dollars because the National Institutes of Health is there. Is that unfair? No, it is simply the way the world operates. We have a good research institution. We subsidize research. We have wheat fields. We subsidize wheat. And we have arts institutions, and we subsidize art.

Ms. MCCARTHY of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong opposition to the amendment offered by the gentleman from Florida (Mr. STEARNS) to reduce funding for the National Endowment for the Arts. NEA has not had a funding increase since 1992 when their budget was almost $176 million. In fact, in the 104th Congress when I arrived, efforts were made to eliminate the NEA. The funding level in this bill, $98 million, is inadequate; and another cut of $2 million is unacceptable.

Mr. Chairman, as I said in my remarks during general debate yesterday, we need additional funds to support grants for arts education which we know is key to reducing youth violence and enhancing youth development. If we are serious about curtailing youth violence, cutting funds to an agency that is getting positive results with its youth arts project is counterproductive.

Three years ago, the NEA and the U.S. Department of Justice took the lead in jointly funding this national project so that local arts agencies and cultural institutions across the Nation would be able to design smarter arts programs to reach at-risk youth in their local communities.

One of the primary goals of this project is to ascertain the measurable outcomes of preventing youth violence, preventing them from getting involved in delinquent behavior by engaging them in community-based arts programs. This program has had a dramatic impact across the Nation, and we must preserve adequate funding for NEA to continue it and to expand it.

We should also be requesting additional funds to expand NEA's summer seminar sessions to provide professional development opportunities to our Nation's teachers who are on the front lines in our efforts to reach out to our children. Mr. Chairman, arts education programs extend back to the Greeks who taught math with music centuries ago. And current studies reaffirm that when music such as jazz is introduced by math teachers into the classrooms, those half notes and quarter notes become real live examples for students to use to learn.

In my district, NEA is currently funding the 1999 Ailey Camp of the Kansas City Friends of Alvin Ailey, which is a national dance troupe. This 6-week dance camp has a 10-year history and has provided opportunities for more than 1,000 children. This camp provides a vehicle, through art, for children to grow and enjoy the experience of success. Beyond the dancing, they also have creative writing, personal development, antiviolence and drug abuse programs.

The Second Company of the Alvin Ailey dance troupe will be doing outreach this fall to children who will ultimately perform in the Gem Theater in Kansas City. The statistics confirm the success of this program on behavior and learning of these at-risk children.

Mr. Chairman, I urge my colleagues to reject the Stearns amendment and send a message that art and music in the classroom increase academic achievement and decrease delinquent behavior and that it is a critical component in reducing youth violence.

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Stearns amendment and in support of the Slaughter-Horn amendment to add $10 million to the National Endowment for the Arts and $10 million for the National Endowment for the Humanities.

Mr. Chairman, these are small sums of money in actuality, but the reality is that the arts and humanities are such important components of American life that in ways that oftentimes it is difficult to see they perform invaluable services, bringing people together who otherwise would never interact with each other, giving people an opportunity to share history and culture, bringing people from different sectors of communities and walks of life into the same setting.

I could imagine what it would be like without the arts and humanities bridging some of the gaps that exist in our society. I know very minor sounding programs like Imagine Chicago, which brings people from all over the city into groups, are programs that are so simple but yet so complex, yet so effective and yet so cost-conscious.

I would urge us to recognize the tremendous value of the arts and humanities, recognize the value of a Peace Museum, the value of just a little bit going a long way. I urge support for the Slaughter-Horn amendment and urge that we reject the Stearns amendment to cut funding for these invaluable programs.

Ms. SCHAKOWSKY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I stand here as the follower to Representative Sidney Yates who was our Nation's most articulate, passionate, and outspoken advocate for the arts and humanities. He was in this body for nearly half a century and never gave up on the fight to protect the arts.

As his successor I feel a particular obligation to stand here today in opposition to an amendment that would reduce what I think is a too-small budget of the National Endowment for the Arts by $2 million, an amount that may mean little in other agencies and other aspects of government but means so such to the National Endowment for the Arts.

I hope that my colleagues will honor Sidney Yates's long tradition of advocacy by voting against this amendment and in support of the amendment offered by the gentlewoman from New York (Ms. SLAUGHTER) which promotes a larger role for the arts and humanities in our community.

Budgets are about priorities, and if any of us were to talk to ordinary people in our districts and ask them what was important in their life they would begin to talk about things that they may not classify so much as the arts but really are.

In Chicago, particularly in the summer, it is just pulsing with different kinds of events and festivals that allow us to celebrate our diversity together in song and in dance and in cultural performances. This is all art. And in fact, in our city, more people are engaged in arts and cultural events and more money is generated by those than all of our sports franchises put together, and that includes even the days when Michael Jordan was playing for the Chicago Bulls.

When we look at what the gentlewoman's amendment would do by adding $10 million to the NEA and $10 million to the NEH, who can say that these are not valuable and important things that we as a Nation should be spending money on? For example, the NEA would use its money for a program called Challenge America; and that new funding would help improve arts education. Educators now understand that the key to learning for many children, particularly at-risk children, is through the arts, through music, through performance, through dance, through the visual arts. That is how we can reach so many of our children that cannot learn any other way.

It helps increase access to the arts for all communities, not just a select few. We are talking about an estimated 1,000 communities nationwide that would receive small- to medium-sized art project grants. It would fund cultural and heritage preservation, establish community arts partnerships.

In my State, the Illinois Arts Council has proposed an initiative that could be financed through Challenge America. They could collaborate with arts and education organizations to develop programs that encourage parents to attend and discuss arts events with their children, Parents and Children Together. That is what we have all been talking about as a solution for learning problems and for violence and for the culture of violence.

The program would include event-specific material to assist parents and children in sharing their arts experiences. They would also include ticket subsidies to assist parents. The initiative would specifically target generations of parents who receive little or no arts education themselves in the schools.

And the NEH's additional money would fund Teaching with Technology programs. One part of the program has already begun to research and highlight the best humanities sites on the web.

Right now in my community someone who learned about hate through the web killed a person and shot six Jews on their way to synagogue.

□ 1500

What we need to do is to be encouraging our children how to seek out Web sites that provide them with positive inspiration. That is what this money would do. It would fund schools, with the consortia of community organizations, local colleges, parents, or businesses to design and implement professional development activities for teachers throughout the school around a given humanities team.

Using technology will also be a focal point. Some examples of the program being developed include the Navaho Heritage and Culture, Steinbeck's California, the Immigrant Experience, and Shakespeare. This is where we should be directing kids on the Web, and that is what this money is about.

How can we even think about cutting programs that are going to be doing so much for all of us? I urge a no vote on this amendment and a "yes" vote on the amendment of the gentlewoman from New York (Ms. SLAUGHTER).

Mr. RILEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to enter into a brief colloquy with the gentleman from Ohio (Mr. REGULA), the chairman of the Subcommittee on Interior.

Mr. Chairman, as the gentleman from Ohio (Mr. REGULA) knows, I planned to offer an amendment today to the Interior appropriations bill that would have allocated funding and directed the United States Geological Survey to install and continue to operate new water gauges on the Alabama, Coosa, Tallapoosa, and Apalachicola, Chattahoochee, Flint River Basins. This is an issue of high priority for me and the people impacted by the water allocation on the ACT and ACF River Basins.

In 1997, Congress enacted the Water Compacts between Alabama, Georgia, and Florida. Currently, we are in the process of negotiating water allocation formulas for the ACT and the ACF River Basins. The States only have until the end of the year to reach an agreement and obtain the Federal Government's concurrence to the allocation formulas.

It is my strong belief that, in order to ensure both water quantity and quality compliance for the allocation formulas entered into by the States, those gauges must be installed and made operational as soon as possible.

I would appreciate the commitment of the gentleman from Ohio (Mr. REGULA) to work with me to ensure the funding of these water gauges and that it is made a top priority.

Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I thank the gentleman from Alabama for yielding to me.

I want to commend the gentleman for his efforts and note that the committee is equally committed to ensuring that additional and much-needed water monitoring gauges are installed on the ACT and the ACF River Basins.

I also want to thank the gentleman from Alabama for his leadership on this issue and assure him that I will continue to work with him to address the need for the installation and continuous operation of the water gauges.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to inform our colleagues who are watching in their offices that, after we have completed the next Stearns amendment, we will have two votes. One will be on the amendment from the gentlewoman from New York (Ms. SLAUGHTER) raising the amount of funding for the arts and the humanities, and then a vote on the amendment by the gentleman from Florida (Mr. STEARNS) cutting the arts and humanities.

I would say to my colleagues I will vote no on both of those. I say that because I think we have a balance that we have achieved here. Our bill is slightly under last year's number overall, and yet we kept both the arts and the humanities at last year's level. I think it recognizes a balance that we hope would be acceptable to all the Members. Therefore, I urge Members to vote no on both of the amendments.

I am particularly concerned that the amendment to raise the arts and humanities by $10 million each would come out of SPR. We have already taken $13 million out of SPR. I believe that would be a mistake in terms of our energy security.

I would say to the supporters that the opponents did not raise the point of order, which they would be entitled to do without a waiver, and they are giving us an opportunity to add to or take away. But in the final analysis, I would urge the Members to vote no on both.

I would also say that both Mr. Ivey and Mr. Ferris have made a real effort to reach out. We had the issue of congressional districts not getting any programs. Part of the reason is they do not apply. I would hope that in their newsletters, and however else, the Members would say to the small schools, the small communities around this Nation, that they should apply for these programs. I know Mr. Ferris at the National Endowment for Humanities and Mr. Ivey at the National Endowment for the Arts would like to spread the programs across a broader spectrum.

The language that is in the bill urges this result that we put in a couple of years ago. So here is an opportunity for Members to provide assistance to their constituents by letting them know that these grants are available.

Again, I appreciate the very good way we have handled this. I have been here when it has not been quite as easy or as amicable in terms of the debate. I think parties on both sides of this issue have been very positive in the way they have presented their cases. But I do hope we can maintain the amount in the committee. I think it is a fair resolution of these programs.

Ms. SLAUGHTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to echo what the gentleman from Ohio (Chairman REGULA) said. This has been an enormously wonderful debate this afternoon, but it would not be complete without the gentleman from Florida (Mr. STEARNS) and I having our little do over the NEA. Despite that, I consider him a friend.

I point out with the gentleman from Florida (Mr. STEARNS) he has NEA in three projects in his district. I would like to tell the gentleman from Pennsylvania (Mr. PETERSON), who spoke previously, that he got no NEA money, if the gentleman from Pennsylvania (Mr. PETERSON) would pay attention a moment, that he got money at St. Marys, Russellton, Franklin, Lewisburg, Lock Haven and Philipsburg, again, and State College. The State College band was in the national finalist competition with NEA money.

This NEA money, Mr. Chairman, is exclusive of what their State gets. So many Members simply do not know, Mr. Chairman, whether or not they get the NEA money or not.

One of the things that the gentleman from Florida (Mr. STEARNS) had said was that this money goes out of here like little minnows skittering around. That is what I like best about it. If we get the $10 million, if we are lucky enough to add that to both of these agencies this afternoon, more money will be going skittering into places that have not had that advantage before.

The best part about it is it leverages local money and makes it possible for people to see and do and be exposed to things that they might never have seen before.

Once again, we have used these two agencies as whipping boys for the past 5 years, taking out some kind of anger on them that was totally unjustified for the kind of work that they do. I hope that all of my colleagues in their offices now will recognize that the National Endowment for the Arts is important to us.

There has to be a reason why the Conference of Mayors, why the National League of Cities, why the Governors Association, why the State legislatures, all 50 of them, why all of them say that, at every level of government, Federal, State, and local, we must increase the money that we are putting in the arts.

We get nothing bad from good. In addition to the good that we get back, $3.5 billion to the Treasury is not bad.

Mr. Chairman, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I want to say to all of our colleagues who are back in their offices watching us on television that the first vote is going to be on the Slaughter-Horn amendment, and I very strongly urge them to support that.

The second vote would be on the Stearns amendment, and I urge them to oppose that.

I want to commend the gentlewoman from New York (Ms. SLAUGHTER) for her leadership of the Arts Caucus and her tremendous advocacy for the arts. I hope today we can turn around a tradition here that has been anti-art for several years and show the people of this country that Congress supports the National Endowment for the Arts and Humanities.

Ms. SLAUGHTER. Let me close, Mr. Chairman, with just saying that the Founding Fathers, whatever they felt about art, we are certainly blessed they gave us a work of art to work in. Again, I urge a "yes" vote on the Slaughter amendment and a "no" vote on the Stearns amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. STEARNS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. STEARNS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Florida (Mr. STEARNS) will be postponed.

AMENDMENT NO. 18 OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. STEARNS:

Page 87, line 25, insert the following before the period:

, except that 95 percent of such amount shall be allocated among the States on the basis of population for grants under section 5(g) notwithstanding sections 5(g)(3) and 11(a)(1)(A)(ii) of the Act

Mr. REGULA. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

Mr. DICKS. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Washington reserves a point of order.

Mr. STEARNS. Mr. Chairman, I appreciate the gentleman from Ohio (Mr. REGULA) reserving a point of order so that I could at least have an opportunity to present my amendment to my colleagues.

This amendment is an enlightening new idea for us in this debate dealing with the NEA. I think my amendment would take a questionable, controversial program and place it in the hands of the States.

The gentlewoman from New York (Ms. SLAUGHTER) indicated that the

States are providing money, and somehow this dribbles on down to congressional districts. My amendment would simply say that 95 percent of the funding of the NEA would go directly to the States. We just block grant it, bingo, it would all go to the States. That way, we would ensure that the State of Florida, the State of Ohio, the State of California, the State of Wyoming, and all the States in the union would get funding proportional to the population of their State. So we would not have a Federal bureaucracy deciding where this money is going to go.

As I mentioned earlier, 166 districts, including mine, never see this NEA funding. These are not my statistics. This information came from the Education and Labor Committee.

I also point out to my colleagues, one in every three direct NEA dollars went to just six cities, only six cities: New York City, Baltimore, Boston, Minneapolis, Saint Paul, the District of Columbia, and of course San Francisco.

That is nearly over $30 million of this roughly $99 million that is only going to six cities. It is not going to Ocala, Florida, Leesburg, Jacksonville, Paluka, and some of the cities in any district.

In 1996, the number one recipient of NEA funding was the Metropolitan Opera of New York. The NEA is a government subsidy for many cultural elite groups. I suggest and I hope my colleagues will, maybe perhaps not this time, but at a later time, help me with this idea of block granting 95 percent of the funding of NEA to the States. We will leave about 5 percent up here just to have the U.S. government able to have an opportunity to direct the money to the States.

In this way, the States would have freedom to distribute this money throughout their State, and we would not see this large amount of money going to six major cities.

I also want to bring up something just lightly here, and I think we have talked about this before. There was an audit of the NEA. These audits occurred from 1991 to 1996 by the inspector general of the NEA. These are statistics that were provided during the hearing of the NEA at the Subcommittee on Education, and Labor.

During this audit, they audited 79 percent of the projects, in 63 percent of the cases, the books did not even add up; 53 percent of the grant recipients failed to seek help from outside auditors; and 21 percent of the grants had absolutely, absolutely no accounting whatsoever. Those are not my figures. Those basically came from the inspector general at the NEA.

Again, these figures would show that we have a Federal bureaucracy that does not have a good accounting on their own programs. So why do we not just block grant this whole program to the States?

As a side note in 1951, a poll of the American Symphony League found that 91 percent of the members disapproved of Federal subsidies.

As was pointed out, we both agree, it was not until the 1970s that this whole NEA agency came into being. So I suggest to my colleagues, did we not have good art before the 1960s in fact for 200 years of history of this Republic we had great artistic works.

I am not going to give graphic examples from the NEA, which we would all disapprove of, that are antithetical to our cultural values, to the tradition of this country. We have had that debate.

But I would suggest that the amendment that I have, by block granting, actually increases to the States more money for the arts program than the present situation. So if my colleagues supported my amendment, they would be actually supporting more money for the States.

In fact, this amendment would increase by approximately 55 percent the money given to the States. We should not have the District of Columbia receiving enormous amounts of money relative to some of the other cities and States. The awards should all be proportional in terms of population.

So I suggest to my colleagues that the debate on this amendment is for another day. Obviously, my colleagues have been kind enough to reserve a point of order so I can make my point, and I will not belabor the point out of courtesy to them.

□ 1515

I suggest somewhere down the line that this body should block grant 95% of the NEA funds because more money will go to the States. It is a fairer way to do it and, in the end, it eliminates the Federal bureaucracy.

The CHAIRMAN. Does the gentleman from Ohio (Mr. REGULA) insist on his point of order?

Mr. REGULA. Yes, Mr. Chairman.

Mr. STEARNS. Mr. Chairman, I ask unanimous consent that the amendment be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman's amendment is withdrawn.

The Clerk will read.

The Clerk read as follows:

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $14,500,000, to remain available until expended, to the National Endowment for the Arts: *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $96,800,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $13,900,000, to remain available until expended, of which $9,900,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES:

GRANTS AND ADMINISTRATION

For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, $24,400,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: *Provided further*, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $935,000: *Provided*, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $7,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $3,000,000: *Provided*, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40

U.S.C. 71-711), including services as authorized by 5 U.S.C. 3109, $6,312,000: *Provided*, That hereafter all appointed members of the Commission will be compensated at the daily equivalent of the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day such member is engaged in the actual performance of duties.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388 (36 U.S.C. 1401), as amended, $33,286,000, of which $1,575,000 for the museum's repair and rehabilitation program and $1,264,000 for the museum's exhibitions program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, $24,400,000 shall be available to the Presidio Trust, to remain available until expended, of which up to $1,040,000 may be for the cost of guaranteed loans, as authorized by section 104(d) of the Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $200,000,000. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed $20,000,000.

TITLE III—GENERAL PROVISIONS

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 243, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 16 offered by the gentlewoman from New York (Ms. SLAUGHTER), and amendment No. 17 offered by the gentleman from Florida (Mr. STEARNS).

The Chair will reduce to 5 minutes the time for the second electronic vote in this series.

AMENDMENT NO. 16 OFFERED BY MS. SLAUGHTER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 16 offered by the gentlewoman from New York (Ms. SLAUGHTER) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 207, noes 217, not voting 10, as follows:

[Roll No. 286]

AYES—207

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Cook
Costello
Coyne
Crowley
Cummings
Danner
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gejdenson
Gephardt
Gilman
Greenwood
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHugh
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Porter
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu

NOES—217

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Condit
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Emerson
English
Everett
Ewing
Fletcher
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
King (NY)
Kingston
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin
Brown (CA)
Davis (FL)
Ehrlich
Kasich
McDermott
McNulty
Rivers
Thurman
Wynn

□ 1540

Mr. GILCHREST and Mr. LEWIS of California changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 243, the Chair announces that he will reduce to a minimum of 5 minutes the period within which a vote by electronic device will be taken on the additional amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 17 OFFERED BY MR. STEARNS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 17 offered by the gentleman from Florida (Mr. STEARNS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 124, noes 300, not voting 10, as follows:

[Roll No. 287]

AYES—124

Aderholt
Armey
Bachus
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Boehner
Brady (TX)
Bryant
Burton
Buyer
Callahan
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Condit
Cooksey
Cox
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Dickey
Doolittle
Dreier
Duncan
Dunn
Emerson
Everett
Fletcher
Fossella
Gibbons
Goodlatte
Goodling
Graham
Green (WI)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hostettler
Hulshof
Hyde
Istook
Jenkins
Johnson, Sam
Jones (NC)
King (NY)
Kingston
Largent
Latham
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
McInnis
McIntosh
Metcalf
Miller, Gary
Myrick
Nethercutt
Ney
Norwood
Nussle
Packard
Paul
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Riley
Rogan
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Schaffer
Sensenbrenner
Sessions
Shadegg
Shows
Skelton
Smith (NJ)
Smith (TX)
Stearns
Stump
Sununu
Talent
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Tiahrt
Toomey
Vitter
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
Wicker
Wolf

NOES—300

Abercrombie
Ackerman
Allen
Andrews
Archer
Baird
Baker
Baldacci
Ballenger
Barcia
Barrett (WI)
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Burr
Calvert
Camp
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Cook
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Ehlers
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Gordon
Goss
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hunter
Hutchinson
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Northup
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sisisky
Skeen
Slaughter
Smith (MI)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Tauzin
Thomas
Thompson (CA)
Thompson (MS)
Thune
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walden
Walsh
Waters
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Weygand
Whitfield
Wilson
Wise
Woolsey
Wu
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin
Brown (CA)
Ehrlich
Granger
Kasich
McDermott
McNulty
Rivers
Thurman
Wynn

☐ 1551

Mr. DEUTSCH changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. GRANGER. Mr. Chairman, on rollcall No. 287, I pushed the "no" button but it did not register. I would have voted "no."

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment made in order by the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment printed in House Report 106-228 offered by Mr. YOUNG of Florida:

On page 6, line 13, strike "$20,000,000" and insert in lieu thereof "$15,000,000".

On page 68, line 20, strike "$190,000,000" and insert in lieu thereof "$256,000,000".

And at the end of the bill insert the following:

"Sec. . Each amount of budget authority for the fiscal year ending September 30, 2000, provided in this Act for payments not required by law, is hereby reduced by 0.48 percent: *Provided*, That such reductions shall be applied ratably to each account, program, activity, and project provided for in this Act."

Mr. YOUNG of Florida. Mr. Chairman, before I begin on the amendment, I want to say a strong congratulations to the chairman of the subcommittee, the gentleman from Ohio (Mr. REGULA) and the ranking member on the subcommittee, the gentleman from Washington (Mr. DICKS), and all of the members of the subcommittee and the staff for having produced an outstanding appropriations bill, especially outstanding considering all of the budgetary restraints and all of the changes that had to be put in place during the consideration of the bill in the markups. They have done an outstanding job as usual. I would hope that all Members would be supportive of this bill.

The amendment that I offer is the manager's amendment that most of us have been accustomed to so far on appropriations bills this year. The amendment has three parts:

First, the amendment decreases land acquisition in the Bureau of Land Management by $5 million. This will eliminate the acquisition at the Upper Missouri National Wild and Scenic River in Montana. It is our understanding and the committee understands that there is local opposition to the acquisition at this time. We believe this amendment is compatible with the wishes of the people of that region.

Second, the amendment increases the deferral of clean coal funding in the Department of Energy by $66 million, for a total clean coal deferral of $256 million. This, Mr. Chairman, conforms to the administration's budget request which proposed a $256 million deferral of clean coal funding.

Third, Mr. Chairman, in order to get to the number, the bottom line, that we have all been determined to arrive at on this bill, maybe I should not say all of us but some of us, the amendment provides for something that I really am uncomfortable with but I am not sure of any other way to get where we have to be, and, that is, a 0.48 percent across-the-board reduction to domestic discretionary programs in this bill. The result of this will be a reduction of approximately $69 million, which will be assessed on a pro-rata basis against each account and each individual project in the bill.

In total, the amendment will reduce the bill by approximately $140 million. In combination with the amendments that have already been adopted thus far, this amendment will result in a final total for the bill which is approximately $100 million below the freeze level as identified by the Congressional Budget Office for domestic discretionary programs in this bill.

In a year of very tight budget restraints with the 1997 budget agreement that placed our budget cap at $17 billion below last year's spending, there are things that we might have to do that we do not like to do in order to get where we have to be. This amendment is part of that process.

And so I offer this amendment, Mr. Chairman, for the Members of this House to work their will to determine if they want to bring this bill down below the freeze level which is where we would ask them to come.

Mr. Chairman, I ask for support of the amendment.

Mr. DICKS. Mr. Chairman, I rise in opposition to the amendment.

Mr. DICKS. Mr. Chairman, it sounds nice, just 0.48 percent across the board. But let me just give my colleagues an idea of some of the things that this does to our bill.

If the across-the-board reduction is taken from the uncontrollable cost increase requested in the President's budget, there is a 24 percent reduction. The budget request was $139 million. This would eliminate a significant amount of funding needed for mandatory pay and benefit increases and other uncontrollable costs which will otherwise be funded by reductions in program levels.

Funding will be below the 1999 enacted level for the Solicitor and the Office of the Secretary, impacting the ability of the Solicitor to support programs including habitat conservation plan implementation, trust management improvement.

□ 1600

Funding available to the Office of Insular Affairs will be reduced by $226,000 impacting the capability of the Department to support its responsibilities in four U.S. territories and three affiliated autonomous nations. Funding for the Office of the Special Trustee will be reduced by almost $.5 million, slowing efforts in trust management reform. Funding increases for BIA elementary and secondary school operation provided by the House are cut by almost one half. The across-the-board reduction to school operations is $2.4 million. This reduces the $5 million increase provided by the House for school operations despite anticipated increases in enrollment and needed improvements to education programs. This reduces tribal priority allocations by $3.6 million. This reduces the increase provided by the House by over one-half. The House provided an increase of $5 million over 1999 enacted levels to fund basic necessities in programs critical to improving the quality of life and economic potential on reservations.

Park operations. The chairman of the committee has made a major effort to add $99 million to improve park operations. This amendment will reduce that by $7 million, eliminating $7 million of the $99.4 million increase provided in the House mark. This will reduce the capability of the parks to handle increased visitation and cultural and natural resource conservation needs.

Seven million would fund the annual operation costs for the Big Cypress National Preserve and the Biscayne National Park in Florida. This reduces funding for the National Wildlife Refuge by $1.3 million. This reduces the amount the House provided for refuge operation below the President's budget request and eliminates 7 percent of the $18.1 million increase provided by the House for refuge operations.

Endangered species funding will be reduced by half a million dollars below the House level. This increases the cut the House made to the President's budget request for candidate conservation listing consultation and recovery activities to $10.5 million.

Mr. Chairman, I will put the rest of these in, but I think one here is very important. Funding for abandoned mine land reclamation will be reduced by $1.3 million. This is a 12 percent reduction to the $11 million provided by the House to increase environmental restoration of abandoned mine lands.

Efforts by the Minerals Management Service in royalty reengineering will be slowed as a result of the $.5 million reduction, and I am particularly disturbed by this cut in the Upper Missouri National Wildlife and Scenic River. The Upper Missouri River retains the historical character of the Lewis and Clark expedition of 1805 and 1806 and offers a diversity of natural and cultural resources including timber and fish species habitat and riparian and recreational resources.

It supports a wide variety of wildlife: raptors, songbirds and waterfowl, sports fish and the endangered pallid sturgeon, a wide variety of predators and prey and big-game animals. The acquisition includes several historic sites as well as large inholdings of the Judith River, one of the last free-flowing rivers along the Missouri and a fully functioning riparian ecosystem.

There are a lot of people who have been supporting this: Pheasants Forever, the Conservation Fund, the River Network and the Trust for Public Lands, and the most important thing is this is done by a voluntary seller and is very, very unusual for us to on the floor of the House overrule a decision of the committee on a subject of this importance.

And then of course the whole idea here is that somehow by making this across-the-board cut that we will comply with the budget caps of 1997 and that somehow this will move us down the road to enacting all 13 appropriations bills and under these caps.

And I would just say with all due respect that this cut is so infinitesimal, so small, that it will have very little, if anything, to do with dealing with the size of the budget gap that exists when we look at the important bills on HUD, VA, Health and Human Services and State, Justice, and Commerce which are coming down the road.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 1 additional minute.)

Mr. DICKS. Mr. Chairman, I would like to indulge the chairman, who is my friend and who I admire and was a former chairman of the Subcommittee on Defense, one of the finest Members of this body. I know he did not want to do this, but he had to do it, and he is doing his duty.

Mr. Chairman, I yield to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding, and I would just like to ask the gentleman a question.

If this cut is so small and so infinitesimal, how does it do so much damage as the gentleman spelled out in the earlier part of his comments?

Mr. DICKS. It is small and infinitesimal in terms of solving the overall problem. That is why it is kind of like, as my colleagues know, in the sea; and I would just say to the gentleman that it does hurt a number of specific programs, and it overturns the committee's work. But it does not help solve the big problem. It is just a very small step, and I think the gentleman from Wisconsin (Mr. OBEY) is going to give further explanation to the committee about that fact.

Mr. YOUNG of Florida. Mr. Chairman, if the gentleman would yield further, I want to say to the gentleman that he and I have worked together for so many years on the Subcommittee on Defense, as he has so ably pointed out. The gentleman from Washington is one of the most outstanding Members of this House, and he is totally dedicated to the principle of a strong national defense, totally honest, while sometimes a little abrasive, but totally honest and sincere; and I look forward to continuing our great relationship.

Mr. DICKS. Mr. Chairman, I appreciate that, and the chairman and I also appreciate the gentleman's kind remarks about our work on this bill. I just wish that we could have left our work alone.

UPPER MISSOURI NATIONAL WILD AND SCENIC RIVER

The upper Missouri River retains the historical character of the Lewis and Clark expedition of 1805–1806 and offers a diversity of natural and cultural resources, including T&E species habitat and riparian and recreational resources. It supports a wide variety of wildlife: raptors, songbirds and waterfowl; sports fish and the endangered pallid sturgeon; a wide variety of predators and prey; and big game animals. The acquisitions include several historic sites, as well as a large inholding of the Judith River, one of the last free-flowing rivers along the Missouri and a fully functioning riparian ecosystem.

BUREAU OF LAND MANAGEMENT—NARRATIVE

Upper Missouri National Wild and Scenic River

	Montana (to date)	Chauteau and Fergus Counties		Congressional District	
		FY 2000	Acquisition total	Estimated out year costs/yr (development, O&M, etc.)	Total (over 10 yrs)
Cost	$2,694,000	$5,000,000	$15,000,000	$80,000	$15,800,000
Acres	6,096	12,848	32,850	N/A	32,850

Location: Central Montana, on the Missouri River, 65 miles northeast of Great Falls.

Purpose: Inholding acquisitions within the Upper Missouri National Wild and Scenic River (UMNWSR) corridor, offers T&E species habitat, opportunities for historic interpretation and a variety of recreational opportunities.

Acquisition Opportunities: Five historic ranches within the UMNWSR corridor threatened with conversion from agricultural use to rural residential subdivision.

Other Cooperators: Pheasants Forever, The Conservation Fund, The River Network, and the Trust for Public Land.

Project Description: The major means of transportation for Lewis and Clark's Corps of Discovery, the Wild and Scenic portion of the Missouri River remains largely unchanged since their time, with the exception of some abandoned homesteads and working ranches along its banks. With the enormous popularity of Stephen Ambrose's book "Undaunted Courage", interest in the explorations of the Lewis and Clark Expedition is at an all time high.

The 149 miles of free-flowing UMNWSR offer a diversity of resources: T&E species habitat; scenic, ecological, historical, cultural, riparian and recreational resources, as well as key access points. It supports a wide variety of wildlife: birds, including raptors, songbirds and waterfowl; fish, including sports fish and the endangered pallid sturgeon; mammals, from predators to prey. These acquisitions would support both BLM's Recreation and Fish & Wildlife 2000 initiatives.

These acquisitions contain the last seven miles of the Judith River, as well as it's confluence with the Missouri, allowing the Judith River to become eligible for Wild and Scenic River status. One of the last free-flowing rivers on the Great Plains, the Judith contains a fully functioning riparian ecosystem described by the Montana Riparian Association as a "gem". A subsequent land exchange with the Montana Department of Natural Resources and Conservation would remove all state-owned land within the UMNWSR corridor in exchange for agricultural wheat fields. These acquisitions would acquire historic sites such as the ruins of Camp Cooke, Montana's first military post, Fort Clagett, the original townsite of Judith Landing (with several intact original buildings) and the PN Ranch Headquarters. These sites are extremely important to Native Americans as many village sites, buffalo jumps and burial grounds are found here. A Lewis and Clark campsite and the 1851 Stevens Treaty Site, which was attended by every major tribe in the northern Great Plains, lie across the river. These acquisitions would also bring the Fortress Rock landmark under public ownership, would provide additional bighorn sheep, elk and mule deer habitat in the White Cliffs portion of the river corridor and eliminate threats of resource development within the UMNWSR landscape.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there are some actions in this House that should be taken seriously, and there are others that should not, and with all due respect to my good friend from Florida this is one of those actions that should not be taken seriously.

Mr. Chairman, the leadership of this House has two choices in trying to run the House this year, especially when it comes to finishing our appropriations bills. The first choice is to try to pass our legislation with a great bipartisan coalition of the middle, with the majority of members of both parties finding nonpartisan or bipartisan solutions to our budget problems. That is the choice I profoundly would prefer.

But the leadership seems to have chosen a different path. They have decided that because they have a hardcore of right-wing Members in their caucus who are largely term limited, who detest government and who want to have one last swing before they walk out the door, and evidently the Republican party leadership in the House has decided that to satisfy that group they need a budget strategy and an appropriation strategy which will pass all of these bills only on the Republican side of the aisle, or at least with 90 percent of their votes and 10 percent of ours.

That is too bad because that polarizes the House, and it also causes a lot of what I call political as opposed to substantive actions, and this amendment is a perfect example; and it is the fifth time that this has happened.

If my colleagues take a look at the history of appropriation bills so far this year, what do they see? They see that my good friend, the gentleman from Florida (Mr. YOUNG), produced on the Republican side of the aisle earlier in the year a decision in the committee to go forward on a bipartisan basis. And he produced a supplemental appropriation bill which had great bipartisan support. And then instructions came from on high from their leadership in his party that the bill had to be changed. And so that bill was changed. It was made into a much more partisan document; they walked away from the bipartisan agreement we had. That was Episode One.

Then on the agriculture appropriation bill, again the same thing. Because of the demands from that small cadre of Members, a bipartisan bill was turned into a partisan slugfest because the majority party unilaterally decided to change that bill. The same was true on the legislative appropriations bill; the same thing happened on Treasury Post Office; and now we have it happening on the Interior bill today.

What is this all about? What it is about is simply this: the allocations that the majority party has provided to the committee to pass our bills this year are about $35 to $40 billion short to where they need to be if we are to have passable bills in the end which are signed by the President. So we have a $40 billion gap. We have got to find some way to close that $40 billion gap between the budget caps and the amount of demand that we have for appropriations.

So what we have here is a series of amendments on the cheap. They give the impression of trying to reach the $40 billion goal when, in fact, they are simply token mini-cuts, and if we take them altogether out of a total $40 billion gap, including this amendment, we have less than $600 million to fill up the fund-raising cookie jar or the fund-raising thermometer, to put it in a different vernacular.

So I would simply say to that side of the aisle if they are satisfied with political tokenism, if it helps them to cover their "fizaga" to go ahead, but the fact is we all know this is not real when all they have done is saved enough money to fill this small amount of the gap between promise and performance.

They are not doing anything real. They are taking up the House's time, they are going through the motions, they are perhaps fooling some of the Members in their own caucus. I would say it is bad enough to fool the taxpayers; that should never happen. But an even more amazing thing is when they fool themselves.

So, go ahead, pass it; but they should not think that they fooled anybody on this side of the aisle.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

I appreciate very much the hard work through the years the gentleman from Wisconsin (Mr. OBEY) has done in terms of the appropriation process, but I would remind the gentleman that we are going to work hard towards that goal and that he voted for a motion to recommit not to spend $1 of Social Security money; and if in fact we do not save that money, what he is saying is that it is okay to spend the Social Security money.

And as my colleagues know, one of the things about Washington, and I want to give our chairman of our Committee on Appropriations his full due, they have worked hard. For the first time in a long time we will have passed five bills that are essentially at a hard freeze out of the House, and the appropriators have done that, and to accuse them of playing a game; it is not a game.

$150 million is not a game to anybody in this country, and if we can make it 700 million after this bill, and we can make it 2 billion after the next two or three bills, then we are well on our way of meeting and living up to the commitment that every Member of this body made to the seniors of this country and their children who are going to pay for Social Security.

So although his position may be that it is a facade and that we are trying to fool people, the fact is it is hard not to spend money in Washington. That has been proven by the last 50 years of the Congresses up here, and our appropriation leadership and our leadership has said we are going to try to do the best we can to keep the commitment to the American public.

□ 1615

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. DICKS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Florida (Mr. YOUNG) will be postponed.

The Clerk will read.

The Clerk read as follows:

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, expect where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that remainder of the bill through page 108, line 14 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the remainder of the bill through page 108, line 14 is as follows:

SEC. 302. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 303. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 304. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 305. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such Committees.

SEC. 306. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the "Buy American Act").

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide .to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

(d) The provisions of this section are applicable in fiscal year 2000 and thereafter.

SEC. 307. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 1999.

SEC. 308. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 309. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: *Provided*, That if no funds are provided for the AmeriCorps program by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.

SEC. 310. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.

SEC. 311. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) REPORT.—On September 30, 2000, the Secretary of the Interior shall file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the Department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104–208).

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 312. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103–138, 103–332, 104–134, 104–208, 105–83, and 105–277 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts, or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 1999 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.

Sec. 313. Notwithstanding any other provision of law, for fiscal year 2000 the Secretaries of Agriculture and the Interior are authorized to limit competition for watershed restoration project contracts as part of the "Jobs in the Woods" component of the President's Forest Plan for the Pacific Northwest to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, and northern California that have been affected by reduced timber harvesting on Federal lands.

Sec. 314. None of the funds collected under the Recreational Fee Demonstration program may be used to plan, design, or construct a visitor center or any other permanent structure without prior approval of the House and the Senate Committees on Appropriations if the estimated total cost of the facility exceeds $500,000.

Sec. 315. (a) None of the funds made available in this Act or any other Act providing appropriations for the Department of the Interior, the Forest Service or the Smithsonian Institution may be used to submit nominations for the designation of Biosphere Reserves pursuant to the Man and Biosphere program administered by the United Nations Educational, Scientific, and Cultural Organization.

(b) The provisions of this section shall be repealed upon enactment of subsequent legislation specifically authorizing United States participation in the Man and Biosphere program.

Sec. 316. None of the funds made available in this or any other Act for any fiscal year may be used to designate, or to post any sign designating, any portion of Canaveral National Seashore in Brevard County, Florida, as a clothing-optional area or as an area in which public nudity is permitted, if such designation would be contrary to county ordinance.

Sec. 317. Of the funds provided to the National Endowment for the Arts—

(1) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(2) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(3) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

Sec. 318. The National Endowment for the Arts and the National Endowment for the Humanities are authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate endowment for the purposes specified in each case.

Sec. 319. No part of any appropriation contained in this Act shall be expended or obligated to fund new revisions of national forest land management plans until new final or interim final rules for forest land management planning are published in the Federal Register. Those national forests which are currently in a revision process, having formally published a Notice of Intent to revise prior to October 1, 1997; those national forests having been court-ordered to revise; those national forests where plans reach the fifteen year legally mandated date to revise before or during calendar year 2000; national forests within the Interior Columbia Basin Ecosystem study area; and the White Mountain National Forest are exempt from this section and may use funds in this Act and proceed to complete the forest plan revision in accordance with current forest planning regulations.

Sec. 320. (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations.

(b) In this section:

(1) The term "underserved population" means a population of individuals who have historically been outside the purview of arts and humanities programs due to factors such as a high incidence of income below the poverty line or to geographic isolation.

(2) The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

(c) In providing services and awarding financial assistance under the National Foundation on the Arts and Humanities Act of 1965 with funds appropriated by this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that will encourage public knowledge, education, understanding, and appreciation of the arts.

(d) With funds appropriated by this Act to carry out section 5 of the National Foundation on the Arts and Humanities Act of 1965—

(1) the Chairperson shall establish a grant category for projects, productions, workshops, or programs that are of national impact or availability or are able to tour several States;

(2) the Chairperson shall not make grants exceeding 15 percent, in the aggregate, of such funds to any single State, excluding grants made under the authority of paragraph (1);

(3) the Chairperson shall report to the Congress annually and by State, on grants awarded by the Chairperson in each grant category under section 5 of such Act; and

(4) the Chairperson shall encourage the use of grants to improve and support community-based music performance and education.

Sec. 321. None of the funds in this Act may be used to support government-wide administrative functions unless such functions are justified in the budget process and funding is approved by the House and Senate Committees on Appropriations.

Sec. 322. Notwithstanding any other provision of law, none of the funds in this Act may be used for the National Telecommunications and Information Administration (Spectrum), GSA Telecommunication Centers, or the President's Council on Sustainable Development.

Sec. 323. None of the funds in this Act may be used for planning, design or construction of improvements to Pennsylvania Avenue in front of the White House without the advance approval of the House and Senate Committees on Appropriations.

Sec. 324. Amounts deposited during fiscal year 1999 in the roads and trails fund provided for in the fourteenth paragraph under the heading "FOREST SERVICE" of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or to carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The Secretary shall commence the projects during fiscal year 2000, but the projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.

Sec. 325. None of the funds made available in this Act may be used to establish a national wildlife refuge in the Kankakee River watershed in northwestern Indiana and northeastern Illinois.

Sec. 326. None of the funds provided in this or previous Appropriations Acts or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be transferred to or used to support the Council on Environmental Quality or other offices in the Executive Office of the President, or be expended for any headquarters or departmental office functions of the agencies, bureaus and departments covered by this Act, for purposes related to the American Heritage Rivers program.

Sec. 327. None of the funds in this Act may be used to operate telephone answering machines during core business hours except in emergency situations.

Sec. 328. (a) Enhancing Forest Service Administration of Rights-of-Way and Land Uses.—During fiscal year 2000 and each fiscal year thereafter, the Secretary of Agriculture shall deposit into a special account established in the Treasury all administrative fees collected by the Secretary pursuant to section 28(l) of the Mineral Leasing Act (30 U.S.C. 185(l)), section 504(g) of the Federal Land Policy and Management Act of 1976 (43

U.S.C. 1764(g)), and any other law that grants the Secretary the authority to authorize the use and occupancy of National Forest System lands, improvements, and resources, as described in section 251.53 of title 36, Code of Federal Regulations.

(b) USE OF RETAINED AMOUNTS.—Amounts deposited pursuant to subsection (a) shall be available, without further appropriation, for expenditure by the Secretary of Agriculture to cover costs incurred by the Forest Service for the processing of applications for special use authorizations and for inspection and monitoring activities undertaken in connection with such special use authorizations. Amounts in the special account shall remain available for such purposes until expended.

(c) REPORTING REQUIREMENT.—In the budget justification documents submitted by the Secretary of Agriculture in support of the President's budget for a fiscal year under section 1105 of title 31, United States Code, the Secretary shall include a description of the purposes for which amounts were expended from the special account during the preceding fiscal year, including the amounts expended for each purpose, and a description of the purposes for which amounts are proposed to be expended from the special account during the next fiscal year, including the amounts proposed to be expended for each purpose.

(d) EFFECTIVE DATE.—This section shall take effect October 1, 2000 and remain in effect through September 30, 2005.

SEC. 329. The Secretary of Agriculture and the Secretary of the Interior shall:

(1) prepare the report required of them by section 323(a) of the Fiscal Year 1998 Interior and Related Agencies Appropriations Act (Public Law 105–83; 111 Stat. 1543, 1596–7);

(2) distribute the report and make such report available for public comment for a minimum of 120 days; and

(3) include detailed responses to the public comment in any final environmental impact statement associated with the Interior Columbia Basin Ecosystem Management Project.

SEC. 330. Hereafter, and notwithstanding any other provision of law, a woman may breastfeed her child at any location in a building or on property that is part of the National Park System, the Smithsonian Institution, the John F. Kennedy Center for the Performing Arts, the United States Holocaust Memorial Museum, or the National Gallery of Art, if the woman and her child are otherwise permitted to be present at the location.

SEC. 331. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.

The CHAIRMAN. Are there amendments to the remainder of the bill?

AMENDMENT OFFERED BY MR. RAHALL

Mr. RAHALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAHALL:

On page 106, after line 14, insert the following new section:

"SEC. 332. None of the funds appropriated by this Act shall be used to process applications for approval of patents, plans or operations, or amendments to plans of operations in contravention of the opinion dated November 7, 1997, by the Solicitor of the Department of the Interior.".

Mr. RAHALL. Mr. Chairman, I offer this amendment on behalf of myself, the gentleman from Connecticut (Mr. SHAYS), and the gentleman from Washington (Mr. INSLEE).

Mr. Chairman, enough is enough. The greatest giveaway this Nation has ever experienced should end right now. Here today, on this floor of the House of Representatives, we should join in a resounding voice in saying that enough is enough.

The Mining Law of 1872, enacted with Ulysses S. Grant as the President of the United States while Union troops still occupied the South, and when the invention of the telephone and Custer's stand at the Little Bighorn were still 4 years away, that Mining Law of 1872 still stands. Did it serve to help settle the West, as it was intended? Yes, it sure did. Has it worked to produce valuable minerals for our economy? Indeed it has. But today, I submit, it stands as the Jurassic Park of all Federal laws.

Today, in this day and age, the Mining Law of 1872 still allows valuable minerals found on Western public lands to be mined for free: No royalty, no return to the American taxpayer. It is our names that are on the deed to these lands. Today, in this day and age, this law allows mining claimholders, for the most part multinational conglomerates, to actually obtain title to these public lands for as little as $2.50 an acre.

I know some of my colleagues may find this hard to believe, but it is true. I looked to see if the Mining Law of 1872 was listed in Ripley's Believe It or Not. It was not, but it should be.

Mr. Chairman, I would say to my colleagues that we have tried, we have tried long and hard to reform this law. The chairman of the subcommittee, the gentleman from Ohio (Mr. REGULA) has been one of our friends along this way in trying to make these reforms. We have tried to comport the law with the values of our modern society as they exist today. We will still continue to try in this endeavor.

But today we are seeking to address a single issue in this whole debate. That single issue is this: When one stakes a mining claim, the law says that one can obtain up to five acres of additional public lands, non-mineralized in character, for the purpose of dumping the mining waste. These lands are known as millsites. Indeed, the claimholder can also obtain a title to those lands for that $2.50 an acre price I spoke of earlier.

Not content with this arrangement, some in the hardrock mining industry are seeking to gobble up unlimited quantities of public lands in association with their mining claims for waste dumps. The amendment we are offering today simply says no, they cannot do this. The existing law's ratio of mining claims to millsites will stand.

The public domain is a public trust. There is an effort under foot to subvert that public trust. It is a land grab at the American taxpayers' expense, a pure land grab. Can they mine, can they mine ore under the existing arrangement? Of course they can. Will the industry continue to profit under the Mining Law of 1872? Certainly it will. But we are here to say that enough is enough.

Mr. Chairman, I urge the adoption of the amendment.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as the gentleman from West Virginia knows, he and I have seen eye to eye on a number of the proposed mining law changes, and recognize that this is a matter that should be addressed by this body and the other body.

My concern with this amendment is that we are letting one person in effect make law for the United States. I have always been of the opinion that the Constitution says that legislation should be passed by both houses and signed by the President. I think that is the proper way to do it. I do not believe that the Solicitor of the Department of the Interior should be given the privilege of making law, taking our responsibility. That to me would be a derogation of power that I think would be totally wrong.

I would point out that the BLM manual, and the BLM has been under the control of the Democrat party and the presidency as part of the executive branch, says, "A millsite cannot exceed 5 acres in size," which is what the attempt to do here is.

It also goes on to say, "There is no limit to the number of millsites that can be held by a single claimant." Further the United States Forest Service Manual provides, "The number of millsites that may be legally located is based specifically on the need for mining or milling purposes, irrespective of the types or numbers of mining claims involved."

These are policies. I think the public is entitled to conform with what is the policy of this Administration as set forth in the BLM manual and the United States Forest Service Manual.

I agree with the gentleman from West Virginia. There ought to be changes. We have joined in legislation in the past to do so. That is the proper way to do it, because these are policies that require a legislative solution and not a decision by the Solicitor that this should be the policy of the United States. That the Solicitor of the Department of the Interior should be making laws and not the Members of this Chamber and the other Chamber is not acceptable.

For these reasons, I oppose this amendment. I would hope that the gentleman from West Virginia would offer this as a legislative bill to be heard in the authorizing committees and achieve the changes. In some of those I would join him. But I just think it is the wrong policy to let one person in our government decide what the policies should be that are the responsibility of this legislative body.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, I appreciate the distinguished subcommittee chairman for yielding to me. The points he makes about the legislation, I would note, there was no point of order made against the amendment.

In addition, while the Bureau of Land Management manual may have erroneously stated as the gentleman has accurately described it stated, the law and the regulations I believe do have this 5-acre limit.

The statute, section 42, title 30, U.S. Code, imposes a limitation that no location for land for use as millsites shall exceed 5 acres in connection with each mining claim. So the manual from which the gentleman quotes accurately is in error, and the law and the statutes are correct.

Mr. REGULA. Reclaiming my time, Mr. Chairman, I think the issue is whether there is a multiplicity of 5-acre sites by one claimant. The gentleman's proposal is a limitation so it is not subject to a point of order, but I believe the gentleman's proposal would limit a claimant to one 5-acre site, and the BLM standard does not do that. That is where there is a difference in what the BLM requires versus what the gentleman would require in his amendment of limitation.

Mrs. CUBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to make the record straight on part of the testimony that has been given on hardrock mining.

First of all, I have to say that I have very, very little hardrock mining in my State, but I do know the history of what has gone on with the hardrock mining law.

In my opinion, the Interior Department Solicitor and Vice President GORE are attempting to rewrite our mining laws without the benefit of congressional sanction nor public input. Why? Perhaps it is because the 104th Congress passed significant amendments to the mining law.

Let me say what some of those amendments were, the very things that my colleague, the gentleman from West Virginia, complained about.

The law that we passed in the 104th Congress imposed a 5 percent royalty on all the minerals that were extracted. It required fair market value payment for lands, including the millsites. Also it established an abandoned hardrock mine land fund which would reclaim, which would clean up and restore any of the mining lands that had been deserted, that anyone who currently is mining could be forced to clean up and to reclaim.

However, the President vetoed it. Why did he do that? He did that because the Congress refused to give the Secretary of Interior unbridled authority to just say no to mining. This Solicitor has been wrong before when it comes to hardrock mining. As a matter of fact, there is a Supreme Court decision seven to one against the Solicitor on the way he has interpreted some of the regulations for hardrock mining.

So Mr. Chairman, let me get to the specific issue. On the issue of millsites, he recently concluded that our mining laws contain a limit on the ownership of such millsites, despite the fact that no previous Solicitor ever nor any court ever has interpreted the law to limit the number of millsites, the number of 5-acre millsites that are available.

The law is very, very clear. A mining claimant may only utilize non-mineral-bearing lands as millsites, and only as much as is necessary in the conduct of one's mining and milling operation. If more than 5 acres is necessary, then they have to get another site.

That is exactly what the Solicitor and the Vice President are trying to stop, which will basically truly impede hardrock mining, and in some cases, stop it. In no way is the miner limited to only as many millsites as he holds mining claims. No one ever has made that ruling except the current Solicitor. I challenge anyone to show me in the United States Code, title 30, section 42, where a mining claimant is so limited. It is not there, and the Solicitor knows it.

He argues in his opinion that a 1960 amendment makes clear that Congress intended to limit ownership of millsites to one for one, but this law references placer mining, not lode claims.

So in truth, Congress has had the opportunity not only in the 104th Congress, where they took the opportunity to reform the mining law, but in 1960 to legislate the very rule that this amendment would impose, and in 1960 they affirmatively chose not to do it.

Mr. Chairman, the Rahall-Shays-Inslee amendment is an attempt to cede legislative branch authority to an unelected lawyer who is working for the Interior Department, and he is and has continued to work feverishly to impose his unorthodox views about mining before he and the Vice President leave office.

But the property clause of the Constitution is very, very clear. I quote: "The power to dispose of and make all needful rules and regulations respecting the territories and public property lies with the Congress."

□ 1630

So I implore the Members of the House to not abandon our power, not abandon our responsibility. It is up to us. Yes, I believe that we need mining law reform. I believe that we need royalty. I believe that we need an abandoned mines fund. I believe that we need to get fair market value. Had the President not vetoed that, we would have that in place today.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am rising today to oppose this amendment offered by the gentleman from West Virginia (Mr. RAHALL), the gentleman from Washington (Mr. INSLEE), and the gentleman from Connecticut (Mr. SHAYS) because it seeks to ratify a decision by the Solicitor of the Department of the Interior which restricts the acreage available for mining under the existing mining law and the existing interpretation of the metals mining law.

This, pure and simple, is politics at its worst; and it is legislation being fomented by one person in the Department of Interior who seeks to manipulate the process of approval of mining claims and the conduct of mining in this country.

Goodness knows that mining is under assault in any event. But the worst kind of assault is by one person in the Solicitor's Office who claims intellectual superiority over the Congress or anybody else in the country by his sole interpretation of the mining law relative to mining claims and millsites.

Make no mistake about mining law in America today. It requires extensive environmental protection, analysis, review and approval both by Federal statute and by State statute. So what our friend down at the Department of Interior seems to want to do today is force this issue on this House and force the issue of his opinion on the mining interests and the mining jobs that are created all over this country but that are fast dwindling.

In February of this year, the Solicitor issued an opinion, an opinion that would virtually overturn the 1872 mining law by allowing a miner one 5-acre millsite claim per mining claim plan to be developed. This is an unprecedented decision by the Solicitor and in over 100 years of analysis and interpretation of mining law the law has never been interpreted this way. In fact, our friend, the Solicitor, is expressing an opinion, and again it is an opinion, contrary to the long-standing Bureau of Land Management and U.S. Forest Service policy, which is directly contrary in the regulations of the Bureau of Land Management to the Solicitor's interpretation.

So it is a nice try, but no sale because it is a misinterpretation and it is an aberration and it should be rejected by the House, by every one of us in the West who respect the mining interests that have been a tradition in the West for years. We ought to be offended by this. We are offended by it, and we ought to resist it. And the rest of the House should not be, shall I say, persuaded by the opinion, the opinion of one person downtown who wants to be dramatic in terms of affecting mining policy in this country.

It is not an environmental issue, Mr. Chairman. Companies that are petitioning to operate mines and millsites must still go through, as I said a moment ago, strict environmental law. Stricter than they have ever been. Stricter today than ever in history. And goodness knows also that there needed to be some changes made in mining practices. But the sins of the past should not be presented here today in the present, because mining companies and the mining industry is an honorable business, and the mining companies and the small and large employees and employers who are affected by mining law comply to the strictest environmental requirements in history today. So what happened then is not now.

But this Solicitor is living in the past. He has a bone to pick. He has a point of view. He has a particular persuasion relative to the goodness or badness of mining, and he is trying to persuade the rest of the country by one opinion, by an ill-advised opinion I must say, and persuade the House that he is right. Well, he is wrong, and the Solicitor is wrong, and the Department of the Interior is wrong, and it is outrageous that the Department would allow this to stand.

So, Mr. Chairman, I would say to my colleagues all of us in the West and all of us across the country ought to be very concerned about one opinion trying to affect the industry of this country that has been an honest and honorable one and is currently a respectable environmental practice that is undertaken by companies across this country who are trying to mine the minerals and the resources of this country in a responsible way. We should reject this amendment.

Mr. INSLEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. This amendment is not a giant leap forward for mankind, it is simply a step to make sure that we do not take a giant leap backward for the American taxpayers.

Taxpayers actually have one and only one protection in the 1872 mining law, and that protection says if someone is going to open a mine and pay nothing for it on public land, they cannot dump their mine waste on more than 5 acres of the public's land. This is common sense, existing, on the books, black and white law in the country.

Now, to make sure, I have this blowup; and if my colleagues can see the blowup, what it says is simple. I think we as Members of Congress ought to take a look at it. It says miners can use offsite land for millsites, but no location made on and after May 10, 1872, of such nonadjacent land shall exceed 5 acres. Five acres.

So why are we here? We are here because in the other Chamber's bill they order agencies to ignore the clear protection of this law. They argue that miners can have 5 acres here, 5 acres there, 5 acres over there, until maybe they get a thousand acres. That is no limitation. That is a nothing law. That is not a law. That would be a bad joke on the American taxpayers.

Mr. Chairman, their argument reminds me of my son. One of my sons likes ice cream, so we imposed a two big-scoop limit on him for dessert. And after he finished he came back and said, "I am done with those two scoops. Now I want my second dessert for the second two scoops." He thinks just like the mining industry, and he was wrong and that argument did not wash. He gets two scoops of ice cream and they get 5 acres to pile up their tailings on American taxpayers' land without paying a dime for it.

Why is this important? It is important because there is no justice to the America taxpayers if we take their lands, give it to privately held corporations and give them nothing but 20, 50, 100, 1,000 acres of crumbled stone and cyanide. That is why the Taxpayers for Common Sense support this amendment.

In 1872, Congress said 5 acres was the limit. In 1960, Congress passed a bill that would have given unlimited acreage but recognized the need for the 5-acre limitation and struck that language. And now in 1999 we ought to put our foot down and say the same thing.

In this case, the Solicitor General has rendered a opinion that agrees with our amendment, happens to agree with our position. But I really do not give a fig what the Solicitor General thinks about this. What matters is what the law of the country says and what Congress thinks and what Congress says and what the American public deserves. The worst thing Congress could do is take one provision of the 1872 mining law protecting the public and then gut it, which will happen if we do not pass this amendment.

Some say everything is hunky-dory in our mining industry, all the problems taken care of, miners can put their 5 acres or hundred acres anywhere they want. But that did not help the gold mine in Montana that closed in 1997 and now has ended up with cyanide in residents' drinking water. This law is a clear antiquity. It is broken. We need mining reform, not mining deform. We need to go forward on mining law, not backward.

Pass this law and follow the law of 1872 to the extent that it gives Americans at least one protection.

Mr. HILL of Montana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Rahall amendment; and the reason for that is it overturns what is, in essence, a hundred years of practices in public land management. The issue here is whether or not a mine can use more than one 5-acre parcel for a millsite. And, as a matter of fact, both the BLM and Forest Service manuals say yes.

The BLM manual says, quote, "A millsite cannot exceed 5 acres in size. There is no limit to the number of millsites that can be held by a single claimant."

The BLM Handbook for Mineral Examiners says, quote, "Each millsite is limited to a maximum of 5 acres in size and must be located on non-mineral land. Millsites may be located by legal subdivision or by metes and bounds. Any number of millsites may be located, but each must be used in connection with the mining or milling operation."

And the U.S. Forest Service Manual says, quote, "The number of millsites that may legally be located is based specifically on the need for mining or milling purposes, irrespective of the types or numbers of mining claims involved."

Mr. Chairman, this has been the practice for well over a hundred years. Basically, this issue is that the Clinton administration has decided it wants to wage war on mining on the public lands. The average hard rock mine employs about 300 people, more or less. In Seattle, Washington, or Bridgeport, Connecticut, or here in Washington, D.C., 300 jobs is not a big deal. More than that number of people work in one floor of any of our office buildings. But in rural Montana it is a big deal. We need those jobs. And often they are the only jobs in those communities.

The President just toured rural America and talked about the high poverty rate and the high unemployment rate that is out there. We need these jobs. Our communities need these jobs. Our families need these jobs. Our schools need these jobs. I think the 1872 mining law needs to be updated. It has been four or five dozen times, and I would support an effort to try to do that. But that reform is the responsibility of Congress. It is not the responsibility of one lawyer in the administration, and it should not be done by executive fiat.

The Clinton-Gore new interpretation of this provision is done without any court oversight. It has been done without any public input. It has been done without any hearings. There has been no consultation with the Congress. This is the wrong way to reform the 1872 mining law. It is a disaster for rural Montana, and I would urge the defeat of this amendment.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. Those who oppose this amendment would suggest that somehow one day the Solicitor in the Department of the Interior woke up and redefined the law. The fact is that the law is clear on its face and no location of a millsite shall exceed 5 acres. That is what it said in 1872, and that is what it says today.

The history is, in 1872, a month later the General Land Office issued the regulations expressly limiting millsite locations to 5 acres.

In 1891, the Secretary of the Interior rules that it limits it to 5 acres.

In 1903, the Acting Secretary of Interior rules in the Alaska Copper Company, the area of such additional tracts is by the terms of the statute restricted to 5 acres.

In 1914, "Lindley on Mines" says it is restricted to 5 acres.

And it goes on through this in 1960, when Congress looks at it and goes back and says, "A millsite may, if necessary for the Claimant's mining or milling purposes, consist of more than one tract of land, provided it does not exceed 5 acres in the aggregate."

In 1968, the American Mining Congress says that it is 5 acres. They do not like it, but it is 5 acres.

This is not about that. What this is about is the mining industry that has done everything they can to keep us from having a reform of the mining law. And the gentlewoman from Wyoming (Mrs. Cubin) recited the pale effort of the other side to pass mining law reform with royalties that turned out to be phantom royalties that meant nothing. It was 5 percent of nothing is nothing when they got done, and the environmental protections and all the rest. And the President is absolutely right to protect the environment and to protect the taxpayers of this country by not going along with that legislation.

But this is the law as it is today. And what the mining law companies have decided is they want to go out onto public land and dump their waste onto public land, to build their cyanide heap leaching pads out on public land, and when they are done extracting the ore, they will leave, and the public would be the steward of these waste sites.

Well, they have already done that. We have seen this movie. This mining industry has left us with 12,000 miles of streams that suffer from toxic metals and wastes that dribble into those steams; 180,000 acres of lakes where toxic metals are there loaded with lead, cadmium and arsenic.

□ 1645

There are more than 500,000 abandoned mines. Yes, this is a boom and bust industry. Right now it is not looking so good. Gold is down below $300. When they leave these facilities, yes, they leave us with the waste; they leave us with the toxics.

Right now we expect that the government is going to have to pay between some $32 to $72 billion to try and reclaim these mines, to try to get rid of the toxics, to try to get the materials out of our streams, out of our lakes so that people in the West can enjoy the land that has been spoiled by these mining operations.

To have them now come along and dump their waste on public lands in violation of law, the Solicitor was absolutely correct in his opinion. He was restating the law as it is today.

The mining companies do not want to come into the authorizing committee and have a mining law reform and change this to make it 10 acres or 20 acres or whatever they think it should be, under whatever conditions. No. They want to come into an appropriations bill like they did when we were worried about funding the war in Kosovo. They thought that would be a good vehicle to allow them to dump their waste onto public lands, and they got away with it.

It turned out to be such a good deal in the Kosovo appropriations that here they are now back in the appropriations process in the Senate.

These people do their best work in the middle of the night. They do their best work in the middle of the night. They do not want a debate on policy, about where the waste should be, and the size of these tracks for waste. They do not want a debate on royalties. They do not want a debate on rents. Why? Because since 1872, they have been fleecing the taxpayer. They have taken billions off of the lands that are owned by the people of the United States and paid nothing.

Now, if they take it off of the land of a rancher next door, they pay him 7, 8 percent gross royalties. If they take it off State lands, they pay them a percent of royalties. It is just Uncle Sam that does not get paid.

No wonder they are in here with a single shot amendment in the Senate bill to try to overturn the Solicitor's opinion, because they do not want this debate. They do not want the debate.

So what are we left to? We are left to, on the appropriations bill, trying to stop them from continuing to fleece the taxpayer and take over these public lands for the purposes of dumping their waste.

For those of my colleagues who were not familiar with this process, these leach pads are hundreds of feet high. They are huge. They are constantly sprinkled with cyanide to leach out the gold. We move hundreds of tons of dirt and rock and ore and waste to get an ounce of gold. That is this process.

Technology has changed the nature of gold mining. Why do we not have a debate on modernizing the gold mining industry? Why do we not have a debate about this industry that now can go into such low grade ore to make this kind of profit? Can they not pay the people of the United States something for the use of the land? No. Their alternative is to come here in the middle of the night and try to strike another rider on the appropriations bill so that they will not have to have that debate.

We ought to support the Rahall-Shays-Inslee amendment.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Rahall amendment. I want to bring it back into a little bit of focus, if I can. It has been a long time since I was in the third grade and when I learned basic volumetric analysis about what we can do and what we cannot do.

One thing my parents always told me is, one cannot put 10 pounds in a 5-pound bag. Here we have got a 20-acre load claim, 20-acre site, and now we are restricting it to 5 acres, attempting to take most of the material off of a 20-acre area and put it into a 5-acre parcel. That is an impossibility. It is physically impossible. It has to be understood.

But other than that, let me say that I rise to oppose this amendment for several reasons, one of which, it is going to allow a Solicitor, it is going to put law behind an opinion that was not a final judicial opinion. There has been no debate on this. It did not come through the committees. There was no debate on the merits of this issue. There was no hearing on this. It suddenly appeared from the dark of night, as the gentleman from California (Mr. GEORGE MILLER) has said, and now it is before us. There has been no public input on this measure, all for the purpose of destroying a mining industry.

I want to say that, in March of this year, the Solicitor at the Department of Interior reinterpreted a long-standing provision of the law, then relied on his new interpretation to stop a proposed gold mine in the State of Washington.

Well, this proposed gold mine has gone through a comprehensive environmental review by Federal and State regulators which was upheld by a Federal district court.

They had met every, and I repeat, every environmental standard required and secured over 50 permits to operate. The mine qualified for their permits after spending $80 million of their money and waiting 7 years to get into operation.

The local Bureau of Land Management and Forest Service officials informed this mine and their sponsors that they, in fact, had qualified for the permit, and they should come to their office to receive it. It was then noted that the Solicitor in Washington who intervened used his novel interpretation of the law to reject the permit.

The Rahall amendment is cleverly designed to codify this administrative reinterpretation. This interpretation has been implemented without any congressional oversight, as I have said, or rulemaking, which would be open for public review and input and comment on this proposal.

This was a calculated effort to give broad discretion to the Solicitor to stop mining projects that met all environmental standards; and yet we are opposed by environmental extremists and special interest groups.

This amendment should be defeated, and the Solicitor should be required to seek out a congressional change in the law or either a formal rulemaking, giving the impacted parties an opportunity to comment on the change.

If allowed to stand, this Interior Department ruling will render the mining law virtually meaningless and shut down all hard-rock mining operations and projects, representing thousands of jobs and billions of dollars of investments throughout the West.

This amendment will destroy the domestic mining industry, and with the price of gold at $257, not near $300, $257, which is a new 30-year low, the second largest industry in my State will cease to exist.

I think Congress must pay attention if it is intending to put industries, valid industries, legal industries out of business. If the Secretary or his Solicitor has problems with the United States mining law, then they should take these problems to Congress to be debated in the light of day before the American public.

Laws are not made by unelected bureaucrats. Bureaucrats administer those laws that we enact here in Congress. Congress has to approve whether or not they agree with the laws.

It is the duty of the government in a democracy to deal honestly with its citizens, not cheat them.

As the Wall Street Journal stated recently, and I quote: "If the Solicitor's millsite opinion is allowed to stand, investment in the United States will be as risky as Third World Nations."

The International Union of Operating Engineers oppose the Rahall amendment on the basis that, if it passed, it will force the continued loss of high-paying jobs in the U.S. that are directly or indirectly related to the industry. These are many blue collar jobs in every congressional district we have in the United States.

Furthermore, Mr. Chairman, the Constitution gives the people control over the laws that govern them by requiring that statutes be affirmed personally by legislators and the President elected by the people. Majorities in the House and the Senate must enact laws, and constituents can refuse to reelect legislators who have voted for a bad law. Many Americans no longer believe that they have government by and for the people.

Mr. Chairman, I oppose this amendment very strongly.

Mr. BOEHLERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment. It is important that the House take a stand on this mining issue in this bill because the Interior bill in the other body already contains a rider on this matter.

Let me start with an assertion that probably would receive broad agreement across the ideological spectrum: the current state of American mining law is a travesty. Mining is governed by an outmoded law passed over a century ago, and Congress has not significantly modified it since 1960. One result is that taxpayers have been denied billions of dollars as mining rights are given away at rates that were probably even a cause for celebration back in 1872, when the law was originally written.

So we have an outmoded law that cheats taxpayers, and what do some want to do? They want to override the one provision of the 1872 law that actually provides the taxpayers some protection. That is the effect of the language that was in the supplemental appropriation and the language that has been proposed in the other body. That language would, in effect, repeal the clear language of the 1872 act that prevents mining companies from despoiling unlimited amounts of Federal land, land they get at a bargain rate, destroying that land with hazardous waste.

This amendment would put the House on record against efforts to give away more Federal land so that mining companies can use it as a waste site. It would block those efforts, not by doing anything radical, but simply by reaffirming long-standing Federal law. That is environmentally responsible and fiscally responsible.

If we are going to revisit the 1872 mining law, we need to do it comprehensively. What we should not do is attack the 1872 act piecemeal as part of the appropriations process in ways that remove the few provisions that protect taxpayers and the environment.

I urge support of this amendment which reaffirms current law and protects taxpayers.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, I thank the gentleman from New York for yielding to me, and I appreciate very much his support. He has always been one that speaks with an even hand and wants to balance our environmental needs along with the needs to provide jobs in industry.

Several comments were made by the gentleman from Nevada (Mr. GIBBONS) in regard to trying to stuff a 20-pound waste into a 5-pound bag, something to that effect, alluding to the fact that this particular provision needs to be changed, this 5-acre limitation that has existed even prior to 1872 actually when we consider the load claims and the Placer Act that were combined in the passage of the mining law of 1872.

I am not adverse to looking at changes. That is what I have been trying to do since I have been in this body for 20 some years now is make amendments and make reform of this mining law of 1872 so that we can have jobs in the industry and have protection of the environment at the same time.

So I say to the gentleman, I will be glad to look at the comprehensive reform of the mining law. We have tried that in this body. Unfortunately, it has not passed the other body. So I think, if we can have that type of reform, we can probably address some of these needs.

I would say also to industry, many of whom when we have tried to reform in the mining law have been moderate and responsible and wanting to sit down at the table and work with us, including the gentleman from Ohio (Mr. REGULA), the subcommittee chairman.

There is always, of course, as there is in any facet of society, that fringe out there that does not want to sit down at the table and wants to torpedo any effort at reform.

So we have tried to reform this law. We have even passed a bill out of this House of Representatives in a bipartisan passion only to see it move nowhere in the other body.

So what we are doing here in this particular amendment, while we cannot look at the entire reform in the mining law, and we are not doing that in this amendment, we are looking at that 5-acre limitation that has been current law that the Interior Department has decided of late to try to enforce, and that is what we are trying to do here with this 5-acre limitation.

So I say to the gentleman from Nevada (Mr. GIBBONS), if that is not sufficient, I am willing to look at it in the context of overall reform.

Mr. GIBBONS. Mr. Chairman, will the gentleman from New York (Mr. BOEHLERT) yield?

Mr. BOEHLERT. I am glad to yield to the gentleman from Nevada.

Mr. GIBBONS. Mr. Chairman, I really appreciate the comment of the gentleman from West Virginia (Mr. RAHALL), only because, if one looks at the law and one interprets it from a reasonable person's standard, it says a single 5-acre millsite. But it does not limit the number. Five acres was there because they did not want to have more property used than was necessary. One can go out and get a number of 5-acre millsites if it needs more than one. That is the purpose and that is what the practice has been.

To restrict it to a single 5-acre millsite, as the gentleman is attempting to do with his amendment, would say to them that they can no longer have the room to put the excess waste from a 20-acre claim on more than one 5-acre parcel, which then has the effect of shutting down every mine, because it is retroactive according to the language the gentleman has got. It will go back, and it will destroy an industry that has long been one that has produced the quality of life that we have today.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Rahall-Shays-Inslee amendment. The Senate Committee on Appropriations has included an anti-environmental, anti-taxpayer rider offered by Senator LARRY CRAIG in its version of the Interior appropriations bill that would allow all hard-rock mines operating on public lands, retroactively and prospectively, to claim as much public land as a mining company deems necessary to store mining waste. The mining company decides how much land it needs, public land.

Now, why do they call it a rider? Where does that come from? An anti-environmental rider. What that means is that this is a vehicle, a horse, something that is moving.

□ 1700

And the rider jumps on board something that is legitimate, and it holds on. It is a rider on something it does not belong on. They should not be legislating, putting a rider on an appropriations bill, changing the 1872 Mining Law. That is a big legislative debate out here on the floor.

God knows, the mining industry has known how to kill all mining reform in my 24 years in Congress. It must come as a shock to them that they are forced now, once there is one favorable interpretation of the mining law that helps the environment, that they are out here on the floor, not even going through the regular legislative process, but rather trying to put a rider on a bill that does not even belong on.

So what we are trying to do here today is knock that anti-environmental rider, knock that anti-taxpayer rider out of the appropriations process. It does not belong on this bill. We should not be debating such a fundamental change.

What we are talking about here today is something called the Crown Jewel Mine at Buckhorn Mountain in eastern Washington State. We are talking about the Crown Jewel Mine as a rider, as something that does not belong on an appropriations bill. Something as central as that. And what will it allow to happen? It will allow tons of rock from the mountain, which would be placed on huge uncovered leach pads where cyanide would percolate down through the soil to remove the gold from the rock. Cyanide. That is what we are talking about.

When the mining industry finally decides that it wants to legislate, since 1872, it picks one great subject to put the rider on, cyanide leaching into the land of our country.

So, my colleagues, that is what the Craig rider is all about. The rider was attached to the Senate version of the bill after the Departments of Interior and Agriculture released a joint decision earlier this year denying the large open-pit cyanide-leach gold mine in Washington State. The government told the mining industry that it could not steal the public's crown jewels, its public lands and its public resources in order to dig the mining industry's Crown Jewel cyanide leach Pit Mine.

The government has been able to lock up, to block the Crown Jewel Mine only because of the millsite waste dumping limitation, which is the only provision of the 1872 Mining Law which protects the environment. It is the only provision in the whole law which protects the environment. And, of course, it is the only provision over the last 20 or 30 years that the mining industry wants to see any legislation considered here on the floor.

In addition, the amendment would also effectively limit taxpayer liability for cleaning up the waste when and if mining companies go bankrupt, a not-too-infrequent occurrence, by the way, in the United States. There are 500,000 plus abandoned mines around the country, and the taxpayers' cleanup bill for these mines is $30 to $70 billion. $30 to $70 billion to clean up these mines. The Rahall amendment protects against it.

My colleagues, let us reject the mining industry's attempts to attach these anti-environmental riders to the Interior appropriations bill. Let us prevent our Nation's public lands from being turned into toxic waste dumps. Let us vote for the Rahall-Shays-Inslee amendment.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 10 minutes to be equally divided. And let me say that I am just trying to expedite things here. We want to finish this bill tonight, and we have a number of amendments yet to go.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. VENTO. Mr. Chairman, reserving the right to object, I do not know how many Members there are.

Mr. REGULA. We have one more on our side.

Mr. VENTO. We have two or three over here. So I think if the gentleman would consider, and I do not know if we need to proceed or if I am going to use all 5 minutes.

Mr. REGULA. How about 20 minutes?

Mr. RAHALL. Each side?

Mr. REGULA. No, total.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. RAHALL. Reserving the right to object, Mr. Chairman. I think we have several more speakers on our side; and I would ask that that time be expanded, please.

Mr. DICKS. What about 30 minutes?

Mr. REGULA. Well, obviously, the gentleman has the right to object, so he can call it. I was hoping we could get it for 20 minutes, but if 30 is all I can get agreement on, then it has to be 30.

The CHAIRMAN. The gentleman's unanimous consent request is that debate on this amendment and all amendments thereto conclude in 30 minutes equally divided 15 minutes to each side.

Is there objection to the request of the gentleman from Ohio?

Mr. SHAYS. Reserving the right to object, there are a number of speakers who support this amendment who would like to speak, and the gentleman from Ohio (Mr. REGULA) is basically saying there is only 15 minutes, and the gentleman also says he has one gentleman who wants to speak in opposition. So I am just having a little bit of trouble with that.

The CHAIRMAN. Does the gentleman choose to object?

Mr. DICKS. I think we should just proceed, Mr. Chairman.

The CHAIRMAN. The gentleman withdraws his request.

Mr. HASTINGS of Washington. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to this amendment, Mr. Chairman, and I do so following my friend from Massachusetts, who is always a joy to hear on the floor, although sometimes what he says is not entirely all the facts. So let me point out what the facts are in this particular case and why we are addressing this issue today.

First of all, this gold mine that started all this process is indeed in my district. The plan of operation started in 1992. They went through the draft environmental process and the record decision was let after 5 years, in January of 1997. Nearly 2 years later, after going through a number of appeals, the Federal Court upheld the EIS that was arrived at going through that process.

I might add going through this process the Crown Jewel Mine project secured over 50 permits to comply with State and national environmental laws. In fact, the director of the Washington State Department of Ecology said, and I quote, "The most rigorous environmental analysis the State has ever conducted on a project of this type," referring to the Crown Jewel Mine. "No other proposal has received this level of environmental scrutiny."

Now, the reason that I bring this up is because what caused the amendment to be brought forth on the supplemental budget that we passed earlier this year is that in December of 1998 the Federal District Court upheld the EIS and the record decision. In other words, Battle Mountain Gold project could proceed forward. They were advised in January of 1999 by the BLM, the United States Forest Service, that the final formal approvals of the project were imminent and ready to go. Specifically, on February 4, the U.S. Forest Service advised Battle Mountain Gold to come in the next day, on February 5, for approval of the plan of operations.

On February 5, a day later, they went in to talk to the Forest Service; and the Forest Service advised them that this decision was kicked up to Washington, D.C.

And we heard a number of Members mention about the solicitor. That caused, then, the rider to be put on the supplemental bill to protect this project. Because they played by the rules, as was laid out when they went through this whole process.

That is exactly what they did, is played by the rules. They have invested $80 million in this project. From the standpoint of employment in an area where unemployment is high in my district, this would provide somewhere between 150 and 250 jobs over the life of the project.

So the response here is not something that deals, I think, as the debate has been going on, because in the short time I have been here, when I served on the Committee on Resources, there has been a lot of talk about reforming the 1872 Mining Law, and I think everybody wants to sit down and probably arrive at a reasonable accommodation. But the specific reason, I want to point out again, was because this company acted in good faith under existing rules and applications to go through with this project, and all of a sudden it was pulled out.

Now, we do not always react positively in terms of how the Senate reacts. We have to do what we think is the right thing to do. I believe the Rahall amendment really is a step back from where we were when we passed that rider on the supplemental bill. As a matter of fact, as I mentioned, that rider was specifically for the Battle Mountain Gold Company. But if the Rahall amendment were to pass and there were further permits that were required of the Battle Mountain Gold it could, therefore, end that project again. And again, to reiterate, that project proceeded under existing rules.

So I oppose the Rahall amendment, and I would certainly encourage Members of the respective authorization committee to work on the 1872 Mining Law, because it has certainly been talked about enough. And perhaps this debate may be the emphasis to continue forward. I do not know. But I believe the Rahall amendment is ill-advised here, and I urge Members to vote against it.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I would like to ask the other side here, because here we have a memorandum from the Office of the Solicitor of the Bureau of Land Management, I guess it is the Solicitor of the Department of the Interior, I would like to hear if anybody here disputes this. The Mining Law of 1872 provides that only one millsite of no more than 5 acres may be patented in association with each mining claim. Does anybody disagree with that?

The CHAIRMAN. The time of the gentleman from Washington (Mr. HASTINGS) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. HASTINGS of Washington was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, if the gentleman will continue to yield, I would like to hear somebody address the law here. What we have heard is a lot of rhetoric, but I would like to hear somebody address the statute and tell us, and is there a difference in language here? Because when I read this statute, it looks as if it does have this limitation.

Mr. HASTINGS of Washington. Reclaiming my time, Mr. Chairman, my understanding is that that is an opinion and not specifically in law, but the gentleman from Nevada (Mr. GIBBONS), who is on the committee and whose State has a great deal of mining law, may have a more elaborate response for the gentleman.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Nevada.

Mr. GIBBONS. Mr. Chairman, I thank the gentleman for yielding to me and the gentleman from Washington (Mr. DICKS) as well.

It is true, if we look at the statute that was proposed by the gentleman from Washington up there, it is specific as to the size of it, but it does not restrict it to only a single claim. It allows for a millsite to be attached to and contiguous to a mining claim, but the millsite is only 5 acres.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Washington.

Mr. DICKS. But as I understand it, if there are multiple claims, then there could be multiple millsites on each of 5 acres. Is that the understanding of the gentleman?

Mr. GIBBONS. If the gentleman from Washington (Mr. HASTINGS) will continue to yield, that is not the understanding, not according to the law. And I will read to the gentleman from the BLM manual.

Mr. DICKS. Wait a minute, not the manual.

Mr. GIBBONS. Well, the manual interprets the law.

Mr. DICKS. The statute here. Maybe this is where we hit the rut. Maybe the manual was wrong, but we have to go back to the statute. And I am asking the gentleman about the statute. As I read the statute, it appears to limit each millsite to 5 acres per claim. And that is the law.

Mr. GIBBONS. What the gentleman is reading from is the opinion of the solicitor which limits it, versus the statute which is on the board. There is no limitation as to the number.

The CHAIRMAN. The time of the gentleman from Washington (Mr. HASTINGS) has expired.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

I would like the gentleman from Washington (Mr. INSLEE) to put up his chart for me, and then I would like to enter into a colloquy. We can just go through this section.

Mr. INSLEE. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Washington.

Mr. INSLEE. First off, this is the law. This is the statute from the United States Annotated Code. This is the law.

□ 1715

What the executive branch says in some manual or letter or memorandum or written on the back of an envelope, or they can say it every day until doom's day, but it does not make a difference. This is the law passed by the United States Congress, signed by the President in 1872. Anything else is quite meaningless, frankly.

What it says, very clearly: "Where nonmineral land not contiguous to the vein or lode is used or occupied by the proprietor of such vein or lode for mining or milling purposes, such nonadjacent surface ground may be embraced and included in an application for a patent for such vein or lode, and the same may be patented therewith, subject to the same preliminary requirements as to survey and notices as are applicable to the veins or loads; but no location made on and after May 10, 1872, of such nonadjacent land shall exceed five acres."

Now, I understand that the argument is, well, they could have 5 acres here, and they can have 5 acres right next to it, and they could have another 5 acres right next to that; they could have 5 acres until they go all the way from Canada to Oregon and the State of Washington.

Let me suggest to my colleagues, if the Congress in 1872, and we have some very articulate members, Daniel Webster, I cannot remember when he was around in 1872, these are intelligent people. But if they were intending to give the mine everything they wanted, they did not need any limitation.

Mr. DICKS. Mr. Chairman, reclaiming my time, I want to also quote from Section 2 from (30 U.S.C. 41) subsection (b) where it says again: "Where nonmineral land is needed by proprietor of a placer claim for mining, milling, processing, benefication, or other operations in connection with such claim," and then I will insert at the right time the rest of this. But when we get down to the bottom line it says: "No location made of such nonmineral land shall exceed five acres and payment for the same shall be made at the rate applicable to placer claims which do not include a vein or lode."

So when we get to these two different types of claims, I understand what happened here. In the old days, they would go into the earth to get the minerals and would only need a small area, like 5 acres on top, in order to have a place to bring the minerals out and deal with them. But now with these open-pit mines, all of a sudden they have tremendous amounts of earth that have to be moved and they cannot possibly do it on 5 acres.

So this limitation is a very serious one for this type of mining. But as I read the law, the law does limit them to 5 acres.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Nevada.

Mr. GIBBONS. Mr. Chairman, it says here clearly, "each location." Every millsite is a location. It is not the totality of it. Every mining claim is a location. So they can have five locations.

Mr. DICKS. Mr. Chairman, reclaiming my time, they could have five claims; and for each claim, they could have a 5-acre millsite.

Mr. GIBBONS. It does not restrict it.

Mr. DICKS. But they have to have separate claims. They cannot have one claim and a 500-acre millsite unless this special legislation is enacted. That is the only way we can do this.

Mr. HASTINGS of Washington. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Chairman, I thank the gentleman for yielding.

I am just going back to what has prompted all of this, and that was the Battle of Mountain Gold. The fact is they had multiple millsites within their claim. That is the distinction and the interpretation.

Mr. DICKS. Mr. Chairman, reclaiming my time, but they can only have one claim, 5 acres for a millsite for dumping the waste. That is what the law says.

Mr. HASTINGS of Washington. Mr. Chairman, if the gentleman will continue to yield, that is the gray area that we are talking about here and that is why probably this issue should probably be taken up in the proper committee.

Again, I want to reiterate, the reason what prompted all of this was because of one company in my district that had multiple sites and were playing by the rules, as had always been applied, had always been applied, not with an exception, had always been applied; and then the Solicitor General, came up with that one opinion, which, of course, changed the whole thing.

Mr. DICKS. Mr. Chairman, I think that the constituent of my colleague may have a great claim in equity, but I am not sure that he has got much of a leg to stand on when we look at the actual underlying statute. It appears that the Department, for many years, had misinterpreted the statute.

Now, I am still willing to listen to other points of view, but I think we have got to deal with this statute.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, I think we have to look at this underlying statute. I would love to hear from somebody on the side of my colleagues or have somebody show us where they think the statute says something different than I have just read on the placer claims or on this law under this particular provision.

We have to have some basis for saying that somewhere it says they can have more than 5 acres of a millsite per claim. And that is what I do not see here in the law.

Mr. INSLEE. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Washington.

Mr. INSLEE. Mr. Chairman, I point out to make sure people understand, the problem my friend from Washington has alluded to, the Crown Jewel Mine, has been solved, if we look at it that way, by the previous rider. That is a red herring. That problem has been solved. We are talking about the future, the year 2000 on.

Just one closing point: if the interpretation placed on this by the industry is correct, there is no reason on this green Earth that the Congress in 1872 would have imposed any language as to any limitation as to any acreage. Because if the Congress wanted to give the industry all it wanted for free, it could have just said so, they can have all they want for free.

There is no reason for this 5-acre limitation if we mean they can have 5 acres here, 5 acres there, 5 acres everywhere. This ought to be enforced.

Mr. HASTINGS of Washington. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Chairman, one final point. The millsite law, and this has been conceded, it does limit acreage to 5 acres per millsite. But there is no limit on the number of millsites in a claim. That is the distinction.

Mr. DICKS. Mr. Chairman, reclaiming my time, I think the distinction is, for every claim they get a millsite with 5 acres. That is how I read this. So if they have multiple claims, they get multiple millsites, each of which is 5 acres.

The problem here I think is that we have got a fewer number of claims than the size of the needed millsite to deal with the waste. So I just think we need to get this clarified.

I appreciate what the gentleman is suggesting that the Committee on Resources might help us all out by taking this matter up.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a big deal. This is an important issue. And this land is your land, and it is my land. It is Government land that has been extraordinarily abused by a law we all know needs to be reformed. We all know it needs to be reformed. But instead of reforming the law, we are ignoring the law.

The Lode Act of 1860 which dealt with veins and it contained the 20-acre and the 5-acre millsite limits. The Placer Act of 1866 dealt with mineralized earth. It had 20 acre mining site and 5 acre millsite limits. And it was codified in 1872. We are not objecting to the law. If a mining claim has 100 acres, then a mining claimant has 25 acres they may use as a millsite. That is not our objection.

In the case of Crown Jewel Mine, Battle Mountain Gold Company, has four patents approved and 11 unpatented claims. They have a total of 15 mining claims, for a total of 300 acres. But they want 117 millsites. They want 585 acres when they are entitled under law to only 75 acres.

We are seeing mining interests trying to ignore the law, and then we blame the Solicitor General, whose job it is to make sure the law is enforced. That is the law. The Soliciter General is going to make sure it is enforced. It was ignored. The other side may argue we have to amend the law and deal with some legitimate concerns. But we do not ignore the law. And that is what I believe is the attempt of these riders in the Senate Interior Appropriations bill.

I have a gigantic problem with the fact that this is our land. Mining companies do not pay a dime for it unless they are extracting oil or gas and then they pay a minimal royalty. But hard rock miners do not pay anything for the minerals they extract. They can destroy the land and leave it behind, and we are left to deal with an environmental disaster.

Some can say, well, why should we care in New England? Because it is our land, it is our country, and we care about it and we want something to happen to deal with this outrage.

So I wish the committee of jurisdiction would deal with this law, and I wish we would abide by the law that exists today. And that is 20 acres and 5; and if a claimant wants 40, then the claimant gets 10. And if the claimant wants 100, the claimant gets 25. That is the law.

We can criticize the Solicitor General all we want, but he is saying the law needs to be abided by. I'd like to add that if mining interests do not like the law as it is being interpreted by the Solicitor General, then they can go to court.

I just hope we can pass this amendment, and then I hope the committee of jurisdiction can deal with this issue as it needs to be dealt with. It is a law that goes back to 1872. It is a law that needs changing. I hope we change it but not ignore it.

Mr. VENTO. Mr. Chairman, I rise in support of the Rahall-Shays amendment.

Mr. Chairman, I want to first of all start by commending the subcommittee of the Committee on Appropriations for maintaining the 1994 moratorium on the 1872 mining patents.

I know we have got quite a few that proceeded that date, I think that their efforts here are helpful, I think, in trying to force the Senate, frankly, which has been the problem in terms of reforming the 1872 mining law, to in fact face up to reality and try to deal with the problems that exist concerning this 1872 law, which is badly in need of modification and modernization.

The fact is that the issue that we have before us today is because of actions on the part of the other body, the Senate, trying to circumvent the clear meaning of what this law is.

The fact of the matter is that the Department of the Interior and those that are responsible for administrating this law have found a way to try to mitigate some of the damage that is being done by these mining claims and by the millsites that have propped up around them.

It is not just the millsites. It is the access points, the roads that go in. There is a whole host of environmental problems and concerns that are affecting us with regards to public land. These are public lands, part of the public domain, often being located in maybe a national forest, maybe in terms of range lands which are being used for a variety of other purposes and become very important for recreation, and, of course, for maintenance of various types of wildlife, flora and fauna.

But the major point I think that needs to be brought out here is that, obviously, mining practices have changed. And the American Mining Congress, the predecessor organization, pointed to this in some of the testimony we have from the Committee on National Resources, and they point out that instead of the 5 acres that typically would have been used for a tailing site near a 20-acre claim or patented claim, today the amount of land is 200 acres typically. It is 10 times the amount of land that is outlined from the configuration of the claim. Today it is 10 times that amount of land that is used because of an industrial site, basically, that is being built alongside of the mine.

And very often, as we looked at the hard-rock minerals, the cyanide leaching for gold and other types of valuable hard-rock minerals, in fact, are what are causing these serious problems. Now, besides which, of course, I think we could point out that, while we would like to think all of these entities that are making the patented claims and using these mill tailing sites responsibly, it has been estimated that anywhere from 30 to $70 billion's worth of damage in terms of restoration because of the toxic and other problems associated with cleanup have been abandoned on the Federal lands, on these lands.

So not only does the taxpayer lose the initial impact, and when my friend said that they do not get a dime for these lands, he is almost right. I think we get about $2.50 to $5 an acre for these lands. But of course, the minerals that are extracted from them may actually be minerals that are into the hundreds of millions or even billions of dollars of value.

So I would urge my colleagues to support this amendment. It does not go far enough. Frankly, on the appropriations bill we cannot reform and modify greatly the 1872 law. But what we can do is to send a signal and to arm our appropriators with an amendment that will in fact try to stop the type of raid that is going, on the type of riders, as it were, that are being put on often in the Senate and sometimes in the House when there is not consensus, where this is, in essence, trying to undo and unglue the existing precepts of the actual 1872 law, a weak law, a law that needs to be modified, that needs to be modernized, that the Senate refused to deal with. When we repeatedly sent language on various bills to them to deal with this, they have refused to do so.

□ 1730

I commend the subcommittee for maintaining the 1994 moratorium, but we have to deal with this issue because we are being challenged to do so by the actions of the body and by the work of the administration. They have done good work on this. We should leave the tool in their hand to limit the millsites. We ought to force the Senate to deal with modernizing this law, support the Rahall-Shays amendment, and I think we will have done a good deed both for the taxpayers and for the natural resources that are the legacy of all Americans, not just to benefit the special interests.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had intended to stay out of this debate but it has dragged on and I feel it merits some additional points be made.

I serve on the authorizing committee. I authored a number of amendments the last time we tried to modernize and amend the 1872 mining law. This is an antiquated law which begs for change. In fact I think the committee, even though they are attempting to basically erode some provisions of the law here, recognizes that by continuing the moratorium on patents.

Let us just understand what is ultimately at stake here. It is the ability of someone operating a mine for which if they have patented it they pay the government, and the taxpayers, $2.50 an acre. No royalties, no other fees are involved. $2.50 an acre. Many times these mines can return tens if not hundreds of millions of dollars on a relatively small number of acres. It is a very, very lucrative enterprise.

Now, enter heap leach mining. It requires a lot more Federal land, a lot greater number of acres to extract a small amount of gold through the process of heaping up the land and dosing it with cyanide.

Now, they say because we are having to extract from many, many more acres of land, which we paid $2.50 an acre for and make bigger and bigger piles, we need more places to process the ore and more acres of public land, for which they will pay $2.50 an acre if they patent it.

Now, I just want to relate this to the debate we are going to have in a few moments over the issue of recreation fees and since the gentleman from Massachusetts did not bring Grandma, who he often brings up in these issues, into this, I want to bring Grandma in. He always talk about Grandma and the kids going out to the forest and doing this and doing that.

Let us just envision Grandma today. She drives up to the national forest, she drives her car to the end of the road and wants to take the grandkids for a little hike to see the wildflowers. Guess what? There is a little metal box there that says you have got to pay $3 to park your car. And she does. Her car occupies maybe 200 square feet. She has got to pay three bucks to park the car.

The mining company wants to park wastes forever for $2.50 an acre.

Now, Grannie would be better off if she filed a claim and got a patent and paid $2.50 for an acre, she could open a parking lot and other people could park there, she could charge them a buck and a half, they would save a buck and a half, and everybody would come out ahead.

This is absurd. Because we are not asking people to pay their fair share, we are now sticking it to the little guy, and the fair share is an industry that makes hundreds of millions, billions of dollars a year, many of them foreign-owned and operated, operating on lands in the western United States, paying not a penny in royalties to the Federal Government and getting the land for $2.50 an acre.

This law must be reformed. If by adopting this amendment we squeeze a little bit and it hurts a little bit and we get a rational debate in the committee of jurisdiction on which I serve and we then finally, finally bring this law into the 20th century and finally begin to protect the taxpayers and the environmental interests, this will be a very meritorious and historic moment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Ohio.

(On request of Mr. REGULA, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, I just wanted to advise the gentleman that there has been a moratorium on patenting mining claims since fiscal year 1995. So Grannie has not been able to get a patent because of the appropriations riders. Please tell Grannie there are no more patents.

Mr. DEFAZIO. I thank the gentleman for that. I hope it becomes permanent or we extract a royalty in the future. I thank the gentleman for his clarification.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to express my very strong opposition to the Rahall amendment.

This amendment to me is nothing more than a cheap attempt to impose on the Congress the anti-mining political agenda of unelected bureaucrats at the Department of the Interior, an agency with a proven track record of hostility towards mining and the industries upon which they depend.

In November of 1997, the Solicitor of the Department issued an opinion which concluded that our mining laws contain a limit upon the patenting of millsites, despite the fact that no previous solicitor has ever interpreted the law to do so, nor has any court of law and nor has Congress.

This opinion reinterprets a long-standing provision of law that would require mines to drastically reduce the size of their millsites connected to mining claims. The opinion was not based in reality and neither is this amendment.

Like many in this body, I seek to reform the mining laws of this country. But the 104th Congress passed significant amendments to our mining laws, including the imposition of a 5 percent royalty, payment of fair market value for lands and establishment of abandoned hardrock mined land fund.

But President Clinton vetoed that bill because Congress refused to give the Secretary of Interior unbridled authority to "just say no" to mining.

Do not be fooled by its proponents. This amendment is not mining reform. The Rahall-Shays-Inslee amendment is an attempt to cede legislative branch authority to a small group of unelected bureaucrats and lawyers working feverishly to impose their unorthodox views on mining before they pack up and leave office. It is just that simple.

Reject this amendment.

Mr. UDALL of New Mexico. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all I would like to thank the gentleman from Ohio (Mr. REGULA) and the gentleman from Washington (Mr. DICKS) for the bipartisanship they have shown in crafting this piece of legislation. All of our committees and subcommittees, I think, would be a lot better off if we worked in the bipartisan way that they have demonstrated in their subcommittee. I applaud them also on maintaining the moratorium on the patents.

But I rise here today, one, to disagree with the gentleman from Texas, because the law is clear and the law should be interpreted the way it is. And so I rise in strong support of the Rahall-Shays-Inslee amendment, because I think it sends a strong message to the Senate to stop loading up appropriations bills with antienvironmental riders.

Why is the Senate attempting to legislate in this way? Why do we here in this body attempt substantive legislation in appropriations bills? The simple answer is, these kinds of proposals could not survive in the normal legislative process. They could not survive in the light of day. This, plain and simple, is a giveaway. If we want to reform the 1872 mining law, let us do it in our committees.

This body in 1993 passed with a large bipartisan majority an 1872 mining law reform bill. There were hearings. We heard from all interested parties. We addressed this issue in a thoughtful and substantive way. The other body is doing just the opposite with this antienvironmental rider. There is no bill. Interested parties have not been given an opportunity to testify. This issue has not been considered in a thoughtful, substantive way. Plain and simple, this is a special interest provision to help one mining company.

Now, an amendment I think is always known for its supporters and this amendment is supported by over 70 taxpayer and environmental organizations, including the Taxpayers for Common Sense, the League of Conservation Voters and the Sierra Club.

A vote for this amendment is a vote for responsible legislating. A vote for this amendment is a vote for protecting the environment. A vote for this amendment is a vote to leave future generations with a cleaner, better world.

Vote "yes" on Rahall-Shays-Inslee.

Mr. GIBBONS. Mr. Chairman, I rise to oppose the Rahall amendment to the FY 2000 Interior Appropriations Act. This amendment will allow the Solicitor of the Department of the Interior to amend the existing mining law without congressional authorization.

In March of this year, the Solicitor at the Department of the Interior reinterpreted a long-standing provision of law and then relied on his new interpretation to stop a proposed gold mine in Washington State.

This proposed mine (Crown Jewel) had gone through a comprehensive environmental review by federal and state regulators, which was upheld by a federal district court.

They had met every environmental standard required and secured over fifty permits. The mine qualified for their federal permit after spending $80 million and waiting over seven years.

The local Bureau of Land Management and Forest Service officials informed the mine sponsors that they qualified for the permit and they should come to their office to receive it.

It was then that the Solicitor in Washington D.C. intervened and used his novel interpretation of the law to reject the project. The Rahall amendment is cleverly designed to codify this administrative reinterpretation.

This interpretation has been implemented without any Congressional oversight or rulemaking which would be open to public review and comment.

This was a calculated effort to give broad discretion to the Solicitor to stop mining projects that met all environmental standards yet were still opposed by special interest groups.

This amendment should be defeated and the Solicitor should be required to seek a congressional change to the law or enter a formal rulemaking giving the impacted parties an opportunity to comment on the change.

If allowed to stand, the Interior Department's ruling will render the Mining Law virtually meaningless and shut down all hard rock mining operations and projects representing thousands of jobs and billions of dollars of investment throughout the West.

This amendment will destroy the domestic mining industry and with the price of gold at a new 30 year low, the second largest industry in Nevada will cease to exist. Pay attention Congress, mining will no longer exist in Nevada!

If the Secretary or his solicitor has problems with the United States mining law then he should take these problems to Congress, to be debated in the light of day, before the American public.

Laws are not made by unelected bureaucrats. Bureaucrats administer the laws Congress approves whether or not they agree with those laws.

It is the duty of Government in a democracy to deal honestly with its citizens and not to cheat them.

As the Wall Street Journal stated, "if the Solicitor's millsite opinion is allowed to stand, investment in the U.S. will be as risky as third world nations".

The International Union of Operating Engineers opposes the Rahall Amendment on the basis that if passed it will force the continued loss of high paying U.S. direct and indirect blue-collar jobs in every Congressional district.

The Constitution gives the people control over the laws that govern them by requiring that statutes be affirmed personally by legislators and a president elected by the people.

Majorities in the House and Senate must enact laws and constituents can refuse to reelect a legislator who has voted for a bad law.

Many Americans no longer believe that they have a government by and for the people.

They see government unresponsive to their concerns, beyond their control and view regulators as a class apart, serving themselves in the complete guise of serving the public.

When regulators take it upon themselves to legislate through the regulatory process the people lose control over the laws that govern them.

No defensible claim can be made that regulators possess superior knowledge of what constitutes the public good. Nor to take it upon themselves to create laws they want because of Congressional gridlock—the value laden word for a decision not to make law.

The so-called gridlock that the policy elites view as so unconscionable was and is no problem for people who believe in the separation of powers doctrine contained in the Constitution which holds that laws indeed should not be made unless the broad support exists to get those laws through the Article I process of the Constitution, i.e. "All legislative powers herein granted shall be vested in Congress."

Let us debate the merits of the proposal, do not destroy the lives of hundreds of thousands of miners just to appease special interest groups whose entire agenda is to rid our public lands of mining.

If you have problems with mining on our public lands come and see me, together we can make positive changes but do not destroy the lives of my constituents today by supporting the Rahall amendment.

Without mining none of us would have been able to get to work today, we would not have a house over our heads—because without mining we have nothing.

Give our mining families a chance to earn a living, to work to provide the very necessities that you require. Oppose the Rahall amendment and support common sense on our public lands.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. RAHALL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. RAHALL. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from West Virginia (Mr. RAHALL) will be postponed.

Mr. KNOLLENBERG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I direct the attention of the gentleman from Ohio (Mr. REGULA) to the energy conservation budget in the Department of Energy. Energy conservation promotes reductions in energy use, reductions in waste of raw materials, and reductions of effluent discharge. It thus promotes cleaner water, cleaner air and cleaner soil.

Specifically, Mr. Chairman, the Department of Energy has admirably focused on energy-intensive and waste-intensive processes.

The U.S. Department of Energy has identified steel forging processes as an area that is ripe for improvement in energy conservation. Additionally, the U.S. Department of Defense has identified forging as a significant industry in the Department of Defense national security assessment.

The National Center for Manufacturing Sciences' Precision Forging Consortium, better known as NCMS, has outlined Phase II of a specific, comprehensive, collaborative R&D project to establish new U.S. domestic precision forging capabilities. For a modest investment of $1.2 million this year, with well over 50 percent of the cost being borne by private partners, this second phase will complete the successful Phase I exploratory project.

Phase II of this project will achieve very real and substantial returns in 18 months, and they are, namely, a tenfold improvement in tool-life; decreased die system cost; reductions in raw material consumption; reductions in effluent discharge; less scrap; reduced secondary machining requirements and billet design; lower forging temperatures; an overall 20 percent reduction in input energy.

And importantly I wanted to note, too, Mr. Chairman, that this project has the support of the administration's Department of Energy Office of Industrial Technologies.

Finally, Mr. Chairman, I just want to tell the gentleman from Ohio how I appreciate his kindness and courtesy in allowing me this time for the colloquy. I would urge obviously his consideration and support for this project in conference.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. KNOLLENBERG. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman from Michigan for bringing this proposal to my attention. This energy conservation project sounds very interesting, and it appears as though its continuation would fit appropriately with the work of the Department of Energy. I will be happy to work with him and with the Department of Energy to explore continuation of this effort as we move to conference on the Interior bill.

Mr. KNOLLENBERG. I thank the gentleman. I look forward to working with him in that regard.

Ms. WATERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to speak in opposition to the Young amendment which would cut the funding for all the discretionary programs in this bill. I am particularly concerned about the effect this amendment would have on Native Americans. I am deeply disappointed by the amount of funding provided in this bill for the programs of the Bureau of Indian Affairs and the Indian Health Service. This bill provides $114 million less than the administration requested for the Bureau of Indian Affairs and $15 million less than the administration requested for the Indian Health Service program.

The cuts in Indian school construction programs will be particularly devastating for Native Americans. The administration had proposed a new initiative to provide $30 million in bonds for school construction by Indian tribes in addition to an increase of $22 million in the funding for new school construction by the Bureau of Indian Affairs.

□ 1745

The Committee on Appropriations did not provide any funding for the bond initiative, and the funding in this bill for school construction is virtually the same as last year.

I realize the Committee on Appropriations has limited funds to work with in providing for programs in this bill; however, new school construction is desperately needed by many Indian tribes. Without new schools, Indian children will be unable to receive the education they so desperately need to succeed in our society.

The Young amendment would make further cuts in school construction, health care, and other programs that serve Native Americans. This draconian amendment is unwise and unfair. The funding in this bill for programs serving Indians should be increased, not cut. The economy in the United States today is extraordinarily healthy. Nevertheless, the people who live on Indian reservations are some of the poorest people in our Nation. They desperately need funding for new schools and other infrastructure, health care and economic development. We cannot allow them to be left behind.

Let me remind my colleagues that the President just took a tour of the poorest areas in our country to talk about new initiatives to help bring these communities on line with the new possibilities that are being created with this well-performing economy. I had a long conversation with the President when he finally reached California.

He had been on an Indian reservation. The President of the United States, President Clinton, said he had never ever seen poverty like he saw on this Indian reservation. He said it was beyond comprehension. He said if someone thinks what they have seen in any inner-city in America is bad, they need but go on some of these Indian reservations and see the abject poverty that they are experiencing.

So, to have this kind of an amendment that would further exacerbate this kind of poverty is unconscionable, and I will ask my colleagues to reject the Young amendment and do not support this kind of cut in our discretionary spending.

AMENDMENT OFFERED BY MR. WELDON OF FLORIDA

Mr. WELDON of Florida. Mr. Chairman, I offer an amendment on behalf of myself and the gentleman from Georgia (Mr. BARR).

The Clerk read as follows:

Amendment offered by Mr. WELDON of Florida:

Page 108, after line 14, insert the following new section:

SEC. 332. No funds made available under this Act may be expended to approve class III gaming on Indian lands by any means other than a Tribal-State compact entered into between a State and a tribe, as those terms are defined in the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.).

Mr. WELDON of Florida. Mr. Chairman, this amendment is very simple. It ensures that the integrity of a law that the U.S. Congress passed, the Indian Gaming Regulatory Act, is preserved. I have here in my hand letters of endorsement of my amendment by both the National Governors' Association and the National Association of Attorney Generals, two bipartisan groups.

Why have they endorsed this amendment? Because it protects the rights of States that this Congress granted them under the Indian Gaming Regulatory Act or the IGRA. Under IGRA, in order for Indian tribes to engage in Class III gambling, otherwise known as casino gambling, tribes must have an approved tribal-State compact.

However, recent actions by the Department of Interior would enable Indian tribes to circumvent State governments when negotiating these compacts. Regulations issued by the Secretary of Interior on April 12, 1999, established a process by which a tribe can essentially bypass the State and open a casino in the absence of a tribal-State compact.

This severely weakens the rights of States to determine gambling activities in their own communities. These regulations are inconsistent with IGRA. The Department of Interior has exceeded the authority granted under IGRA by issuing a regulatory remedy on a matter that both Congress and the Supreme Court have stated should be determined by the States. My amendment prohibits the Secretary from allowing a tribe to open a casino in a State where the tribe has not negotiated a compact with the State.

Allow me to review for the Members what my amendment does and does not do.

What the Weldon-Barr amendment does: My amendment maintains the status quo of the Indian Gaming Regulatory Act. It ensures that tribes can still use the current IGRA process to engage in Class III casino-style gaming. It preserves the right of Congress to pass laws and make majority policy changes. It continues incentives for tribes and States to pursue legislative changes to IGRA. It prevents the Secretary of Interior from bypassing Congress and allowing tribes to establish Class III gaming in the absence of a tribal-State compact. It protects State rights without harming Indian tribes.

What my amendment does not do: This amendment does not amend the Indian Gaming Regulatory Act. The Weldon amendment does not affect existing tribal-State compacts. The amendment does not limit the ability of tribes to attain Class III gaming as long as valid compacts are entered into by the tribes and the States pursuant to existing law.

I encourage my colleagues to vote to protect the rights granted by this Congress to the States. Vote to protect the rights of our local communities to have a voice in whether or not casinos will be opened in their communities. Vote to support our Governors and State attorneys general. I encourage my colleagues to vote yes on this amendment, and I again point out that this amendment has been endorsed by the National Governors' Association and the National Association of States Attorneys General.

Mr. KILDEE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to the Weldon-Barr amendment. This amendment would keep the Secretary of Interior from fulfilling a congressionally mandated obligation that requires him to develop alternative procedures on Class III gaming compacts.

Mr. Chairman, on April 12, 1999, the Secretary published proposed final regulations on Class III or casino style gaming procedures that allows the Secretary to mediate differences between States and Indian tribes and Indian gaming activities. These regulations are a long awaited development in the stalemate between Indian tribes and certain States over Class III gaming.

The Secretary developed the regulations because of the United States Supreme Court ruling in Seminole Tribe versus Florida, which found that States could avoid compliance with the Indian Gaming Regulatory Act by asserting immunity from suit. By enacting IGRA, Congress did not intend to give States the ability to block the compacting process by inserting immunity from suit. In fact, IGRA enables the Secretary to issue alternative procedures when the States refuse to ratify the compacts.

This is why the Secretary is exercising authority to issue regulations governing Class III gaming with the States that refuse to negotiate in good faith. The Weldon-Barr amendment would prohibit the Secretary from fulfilling his obligations under IGRA on the grounds that it bypasses State authority.

Nothing could be further from the truth, Mr. Chairman. The regulations would give great deference to the States' role under IGRA. Only after a State asserts immunity from suit and refuses to negotiate would the regulations apply.

Mr. Chairman, I think it is particularly important to note that the regulations would not give tribes a right to engage in gaming, but only create a forum where all interests, State, Federal and tribal, can be determined. The Secretary's role would be subject to several safeguards including oversight by the Federal courts.

In April, one day after the Secretary published the Class III gaming regulations, the States of Florida and Alabama sued in the Federal district court in Florida claiming the regulations were beyond the scope of the Secretary's authority under IGRA. On May 11, 1999, the Secretary wrote to the House and Senate Committees on Appropriations, saying that he would refrain from implementing the regulations until the Federal court has resolved the authority question. We should not interfere in a matter currently under Federal court review. Allowing the Weldon-Barr amendment to become law now would interfere in that process.

Furthermore, Mr. Chairman, the Interior appropriations bill is not the vehicle that should be used to debate the issues of Class III gaming regulations. The Committee on Resources spent months and months writing IGRA, and I helped write that bill.

Mr. Chairman, the gentleman from Illinois (Mr. HASTERT) and the Republican leadership are meeting today with several tribal leaders on their support of Indian sovereignty. How ironic it is that we are here today considering an amendment that would devastate our policy and laws promoting tribal sovereignty and Indian self-determination. Downstairs they are talking to them, giving them certain promises, and I encouraged that meeting. I commend Speaker HASTERT for having that meeting; It is a historical meeting. But while they are talking to them downstairs, our deeds up here are far more important, and I urge the defeat of that amendment.

Mr. BARR of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is an amendment that has nothing to do with tribal rights; it has nothing to do with policies that the Speaker might engage in with Indian tribes or that the administration or the minority leader might engage in with Indian tribes.

That is the reddest of herrings, perhaps exceeded only in its redness of herrings by the statements by the previous speaker that the amendment that the gentleman from Florida (Mr. WELDON) and I are proposing today would somehow thwart the congressional intent embodied in the provisions of the Indian Gaming Regulatory Act. That is an absolute inaccuracy that the previous speaker noted.

The authority that the Secretary of the Interior has, Mr. Chairman, under the Indian Gaming Regulatory Act clearly contemplates and expressly provides that the Secretary has the authority to step in and mediate a dispute between a State and a tribe seeking to set up gambling operations in that State only after a judicial finding of fact.

The regulations that the Secretary is proposing and that the gentleman from Florida is supporting run roughshod over the rights of the States. Now he may firmly believe that the rights of a tribe should run roughshod over the rights of a State. The gentleman from Florida (Mr. WELDON) and I and others disagree with that and believe that there needs to be a balance here.

That balance, Mr. Chairman, that balance is reflected in the very careful language of the Indian Gaming Regulatory Act, which gives the States and the Governor of that State the authority to decide based on the best public interest whether or not to allow casino type gambling. It does provide for the Indian tribe a mechanism to contest that and to ensure that the State engages in good faith negotiations, and it does indeed provide a role expressly for the Secretary of the Interior.

Once there has been a judicial finding of fact, what the Secretary is seeking to do is to circumvent that and to interpose his decision, his view of the world, over that of the State, and that is wrong. That indeed does subvert the congressional intent embodied in the careful balancing act which is the Indian Gaming Regulatory Commission.

Now the previous speaker also referenced a letter from the Secretary of the Interior saying that the Secretary promised not to do anything until these court cases have gone through. I would urge the gentleman from Florida to read the second page of the letter which apparently he has not, or he has but he elects to ignore it.

□ 1800

The Secretary of the Interior has left himself a huge loophole in that he provides that this promise that he has made not to move forward on the final regulations, but to do everything up to the final publication of the regulations, would, however, be null and void if in fact the court had not ruled within 6 months. In fact, there is no way the courts are going to rule in 6 months on this, despite the wishful thinking of the previous speaker and other speakers on the other side.

The fact is that the only way that States' rights can be kept intact as contemplated by the Indian Gaming Regulatory Act is to adopt the Weldon-Barr amendment, which maintains the status quo. It simply maintains the status quo as contemplated by the Congress, and for the life of me I do not know why the previous speaker, who takes great pride, as he should, in his role in formulating and passing the Indian Gaming Regulatory Act 11 years ago, he seems now to have changed his mind and seeks to undo the carefully crafted balance in there between States' rights, the role of the tribe, and the role of the Federal government as mediator once there has been a traditional finding of fact.

I give the gentleman more credit than he gives himself. I say, yes, that act that he was instrumental in formulating does indeed provide a proper framework. It recognizes States' rights. It ensures that in a State where the public interest, as determined by the elected officials of that State, do not want a Class III casino-type gambling operation in their State, they, as long as they have engaged in good faith negotiations reflecting the will of the people, cannot have it forced on them by an unelected Federal bureaucrat, namely, the Secretary of the Interior.

The act was correct in striking that balance. We should not allow the Secretary of the Interior unilaterally to undo that. And the way we do that, of course, is to adopt the Weldon-Barr amendment maintaining the status quo of the carefully balanced Indian Gaming Regulatory Act.

Mr. Chairman, I rise today to vindicate a basic principle. That principle, embodied in the Tenth and Eleventh Amendments to our Constitution, holds that decisions are best made at the level closest to the people they will affect.

Of all the commercial enterprises that could be located in a community, there are none that more dramatically alter the local culture and economy than gambling casinos. When these casinos are located on newly-created Indian reservations, which are exempt from many local and state laws and taxes, the effect on communities is increased.

While gambling promoters frequently make wild promises of economic growth, they just as often don't tell the whole story. For example, according to a study by Dr. Valerie Lorenz, in states with two or more forms of legalized gambling, 1.5%–3% of the population become compulsive gamblers. Even worse, the number of teenagers who will become addicted is much higher, reaching levels of 5%–11%. Among compulsive gamblers, 99% said they committed crime, and 25% surveyed said they attempted to commit suicide.

Casino gambling can put an increased drain on law enforcement and social services. Furthermore, when it takes place on Indian lands, it can siphon away local tax revenues.

Any way you look at it, it is obvious gambling significantly impacts any community it touches. Therefore, on such a critical issue, surely, every member of this House would agree that states should be able to determine for themselves whether or not they want to locate gambling operations within their borders.

Unfortunately, the Department of the Interior seems unable or unwilling to grasp or recognize this fact. Beginning in 1996, the Secretary attempted to promulgate rules allowing the Department to approve Class III gaming in any state, regardless of whether or not the state wants it. Keep in mind, Mr. Chairman, Class III gaming does not apply to traditional tribal games, or even to bingo halls; it includes and refers to the types of gambling operations associated with a casino in Las Vegas or Atlantic City; in other words, massive gambling.

Our amendment aims to prevent this travesty from occurring, by requiring all Class III gambling on Indian reservations be approved by state-tribal compacts, as it has been for years. It is a sensible, limited step, that is supported by the National Association of Attorneys General, the National Governors Association, the Christian Coalition, the Family Research Council, and others.

Any Member who thinks their district will never have a problem with powerful gambling interests should think again. Georgia's Seventh District is hardly the first place where one would consider locating an immense casino. However, in the past three years, three counties in my district—Bartow, Carroll, and Haralson—have been the target of concerted, well-funded efforts by gambling promoters from outside our state, seeking to establish casinos on newly-identified Indian lands, despite intense local opposition.

Already, these promoters are chomping at the bit to take advantage of Secretary Babbitt's dogged support for forcing casinos on states and communities that don't want them. As casino promoter Kenneth Baldwin recently told the Atlanta Journal-Constitution, "[w]e have the legal right to proceed with this project whether the governor likes it or not" (May 26, 1999).

This statement is outrageous, reflecting as it does the notion that a community can be radically changed by gambling promoters, backed by the heavy hand of the federal government running roughshod over the policies and wishes of the state population. The Weldon-Barr amendment returns a small level of balance to the law, and to public policy, and I urge its adoption by the House.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, for the Members who would like to get the facts on this one, the other body has had an amendment identical to this. What happened in the conference on the supplemental a few months ago was that Senator ENZI had this amendment, and then he decided to withdraw it on the strength of a letter from the Secretary of the Interior, Mr. Babbitt, that he would take no further action until such time as this issue is resolved by the courts; that is, as to the authority of the respective parties.

What basically is at issue here if this amendment were to pass, would be that the governors would have the last word. So if an Indian tribe were to want to start a casino, they would have to go to the Governor to get approval. Under the present law, they can go to the Secretary of the Interior as an alternative.

All I want is to make it clear to the Members what the situation is as they try to make a decision as to whether or not they think the Governors should have the last word, which would be the effect of the amendment, or whether they think that we should wait. What we decided in the conference on the supplemental is that we should wait until the courts have ruled on it.

I will say that the Secretary of the Interior did state in a letter that he would not grant any applications until such time as there was a final ruling by the court, and then at that time we in the Congress would need to address this as to what we think the policy should be.

If Members agree that the Governors should have the last word, then I think the Barr-Weldon amendment does that. If Members think we should wait until the court makes a ruling, and that was the decision in the conference on the supplemental, then we would wait until that time. Then, depending on what the court would rule, we will have to decide as a matter of policy whether we in the Congress think the Governors ought to be the final arbiter of the issue of a casino, or whether it should be an appeal process to the Secretary of the Interior.

Mr. WELDON of Florida. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Florida.

Mr. WELDON of Florida. I thank the gentleman for yielding to me, Mr. Chairman.

Mr. Chairman, I appreciate the hard work that the gentleman from Ohio (Mr. REGULA) did in crafting this bill. The gentleman and I and his staff did talk at length before offering this amendment on this issue. I just want the chairman and my colleagues to understand that I believe we should decide this issue and not defer to the courts to decide.

I consider the courts a place where the laws are interpreted, but I believe that we write the laws and the statutes, and in this particular case I believe the administration, via the office of the Secretary, are trying to go around the intent of the law.

My amendment simply, I believe, reinvigorates IGRA to its original intent. I understand the chairman's position.

Mr. REGULA. Mr. Chairman, reclaiming my time, I am just trying to lay out the facts.

Mr. WELDON of Florida. I am very supportive of the work the gentleman does in the committee, but I believe we have the right to decide on a very, very important issue.

If I might also add, one of the parties to this suit is the Attorney General from Florida, who encouraged me to go ahead and offer this amendment. So clearly he has decided that he would rather see this settled legislatively, rather than wait to see how the court decides the issue.

Mr. REGULA. Reclaiming my time, Mr. Chairman, I think there is probably a little more at issue in the courts. That is the issue of sovereignty. That becomes a question of what rights the Native Americans have by virtue of treaties as to their sovereignty.

It is kind of a murky area, frankly. We keep trying to address it. We have the issue on the right to not pay any taxes at stores, and there is another issue as to whether or not a tribe could go out and buy a piece of land away from the tribal lands, and then consider that to be tribal lands for purposes of building a casino. I think we concluded in the supplemental conference that there were so many issues that we did not feel we could address them at that moment.

So everyone understands what the question is here, the amendment would leave the responsibility with the Governors on that issue.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to begin by answering my two colleagues who just spoke.

My colleague, the gentleman from Florida (Mr. WELDON) who mentioned about circumventing the process, we are circumventing the process right now by not taking this up in the appropriate committee. That is the House authorizing committee of the Committee on Natural Resources. That is where this ought to be taken up. This is an amendment to an appropriations bill. It has no place on the floor right now being taken up on this issue.

For the Members to say that somehow we are going to have the court decide what the law of the land is and be offended by that is really quite startling to me. The court is the arbiter. The court should be the arbiter. The fact of the matter is that when IGRA was written, it was written to mitigate the court.

Let me just read what the court decided in the California versus Cabazon Band of Michigan case. It said, "The attributes of sovereignty," which the former speaker said is a murky issue, but the Supreme Court court of the United States said that "attributes of sovereignty over both their members and their territory," that "tribal sovereignty is dependent on, and subordinate to, only the Federal government, not the States." Do I need to repeat that? To the Federal government. Because these are sovereign nations, in case no one has read the Constitution of the United States, which they were sworn to uphold, and which, I might add, one of the cosponsors of this amendment has so vehemently protected in every speech that he has given about how he is going to defend the Constitution.

Let me read the gentleman some of the Constitution. The Constitution, Article 1, Section 8: "The Congress shall have the power . . . To regulate commerce with foreign nations, and among the several States, and with Indian tribes."

Do Members know why the Constitution said that? Because they wanted to make sure Indian tribes were treated on the same basis as States were, and as foreign nations. This is about the basic tenets of our Constitution. How the hell do Members think we got the country that we are living in? We struck agreements with Native American tribes to get the land. It was predicated based upon an agreement, and this country has never lived up to that agreement. It is why we have so much of Native American country living in destitute poverty.

What do the proponents of this amendment want to do? They want to say, well, our constituents do not like gaming. Okay, they do not like gaming. Guess what, they have an alternative, tell the State to ban gaming. That is what I did in my State. I voted against gaming. But while the State of Rhode Island has lottery and has Keno and everything else, I say to them, hey, listen, if it is good enough for the people of Rhode Island to have, then why are Members going to prohibit the Narragansett Band in my State?

I would venture to say each and every one of the Members in their own States, unless their State prohibits gaming altogether, they have no alternative but to play by the same rules that they allow their own people in their own State to play.

Keep in mind that these Native American tribes rely on this funding. This is not just for some casino operation where the money goes into someone's pocket. This is about money that goes to help subsidize housing for Native Americans, which I might add is in deplorable condition in this country. This money goes to subsidize education, which is in deplorable condition in the Native American reservations.

This money goes to supporting health care. If Members look at every indice in this country with respect to

Native American populations and non-Native American populations, the difference is unbelievable. The difference is unbelievable. Do Members know what it points out? It points out the historic discrimination against native peoples in this country.

If this Congress can come here today and say that they want to pass the Barr-Weldon amendment, then they want to join the legacy of shame of this great country of ours, the legacy of shame of what we have done to Native Americans by playing roughshod over them.

God forbid we play roughshod over the States, because we have been playing roughshod over Native Americans our whole lives. God forbid our Members come up here and try to protect States. They are the ones. We have had Native Americans. God forbid States ever get run roughshod over.

Now Native Americans have some leverage. They have this thing called sovereignty, which we never bothered to examine in the Constitution. Guess what they have done with that sovereignty? They have done the very same thing that every other State in this country has done, with the exception of maybe two or three other States that have outright prohibited gaming. They have said, listen, we want to take advantage of the same thing that every other State in this country is doing.

Do Members know what? The Constitution and the Supreme Court decision says they can do it. Do Members know what their amendment is saying? It is saying no, they cannot do it. Do Members know why? Because Congress passed IGRA, and IGRA was unclear on this. IGRA watered down the Supreme Court decision. Now Members want to water down IGRA. It is not fair.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. LAHOOD). The Chair would remind all Members that the use of profanity during debate is not permitted.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the amendment offered by the gentleman from Florida (Mr. WELDON) and the amendment offered by the gentleman from Georgia (Mr. BARR), and I would like to thank them for their leadership on this very important matter, important to all Americans.

I want to remind my colleague, the gentleman from Rhode Island (Mr. KENNEDY), that I am sure his support for bringing a bill of this magnitude or the magnitude of the other amendment offered by his colleague, the gentleman from West Virginia (Mr. RAHALL), before the committee would be very important prior to bringing it to the floor, as well.

I urge my colleagues here to support this amendment that would protect States' rights and ensure that the Federal government allows and follows the Indian Gaming Regulatory Act of 1988. The passage of the Weldon-Barr amendment will stop the Department of the Interior from implementing regulations that will erode these rights.

On January 22, 1998, the Secretary of the Interior, Bruce Babbitt, unilaterally made a decision that stripped the States of most of their fundamental rights under IGRA. Secretary Babbitt promulgated new regulations that gave him sole approving authority over Indian gaming, despite the objections of Governors and States, even over the unanimous opposition of the people in those States.

The Tenth Amendment of the Constitution states that the powers not delegated to the United States by the Constitution nor prohibited to it by the States are reserved to the States respectively, or to the people. However, Secretary Babbitt again is trampling on these rights and taking them from Members' States and Members' Governors.

The presence of casinos has commonly evoked among States very strong feelings and requires decisions to be made at the State level, not here in Washington, D.C. Currently the Indian Gaming Regulatory Act allows our Governors to negotiate with Indian tribes regarding the construction of Indian casinos on reservations. Secretary Babbitt wants to take away our Governors' authority in that area, and the Secretary further wants that authority himself to decide whether gaming will be allowed in any State, and which types of gaming will exist.

If we want Indian casinos, great. If we do not, we and our Governors should have the authority to protect our States' rights and stop what could potentially become a very serious issue. Protect States' rights and let States make their own decision on Indian gaming. Stop the Secretary from taking what is not his to take.

This is truly an issue of States' rights, because these regulations are inconsistent with current Federal law. The Department of the Interior has exceeded that authority granted under IGRA by issuing a regulatory remedy on a matter that both Congress and the Supreme Court have stated should be determined by the States.

☐ 1815

Last month the federally appointed National Gambling Impact Study Commission issued their 2-year study and among the sweeping recommendations that they made included that "tribes, States and local communities should continue to work together to resolve issues of mutual concern rather than relying on Federal law to solve problems for them."

The study also recommended that Congress should specify constitutionally sound means of resolving disputes between States and tribes regarding Class III gaming. Further, the Federal commission recommended that all parties to Class III negotiations should be subject to an independent impartial decisionmaker who is empowered to approve compacts in the event a State refuses to enter into a Class III compact. However, this should happen only if the decisionmaker does not permit any Class III games that are not available to other citizens of that State and only if the effective regulatory structure is corrected.

Clearly, the Secretary of the Interior is not an impartial decisionmaker on this issue as he has a fiduciary duty to protect and act on behalf of tribal rights.

Mr. Chairman, I urge my colleagues to support the Weldon-Barr amendment and prevent this power grab by the Secretary of the Interior.

Mr. Chairman, I yield to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from Nevada (Mr. GIBBONS) for yielding to me, and I want to make a couple of points.

Regarding the issue of the courts, the courts have ruled that the Congress has the authority to cede this responsibility to the States to make the decisions. And what has spurred my interest in this issue is a tribe is trying to buy a piece of property outside of Disneyworld in my congressional district and when we asked them if their attempt was to build a Class III gaming facility, their response was that they would not rule that out.

The gentleman from Rhode Island (Mr. KENNEDY) said, why do the States not outlaw this? We had a ballot referendum on this in Florida, and 79 percent of the people in the State of Florida voted in opposition to establishing Class III gaming in the State of Florida.

Now, my amendment does not address any of those issues. All my amendment says is stick to the law in IGRA and do not violate the principles that this Congress passed 11 years ago and was signed by the President of the United States.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it appears to me after listening to this that basically what we have got here is a situation in which either we are going to wait for the court to determine whether under IGRA the Secretary has the authority to promulgate these regulations or we are going to adopt an amendment that basically says that if the States say no, it is no, that there is no other authority to intervene here.

Now, as I have talked to the distinguished former chairman of one of the subcommittees that wrote this legislation, he believes that IGRA gives the

Secretary of the Interior the authority, when there is an impasse between the tribe and the State, to come in. And he has promulgated regulations that would allow him to do this so that he can try to negotiate an agreement to settle the impasse.

Now, Mr. Chairman, that makes sense. If we did not have that, then the State could just say no, and that would be the end of it. I think that would be very unfair. The tribes do have sovereignty. The tribes have a relationship, a government-to-government relationship with the Federal Government. And it seems to me that the Secretary of the Interior would be playing a constructive role if he would try to negotiate an agreement and, if the States just adamantly refused to do anything, to actually implement an agreement. But it has to be consistent with State law. That is what I understand.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I am pleased that the gentleman from Washington has actually put it very clearly. I would like to suggest to my colleagues that they are interfering with something that really I believe would be unconstitutional because of the Sovereignty Act.

Mr. DICKS. The Weldon-Barr amendment would be unconstitutional?

Mr. YOUNG of Alaska. Absolutely, as far as the sovereignty tribes. I understand those who are against gambling, but this was set up very carefully. The Secretary now is an arbitrator. And, very frankly, in most cases, in some cases rarely, there has been an agreement with the State and with the governor for the establishment of gambling activity. And I have studied this very carefully. If we go into this and adopt this amendment today, as good as it may feel for some, I can guarantee it will make an awful lot of lawyers rich, and I do not want any more lawyers rich.

Mr. DICKS. Mr. Chairman, reclaiming my time, I want to say for those who did IGRA, it has worked well over the past 10 years with over 200 compacts negotiated in 24 States. And, frankly, and I do not particularly like gambling. But I think Indian gaming has been for certain tribes very successful in terms of raising money to improve the quality of life for those tribes. So I can understand why some of the tribes have done it. And as I understand the law here, they cannot do anything that the State does not allow. In other words, if a State allows a certain level of gambling, then the tribe can allow it.

Mr. Chairman, my view is that we should defeat this amendment. That we should wait and see what the court does with the regulations that the Secretary has promulgated. And he has said that he is not going to approve, where there is a conflict, any new compact until those regulations are tested in court. That seems to me to be a very reasonable approach, and I would urge my colleagues to defeat this amendment, which is unnecessary and which would, I think, violate the law and maybe even the Constitution.

Mr. WOLF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Weldon-Barr amendment. It continues previous law which prohibited the Department of the Interior from using Federal funds to approve tribal gambling which was not approved by a host State. Keep in mind, and I know other Members can tell about this, one tribe came to my congressional district and was going to buy a ski lift and create a gambling casino in that district. I know a tribe was going to Cape May, New Jersey, and do the same thing.

There is danger here if this amendment is not adopted. I would also call the attention of my colleagues to the gambling commission study which was reported out 2 weeks ago or 3 weeks ago. The commission said, and I quote, "Policymakers at every level may wish to impose an explicit moratorium on gambling expansion because it is running rampant in the country."

Mr. Chairman, it has been found that more than 15 million Americans are problem or pathological gamblers. Half of them are children. Rather than going into a lot of statistics, to put it in words that we can understand, there are currently more adult and adolescent problem and pathological gamblers in America than reside in New York City. There are six times as many adolescent problem or pathological gamblers in America, 7.9 million, than men and women actively serving in the combined Armed Forces of the Army, the Navy, the Marine Corps and the Air Force. Our Nation's youth is disproportionately impacted by gambling.

And so the current Department of Interior regulations preempt States' rights. And without prejudging, and nobody can say without implicating, the Secretary of Interior is currently involved in a litigation in a State in the Midwest with regard to an issue with regard to Indian gambling.

Mr. Chairman, I would urge that the Weldon-Barr amendment is a good amendment. I think it is the intention of what the Congress wanted to have, and I think it is one that gives us the pause that the commission recommended. And I might say that all the Members of this Congress, except for those who are freshmen, voted for this commission. The fact is, there was such unanimous support and anxious desire to have this commission that there were actually no votes on the floor in opposition to it. It was a voice vote.

With that, I urge support of the Weldon-Barr amendment.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, I appreciate the remarks of the gentleman from Virginia (Mr. WOLF). This is not really a debate about gaming. It is really a debate about sovereignty.

The State of Michigan in its 1835 Constitution outlawed all gaming in Michigan. And about 1972, the legislature presented an amendment to the people to change that. I voted against putting it on the ballot. I wanted to keep the ban on all gaming in Michigan. To use the term, I am pretty "conservative" on gambling. Not very conservative in all areas, but conservative on gaming. I voted not to change the Constitution. And had Michigan, for example, kept that prohibition on gaming, then it could have prohibited gaming all over Michigan, including on sovereign Indian territory.

That is what the court decision says. This is about sovereignty, not about gaming.

Mr. WOLF. Mr. Chairman, reclaiming my time, keep in mind that the case down in Cape May, a tribe came into Cape May, and clearly perhaps there was at one time a tribe in Cape May, but they were no longer there and they had not been there for hundreds of years. They were going to buy several acres of land and establish a gambling casino there where there was no basic record of them having been.

So I think the Weldon-Barr amendment is a good amendment. It brings us to where the country I think should be.

Ms. WATERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in opposition to the Weldon-Barr amendment which will, if passed, have a devastating impact on many Indian tribes in my home State of California as well as throughout the country. This amendment would prohibit the Department of the Interior from implementing important new regulations for mediating differences between States and Indian tribes on Indian gaming activities.

These regulations are a long-awaited development in the stalemate between tribes and States over gaming compacts. The Indian Gaming Regulatory Act requires Indian tribes to negotiate compacts with State governments for the operation of certain types of gaming facilities. In the event that States and tribes are unable to negotiate a compact, the act gives the Department of the Interior the authority to mediate between the States and the tribes.

Congress never intended to give States a blanket veto power over an Indian tribe's right to conduct gaming. The supporters of this amendment claim the regulations would bypass State authority. Nothing could be further from the truth. The alternative procedures proposed by the Department of the Interior would come into play only after a State has refused to negotiate. Furthermore, during the mediation process the State has 10 different opportunities to join the process and participate as a full party to the negotiations.

Mr. Chairman, this amendment would encourage States to ignore their obligation to negotiate with tribes that seek to operate gaming facilities. It would permit States to refuse to negotiate gaming compacts and thereby prevent tribes from operating gaming even when other citizens of the State are permitted to do so. This unfairly discriminates against Indian tribes.

Gaming is to Indian tribes what lotteries are to State governments. Indian gaming revenues are used to fund essential government services, including law enforcement, tribal courts, economic development, and infrastructure improvement. These revenues serve to promote the general welfare of the tribes. Through gaming, tribal governments have been able to bring hope and opportunity to some of the country's most impoverished people.

Mr. Chairman, a few minutes ago when I got up to speak against the Young amendment, I mentioned the President's visit to an Indian reservation and this trip that he did around the Nation to try and initiate economic development opportunities in poor communities through this new initiative. Again, I would like to reiterate the look of shock on the face of the President of the United States when he described the poverty on this reservation. He said it was absolutely off the scale.

Now picture an Indian reservation that has gotten involved in gaming who is now providing health services, who are building schools, who are educating their young people. They are literally doing what America teaches us to do, pulling themselves up from their bootstraps.

□ 1830

We have people who have been relegated to nothingness out on the reservation with little or no help, and they decide they are going to do something about it, self-determination. What do we see? We see rising opposition from suspicious sources such as this amendment would do.

We know of this game. In California, we just defeated a proposition that was placed on the ballot to deny Indians the right to have gaming on their own reservation, on their own land.

Mr. Chairman, this is not right. This is not fair. This is discriminating. Someone challenged us, I do not know who it was, just a few minutes ago. I think it was the gentleman from Rhode Island (Mr. KENNEDY), when he said, if one does not like gaming, if one does not like gambling, outlaw it for one's entire State. But one cannot with a straight face stand up and say it is all right for some, but it is not all right for others.

Who are those others? The same people whose rights have been trampled on. The same people who have been discriminated against historically. Shame on my colleagues for even attempting this kind of thing. This is beneath the dignity of anybody who is elected to represent all of the people. People deserve better representation. My colleagues deserve to be better representatives themselves.

I ask us to reject this discriminatory amendment that would simply put the foot of the United States of America on the necks of the Indians and Native Americans one more time. I do not believe my colleagues would actually carry this out.

Mr. HAYWORTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment offered by the gentleman from Florida (Mr. WELDON). I think it is important, Mr. Chairman, to turn to the document, Mr. Chairman, that we swear to uphold and defend.

Article I, Section 8 of this Constitution reads that "the Congress shall have the power to regulate commerce with foreign nations and among the sovereign States and with the Indian tribes."

Mr. Chairman, that very enumeration ensures that Indian tribes enjoy rights of full sovereignty and sovereign immunity.

The problem and the difficulty before us and why we have to reject this amendment in part is based on this fact, not only Article I, Section 8 of the Constitution, but subsequent precedent in terms of treaties ratified by the Congress of the United States that sets up, not only a tribal trust relationship, but a government-to-government relationship between our Federal Government and the sovereign Indian tribes.

Mr. Chairman, when we look at that government-to-government relationship, there is a difficulty we have, we would all admit it, in terms of fulfilling treaty obligations and dealing with the States and the whole notion of funding and set-asides that exist. That thorny issue is also addressed in the Indian Gaming Regulatory Act.

As originally crafted, IGRA provided States with a role of regulating Class III gaming, but it was never intended to give States absolute authority to preclude tribal gaming. Moreover, if we accept the Constitution, the document that we swear to uphold and defend, and we take a look at what is transpiring, two of our sovereign States dealing with this constitutional question have already sought relief in the courts.

Mr. Chairman, I need not school my colleagues in civics. They understand clearly the separation of powers. But the question will be decided through interpretation by the judiciary. The process is already well under way. Why, then, would we come to the floor of this House and attempt to circumvent the judicial process? Worse, Mr. Chairman, we are attempting to legislate in the appropriations process.

If the gentleman from Florida (Mr. WELDON), if the gentleman from Georgia (Mr. BARR) have meaningful policy differences to debate, let them bring action through the authorization committees. Let them go to the full Committee on Resources that is facing the challenge of the jurisdiction of tribal trust questions.

If there are questions of taxation, let them come to the Committee on Ways and Means on which I serve and must return, as we are in the middle of a legislative markup.

But this is not the vehicle to use for this policy difference. Let the courts do their job. Uphold the Constitution. With all due respect and affection to the gentleman from Florida (Mr. WELDON), please stand together as one, Republican and Democrat, and reject this.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HAYWORTH. I gladly yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to compliment the gentleman from Arizona for a very fine statement. I think he very succinctly brought this issue to bear. His work on the committee has certainly been important and impressive, and I agree with him. I think we should not interrupt what the courts are doing, and I think we ought to let the authorizers solve this problem.

I compliment the gentleman on his statement.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think many of the points have been made, but let me suggest that, in two instances, the suggestion was that we need this amendment because an Indian tribe was seeking to build a reservation on some land that they would purchase that was not part of their trust lands or not part of their reservation. In that instance they cannot build that casino.

That land cannot be taken into trust under the existing law today without the Governor's approval. That has been true in a number of different States. Whether it is in Cape May or whether it is in Florida, to take lands into trust for that purpose under IGRA is not allowed without the approval of the Governor.

In other instances, this Congress has decided that lands would be given to

Indian Nations, and the restrictions were that they could not be used for gaming purposes, because that decision was made both in some cases by the tribes who were seeking recognition and seeking the lands and those who did not.

But let me just say that this amendment is a very dangerous amendment, because this is not about States' rights. This is about whether or not we try and nullify the sovereign rights of the Indian Nations in this country.

Because as we now recognize, and as we recognized when we passed IGRA, the Indian Nations have a right to engage in gaming if, in fact, that State is engaged in gaming. That is settled.

We put in IGRA so that it could be a process by which the State would then be included in that decision-making process. There would be a process to develop a compact in the case of Class III gaming if the State had Class III gambling.

The problem comes when the State does not bargain in good faith, and then the State goes and hides behind the immunity, that they cannot be sued, that somehow, then, that ends the process. That is why IGRA envisions the Secretary of Interior then coming in as a trustee for the Indian Nations, an arbiter of this to try to put together a process by which then the Indians can have the rights that they are guaranteed under the Constitution. So this is not about usurping the States' rights. It is about protecting the Indians' rights.

Again, as said by a number of people here, if States do not want casino gambling, all they have to do is outlaw casino gambling.

We had a ballot measure to allow Indians in California to have casino gambling, to have slot machines, which we do not readily have in California, or it is open to discussion. A big campaign was run against that. It was run by the Nevada gaming and hotel people. They did not think California should have gambling. It looked to me like somebody trying to protect market share, not a high moral principle.

But the fact of the matter is the State decided that they wanted to go ahead and have these compacts, and the Governor and the Indian Nations are now working out those compacts to provide for some form of Class III gambling. That is the process that is at work.

But in some instances, even in the early days in Arizona, the Governor said no. But we cannot be arbitrary here because they have a right to this. That is why we created this escape valve measure. That now is being challenged in court. Properly so. People have a right to do that.

The State of Florida and Alabama have sued over these regulations. The Committee on Appropriations made the wise decision to wait and see what the outcome of that lawsuit was before we put our thumb on one side of the scale of justice here.

So this amendment, not only is misguided in terms of the problems that people have in fact described, because those are taken care of, and the Governor can keep that from happening, but it is also misguided in terms of the effort that somehow this is about a protection of States' rights when, in fact, the law recognizes the problem when a State simply says we will have Class III gambling in our State, we just will not allow the Indian Nations to do it.

The Supreme Court says they have a right as sovereign nations to engage in those same activities that are legal in those States. If we have a law that says it is not legal, then they cannot engage in that. But recognizing the sovereignty of these nations and their trusted responsibility and all the history that goes along with it, the court said they have a right to engage in that same legal activity.

This is an amendment to strike that down, because this is an amendment that lets the chief executive officer of a State in the most arbitrary fashion decide that he will not approve or she will not approve a compact, and the game is over.

That is contrary to the sovereignty of these nations. It is contrary to the IGRA legislation that was passed by this Congress. I think it is contrary to the best judgment of the Committee on Appropriations to await the outcome of the court in making this determination.

I hope that we vote against the Weldon-Barr amendment. It is an ill-conceived and misguided amendment that does not address the problem that it is purported to speak to.

Ms. BERKLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment in an effort to help stem the tide of bureaucratic overreaching by the Secretary of the Interior when it comes to trampling on the rights of States to regulate gaming activities within their borders.

This amendment would prohibit funds from being expended to approve Class III gaming on Indian lands by any means other than a tribal-State compact entered into by a State and a tribe.

There are four compelling reasons to vote in favor of this amendment:

First, the United States Supreme Court has ruled that it is unconstitutional for the Indian tribes to force the States to allow gaming within their borders by suing in Federal court. There is nothing in the Supreme Court decision that allows the Secretary to take it upon himself to approve compacts where the States and tribes have not agreed. In many cases, the tribes are now completely bypassing negotiations with the States because they know they will receive a more favorable ruling from the Secretary of Interior.

Second, the National Governors Association and the States Attorney General believe that the Secretary lacks legal authority for rulemaking and that statutory modifications to IGRA are necessary to resolve State sovereignty immunity issues.

Let me share with my colleagues what the National Governors Association stated on this issue. They strongly believe that no statute or court decision provides the Secretary of the United States Department of the Interior with authority to intervene in disputes over compacts between Indian tribes and States about casino gambling on Indian lands. Such action would constitute an attempt by the Secretary to preempt States' authority under existing laws and recent court decisions and would create an incentive for tribes to avoid negotiating gambling compacts with States.

Third, while not an entirely enthusiastic supporter of the National Gaming Study Commission, I do agree with its adopted language that opposes the Secretary of Interior empowering himself to grant Class III gaming licenses to Indian tribes. Why, my colleagues say? Because the Gambling Commission, after a 2-year exhaustive study, determined that Indian gaming was poorly regulated throughout this country and out of control.

Finally, there is nothing in the Indian Gaming Regulatory Act which grants this authority to the Secretary of the Interior.

This amendment would prohibit overreaching by the Secretary of the Interior of the worst kind.

I urge my colleagues to support this amendment and help reign in a bureaucracy that is so obviously out of control that it would grant gaming licenses in States and jurisdictions where both the Governor and the people do not wish to sanction this activity.

May I say before I close, I have lived in Las Vegas for 38 years. I grew up there. I know gaming. I agree that the poverty on the Indian reservations is horrific. But if anyone thinks granting Indian tribes gaming licenses is a panacea for the reservations' abject poverty, they are sadly mistaken.

□ 1845

Certainly there must be better ways of bringing economic development to chronically poverty stricken Indian reservations and of correcting a failed and disgraceful national policy when it comes to our Indians. Giving them carte blanche support to have gaming on their reservations by the Secretary of the Interior is not the way to go.

Mr. EVERETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of this amendment.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. EVERETT. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I thank the gentleman for yielding to me. I just want to raise a couple of new points and reiterate several that I have already made.

First of all, on the sovereignty issue, the courts have ruled on this issue and determined that the Congress has the authority to delegate the decisionmaking on this issue to the States, and that is exactly what we did in IGRA. My amendment does not amend IGRA. It does not change IGRA at all. It does not affect the existing tribal State compacts. There are 200 compacts right now involving 200 different tribes and 25 different States, and it does not limit the ability of tribes to obtain Class III gaming as long as a valid compact exists between the tribe and the States where they want to establish gaming.

What does my amendment do? It is worth repeating because there has been a lot of discussion and I think we need to get back to that issue. It ensures that tribes can still use the current IGRA process if they want to engage in Class III gaming. It maintains the status quo of the Indian Gaming Regulatory Act. It preserves the right of Congress to pass laws and make majority policies. But what my amendment does say is that the Secretary cannot do an end run around IGRA.

Now, if my colleagues want to know what happened in Florida, we had a referendum, and it was overwhelming. Four out of five people said they do not want casino gambling in the State of Florida. And what the Secretary is proposing in this regulatory approach that he is taking is to do an end run around the will of the people in the State of Florida. And I think that is obviously wrong but, moreover, regardless of the right or the wrong of it, it violates the very intent of the law that this body passed. And all my amendment says is we are going to stick to the intent of the law as it was originally proposed.

Now, if my colleagues do not like IGRA and they think we should cede all authority on this issue to the Secretary to allow gambling to come into anyplace that he sees in his decisionmaking authority to be appropriate, then I guess Members should vote against my amendment. And watch out, because they may be buying land in other congressional districts. Who knows? They might be buying land in my colleagues' neighborhoods.

And, yes, they have to get, as was pointed out by the gentleman from California, they have to get approval from the governor before that can be taken in as part of the reservation. I understand that. And that is a regulatory hoop that they would have to go through. But, clearly, my amendment simply states that we should stick with IGRA.

Mr. EVERETT. Mr. Chairman, reclaiming my time, I would just like to point out that I represent a small community in Alabama by the name of Wetumpka. Indians from other parts of Alabama have attempted to build a casino there on what was Oklahoma Indians' territory and includes a burial ground.

Now, nothing has been said here today about the impact on these small communities whose infrastructure would be threatened by the traffic and what comes in to that casino. Surely they have some right to determine what will and will not destroy their infrastructure. They have no way to tax for this. None at all.

Mr. Chairman, until Congress has had a chance to take into consideration the findings of the National Gambling Impact Study Commission with regard to Indian gaming, the Secretary of the Interior should refrain from considering Class III gaming licenses outside of the Tribal/State Compact process. the Weldon/Barr Amendment to put a hold on any further gambling compacts is a sensible approach to help address this aspect of the national gambling crisis.

I have testified before the Senate Indian Affairs Committee in the past on this very issue of Indian gaming. Since that time, the U.S. Supreme Court decision on the Seminole Case, followed by the Department of the Interior's draft regulations on Tribal-State Compacts, have added new dimensions to an already complex issue. I became interested in the issue of Indian gaming when the Poarch Band Creek Indians of Alabama began their efforts in 1993 to seek approval for Class III gaming, or casino gambling, at Hickory Grounds in Wetumpka, Alabama.

Hickory Grounds is a sacred burial area that was deeded into the federal trust in the late 1980's for the purpose of preserving the Creek culture. As you can imagine, it came as quite a shock to the people of Wetumpka and other Native Americans in Alabama that the Poarch Band intended to build a gambling casino on this sacred ground.

Frankly, the local community, which will have their infrastructure and public services strained by the operation of a gambling casino, should have a voice in the approval process, in addition to the State. A full-fledged casino, as envisioned by the Poarch Band Creeks, would place new burdens on the police, fire, rescue and other public services of a small town like Wetumpka. The roads, bridges and water and sewer capabilities of the town would be inadequate to handle the added demand.

Mr. Chairman, until a proper judicial review of the proposed regulations of the Department of the Interior has been completed and Congress has had an opportunity to reevaluate the Indian Gaming Regulatory Act, at a minimum, the Secretary should be prohibited from granting Class III gaming licenses. I urge all members to support this amendment.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 20 minutes to be equally divided.

Mr. OBEY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I apologize to the gentleman for objecting, and I am, frankly, uncertain about how this amendment affects my district, but I want to use this time to get something off my chest about the whole question of Indian gambling.

I find it fascinating, because this amendment, as I understand it, attempts to take away the authority of the Secretary to fashion a compact if States have not been able to agree with the tribes. And yet the Secretary of the Interior at this point is the target of an investigation because he refused to approve a gambling casino in my State where three tribes (the nearest of whom was 100 miles away from the proposed casino), wanted to purchase a dog track which was collapsing economically. And the owners of the dog track thought that if the tribes could buy it they could convert a loser into a winner. And so, in my view, three tribes abusing the theory of tribal sovereignty attempted to take over that casino.

So I find it ironic that the Secretary is being pushed in one direction in this amendment and he is being pushed in another direction by the review that is going on now of his activity.

I just want to say this with respect to this issue. I detest what gambling has done to my own State. I detest what gambling has done to the politics of my own State. I also have reluctantly accepted the idea that there is not much under court decisions that we can do about on-reservation gambling. But I certainly think that we ought to do everything possible to prevent tribes from abusing the concept of tribal sovereignty, buying a piece of land 25, 50, 100, 200 miles away from their reservation, having it converted to trust status and then being able to set up a gambling casino on that land.

So I have doubts about this amendment. In fact, I suspect this amendment, in the case of Wisconsin, where we have a compact, does not even apply. And I may be making a mistake when I say this, but I intend to vote for this amendment simply because I believe that this country has gone far too far in both allowing the kind of gambling that is going on. Secondly, I believe in the concept of tribal sovereignty. I believe, however, that we should not sit here and allow that concept to be abused by its beneficiaries to the point where it loses all public support.

And that is what happens when we have these ridiculous land transfers that take place which take land off the tax rolls 100 miles from a reservation.

For instance, one of the tribes in my district tried to establish a gambling casino one block from a major high school in a community. They had no damn business trying to put it in that place. And so while I do not think this amendment is exactly on point and there may be some problems that would need to be fixed up in conference, I, for one, will vote for it simply out of my sense of frustration with what has happened.

And when I hear people talk about the BIA, I frankly have this view about the BIA. I think for 30 years the BIA did nothing but hammer Indian tribes and fail in their responsibility to deal with tribes with respect and dignity. But for the past 15 years or so I think the BIA has not been able to say no to any tribe. And the problem there is that when we refuse to say no to our friends when they are pushing something that is not right, we do not do them any long-term favors. We, in fact, allow them to get into trouble. And I think the BIA has been lax for a long time in that regard.

Everybody around here needs to say no once in a while. That includes the Secretary of the Interior, that includes the BIA, and that includes congressional appropriation subcommittee chairs and ranking members.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, my comments may not exactly be on point on this amendment, but I am supporting this simply out of frustration with what has occurred on an issue that, at its inception, appeared to be fairly benign but has grown into a monster.

One tribe in my State established a casino more than 180 miles away from their reservation by simply persuading the city council of a major city to approve their request over the objection of the mayor. I think that is nuts.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I have listened with interest to the debate that has been going on this evening, and I have listened to my distinguished colleague and friend from Wisconsin, and I share some of the concerns that he expresses about what has happened in our country, in our society as a result of the proliferation of gambling, which no doubt has, in large measure, stemmed from the extent of gambling on Indian reservations.

I listened to my colleague from Arizona talk about why we need to allow this to be settled by the courts, and I have listened to the people talk about the issue of tribal sovereignty, and I have listened to the people talk about States' rights. And I am aware of what has gone on in my State, where our governor has taken a position and we have had a struggle in our State with many of the Indian tribes trying to reach compacts.

But I want to talk to my colleagues tonight for just a moment about it from a different level. Because just 5 days ago I was on one of my reservations in southern Arizona where I saw the impact of what has happened as a result of this gaming. The Pasqua Yaqui tribal reservation is a very small tribe and a very small reservation in an urban setting on the edge of the City of Tucson, with land that has no economic value other than what they have been able to do in terms of scraping it together to make their homes but which now has a casino there which is used by those in the urban area of Tucson.

I was there last Saturday for the dedication of the Boys and Girls Club. Now, the construction of this came from a Department of Justice grant that goes to the Boys and Girls Clubs of America. And, by the way, this was the 49th Boys and Girls Club on a Native American Indian reservation. By the end of next year we will have over 100 of those Boys and Girls Clubs on Indian reservations. I think that, in itself, speaks monuments to what we are accomplishing. But the operation of this Boys and Girls Club and the programs that are going to take place there come as a result of the revenue that they receive from Indian gaming.

I talked to the director of the tribal health service, and he told me about some of the programs that they are doing with teenagers, with teenage mothers and the prevention of pregnancies; and what they are doing to prevent diabetes, which has been so rampant in so many of the other Native American tribes of the Southwest; and some of the other programs they are doing to deal with heart disease and all kinds of medical problems. It is the most innovative program in health care probably in our whole area.

I talked to an Anglo doctor who is their consultant on medical issues, and he told me what this tribe is doing with the limited amount of resources they have been receiving from the small casino that they have on their reservation is truly remarkable and has really turned around this tribe and made them a healthier people and created a better life for them.

☐ 1900

I talked to many of the young men who were there as policemen that day who were providing protection for people who live on this reservation that they had never had before, an area which was subject to rapes, to burglaries, to robberies. And I talked to some of the firemen that were there that day during this dedication, and they are providing fire protection and emergency medical care that was not available before, and all of this comes as a result of this revenue that comes from Indian gaming.

This was not there before for this tribe. This was a tribe that lived in absolute abject poverty that was shuttled off to the edge of the city of Tucson, and they have been able to make something of themselves as a result of this.

Now, I realize there are legitimate questions which have been raised by the gentleman from Florida (Mr. Weldon). The gentleman from Virginia earlier spoke very eloquently about what gambling does in our society, and I think these issues need to be addressed. But as long as we have this in our society, as long as this is there, I think we need to understand what a difference this can make for native American tribes and how it has changed the lives of their people.

For that reason alone, I think that what we are trying to do with the Indian gaming legislation, as we try to maneuver our way through this, we ought to think very carefully about any kind of changes that we make to this. And it is for that reason that I would oppose the kind of amendment that is being proposed here today, which I think would really stop it in its tracks and make it impossible for tribes to really enjoy the economic fruits of the rest of us today as a result of a very healthy and good economy we are enjoying.

I urge that we oppose this amendment.

Mr. FALEOMAVAEGA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have great respect for the gentleman from Florida, and certainly this Member does not question his integrity and sincerity in wanting to present this proposed amendment. But I have to respectfully oppose his amendment and would like to echo the sentiments that have been expressed earlier by both gentlemen from Arizona (Mr. HAYWORTH) and (Mr. KOLBE) about the situation we are dealing with now at this point in time in the appropriations process.

Mr. Chairman, I am reminded of an early Christian missionary by the name of John Wesley who said, "Oh, how great it is for us to go and convert the Indians. But who will convert me?"

I need to plead with my colleagues in this chamber to say simply that the matter that is now before us is before the courts. The States of Alabama and Florida have duly filed a lawsuit in the Federal District Court addressing this very issue. The regulations have been issued. I plead with my colleagues, let the district court, the judiciary process take its place in view of the fact that on account of numerous hearings for years before Congress eventually passed IGRA in 1988, it was not just a haphazard fashion in the way we crafted this piece of legislation.

I might also add, and this is what really bugs me, Mr. Chairman, the Indian gaming industry is fully regulated by the Congress of the United States because of the obvious provision of the Constitution it has to deal with the Congress. I am asking my colleagues, let the court take its proper place by allowing the judiciary process to take place. If we do this, the Weldon amendment is moot and is not necessary.

Mr. Chairman, I heard earlier something said about a carte blanche given to the Indians about the gaming industry. Then I heard earlier also about the need for a moratorium as a result of this 2-year study of the National Commission on Gaming that we now found out there are pathological gamblers.

How come no one ever talks about pathological alcoholics? Why have we not gone after the beer industry and alcohol and wine industry? Do they not have an impact on the lives and welfare and needs of this great Nation? To me it is somewhat hypocritical. We talk about gaming and gambling, but let us not talk about the problems we have with drunk driving. More people are killed by drunk driving every year than by any other.

I plead with my colleagues to reject the Weldon amendment. Let the court take its proper place in this process. And if it does not work out, the Congress will always be here to correct this deficiency. So I ask my colleagues to vote down the Weldon amendment.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words. I am very hoarse, but I am compelled to speak.

I listened to my colleague from Florida as he has proposed an amendment which would gut the Indian Gaming Act in Florida. I served in the State legislature in Florida for 12 years; and never once did I see the Indians treated fairly, never once. Never once did I see them being negotiated with in good faith.

Why are we trying to do an end-around play on the Indians? That is what we are trying to do here. It is not time for this. As a matter of fact, it adds an impasse, more of an impasse than we now have. If this amendment were to pass, it is going to take longer than the Federal courts will take to resolve the situation in Florida.

This is unfair, Mr. Chairman. Because I am hoarse, I will end this by saying, white man speaketh with forked tongue if they let this amendment go. They know it is unfair. They are doing the end-around play to keep the Indians from getting their statutory rights as a sovereign State.

Mr. ANDREWS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Weldon amendment. I think it is important that we understand what it is not before we talk about what it is. This amendment is in no way a rejection nor in any way does it show ignorance of the abject poverty that Native Americans have suffered throughout this country's history.

I would certainly want to be very clear that those of us who will support this amendment also support a comprehensive effort to reverse the desperate straits and abject poverty that are seen on Indian reservations throughout this country.

That is not the question before us tonight. Nor is this amendment a question about whether we support or oppose legalized gambling.

I come from a State, New Jersey, which 23 years ago by referendum elected to legalize casino gambling in Atlantic City. There are others in this chamber that would strongly disagree with my State's judgment that legalized gambling is proper. I believe it is. I think it has brought very positive effects to New Jersey. It has brought thousands and thousands of jobs to the area of New Jersey that I represent, and I think it is a good thing. But I understand there are differences of opinion about that. But that is not the issue before us in the Weldon amendment, either.

There are those who would say that the Weldon amendment is about process, whether this should be brought forward while the court is examining this. With all due respect, the litigation affects only two States. The decisions that will be rendered by the court will not necessarily bind other applications in other States. And by no means are we compelled under the doctrine of separation of powers to wait to see another branch work its will. In fact, I can argue we are better suited to work our will being a democratic, with a small "d," soon now and hopefully with a large "d" in a few months, a democratic institution.

I think the Weldon amendment is about a level playing field. It is about equality of regulation.

Let me talk about my own State in particular. There are presently discussions in two counties in southern New Jersey with respect to tribes which are claiming that they have antecedent legal claims or legal rights to certain lands, and they discuss the plan to operate gambling casinos on those lands. There is significant local opposition.

Now, even if they are able to overcome that opposition by the legal rights that they have under Federal statutes or under the Constitution, there is a question here of equality of regulation. Because if they want to operate a gambling casino in Atlantic City in New Jersey, they may only operate it in Atlantic City, nowhere else in the State, because we have made a judgment that we want to limit casino gambling only to that one municipality.

If they want to work in a gambling casino in Atlantic City, they need a background check that is equivalent to the background check that one would need to be a cabinet officer in State government or a member of the State police. They have to have references and criminal background checks and tests for drug and alcohol. And we make very certain that individuals who work in our casino industry in New Jersey are thoroughly investigated and vetted.

We prohibit employees of our gambling casinos in New Jersey from active participation in political campaigns. We prohibit the owners from making contributions to people running for the Governor's office or for the State legislature because we have a very precise set of understandings about how we want to regulate casino gambling.

I believe it has been a success in New Jersey. And I think it would be completely unfair to New Jersey, where billions of dollars have been invested to build a regulated casino industry, to permit an unregulated industry to come in and compete under a different set of rules.

So whether my colleagues think that tribal claims are right or wrong or whether my colleagues think that gambling is right or wrong, I would suggest that they should support the Weldon amendment because it takes the position that the same rules ought to apply to everyone.

Mr. WELDON of Florida. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Florida.

Mr. WELDON of Florida. Mr. Chairman, I just want to make a very quick point. I appreciate the gentleman from New Jersey yielding to me.

Several Members have gotten up and spoken about the beneficial effects of Indian gaming in some of these tribes. The gentleman from Arizona talked about Tucson. I just want to point out that that tribe has a compact with the State of Arizona. And all my amendment says is stick to that system; it works really well.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. ANDREWS) has expired.

(By unanimous consent, Mr. ANDREWS was allowed to proceed for 1 additional minute.)

Mr. ANDREWS. Mr. Chairman, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I ask the gentleman from New Jersey, what do they do when the State refuses to reach a compact with the tribe? That is the problem we have here. That is why this is a much more complicated issue.

Mr. ANDREWS. Mr. Chairman, reclaiming my time, I think that if a State arbitrarily and capriciously refused to enter into a contract that individual's rights could be violated and that can be addressed in the courts.

Mr. DICKS. Mr. Chairman, if the gentleman would yield further, and we are now in court to see whether we have authority under IGRA for the Secretary to resolve this under the regulations.

So I would suggest to the gentleman that the State should not be in a position to just arbitrarily say no.

Mr. ANDREWS. Mr. Chairman, reclaiming my time, I completely agree that, if a State acts in an arbitrary fashion, they should be overruled in court. But the State should have the authority to create a level playing field and treat all casinos on that level playing field.

Mr. DICKS. Mr. Chairman, the law is, as I understand it, that the State can only allow the tribe to do what the State allows everyone else to do; and so, if they have an agreement, the tribes cannot go to a higher level of gambling.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. ANDREWS) has again expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. ANDREWS was allowed to proceed for 30 additional seconds.)

Mr. ANDREWS. Mr. Chairman, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, so there is an effort here to do that. The problem here we have is what happens when there is an impasse? That is why we have got to have the Secretary have some way to negotiate this between the State and the tribe. That is what we are trying to preserve here.

What this amendment does is says the States have complete authority that overrides sovereignty and is probably unconstitutional.

Mr. WELDON of Florida. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Florida.

Mr. WELDON of Florida. Mr. Chairman, the gentleman from Washington (Mr. DICKS) I think has really gotten to the point.

Under my amendment, they stick to the language of IGRA.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. ANDREWS) has again expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. ANDREWS was allowed to proceed for 30 additional seconds.)

Mr. ANDREWS. Mr. Chairman, I yield to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, under my amendment, they stick to the language of IGRA. And under IGRA, the tribe can go to court. But what the Secretary is trying to do is try to take the authority to resolve this into his hands, and that was not the original intent of the Congress of the United States under IGRA.

I thank the gentleman for yielding.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, what happens if the State refuses to go to court? I mean, that is the problem here. We have got a situation where some of the States are unwilling to negotiate.

Mr. STUPAK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Weldon-Barr amendment.

Mr. Chairman, Congress did not create or permit Indian gaming when it passed IGRA, the Indian Gaming Regulatory Act of 1988. Rather, it sought to regulate an industry that had been growing throughout the previous decade that was legally outside the scope of State regulatory powers. So now tribes can only game to the extent the State authorizes gaming within that State. For Class III gaming or casino gaming, a compact is required with the State.

I have numerous casinos in my district, Indian gaming facilities. I have heard tonight about all these promises we are going to help out with the Native Americans. Well, Native Americans have been hearing these promises for over 200 years from this Congress, BIA, and Interior and it does not materialize.

I still remember in my lifetime where the city fathers of the local communities would only count the Native Americans for their population base and their poverty level so they could get Government grants to put in roads, to put in water and sewer; and the water and sewer and roads never made it to the Native American reservation.

☐ 1915

Now, what has happened, at least in my district, Native Americans have the right to game, and gaming has been the only successful economic development tool many of these tribes have known. Tribes all over the country are rebuilding their infrastructure long neglected by the Federal Government and providing an increased level of social services to their own members.

Are there problems? Yes, there are problems. But can they be worked out? You bet they can. Take Michigan. After IGRA was passed in 1988, we have had two different governors philosophically worlds apart politically, John Engler and Jim Blanchard. But yet they were both able to work out their differences with the Native Americans and enter into compacts. We hear all these arguments about, "Well, jeez, if they come in and try to open up a casino, they will destroy the infrastructure of these small communities." I have got small communities like Christmas, Michigan, and Hessell. You cannot get much smaller than that. But underneath our compact, they get 2 percent of the profits. The State of Michigan takes another 8 percent for any problems they may cause the State of Michigan. The governor can limit the number of casinos, the governor can limit the number of slot machines, the governor can limit the type of games that are being played. The governor can limit whether or not there is ever casino gaming on a piece of land, whether it is by a school, by a church, 150 miles from their reservation. The governors can do it if they are willing to step up to their responsibility. And since 1988, the governors can deny opening casinos on any piece of property.

Mr. Chairman, the two compacts we have had in Michigan have worked well. I would oppose this amendment and I would ask that we oppose prohibiting the Secretary as the arbitrator, final arbitrator before we always have to go to court. We should not always have to go to court to try to address differences.

Because of sovereignty, I believe this amendment is unconstitutional, and I hope, I really hope, that we would not try to pass this amendment tonight.

Mr. WELDON of Florida. Mr. Chairman, will the gentleman yield?

Mr. STUPAK. I yield to the gentleman from Florida.

Mr. WELDON of Florida. Mr. Chairman, the point I wanted to make is you have a successful compact. Your governor has that authority under the compact. That is under the provisions of IGRA. What the Secretary is trying to do is to do an end run around the language in IGRA, to claim the authority to decide these decisions rests with him and away from the States and the governors.

Now, I think your example in Michigan is a good one, but I think we should stick to the intent of IGRA. My amendment will not affect anything that is going on in Michigan.

Mr. STUPAK. Reclaiming my time, I would not say the Secretary is trying to do an end run around IGRA. We had the gentleman from Wisconsin come here and say the Secretary denied the Native American tribes in Wisconsin from taking over the dog track down off U.S. 141 down there. They denied it. There the Secretary did not agree with the Native Americans and denied it. Now, he is being investigated for denying it.

I mean, if Florida and Alabama have difficulties, I do not want to change law to accommodate just two States when it is working well in 48 other States. I would tell Florida and Alabama, go back and work it out. Whatever concerns you have in Florida and Alabama can be addressed if the parties want to. But if one side is not going to negotiate, there has to be someone other than just running to court all the time. That is where I think the Secretary should be and that is what it currently gives him and I think that is a proper use of authority, because the Federal Government is the only one that can really negotiate with these tribes on impasses because of sovereignty that must be respective of all Native American tribes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. WELDON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. KILDEE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Florida (Mr. WELDON) will be postponed.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am intending to offer an amendment to reduce by $3.9 million the funds provided in this bill to add new species to the Endangered Species List. The U.S. Fish and Wildlife Service listed the Concho Water Snake as a threatened species in June of 1986. Since that time, the Colorado River Municipal Water District has spent $3.9 million studying the snake and documenting its health.

In June, 1998, after documenting a species population and distribution much larger than previous fish and wildlife estimates, the water district submitted a petition to delist the snake. In addition, the water district has documented that the construction of the lake, which the Fish and Wildlife Service argued would threaten the snake, has actually benefited the species by stabilizing stream flow and its habitat.

According to the statute, the U.S. Fish and Wildlife Service is supposed to provide a preliminary finding within 90 days of a petition to delist and a final decision within 12 months. It has been almost 13 months since this petition was submitted, and we are still waiting for their so-called 90-day response.

The U.S. Fish and Wildlife Service continues to propose adding a number of new species to the threatened or endangered list. Frankly, I find it difficult to fund an agency that is intent on expanding its responsibilities while failing to adequately handle the responsibilities it presently has. I would encourage them to prove they can handle proper listing and evaluation and delisting procedures regarding at least one species before they add any more to the backlog.

There are certainly a number of larger problems with the Endangered Species Act, particularly with the whole delisting process, but that is a subject for the authorizing committee. However, I chose to simply limit funding by the same amount that the U.S. Fish and Wildlife Service has forced the folks in my district to spend on studying the snake.

I hope my amendment will send a message to Fish and Wildlife that they cannot ignore the law regarding delisting with total impunity. I believe the U.S. Fish and Wildlife Service should demonstrate they can complete their existing statutory obligations before taking on any additional responsibilities through expanding the Endangered Species List. Once they act on pending petitions, like the one for the Concho Water Snake, then we should talk about any funding for new species listings.

Given the ongoing saga of the Concho Water Snake, adding more species to the current backlog might just demonstrate that common sense is the most endangered species in this Congress.

At this time, Mr. Chairman, I am willing not to offer this amendment in the interest of moving this bill forward if the chairman and ranking member would kindly agree to work with me when the bill goes to conference to include conference report language that will require the U.S. Fish and Wildlife Service to issue a decision on the petition regarding the Concho Water Snake.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Ohio.

Mr. REGULA. I certainly will agree to work with the gentleman from Texas to address this important issue in conference. I am also willing to work with him right now to get to the bottom of this issue with the Fish and Wildlife Service.

Mr. STENHOLM. With those assurances, Mr. Chairman, I will not offer my amendment. I look forward to working with the chairman and the ranking member as this bill goes to conference. I thank the gentleman for his courtesy.

AMENDMENT OFFERED BY MR. KLINK

Mr. KLINK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KLINK:

At the end of the bill, insert the following:

SEC. 332. No funds made available under this Act may be used to implement alternatives B, C, or D identified in the Final Management Plan and Environmental Impact Statement for Gettysburg National Military Park dated June 1999.

Mr. KLINK. Mr. Chairman, this amendment is very simple. We have heard a lot of discussion today about the fact that it should be Congress that has oversight over these matters. There is a discussion right now, in fact, there is a proposal to build a $40 million visitors center at the Gettysburg National Battlefield, one of the most important battlefields in this Nation, the battlefield where really virtually the Civil War was decided. At that point, after Gettysburg, the South never made that much of an intrusion again and the republic was held together.

There is an attempt now to build a visitors center for $40 million using private funds on private land within the borders of the battlefield. But the people in Gettysburg have not had their say. The elected officials have been run roughshod over by the Parks Department, by the Department of Interior, and we think that Congress should have oversight over what is being built there.

This amendment simply would prohibit the Park Service from spending taxpayer funds on what we think is a misguided endeavor, and it would make sure that the Gettysburg Visitors Center is treated like all other similar visitors centers. Other visitors centers have required congressional authority before they were built. It is only because this visitors center is slated to be built on private land that it allows the Park Service to avoid having congressional approval.

I think that the proposed visitors center should be treated like those at Valley Forge, Independence National Park in Philadelphia, Zion and Rocky Mountain National Park. None of those were built without Congress having oversight. That is clearly what the Constitution said that we should.

Having watched the Park Service completely disregard the wishes of the people at Gettysburg and the committees of Congress, my bill simply closes this loophole and would require that the Gettysburg Visitors Center is treated like all other visitors centers built with private support and with Federal dollars as well. No more, no less.

This should not be a partisan issue. I would challenge anybody who would oppose this amendment to explain why they would rather have an unelected Federal bureaucrat in the Parks Department or the Interior Department decide the future of a $40 million visitors center in Gettysburg rather than have Congress have oversight over it.

We do not know much about this site. I talked to Secretary Babbitt. They do not have a final design that they can show us. We do not know if it looks like a shopping mall, if it looks like an amusement park. It could have a roller coaster they call Pickett's Charge. We do not know. It could have General Longstreet's Carousel or General Meade's Arcade or Robert E. Lee's Wild Ride. We do not know. We are being asked to buy a pig in a poke. We are simply saying, enough is enough. Let us step back and let Congress authorize this before we move forward.

I had mentioned before about the problem with the photographs that the Department of the Interior had taken by going into private businesses. The whole matter of the intrusion into private businesses, taking surreptitious photographs, has not been answered. Many of us, both on the Republican side and on the Democrat side, have raised that issue. We need to make sure that this is the best thing for the people of America, and we are not sure without Congress having that oversight.

This position is supported by the Borough of Gettysburg. It is supported by the Cumberland Township Board of Supervisors, by the Gettysburg Area Retail Merchants Association, by the Gettysburg Convention and Visitors Bureau, by the Civil War Roundtable Association, and the Association for the Preservation of Civil War Sites. I would just say, Mr. Chairman, with all of those people for us, who could be against us? I would ask that this amendment be approved.

Mr. HANSEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as chairman of the Subcommittee on Public Lands and National Parks, I rise in strong support of this amendment.

There are major and serious problems with the proposed visitors center at Gettysburg National Military Park. Praised by the Park Service as a model of public-private partnership, this proposal has soured the general public's perception of the Park Service and infuriated the public with this project. This attitude is not without merit.

The Park Service has withheld relevant information that should have been readily and openly available to the general public concerning this visitors center and the funding behind it. The Park Service has not given the public a reasonable range of alternatives which is mandated by NEPA. Instead, the Park Service has tried to justify a decision they have already made to demolish the historic Cyclorama Building and proceed with the construction of a visitors center that the Borough of Gettysburg and many Civil War associations do not want. If this indeed is a model of things to come, we are in serious trouble.

Of major importance, the proposed construction of the visitors center is on land which has remained essentially undisturbed since 1863 and within the boundaries of the military park. Construction of any facility runs counter to the very intent of the military park's boundary extension legislation just passed in 1990. That legislation made it clear that the Park Service was to preserve all aspects of the battlefield, including the proposed site of the visitors center. It is impossible for the Park Service to preserve the battlefield, yet authorize construction of a large complex of buildings and infrastructure on this site.

Furthermore, the proposed site is located about a mile from the current visitors center. The current site is within easy walking access to the 110 small businesses of Gettysburg. It is doubtful that the public will walk or even drive the extra distance to buy food, beverages, gifts and books available at the proposed site. Thus, many of these small businesses are sure to go under.

□ 1930

Loss of the business would be devastating to the borough, which has a very limited tax base as it is.

Many of the public have raised a concern that this complex will commercialize one of the most sacred and important battlefields of the country. Clearly the future tenants of the visitor center are running their businesses for profit. Moreover, all of the services proposed are currently available in Gettysburg.

It is Park Service policy that, if adequate facilities are located outside of a park, they will not be expanded within the park. One may argue semantics here, but the fact remains that a commercial enterprise is a commercial enterprise, and if it is available outside of the park, the park should not be planning to construct the same facilities within the boundaries.

The gentleman from Pennsylvania (Mr. GOODLING) listed all of the organizations that are against this. Some would have us believe that the sum total of opposition is from a few disgruntled people who submitted proposals which were not selected. This is definitely not the case. This amendment would prohibit the expenditure of funds on any of the alternatives which implement the construction of the visitor center at Gettysburg National Military Park; but more, this amendment puts the brakes on construction of a visitor center which desecrates the very ground the Park Service is sworn to protect and which does not have local government support.

Mr. Chairman, it is the right thing to do, and I ask my colleagues' support for this amendment.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, what I do not want to happen is to have this debate on the proposed Gettysburg National Military Park visitor center become politicized, which it is becoming. I am no Johnnie Come Lately to this issue, and I do not want to see Members throwing themselves in the line of fire at Gettysburg like it was a repeat of 1863 all over again. I have been refereeing this present Civil War battle during the last 4 or 5 years. I do not want it to now become a political war because I will lose; no one gains.

I, too, am outraged over the Park Service out of control and its attitude towards the citizens of Gettysburg. I have never seen such a display of arrogance and disregard for the well being and the opinions of those who will be most impacted by the new visitor center at Gettysburg, the residents and local businessmen and elected officials.

Over the past 3 years I have tried to be a mediator between many opposing sides to help bring about a compromise that can be acceptable to all with interests in preserving and protecting Gettysburg National Military Park. I regret that what should have been an opportunity to unite the community in an effort to improve the Gettysburg National Military Park as well as enhance the local economy has only restrained relations between the National Park Service and the Gettysburg residents and severely hampered efforts to make the Gettysburg National Military Park a model park for the 21st century.

The most important issue at present to be addressed regarding the Gettysburg National Military Park is the preservation and display of priceless artifacts currently unprotected and at risk. Such protection is long overdue and desperately required.

The existing visitor center is entirely inadequate, as all who have ever visited there would certainly have to agree. Over the past few years I have hosted numerous meetings with the National Park Service, the Gettysburg National Military Park personnel, with both the authorizing Committee on Appropriations chairmen, Gettysburg Borough elected officials, local business people and concerned citizens, not just in the last month, but the last 3 or 4 years.

The purpose of these meetings was to ensure that the process of selecting a general management plan was in an atmosphere that encourages cooperation between the Park Service and community with the goal of choosing a plan that works for the betterment of all parties involved. Unfortunately this has not happened. We cannot afford to lose sight of the fact that the one goal for which we should all be united is maintaining the Gettysburg National Military Park, one of the crown jewels of the national park system, into the 21st century and beyond and protecting and preserving the legacy of our heritage for future generations.

At the same time, Mr. Chairman, I do not want anyone to use Gettysburg as a pawn for their own ambitions. It is sad that we are faced with a vote on the floor of the House over an issue that should have been properly dealt with administratively. Since the day after the battle of Gettysburg, when residents started collecting artifacts off of freshly bloodied battlefields, controversy has plagued this town. I have represented this area for 25 years, and it is a most divisive community to represent because of the Gettysburg National Military Park.

This present civil war has been raging for the 25 years that I have been here in Congress. Fortunately at this point we have had no deaths. Do we kill the deer that are in the park? If we do, how do we kill them? Are we chasing the deer into Gettysburg, and if we are, are we endangering the lives not only of the deer, but the Gettysburg residents? When does that tower come down, and how much does it cost to purchase it, and how much will it cost to renovate the area?

Can the much-needed sewer cross the hallowed ground? It was tied up for years. And now for the last 3 or 4 years, where does a much needed visitor center get located? Should it be a private-public partnership? What should be included? Three or 4 years ago a very prominent entrepreneur living in the Gettysburg area presented a well-documented, well-designed plan; and he was going to have it within the park, and he was going to weather the storm. It was going to be on what is called fantasy land which cost taxpayers a tremendous amount of money to purchase. He was going to do a private-public partnership. He was going to have a Cineplex theater and a restaurant and other things of that nature. This was going to be within the boundary.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GOODLING) has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 5 minutes.)

Mr. GOODLING. Mr. Chairman, there was such an uproar because this was going to be in the park, that this well-respected entrepreneur withdrew his proposal. And so the park then decided to put out bids. It was amazing. The bids were very, very similar to the proposal that was given by this local entrepreneur, and to my surprise, two people from my district were bidding on this proposal, one who had presented the previous plan and one who helped organize the previous plan.

It was to my surprise because I learned it when it was presented in one of the newspapers that it was awarded to one of the two from my district. Again, another uproar; and so I suggested why do you not put it where it presently is?

That brought the next civil war battle. How could one suggest that? That is hallowed ground. Well, as I knew the area, it was a quarry, and after it was a quarry, it was a municipal dump, and after it was a municipal dump, it was covered over with macadam and is the present parking lot for the present visitor center. But it is on hallowed ground.

What they all agree is that a visitor center is a must if they are going to grow and even if they are going to maintain existing visitor numbers. All agree that the artifacts should be preserved and on display. This raging civil war has never been political, and I do not think it should ever become political.

What the Gettysburg Borough, the township, school districts have to say is very important to me. I am their voice in Congress. The representatives of the borough council told my staff this afternoon that they oppose this amendment even though they strongly oppose the location of the planned visitor center. They oppose it because they fear it will mean the loss of any new visitor center which would be a disaster, which would adversely affect the entire Gettysburg area.

We must have a new center. We must protect the artifacts. We must display them. But I have the same concerns as were expressed by some borough council officials this afternoon, and that concern is that we could lose the opportunity to have a visitor center, and I would ask all to oppose the amendment.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, if there is ever a situation that cries out for oversight, this is one that does. As my colleague, Mr. GOODLING, has recounted, this project has been controversial from the outset; and he has played a continued and constructive role in trying to mediate that process. But it started because the process started backwards. It started with the National Park Service trying to avoid congressional authorization for a major visitor center, a visitor center that all of us agree is sorely needed and must be brought to fruition.

But the fact of the matter is that the visitor center plans that have been devised before were ones where they took the plan and then tried to develop a management plan to make it fit. When we asked them for actuarial information and we asked them for their business plan, when we asked them for the facts and figures with respect to the cash flows and whether or not this would be sustainable or not, or whether or not the Park Service would end up inheriting the facility that could not carry itself financially, they dodged the information. They hid the information from all of us for a very, very long period of time, came up with inaccurate information, came up with information that they knew in fact was inaccurate and presented it to our staff on the Committee on Resources.

I think the fact what we see is that by trying to skirt the process, they have probably lengthened the process. The committee, the authorizing committee, has established authorized major visitor centers throughout this country, and we have done it in the midst of great controversy, but we have provided the forum by which those controversies could be reconciled. So far the National Park Service has been unable to do that. We still do not know what the economics of this plan will be and whether or not they believe the taxpayer holding, if, in fact, the projections, which are fairly robust and fairly optimistic, turn out not to be true.

So I think the gentleman is quite correct in asking for this limitation on the expenditures of money for this agreement until such time as we have an opportunity to provide that kind of congressional oversight, and I say that with all due respect and great respect for my colleague and my chairman on the Committee on Education and the Workforce, the gentleman from Pennsylvania (Mr. GOODLING).

I had talked to him about this almost 2 years ago when I was trying to get information from the Park Service and recognized his ongoing involvement, and I have tried to pull back from that because both he and the gentleman from Pennsylvania (Mr. MURTHA) and others were working out to try to see whether or not something could be resolved. We still find ourselves in a situation where the Park Service has failed to come up with a workable plan both from the point of the affected community and from, I think, economics in terms of one that is sustainable for this magnificent battlefield park.

And I would say that I absolutely agree with the gentleman, and I think the gentleman from Pennsylvania (Mr. KLINK) and the gentleman from Pennsylvania (Mr. MURTHA) and others who have been involved in this process. The goal is to get a new visitor center. This park deserves better. The artifacts, the history, all of that that is being maintained there needs to be preserved in a better fashion, needs to be more accessible to the public and to the people who study the history of the Civil War, and certainly the battle of Gettysburg; and I think this amendment is quite proper, and I would hope that the committee would support it

Mr. KLINK. Mr. Chairman, will the gentleman yield?

Mr. GEORGE MILLER of California. I yield to the gentleman from Pennsylvania.

Mr. KLINK. Mr. Chairman, I would say to my dear friend, the gentleman from Pennsylvania (Mr. GOODLING), and he has been a dear friend and a great colleague, I agree with what the gentleman from California (Mr. MILLER) just said.

We think that those artifacts need to be preserved as well and would pledge to work with the gentleman in whose district this battlefield lies to make sure that those artifacts are not left to disintegrate and to make sure that this is done in a correct manner. We will do everything that we can on our side to work with the gentleman to make sure that whatever can be done will be done to protect those and make sure that a visitor center, once congressional oversight is conducted, that a visitor center is done as expeditiously as possible.

□ 1945

Mr. SOUDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it would be a great tragedy if this amendment passes. It would be a tragedy to every Civil War buff in America, everybody concerned about the preservation of the artifacts.

I very much respect the chairman of the Committee on Education and the Workforce, and it has been an honor to serve under him and his tremendous outline of the history on this.

Also, as a member of the Subcommittee on National Parks and Public Lands, I have great respect for the gentleman from Utah (Chairman HANSEN), and I know his frustration was also expressed by the gentleman from California (Mr. MILLER), the frustration about a lot of the processes that go on with the Park Service.

But I spent 3 hours listening to the hearing and to the concerns of the local community, and I understand some of their concerns, that business may drop off if the visitors center is moved a half to three-quarters of a mile away from the downtown business district.

But I do not agree. The studies do not show that. As a retailer myself, I think the business is actually going to go up. There is no business argument, and I believe their concerns, as are always there when there are changes, but they in fact are not anchored in economic reality. A new visitors center will be a boost to tourism and to those very businesses that are concerned. It may extend the length of stay.

But more importantly, Gettysburg is a national site. Nine hundred Americans were killed, wounded, or captured at the very point where the current visitors center sits. It is on the critical fishhook of the Union Army, and the establishment of that fishhook was critical to the preservation of the Union.

The visitors center sits smack in the middle of that. The traffic is so high that when one visits there, as I did a few weeks ago, they have more park rangers right now trying to handle the overflow parking on the grass as you try to tour the battlefield than they have park rangers at Antietam, which was the bloodiest single day, because we do not have adequate parking facilities.

The compromise, the fantasyland area sometime ago where they proposed to put the new visitors center, is in an area that is part of the Park Service now, but was not part of the battle.

Jeb Stuart, in the Confederate Army, took on the calvary over in a side battle because he was not where he was supposed to be. The main battle was over here. By putting the visitors center down in between, people can move around to the cemetery where Lincoln spoke and gave the Gettysburg address. The fishhook will now be available to walk around and see as part of the critical battlefield line, so you can see how the battle actually worked. Now you stand there, there is a big tower, a cyclorama building, a visitors center, cars all over the place. You cannot get the line of sight. There are trees there that are not supposed to be there. There is a peach orchard. One thinks, why did he hide there? The trees are fairly young yet.

If we really believe in historic preservation, in appreciating this site, it is not enough to just talk about a visitors center, because quite frankly, we do not have enough money to keep up our sites. Every park we go to, whether it is a natural resource or a cultural resource, they do not have the budget to even keep the things from falling down in our primary parks in the United States.

We can talk about preservation, but it is not occurring. We spend hundreds of thousands of dollars to keep some of these rifles in historic condition, and they are in non-humidified areas where they are not even preserving some now because we do not have adequate facilities.

We can argue about this, but one of the fundamental things, in addition to the importance to every Civil War buff in America and every person who is interested in historic preservation in America, is a fundamental premise here. If we do not have enough money to keep things as they are, are we going to allow public-private partnerships in the parks? It is a fundamental question that is undergirding this debate.

If we can extend public dollars through nonprofit corporations, I favor that. That is one of the fundamental fights here. It is very hard, when we go through years and years and years of delay and arguing, to come up with figures. It is hard for a private developer to come in and said, okay, I want this size bookstore, this size gift shop, this size restaurant. Then they come back after the hearing and say, no, you cannot have the restaurant, it has to be scaled back to this; the gift shop has to be scaled back to this.

Legitimate arguments, but then it is a little cute to argue that there were not financial projections that were consistent all the way through because the gentleman is forcing the alternate projections on the cost.

This is the realistic way, a legitimate way to get the visitors center, to preserve the cyclorama that is wrinkling, that is going to start to crack if we do not start this project immediately. If this gets stopped, to come up with an alternative plan, by the time an alternative plan could be executed, if we ever have the funds here in Congress, the cyclorama will be cracked, articles will be destroyed, and we will not have the fishhook for all the tourists who are going through there. For years, it will delay the process another couple of years.

This is a realistic alternative. It may have problems. Perhaps the Federal dollars will have to pick up some of the gap, but our alternative is, as the chairman of the committee full well knows, is the public is going to pick up all the costs of the visitors center.

So for those who are really looking for creative solutions to the national park dilemma, this is one. It would be a tragedy if this amendment passes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. KLINK).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KLINK. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Pennsylvania (Mr. KLINK) will be postponed.

AMENDMENT NO. 1 OFFERED BY MR. DEFAZIO

Mr. DEFAZIO. Mr. Chairman, I offer an amendment that is yellowed and crumbling for the length of time it has been sitting there.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. DEFAZIO:

Insert before the short title the following new section:

SEC. . None of the funds appropriated or otherwise made available by this Act may be used to carry out, or to pay the salaries of personnel of the Forest Service who carry out, the recreational fee demonstration program authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996 (as contained in section 101(c) of Public Law 104–134; 16 U.S.C. 4601–6a note), for units of the National Forest System.

Mr. DICKS. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Washington (Mr. DICKS) reserves a point of order on the amendment.

Mr. DEFAZIO. Mr. Chairman, we have contained within the Interior appropriations from past years an embedded tax, a tax on the American people which was never authorized by the Committee on Resources or the Committee on Ways and Means, the two committees that would split jurisdiction over taxes or fees, if it is a fee on use of public land.

Let us get one thing clear, the amendment being offered today does not affect user fees for national parks, for developed areas and campsites. But what it would say is that it is outrageous for the government, in a mishmash, a plethora of programs, forest by forest, to have different reciprocities between forests, and I have one forest where they have two different passes, that they proliferate the new fee programs, forest by forest, charging people $25 a hit or $3 a day to drive to the end of a gravel road in a forest and go for a hike, or view the wildflowers, or go hunting or go rockhunting, rockhounding.

These activities have traditionally been free. These are not activities which are drawing upon a capital-intensive developed site. Yet, with this so-called pilot program, unauthorized program, millions of Americans are now breaking the law. This year the Forest Service is going to begin seriously attempting to cite and prosecute people who park at distant, remote trailheads, trailheads that are often subject to car clouting and other problems. The Forest Service does not seem to be too much concerned about that, but they are going to be out there ticketing them for not having paid a fee.

In many cases, you get to the end of a road, the sign is about 150 feet to the end of the road, and it says, to park here you need a pass, and you can obtain a pass 20 miles back that way at the nearest grocery store or other place which dispenses these passes.

This is an inconvenience. It raises very little money. It is about 6 percent of the recreation budget. Surely this Congress does not need to double tax the American people and those who live on or near or recreate on these lands and charge them this new user fee, this new tax. We can find that other 6 percent to fund the recreation programs of the Forest Service.

Further, we are adding a new slush fund to an agency that the GAO says they have one of the worst financial management and accounting systems, and now we have another new off-budget slush fund which is being used by each forest as they see fit, and as the Assistant Secretary admitted to me last night, with no supervision from Washington, D.C.

So whatever fees they cook up for whatever project they want to do, whatever burden they want to put on the American people, they can do it with no oversight from Washington, D.C. or from the Congress under this unauthorized program.

The committee itself says they are concerned about the management, accountability, and performance of the Forest Service. The accountability problems of the Forest Service are much more of a problem than just bad accounting. Far too much, with little congressional control and knowledge, has been transferred for administrative functions of the department.

This program, this so-called pilot program, goes right to the heart of those concerns. The committee was talking about a different program at that point, C.V. fund, but guess what, they have just now created another one that is proliferating around the country, around the country, and putting an extraordinary burden on people.

Take, say, the city of Oak Ridge, Oregon, in my district, totally surrounded by the Forest Service. If you just want to drive out of town and park on a gravel road and go hunting or go for a hike, you have to pay a user fee. For what? To use the gravel road which was built 25 years ago for logging, and is not maintained anymore? Or for beating through the brush? Why? Why should people pay for undeveloped sites on access to public lands? This has been a right that Americans have enjoyed for so many years, and it is very unfair to begin to assess a fee of $3 per hike or $25 per pass per forest, with very little reciprocity.

On one forest in Oregon, the Deschutes, visitors to the Lavaland Visitors Center dropped off 40-percent in one year when this pilot project was put into effect. As was stated in an interview, the people at the visitors center said the people drive up, look at the sign, they turn around, they drive away; a 40-percent dropoff. Why? So they can buy a few more little geegaws for that visitors center, or make some other change on the forest?

We should not be depriving Americans and their families of this opportunity. It is unfair. It is unauthorized. It should be stopped.

The CHAIRMAN. Does the gentleman from Washington (Mr. DICKS) insist on his point of order?

Mr. DICKS. No, Mr. Chairman, I withdraw my point of order.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this program has worked. If we talk to superintendents across the country, in the forests, the parks, the Wildlife refuges, the BLM lands, they are happy. They get to keep the money. They used to have to send any fees they collected to the Treasury and never saw it again. Now they keep it. They invest it in the facility.

We were at Olympic National Park recently. They are doing some work on a magnificent chalet that the public loves to see and enjoy, and look out over the mountains. They had a sign up, "This work is being done with user fees."

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, I say to the gentleman, just remember, this amendment does not affect parks.

Mr. REGULA. I understand. I am going to read an editorial about the Sawtooth National Recreation Area. The paper was against the fee and is now for it because it has worked so well.

Let me say this. The superintendent of the Olympic National Park said this: "Morale is affected. People feel good to know that the public is participating, and they care about this facility. Vandalism is down because those who pay a little bit get a sense of proprietorship."

I hear that story all over, from the forests, the parks, and other facilities. In the period of time that this will be in place, it will raise $400 million. It does not affect their budget. This money is used for things that otherwise would not happen, for visitor enhancement, to make the visitor experience better.

In Muir Wood, for example, the superintendent said she was able to improve the trails, put up signs. And we talked to people in the facilities and asked them. They said, we do not mind paying a modest amount. It is less than a movie ticket, and the money stays there. They get to use it. They get the benefit of it.

The people that the gentleman is talking about, I would say to the gentleman from Oregon (Mr. DEFAZIO), they are using it every day. They can buy an annual pass. How much is the annual pass?

Mr. DEFAZIO. If the gentleman will continue to yield, the annual pass is $25 for that forest, but it is $25 for the other forest 20 miles that way, and it is $25 for the other forest 60 miles that way, and it is a different charge for the park, which is 40 miles that way, and then the BLM is looking at doing it also. So it starts running into a lot of money.

Mr. REGULA. Reclaiming my time, they get to use a lot of facilities: Three forests, a park, and the BLM land.

Mr. DEFAZIO. No. If the gentleman will continue to yield, those are all different passes. There is no transferability.

Mr. REGULA. I understand. And the forest is working on developing a universal pass. This is an experimental program. They want to address it.

Let me read the editorial. This says it more eloquently than the words I could use.

This is from the Idaho Statesman in Boise, Idaho. Headline: "Keep User Fees that Restore Trails and Improve Parks."

"When a test of user fees was initiated a couple of years ago in the Sawtooth National Recreation Area, there was some grumbling. 'We pay taxes, don't we? Why is it even more money to visit public lands?' but the fee projects were approved and even extended a few years ago by Congress. Why? Because people don't mind. They even seem to want to pay the fees, and because the money is put to good use."

□ 2000

In fact, in Olympic National Park they had a little jar and even though they paid a fee, they were still putting money in as an extra contribution.

That shows how the public feels about it.

"Why not make the fees permanent? Give credit to three important steps of the success of the fee program: One, the money collected has stayed on the ground. Those paying the fees can see their money at work." That was true. We saw that several places.

"Two, the fees have remained reasonably priced and are getting less complicated." And I might tell the gentleman from Oregon (Mr. DEFAZIO) that they are getting less complicated. I believe probably in short order the Forest Service will have one pass that will work in all the forests in the area, and I would hope they do that and maybe even include the parks and the BLM. That is the goal, to have a universal pass, that visitors pay a modest amount and can use it anyplace for a period of a year.

And thirdly, "Forest managers are listening to visitors and addressing their concerns." And I hope the managers in the gentleman's district are doing that.

"So far, for the SNRA, the fees have paid off. More than $162,000 has been collected since the start of the project in July, 1997. The money has been used to maintain hundreds of miles of trails, open new restrooms, hire additional visitor center staff," and so on.

And the article concludes, "When compared to many other family entertainment or vacation options, parks and recreation areas, even with the fees, remain a tremendous bargain."

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, the article continues, "Given that forest officials are responsive to what the public is asking and that the money is well spent. Clearly the fee program is a winner and should remain in place for years to come."

Mr. Chairman, I have several editorials along the same vein. The people support it. The park professionals support it. It is working extremely well. And as we eliminate some of the glitches just as described by the gentleman from Oregon, it will be even more effective, and visitors will benefit. That is the bottom line.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I do not want to take a lot of time with this amendment, but I want to join the gentleman from Ohio (Mr. REGULA) in his remarks against the amendment. I think the fact of the matter is there is a reason this is a pilot program. There are a lot of glitches. We still have problems.

The gentleman is on the Committee on Transportation and Infrastructure. I still cannot get from one bus system to another bus system in the Bay area, but they are working on it. It is coming together. And here maybe the forests in the gentleman's district are too narrowly defined in terms of fees, and we will go to an annual pass.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(On request of Mr. GEORGE MILLER of California, and by unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. GEORGE MILLER of California. Mr. Chairman, if the gentleman would continue to yield, the fact is, improvements are being made. The public appreciates those improvements. These places are much more friendly to the user.

Yes, there is a problem if visitors go to a remote trailhead, and the Forest Service ought to think about if these people ought to be ticketed. The people made the effort to buy a pass. But that is no reason to curtail this program.

It is 6 percent, and the fact of the matter is the gentleman knows we cannot find that 6 percent anywhere else. Especially in this budget. The gentleman has fought off all kinds of issues to cut off resources from this bill. We have an issue that is pending to cut off resource from this bill. Without these user fees, the fact of the matter is that the public is going to be denied the kind of access and the use that they want to put these forests to.

I appreciate the problem faced by people in the local area, and it is a tough one. They have always viewed this as their "divine right" to enter in and out of the forests. But somebody has to maintain them, and we ought to continue this program and support the committee on this and reject this amendment.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I was very impressed both this year and last year when the committee took its trip at the work that is being done with the 80 percent of the money that stays in the local area. There is no doubt that if we cut this program off we are going to hurt these areas.

Now, I realize the gentleman from Oregon (Mr. DEFAZIO) has limited this only to the Forest Service areas. But, believe me, I think this program is working; and I pledge that I will be glad to work with the gentleman. I suggest we invite Mr. Lyons up here and see if we cannot straighten out this thing as it relates to the Forest Service in the gentleman's area, or the BLM in his area. Lets see if we cannot come up with a common pass or something that will satisfy the gentleman.

But, Mr. Chairman, to undermine the work that the gentleman from Ohio (Chairman REGULA) has put into this program which is helping us reduce the backlog across the country and if we take it off the Forest Service, it will undermine the Park Service.

The ironic thing about this, public opinion has been tested, and 83 percent of the people favor it, and most of them say they think the fees are too low. They cannot see why we are not charging more.

The gentleman from Oregon is a very senior Member of the House. I urge him to work with us to straighten out the problems that obviously exist in Oregon. And take the gentleman from Ohio at his word, but do not undermine a program that is doing so much positive good for our parks and Forest Service around the country.

Mr. Chairman, I am afraid that if this amendment passes then it will undermine the other program as well. So I want to compliment the chairman of the subcommittee. He has done an outstanding job and stayed with this. Let us stay and back him and defeat this amendment.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, I have had Mr. Lyons in my office last year and this year telling me he was going to rationalize the program and take care of the accountability problems and the proliferation of passes. Nothing has happened. I would appreciate it if something would happen.

But I would further urge that if the committee is going to travel that they travel to my district and perhaps hold a hearing on the issue in my district and hear of some of the concerns and problems or meet in the district of the gentleman from Oregon (Mr. WALDEN), from whom you will hear later. Because I think the committee will hear a little different story, perhaps because we have so many forests in our State and the proliferation is a problem.

Finally, if it is so popular, and I am not sure of those polling numbers, I suggest that perhaps I should offer my other amendment, which is to turn it into a voluntary system and turn do away with the enforcement. The Forest Service could save money on the enforcement, and perhaps the gentleman from Ohio would look favorably upon that amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would say to the gentleman from Oregon (Mr. DEFAZIO) the next time he has Mr. Lyons in for a visit, invite me and the gentleman from Washington (Mr. DICKS), and we will come and see if we cannot resolve these problems.

Mrs. BONO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the DeFazio-Bono-Cook amendment to end the United States Forest Service's Adventure Pass program.

The citizens within the 44th District of California brought to my attention a great injustice: The Federal Government was charging people to park and use our beautiful forests twice, first through the Federal income tax, second through a per car fee at the forest.

Mr. Chairman, we should not give Uncle Sam permission to tax citizens twice. If Congress believes that the Service is underfunded, then we need an increase in appropriations. The fact is, taxpayers' money already goes to the Forest Service, and it is up to the Forest Service to manage their funds properly.

But I question whether or not the Service can manage its finances well. In January of this year, the General Accounting Office named two Federal agencies to its financial accountability high risk list. One of those was the Forest Service's financial management system. According to the GAO, the Inspector General of the Agriculture Department found a lack of documents to verify accounts for land, buildings and equipment.

Mr. Chairman, I have a proposition. First, the Forest Service needs to manage its finances properly. Then once proven that it is making the most of the monies already allocated, it can come back to Congress with additional requests. I promise to give the Forest Service the due consideration it deserves.

Mr. Chairman, I am a great supporter of the United States Forest Service. The local Rangers within my district are dedicated, intelligent, and extremely kind individuals. However, I do not believe that the Washington office of the Service is giving them the adequate support for them to do their job properly.

Mr. Chairman, there are some officials who claim that forest visitors like this program. A recent survey conducted by Cal State San Bernardino says otherwise. Within the survey the following information was gathered: 83 percent of visitors noticed no improvement to the area since Adventure Pass began, but only 16 percent said the program greatly improves their recreation experiences. And only 4 percent mentioned that they would like to see improved security and patrol. The Service has constantly said that our constituents say this is a top concern.

Although visitors have not noticed improvements, the Service has taken great care to say how it has spent this money. But in Washington and at home we know that a government agency will spend money if we give it to them. Therefore, the question is how much they should spend and in what way they should spend it.

But, Mr. Chairman, this issue goes beyond the issue of financial accountability or what the survey says. In fact, this tax goes against the very concept of experiencing our free and open land. To residents in the communities of Idyllwild, Anza, Hemet and San Jacinto and tourists who come to enjoy these precious lands, this fee is a source of hardship. We have come to expect the freedom to enjoy this area without the burden and inconvenience of the tax imposed on us today. This is why the California State Assembly and the Los Angeles County Board of Supervisors wrote resolutions in support of eliminating the Adventure Pass program.

We must encourage people to visit, not discourage them from doing so. When tourists go elsewhere, it hurts small businesses and it hurts our efforts to educate individuals on the importance of protecting this precious resource. This tax serves as a barrier to working families, hikers, nature lovers, and all of those desiring access to our national forests.

Mr. Chairman, if we are going to be a user fee country, then we should have that debate and be consistent. We would never want to charge visitors for sitting in the Supreme Court, declaring every Federal highway a toll road, or even charging people to sit in this gallery. All of these Federal properties need maintenance like these forests do, but I never want any of these fees to become a reality.

Mr. Chairman, I hope my colleagues will join me in repealing an onerous tax and returning the forests back to the people. To tax the great outdoors is offensive to the very concept of the national forest system.

Mr. HANSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a poll was done not too long ago that asked the American people what they like most about the United States Government, and they answered the parks and the land. Number one of everything we do, the parks and land. They liked it the very best.

The question was asked: "What do you like the least?" Surprising enough, they said the IRS, which did not surprise too many. But when we look at the parks and land and find out where it is going, as chairman of the Subcommittee on National Parks and Public Lands, I do not think people realize the amount of money that we have in infrastructure that we are behind on. It is actually billions of dollars that we are not taking care of.

Water systems that are out. Sewer systems that are out. We have gates that are out. We have dozens of things that are not working. When we go to a national park or the Forest Service or go to the BLM, we want it fixed. Every one of these agencies is in a position that we do not have enough funds.

The gentleman from Oregon talks about the idea that maybe we can come up with some. Somebody ought to do it. We cannot even keep up with payment in lieu of taxes around here. We are shortchanging the States. Here we find ourselves in the position where the thing that the people like better than anything else that the government offers we are letting deteriorate. And why? Because we do not have the money to take care of it.

So why is it so wrong to ask the people, when they seem to agree, when they write us letters, in fact, I have even received letters that have had money in them. They said, "I went to the park" or "I went to this national area and, doggone it, it was so nice I felt I ripped you off." We take the money and send it to the Treasury because we are not taking care of these areas.

Mr. Chairman, the biggest fear I have with these demonstration projects is that the appropriators and authorizers will reduce the amount of money that we give them, and we are already in arrears. We look and say, is this working? I agree with the gentleman from Ohio (Mr. REGULA). Let the thing have an opportunity to work. Let us find a time when we can say we finally got our act together.

I think when we first got into this thing we envisioned kind of like a Golden Eagle pass that visitors pay $50 and they can go to the parks or BLM or the Forest Service, the reclamation things. And I think we will get to that, but why nip it in the bud? Why kill it when it is in the crib? Let this thing grow a little bit. This would be a dramatic step backwards to go along with this particular amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just want to point out that in our budget we have $10 million more than requested by the President for recreation in the Forest Service. So I am saying this to emphasize that we have not in any way reduced our commitment to support these facilities. The money coming from rec fees takes care of extras that otherwise simply would not get done to enhance the visitor experience.

That has been the emphasis that we have made to the public lands administrators, is take the rec fee money, fix things that otherwise might not be, just as the gentleman pointed out, that are neglected. So that the visitor has clean facilities, good campsites, good trails, good signage. And we in no way have reduced their budgets as a result of the fee program. In fact, we have increased the budgets.

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Mr. HANSEN. Mr. Chairman, I appreciate the comments of the gentleman from Ohio (Mr. REGULA), and I hope it continues that way, because that is how it was intended to work.

The nice thing about what these programs do, Mr. Chairman, is if the superintendent of a park has a problem, he does not have to come back and ask for a supplemental. He has the latitude to do something with it. If the forest supervisor of a forest has a problem, he can work with it. We give the person some latitude with which to work.

Why would we want to do away with it? The American public seems to like the idea. I feel we finally caught on to something that really works well. Let us not end it now by accepting this amendment. I strongly disagree with the amendment.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Oregon.

(On request of Mr. DEFAZIO, and by unanimous consent, Mr. HANSEN was allowed to proceed for 1 additional minute.)

Mr. DEFAZIO. Mr. Chairman, just in reflection, on my forest, perhaps we have raised in this bill the amount of money that the committee has appropriated for recreation above what the President asked for, but obviously the President did not ask for an adequate amount, and the budget overall is reduced. In fact, I am finding, on a number of my forests, it happens that the collections are basically keeping them even. They were reducing recreation and other needs elsewhere.

But to go beyond that, I remember that the gentleman last year approached me after this vote and said we would work together to authorize a program where we would have a universal single pass so we would not have this mish mash, and we have not done that. It still has not happened.

I had one forest that had two passes for one forest. They have gone to one pass for that forest this year, but it does not have reciprocity with the other forests. I mean, this is insane. I asked the supervisor of one of my forests last Friday, I said, "If I buy your pass, can I use it on the next-door forest?" He said, "No, you cannot." Then he called back on Monday and said, "No, I was wrong. You can." I mean, it is so confusing. Average people cannot figure it out.

Mr. HANSEN. Mr. Chairman, let me say to the gentleman from Oregon, I hope that the amendment that he has brought up will somewhat trigger the Forest Service to start working on the exact problem he did bring up.

The gentleman mentioned the President talking about this. Does the gentleman realize that the President of the United States has asked to make this program permanent at this point? I think we can work out the problems the gentleman from Oregon brought out. I think it will be to the benefit of the people of America.

Mr. WALDEN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I first want to start by commending the gentleman from Ohio (Mr. REGULA) and the gentleman from Utah (Mr. HANSEN) for the work they do to make our parks as good as they are and their commitment that they have shown in their work.

So it troubles me to stand here in some respects today, but we have a problem in Oregon. We have a problem in our forest with some of these fees. It is a confusing morass where one does not know, as the gentleman from Eugene, Oregon, (Mr. DEFAZIO) said, one does not know where to go and what fee to have and what park permit to get.

Let me cite a story that ran recently in the Bend Bulletin, because I think they said it as well as anyone has. "In the Deschutes National Forest, for example," and I am quoting here, "a $3 day-use pass or a $25 annual pass is required to use more than 80 trails, virtually the forest's entire inventory.

"But wait. This year, a separate day-use fee to enter Newberry National Volcanic Monument has been scrapped; Newberry now falls under the trail park pass. At Lava Lands Visitor Center, which is not part of the trail pass program, the carload price actually went down from $5 last year to $3 this year.

"If you want to use the two boat ramps at East Lake you can, free of charge. But because a trail rings Paulina Lake, the boat ramp parking there is part of the trail fee program (except in one boat ramp in Little Crater Campground).

"And that's just in the Deschutes. Oregon state parks charge day-use fees, the Bureau of Land Management levies boating fees on the Lower Deschutes River, and national parks in the region require separate passes for visitor centers and to climb mountains. Campgrounds are an additional charge. Confused?" says the story.

Well, they go on to talk about it. And people are. They are coming up to the Lava Lands Visitor Center, and the visitor count there plummeted from 83,515 people in 1996 to 46,170 last year and remained depressed.

"We're still getting people driving up it the booth, seeing there's a fee, and turning around," said Mr. Lang, who is in charge of the Lava Lands.

So we have got that going. I have no problem charging people to go into the campgrounds and the really improved areas. My problem in my district, which is larger than 33 States. It is virtually all Federal land, 60-some percent. Thirty-six million acres in Oregon are Federal lands. It is like, no matter where one goes, one is on Federal land if one wants to get outside of any of the towns.

Then it gets confusing about what little store one has to go to, where to find a permit for what, and are they open on the one sunny day in Oregon when one wants to go out hiking.

My other concern is this, that even if we can perfect this process, and perhaps we can, at some point this is the base level, 3 or 5 bucks to get a pass, what is it going to cost a family? How far in advance are they going to have to book their trip to go on a hike in the Federal forest?

Can my colleagues imagine telling visitors to Washington, D.C. that they have to book 6 months ahead of time and buy a pass to determine if they can walk on the Mall. Because, in Oregon, our forests are the equivalent of the Mall. It is the place we have to go. We feel like we are paying for them once. And for just the opportunity to park along a road and hike out there, I do not think we ought to have the fee.

I understand the need to make the improvements. If I had my way, I would take money for future land acquisitions. There always seems to be billions around for that in some quarters, not necessarily ours, and target that into the improvements we all could agree need to be made.

Mr. Chairman, I commend the gentleman from Ohio (Mr. REGULA) for the work that he does.

Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I understand. But as my colleagues saw yesterday, we even took $30 million out that we had targeted for lands, and there is a pressure here to take even more. So that is probably not a source.

I tell my colleagues that it is our understanding that the Oregon forests and Washington Management Team and the Forest Service and the State, are working on a universal pass that one would buy that would go to any forest in Oregon or Washington, including a State forest. We have urged them to do that.

We understand some of the concerns that the gentleman's constituents would have. We want to make this as user friendly as possible and still have the revenues to fix those trails and fix those comfort stations and those camp sites. So that is our goal.

This is only a 3-year program. We are still trying to work out some of the problems. But I think, on balance, in the long haul, that the gentleman's people will be very pleased because they are going to have a much better quality experience and get a universal pass at a reasonable cost.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. WALDON) has expired.

(By unanimous consent, Mr. WALDON of Oregon was allowed to proceed for 30 additional seconds.)

Mr. WALDON of Oregon. Mr. Chairman, I appreciate the comments of the gentleman from Ohio. I would say that we have a good program in Oregon called the Snow Park Permit Program. One buys one permit in the winter, and one can park in any of these cleared-out snow park areas if one wants to go cross-country or down-hill skiing. I have no problem with that. But the system we have in place today is one that concerns me because of its complication.

The other element is I do not want to see us price families out eventually. I detected that was perhaps beginning to happen along with just the whole idea of reservations. One hiking trail, for example, in Mount Hood, do not hold me to exact numbers, but averages 200 people a day. The forest people wanted to reduce that to 20.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. WALDON of Oregon) has expired.

(On request of Mr. Hansen, and by unanimous consent, Mr. WALDON of Oregon was allowed to proceed for 1 additional minute.)

Mr. WALDON of Oregon. Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, we understand that. We want to work with the gentleman from Oregon to solve those problems. I will be interested to talk to him about this snow pass. That may be the kind of thing we can put together.

But on balance, the program has worked well in enhancing the visitors' experience. I think something that is important is the vandalism reduction in these public facilities, because people who pay have a sense of proprietorship.

Mr. WALDON of Oregon. Mr. Chairman, I concur with the gentleman from Ohio on that point.

Mr. GOODLATTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment. I want to commend the gentleman from Ohio (Mr. REGULA), chairman of the subcommittee, for his leadership in advancing this program in the past. It is vitally important that we have a program that allows each forest system to raise funds to take care of the infrastructure in that system. It is not being done. This new program is the best opportunity we have had to see that occur.

Let me give my colleagues an example that occurred in my district with a national park. I know this amendment only applies to national forests. But the same principle applies, and it is one I think we should extend everywhere.

A few years ago, when I first arrived here, the Shenandoah National Park superintendent proposed closing two-thirds of the national park for 6 months of the year. We had a meeting up here with the representatives, and we asked him why on earth would he want to do that?

He said, "Well, to save money." We said, "Well, certainly the fees that you collect on entry to the park would offset the cost of the money that you save by having folks in the booths."

This is what he said, "You are going to save about $250,000 by closing the booth and not collecting the fee." He said, "Oh, yes, it would save us $250,000 because we do not get to keep any of the funds that we receive when we collect those fees. So all of the funds received go into the general Treasury, $250,000 off of our budget. It makes sense for us to close one of the largest, most visited national parks in the eastern United States, two-thirds of it, for half of the year, because we do not collect the fees."

We have changed that, both in our national parks and in our national forest to allow the collection of the fees. It gives the people on the ground in the parks the incentive to improve the conditions, to keep the facilities open.

How many people visit our national forest today and find chains across the road, tank traps built because the Forest Service does not have the resources to maintain the facilities? So they shut them do down in large measure.

If they are given the incentive to have the opportunity to collect a fee, they are going to open up more roads, they are going to open up more areas, they are going to open up more access to recreation. That is why this program, while it certainly can be improved, we certainly want to make sure that local residents who want to visit the park on a regular basis have a reasonable year-round pass that they can use in combined force. I think the gentleman is exactly right that that should be corrected and changed.

I certainly, as the chairman of the Subcommittee on Department Operations, Oversight, Nutrition, and Forestry of the Committee on Agriculture would also extend my offer to work with him to see that that kind of improvements to the system are made. But please do not cut out the incentive to improve our national forest by allowing people who use them to collect a fee.

In addition, I would point out that many people travel great distances to visit our national forests. They will pay money for gasoline, for hotel rooms, for meals, and so on. Then when they get to these destination places, they will either pay nothing or a nominal fee to visit them. That to me is not logical.

If these places are, and they certainly are, great attractions for people to come long distances to visit them, it is not entirely unreasonable to think that we could collect a small fee to help to maintain and improve these facilities.

So I urge the Members of the House to oppose this amendment and see that this program, which is evolving and which will, I think, lead to great improvements in the recreational facilities of our national forest, that this amendment is defeated.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very pleased that the problem that my colleagues from Oregon have highlighted has been put in the spotlight and that we have had assurances from Members of the subcommittee that they will work with us to make sure that some of these anomalies are, in fact, corrected.

But I would hope that we would keep in mind three things: that it is not just the money that is involved here, although that is significant. A number of us have been struggling, trying to be supportive of what the committee has been working on in the course of the debate here in the last 2 days. This is an important step to try to tie the benefits and the costs together. This is something a lot of people understand that government needs to be more entrepreneurial in a number of areas.

We have seen, I think, here in Washington, D.C. the contrast between the way that we are treated here and other parts of the country. I think there is an opportunity for us to take small steps in this area. It also gives important incentives to local managers. We are getting a different behavior from people who are managing facilities, because they can be a little bit entrepreneurial.

The amount of money involved is infinitesimal for most of the people that are there. If we look at CDs, if we look at things that people are carrying, not just comparing to other types of activities that they involve for recreational purposes, but the impact that it says on the managers and their employees in terms of being able to have a little discretion, in terms of being able to tie it back to needs that they have on-site that, frankly, would have a difficult time making it through the bureaucratic process.

So putting aside for a moment the money, which is significant, put aside for a moment the connection between the benefits and the costs, which I think is not inappropriate, that we have had some opportunity here where we have assurances that we will work to try and make work better, and I think that is appropriate as well.

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But I do think it is important for us to look at the impact this has on managerial behavior in and around the facilities. And I think that that may be the greatest legacy of all, is that it helps engage in a different type of thinking, more flexibility, and more rapid reaction to give the taxpayers and the users a better product.

I am confident that the committee chair and staff will follow through. And as a Member of the Oregon delegation, I, too, would like to have the fine-tuning, but I hope that we will have a chance to look back in a couple of years at how it has changed the behavior, because I think that may be the most important legacy.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I thank the gentleman for yielding, and I just wanted to point out we just received a phone call from Mr. Lyons. He said he was prepared to meet with the gentleman from Oregon (Mr. DEFAZIO) and the chairman and myself tomorrow, if necessary, and also that they are working with OMB to fund a study on the Pacific Northwest Forest Service problem. And the gentleman from Oregon has pointed this out.

I think there is a way to solve his problem administratively, and I hope we can move on to a vote on this amendment, and of course a negative vote because it will no longer be necessary.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Just in response to the gentleman's comments, Secretary Lyons came to me last year and asked me to forego the amendment, saying he understood their problems and he would fix the program. Yesterday, he showed up in my office again, said he understood there were problems and he will fix the program. Now today he has called and said he understands there are problems and he wants to fix the program.

I think if perhaps he meets with the chairman, who controls his budget and his salary, ultimately, and that of all his employees, and the ranking member, maybe this time he will deliver. But I have to tell my colleagues, I am put out by the fact that this is a year later and it has not happened.

And, also, I have to say that I have concerns that go beyond that to the concerns of the committee in terms of how these funds are being spent. And Mr. Lyons admits there is no authorization or control process beyond the local forest. I think that goes to the grave concerns.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I would tell the gentleman from Oregon (Mr. DEFAZIO) this. I would rather trust the local forest, because of the way this national financial system has been handled. I have more faith in the people out there to do the right thing with the money that they collect in their forest. That is why I think this program is working and working so successfully.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the pending amendment and do so for the following three reasons:

One is that our national parks are national treasures and jewels in our system out there in America today. And just as they are places where our families enjoy bonding experiences and places that we went with our families as young people, now we are taking our families to the different national parks and Forest Service lands and visiting our national treasures and jewels across America.

These are important to us for many reasons, and they are currently under great stress and great pressure externally for environmental reasons, internally with a host of different problems that are caused, quite frankly, by some lack of resources. So these demonstration fees not only support the parks and the national treasures that they serve for us as environmental treasures and places for families to visit together, but they also help us address huge problems that we are undergoing at our national parks.

For instance, the Shenandoah National Park, not far from here, an hour and 20 minutes, it is undergoing internal stress, it is undergoing external stress from acid rain, from the PH content in some of the brooks and streams that are polluting and killing fish, and we do not have enough resources to address this right away. Well, the demonstration fees provide a way with this lack of resources to provide the money to address these things right away.

And, thirdly, besides families, besides the stress, the demonstration fees keep 83 percent of the money right there in the local park. They do not ship the money off to Washington, D.C., or back to the national treasury. That money is preserved right there at that park where they can immediately apply it to local concerns, to those concerns indigenous to that park system and address it in an expeditious way, keeping the taxpayers' dollars from that local park, from that State, from that region in that local park.

So I think that this amendment, while the gentleman from Oregon (Mr. DEFAZIO) is trying to correct some problems I think with some frustrations that he has encountered personally in Oregon, I think we should give this program some time to work. And I think to make sure the program works in these national parks throughout the country that so many people are visiting today and which are at historic levels of visitation and tourism in these parks and that are undergoing huge problems of stress, with lots of pollution problems, with lots of traffic problems, we need to be creative and original. This demonstration fee is an original way to do that, with the people that are coming into the parks to use the parks putting that money right in that park to immediately address local concerns.

I think it makes a lot of sense to continue this program, and I would hope that we would defeat this amendment.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, I appreciate the gentleman's position, but he has used the word "parks" at least 50 times. This does not apply to the parks, and it does not apply to developed areas on the Forest Service or BLM.

Mr. ROEMER. Reclaiming my time, Mr. Chairman, I would say this confuses the issue. The gentleman is trying to apply this to the Forest Service. He has had some individual frustrations with it in Oregon. We are doing this not only in the Forest Service but at the national parks as well.

It is working fairly well, very well in most places. We need to give it the opportunity to work. The parks vitally need the resources here, and I would encourage my colleagues to defeat the amendment.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I just read the gentleman's amendment again, and it says, "None of the funds appropriated or otherwise made available by this Act may be used to carry out, or to pay the salaries of personnel of the Forest Service who carry out the recreational fee demonstration program."

Mr. DEFAZIO. If the gentleman from Indiana (Mr. ROEMER) will continue to yield, that is amendment No. 2. We are doing No. 1.

Mr. DICKS. I am reading from No. 1. It does not say anything about undeveloped areas. The gentleman said this several times, but if we have No. 1 here, it does not say that. It says "anything" on the Forest Service.

The point I am trying to make is that the Forest Service provides more recreational opportunity than the Park Service.

Mr. ROEMER. Reclaiming my time, Mr. Chairman, I would just say I support the demonstration fees in the Forest Service and the national parks and urge defeat of the underlying amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO).

The amendment was rejected.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT NO. 3 OFFERED BY MR. FARR of california

Mr. FARR of California. Mr. Chairman, I offer amendment No. 3.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. FARR of California:

At the end of the bfll, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used to authorize, permit, administer, or promote the use of any jawed leghold trap or neck snare in any unit of the National Wildlife Refuge System except for research, subsistence, conservation, or facilities protection.

Mr. FARR of California. Mr. Chairman, I have an amendment which affects the national wildlife refuges. These are set aside by Congress as special habitats for wildlife conservation; and, since 1903, when President Theodore Roosevelt first established one to protect wildlife, we have set aside 517 wildlife conservation refuges. These are areas that are part of our national heritage where people go to see wildlife.

In some cases, we even allow regulated hunting on certain refuges, but nobody has been aware that we allow commercial and recreational trapping to occur. Look at these photos. A Golden Eagle and a Red Fox. Does this look like recreational activity that our wildlife refuges tax dollars should go to? I do not think so.

The American people have said no to trapping or using steel-jawed traps. According to a May, 1999, poll, 84 percent of Americans oppose the use of steel-jawed traps in national wildlife refuges, and yet we allow them to occur. Eighty-eight countries have banned them altogether. Four States, Arizona, California, Colorado and Massachusetts, have totally banned the use, but the only way we can ban the use of steel-jawed traps and neck snares on Federal lands is for Congress to pass an act.

Now, the underlying bill is a great bill, and the chairman of the committee and the ranking member have done a tremendous job, and this amendment in no way reflects on that. This is an amendment that only sets a prohibition on using steel-jawed traps and neck snares for commercial and hunting purposes. Let me repeat that again. It only prohibits this cruel and inhumane use of this trap to painfully kill animals for profit.

Imagine using steel-jawed traps for recreational hunting. That does not fit with me at all. Using this device to hunt would be like using land mines to hunt. It makes no sense, which is probably why recreational trapping is already banned in 446 of the 517 national wildlife refuges in this country.

The amendment does not stop trapping. It allows trapping. It merely bans two devices. It bans the steel-jawed traps for commercial purposes and neck snares. Trappers can use other devices. They can still trap with Conibear traps, with foot-snare traps, with box traps, with cage traps. So I ask Members of this august body to join me in stopping the recreational torture in our national wildlife refuges. Please vote for this amendment which is very narrowly drafted.

Just three years ago, Sidney Yates, the distinguished and former long-serving chairman of the Interior Appropriations Subcommittee, expressed concerns about the use of steel-jawed leghold traps on National Wildlife Refuges. A long time opponent of the use of these traps and cosponsor of legislation to bar their use, former Representative Yates was instrumental in securing report language, with the consent of the distinguished chairman of the Interior Appropriations Subcommittee, Mr. REGULA, in the FY 1997 Interior Appropriations measure, requesting that the Fish and Wildlife Service create a task force to examine the humaneness of the leghold trap and assess the prevalence of trapping on refuge lands and waters.

Regrettably, the Service did not follow through on several of Congress's directives expressed in the report language. To my knowledge, there was no task force created and no assessment of the humaneness of this barbaric and indiscriminate trap, which has been outlawed throughout he world because it is so cruel. Nonetheless, the Service did send questionnaires to managers of nearly 500 refuges and queried them on the extent of trapping activity.

The report noted that there were approximately 467 trapping programs on 280 refuges; thus, more than half of the refuges had some form of trapping.

Trapping on refuges occurs for a number of reasons—for predator control to conserve endangered species or waterfowl, for facilities protection, for commercial fur trapping, for recreation, for subsistence, and for other purposes. In conducting these programs, trappers use a wide variety of traps, from box and cage live traps to killing traps such as steel jawed traps, neck and foot snares, and Conibear traps.

According to the report "[e]ighty-five percent of the mammal trapping programs on refuges were conducted primarily for wildlife and facilities management reasons. The remaining 15% occurred primarily to provide recreational, commercial, or subsistence opportunities to the public." The Farr amendment would not have an impact on wildlife and facilities management programs, subsistence programs or research programs. Thus, the amendment would affect less than 15% of the trapping programs on the refuges. It is a narrowly crafted amendment to combat an egregious commercial abuse of the refuge system. It does not ban trapping, so critics who claim this is a purely anti-trapping amendment would be overstating their case.

It is extraordinarily incongruous to allow the commercial and recreational killing or our wildlife with barbaric traps on lands called "refuges." Surely, they cannot honestly be called refuges for wildlife if wildlife are killed by these means.

Americans do now want their tax dollars used to administer trapping programs that feature steel jawed devices and neck snares. My amendment seeks to stop the U.S. Fish and Wildlife Service from misusing its funds for these purposes.

The amendment will pose no threat to wildlife and no difficulty to wildlife managers. These traps have been banned in 88 countries throughout the world; surely these countries cope with their occasional wildlife conflicts without resorting to the use of steel traps. What's more, a large number of states, including states with numerous wildlife refuges, like my own state of California, bar the use of these traps.

July last year, I was proud to support a ballot measure that was overwhelmingly adopted by California voters that barred the use of leghold traps, except in cases of public health or safety or the protection of endangered species. This amendment carried in almost all parts of the state, as have similar ballot initiatives in Arizona, Colorado, and Massachusetts. Other major refuge states, such as Florida and New Jersey, have also banned the leghold traps. Wildlife living on National Refuges in these states are not victimized by steel traps.

The steel jawed leghold trap has been banned in so many jurisdictions because it is inhumane and indiscriminate. It has been declared inhumane by the American Veterinary Medical Association, the World Veterinary Organization, the American Animal Hospital Association, and The Humane Society of the United States. These traps are designed to slam closed and grip tightly an animals' leg or other body part. Lacerations, broken bones, joint dislocations and gangrene can result. Additional injuries result as the animal struggles to free himself, sometimes twisting or chewing off a leg or breaking teeth from gnawing at the metal jaws. Trapped animals can suffer from thirst and starvation and from exposure to the elements or predators. An animal may be in a trap for several days before a trapper checks it—with the interminable period in the trap severely compounding the animal's misery.

The steel jawed leghold trap is indiscriminate. Any animal unlucky enough to stumble across a trap will be victimized by it. In addition to catching "target" animals, traps catch non-target, or trash, animals, such as family pets, eagles, and other protected species.

National Wildlife Refuges should not allow commercial and recreational trapping with inhumane traps. Refuges are the only category of lands specifically set aside for the protection and benefit of wildlife. It is unacceptable that there is recreational and commercial killing of wildlife on refuges with inhumane traps.

A May 1999 poll conducted by Peter Hart Research of a national sample of 1100 Americans revealed that 84 percent of respondents oppose the use of steel-jawed leghold traps on national wildlife refuges.

Please support this amendment and restore compassion and fiscal responsibility to our National Wildlife Refuge System.

Mr. WHITFIELD. Mr. Chairman, I move to strike the requisite number of words, and I would like to commend the gentleman from California for offering this important amendment.

As the gentleman has already very clearly stated, this amendment simply says that if someone is within the boundaries of a national wildlife refuge they cannot use steel-jawed traps or neck snares for the purpose of catching animals. Wildlife refuges were created for the express purpose of benefiting and protecting animals, and it seems quite to the contrary that we allow in our national wildlife refuges this type of activity that is so inhumane.

As the gentleman stated, we have 517 national wildlife refuges, and already the decision has been made that they would allow steel traps and neck snares in only 71 of those, and 88 countries around the world have already outlawed steel-jawed traps and neck snares. Hunters, with their rifles and their shotguns and with their clever stalking and with their intellect and with their thinking ability, already have an advantage over animals, so why do they need to use these kinds of devices and particularly within a wildlife refuge?

They can be used elsewhere. But remembering that the purpose of the refuge was to protect animals, to benefit animals, and now to allow these devices to be used for commercial and recreational purposes seems to be not the right policy.'

As the gentleman from California aptly stated, we can still use these devices for research, for subsistence, for conservation, or for a facility's protection. But I think it is a great amendment, and I would urge everyone in this body to support this amendment.

□ 2045

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this is a good amendment. These steel-jawed traps cause gratuitous cruelty. I do not see the reason why we need these when there are a number of other trapping devices that accomplish the purposes that are served on wildlife refuges to keep various populations under control.

This amendment only applies to commercial trapping.

I think it is an appropriate amendment. I think we ought to pass it. I would be surprised if we could come up with substantive arguments against it. But I would not be surprised if certain of our colleagues do oppose it, because they seem to oppose any attempt to protect our environment or to respect the other innocent beings who attempt to inhabit it.

Mr. HANSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me point out that in the State of Utah there is the Bear River Refuge. It is one of the oldest in America. It was founded in 1928. Literally thousands and thousands of acres. It is called a "duck factory" by a lot of people. Mallards, pintails, gadwalls, you name it. Teal all over the place, Canadian Honkers like my colleagues cannot believe, literally millions of them. There are all kinds of shore birds. There is all kinds of interesting things that go through there.

People up there tell me that three red foxes can probably kill 500 birds in about 2 weeks' time. And they normally get them when they are nesting. They go in and they break the eggs; they kill the young. And so we work for years to try to establish waterfowl. It does take water. It does take habitat. But somebody has to take care of the predators. As we talk to the people who are in this business, they say this is the effective way to do it.

Now, what are we talking about? We are talking about a fox. We are talking about a coyote. We are talking about muskrats. We are talking about these predators that are in these areas. If somebody could come up with a more humane way to come up with it, then fine, let them come up with it.

But let us get real. This is not Bambi around here. We are not talking about things like the white stallion. We are talking about things that really wreck things that we are trying to do in producing things that are important to us.

I think there are a lot of things that we could consider, but let us get down to the fact, do we want to wipe out these areas for the very reason they were created. They were created to perpetuate these things. So just a few, an infinitesimal minority of these animals, could ruin the whole thing.

Now, apparently I am not the only one that thinks this way. I have something here from the Department of the Interior that opposes strongly the amendment from the gentleman of California. Here is a letter from the International Association of Fish and Wildlife agencies strongly opposing this amendment because they think it will throw the whole thing out of balance.

Sure our hearts go out. No one likes to see a little animal suffer or a bird suffer. We can go along with that. But what is a better way?

Mr. FARR of California. Mr. Chairman, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from California.

Mr. FARR of California. Mr. Chairman, with all due respect, I do not know if the gentleman read the amendment. Because it makes exception for all the purposes the gentleman indicated. It only bans the commercial use of steel-jawed traps for recreational hunting. It allows all the kinds of management techniques that are necessary to protect endangered species and so on.

The amendment specifically excepts all of those things. It excepts research, subsistence, conservation, or facilities protection.

Mr. HANSEN. Mr. Chairman, reclaiming my time, well, I wish someone would explain that. Then maybe we better teach these people to say, this one is commercial and this one is recreational. They do not know that.

It is just like hunting is a tool, this is a tool. And maybe that is nice to say, but we are going to have all types of these people in doing that type of problem.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding.

I stand with the gentleman on this issue. I stand with the trappers of my district, the young men who have earned their way through college for years trapping responsibly and reliably. I think this is a very misguided amendment, and I stand with the gentleman.

Mr. HANSEN. Mr. Chairman, reclaiming my time, I appreciate the comments of the gentleman. Let me point out to my colleagues that this is a very effective way to control a big problem we have got in America in many of our areas.

I would sincerely appreciate a "no" vote on the amendment of the gentleman.

Mr. YOUNG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as my good friend from Utah has mentioned, the administration is adamantly opposing the amendment and so is the International Association of Fish and Wildlife.

But it never ceases to amaze me. The gentleman from Virginia (Mr. MORAN) has never seen a trap in his life. He has never seen a trap. He has never trapped. I am the only licensed trapper in this whole Congress, the only person who has ever done any trapping commercially and for subsistence.

I will tell my colleagues what really disturbs me is that they are not looking at a management tool. But more than that, my colleagues wonder why I am upset about this.

We have in my State a group of people that have to have trapping for their welfare. These are native people that they have surrounded by refuge lands. Yes, they say, they can do it for subsistence. But this is not for subsistence. This is for a livelihood. And my colleagues are going to take it away from them.

I did not want that refuge, but it was created by this Congress around most of the villages of native people in my State.

What the gentleman from California (Mr. FARR) is doing is taking the poor little guy and squishing him and eliminating his ability to make any livelihood at all.

Now, I am ashamed of the gentleman for not even thinking of that. If my colleagues want to exclude Alaska, that is their business; but that is what should have been done. But they are hurting my people.

I again say I am the only trapper that has done this professionally. I have never hurt an animal. The trap works efficiently, as the Department of the Interior says it does. It is a tool that must be used.

By the way, if my colleague has an antitrap law in his State, he cannot trap on Federal lands. If he wants to do it, pass it in his State. But do not mess with my State.

Mr. FARR of California. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from California.

Mr. FARR of California. Mr. Chairman, we have passed it in California State lands. But remember that this also allows the trappers that the gentleman just talked about to use all of the other tools of trapping.

Mr. YOUNG of Alaska. Mr. Chairman, reclaiming my time, the other traps do not work. So the gentleman does not know what he is talking about. The other traps do not work. It is impossible for them to transport those traps out to the areas they have to trap in, and they are not effective.

The Conibear trap, which my colleague just talked about, is the most unselective trap of all. If one is a good trapper, they can set these traps to where they catch what they are seeking. They can do that. The Conibear catches anything and everything that touches it. That is what the gentleman does not understand.

The leghold trap is not the most humane trap. The Conibear trap is a killer and it kills everything that steps into it. Not a leghold trap. If they are after mink they use one. If they are after a little larger, one and a half. It goes right on up. And they set them appropriately for the species they are trying to catch.

This is a bad amendment. Like I said, the administration, every Fish and Wildlife person involved is against it. This amendment should be defeated, if not for good sound wisdom and science, but for the poor people of my State. Go ahead and take away their livelihoods. Feel proud of yourselves. Eliminate their chances. If it makes my colleagues feel good, then go right ahead and do it. But remember, they will have that on their conscience, especially when any scientist or any biologist will tell them that the leghold trap is the proper method to be used.

I think the gentleman should reconsider his amendment, and I urge the defeat of his amendment.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not a trapper so I do not preface my comments with that fact. However, I do believe that this Farr amendment deserves to be passed. I want to thank the gentleman from California (Mr. FARR) for bringing it to the floor.

What it does is it seeks to bar the use of Federal funds to administer or promote the use of steel-jawed, leghold traps, or neck snares for commerce or recreation on any unit of the National Wildlife Refuge System.

Now, speaking of endorsements, I have heard from the American Veterinary Medical Association, the American Animal Hospital Association, the World Veterinary Association; and they all agree that steel-jawed leghold traps are inhumane.

They are designed to slam violently shut on a body part of the animal, usually breaking bones or dislocating joints. An animal can suffer for days while exposed to weather, starvation, and predators. Animals who are victimized by these traps are often family pets, eagles, and other protected species.

These traps have been condemned throughout the world community, with 88 nations banning them, including the European Union. California, Arizona, Colorado, Florida, Massachusetts, and New Jersey have also banned leghold traps. There are dozens of wildlife refuges in these States that have suffered no adverse impact from banning recreational and commercial killing of wildlife.

Eighty-five percent of the mammal trapping programs on refuges are conducted primarily for wildlife and facilities management reasons. The Farr amendment would not have an impact on the wildlife and facilities management program or the subsistence programs on the refuges. It is a narrowly crafted amendment to combat an egregious commercial abuse of the system which was designed to provide sanctuaries for wildlife.

The pain and suffering caused by steel-jawed leghold traps are incalculable. I think it is irresponsible to continue barbaric practices with so many less cruel methods of trapping for capturing wild animals that are available to us today. Let us look for those.

I urge my colleagues to join me in supporting the Farr amendment.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I thank the gentlewoman for yielding, and I thank her for her statement and wish to associate myself with her remarks.

As she quite properly points out, this has very, very limited impact on the total amount of trapping that takes place on the refuges.

Mr. GILMAN. Mr. Chairman, I rise today to express my strong support for the Farr amendment to H.R. 2466, an effective compromise that will prohibit the use of taxpayer funds for the inhumane use of steel-jawed leghold traps for recreational or commercial purposes on national wildlife refuges. I thank Congressman FARR for bringing this amendment to the floor.

The Farr amendment is specifically tailored to put an end to recreational and commercial trapping using steel-jawed leghold traps, which occurs on approximately 15 percent of our national refuges. Trapping programs used for animal and facilities management would not be affected by this bill. It is not an aimless, arbitrary attack on our American trappers, but an effort to protect animals where they should be protected, on our national wildlife refuges.

The bottom line is that steel traps are inhumane. Already banned in 88 counties in the United States and nearly 90 countries around the world, steel traps result in serious and debilitating injuries to animals that can often lead to painful and misery-filled deaths. Moreover, the traps are indiscriminate, and thereby will harm any animal that falls in its path. Trappers will often catch animals that they were not even intending to capture, many of whom are endangered and need our protection.

It is time that we address this issue and take the initiative to prevent recreational and commercial trapping of wildlife on our national refuges using steel-jawed leghold traps.

I urge my colleagues to stand up for the protection of our wildlife on our national refuges and support the Farr amendment to the Interior appropriations bill.

Mrs. LOWEY. Mr. Chairman, I rise today in strong support of the Farr amendment. This narrowly crafted, common-sense amendment would improve a bill that I believe is good.

As the sponsor of H.R. 1581, a bill that would outlaw the overall use of steel-jawed leghold traps in the United States, I have been trying to rid this country of these barbaric traps. Steel-jawed leghold traps slam with bone-crushing force upon their victims. Even worse, these devices are completely indiscriminate. Like land mines, they make a victim of any animal that happens upon them, threatening pets, endangered species, other non-target animals and even small children. Steel-jawed leghold traps and neck snares have been condemned as inhumane by the American Veterinary Medical Association and the American Animal Hospital Association.

Because of these dangers—and the existence of less cruel trapping alternatives, as witnessed by the non-lethal trapping of the Cherry Blossom beavers here in Washington—eighty-eight countries have already outlawed steel-jawed leghold traps.

The National Wildlife Refuge system, launched in 1903, was created to combat the effects of the commercial killing of wildlife. It seems reasonable that, on the one federal land system created with the primary purpose of protecting and conserving wildlife, we prohibit the use of these inhumane traps.

The Farr amendment does not bar the expenditure of funds to conduct trapping programs to protect endangered species, to manage other wildlife populations, or to protect facilities. This amendment simply bars two inhumane and indiscriminate traps when they are used for commercial profit or recreation on the one federal wildlife refuge designed to protect and conserve wildlife.

The time has come for the United States to follow the lead of other industrialized nations. Three out of four Americans believe these traps should be prohibited. The appropriation committee has crafted a good bill. Let us pass this amendment and make it even better. I hope you will join us and support this commonsense, humane amendment.

Mr. SHAYS. Mr. Chairman, I rise in strong support of the Farr amendment to prohibit the use of steel-jawed leghold traps or neck snares on National Wildlife Refuges for purposes of commerce or recreation.

The National Wildlife Refuge System was established in 1903. The refuges were meant to be sanctuaries to combat the effects of commercial killing of wildlife and provide an environment where wildlife could be protected and conserved.

Today, the refuge system encompasses 92 million acres in all 50 states, including the Stuart B. McKinney Wildlife Refuge in my district in Connecticut.

According to a 1997 U.S. Fish and Wildlife Service survey, of the 517 National Wildlife Refuge units in the United States, 280 allow trapping of animals and 140 of those allow the use of steel-jawed leghold traps.

While some trapping may be necessary for activities such as predator control for threatened and endangered species protection, facilities protection, and disease control and population management, 15 percent of the trapping is used for recreation and commercial profit.

Steel-jawed leghold traps do not discriminate against their victims. These devices capture protected wildlife species as well as family pets.

Animals caught in leghold traps suffer crushed bones, and often resort to twisting off a limb to escape the horrible pain.

Mr. Chairman, the banning of leghold traps has worldwide support. Leghold traps have been banned in over 80 countries and banned or severely restricted in six states. Groups such as the American Veterinary Medical Association, the American Animal Hospital Association, Humane Society of the United States, and the World Veterinary Association support the banning of leghold traps.

It is important to note Mr. Farr's amendment does not prohibit other forms of trapping, or even the use of steel-jawed leghold traps and neck snares for purposes such as endangered species protection.

Let's demonstrate our dedication to protecting animals on wildlife refuges by supporting this important amendment designed to end animal cruelty on our national wildlife refuges.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. FARR).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FARR of California. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from California (Mr. FARR) will be postponed.

AMENDMENT OFFERED BY MR. TANCREDO

Mr. TANCREDO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TANCREDO:

At the end of the bill, insert after the last section (preceding the short title) the following:

SEC. . The amount otherwise provided by this Act for "DEPARTMENT OF AGRICULTURE—Forest Service—Forest and Rangeland Research" is hereby reduced by $16,929,000.

Mr. DICKS. Mr. Chairman, I reserve a point of order until I have a chance to see the amendment. I have not had a chance to see the amendment.

Mr. TANCREDO. Mr. Chairman, the amendment that I propose is designed to save approximately $17 million presently being wasted in type of research programs conducted by the Forest Service of a nature that can only be described as worthy of the proverbial golden fleece award.

The amendment reduces the appropriation for forest and range land research by $16.9 million, which is a cut of $10 million from last year's level and reduces the account to the Senate level.

In explaining the decision to reduce the account by the $10 million, the Senate committee stated as follows: "The committee is extremely concerned that the research program has lost its focus on what should be its primary mission, forest health and productivity. As it did last year, the committee directs the Agency to increase its emphasis on forest and range land productivity by implementing a reduction of $10 million in programs not directly related to enhancing forest and range land productivity." I emphasize "not related to enhancing forest and range land productivity."

That is the charge of the Forest Service for the forest and range land research.

Now, let me tell my colleagues what they have been doing for the last several years with the money that we appropriate that is designed, once again, to go to enhancing forest and range land productivity.

□ 2100

Let me cite an example. Theoretical Perspectives of Ethnicity and Outdoor Recreation: A Review and Synthesis of African-American and European-American Participation.

Accounting for ethnicity in recreation demand: a flexible count data approach.

I ask my colleagues, what has this got to do with enhancing forest and rangeland productivity?

Another one. Research Emphasis for the Pacific Southwest Research Station: "Social Aspects of Natural Research Management including cultural diversity, customer service, communication and social justice."

I ask my colleagues, what has this got to do with enhancing forest and rangeland productivity?

Another, the analytic hierarchy process and participatory decision-making: "A systematic, explicit, rigorous and robust mechanism for eliciting and quantifying subjective judgments."

I ask my colleagues, what has this got to do with enhancing forest and rangeland productivity?

There are a number of programs, of course, that are operated, a number of research programs operated by the forest and rangeland research operation that are of great quality. I point out, for example, the Forest Inventory and Analysis Program. Programs like this will be provided for.

Mr. Chairman, this is almost a $200 million program. The fact that we are reducing it by $16 million in no way inhibits the ability of the Forest Service to accomplish its major and primary goal, that goal being to enhance forest and rangeland productivity. I suggest to Members that the rest of this stuff is pure junk. It is poppycock. We cannot waste dollars like this in programs like this anymore.

I can go on. Here is another one. Voices from Southern Forests: "Examines the changing social, economic, attitudinal and other voices of southerners and speculates about the meaning these changing voices might have on the future of forest wildlife management in the South."

Again, Mr. Chairman, what has this got to do with enhancing forest and rangeland productivity?

Once again, this is not my individual idea and the amount of money is not mine alone. It is going back to the Senate committee mark. This was the original appropriation by the Senate committee, reducing it by $10 million and then the House increased it by $6.9 million, so we are taking it down a total of $16.9 million.

I suggest that this is only appropriate considering what the charge of the Forest Service is in this particular program. I ask for my colleagues' support.

The CHAIRMAN. Does the gentleman from Washington insist on his point of order?

Mr. DICKS. No, Mr. Chairman.

The CHAIRMAN. The point of order is withdrawn.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, one of the things that we put great emphasis on in our committee is forest health. We have 200 million acres of forests, 156 national forests, almost 800 million visitor days, and the health of our national forests have a profound impact on the health of our private forests, which, of course, is also millions of acres. We have cut back substantially in this program. In spite of inflation, it is 40 percent less than it was 10 years ago. But I think it would be penny wise and pound foolish to cut research and to eliminate scientists. We have more and more problems because of the shrinking world. Diseases are brought in. Let me cite one, Dutch elm disease. Twenty years ago we had magnificent elm trees in our cities that lined the boulevards. Today most of them are gone. Why? Because the Dutch elm disease was brought into this country on imported lumber and it has just decimated the elm forests of our country. That is just one example. There are many. Another is gypsy moths. There is a constant proliferation of diseases and problems that threaten the national forests as well as the private forests. We have cut back, as I mentioned earlier, but I think it would be unwise to take another cut on something that is so vitally important to this great natural resource. We have made every emphasis in our bill to encourage good management and to ensure that the dollars are used carefully.

I know the gentleman cited a number of sort of esoteric titles. Some of this involved recreation symposiums, ideas of how to better provide visitor services, and perhaps it was a poor choice of words in describing these programs, and I do not know that all of them are necessarily good. We have said to the Forest Service people, make the dollars take care of the health of our forests, because they are a priceless resource of this Nation. It not only goes to the question of private forests, it goes to the question of habitat, it goes to the question of our streams, the fish, because if you have diseases in the forests, it is going to get into the water system and on downstream. For that matter, a lot of water supply in this country starts in our national forests. So this has a reach much greater than just the forests themselves.

I would think it would be a very unwise move. To say what the other body has done is not a very compelling reason to me to make a change, because I would be reluctant to follow the other body's decision on every part of a bill. In the judgment of our committee, we put a heavy emphasis on maintaining healthy forests, healthy habitat for wildlife, healthy streams, good water quality, provide assistance to some of the private forests, avoid the sort of things that impact heavily on them.

I would urge the committee members to vote "no" on this amendment and protect the health of our 200 million acres of priceless assets in the form of the national forests.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I would point out that this year we cut $30,271,000 from the administration's request. We barely allowed a cost of living increase for this important research work. The gentleman from Ohio has given a very comprehensive and accurate description of how this money is used. I would also point out that work is done with our State foresters, also with our universities across this country to deal with all of these research issues that affect the ecosystem, the ecology of these forests. Frankly I think a lot of people would think with an asset of this importance to the country, that maybe we are not doing enough in terms of good scientific research on our national forests.

I urge my colleagues to vote "no" on this amendment so that we can move on and move towards final passage.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

I do not doubt the chairman and the ranking member's words that this is an important part of our forest research and a tremendous natural resource, but I think the point that needs to be made is that if there are so many Federal dollars in this program that they can spend research as outlined by the gentleman from Colorado (Mr. TANCREDO) that there is obviously way too much money there. He did not outline all of the what I would consider programs which are just a drop in the bucket that have been research that have nothing to do with rangeland or our forests.

Let me give my colleagues another one. Since I am from the South, I kind of like this one. Here is one study that they did, Voices From Southern Forests, "Examines the changing social, economic, attitudinal, and other voices of southerners and speculates about the meaning these changing voices might have on the future of forest wildlife management in the South."

I know that is important to the researcher who did that, but I do not think that does anything to enhance the quality of our forests, to enhance the productivity of our forests or enhance our ability to direct money to be spent in a proper way.

I am not critical of the committee as they look at this. I know they cannot be on top of everything. But I would doubt that the chairman and ranking member, if they knew these were the studies that this committee paid for last year, would be happy to give this agency a $7 million increase.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Ohio.

Mr. REGULA. We will invite the gentleman to the hearing next year, because, believe me, we will raise these issues; probably before that. I hope some of the folks in the Forest Service are listening to this debate tonight and recognize that some of these things do not make sense. But the basic program is very sound.

Mr. COBURN. To the chairman, I would agree. I have no criticism of the basic program. We spent $197 million on this last year. You have brought it to almost $204 million. To me, what it says is we are rewarding this kind of incompetence. Every dollar that this program does not spend to help forests get better is a dollar that our grandchildren are going to pay back in terms of the Social Security obligation that we have. I would appreciate it if the chairman and ranking member would at least consider this reduction, not because maybe it is necessary in their judgment but it might send a message to the people that are authorizing this kind of garbage with our children and grandchildren's money that maybe they should not do it next year and when they come to you next year, they can have this increase that you have outlined for them and they will have learned that you mean business about the money that they spend for our future generations.

Mr. REGULA. If the gentleman will yield further, what we have tried to address is just the fixed costs that they have. I appreciate that the gentleman brings these things to our attention. I think it is probably a very small part of the budget, but we are going to have some discussion on the issue.

But he mentions our children and grandchildren. We want to leave them healthy forests. Because more and more of the forests are a very important part of the water supply system of this Nation. That is our real concern, the health of the forests.

Mr. COBURN. I agree. I thank the gentleman.

I would just note, this one program spends a dollar per acre for every acre of land that we own, of our forestland. I am not saying that is too much, but it is too much when it is spent this way. I appreciate the gentleman's time and the hard work that he does.

Mr. DOOLITTLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I strongly support the gentleman from Colorado's amendment here. I sit on the authorizing committee for the Forest Service. It is unbelievably mismanaged. It is horrendous in any number of areas. Yes, we need scientific research, but this is hardly scientific research, what the gentleman from Colorado so courageously proposes to delete. I understand the Senate has already done this. These absurd, wasteful studies, it makes you really wonder if this is not just the tip of the iceberg and that beneath this tip there is nine-tenths more that could be delved into. It really makes you wonder. Theoretical Perspectives of Ethnicity and Outdoor Recreation; Research Emphasis for the Pacific Southwest Research Station.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, just to enlighten the Members of the House, we went on their web site this morning, and in 30 minutes these are a list of some of the programs we found. If we went through the whole web site, which would take about 2 days, I think you can find the depth of the problem. I appreciate the gentleman allowing me the time to explain that.

Mr. DOOLITTLE. I appreciate the gentleman raising these issues.

Mr. TANCREDO. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from Colorado.

Mr. TANCREDO. Mr. Chairman, it was mentioned by the other side that someone on the other side said, we are not doing enough in terms of good scientific research. I agree. I absolutely agree. We are apparently are not doing enough in terms of good, scientific research and one reason is because we are doing this junk. This is not in anybody's estimation good scientific research, especially for the purpose stated for this particular program. I wish there was a better way. I truly wish there was a better way of getting the attention of the bureaucrats in this department or any department rather than having to cut their budget in order to make them pay attention to what it is we want. We tried this last year. They completely ignored it. This is the only option we have. Cut the budget, it gets their attention.

I ask my colleagues for support of this amendment.

Mr. POMBO. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. POMBO. I thank the gentleman for yielding. I do not think anybody has to tell me what good work the Forest Service can do and how important it is, the work that they are doing across the country right now.

Unfortunately what the gentleman from Colorado points out is that when we do not have the kind of oversight we should over their spending, we end up with programs like this. Obviously the Forest Service must think they have too much money or else they would not spend money on programs like this. Obviously they think that there is so much money coming into their agency that it is important to set aside money to do programs like this.

□ 2115

Now, if all they were doing was setting aside money for scientific research, I do not believe this amendment would be necessary. I do not believe that we would be debating this at this time. But because they feel like they have so much money to spend, that they have got extra money to spend on crazy programs that make absolutely no sense, and I do not think that there is a Member of Congress, I do not think there is anyone on the authorizing committee or the Committee on Appropriations that can look at these programs and say that is how we ought to be spending our scarce tax dollars and our even more scarce resources going to the Forest Service.

This is outrageous that they would even consider spending money on these programs.

Mr. DOOLITTLE. I would just observe, Mr. Chairman, we had a very interesting oversight hearing in the committee of the gentlewoman from Idaho (Mrs. CHENOWETH) about the devastating threat of catastrophic forest fires. Do my colleagues know the Forest Service still does not have a plan despite 9 years of hearings on this topic. When this threat has been mentioned, they still to this day do not have a plan to fight catastrophic forest fires, and yet we have time and money to spend on nonsense like this.

It is outrageous. Mr. Chairman. This amendment should be supported, and we should take further actions down the road.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if the accusations that have been made here this evening are accurate, I would support them. I do not know that they are, I do not know that they have ample proof of that. I do know I have visited one of these laboratories in my district in the Allegheny National Forest, and I have always been impressed with the kind of work they do.

Our forests in the recent years have had one insect infestation after another, and they were the ones that came up with the program of how to save our forests. I think we all would have wished we had this kind of research back when our chestnut was attacked by the chestnut blight years ago. In our part of the country chestnut was the finest wood there was. It was a wood product that insects did not like, it was a great framing lumber. One could put it in the ground, it would not rot. It had so many qualities, and a blight came through. We did not have the kind of research ability then to fight that, and we lost the chestnut.

A few years ago with the oak leaf roller cane they thought we were going lose the oak, but we found a remedy. When the gypsy moth came, we thought we were going to lose the oak because that was their prime wood, and we found a remedy to that. The cherry scallop. We have a very diverse forest in this country.

In the west we have a soft wood forest, in the east we have a hardwood forest, and it varies in New England from where I live in the mid Atlantic States to the south. Even though the same species are there, the forest composition is different.

This kind of research has also provided us with wood products, oriented fiberboard, the fancy laminated products that we use today, the wooden bridges with laminated wood that are using low quality wood to build bridges.

I think this is an issue that we need a lot more information on before we decide to cut their budget. This program was just reauthorized last year. I urge further review and study if it is proven that they are wasting money as stated.

Mr. WELDON of Florida. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Florida.

Mr. WELDON of Florida. Mr. Chairman, I have just handed to the gentleman's staff exact copies from the web site of this agency that without a doubt proves they are doing that. So based on the gentleman's statement, I would expect his support for this amendment because we took it off their web site today.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I am not sure web site information is going to prove to us what was studied, how much was spent and whether it was worthwhile or not. I think this is an issue that ought to be researched, it is one that ought to be taken seriously, but to cut their budget this amount tonight I think is throwing the baby out with the bath water and would be a mistake.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not prepared to speak on this. I am surprised the amendment is here. But it seems to me that many of my colleagues who have criticized the forest policy with regards to fire suppression, with regards to forest health, are mistaken in attacking a budget which in fact emphasizes a certain amount of research. If anything, I think that the Forest Service and some of our land managers spend too little money in terms of research, and while there is some criticism of cultural research and the impact of people and recreation on lands, I think that that is very important because there is an increasing use of our lands by the tens of millions of visitor days each year in fact on the Forest Service lands as well as on of course other public domain lands, in terms of people using it, and I think for us to suggest that we have all the answers with regards that is sorely mistaken.

With regards to fire prevention, the prescription types of burns, the impact of it in terms of vegetation; I mean there are a myriad of problems that we do not have the answers to with regards to landscape management. Is use of integrated control in terms of pests, how to manage those forests, the hydrology of those forests, and of course this goes, I think, to some of the special forests that we have. In fact, as a member of the Committee on Resources, I have had the opportunity to visit some of our research stations. We have one in the Midwest on the University of Minnesota, St. Paul campus, which we are very proud of in terms of its work with urban forestry, the discoveries recently that have been made with regards to Dutch elm disease and the pseudomycetes and other types of fungi that are infecting the entire urban forest and the problems that are associated with white pine blister rust, the chestnut blight. There is ongoing studies in terms of trying to develop species, the Forest Service working in conjunction, frankly, with our universities, working with the academic community on a global basis. In Puerto Rico we have one of the finest tropical forest research stations in the world.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I want to thank the gentleman for his remarks and associate myself with his remarks. This research is, in fact, very important. If somebody does not like the title of some particular research grant, they have now decided they just going to cut it. As my colleagues know, if they did not go out and talk to the people in the south about the forests and how they were going to manage it and how they were going to deal with it, somebody would be in here blistering the Forest Service's rear end saying, "You're changing policy without talking to the people in the area."

We are having big deliberations in the State of California about the future of the Sierra Nevada, all kinds of parties are involved in this because those forests are becoming less and less timber resources and more and more recreational assets for the 30 million people in the State of California. Do my colleagues know what? The Forest Service has to go out and do that kind of research to see what the people in the small communities think, see what the people in the foothills think, see what the people in the LA basin think about these resources, about the management of that.

Now this one, I guess they are talking to people in the southern United States about the southern forests. But as my colleagues know, it is kind of the height of intellectual illiteracy to just decide they do not like the title, so we are going to cut this money without any investigation as to exactly what is taking place here, and the fact of the matter is that many, many of the forests, as the gentleman has pointed out, are under serious threat from all kind of diseases and what have you, and this research is fundamental to that proposition in trying to keep the productivity of the forest up, to try to keep these forests surviving into the future so people can use them for multiple uses.

Mr. VENTO. Mr. Chairman, I thank the gentleman, and I would just reiterate that the fact is that these dynamic ecosystems, our forests, our grasslands, the work that is being done here is fundamental to sound decisionmaking and stewardship of these resources. As I said, in fact I think we do far too little research. I think it is enormously important to keep in place this corpus of people, this expertise, the knowledge base that we are developing, which in fact we share, for instance, with our tropical forestry research, we share with Central America, with countries in South America. Our Forest Service is, in fact, a leader in terms of this type of natural resource information, and to come to the floor blatantly and to cut this based on the title of some studies because we are evaluating the cultural impact and sensitivity in terms of how people use this for recreation I think is wrong, and I would hope Members would oppose this amendment. This is a bad amendment, and it is the wrong way to go.

The committee has given this good consideration. The very individuals that are concerned about forest health ought to be concerned about understanding the consequences of policy and having good information upon which to base their judgments.

Reject this amendment.

Mrs. CHENOWETH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. As chairman of the Subcommittee on Forestry, I have sat through countless hours of hearings on the problems that we are having in our national forests from lack of care, and, as I review some of these programs in research that the Forest Service has been spending their money on, let me just reiterate some of the programs.

Recreation visitor preferences for and perceptions of outdoor recreation setting attributes.

Now get this though, Mr. Chairman. Attitudes towards roads on the national forest: and analysis of the news media? Well, for heaven sakes; is that going to bring a healthier forest if we sit down and poll and analyze the news media? For heaven sakes.

As my colleagues know, our Forest Service people used to be able to match our mountains not only in their skill, but in their common sense, and now we have a Forest Service that analyzes the news media on how to manage the forest? Yes, this research does need to be cut.

And finally, research themes for the Rocky Mountain Research Station: Human dimensions including cultural heritage and environmental psychology and social interactions.

Mr. Chairman, this is not going to bring forest health back, and in this day when we are fighting over every single last dollar, we promised the American people we are going to return a surplus to them, we are going to secure Social Security, we are going to do all of these great things; to be spending this kind of money on these kinds of ridiculous programs really is not what the Forest Service was set up to do. This is not a social worker's institution; this is the Forest Service, and we need people again who will match our mountains in common sense and be able to restore our forests to the forest health that we need.

Our forests are a trust that the American people have placed not only in us, as a Congress, but also in the Forest Service, and they have abused that trust.

Mr. GOODLATTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I must reluctantly oppose this amendment. I think the gentleman has done us all a good service by pointing out these several studies that I think are highly questionable, but he is using a sledge hammer to hit at something that I think is probably far less expensive and doing so at the expense not only of our national forest, 200 million acres of land that we are responsible for managing.

But this information is also utilized by our universities, by our extension services to help private landowners. We have more than 10 million private forest landowners in this country who receive assistance from extension services in terms of the advice they get on how to fight these various diseases on private land. If we only fight these problems on our public lands, we do not solve the problem at all because the various blights and so on are obviously indiscriminate, and they go on both public and private lands, and this is something that is a valuable resource to 10 million taxpayers in this country who utilize this research to help preserve private lands that are under a great deal of stress because we have reduced the amount of timber harvesting on public lands so much that the management of our private lands, and this information for those private landowners is vitally important.

So I would suggest to the gentleman that perhaps the better approach would be to find out what these programs cost and introduce an amendment that would eliminate just that amount of money. I think the message needs to be sent that these wasteful programs he has identified are wrong, but we are cutting out far more than that when we cut out 16.9 million.

So I am going to oppose the amendment but will work to see that the Forest Service gets the message that some of these research studies that are being funded that are intended to address real problems in our national forest are not being addressed by spending money on some of the studies that he cited, and I commend him for his efforts in that regard.

□ 2130

Mr. SANFORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just rise in support of this amendment offered by the gentleman from Colorado (Mr. TANCREDO), because I think if there was ever a case such as a terminal illness when it comes to stupidly spending money, I think this is the case.

It is amazing to me, if we look at the Forest Service program, basically we have 191 million acres spread over 144 forests throughout this country. If we add all that up, basically it is the size of Texas.

If the gentleman or I were given all the forest lands in Texas, would we or would we not be able to make a dime? If the gentleman was given all the forest lands in Georgia, in South Carolina, in North Carolina, would we or would we not be able to make a dime? Yet the GAO reports shows that the Forest Service has lost $2 billion basically over the last 6 years. So we have a real terminal problem here with the way that money seems to be spent within the Forest Service.

I think this is just another excellent example of what is being spent.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. SANFORD. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I would ask if anybody who is criticizing this has read these studies right now.

Mr. SANFORD. I have one here right now.

Mr. VENTO. The gentleman is just reading the title of the study. Has he read the study?

Mr. SANFORD. Have I personally read the study? No, but I will tell the gentleman what it says: "Voices from Southern Forests. "examines the changing social, economic, attitudinal, and other voices of southerners, and speculates about the meaning these changed voices might have on the future of forest wildlife management in the South."

That is a wacko theme. Does that study mean much to the gentleman?

Mr. VENTO. If the gentleman will continue to yield, Mr. Chairman, I do not know. I would suggest to the gentleman that it is a very long statement talking about the impact, the cultural impact in terms of attitudes and how they are affecting road construction and management of forests.

The Forest Service is attempting to understand its land management role. But not having read the study, I do not know what the use of it is or the validity or application, so I would not be up here trying to cut $27 million out on the basis of that.

Mr. SANFORD. Mr. Chairman, reclaiming my time, I think the study that I have looked at is the ultimate study, the GAO study that shows the Forest Service has lost $2 billion basically between 1992 and 1997; that is the real issue, $2 billion.

Let me add up the board feet we are talking about here. If the gentleman was given a $220 billion asset, because again, another GAO report showed that if we added up all the forest land, not in the recreational assets business, just the linear board feet owned by the Forest Service, the National Forest Service across the country, it adds up to 1 trillion board feet, which basically equates to about $20 billion, would we or would we not make money on a $220 billion asset?

Most people would say if we put $220 billion in the bank, just based on interest on that $20 billion, I would make money. I think that is the issue we are dealing with right here, rather than spending more money on studying the voices of southern forests.

Mr. TANCREDO. Mr. Chairman, will the gentleman yield?

Mr. SANFORD. I yield to the gentleman from Colorado.

Mr. TANCREDO. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, these are the actual descriptions of the programs we were referring to, not just the titles but descriptions. I have read them. We will make them available. I assure the gentleman, they give no greater degree of surety that any of the things here match what this program is supposed to do. I go back to the original purpose of the program. It does not make us feel any better reading the descriptions, I assure the gentleman.

One other thing I would like to point out, this is not just simply my analysis or our analysis. Originally this was part of what the Senate did. They looked at all of this. They went back and told, and this was last year, told the Forest Service, look, these are the things we have identified as a problem. These are way outside the bounds of what you are supposed to be doing. Do not do it anymore.

The Forest Service ignored it entirely and came back with these kinds of studies, and the Senate took the action that I referred to earlier. They said, compared to the fiscal 1999 enacted level the committee, the Senate committee recommended, it consists of the following changes, a decrease of $14.9 million in base funding for the lower priority research activities, and increases of $1,130,000 for the harvesting and the wood utilization laboratory in Sitka, Alaska, and an increase of $2 million for forest inventory and analysis.

So the purpose is to get the money into the good stuff and away from the junk.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. TANCREDO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. TANCREDO. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Colorado (Mr. TANCREDO) will be postponed.

Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. WU

Mr. WU. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WU:

On page 108, after line 14,

Insert before the short title the following new section:

"SEC. . Of the amounts provided for in the bill under the heading National Forest System, $196,885,000 shall be for timber sales management, $120,475,000 shall be for wildlife and fisheries habitat management, and $40,165,000 shall be for watershed improvements as authorized by the Multiple Use Sustained Yield Act of 1960 (Public Law 86-517).".

Mr. WU (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WU. Mr. Chairman, it is with pleasure that I join my colleague, the gentlewoman from Oregon (Ms. HOOLEY) in offering this amendment. I would like to thank the gentlewoman from Oregon (Ms. HOOLEY) and the gentleman from California (Mr. MILLER) for their support on this amendment, and the gentleman from Ohio (Chairman REGULA) and the ranking member, the gentleman from Washington (Mr. DICKS) for their hard work in bringing a good appropriations bill to the floor.

Mr. Chairman, the Wu-Hooley amendment improves a good appropriations bill by taking an environmentally sound and fiscally responsible approach to preserving our national forests for recreational and commercial users. This is truly a win-win proposition, proof that what is good for our environment is good for business.

The Wu-Hooley amendment scales back the timber sales management program by $24 billion to the administration-requested level of $196 million, and redirects the freed-up funds to vitally needed watershed improvements and to protect fish and wildlife.

Restoring forests does not just make outdoor lovers happy, it provides a future for resource-based industries. Every year more and more species of important forest and aquatic life are listed as endangered or threatened. This loss of wildlife jeopardizes both our natural resources and our natural resource-based industries.

The future of the forest products industry, the very future of harvesting timber, is dependent on healthy forests, healthy watersheds, and healthy ecosystems, not degraded to the point where either human water supplies or fish and wildlife become so endangered that we must close our forests to important commercial activity.

Unless we take adequate steps now to protect watersheds, fish and wildlife, it will be much, much more difficult to harvest timber in the future. The Wu-Hooley amendment strikes a balance between current timber harvests and restoring fish and preserving wildlife, both for their own sake and for the future of timber harvesting. It protects all of these valuable natural treasures for the long term.

The Wu-Hooley amendment is an attempt to address the shortfall of funding for watershed and fish and wildlife protections. Communities across America and in my State, such as Salem, in the district of the gentlewoman from Oregon (Ms. HOOLEY) and Carlton in my district, and Lake Oswego near the border between the district of the gentlewoman from Oregon (Ms. HOOLEY) and my own get their drinking water from watersheds on forest land.

When I go home in August, I would like to tell parents in Oregon that Congress recognizes the importance of safe drinking water and the need to restore our forests for their family's health.

The Wu-Hooley amendment is also an exercise in real fiscal discipline. The administration requested $196 million for this line item and the committee funded it at $220 million. Meanwhile, efforts that are essential to the Pacific Northwest and to America, like watershed improvement and fish and other wildlife protection, are being neglected. Our amendment scales back timber sales management funding to the administration's request.

Mr. Chairman, I urge my colleagues to exercise fiscal responsibility and demonstrate a real commitment to the long-term interests of healthy forests and clean drinking water. I urge my colleagues to vote yes on the Wu-Hooley amendment.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we spent a lot of time on this bill trying to get a balance. We reduced the amount that was committed to forest timber sales, but we do not want to go too deeply because a lot of this money is important to counties and local school districts. This would reduce by $7 million the money that would be received by local government. It would reduce by $30 million the receipts that we get from the Forest Service. Aside from that, it would reduce the money available to manage these forests carefully.

As has been discussed in earlier amendments, the forests are a priceless asset, and it goes far beyond just the trees, it goes to the habitat, it goes to the water, it goes to the riparian areas along the banks of our streams, and it goes to forest thinning. This would reduce the money available for thinning forests.

Let me tell the Members, if we get a lightning strike on a forest that is relatively clean, it may scar but it will not destroy. But if we just have a lot of junk on the forest floor because of the lack of money to get out the dead and dying trees, we are going to get a hot fire that will be very destructive.

We have reduced the account already. We have reduced the timber sales. But I think this goes too far. We have tried to strike a balance. We are way down from where it used to be. About 8 years ago we allowed 12 billion board feet of harvest. Our bill is down to 3 billion board feet. The reality is there will be about 2.5 billion board feet harvested.

As someone said earlier, that puts a lot of pressure on the private forests. I think it would be irresponsible to go any more, to cut any deeper than we already have cut in the management of this. I strongly urge a vote no on this amendment.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. I want to join the chairman in opposing this amendment. I also want to just say that people are saying, why are there not more revenues? The reason there are not more revenues is because we have dramatically reduced the harvest of timber on the Federal timberlands. This Congress has passed the laws that have driven us in that direction.

So I say to my conservative friends who want to know where the money is, the money is not there because we have gone from 8 billion board feet down to 2.5 billion board feet. That is why there is no money. It is pretty clear, we have changed the way these forests are being managed. We are managing them more for environmental protection and ecological reasons, and for the fish and the water and everything else, and on a multiple use basis.

But believe me, Members may not like what they do in research, but there has been a sea change in the way they harvest timber on the national forest lands. That is why the money is down.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to recall for our colleagues in connection with this amendment that on February 11 of this year, the U.S. Forest Service, at the direction of the Secretary of Agriculture, announced an 18-month moratorium on forest road development. That had the immediate effect of putting into deep freeze potential harvest sales of 170 to 260 million board feet of timber on our national forests. That has already been in effect.

In my own district, on the Superior National Forest, there were two sales of 3 million board feet and 1.2 million board feet, separate sales, that were immediately affected by that timber moratorium. Overall, in the last decade, we have gone from 12 million board feet harvested on national forests down to 4 billion board feet. That is a 75 percent reduction.

Mr. Chairman, we do not need to go any further. We are taking jobs away from people. We have lost over 80,000 jobs in forestry in the last 10 years. In the wake of that, what we have is poorly managed forests. We do not have harvesting of diseased timber, that is overmatured timber that is right on the edge of becoming diseased and going down and being fuel for forest fires.

The chairman talked about, I thought very wisely and very appropriately, about downed trees on the forest floor. Well, we have downed trees in northern Minnesota in the wake of the Fourth of July storm, not of the century, of a thousand years, a hundred miles an hour wind recorded through the Superior National Forest and the boundary waters canoe area, and a swath 12 miles wide which leveled 21 million trees.

□ 2145

Twenty-one million trees, many of which were saplings at the time of the Civil War, and all of that is now down. Most of it is not touching the ground and the air circulating around it. By this fall among the hardwoods, the poplars, we are going to have stuff ready to explode in a lightning strike. And by this time next year this would be ripe for not a burn but an inferno.

Now, we are not going to be harvesting timber in a wilderness area but the areas outside of the wilderness. Yes, big, serious problems. This is a badly mistaken amendment. It strikes at the heart of good management, of good sense, of good utilization of our national forests. We ought not to adopt such an amendment. We ought to, in fact, roll back the 18-month forest road moratorium is what we ought to be doing here.

Please, I beg my colleagues in the interest of good common sense forestry management to defeat this amendment.

Mr. DUNCAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full time, but let me just read from one report concerning our growth in the national forests.

Tree growth in national forests exceeds current harvest by over 600 percent. National forests are growing more than 23 billion board feet of wood annually while 6 billion board feet die each year from insects, disease, fire, and other causes. Less than 3 billion board feet is harvested each year.

Mr. Chairman, that is an important figure. I know if some people went into some of the schools where the children are not hearing the full story but are told that we are cutting 2.5 billion or 3 billion board feet of wood in our national forests each year they would probably think that is a horrible thing. But they are not told that there is 23 billion board feet of new growth each year and less than 3 billion are going to be cut.

In the early 1980s, the Congress passed what was thought of then as an environmental law, that we would not exceed cutting 80 percent of the new growth in our national forests. Now we are cutting less than one-seventh of the new growth in our national forests. We are not even cutting half of the amount of wood that is dying in the national forests each year.

Mr. Chairman, if we want to build homes, if we want to have newspapers and magazines and every paper product imaginable, we have got to cut some trees. If we want to have healthy forests, we have got to cut some trees, and this amendment goes to an extreme position. This is really a very radical amendment to reduce this any further. And the National Association of Home Builders has produced a very strong letter against this amendment yesterday.

I repeat, if we are going to have a good economy, if we are going to have the type of life that people want to have and the good standard of living that we have, we have got to cut a few trees. We have approximately 200 million acres in national forests and 500 million acres in private forests. But to go from 23 billion board feet of new growth and cut less than 3 billion board feet is getting pretty ridiculous.

Very few people in this Congress have voted for more amendments to save money than I have, and I used to vote for amendments like this. But this is going too far, and we need to defeat this amendment.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment offered by the gentleman from Oregon (Mr. WU) and the gentlewoman from Oregon (Ms. HOOLEY) to transfer this money from the Timber Sales Preparation Fund. The people opposed to this amendment are acting like this amendment would zero it out. There is $197 million left in this fund. But the fact is the gentleman from South Carolina (Mr. SANFORD) got up earlier and talked about what a loser the Forest Service was. We have spent $1.2 billion preparing Forest Service sales, and we have gotten $1.8 billion out of those sales, and only $125 million came into the Treasury.

What this amendment says is that there is a more productive area to put the money to use. The fact of the matter is for $125 million we have gotten into the Treasury after all of these sales because we ended up subsidizing all of these sales and built the roads. The fact of the matter is there is a much better place. In the western United States two out of three fishermen fish on the Forest Service lands. That is $8.5 billion annually to the economy, a billion dollars in my State of California alone.

In fact, with the proper use of these forests, they are huge economic engines to local communities and States where people can use them for multiple purpose reasons. But the fact of the matter is many of these forests are in a shambles in the watersheds and in the way they have been treated in the past. We can go into southern Oregon and northern California and find forests that were logged in the 1960s and the 1970s and that are in a complete shambles and have not been reforested. The watersheds are damaged, and we are losing the salmon fisheries. And all of that is sustainable economy. All of that drives the resort communities, the tourism, the gas stations and all the business in those areas.

So we can get a better return on the investment we make with this money by putting it into the rehabilitation of the watersheds, the rehabilitation of the fish and the wildlife from the scars that have been left in the past of the previous forest practices which were never sustainable and have done a great deal of damage to our forests in this area. This is about a smart economic decision for the communities that are surrounding these forests. This is about protecting the clean water supplies for urban areas.

In California, a huge amount of our water is stored in those forests, in those watersheds. We are struggling, spending additional Federal dollars to try to clean up that water so that we can continue to consume it in the State of California. So this is very, very smart use of this money, rather than to continue to put it into sales where we do not generate the kind of revenues that have continued to be a loser, that is a subject of all the GAO reports, money that goes into slush funds. This is the amendment that takes care of that problem.

Mr. Chairman, this is about the wise investment, the wise investment in our forests, in management of those forests for all of these purposes and for all of these uses so that we can have improved watersheds, we can stop the decline in the fisheries, we can increase the tourism economy in so many of these communities and we can increase the health of the forests. This is where the money should be spent and the House should support the amendment of the gentleman from Oregon (Mr. WU) and the gentlewoman from Oregon (Ms. HOOLEY) to increase and improve the forest health of this Nation.

Mr. WU. Mr. Chairman, will the gentleman yield?

Mr. GEORGE MILLER of California. I yield to the gentleman from Oregon.

Mr. WU. Mr. Chairman, I want to emphasize that this amendment leaves salvage harvesting intact. There is a separate fund for salvage harvesting which in the last fiscal year totaled approximately $110 million. And my amendment leaves that fund intact.

Mr. GEORGE MILLER of California. Mr. Chairman, reclaiming my time, the gentleman makes a very important point. His amendment leaves intact enough money in this account plus the salvage amendment to go ahead and harvest the 3.5 million board feet that we anticipate harvesting this year. So we have the opportunity by going to the administration's number in the Fish and Wildlife account to improve the forests, to improve their productivity, and to improve the multiple use of those forest. The salvage account remains intact, as does $197 million out of the timber management account, and we should approve the amendment.

Mr. HILL of Montana. I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition the Wu amendment; and I have here a study, a study that was compiled from U.S. Forest Service records and Bureau of Labor Statistics records and U.S. Census Bureau records and BLM records. It is a study of the 148 most impoverished forest counties. Several of those are in Montana and some are in the authors' State of Oregon on well.

What this study says is that these 148 at-risk impoverished forest counties have an unemployment rate that is three times the national average of unemployment, and what the study indicates is that these impoverished forest counties have a poverty rate that is 1.5 times the poverty rate of the country. In fact, there is a county in Mississippi, one of the at-risk counties, that has an unemployment rate that is 7 times the national average unemployment rate.

Mr. Chairman, I know things are pretty good in urban and suburban America, but things are not so good in rural America and particularly not so good in these impoverished counties. East of the Mississippi the study identifies 15 counties: Two in Wisconsin, one in Pennsylvania, three in Arkansas, three in Louisiana, one in West Virginia, three in Mississippi. And the study identifies the 15 most at-risk counties in the West. Three of them happen to be in my home state of Montana: Lincoln County, Sanders County and Mineral County. Four in Oregon.

I want to talk about Lincoln County in Northwest Montana because it is identified as the most at-risk impoverished rural forest county in the country. There are 19,000 residents of this county. It has a poverty level of 18.3 percent. That is 3,500 people of that county live below the poverty line. A 13 percent unemployment rate. That is

2,600 people in that county that cannot find a job because 77 percent of the tax base is lost to U.S. Forest Service Federal lands.

Mr. Chairman, 33 percent of the employment in this county is timber related. In 1908, the Federal Government made a covenant with Federal lands counties that said we are going to share revenue and develop the resources to improve their economy, and this amendment breaks that covenant and takes away the jobs. $7.5 million will come out of school budgets and county budgets and will wipe out local county budgets. It will cost hundreds of more jobs in Lincoln County.

But this is not just about jobs, it is about safety and the environment, too. The General Accounting Office says there are 40 million acres of western forests that are at risk of catastrophic fire. Catastrophic fires are not just big fires, they are fires that threaten the health of the forests. They threaten people. They threaten property. They threaten the environment. They threaten watersheds and the soil.

We need these funds to manage these forests, to thin and harvest these forests and to restore their health. And the GAO just issued a report that said the Forest Service is $700 million per year short of what it needs in order to manage the forest health problem.

This amendment breaks 92 years of cooperation, a 92-year-old promise. It abandons these communities and neglects their safety. It says the kids who go to school in these counties do not matter. It says the people who work in those counties do not count, and it is going to make poverty in those areas worse. This amendment is offered without conscience. It is bad economics. It is bad for the environment, and it is a further attack on rural America.

Mr. Chairman, we need to defeat this amendment.

Mr. Chairman, I include the following study for the Record:

Forest Products Study

RURAL RESERVATIONS—THIRTY FOREST COUNTIES MOST AT RISK IF A ZERO FEDERAL HARVEST POLICY IS ADOPTED

On the eve of the new millennium federal elected officials have been drawn into a debate on whether or not timber harvesting should occur on U.S. Forest Service and BLM managed lands. For those advocating to eliminate timber harvesting on federal lands the question is couched in terms of "saving" the environment. For those who advocate for continued harvesting, the issue is couched in terms of forest health and fire risk. Forgotten in the debate are the communities and counties which depend on federal land management for their economic survival. Several hundred rural counties and thousands of rural communities depend on the economic activities generated by the harvest of timber off federal lands. While the concept of jobs versus the environment has been bantered about in the past, Congress doesn't seem to have a true understanding of how important federal timber harvests are to these communities. This report puts a face on "at-risk" counties and helps the reader better understand the economic challenges facing these rural counties.

While the environmental industry works to direct the focus of the debate on environmental concerns and forestry professionals work to keep the debate focused on forest health and commodity production, we hope that Congress and the American public will take the time to think about the importance of the overall economic benefit derived from the sale of federal timber each year.

The concept of ranking counties based on poverty is not uncommon. In fact, President Clinton recently undertook a five day trade mission to some of America's poorest counties and neighborhoods. The Clinton Administration visited these impoverished areas asking U.S. businessmen to invest in these areas. Ironically, at the very same time as pointing out the challenges many of these communities face, others in the Clinton Administration are advocating natural resource policies designed to recruit and create new impoverished counties.

To understand how a zero harvest policy would affect counties, we developed a risk ranking system to identify at-risk counties. We began by examining a county's unemployment and poverty level, along with the amount of timber employment income that would be lost if a zero harvest policy was adopted. If the county had two out of the following three conditions (double the national average unemployment rate; one and one-half times the national average poverty level; or lost more than one million dollars of timber employment income) we included it in our study.

To rank the counties we examined U.S. Forest Service, Bureau of Labor Statistics, U.S. Census Bureau, and Bureau of Land Management data. We ranked 148 of the most impacted counties in five categories and developed a combined ranking system that predicts which counties, and therefore communities, would be injured the most if the United States Congress, or the administration through executive fiat, adopts a zero federal harvest policy. Due to the different nature of National Forests in the Eastern United States versus those in the West we split the data base into Eastern counties and Western counties.

This report displays the 15 most at-risk counties in the East, as well as the 15 most at-risk counties in the West. The attached appendix displays the rank order for all 148 counties examined for all five categories.

The study points to those rural counties which have not benefited from the economic boom the rest of the United States has enjoyed over the last decade. In fact, the data suggests many of these counties have been completely left out of the economic boom. Unfortunately, now Congress is being asked to consider taking away one of the few economic bright spots they have to rally around. If that occurs, the social and economic fabric of these communities will be torn asunder. It is our hope that Congress will step up and make every effort to understand the significant consequences of their actions before they vote on issues affecting rural counties.

The chasm between our most well-to-do suburban counties and our poorest rural counties is staggering. In a country which has enjoyed statistical full employment (<5%) for the last four years, over a third of the 148 national forest counties surveyed have three times the unemployment rate enjoyed by other more affluent counties in the United States today. One county, Sharkey, Mississippi suffered nearly seven times the unemployment rate currently enjoyed by most urban and suburban counties.

Poverty is perhaps one of the most pervasive and sinister problems facing our two-tiered economy. Over ten percent of the 148 counties surveyed have double the National average poverty level. Again, Sharkey, Mississippi suffers three times the poverty level enjoyed by the "average" county in our country. Nearly one-third of the national forest counties included in our survey suffer poverty levels that are at least one and one half times the National average.

The third economic factor to be considered is the amount of timber employment income generated by the FY 1997 U.S. Forest Service timber sale program. While we have no national average data to compare against, it gives pause to understand that some counties in the West stand to lose tens of millions of dollars of employment income if a zero harvest policy is imposed.

To truly understand the employment income statistics, one must put them in context with the poverty and unemployment rates, then consider how the loss of millions of dollars of employment income will affect these rural counties. One must also think about the alternatives available to counties, given the amount of tax base which has been put off limits as a result of federal land ownership within each county. Will a county like Sharkey, Mississippi with its 29.7% unemployment and 42.1% poverty level be worse off losing $1.3 million of employment income than a county like Linn County, Oregon with its 13.8% poverty level and 9.1% unemployment rate which stands to lose over $12.8 million of employment income? In both instances the reader must conclude these counties will suffer grievously compared to their urban and suburban cousins.

Chief of the Forest Service Michael Dombeck has become fond of asking "why the richest country in the world should fund the education of rural school children on the back of a controversial timber sale program?" To many in the forest counties school movement this rhetorical question has an uneasy ring to it.

There is an eerie resemblance between the experience of the Native Americans whose treaties with our federal government were broken time and time again and that which is happening today in rural America. There is an eerie resemblance between the federal government's inability to help those on Native American reservations become economically prosperous and economically self-sufficient and what is happening today in many rural national forest counties. At times it seems as if there is a carefully crafted strategy by the federal government to turn our rural counties into reservations where those who remain are beset with a host of social problems, including: alcoholism, child and spousal abuse, unemployment, and poverty. The specter of such problems has a direct and frightening parallel to the experiences of many Native American tribes over the last century.

Our rural counties are being asked to accept a Congressional entitlement program that enslaves local governments and forces them to depend on Congressional hand-outs. Welfare programs which will be funded in the "good" years and taken away by the urban and suburban elite in the "bad" years. We are being told the new federal forestry policies will help preserve the environment and that Congress will fully fund these new welfare programs, but at what cost? We in the Counties and Schools movement aren't convinced that our communities will be better off. We're not even convinced the environment will be better off. Our National Forests are growing more than 20 billion board feet of timber each year, yet we harvest only three billion board feet. The U.S. Forest Service has already identified 40 million acres of forest land with severe forest health problems, and tens of millions of acres more that are at risk.

THE MOST AT RISK COUNTIES

In this section we will help you understand which national forest counties face the greatest risk related to the zero harvest policies currently being considered by Congress. We've divided the country into two zones. Those counties west of the 100th meridian and those east of the 100th meridian. Counties west of the 100th meridian generally suffer with more federal land within their county and a higher dependence on federal timber. Eastern counties do not have the high dollar figures to lose, but have very high unemployment rates and poverty rates. We've listed the fifteen counties most at-risk and included an indepth look at five counties east of the 100th meridian, as well as the five counties west of the 100th meridian which are the most high-risk.

FIFTEEN EASTERN COUNTIES AT HIGHEST RISK

County and State	Total points
Le Flore, OK	261
Forest, WI	311
Grant, LA	312
Forest, PA	312
Sabine, TX	312
Montgomery, AR	313
Ashland, WI	315
Newton, AR	317
Franklin, MS	320
Sharkey, MS	324
Scott, AR	326
Natchitoches, LA	327
Winn, LA	332
Randolph, WV	337
Wilkinson, MS	338

A CLOSER LOOK AT THE FIVE MOST AT RISK EASTERN COUNTIES

Le Flore County, Oklahoma

County Seat: Poteau: Pop.—7,210.

Acres in County: 1,015,040.

U.S. Senators: Senator Don Nickles (R); Senator James Inhofe (R).

United States Representative: Rep. Wes. W. Watkins (R-3rd).

County Population: 45,641.

Major Industries: Health Services, Retail.

Poverty Level: 24.1%.

Tax Base Lost to Federal Lands: 25.0%.

Employment Income from Timber: 3.0%.

Timber Employment Income Lost if Zero Federal Harvest: $13,812,720.00.

Closet Large Towns: Mena and Fort Smith, Arkansas.

Unemployment Level: 7.6%.

Le Flore County is located on the far eastern edge of Oklahoma along the Arkansas border. Like many rural counties, its economy is agricultural based. With a quarter of the potential taxable land encumbered by the Ouchita National Forest, the economic activities produced on that forest are important to the community. The county received $732,119.00 of 25% and PILT (Payment in Lieu of Taxes) payments as a result of the Ouchita's resource programs in FY 1997. Because Oklahoma depends primarily on property taxes to fund county and school system budgets, these revenues would pay for approximately 32% of those budgets in Le Flore County. The loss of $13,812,720.00 of timber employment income translates to $69,063,900.00 of lost economic activity. Severe economic disruption would occur in Le Flore County if the Ouchita National Forest were to stop selling timber.

Forest County, Wisconsin

County Seat: Crandon: Pop.—1,958.

Acres in County: 648,960.

County Population: 9,361.

U.S. Senators: Senator Herbert Kohl (D); Senator Russ Feingold (D).

United States Representative: Rep. Mark Green (R-8th).

Major Industries: Hotel/lodging, Retail.

Poverty Level: 13.2%.

Tax Base Lost to Federal Lands: 47%.

Employment Income from Timber: 16%.

Timber Employment Income Lost if Zero Federal Harvest: $21,383,601.

Closest Large Towns: Wausau and Rhinelander, Wisconsin.

Unemployment Level: 7.9%.

Forest County is located in the northeast corner of the state. With nearly half of it's land base tied up in the Nicolet National Forest, dollars and economic activity produced on the forest are vital to the economic well-being of Forest County. The county received $369,954.00 in 25% and PILT payments as a result of the Nicolet's resource programs in FY 1997. These revenues make up approximately 5% of Forest County's annual budget. The potential loss of $21,383,601.00 in timber employment income translates to $106,918,005.00 of lost economic activity. Clearly, severe economic disruption would occur in Forest County if the Nicolet National Forest were to stop selling timber.

Grant County, Louisiana

County Seat: Colfax: Pop.—1,880.

Acres in County: 412,800.

County Population: 18,270.

U.S. Senators: Senator John Bureaux (D); Senator Mary Landrieu (D).

United States Representative: Rep. John Cooksey (R-5th).

Major Industries: Lumber & Wood Products, Health and Social Services.

Poverty Level: 21.7%.

Tax Base Lost to Federal Lands: 34%.

Employment Income from Timber: 18%.

Timber Employment Income Lost if Zero Federal Harvest: $8,578,181.

Closest Large Towns: Alexandria and Winnfield, Louisiana.

Unemployment Level: 7.1%.

Grant County is located in the center of the state. With one-third of it's land base tied up in the Kisatchie National Forest, dollars and economic activity produced on the forest are vital to the economic well-being of Grant County. The county received $652,026.00 in 25% and PILT payments as a result of the Kisatchie's resource programs in FY 1997. These revenues make up approximately 12.3% of Grant County's annual budget. The potential loss of $8,578,181.00 in timber employment income translates to $42,890,905.00 of lost economic activity. Severe economic disruption would occur in Grant County if the Kisatchie National Forest were to stop selling timber.

Forest County, Pennsylvania

County Seat: Tionesta: Pop.—500.

Acres in County: 273,920.

County Population: 5,001.

U.S. Senators: Senator Arlen Specter (R); Senator Rick Santorum (R).

United States Representative: Rep. John Peterson (R-5th).

Major Industries: Lumber & Wood Products, Amusement & Recreation, Health Services.

Poverty Level: 14%.

Tax Base Lost to Federal Lands: 45%.

Employment Income from Timber: 12%.

Timber Employment Income Lost if Zero Federal Harvest: $11,252,287.

Closest Large Towns: Titusville and Oil City, Pennsylvania.

Unemployment Level: 11%.

Forest County is located in the northeast portion of the state. With nearly half of it's land base encumbered by the Allegheny National Forest, dollars and economic activity produced on the forest are vital to the economic well-being of Forest County. The county received $1,243,046.00 in 25% and PILT payments as a result of the Allegheny's resource programs in FY 1997. These revenues make up approximately 53% of Forest County's annual budget. The potential loss of $11,252,287.00 in timber employment income translates to $56,261,435.00 of lost economic activity. Clearly, there would be very severe economic disruption in this rural county of only 5,000 people if the Allegheny National Forest were to stop selling timber.

Sabine County, Texas

County Seat: Hemphill: Pop.—1,182.

Acres in County: 313,600.

County Population: 10,487.

U.S. Senators: Senator Phil Gramm (R); Sen. Kay Bailey Hutchison (R).

United States Representative: Rep. Jim Turner (D-2nd).

Major Industries: Health Services, Retail.

Poverty Level: 17.6%

Tax Base Lost to Federal Lands: 34%.

Employment Income from Timber: 31%.

Timber Employment Income Lost if Zero Federal Harvest: $5,097,729.

Closest Large Towns: Jasper, Texas and Leesville, Louisiana.

Unemployment Level: 8.9%.

Sabine County is located on the central north border of the state. With one-third of its land base tied up in the Sabine National Forest, dollars and economic activity produced on the forest are vital to the economic well-being of Sabine County. The county received $267,513.00 in 25% and PILT payments as a result of the Sabine's resource programs in FY 1997. These revenues make up approximately 9% of Sabine County's annual budget. The potential loss of $5,097,729.00 in timber employment income translates to $25,488,645.00 of lost economic activity. Clearly, severe economic disruption would occur in Sabine County if the Sabine National Forest were to stop selling timber.

FIFTEEN WESTERN COUNTIES AT HIGHEST RISK

County and State	Total points
Lincoln, MT	108
Idaho, ID	137
Sanders, MT	168
Clearwater, ID	174
Pend Oreille, WA	179
Klamath, OR	184
Lake, OR	187
Adams, ID	190
Boundary, ID	197
Mineral, MT	198
Plumas, CA	201
Pet/Wrangell/PWI, AK	211
Grant, OR	219
Sierra, CA	221
Douglas, OR	225

Lincoln County, Montana

County Seat: Libby: Pop.—2,532.

Acres in County: 2,312,320.

County Population: 18,678.

U.S. Senators: Sen. Max Baucus (D); Sen. Conrad Burns (R).

United States Representative: Rep. Rick Hill (R—at large).

Major Industries: Lumber & Wood Products, Retail, Health Services.

Poverty Level: 18.3%.

Tax Base Lost to Federal Lands: 77.0%.

Employment Income from Timber: 33%.

Timber Employment Income Lost if Zero Federal Harvest: $101,760,422.

Closest Large Towns: Spokane, Washington, and Missoula, Montana.

Unemploymenmt Level: 13.19.

Lincoln County is located on the far Northwest corner of Montana along the Idaho and Canadian borders. Like many rural counties it's economy is timber based, with over one-third of the economic activity tied to the manufacturing of wood products. With three quarters of the potential taxable land base encumbered by the Kootenai and Flathead National Forests, the economic activities produced on these forests are critically important to the community. The county received $4,523,017.00 of 25% and PILT payments as a result of the Kootenai and Flathead resource programs in FY 1997. These revenues paid for approximately 47% of the county's total budget. The loss of $101,760,422.00 of timber employment income translates to approximately $508,802,110.00 of economic activity. Severe economic disruption would occur in Lincoln County if the Flathead and Kootenai National Forests were to stop selling timber. It is very likely that the county government would go bankrupt.

Idaho County, Idaho

County Seat: Grangeville: Pop.—3,226.

Acres in County: 5,430,400.

County Population: 14,789.

U.S. Senators: Senator Larry Craig (R); Senator Mike Crapo (R).

United States Representative: Rep. Helen Chenoweth (R–1st).

Major Industries: Lumber & Wood Products, Health Services, Retail.

Poverty Level: 15.7%.

Tax Base Lost to Federal Lands: 83%.

Employment Income from Timber: 22%.

Timber Employment Income Lost if Zero Federal Harvest: $72,476,050.

Closest Large Towns: Lewiston and Orofino, Idaho.

Unemployment Level: 14.2%.

Idaho County is nestled in the center of Idaho among the Nez Perce and Payette National Forests. More than three-quarters of it's land base is encumbered by Federal ownership of these National Forests within Idaho County. Because lumber and woods products is, by far, the largest employment sector in Idaho County, economic activity produced on the forests are vital to the economic well-being of Idaho County. The county received $3,211,755.00 in 25% and PILT payments as a result of the Nez Perce and Payette resource programs in FY 1997. These revenues make up 30% of Idaho County's annual budget. The potential loss of $72,476,050.00 in timber employment income translates to $362,380,250.00 of lost economic activity. The severe economic disruption that would occur in Idaho County if the Nez Perce and Payette National Forest were to stop selling timber in unconscionable.

Sanders County, Montana

County Seat: Thompson Falls: Pop.—1,319.

Acres in County: 1,767,680.

County Population: 10,089.

U.S. Senators: Senator Max Baucus (D); Senator Conrad Burns (R).

United States Representative: Rep. Rick Hill (R–At Large).

Major Industries: Lumber & Wood Products, Health Services, Retail.

Poverty Level: 20.6%.

Tax Base Lost to Federal Lands: 52%.

Employment Income from Timber: 25%.

Timber Employment Income Lost if Zero Federal Harvest: $23,433,551.

Closet Large Towns: Kellogg, Idaho and Kalispell, Montana.

Unemployment Level: 10.6%.

Sanders County is located just south of Lincoln County Montana, along the northeast border of Idaho. Portions of the Lolo, Kaniksu and Kootenai National Forests make up one-half of the county's land base. Economic activity produced on these forests is vital to the economic well-being of Sanders County. The county received $1,286,615 in 25% and PILT payments as a result of the National Forest's resource programs in FY 1997. These revenues make up approximately 21% of Forest County's annual budget. The potential loss of $23,433,551.00 in timber employment income translates to $117,167,755.00 of lost economic activity. The economic disruption to Sanders County would be devastating if the Lolo, Kaniksu and Kootenai National Forests were to stop selling timber.

Clearwater County, Idaho

County Seat: Orofino: Pop.—2,868.

Acres in County: 1,575,680.

County Population: 9,115.

U.S. Senators: Senator Larry Craig (R); Senator Mike Crapo (R).

United States Representatives: Rep. Helen Chenoweth (R–1st).

Major Industries: Lumber & Wood Products, Health Services, Retail.

Poverty Level: 13.1%.

Tax Base Lost to Federal Lands: 54%.

Employment Income from Timber: 42%.

Timber Employment Income Lost if Zero Federal Harvest: $29,714.65.

Closest Large Towns: Lewiston and Moscow, Idaho.

Unemployment Level: 19%.

Clearwater County is located just north of Idaho County. More than one-half of it's land base is encumbered by the Clearwater and St. Joe National Forests Economic activity produced on these forests is vital to the economic well-being of Clearwater County. The county received $1,028,986.00 in 25% and PILT payments as a result of the National Forest's resource programs in FY 1997. These revenues make up approximately 11% of Clearwater County's annual budget. The potential loss of $29,714,265.00 in timber employment income translates to $148,571,325.00 of lost economic activity. Clearly, severe economic disruption would occur in Clearwater County if the Clearwater and St. Joe National Forests were to stop selling timber.

Pend Oreille, Washington

County Seat: Newport: Pop.—1,691.

Acres in County: 896,640.

County Population: 10,749.

U.S. Senators: Senator Slade Gorton (R); Senator Patty Murray.

United States Representative: Rep. George Nethercutt (R–5th).

Major Industries: Health Services, Retail, Special Trade Contractors.

Poverty Level: 18%.

Tax Base Lost to Federal Lands: 54%.

Employment Income from Timber: 25%.

Timber Employment Income Lost if Zero Federal Harvest: $15,880,684.

Closest Large Towns: Spokane, Washington and Coeur d'Alene, Idaho.

Unemployment Level: 13.8%.

Pend Oreille County is situated in the far northeast corner of Washington along the Idaho and Canadian border. More than one-half of Pend Oreille's land base is encumbered by the Colville and Kanisku National Forests. Economic activity produced on the forests is vital to the economic well-being of Pend Oreille County. The county received $826,758.00 in 25% and PILT payments as a result of the National Forests resource programs in FY 1997. These revenues make up approximately 4.5 percent of Pend Oreille County's annual budget. The potential loss of $15,880,684.00 in timber employment income translates to $79,403,420.00 of lost economic activity. Clearly, severe economic disruption would occur in Pend Oreille County if the Coleville and Kanisku National Forests were to stop selling timber.

CONCLUSION

President Clinton is traveling the country asking American businessmen and businesswomen to invest in impoverished counties in the same manner he has asked them to invest in third world countries. There is a sad irony in this when one considers that this Administration is tacitly backing efforts by the environmental industry to end timber harvesting on federal lands. While the U.S. Forest Service timber sale program could be considered controversial, and might be described as dysfunctional, it does provide over $2 billion of employment income activity to several hundred rural counties. Using even the most conservative multiplier for economic impact, that $2 billion of employment income translates into $5 to $10 billion of economic activity. The Administration shouldn't be allowed to feign concern for poverty stricken counties when its natural resource policies will cause 150 to 200 rural counties to suffer exponential increases in unemployment and poverty.

APPENDIX ONE

Methodology

We began by examining each national forest timber county's unemployment and poverty level, along with the amount of timber employment income that would be lost if a zero harvest policy was adopted. If the county had two out of the following three conditions (double the national average unemployment rate; one and one-half times the national average poverty level; or lost more than one million dollars of timber employment income) we included it in our study. We then collected the following data points for the 148 counties: (1) the percent of employment income generated in an individual county as a result of the primary timber industry in that county; (2) the percent of tax base lost as a result of federal lands within the boundaries of the county; (3) the poverty level in the county compared to the National Average of 13.8%; (4) the March 1999 unadjusted unemployment rate compared to the National Average of 4.3%; and (5) the timber employment income generated by FY 1997 U.S. Forest Service timber sale programs in each individual county, as reported in the FY 1997 Timber Sale Program Information Reporting System (TSPIRS). Each county was ranked within each data point. We then added the sum of the rank order value under each category to achieve a total score for each county. Our final ranking values each of the five categories equally. Those counties with the lowest sum total face the highest risk of injury if a zero federal harvest policy is adopted.

The categories

Percent of Employment Income Derived from Primary Timber Manufacturing.—Despite the fact that many see the manufacturing of wood products as environmentally bad, American's utilized over 53 billion board feet of softwood products in this country in 1998. While most communities strive to have a balanced economy, the fact is that timber manufacturing plays a critical role in many communities. The counties in the data base range from as little as one percent of the economic activity in their country generated by primary timber manufacturing to a high of Perry County, Arkansas where 53% of the total employment income in that county is generated by the primary manufacturing of wood products. Over one-third of the counties surveyed had a 14 percent or greater dependence on the employment income generated by the primary timber manufacturers in their communities. The sad reality is that if federal lands are no longer producing the 3.2 billion board feet of timber needed by companies in these rural communities, then these counties will see economic dislocation and distress.

RANK ORDER OF PERCENT OF EMPLOYMENT INCOME GENERATED BY PRIMARY TIMBER MANUFACTURES

[Data Source: USFS General Technical Reports 329–331]

County and State	Employment from timber—	
	Percent	Rank
Perry, MS	53.00	1
Alger, MI	43.00	2
Clearwater, ID	42.00	3
Adams, ID	41.00	4
Winn, LA	37.00	5
Jasper, TX	35.00	6
Boise, ID	34.00	7
Boundary, ID	33.00	8
Lincoln, MT	33.00	9
Deschutes, OR	32.00	10
Sabine, TX	31.00	11
Skamania, WA	29.00	12
Coos, NH	28.00	13
McCurtain, OK	27.00	14
Bonner, ID	26.00	15
Sierra, CA	25.00	16
Granite, MT	25.00	17
Sanders, MT	25.00	18
Grays Harbor, WA	25.00	19
Pend Oreille, WA	25.00	20
Franklin, MS	24.00	21
Price, WI	24.00	22
Idaho, ID	22.00	23
Schoolcroft, MI	22.00	24
Taylor, WI	22.00	25
Grant, OR	21.00	26
Klamath, OR	21.00	27
Itasca, MN	20.00	28
Trinity, CA	18.00	29
Wallowa, OR	18.00	30
Grant, LA	18.00	31
Haines, AK	17.00	32
Plumas, CA	17.00	33
Linn, OR	17.00	34
Tucker, WV	17.00	35
Ashland, WI	16.00	36
Florance, WI	16.00	37
Forest, WI	16.00	38
Pet/Wrangell/PWI, AK	15.00	39
Douglas, OR	15.00	40
Lake, OR	15.00	41
Sitka, AK	14.00	42
Tehema, CA	14.00	43
Josephine, OR	14.00	44
Garfield, UT	14.00	45
Angelina, TX	14.00	46
Gogebic, MI	14.00	47
Sawyer, WI	14.00	48
Lewis, WA	14.00	49
Shelby, TX	13.00	50
Reynolds, MO	12.00	51
Shannon, MO	12.00	52
Jackson, OR	12.00	53
Lane, OR	12.00	54
Flathead, MT	12.00	55
Missoula, MT	12.00	56
Ravalli, MT	12.00	57
Forest, PA	12.00	58
Cass, MN	12.00	59
Lassen, CA	11.00	60
Baker, OR	11.00	61
Curry, OR	11.00	62
Manistee, MI	11.00	63
Ferry, WA	11.00	64
Okanogan, WA	11.00	65
Pocahontas, WV	11.00	66
Randolph, WV	11.00	67
Webster, WV	11.00	68
Powell, MT	10.00	69
Oconto, WI	10.00	70
Navajo, AZ	9.00	71
Siskiyou, CA	9.00	72
Shasta, CA	9.00	73
Menifee, KY	9.00	74
Mineral, MT	9.00	75
Wayne, MS	9.00	76
Covington, AL	8.00	77
Del Norte, CA	8.00	78
Valley, ID	8.00	79
Natchitoches, LA	8.00	80
Iron, MI	8.00	81
McCormick, SC	8.00	82
Perry, Al	7.00	83
Catron, NM	7.00	84
Carter, MO	7.00	85
Elk, PA	7.00	86
Beltrami, MN	7.00	87
Cook, MN	7.00	88
Polk, AR	6.00	89
Newton, AR	6.00	90
San Augustine, TX	6.00	91
Vilas, WI	6.00	92
Custer, SD	6.00	93
Greenbrier, WV	6.00	94
Montgomery, AR	4.00	95
Cliborne, LA	4.00	96
Rapides, LA	4.00	97
Sharkey, MS	4.00	98
Houston, TX	4.00	99
Mackinac, MI	4.00	100
St. Louis, MN	4.00	101
Scott, AR	3.00	102
LeFlore, OK	3.00	103
Apache, AZ	3.00	104
Fresno, CA	3.00	105
Custer, ID	3.00	106
Shoshone, ID	3.00	107
Barry, MO	3.00	108
Wayne, MO	3.00	109
Vernon, LA	3.00	110
Warren, PA	3.00	111
Iosoc, MI	3.00	112
Ontonagon, MI	3.00	113
Winston, AL	2.00	114
Coconino, AZ	2.00	115
Rio Arriba, NM	2.00	116
Modoc, CA	2.00	117
Tulare, CA	2.00	118
Kern, CA	2.00	119
Saguache, CO	2.00	120
Lake, FL	2.00	121
Elmore, ID	2.00	122
Whitley, KY	2.00	123
Dent, MO	2.00	124
Iron, MO	2.00	125
Washington, MO	2.00	126
Umatilla, OR	2.00	127
Duschesne, UT	2.00	128
San Juan, UT	2.00	129
San Jacinto, TX	2.00	130
McKean, PA	2.00	131
Carrol, NH	2.00	132
Alcona, MI	2.00	133
Chippewa, MI	2.00	134
Houghton, MI	2.00	135
Lake, MI	2.00	136
Wexford, MI	2.00	137
Lake, MN	2.00	138
Bayfield, WI	2.00	139
Chelan, WA	2.00	140
Yakima, WA	2.00	141
Pendleton, WV	2.00	142
Taos, NM	1.00	143
Medera, CA	1.00	144
Lemhi, ID	1.00	145
Benton, MS	1.00	146
Grofton, NH	1.00	147
Columbia, WA	1.00	148

Percent of Tax Base Lost to Federal Land Managers.—As our National Forests were established in the early part of this century, Congress and the Administration understood that counties who had National Forests, and other public lands, within their boundaries would face a challenge funding local governmental services. They understood that these counties would suffer from diminished tax bases. A compact was forged that guaranteed these counties a share of the gross receipts generated through the sale of timber, and other commodities, with the counties. In 1908 a law was passed to share 25% of the gross receipts generated off the federal lands with the counties or other units of local government. The funds were ear-marked to be used for schools and roads. Each State, or territory was to set its individual formula. Most share 50% of the funds with schools and 50% with the county road departments. Some give as much as 70% to their county road departments, and one, North Carolina directs 100% of their 25% Payment to their school systems.

It is critically important to understand that the counties with the most federal entitlement lands face the largest challenges when the Forest Service timber sale programs stop producing revenue. The ability of most counties is hamstrung by their diminished ability to find lands to tax, combined with the public's unwillingness to pay new increased taxes. While this is not the most important factor when considering the risk to counties, it is one of the most important.

RANK ORDER OF FEDERAL ENTITLEMENTS IN COUNTY AS A PERCENT OF TOTAL COUNTY ACREAGE

[Data Sources: BLM Annual PILT Report and 1998 World Almanac]

County and State	Tax Base Lost to Federal Lands—	
	Percent	Rank
Pet/Wrangell/PWI, AK	98.00	1
Sitka, AK	96.00	2
Custer, ID	93.00	3
Haines, AK	91.00	4
Lemhi, ID	90.00	5
Valley, ID	87.00	6
Idaho, ID	83.00	7
Mineral, MT	83.00	8
Skamania, WA	78.00	9
Lincoln, MT	77.00	10
Garfield, UT	77.00	11
Cook, MN	77.00	12
Chelan, WA	77.00	13
Navajo, AZ	76.00	14
Trinity, CA	75.00	15
Flathead, MT	75.00	16
Boise, ID	73.00	17
Curry, OR	73.00	18
Del Norte, CA	72.00	19
Shoshone, ID	72.00	20
Ravalli, MT	72.00	21
Plumas, CA	71.00	22
Sierra, CA	70.00	23
Montgomery, AR	69.00	24
Lake, OR	69.00	25
Saguache, CO	66.00	26
Elmore, ID	66.00	27
Modoc, CA	65.00	28
Granite, MT	64.00	29
Scott, AR	63.00	30
Adams, ID	63.00	31
Catron, NM	62.00	32
Grant, OR	60.00	33
Boundary, ID	59.00	34
San Juan, UT	59.00	35
Klamath, OR	58.00	36
Wallowa, OR	58.00	37
Lassen, CA	56.00	38
Douglas, OR	56.00	39
Lake, MN	55.00	40
Rio Arriba, NM	54.00	41
Clearwater, ID	54.00	42
Pend Oreille, WA	54.00	43
Taos, NM	53.00	44
Baker, OR	52.00	45
Sanders, MT	52.00	46
Pocahontas, WV	51.00	47
Tulare, CA	50.00	48
Powell, MT	49.00	49
Lane, OR	48.00	50
Forest, WI	47.00	51
Okanogan, WA	46.00	52
Newton, AR	45.00	53
Forest, PA	45.00	54
Duschesne, UT	43.00	55
Fresno, CA	42.00	56
Missoula, MT	42.00	57
Siskiyou, CA	41.00	58
Shasta, CA	41.00	59
Bonner, ID	41.00	60
Iron, MI	41.00	61
McCormick, SC	41.00	62
Custer, SD	40.00	63
Apache, AZ	39.00	64
Perry, MS	39.00	65
Josephine, OR	38.00	66
Tucker, WV	38.00	67
Polk, AR	37.00	68
Medera, CA	37.00	69
Menifee, KY	35.00	70
Ferry, WA	35.00	71
Grant, LA	34.00	72
Sabine, TX	34.00	73
Gogebic, MI	34.00	74
Linn, OR	33.00	75
Deschutes, OR	31.00	76
San Augustine, TX	31.00	77
Lewis, WA	31.00	78
Columbia, WA	30.00	79
Randolph, WV	30.00	80
Pendleton, WV	29.00	81
Iron, MO	27.00	82

RANK ORDER OF FEDERAL ENTITLEMENTS IN COUNTY AS A PERCENT OF TOTAL COUNTY ACREAGE—Continued

[Data Sources: BLM Annual PILT Report and 1998 World Almanac]

County and State	Tax Base Lost to Federal Lands—	
	Percent	Rank
Wayne, MO	27.00	83
Benton, MS	27.00	84
Ontonagon, MI	27.00	85
Ashland, WI	27.00	86
Jackson, OR	26.00	87
Warren, PA	26.00	88
Le Flore, OK	25.00	89
Franklin, MS	25.00	90
Sharkey, MS	24.00	91
Alger, MI	24.00	92
Tehema, CA	23.00	93
Bayfield, WI	23.00	94
Cass, MN	22.00	95
St. Louis, MN	22.00	96
Kern, CA	21.00	97
Reynolds, MO	21.00	98
Elk, PA	21.00	99
Lake, FL	20.00	100
Umatilla, OR	20.00	101
McKean, PA	20.00	102
Angelina, TX	19.00	103
Houghton, MI	19.00	104
Yakima, WA	19.00	105
Webster, WV	19.00	106
Shannon, MO	18.00	107
Winn, LA	18.00	108
Itasca, MN	18.00	109
Florance, WI	18.00	110
Washington, MO	17.00	111
Wayne, MS	17.00	112
San Jacinto, TX	17.00	113
Iosoc, MI	17.00	114
Manistee, MI	17.00	115
Oconto, WI	17.00	116
Whitley, KY	16.00	117
Natchitoches, LA	16.00	118
Price, WI	16.00	119
Barry, MO	15.00	120
Dent, MO	15.00	121
Wexford, MI	15.00	122
Sawyer, WI	15.00	123
Greenbrier, WV	15.00	124
Chippewa, MI	14.00	125
Schoolcroft, MI	13.00	126
Rapides, LA	12.00	127
Houston, TX	12.00	128
Shelby, TX	12.00	129
Alcona, MI	12.00	130
Grays Harbor, WA	12.00	131
Vernon, LA	10.00	132
Taylor, WI	10.00	133
Perry, AL	9.00	134
Coconino, AZ	9.00	135
Jasper, TX	9.00	136
McCurtain, OK	8.00	137
Carter, MO	8.00	138
Mackinac, MI	8.00	139
Vilas, WI	8.00	140
Beltrami, MN	5.00	141
Winston, AL	4.00	142
Lake, MI	4.00	143
Cliborne, LA	3.00	144
Coos, NH	3.00	145
Covington, AL	2.00	146
Grofton, NH	2.00	147
Carrol, NH	1.00	148

Percent of Poverty in County (all citizens).—Poverty is one of the measures that the public, Congress and others use to assess the economic health of an area. High poverty levels generally mean more difficult living conditions. According to a U.S. Census Bureau, February 1999 report on poverty, the average county poverty rate in the United States is 13.8%. As we began to collect the poverty data on the forest counties a disturbing reality set in. Of the 148 most at risk counties in our study, over two thirds had poverty levels that exceeded the national average. Fifteen of the counties had poverty levels that doubled the national average. Most of these counties stand to lose more than $1 million of employment income if federal timber harvests are eliminated. Such a policy would be considered barbaric in many countries!

RANK ORDER OF COUNTY POVERTY LEVELS

[Data Source: U.S. Census Bureau Feb. 1999 Report]

County and State	Poverty Level—	
	Percent	Rank
Sharkey, MS	42.1	1
Perry, AL	41.3	2
Apache, AZ	39.4	3
Webster, WV	35.6	4
Menifee, KY	31.5	5
Whitley, KY	30.7	6
Navajo, AZ	29.0	7
Saguache, CO	28.9	8
San Juan, UT	28.3	9
Tulare, CA	28.2	10
Wayne, MO	28.2	11
Natchitoches, LA	28.0	12
Ciborne, LA	27.5	13
Shannon, MO	27.1	14
Taos, NM	26.8	15
Washington, MO	26.0	16
Newton, AR	25.7	17
Carter, MO	25.5	18
Franklin, MS	25.5	19
Fresno, CA	25.2	20
San Jacinto, TX	25.2	21
Wayne, MS	24.9	22
Houston, TX	24.5	23
Winn, LA	24.3	24
Le Flore, OK	24.1	25
Benton, MS	24.0	26
Catron, NM	23.8	27
Rio Arriba, NM	23.7	28
Reynolds, MO	23.7	29
San Augustine, TX	23.7	30
Iron, MO	22.7	31
Lake, MI	22.7	32
Randolph, WV	22.6	33
Perry, MS	22.3	34
Scott, AR	22.1	35
Rapides, LA	22.1	36
Shelby, TX	22.1	37
Montgomery, AR	21.7	38
Grant, LA	21.7	39
Dent, MO	21.6	40
Shoshone, ID	21.4	41
Covington, AL	20.9	42
Medera, CA	20.8	43
Duschesne, UT	20.7	44
Kern, CA	20.6	45
Sanders, MT	20.6	46
McCormick, SD	20.5	47
Pocahontas, WV	20.5	48
Coconino, AZ	20.3	49
Yakima, WA	20.2	50
Mineral, MT	20.0	51
Josephine, OR	19.9	52
Okanogan, WA	19.7	53
Del Norte, CA	19.6	54
Powell, MT	19.6	55
Granite, MT	19.4	56
Greenbrier, WV	19.2	57
Jasper, TX	18.7	58
Beltrami, MN	18.6	59
Tehema, CA	18.5	60
Modoc, CA	18.4	61
Lincoln, MT	18.3	62
Vernon, LA	18.3	63
Ferry, WA	18.1	64
Pend Oreille, WA	18.0	65
Angelina, TX	17.6	66
Sabine, TX	17.6	67
Tucker, WV	17.6	68
Klamath, OR	17.2	69
Umatilla, OR	17.0	70
Winston, AL	16.9	71
Trintiy, CA	16.9	72
Boundary, ID	16.7	73
Baker, OR	16.7	74
Houghton, MI	16.7	75
Pendleton, WV	16.6	76
Grays Harbor, WA	16.4	77
Missoula, MT	16.3	78
Shasta, CA	16.0	79
Douglas, OR	16.0	80
Ravalli, MT	16.0	81
Schoolcroft, MI	15.9	82
Cass, MN	15.9	83
Barry, MO	15.8	84
Manistee, MI	15.8	85
Idaho, ID	15.7	86
Lemhi, ID	15.5	87
Chippewa, MI	15.5	88
Lake, OR	15.4	89
Columbia, WA	15.4	90
Polk, AR	15.3	92
Bonner, ID	15.1	92
Curry, OR	15.1	93
Iosoc, MI	15.0	94
Lane, OR	14.9	95
Sawyer, WI	14.9	96
Garfield, UT	14.7	97
Gogebic, MI	14.7	98
Jackson, OR	14.6	99
Alcona, MI	14.6	100
Lassen, CA	14.5	101
Iron, MI	14.5	102
McCurtain, OK	14.4	103
Flathead, MT	14.4	104
Wallowa, OR	14.2	105
Wexford, MI	14.2	106
Chelan, WA	14.2	107
McKean, PA	14.1	108
Lewis, WA	14.1	109
Siskiyou, CA	14.0	110
Adams, ID	14.0	112
Forest, PA	14.0	112
Linn, OR	13.8	113
Ashland, WI	13.7	114
Lake, FL	13.5	115
Grant, OR	13.4	116
Forest, WI	13.2	117
Clearwater, ID	13.1	118
Haines, AK	12.8	119
Ontonagon, MI	12.8	120
Valley, ID	12.6	121
Itasca, MN	12.6	122
Mackinac, MI	12.5	123
Bayfield, WI	12.4	124
Alger, MI	12.3	125
Plumas, CA	12.2	126
Elmore, ID	12.1	127
Custer, SD	12.1	128
Custer, ID	12.0	129
St. Louis, MN	12.0	130
Vilas, WI	11.0	131
Boise, ID	10.8	132
Skamania, WA	10.7	133
Deschutes, OR	10.6	134
Coos, NH	10.6	135
Warren, PA	10.3	136
Pet/Wrangell/PWI, AK	10.1	137
Florance, WI	9.8	138
Taylor, WI	9.8	139
Sierra, CA	9.4	140
Carrol, NH	9.2	141
Grofton, NH	8.8	142
Oconto, WI	8.8	143
Lake, MN	7.6	144
Elk, PA	7.4	145
Cook, MN	6.9	146
Sika, AK	6.7	147
Price, WI	6.6	148

March 1999 Unadjusted Unemployment Rates by County.—This data was collected at the State level from various State agencies responsible for reporting unemployment. The National average unemployment rate in March of 1999 was 4.3%. The question facing most suburban and urban Congressmen and many Senators is how they would respond if their colleagues proposed a new federal policy which quadruples the unemployment rates in their District. When considered in light of the potential employment income which will be lost to a zero harvest policy, some of these rural forest counties are already in dire straits! Fully one-half of the rural forest counties surveyed have unemployment rates which are at least double the national average.

RANK ORDER OF COUNTY UNEMPLOYMENT LEVELS

[Data Source: U.S. Bureau of Labor Statistics and State Agency Reports]

County and State	Unemployment—	
	Percent	Rank
Sharkey, MS	29.7	1
Adams, ID	22.8	2
Tulare, CA	20.9	3
Clearwater, ID	19.0	4
Grant, OR	18.1	5
Wilkinson, MS	17.9	6
Haines, AK	17.5	7
Fresno, CA	17.1	8
Trinity, CA	16.7	9
Columbia, WA	16.4	10
Ferry, WA	16.2	11
Medera, CA	15.5	12
Shoshone, ID	15.1	13
Lake, OR	15.1	14
Sierra, CA	14.8	15
Kern, CA	14.7	16
Plumas, CA	14.3	17
Idaho, ID	14.2	18
Navajo, AZ	14.1	19
Siskiyou, CA	14.0	20
Wallowa, OR	14.0	21
Apache, AZ	13.8	22
Pend Oreille, WA	13.8	23
Pet/Wrangell/PWI, AK	13.7	24
Lincoln, MT	13.1	25

RANK ORDER OF COUNTY UNEMPLOYMENT LEVELS—Continued

[Data Source: U.S. Bureau of Labor Statistics and State Agency Reports]

County and State	Unemployment—	
	Percent	Rank
Modoc, CA	13.0	26
Valley, ID	12.8	27
Catron, NM	12.5	28
Bonner, ID	12.5	29
Boundary, ID	12.4	30
Yakima, WA	11.9	31
Greenbrier, WV	11.8	32
Baker, OR	11.7	33
Tucker, WV	11.7	34
Jasper, TX	11.6	35
Okanogan, WA	11.6	36
Klamath, OR	11.4	37
Alcona, MI	11.4	38
Iosoc, MI	11.4	39
Lake, MI	11.4	40
Taos, NM	11.2	41
Douglas, OR	11.0	42
Forest, PA	11.0	43
Mineral, MT	10.8	44
Lassen, CA	10.7	45
Randolph, WV	10.7	46
Sanders, MT	10.6	47
Natchitoches, LA	10.5	48
Saguache, CO	10.3	49
Ashland, WI	10.2	50
Chelan, WA	10.2	51
Del Norte, CA	10.1	52
Josephine, OR	10.0	53
Duschesne, UT	10.0	54
Skamania, WA	10.0	55
Shasta, CA	9.7	56
Price, WI	9.7	57
Webster, WV	9.7	58
Custer, ID	9.6	59
Curry, OR	9.6	60
Newton, AR	9.4	61
Carter, MO	9.3	62
Grays Harbor, WA	9.3	63
Boise, ID	9.2	64
Lemhi, ID	9.1	65
Linn, OR	9.1	66
Granite, MT	9.0	67
Manistee, MI	9.0	68
Florance, WI	9.0	69
Franklin, MS	8.9	70
Sabine, TX	8.9	71
Rio Arriba, NM	8.8	72
Tehema, CA	8.8	73
Ontonagon, MI	8.7	74
Schoolcroft, MI	8.7	75
Bayfield, WI	8.7	76
Wayne, MO	8.5	77
Alger, MI	8.5	78
Chippewa, MI	8.5	79
Gogebic, MI	8.5	80
Houghton, MI	8.5	81
Iron, MI	8.5	82
Mackinac, MIO	8.5	83
Wexford, MI	8.5	84
Sawyer, WI	8.5	85
Deschutes, OR	8.3	86
Lewis, WA	8.3	87
Umatilla, OR	8.2	88
Jackson, OR	8.1	89
Garfield, UT	8.1	90
McCurtain, OK	8.0	91
San Juan, UT	8.0	92
Flathead, MT	7.9	93
Forest, WI	7.9	94
Vilas, WI	7.8	95
Le Flore, OK	7.6	96
Perry, MS	7.5	97
Coconino, AZ	7.3	98
Shannon, MO	7.2	99
Menifee, KY	7.1	100
Washington, MO	7.1	101
Ravalli, MT	7.1	102
Cliborne, LA	7.1	103
Grant, LA	7.1	104
Elk, PA	7.1	105
Benton, MS	6.9	106
Cass, MN	6.9	107
Covington, AL	6.8	108
Taylor, WI	6.8	109
Custer, SD	6.8	110
Wayne, MS	6.6	111
San Augustine, TX	6.5	112
Itasca, MN	6.5	113
Oconto, WI	6.5	114
Elmore, ID	6.4	115
Iron, MO	6.3	116
Shelby, TX	6.3	117
Sitka, AK	6.0	118
Winn, LA	6.0	119
McKean, PA	6.0	120
Dent, MO	5.9	121
Lane, OR	5.9	122
Pocahontas, WV	5.7	123
Perry, AL	5.6	124
Rapides, LA	5.6	125
Vernon, LA	5.6	126
Angelina, TX	5.5	127
Powell, MT	5.4	128
Cook, MN	5.2	129
Polk, AR	5.1	130
Beltrami, MN	5.1	131
Reynolds, MO	5.0	132
Pendleton, WV	5.0	133
Whitley, KY	4.8	134
Warren, PA	4.8	135
Winston, AL	4.7	136
Lake, MN	4.6	137
Montgomery, AR	4.5	138
San Jacinto, TX	4.5	139
Coos, NH	4.5	140
Missoula, MT	4.3	141
Houston, TX	4.2	142
Barry, MO	4.0	143
St. Louis, MN	3.7	144
Scott, AR	3.6	145
Carrol, NH	3.4	146
Lake, FL	3.2	147
Grofton, NH	2.4	148

Timber Employment Income Lost by County if Zero Federal Harvest Policy Adopted—This data was generated by desegregating the U.S. Forest Service TSPIRS Timber Employment Income data from a forest-by-forest report, to a county-by-county basis. It is based on the number of acres of each national forest in a county and the amount of employment income generated by the FY 1997 Forest Service timber sale harvest on each Nation Forest. It represents direct, indirect and induced employment income generated as a result of the harvest, manufacturing and shipping of lumber derived from the trees the U.S. Forest Service allowed to be harvested from National Forest lands in FY 1997.

FOREST SERVICE GENERATED TIMBER EMPLOYMENT INCOME LOST IF ZERO HARVEST POLICY IS ADOPTED

[U.S. Forest Service FY 1997 TSPIRS Report]

County and State	Timber income lost—	
	Amount	Rank
Lincoln, MT	$101,760,422	1
Idaho, ID	72,476,050	2
Valley, ID	48,118,770	3
Siskiyou, CA	40,331,023	4
Lane, OR	32,557,484	5
Clearwater, ID	29,714,265	6
Plums, CA	27,871,776	7
Pet/Wrangell/PWI, AK	24,275,086	8
Sanders, MT	23,433,551	9
Scott, AR	23,232,410	10
Flathead, MT	22,776,620	11
Modoc, CA	21,739,914	12
Forest, WI	21,383,601	13
Bayfield, WI	21,012,696	14
Montgomery, AR	21,005,410	15
Lassen, CA	20,919,075	16
Lake, OR	20,911,126	17
Boise, ID	20,646,531	18
Douglas, OR	20,509,552	19
Klamath, OR	20,339,531	20
Trinity, CA	19,761,393	21
Mineral, MT	19,186,111	22
Missoula, MT	17,530,019	23
Shasta, CA	17,483,779	24
Shoshone, ID	17,318,060	25
Sierra, CA	16,653,781	26
Pend Oreille, WA	15,880,684	27
Elmore, ID	15,850,552	28
Lake, MN	15,509,194	29
Coconino, AZ	14,533,534	30
St. Louis, MN	14,185,120	31
Deschutes, OR	14,137,080	32
Ashland, WI	14,049,978	33
Lake, FL	13,987,269	34
Warren, PA	13,894,923	35
Le Flore, OK	13,812,720	36
Chelan, WA	13,778,783	37
Ravalli, MT	13,665,678	38
Grant, OR	13,422,139	39
Cook, MN	13,180,684	40
Adams, ID	13,014,235	41
Itasca, MN	12,891,717	42
McKean, PA	12,795,873	43
Linn, OR	12,755,053	44
Bonner, ID	12,318,467	45
Cass, MN	12,041,721	46
Grofton, NH	11,842,864	47
Skamania, WA	11,782,051	48
Price, WI	11,769,739	49
Forest, PA	11,252,287	50
Boundary, ID	10,931,844	51
Gogebic, MI	10,737,757	52
Elk, PA	10,572,058	53
Tehema, CA	9,931,660	54
Sawyer, WI	9,853,943	55
Fresno, CA	9,739,734	56
Ontonagon, MI	9,657,199	57
Powell, MT	9,647,317	58
Taylor, WI	9,638,095	59
Ferry, WA	9,597,474	60
Curry, OR	9,322,753	61
Jackson, OR	9,253,868	62
Oconto, WI	8,786,515	63
Custer, ID	8,766,834	64
Grant, LA	8,578,181	65
Granite, MT	8,228,367	66
Lemhi, ID	8,227,228	67
McCurtain, OK	7,964,516	68
Coos, NH	7,804,209	69
Natchitoches, LA	7,795,305	70
Garfield, UT	7,728,187	71
Chippewa, MI	7,314,442	72
Haines, AK	6,992,175	73
Wallowa, OR	6,732,097	74
Winn, LA	6,621,141	75
Custer, SD	6,421,727	76
Iron, MI	6,178,210	77
Josephine, OR	6,139,734	78
Rapides, LA	6,097,049	79
Tulare, CA	5,933,423	80
Del Norte, CA	5,753,086	81
Lewis, WA	5,518,925	82
Houghton, MI	5,401,133	83
Carrol, NH	5,289,895	84
Florance, WI	5,285,049	85
Okanogan, WA	5,199,000	86
Vernon, LA	5,116,015	87
Duschesne, UT	5,109,610	88
Sabine, TX	5,097,729	89
Houston, TX	4,978,641	90
Mackinac, MI	4,785,506	91
Newton, AR	4,353,178	92
Kern, CA	4,306,829	93
Sitka, AK	4,294,042	94
Polk, AR	4,226,255	95
Pocahontas, WV	3,938,213	96
Alger, MI	3,852,967	97
Umatilla, OR	3,842,225	98
Medera, CA	3,669,819	99
San Augustine, TX	3,669,790	100
Schoolcroft, MI	3,668,905	101
Baker, OR	3,616,753	102
Perry, MS	3,611,334	103
Iosoc, MI	3,588,232	104
Alcona, MI	3,545,437	105
Lake, MI	3,533,660	106
Vilas, WI	3,491,140	107
San Jacinto, TX	3,241,446	108
Shelby, TX	3,152,744	109
Angelina, TX	3,125,936	110
Wexford, MI	3,032,878	111
Winston, AL	2,933,001	112
Catron, NM	2,796,549	113
Manistee, MI	2,756,818	114
Pendleton, WV	2,756,738	115
Beltrami, MN	2,682,562	116
Randolph, WV	2,596,286	117
Rio Arriba, NM	2,504,243	118
Franklin, MS	2,119,744	119
Wayne, MS	1,999,418	120
Apache, AZ	1,822,186	121
Iron, MO	1,808,307	122
Navajo, AZ	1,807,204	123
Covington, AL	1,800,017	124
Carter, MO	1,733,748	125
Reynolds, MO	1,714,278	126
Wayne, MO	1,682,267	127
San Juan, UT	1,674,575	128
Yakima, WA	1,614,005	129
Shannon, MO	1,591,674	130
Columbia, WA	1,571,947	131
Washington, MO	1,571,040	132
Dent, MO	1,379,909	133
Saguache, CO	1,357,282	134
Sharkey, MS	1,331,119	135
Greenbrier, WV	1,298,983	136
Benton, MS	1,229,758	137
Tucker, WV	1,220,996	138
Menifee, KY	1,219,646	139
Cliborne, LA	1,191,401	140
Whitley, KY	1,154,452	141
Grays Harbor, WA	1,127,836	142
Jasper, TX	1,125,305	143
McCormick, SC	1,077,508	144
Perry, AL	1,076,470	145
Taos, NM	1,056,431	146
Barry, MO	1,047,468	147

FOREST SERVICE GENERATED TIMBER EMPLOYMENT INCOME LOST IF ZERO HARVEST POLICY IS ADOPTED—Continued

[U.S. Forest Service FY 1997 TSPIRS Report]

County and State	Timber income lost—	
	Amount	Rank
Webster, WV	844,004	148

Mr. STUPAK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in opposition to the Wu-Hooley amendment which reduces forest timber sales management by $30 million. Forest products are my district's main industry and have a great financial, environmental, cultural, historical and recreational impact on my constituents.

My constituents depend upon a strong, vibrant national forest. We have been good stewards of our land and its natural resources. The forests depend upon us for proper management, for nurturing and protection. We cannot afford a reduction in the timber sales program.

I have heard it said here tonight we are only going to cut 23 or 30 million out of a $220 million timber sales account. That is greater than a 10-percent cut. This amendment would upset the balanced environmental program in the current Interior bill. The Interior bill eliminates the timber purchaser road credits. It provides only decreased funding for timber management and already increases the wildlife account by $3 million.

Our national forests are in a health crisis. The timber program has already been reduced by 70 percent since 1991. Further reductions are terrible public policy. Where do we go if we stop cutting and continue the reductions in timber sales on Federal forests? We put more pressure on State and private forests to make up for the lost timber. We do great environmental degradation to those lands, greater erosion of water quality.

Our national forest, as I said, are in a health crisis. More than 40 million acres of the national forests are at high risk for catastrophic fires due to accumulation of dead and dying trees. An additional 26 million acres are at risk from insect and disease. Forests in my district have suffered several fires in the last 2 years. Recently, 6 weeks ago, we had a couple of major fires costing more than $2 million to fight, destroying thousands of acres of timber, cottages, and camps. Careful removal of many of the trees is one of the most efficient, economical and least environmentally impacting management tools available to us to reduce the risk to our national forests and protect adjacent private and State land.

□ 2200

Most Forest Service timber sales are designed to help attain other stewardship objectives. Timber sales are often the most effective method, both ecologically and economically, of achieving desired vegetative management objectives such as thinning dense forest stands or to restore historical ecological conditions, reducing excessive forest fuels, and creating desired wildlife habitat.

Timber sales provide many benefits beyond the revenues earned. From an ecological perspective, timber sales improve forest ecosystem health, reduce the risk and intensity of catastrophic fire, and improve water quality. From an economic point of view, they provide job opportunities, generate individual and business income, and produce incremental tax receipts that various levels of government collect.

We have heard tonight that the home builders would oppose this amendment. Well, the Western Council of Industry Workers, the United Brotherhood of Carpenters and Joiners of America also oppose the Wu-Hooley amendment.

If I may, I would just like to quote from their language on why they are opposed to this amendment. Labor says, "Legislative efforts to reduce funding for forest management programs seriously jeopardize the livelihoods of our members and tens of thousands of forest product workers nationwide. Job loss within our industry has been severe as the timber sale program has been reduced by almost 70 percent since the early 1990s. More than 80,000 men and women have lost their jobs due to this decline and further cutbacks in these important programs will only add to the unemployment."

Mr. Chairman, I urge my colleagues to support the timber sale program and reject the Wu-Hooley amendment.

Mr. BOEHLERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be engaging shortly in a colloquy with the gentleman from Ohio (Mr. REGULA) and the gentleman from Virginia (Mr. GOODLATTE), chairman of the Subcommittee on Department Operations, Oversight, Nutrition, and Forestry. But I rise in opposition to the amendment.

While I strongly believe that we should be providing more funding for the Forest Service's restoration program, I am reluctant to support further cuts in the timber program at this time. The program is funded in the bill at slightly below last year's level, an appropriate figure as we work on a long-range forest policy for this country, a policy that should give greater emphasis to multiple use.

I do expect that, even without cutting the timber program, we will have an opportunity later this year to increase spending for the Forest Service's restoration programs. That is an opportunity we should accept. Ideally, these programs should be funded at the requested level.

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I am pleased to yield to the gentleman from Virginia, the chairman of the Subcommittee on Department Operations, Oversight, Nutrition and Forestry.

Mr. GOODLATTE. Mr. Chairman, I want to say to the gentleman that I thank him, first of all, for his opposition to this amendment. I believe that it would be appropriate to fund the backlog of restoration programs more fully. If more money materializes for the Interior appropriation, I hope that some of those funds would be added to the restoration accounts. I would join with the gentleman from New York in his effort to do that.

Mr. BOEHLERT. Mr. Chairman, I thank the gentleman for his assurances.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I am glad to yield to the gentleman from Ohio, chairman of the Subcommittee on Interior.

Mr. REGULA. Mr. Chairman, I want to add my support for the restoration programs. If more funding becomes available, I would be pleased to consider adding some of it to these accounts.

Mr. BOEHLERT. Mr. Chairman, I thank both chairmen. With the understanding that there is broad agreement that restoration programs could and should receive additional funds later this year, I urge opposition to the amendment.

Ms. HOOLEY of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, I thank the gentleman from Oregon (Mr. WU) and the gentleman from California (Mr. GEORGE MILLER) for helping to bring this amendment to the floor.

I also thank the gentleman from Ohio (Mr. REGULA), the chairman of the subcommittee, as well as the gentleman from Washington (Mr. DICKS) for all of the hard work they have done in trying to balance all of these competing needs.

We have heard a lot of talk about how much timber we are not going to harvest if we pass this amendment. None of us are talking about reducing the amount of timber cut. Somebody else mentioned, well, we should give them what they requested. The administration requested $23 million less than what the appropriators gave this program. What I am looking for is some balance in this program.

Is the management underfunded? Probably. But is the wildlife and fishery programs even more underfunded? They are tremendously underfunded. My colleagues have to remember, again, the timber sales program will be funded at the administration's request for this under this amendment.

One of the problems that happens in our forest is there is little funding to work proactively on improving and protecting habitat. I think this is interesting. We talk about the timber, but remember, the Forest Service manages more acres of fresh water fish habitat than any other agency. In addition, almost 65 percent of all listed aquatic species of the United States occupy habitat on public lands. We not only need to manage our trees, but we need to manage these resources as well.

I know Oregon and other States with large tracts of Federal lands rely on funding for activities which will restore and enhance existing fish and wildlife habitat. This is particularly important since the northwest has had nine species of salmon and Steelhead listed on the endangered species list. Programs to restore forest and wildlife are chronically underfunded.

We look at the maintenance backlog on the current national forest system, which is over $8 billion, causing a number of water pollution problems from unmaintained roads. This amendment provides the funds necessary to partially address these efforts. It does not fund the whole thing. It just partially addresses these efforts.

First of all, the Forest Service has $1 billion budget. One-third of it is spent to log national forests, while only 11 percent of the agency's total spending goes for fish and wildlife and watershed improvement.

Today, we have an opportunity to address this shortfall. I ask for my colleagues' support for the Wu-Hooley amendment and take a small proactive step toward enhancing fish and wildlife habitat, to better our water quality, and protect our watersheds.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, July 14, 1999.

Hon. DARLENE HOOLEY,
House of Representatives, Longworth House Office Building, Washington, DC

DEAR DARLENE: Yesterday I wrote a letter to Chairman Bill Young expressing my concern about the low funding levels for wildlife and fisheries in the Interior and Related Agencies FY00 bill while funding for the timber program remains at $23 million above the President's request. I understand you may offer an amendment to equalize these programs, in accordance with the President's budget to assure greater balance among all of the multiple uses and values of our nation's forests. Increasing funding for salmon and other wildlife habitat restoration is one of the administration's top priorities. As I understand your amendment, it is consistent with these priorities, as reflected in the administration budget's request and, therefore, I strongly support it.

Sincerely,

DAN CLICKMAN,
Secretary.

Mr. SHERWOOD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong disagreement with this amendment. Good forestry is good water practice. It is good wildlife practice. If we take 23 million more dollars out of the budget for forest stand improvement, we will, in the long-term, hurt wildlife, will hurt water and watershed.

We have 40 million acres in this country that have been entrusted to us as the stewards for the American people of forests that are in grave danger of catastrophic fire. We are the stewards of the greatest resource man could imagine, our national ground, our national forests. This is a wrong-headed move. We need to put more money into the management of that. We need to move the management of our forest so they are productive, so they are self-sufficient, so they produce game, so that they are in all aspects compatible with a sustainable yield and use by all our people.

Good forest management is not in opposition to any of the goals that have been stated here tonight. Good forest management increases those goals. As we take the dead wood, the downed timber out of our forest, we reduce the chance for a catastrophic fire. We will increase the growth. We will have more oxygen, cleaner water, better forests, and better opportunities for recreation.

I think that this is not fiscal discipline. I think it is fiscal folly. I would very much ask my colleagues to vote no on the Wu amendment.

Mr. TURNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Wu amendment, because this amendment could have a very significant adverse effect on my district and the districts of many of us who have national forests within their boundaries.

This amendment has a noble purpose in that it proposes to increase funding for wildlife and fishery habitat. But it also offsets that increase against the Timber Sales Management Program that is very vital to the activity of the national forest that harvests timber and does it in a wise and sound and environmentally correct way.

This particular amendment would take away a level funding by reducing by 10 percent the amount in this bill for the Timber Sales Management Program. Not only is the funding already questionable, but a further 10 percent cut could be devastating to this program.

This cut has several unintended consequences. First of all, it jeopardizes the jobs of many of those who are representative of national forest areas because it threatens the ability of the Forest Service to carry out their timber sales program.

Secondly, the Wu amendment would reduce funds that are available for our school districts and our counties, because, as we all know, half of the proceeds from timber sales, from the national forests, are rebated back to our counties and our school districts. In my district alone, national forest sales has meant $5.6 million to our counties and school districts. This money means quality education and services to those in those counties.

Thirdly, cutting support for the Timber Sales Management Program will have an adverse effect on the health of our forest, one of the objectives that the proponents of the amendment would advocate.

There are over 40 million acres of national forest that are threatened by catastrophic fires, a great risk that has occurred because of accumulation of dead and dying trees. There is an additional 26 million acres of national forest threatened by insect and disease.

We all know dead timber is a catalyst for forest fires. We know that the proper removal and the thinning of our national forest is one of the tools used to efficiently and economically and environmentally correct management of our national forests.

From time to time, it has been suggested that we are overharvesting our national forest. But as has been pointed out by several speakers here tonight, our tree growth in our national forest exceeds our current harvest by over 600 percent.

Forest Service estimates that 23 billion board feet of wood are grown every year in the national forest. Six billion board feet die due to insects, disease, and fire. Less than 3 billion are actually harvested each year.

The Forest Service Timber Management Program is an essential tool in the proper management of our national forest. I know the gentleman from Oregon (Mr. WU) believes very strongly in safeguarding our environment and also could appreciate that shortchanging this management program could have a detrimental impact upon the very objective that the amendment seeks to achieve.

Finally, in response to reports that timber sales and the Timber Sales Program in the national forest is losing money, I think it is important for us to understand that we need to look at the total picture, because the total impact upon our Federal, State, and local governments is very positive in economic terms.

The facts are that, in fiscal year 1997, the harvest of timber in our national forest created 55,000 jobs in this country, provided regional income of over $2 billion, and resulted in $309 million in Federal taxes. So there is a positive economic impact from the harvesting of the timber in the national forest.

Timber Sales Program returned $220 million directly to the school districts and the counties where we have national forests. These dollars are needed for our school children, and they are an offset against the loss that all of our counties and school districts have due to the fact that we cannot tax under the property tax in our local jurisdiction those Federal lands.

The bottom line is the Wu amendment threatens the health of our national forest, it adversely impacts the quality of public education in our school districts with Federal land, and it puts further strains upon our county government. I urge this House to reject the Wu amendment.

Mr. WALDEN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Wu and Hooley amendment. I understand what they are trying to accomplish, trying to get our watershed healthier. But I just came from 3 hours of a hearing in my district in a town where one has to drive 100 miles in any direction before one hits the first stop light.

□ 2215

It is in a county where we have 15.1 percent unemployment. They have not participated in the economic recovery the rest of this Nation has enjoyed in the 1990s because they are surrounded by public lands and they have to have access to that resource. This amendment will hurt them because it will hurt forests across America, because it will reduce the cut that is available to be done.

The chief of the Forest Service has admitted that he does not have the resources to meet the allowable sale quantity of the cut that is available. That is what I was told from a hearing in the last day or so; that even with this money it will be tight. They have not been meeting their targets. We all know that. This will not help that. This will not help our schools. This will not help jobs.

That is part of why the Western Council of Industrial Workers issued a letter in opposition to this amendment, saying that legislative efforts to reduce funding for forest management programs would seriously jeopardize the livelihoods of our members and tens of thousands of forest products workers Nationwide. Associated Oregon Loggers say the timber sale program is the only major Forest Service program requested for a decrease in funding from fiscal year 1999.

This amendment will hurt. And it will not help clean up our forests. One of the major problems in our forests comes from overgrowth and lack of harvest and the concentration that occurs. And when that occurs, it is like a garden that never gets weeded. The weeds multiply and disease sets in and they are ripe for fire.

I would ask my colleagues to go to the Malheur National Forest and look at the summit fire and look at the result of that and the loss to taxpayers and the loss to jobs when 40,000 acres burned in a catastrophic fire. Grant County has led the State in unemployment. Every county in my district that relies on timberlands has been adversely affected and this will not help.

I would join my colleagues if they want to do something about pollution to our rivers, if they want to stop allowing some of our urban areas to dump raw sewage into the rivers when their storm systems overflow, or if they want to open up some of the 800 miles of streams that are in pipes throughout the urban areas. That is not very good fish habitat, now is it?

We are willing to do our part in the rural communities if our urban friends will do their part. But taking away from this program will neither help forest health nor help the economic situation nor the schools nor the counties nor the people in those communities. This is a bad amendment and I urge a "no" vote.

Mr. HOLT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by my colleagues, the gentleman from Oregon (Mr. WU) and the gentlewoman from Oregon (Ms. HOOLEY).

Mr. Chairman, this amendment would reduce the subsidy for timber sales management by $23 million and direct the money to sorely needed forest restoration projects. The reduction would be to the level requested by the administration. Taxpayers should not be asked to subsidize the cost of doing business for the timber industry, especially at the expense of the environment.

According to the General Accounting Office, Forest Service timber sales programs lose money, $995 million in a 2-year period recently. And in that period, taxpayers paid $245 million to construct timber roads in the national forests. These losses and subsidies cost taxpayers and the environment.

The Wu-Hooley amendment would help the Forest Service implement a responsible budget by transferring harmful industry handouts to spending that would promote healthy streams and lakes and would help to protect, restore and improve wildlife habitat.

The economic waste and environmental damage caused by the Forest Service timber programs have gone far enough. I urge my colleagues to support the Wu-Hooley amendment to help move the Forest Service budget in the right direction.

Mrs. CHENOWETH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment, which would slash the timber sale funds to only $196.8 million. This critically low level is the amount the administration requested and is $30 million below fiscal year 1999's spending in this program.

Now, it is interesting, even though this is the administration's recommendation, the chief of the Forest Service testified before my subcommittee yesterday that the administration's request is inadequate to address the agency's most urgent forest health concerns. Why is it inadequate? The chief is right here, the Forest Service has identified more than 40 million acres of the national forests that are in extreme risk of catastrophic fires.

I have also heard before my committee testimony that said our national forest is in a state of near collapse. Now, this national trust, this valuable asset that is diminishing every day from lack of care is much like a bridge that needs repair. Mr. Chairman, I can assure my colleagues that if we have a bridge that needs repair, we do not want to risk harm to equipment and especially harm to humans because of catastrophic reactions from lack of care, and care takes money. Now, I am a fiscal conservative. I like to vote for cuts, because I think we need to cut government more, but not here. It is much like a bridge project.

Now, these 40 million acres, most of these lands are located in the west, and that includes 40 million at critical risk plus 29 million acres that are at risk of additional insect infestation. In that regard, Mr. Chairman, I want to show my colleagues a map. This map was put together by the Forest Service, and the areas in red are the areas that are at extreme critical risk. This is the administration and the agency's own map.

On this map we can see some red blobs. The biggest red blob is an area of concentration of near collapse in our national forest in the area of northern Idaho and in western Montana. My colleagues can see why I get so excited about this. These are Federal lands that have been let go to waste. Now, these areas, if we put them together, would amount to almost the size of the State of California. That is a huge amount of land that is going to waste because we are not caring for it properly. And this map, prepared by the Forest Service, does identify those priority areas.

GAO calls these lands a tinderbox. And the forestry experts agree that it is not a matter of if these lands will burn, it is just a matter of when they will burn if we do not invest in taking care of America's garden. The timber sale program is the agency's most effective and efficient tool to address this emergency situation, this state of near collapse in our national forest. It allows the Forest Service to recover some of its costs through the sale of merchantable timber while it provides safe and controlled ways to reduce the highly flammable fuels.

If we wish to preserve these lands as wildlife habitats and ensure good quality of water in the streams, then for goodness sakes we need to prevent forest fires. There is absolutely no logic in the fact that we let these diseased and insect infested areas to continue to expand, because that in and of itself destroys wildlife habitat and it invites fires. The idea that we can let this situation go on and still improve wildlife habitat is the kind of logic that leaks like a sieve.

Mr. Chairman, I must point out that many counties across the country are also directly affected by the continuous annual decline in the Forest Service timber sale program. So I want to urge my colleagues to vote to preserve the Forest Service's ability to manage its forest lands, reduce the risk of fire, protect wildlife habitat and protect our roads, our rural counties and our schoolchildren.

I urge my colleagues to vote "no" on this amendment.

Mr. CROWLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today as a member of the Subcommittee on Forests and Forest Health of the Committee on Resources in support of the Wu-Hooley-Miller amendment. This amendment is both fiscally responsible and environmentally sound. It boosts clean water efforts and improves the health of our national forests for recreational and commercial users. The Wu-Hooley-Miller amendment also redirects vital resources towards improving our drinking water, fish and wildlife.

This amendment reduces what is basically a subsidy for timber sales management and directs the Federal funds to desperately needed forest restoration projects. House committees have increased the United States Forest Service timber sales requests by almost $24 million while slashing funding for fish and wildlife programs by the same amount. The Wu-Hooley-Miller amendment would reverse these sorely misplaced budget priorities and fund the restoration of watersheds, national forests and fisheries.

This amendment scales spending on timber sales back to the President's request of $196 million from the amount in the bill now, some $220 million. It redirects the freed-up funds, almost $24 million, to vitally needed watershed improvements and to the protection of fish and wildlife.

Mr. Chairman, as the representative from New York City, I recognize just how important these issues are throughout our Nation. By keeping ecosystems at a healthy level, clean air and water can be supplied to all communities. Protection of watersheds is important for making our communities more livable and making sure that we all have the safest and cleanest water for drinking and for recreation. There is absolutely no reason to put the interest of the timber industry ahead of the health of our forests and drinking water, especially when the two can peacefully coexist.

I strongly support this environmentally sound and fiscally responsible amendment, and I urge my colleagues to do the same.

Mr. Chairman, let me just add that I have the pleasure of representing a portion of Astoria, Queens, and the prime sponsor of this amendment, the gentleman from Oregon (Mr. WU), represents Astoria, Oregon. Our joint support of this amendment is support for forests, fisheries and waterways from Astoria to Astoria and from coast to coast.

I would also like to take a moment to thank my colleague, the gentleman from New York (Mr. HINCHEY), the newest member of the Subcommittee on Interior of the Committee on Appropriations, for all his help and guidance on this matter and on so many other important environmental issues.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Here we go again. Rich suburban America says we should not cut timber. They do not live there, they do not understand the forest, but, boy, they are suddenly experts.

We have heard a lot today about forest restoration. How do we restore a forest? We prune it. We manage it. We do not just let it die. Because when we let it die, nature will burn it. History shows that.

Habitat improvement. We could give the whole Forest Service budget to the Fish and Wildlife Service and we could not create habitat. They cannot manufacture it. We do not make it in a factory. It is part of the forest. It is the result of good management of our land.

We have an amendment to cut. Why would we cut less? It must mean we are cutting too much. That must be the reason for the amendment. So let us look. We are growing 23 billion board feet. Six billion are dying naturally. That leaves us 17 billion. Now, we cut 3 billion, so we have 14 billion excess every year. Every 7 years that is 100 billion board feet in inventory.

We will not have enough budget to cut the diseased and dying forest. We have 192 million acres in the Forest Service: 120 is high-grade commercial forest, 60 is potentially available for forestry, and we are practicing limited forestry on 30.

□ 2230

Are we cutting down the American forests? No, we are not. In the West, and I know more about the East because that is the hardwood forest, but this is data on the West, the public land is 50 percent of the softwood inventory in this country. They are providing three percent to the market. We are now at 34 percent import. I guess our goal is to equal oil, where we are more than 50 percent import.

Why practice forestry? We can double and triple the growth of the forest if we manage it. When we cut down the trees that are mature, the trees that are going downhill, the young trees grow two and three times as fast. So we double and triple the growth of the forest.

It is also good for clean air. We do not hear much about that. When the air from Chicago goes over the eastern forest, there is a whole lot less CO2 in it when it meets the ocean. Why? Because of the health of the eastern forest. It is good for wildlife, as I previously stated, because it creates the habitat they need. And when it is all even-aged and there is no sunlight, and that is what happens to an untouched forest, there is no sun, critters leave.

Do my colleagues know what is left? Insects and moles and voles. Not animals, not birds, not wildlife, but bugs.

In Pennsylvania and Ohio, a few years ago we had seven tornadoes that cut paths in the forest half a mile and a mile wide, took every tree down, just destroyed it. That was in 1985. I flew over it 3 weeks ago. From the air we can hardly see the difference. That forest is 25 to 30 feet. It is a high-quality hardwood forest, and it has recovered because nature in the East reproduces.

That forest today is teeming with wildlife, wildlife that never lived there. Birds have been seen there that were never there because it is like a jungle.

We produce another inalienable resource, timber. We used to cut 12 billion board feet. Now we cut about 2 to 3 billion board feet. The timber program has been cut 75 percent since 1991. We are setting the stage for our forests to burn, and the gentlewoman from Idaho explained that so well just a few moments ago.

Practicing forestry is good for clean air. It is good for wildlife habitat. It is good for doubling and tripling this resource. It helps us be self-sufficient. And yes, in rural America it creates a whole lot of jobs.

I have left that for last because I want to tell my colleagues that their suburban ideas are killing rural America. We are in trouble. We are limiting timber production. We have all but stopped oil and gas production. Mineral extraction is being exported more every day, and now agriculture is being squeezed because the dairy farmers are going out of business as we talk.

This is what we do in rural America, my colleagues. Work with us. We can do it right and we can have a healthier economy.

Mr. UDALL of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be very brief. I rise as a Westerner, and I rise in support of this amendment.

This amendment is about balanced forest management. This amendment is about putting back in the money the administration requested to manage our watersheds and increase the protection of our fisheries. If we do that, if we manage our watersheds, we are going to have more trees in the long-run, healthier forests, and we are going to help those rural economies.

The gentleman from Oregon (Mr. WU) and the gentlewoman from Oregon (Ms. HOOLEY) have brought an important amendment. I urge its adoption. This is a good amendment. This helps our western and eastern forests.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. WU).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WU. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 243, further proceedings on the amendment offered by the gentleman from Oregon (Mr. WU) are postponed.

Are there further amendments to the bill?

Mr. DICKS. Mr. Chairman, I ask unanimous consent to withdraw my request for a recorded vote on the Young amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The Young amendment passes by voice vote.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 243, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: An amendment offered by the gentleman from West Virginia (Mr. RAHALL); an amendment offered by the gentleman from Florida (Mr. WELDON); an amendment offered by the gentleman from Pennsylvania (Mr. KLINK); amendment No. 3 offered by the gentleman from California (Mr. FARR); an amendment offered by the gentleman from Colorado (Mr. TANCREDO); and an amendment offered by the gentleman from Oregon (Mr. WU).

The Chair will reduce to 5 minutes the time for any electronic votes after the first vote in this series.

AMENDMENT OFFERED BY MR. RAHALL

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from West Virginia (Mr. RAHALL) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 273, noes 151, not voting 10, as follows:

[Roll No. 288]

AYES—273

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barcia
Barrett (WI)
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Gonzalez
Goode
Gordon
Goss
Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hastings (FL)
Hayes
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Hulshof
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Payne
Pease
Pelosi
Peterson (MN)
Petri
Phelps
Pickett
Pomeroy
Porter
Portman
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reynolds
Rodriguez
Roemer
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Sherwood
Shows
Sisisky
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Sununu
Sweeney
Talent
Tanner
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wise
Wolf
Woolsey
Wu

NOES—151

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Barton
Bateman
Berkley
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chambliss
Chenoweth
Coble
Coburn
Collins
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
DeLay
DeMint
Dickey
Doolittle
Dreier
Duncan
Dunn
Emerson
Everett
Fletcher
Fowler
Gekas
Gibbons
Gillmor
Goodlatte
Goodling
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller, Gary
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pastor
Paul
Peterson (PA)
Pickering
Pitts
Pombo
Pryce (OH)
Radanovich
Regula
Reyes
Riley
Rogan
Rogers
Royce
Ryun (KS)
Salmon
Schaffer
Sessions
Shadegg
Shimkus
Shuster
Simpson
Skeen
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Tancredo
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Vitter
Walden
Watkins
Watts (OK)
Weldon (FL)
Wicker
Wilson
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin
Brown (CA)
Brown (OH)
Combest
Hoyer
McDermott
McNulty
Rivers
Thurman
Wynn

☐ 2256

Mr. PICKERING changed his vote from "aye" to "no."

Messrs. TRAFICANT, EWING, PETRI, WHITFIELD, Mrs. ROUKEMA, and Messrs. BECERRA, KINGSTON, and DEAL of Georgia changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. LAHOOD). Pursuant to House Resolution 243, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT OFFERED BY MR. WELDON OF FLORIDA

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Florida

(Mr. WELDON) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 205, noes 217, not voting 12, as follows:

[Roll No. 289]

AYES—205

Aderholt
Andrews
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Berkley
Biggert
Bilirakis
Blunt
Boehlert
Bonilla
Boswell
Boucher
Brady (TX)
Bryant
Burr
Burton
Callahan
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Cook
Cox
Cramer
Crane
Cubin
Danner
Davis (VA)
Deal
DeLay
DeMint
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
Etheridge
Everett
Ewing
Fletcher
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hefley
Herger
Hill (IN)
Hill (MT)
Hobson
Hoekstra
Holt
Horn
Hostettler
Hulshof
Hutchinson
Hyde
Isakson
Istook
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Kucinich
LaFalce
LaHood
Largent
Latham
Lazio
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntyre
McKinney
Menendez
Metcalf
Mica
Miller (FL)
Moakley
Moran (KS)
Myrick
Northup
Norwood
Nussle
Obey
Ose
Packard
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Porter
Portman
Price (NC)
Quinn
Radanovich
Reynolds
Riley
Roemer
Rogers
Roukema
Ryan (WI)
Ryun (KS)
Salmon
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Sisisky
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (FL)

NOES—217

Abercrombie
Ackerman
Allen
Baird
Baldacci
Barcia
Barrett (NE)
Becerra
Bentsen
Berman
Berry
Bilbray
Bishop
Blagojevich
Bliley
Blumenauer
Boehner
Bonior
Bono
Borski
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Buyer
Calvert
Camp
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cooksey
Costello
Coyne
Crowley
Cummings
Cunningham
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Ehrlich
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Frank (MA)
Frost
Gallegly
Gejdenson
Gephardt
Gonzalez
Gordon
Goss
Gutierrez
Gutknecht
Hastings (FL)
Hayworth
Hilleary
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Hooley
Houghton
Hoyer
Hunter
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
Lampson
Lantos
Larson
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKeon
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, Gary
Miller, George
Minge
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Oberstar
Olver
Ortiz
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pombo
Pomeroy
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Reyes
Rodriguez
Rogan
Rohrabacher
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Simpson
Skeen
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walden
Waters
Watt (NC)
Waxman
Weiner
Weldon (PA)
Weller
Wise
Woolsey
Wu
Young (AK)

NOT VOTING—12

Baldwin
Brown (CA)
Combest
McDermott
McIntosh
McNulty
Rivers
Ros-Lehtinen
Royce
Thomas
Thurman
Wynn

☐ 2305

Mr. HUNTER changed his vote from "aye" to "no."

Mr. BAKER and Mr. PICKERING changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KLINK

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Pennsylvania (Mr. KLINK) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 227, noes 199, not voting 9, as follows:

[Roll No. 290]

AYES—227

Abercrombie
Ackerman
Allen
Andrews
Bachus
Baird
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Chabot
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cook
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hefley
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Sensenbrenner
Serrano
Sherman
Shows
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner

Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Turner

Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman

Weiner
Wexler
Weygand
Wise
Woolsey
Wu

NOES—199

Aderholt
Armey
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chambliss
Chenoweth
Coble
Coburn
Collins
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode

Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Kasich
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Ose
Oxley
Packard
Pease
Peterson (PA)
Pickering

Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simpson
Smith (MI)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Archer
Baldwin
Brown (CA)

Combest
McDermott
McNulty

Rivers
Thurman
Wynn

☐ 2313

Mr. BLAGOJEVICH changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 3 OFFERED BY MR. FARR OF CALIFORNIA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. FARR) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 259, noes 166, not voting 9, as follows:

[Roll No 291]

AYES—259

Abercrombie
Ackerman
Allen
Andrews
Baird
Barrett (WI)
Bartlett
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilbray
Bilirakis
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Burton
Campbell
Canady
Capps
Capuano
Cardin
Carson
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Crane
Crowley
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dixon
Doggett
Dooley
Doyle
Dunn
Edwards
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Evans

Ewing
Farr
Fattah
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Gejdenson
Gephardt
Gillmor
Gilman
Gonzalez
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (NC)
Jones (OH)
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
LaTourette
Lazio

Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Northup
Obey
Olver
Ose
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Petri
Phelps
Porter
Portman
Price (NC)
Pryce (OH)
Ramstad
Rangel
Regula
Reyes
Rodriguez
Roemer
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce

Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sanford
Sawyer
Scarborough
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherman
Slaughter
Smith (NJ)

Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Talent
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Udall (CO)
Udall (NM)
Upton

Velazquez
Vento
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wilson
Wolf
Woolsey
Wu
Young (FL)

NOES—166

Aderholt
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barton
Bass
Bateman
Berry
Bishop
Bliley
Blunt
Boehner
Bonilla
Boswell
Boyd
Brady (TX)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Chambliss
Chenoweth
Coble
Coburn
Collins
Cook
Cramer
Cubin
Cunningham
Danner
Deal
DeLay
DeMint
Dickey
Dingell
Doolittle
Duncan
Emerson
English
Everett
Fletcher
Fowler
Frost
Ganske
Gekas
Gibbons
Gilchrest

Goode
Goodlatte
Goodling
Graham
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hoekstra
Holden
Hostettler
Hunter
Istook
Jenkins
John
Johnson, Sam
Kanjorski
Kasich
Klink
Knollenberg
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
Mascara
McCrery
McHugh
McInnis
McIntosh
McKeon
Miller, Gary
Mollohan
Moran (KS)
Murtha
Nethercutt
Ney
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Peterson (MN)
Peterson (PA)
Pickering

Pickett
Pitts
Pombo
Pomeroy
Quinn
Radanovich
Rahall
Reynolds
Riley
Rogan
Rogers
Ryun (KS)
Salmon
Sandlin
Saxton
Schaffer
Shadegg
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Turner
Vitter
Walden
Walsh
Watkins
Watts (OK)
Weldon (FL)
Wicker
Wise
Young (AK)

NOT VOTING—9

Baldwin
Brown (CA)
Combest

Dreier
McDermott
McNulty

Rivers
Thurman
Wynn

☐ 2320

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. TANCREDO

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. TANCREDO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 135, noes 291, not voting 8, as follows:

[Roll No. 292]

AYES—135

Aderholt
Archer
Armey
Bachus
Baker
Barr
Bartlett
Barton
Bass
Bateman
Bilbray
Bliley
Bryant
Burr
Burton
Callahan
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Cook
Cox
Crane
Cubin
Cunningham
Deal
DeLay
DeMint
Doolittle
Duncan
Dunn
Everett
Fletcher
Foley
Fossella
Franks (NJ)
Frelinghuysen
Gekas
Goode
Goss
Graham
Green (WI)
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Hill (MT)
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kuykendall
Largent
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Luther
Manzullo
McInnis
McIntosh
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Norwood
Paul
Pease
Petri
Pitts
Pombo
Ramstad
Riley
Rogers
Rohrabacher
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanford
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Simpson
Sisisky
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thune
Tiahrt
Toomey
Vitter
Wamp
Watts (OK)
Weldon (FL)
Young (AK)

NOES—291

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Buyer
Calvert
Camp
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Forbes
Ford
Fowler
Frank (MA)
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Granger
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Herger
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pickett
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Regula
Reyes
Reynolds
Rodriguez
Roemer
Rogan
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Serrano
Sherman
Sherwood
Shows
Skeen
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sweeney
Talent
Tanner
Tauscher
Tauzin
Thompson (CA)
Thompson (MS)
Thornberry
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Walden
Walsh
Waters
Watkins
Watt (NC)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (FL)

NOT VOTING—8

Baldwin
Brown (CA)
Combest
McDermott
McNulty
Rivers
Thurman
Wynn

☐ 2328

Ms. PELOSI and Mr. TALENT changed their vote from "aye" to "no."

Mr. KASICH and Mr. WAMP changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WU

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Oregon (Mr. WU) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 174, noes 250, not voting 10, as follows:

[Roll No. 293]

AYES—174

Abercrombie
Ackerman
Allen
Andrews
Barrett (WI)
Becerra
Berkley
Berman
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Chabot
Clay
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doggett
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (NJ)
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hinchey
Hoeffel
Holt
Hooley
Horn
Hulshof
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E.B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Porter
Portman
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Serrano
Shays
Sherman
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Tauscher
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Walsh
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu

NOES—250

Aderholt
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady (PA)
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan

Calvert
Camp
Canady
Cannon
Chambliss
Chenoweth
Clayton
Clement
Coble
Coburn
Collins
Condit
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeFazio
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Evans
Everett
Ewing
Fletcher
Fowler
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Kasich
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Minge
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pryce (OH)
Quinn
Radanovich
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun (KS)
Salmon
Sandlin
Sanford
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Visclosky
Vitter
Walden
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin
Bereuter
Brown (CA)
Combest
Davis (FL)
McDermott
McNulty
Rivers
Thurman
Wynn

☐ 2335

So the amendment was rejected.

The result of the vote was announced as above recorded.

Ms. ROYBAL-ALLARD. Mr. Chairman, I want to speak briefly about a small but important provision in the Interior Appropriations Bill having to do with breast-feeding.

When the Appropriations Committee marked up the bill on July 1, I offered an amendment which was supported by Chairman RALPH REGULA and Ranking Democrat NORM DICKS, and I appreciate their support as well as the broad support given by the full committee. The amendment was added as a general provision to the bill, and it was approved unanimously.

I would like to highlight the importance of my amendment by sharing several stories, some of which may appear on the surface to be humorous but some of which I assure you illustrate a very serious issue: the issue of breast-feeding.

My first quote is from a story that was recently related to me:

"My friend and I were visiting the Holocaust Museum. I began nursing my son in the back corner of the bookstore. I was harassed by the bookstore clerk and 4 security guards before being allowed to leave."

In another incident, while visiting the National Museum of Natural History, a guard instructed a Maryland woman who was breast-feeding her child to leave because, and I quote: "no food or drink is allowed in the museum." It is important to note that a mother who was nearby feeding a child with a bottle was undisturbed.

In yet another incident, a mother wrote about a confrontation at the National Gallery of Art.

"I was recently asked to leave the Sargent exhibit for breast-feeding my baby. The guard stated that I was ruining the gallery experience of other patrons—some of whom were viewing a portrait directly opposite me of the Madonna and child—breast feeding."

Sadly, such incidences even happen in my own state of California.

For example, a park ranger asked a woman visiting Yosemite National Park to stop nursing her child. It was only after the woman and her husband—who happened to be pediatrician—objected, that the ranger backed down.

Although these are just anecdotes, I think they are indicative of a disturbing pattern—nursing mothers with their families on an outing to our parks and museums can't feed their hungry babies.

The undeniable fact of life, however, is that hungry babies demand to be fed no matter where they are.

Unfortunately, we don't know the full extent of the problem because most mothers when confronted, are publicly humiliated and quietly leave without protesting.

However, our national parks and Washington-based museums and cultural attractions—which epitomize family-centered activities—should lead the way in promoting and defending the practice of breast-feeding.

This important provision in the bill simply allows a woman to breast-feed her baby in a national park or a museum, if they are otherwise permitted to be there.

Breast-feeding is a very natural and healthful activity, one of the best things that a mother can do to give her child a healthy start in life.

We know that the benefits are not just confined to infancy—breast-fed babies are healthier, they have fewer allergies, and they have higher IQs.

We know that breast-feeding is also good for mothers because it provides maternal protection against breast cancer and osteoporosis.

I was frankly overwhelmed by the number of colleagues who came to me after my amendment was adopted to express support for protecting breast-feeding.

In fact, based on the feedback we have received for this amendment, I believe this provision has much wider applicability, and I also support legislation introduced by our colleague, CAROLYN MALONEY, to extend this protection for breast-feeding nationwide as 13 states have already done.

In the meantime, we should certainly be supporting family-friendly parks and museums, and I am grateful for the wide support that has permitted it to become part of this bill. I ask that Chairman REGULA and Mr. DICKS try to retain this important provision during conference negotiations with the Senate. It sends a strong signal in support of American families across the Nation, and I believe it is something the House can take enormous pride in.

Mr. POMEROY. Mr. Chairman, I rise today in reluctant opposition to the Sanders Amendment which provides increased funding for the low-income weatherization program.

I have always been a strong supporter of the weatherization program. This program is highly successful in providing critical funding to improve the energy efficiency of homes for low-income households. In my home state of North Dakota which confronts bitterly cold winters every year, the program provides assistance to an average 1,200 households annually. This investment saves a household nearly $200 in annual energy costs, yielding $2.40 in energy, health and safety benefits for every federal dollar invested. In the environment of utility deregulation and welfare reform, I believe that the funding commitment of the federal government to this program must reflect our commitment to energy efficiency and self-sufficiency for low income families, and this can only be done through continued strong funding.

Unfortunately, the amendment before us today, while providing important funding for the weatherization program, cuts funding for the Strategic Petroleum Reserve at a time when we are facing a severely depressed world-wide oil market. To help alleviate the crisis in the oil industry we have used this funding to purchase oil and place it in the strategic reserve. At this time, we cannot cut back on our efforts to assist this industry by cutting funding for the Strategic Petroleum Reserve. The Sanders amendment presents us with a false choice between making an investment to place more oil in the strategic reserve which will aid a depressed industry and funding a program which will provide critical weatherization assistance to low income families. This should not be the trade off.

Ms. McCARTHY of Missouri. Mr. Chairman, I rise today to express my concern over provisions in H.R. 2466, the Interior Appropriations bill for fiscal year 2000, which limit resources to develop clean technologies essential to achieving economic growth and to reducing greenhouse gas emissions. Consensus exists in the scientific community that global warming is a problem that we must address now. As the world's economic leader, we have the ability and the responsibility to improve the environment and foster economic activity. Technology research and development will put the United States at the forefront of this emerging market and allow our nation to benefit from the global market for energy technologies.

This measure is 15% below the Administration's budget request for energy conservation programs. The energy conservation program of the Department of Energy funds cooperative research and development projects aimed at sustaining economic growth through more efficient energy use. An inadequate appropriation could actually cost more money in the long run through lost efficiency. Activities financed through this program focus on markedly improving existing technologies as well as developing new technologies, which ultimately will displace some of our reliance on traditional fossil fuels.

Mr. Chairman, the world is waiting for the U.S. Congress to act on global climate change. Our country is the world's largest contributor to the problem; we have the greatest resources to help solve it, yet we retreat from the task. The bill is but another symbol of our failure to recognize that we have a global responsibility to help bring the nations of the world back from the brink of a massive alteration of our planet's climate system. Here we have another chance to help turn this problem from an enormous environmental and economic risk into a chance for U.S. industry to lead the world in what will be the energy technologies of the 21st century.

Mr. MARKEY. Mr. Chairman, I rise in support of this amendment. The Weatherization Assistance Program serves a dual purpose. It provides health and economic benefits to the poor, by assisting in keeping low-income homes warm. And it improves the environment by reducing energy loss from those homes. The program achieves these benefits in an efficient and effective manner in cooperation with local groups experienced in on-the-ground work. Funding from the Weatherization Assistance Program is used to leverage other federal and non-federal funds to weatherize roughly 200,000 homes each year. This work is especially important in Massachusetts and other states that face harsh winters; last year $3.8 million went to assist low-income homes in Massachusetts. The amendment sponsored by Mr. SANDERS would provide an additional $13 million to this program, which would only restore it to last year's funding level. I strongly support restoring the funding for this excellent program.

I do, however, regret that the sponsors of this amendment have chosen to take the money from the Strategic Petroleum Reserve. The Strategic Petroleum Reserve is intended to serve the same consumers by ensuring a steady supply of oil in a crisis. Particularly for many low-income residents in the Northeast, adequate and reasonably priced oil supplies are crucial both for transportation and for winter heating. In recent years some of the petroleum reserve has been sold off for budgetary reasons. It is very important to fund the reserve adequately, and I hope that if this amendment passes, members will seek more appropriate offsets in conference.

Despite this reservation, I strongly support this amendment and urge my colleagues to vote for it.

Mr. STEARNS. Mr. Chairman, I commend Chairman REGULA for the wonderful job that he has done in bringing this bill before us on the floor. Preparing an appropriation bills is a difficult task. I appreciate the work that has been done by each of the committee members and the committee staff. Today I have the opportunity to share with my colleagues information about one of America's most important historical incidents, but often forgotten.

I will be withdrawing my amendment in hopes of working with Chairman REGULA in conference to ensure that this land be studied to ensure its preservation in the future.

I rise to offer the Fort King amendment to HR 2466. This amendment is of historical importance not only to Ocala, Florida, home to Fort King, but to the whole nation. This Fort played a direct role in the founding of Florida as a state.

If you have travelled through Florida in the last ten years, it would be hard for you to imagine that the first settlers deemed most of Florida's interior as inaccessible. It is on this land that a little more than a hundred years ago a battle raged.

Beneath the tropical landscape of palm trees and flowers lie the weapons of a forgotten war and the bones of forgotten men. Where broad highways now wrap the state with concrete, tenuous trails were once flattened by Indians' moccasins and soldiers' boots. The dark river waters that now sustain pleasure boats have known far longer the dugout of the Seminole and the log raft of the trooper. In parks where tourists now scatter trash, valiant men once fought and died.

The Florida War was "the longest, costliest and bloodiest Indian war in United States history" spanning almost seven years and costing the government thirty million dollars. Before the end more then fifteen hundred soldiers were dead and all but three hundred of the surviving Indians traveled the Trail of Tears to far Oklahoma.

This was a significant incident in our nation's history. On December 28, 1835, Fort King was the site of an outbreak of hostilities between the United States Government and the Seminole Indians. The Seminoles, were led in this attack by Chief Osceola. This attack began the Second Seminole War, which laster longer than any other United States armed conflict, except for the Vietnam War.

Fort King and the surrounding area contain artifacts used in the attack and in the life of the Seminole Indians. This bill would help preserve Seminole history in Florida.

This study would identify a means of preserving and developing Fort King. Preserving our past for our children and grandchildren is imperative. Fort King is a historical gem that should be accessible to all.

I withdraw my amendment and look forward to working with the chairman in ensuring the success of this project.

Mr. HAYWORTH. Mr. Chairman, today I rise to express my opposition to language included in H.R. 2466, the fiscal year (FY) 2000 Interior Appropriations bill that would mandate a "pro-rata proportionate" distribution of contract support cost funding for Indian Health Service (IHS) programs administered by tribes and tribal organizations.

I commend Chairman REGULA's inclusion of an additional $35 million over FY 1999 funding for contract support cost funding, for a total of $238.8 million. The increase includes an additional $30 million for existing contracts and $5 million for new and expanded contracts. These additional funds are crucial to meet the federal government's legal obligation to help tribes carry out the management of tribal health care programs.

However, I oppose the legislative provisions within H.R. 2466 that purports to "fix" the contract support cost funding backlog by requiring a pro-rata distribution of contract support cost funding for all self-determination contracts and self-governance compacts. This language is inconsistent with an agreement reached on this issue among affected Members of Congress during debate of the FY 1999 Interior Appropriations bill.

Abruptly imposing such a pro-rata system will disrupt on-going, viable tribally operated health care systems. This system disproportionately punishes those tribes with the longest history of providing their own health services and breaks a government commitment to these tribes. This issue is too important and complex to be adequately addressed without full review by the Resources Committee, the committee of jurisdiction.

In addition, the massive redistribution of these funds would cause severe hardships in many of the health care programs serving Native Americans across the United States, a population that already is at the bottom of every health care indicator in the United States.

To date, the Resources Committee has taken many constructive steps in an open process to develop a solution. The Resources Committee held its first hearing on February 24, 1999, at which the committee heard from both government and tribal representatives. The Resources Committee is reviewing a report recently released by the General Accounting Office (GAO) on contract support cost funding and how to ensure more consistency in payments. In addition, the committee is working with the Administration to develop recommendations on contract support cost funding that are fair and within budget. I look forward to participating in a second hearing that is scheduled for August 3, 1999, to discuss both sets of recommendations.

I strongly oppose the pro-rata language in the FY 2000 Interior Appropriations bill. I pledge to continue working with the Resources Committee, tribal organizations, and the Administration, to develop a thoughtful and participatory long-term solution to the contract support cost issue.

Mr. SENSENBRENNER. Mr. Chairman, H.R. 2466, the Department of Interior and Related Agencies Appropriations Act for Fiscal Year 2000 includes funding for the Department of Energy's (DOE's) Clean Coal Technology, Fossil Energy and the Energy Conservation Research and Development programs.

The bill represents the hard work of Mr. REGULA and the members of the subcommittee and reflects Republican commitment to the balanced budget discretionary caps that were agreed to in 1997. Abiding by these caps meant that hard decisions had to be made on a wide variety of issues including those related to research and development at the Department of Energy. While breaking the caps and simply spending more of the taxpayer-earned surplus is the easy thing to do, Mr. REGULA has chosen the right thing to do and reined-in spending.

The Science Committee has responsibility for setting authorization levels for funding research at the Department of Energy. The committee has passed two authorization bills which address Department of Energy funding needs, they are: H.R. 1655, the Department of Energy Research, Development, and Demonstration Authorization Act of 1999 and H.R. 1656, the Department of Energy Commercial Application of Energy Technology Authorization Act of 1999. H.R. 2466 appropriates $524,822,000 for energy conservation programs, H.R. 1655 and H.R. 1656 provide a combined $542,375,000 for similar programs. Furthermore, H.R. 1655 and H.R. 1656 provide $366 million for fossil energy research and development while H.R. 2466 provides $335,292,000 for similar accounts. While H.R. 2466 does not fully fund these accounts to their authorized levels, it is a reasonable attempt to fund R&D in a tight fiscal framework.

In addition, much of the R&D included in H.R. 2466 has a profound impact on climate research. While the administration jumped on the Kyoto bandwagon, I think a more science-based assessment of our climate and energy resources is necessary before we use taxpayers money to support a flawed policy approach.

I have spent a great deal of time analyzing the Kyoto Protocol, the U.N. treaty that mandates the U.S. to cut our greenhouse gas emissions by 7 percent below 1990 levels by 2008–2012.

In 1997, the Science Committee's Subcommittee on Energy and Environment held a series of three "Countdown to Kyoto" hearings on the science and economics of climate change. In December 1997, I led the bipartisan congressional delegation at the Kyoto climate change negotiations. Upon my return, I chaired three Science Committee hearings on the outcome and implications of the climate change negotiations. Most recently I attended the latest round of negotiations at Buenos Aires this past November. In the midst of the Buenos Aires negotiations, the Administration signed the Protocol without fanfare. This fact alone should raise our suspicions, giving this administration's willingness to take credit for, well, just about everything. Through all of these experiences, it's become clear to me that Vice President GORE is determined to implement this flawed protocol.

Last October, the administration's own Energy Information Administration found the Kyoto Protocol would have significant negative impacts on the U.S. economy, including increased annual energy costs for the average household of $335 to $1,740; electricity price increases of 20 to 86 percent; gasoline price increases of 14 to 66 cents per gallon; fuel oil price increases of 14 to 76 percent; natural gas price increases of 25 to 147 percent; and actual GDP declines of $60 to $397 billion. In addition, EIA estimates a decline in coal use of 20 to 80 percent, and an average coal price increase by 154 to 866 percent, with additional coal mining job losses of 10,000 to 43,000. This approach is unacceptable.

H.R. 2466 addresses this issue through its inclusion of language, known as the Knollenberg amendment, that prohibits any funds from being used to implement the Kyoto Protocol. This language is consistent with language from Representative ZOE LOFGREN's amendment that was adopted by the Committee on Science as part of H.R. 1742, the Environmental Protection Agency Office of Research and Development Act of 1999, on May 25, 1999. Mr. KNOLLENBERG's language assures taxpayers that Senate ratification must precede actions to implement the Kyoto Protocol. Given the glaring problems with this unfunded, unsigned, and unratified protocol, such a limitation is proper and necessary and I commend the Appropriations Committee for including it in H.R. 2466.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, pursuant to House Resolution 243, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. GOODLING. Mr. Speaker, since Gettysburg is in my district, I demand a separate vote on the Klink amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

Mr. LAFALCE. Mr. Chairman, I ask unanimous consent that the vote on the Klink amendment, the vote on the motion to recommit, and the vote on final passage all be confined to 5 minutes apiece.

The SPEAKER pro tempore. Without objection, the Chair will advise all Members that the first vote on the Klink amendment if ordered will be 15 minutes, followed by 5-minute votes on recommittal and passage.

There was no objection.

The SPEAKER pro tempore. The question is on the remaining amendments en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment:

At the end of the bill, insert the following:

SEC. 332. No funds made available under this Act may be used to implement alternatives B, C, or D identified in the Final Management Plan and Environmental Impact Statement for Gettysburg National Military Park dated June 1999.

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DICKS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 220, noes 206, not voting 9, as follows:

[Roll No. 294]

AYES—220

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Chabot
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cook
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hefley
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Shuster
Sisisky
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher

Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu

NOES—206

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chambliss
Chenoweth
Coble
Coburn
Collins
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Kasich
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pease
Peterson (PA)
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simpson
Skeen
Smith (MI)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Baldwin
Brown (CA)
Combest
McDermott
McNulty
Paul
Rivers
Thurman
Wynn

□ 2356

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LaHood). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. OBEY. In its present form I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Obey moves that the bill, H.R. 2466 be recommitted to the Committee on Appropriations with instructions to report back forthwith with an amendment as follows:

On page 6, line 13, after "$20,000,000" insert: "(increased by $28,000,000)"

On page 13, line 23, after "$42,000,000" insert: "(increased by $27,000,000)"

On page 17, line 13, after "$45,449,000" insert: "(increased by $4,000,000)"

On page 19, line 16, after "$102,000,000" insert: "(increased by $28,000,000)"

On page 71, line 19, after "$159,000,000" insert: "(increased by $13,000,000)"

On page 87, line 19, after "$83,500,000" insert: "(increased by $10,000,000)"

On page 88, line 18, after "$96,800,000" insert: "(increased by $10,000,000)"

Mr. OBEY (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. Obey) is recognized for 5 minutes.

Mr. OBEY. Mr. Speaker, I would simply ask every Member how many times have you told your constituents that you are for a program but you just cannot help them because we do not have the resources? How many times have you told your constituents you want to protect national parks, you want to protect wildlife refuges but you simply do not have room in the budget?

□ 0000

Well, tonight we have unusual circumstances. Tonight Members can do something about it.

With the passage of the Young amendment, there is now room in this bill to do the following. We can restore $87 million to the President's budget for the Land Legacy Program to protect our national parks, to protect our wildlife refuges, to protect our precious natural resources.

Members can restore $13 million to the Strategic Petroleum Reserve, which was cut earlier in debate on this bill, and still keep the Sanders amendment on weatherization.

Members can restore $20 million to the President's budget for the National Endowment for the Arts and Humanities.

Those who went down to the rally 2 weeks ago when the Denver Broncos were in town and told everybody that they are for urban parks programs, they can vote to put their vote where their rhetoric was 2 weeks ago and vote to put $4 million into the urban parks initiative.

Members can do all of that and still stay below the 302(b) allocation, still stay below the budget, and still bring this bill in below last year's spending.

We have a lot of talk around this town about legacies. I think it is important to remember one that is not often talked about. For every child born in this country, that child's share of our precious national assets, like national parks and wildlife refuges and all the rest, is the dollar equivalent to about $17,000 per child.

That legacy is worth investing in. That legacy is worth protecting and cherishing and nourishing. Members can do that tonight by voting for this motion to recommit.

This motion to recommit will not kill the bill, it will mean the bill will be reported back to the House forthwith, with these fix-up items. It will mean that it will make this bill just a little bit better than it is, and it will mean that it can be passed by the House on a bipartisan basis. I urge a yes vote on the motion.

The SPEAKER pro tempore (Mr. LaHood). Is the gentleman from Florida (Mr. Young) opposed to the motion to recommit?

Mr. YOUNG of Florida. The gentleman from Florida is opposed to the motion, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Florida (Mr. Young) is recognized for 5 minutes.

Mr. YOUNG of Florida. Mr. Speaker, when the House earlier this evening overwhelmingly adopted the Young amendment, it did so with the intent of reducing the overall amount appropriated in this bill. That was the intent. That is why the amendment was offered.

This motion to recommit will undo the good work that the House did earlier this evening, so I would ask my colleagues to stick with their original vote when they overwhelmingly voted for the Young amendment. Defeat this motion to recommit the bill. Let us get on to final passage and try to get home sometime this morning.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 187, noes 239, not voting 9, as follows:

[Roll No. 295]

AYES—187

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu

NOES—239

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Condit
Cook
Cooksey
Cox
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Baldwin
Brown (CA)
Combest
McDermott
McNulty
Peterson (MN)
Rivers
Thurman
Wynn

□ 0009

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 377, nays 47, not voting 11, as follows:

[Roll No. 296]

YEAS—377

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Ewing
Farr
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kaptur
Kasich
Kelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Oberstar
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Sisisky
Skeen
Skelton
Smith (MI)

Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Spence
Spratt
Stabenow
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Young (AK)
Young (FL)

NAYS—47

Berry
Blagojevich
Bonior
Conyers
Davis (IL)
Delahunt
Doggett
Evans
Fattah
Filner
Forbes
Gejdenson
Gephardt
Gibbons
Goodling
Hefley
Holden
Hostettler
Jackson (IL)
Kanjorski
Kennedy
Larson
Lee
Markey
McKinney
Menendez
Miller, George
Obey
Olver
Paul
Payne
Rohrabacher
Rothman
Royce
Sanford
Scarborough
Schakowsky
Sensenbrenner
Simpson
Slaughter
Souder
Stark
Stearns
Tancredo
Tiahrt
Weiner
Woolsey

NOT VOTING—11

Baldwin
Brown (CA)
Combest
Gutierrez
McDermott
McNulty
Nussle
Pickering
Rivers
Thurman
Wynn

□ 0015

Mr. TANCREDO, Mr. PAYNE and Ms. SCHAKOWSKY changed their vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2490, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 106–234) on the resolution (H. Res. 246) providing for consideration of the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2415, AMERICAN EMBASSY SECURITY ACT OF 1999

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 106–235) on the resolution (H. Res. 247) providing for consideration of the bill (H.R. 2415) to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENT PROCESS FOR H.R. 1995, THE TEACHER EMPOWERMENT ACT

Mr. DIAZ-BALART. Mr. Speaker, a "Dear Colleague" letter will be delivered to each Member's office tomorrow notifying them of the plan of the Committee on Rules to meet the week of July 19 to grant a rule which may limit the amendment process on H.R. 1995, the "Teacher Empowerment Act."

Any Member who wishes to offer an amendment should submit 55 copies and a brief explanation of the amendment by noon on Monday, July 19, to the Committee on Rules in room H–312 of the Capitol. Amendments should be drafted to the text of the bill as reported by the Committee on Education and the Workforce. The bill is available at the Committee on Education and the Workforce and is expected to be available on their committee web site tomorrow morning.

Members should use the Office of Legislative Counsel to make sure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

TIMBER SALES MANAGEMENT PROGRAM

(Mr. GOODLATTE asked and was given permission to address the House for 1 minute.)

Mr. GOODLATTE. Mr. Speaker, I yield to the gentleman from South Carolina (Mr. SANFORD) for the purposes of engaging in a colloquy.

Mr. SANFORD. Mr. Speaker, I thank the gentleman from Virginia (Mr. GOODLATTE) for yielding to me. I would just like to raise with this House the fact that as the gentleman knows, it had been my intention to offer an amendment today on the Timber Sales Management Program to reduce the overall spending. To basically bring it in line with what the administration had proposed.

□ 0020

I believe it would save $23 million. But after conversations with the gentleman from Virginia (Mr. GOODLATTE) and with several on his staff, I came to the conclusion that actually that would have been counterproductive, that it may in fact have cost taxpayers money.

But I think that the problem that I was trying to address was this problem of money-losing timber sales is one that has to be addressed. I mean, it is a miracle to me that we can have basically the equivalent of $220 billion in assets, which is basically the timber on national forests, and yet still have it as a money-losing process.

So I look forward to engaging with the gentleman from Virginia and others on his subcommittee this year in looking for ways to ease the regulatory burden on the National Forest Service so that they can begin to make money, because, if not, I think that we really need to begin looking at the selling off of national forests.

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman from South Carolina for his comments, for his forbearance on the amendment he was considering offering. I would say to the gentleman that I wholeheartedly agree with him that there needs to be reform of the management of our national forests, particularly with the way that timber sales are managed, because there is a tremendous amount of waste that does not occur on the vast amount of land we have in this country that is privately owned that also harvests a substantial amount of timber, in fact, far more than is taken from our Federal lands.

So there are a number of reforms that need to take place to streamline that process, to make sure that we protect the environment, but also to make sure that we follow good, sound business practices in our national forests. I look forward to working with the gentleman from South Carolina in that regard.

Mr. SANFORD. Mr. Speaker, one last point on that very front. It is amazing to me that we can have a land block the size of Texas.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING REVISIONS TO ALLOCATION FOR THE HOUSE COMMITTEE ON APPROPRIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio, Mr. KASICH, is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the CONGRESSIONAL RECORD revisions to the allocation for the House Committee on Appropriations pursuant to House Report 106–163 to reflect $144,000,000 in additional new budget authority and $146,000,000 in additional outlays for the Earned Income Tax Credit. This will increase the allocation to the House Committee on Appropriations to $538,296,000,000 in budget authority and $578,347,000,000 in outlays for fiscal year 2000.

As reported by the House Committee on Appropriations, H.R. 2490, a bill making appropriations for Treasury, Postal Service, and

General Government Appropriations Bill for fiscal year 2000, includes $144,000,000 in budget authority and $146,000,000 in outlays for the Earned Income Tax Credit.

These adjustments shall apply while the legislation is under consideration and shall take effect upon final enactment of the legislation.

Questions may be directed to Art Sauer or Jim Bates.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McNULTY (at the request of Mr. GEPHARDT) for after 11:00 a.m. today and for the balance of the week on account of illness in the family.

Ms. BALDWIN (at the request of Mr. GEPHARDT) for today and the balance of the week on account of illness in the family.

Mrs. THURMAN (at the request of Mr. GEPHARDT) for today and the balance of the week on account of illness in the family.

Mr. WYNN (at the request of Mr. GEPHARDT) for today on account of a family emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SANFORD) to revise and extend their remarks and include extraneous material:)

Mr. DAVIS of Virginia, for 5 minutes, July 21.

Mr. MORAN of Kansas, for 5 minutes, today and July 15.

Mr. BURTON of Indiana, for 5 minutes, July 21.

Mr. PORTMAN, for 5 minutes, July 21.

Mr. SCHAFFER, for 5 minutes, today.

Mr. KOLBE, for 5 minutes, July 21.

Mr. WOLF, for 5 minutes, July 21.

Mrs. MORELLA, for 5 minutes, July 21.

Mr. CALVERT, for 5 minutes, July 19.

Mr. KASICH, for 5 minutes, today.

ADJOURNMENT

Mr. SANFORD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 24 minutes a.m.), the House adjourned until today, Thursday, July 15, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3017. A communication from the President of the United States, transmitting notification that the President has requested and made available appropriations of $100,000,000 in budget authority for the Department of Health and Human Services' Low Income Home Energy Assistance Program; (H. Doc. No. 106–94); to the Committee on Appropriations and ordered to be printed.

3018. A letter from the Secretary of Health and Human Services, transmitting the ninth annual report on the renovation of the Pentagon Reservation; to the Committee on Armed Services.

3019. A letter from the Acquisition and Technology, Under Secretary of Defense, transmitting the report regarding the Department of Defense Strategy to Address Low-Level Exposures to Chemical Warfare Agents, May 1999; to the Committee on Armed Services.

3020. A letter from the Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education, transmitting Special Education—Training and Information for Parents of Children with Disabilities, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

3021. A letter from the Corporation for National Service, transmitting their 1998 Annual Report; to the Committee on Education and the Workforce.

3022. A letter from the Acting Assistant Administrator, Environmental Protection Agency, transmitting two reports regarding the latest data available in the Toxics Release Inventory; to the Committee on Commerce.

3023. A letter from the Secretary of Health and Human Services, transmitting a report regarding Infertility and Sexually Transmitted Diseases; to the Committee on Commerce.

3024. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Saudi Arabia [Transmittal No. DTC 139–98], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3025. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Norway, Ukraine, Russia, and the United Kingdom [Transmittal No. DTC 6–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3026. A letter from the Acting Deputy Under Secretary, International Programs, Office of the Under Secretary of Defense, transmitting a copy of Transmittal No. 06–99 which constitutes a Request for Final Approval for the Memorandum of Agreement between the U.S. and Italy concerning technology demonstration and system prototype projects, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

3027. A letter from the President and Chief Executive Officer, Overseas Private Investment Corporation, transmitting the annual report of the Corporation for Fiscal Year 1998, pursuant to 22 U.S.C. 2200a; to the Committee on International Relations.

3028. A letter from the Secretary of the Interior, transmitting the Semiannual Report of the Office of Inspector General for the 6-month period of October 1, 1998, through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3029. A letter from the Chairman, Consumer Product Safety Commission, transmitting the Semiannual Report of the Inspector General for the period October 1, 1998 through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3030. A letter from the Corporation for National Service, transmitting the Inspector General's Semi-Annual Report and the Corporation's Report of Final Action, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3031. A letter from the Assistant Secretary for Management and Chief Financial Officer, Department of the Treasury, transmitting notification of a vacancy in an office within the Department; to the Committee on Government Reform.

3032. A letter from the Assistant Secretary for Management and Chief Financial Officer, Department of the Treasury, transmitting notification of a vacancy in an office within the Department; to the Committee on Government Reform.

3033. A letter from the District of Columbia Auditor, transmitting a report entitled, "Audit of Advisory Neighborhood Commission 4B for the period 10/01/95 through 09/30/98"; to the Committee on Government Reform.

3034. A letter from the Chairman, Federal Housing Finance Board, transmitting a report on the activities of the Board's Office of the Inspector General for the six-month period ending March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3035. A letter from the Chairman, Federal Maritime Commission, transmitting the Commission's Final Annual Performance Plan for FY 2000; to the Committee on Government Reform.

3036. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Semiannual Report to Congress prepared by the Board's Inspector General, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3037. A letter from the Chairman, National Science Board, transmitting the Acting Inspector General's Semiannual Report to Congress, covering the period of October 1, 1998, through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3038. A letter from the Office of the Attorney General, transmitting the Semiannual Management Report and the Office of the Inspector General Semiannual Report for the period October 1, 1998 to March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3039. A letter from the Board of Directors, Panama Canal Commission, transmitting the semiannual report of the Inspector General of the Panama Canal Commission, covering October 1, 1998 through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3040. A letter from the Acting Director, United States Information Agency, transmitting the Inspector General's Semiannual Report for the period October 1, 1998, through March 31, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3041. A letter from the Chairman, Federal Election Commission, transmitting the Commission's 1998 Annual Report, pursuant to 2 U.S.C. 438(a)(9); to the Committee on House Administration.

3042. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior, transmitting a modification report describing the need for the safety modifications and the proposed corrective actions, along with other pertinent technical information applicable to Willow Creek Dam, Sun

River Project, Montana; to the Committee on Resources.

3043. A letter from the Secretary of Labor, transmitting the first Self-Employment Assistance Program Report; to the Committee on Ways and Means.

3044. A letter from the Commissioner, Social Security Administration, transmitting the 1999 Annual Report of the Supplemental Security Income Program; to the Committee on Ways and Means.

3045. A letter from the Director, Office of Thrift Supervision, transmitting the Office's 1998 Annual Consumer Report, pursuant to 12 U.S.C. 1462a(g); jointly to the Committees on Banking and Financial Services and Commerce.

3046. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that the President has issued the required determination to waive certain restrictions on the maintenance of a Palestine Liberation Organization Office and on expenditure of PLO funds through October 21, 1999 [Presidential Determination No. 99-25]; jointly to the Committees on International Relations and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOODLING: Committee on Education and the Workforce. H.R. 1995. A bill to amend the Elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes; with an amendment (Rept. 106–232, Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Florida: Committee on Appropriations. Report on Revised Suballocation of Budget Allocations for Fiscal Year 2000 (Rept. 106–233). Referred to the Committee of the Whole House on the State of the Union.

Mr. SESSIONS: Committee on Rules. House Resolution 246. Resolution providing for consideration of the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–234). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 247. Resolution providing for consideration of the bill (H.R. 2415) to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes (Rept. 106–235). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X, the Committee on Armed Services discharged. H.R. 1995 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1995. Referred to the Committee on Armed Services extended for a period ending not later than July 14, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. DOGGETT (for himself, Mr. Waxman, Mr. Matsui, Mr. Hansen, Mr. Meehan, Mr. Pallone, Ms. Pelosi, Mrs. Lowey, Mr. Brown of Ohio, Mr. LaFalce, Ms. DeGette, and Ms. Jackson-Lee of Texas):

H.R. 2503. A bill to amend the Internal Revenue Code of 1986 to deter the smuggling of tobacco products into the United States, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BACHUS (by request):

H.R. 2504. A bill to authorize the United States participation in and appropriations for United States contributions to various international financial institutions, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. KILDEE (for himself, Mrs. Johnson of Connecticut, Ms. Woolsey, Mrs. Morella, Mrs. Maloney of New York, Mr. Clay, Mr. George Miller of California, Mr. Martinez, Mrs. Mink of Hawaii, Mrs. McCarthy of New York, Ms. Sanchez, Ms. DeLauro, Mrs. Lowey, Mr. Hoyer, Ms. Pelosi, Ms. Millender-McDonald, Ms. Kilpatrick, Mrs. Capps, Ms. Norton, and Ms. Baldwin):

H.R. 2505. A bill to amend the Elementary and Secondary Education Act of 1965 and the National Education Statistics Act of 1994 to ensure that elementary and secondary schools prepare girls to compete in the 21st century, and for other purposes; to the Committee on Education and the Workforce.

By Mr. BILIRAKIS (for himself, Mr. Brown of Ohio, Mr. Greenwood, and Mrs. Thurman):

H.R. 2506. A bill to amend title IX of the Public Health Service Act to revise and extend the Agency for Health Care Policy and Research; to the Committee on Commerce.

By Mr. BURTON of Indiana:

H.R. 2507. A bill to amend the Internal Revenue Code of 1986 to allow all taxpayers a credit against income tax for up to $200 of charitable contributions; to the Committee on Ways and Means.

By Mr. CAMPBELL:

H.R. 2508. A bill to amend title VII of the Civil Rights Act of 1964 to clarify the intent of Congress to hold individuals responsible for discriminatory acts committed by them in employment; to the Committee on Education and the Workforce.

H.R. 2509. A bill to require implementation of an alternative program for providing a benefit or employment preference under Federal law; to the Committee on the Judiciary.

H.R. 2510. A bill to amend title VII of the Civil Rights Act of 1964 to establish criminal liability for unlawful discrimination based on disparate treatment; to the Committee on Education and the Workforce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEMINT (for himself, Mr. Bliley, Mr. DeLay, Mr. Watts of Oklahoma, Mr. Oberstar, Mr. LaFalce, Mr. Shows, Mr. Largent, Mr. Weldon of Florida, Mr. Smith of New Jersey, Mr. Pitts, Mr. McIntosh, Mr. Spence, Mrs. Myrick, Mr. Jones of North Carolina, Mr. Terry, Mr. LaTourette, Mr. Aderholt, Mr. Gary Miller of California, Mr. Pombo, Mr. Doolittle, Mr. Chabot, Mr. Tancredo, Mr. Ryun of Kansas, Mr. Hilleary, and Mr. Pickering):

H.R. 2511. A bill to amend the Public Health Service Act to make grants to carry out certain activities toward promoting adoption counseling, and for other purposes; to the Committee on Commerce.

By Ms. ESHOO (for herself, Mr. Forbes, Mrs. Maloney of New York, Mr. Ackerman, Mr. Andrews, Ms. Baldwin, Mr. Barrett of Wisconsin, Mr. Berman, Mr. Blagojevich, Mr. Bonior, Mr. Borski, Mr. Boucher, Ms. Brown of Florida, Mr. Brown of California, Mr. Brown of Ohio, Mrs. Capps, Mr. Capuano, Mr. Cardin, Ms. Carson, Mrs. Christensen, Mr. Clay, Mr. Clement, Mr. Clyburn, Mr. Conyers, Mr. Cummings, Mr. Davis of Illinois, Mr. Delahunt, Ms. DeLauro, Mr. Dixon, Mr. Engel, Mr. Evans, Mr. Farr of California, Mr. Filner, Mr. Frank of Massachusetts, Mr. Gonzalez, Mr. Green of Texas, Mr. Gutierrez, Mr. Hall of Ohio, Mr. Hastings of Florida, Mr. Hinchey, Mr. Hoeffel, Mr. Holt, Ms. Jackson-Lee of Texas, Mrs. Jones of Ohio, Ms. Eddie Bernice Johnson of Texas, Mr. Kennedy of Rhode Island, Ms. Kilpatrick, Mr. Kucinich, Mr. Lampson, Mr. Lantos, Ms. Lee, Mr. Lewis of Georgia, Ms. Lofgren, Mrs. Lowey, Mr. Luther, Mrs. McCarthy of New York, Mr. McDermott, Mr. McGovern, Mr. McNulty, Mr. Maloney of Connecticut, Mr. Markey, Mr. Martinez, Mr. Meehan, Mrs. Meek of Florida, Mr. Meeks of New York, Mr. Menendez, Ms. Millender-McDonald, Mr. George Miller of California, Mr. Moakley, Mr. Moran of Virginia, Mr. Nadler, Mrs. Napolitano, Mr. Neal of Massachusetts, Ms. Norton, Mr. Olver, Mr. Owens, Mr. Pallone, Ms. Pelosi, Mr. Pascrell, Mr. Payne, Mr. Rangel, Ms. Rivers, Mr. Rodriguez, Mr. Rothman, Ms. Roybal-Allard, Mr. Rush, Mr. Sanders, Ms. Schakowsky, Mr. Serrano, Mr. Sherman, Mr. Shays, Ms. Slaughter, Ms. Stabenow, Mr. Stark, Mr. Thompson of Mississippi, Mr. Tierney, Mr. Towns, Ms. Velázquez, Mr. Vento, Mr. Waxman, Mr. Weiner, Mr. Wexler, Ms. Woolsey, and Mr. Wynn):

H.R. 2512. A bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal lands, to designate certain Federal lands as Ancient Forests, Roadless Areas, Watershed Protection Areas, and Special Areas where logging and other intrusive activities are prohibited, and for other purposes; to the Committee on Agriculture, and in addition to the Committees on Resources, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PEASE:

H.R. 2513. A bill to direct the Administrator of General Services to acquire a building located in Terre Haute, Indiana, and for other purposes; to the Committee on Government Reform, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHAW:

H.R. 2514. A bill to amend the Internal Revenue Code of 1986 to allow issuance of tax-exempt private activity bonds to finance public-private partnership activities relating to school facilities in public elementary and secondary schools, and for other purposes; to the Committee on Ways and Means.

By Mr. WEINER:

H.R. 2515. A bill to provide for the recognition of Jerusalem as the capital of Israel; to the Committee on International Relations.

By Mr. WELDON of Pennsylvania:

H.R. 2516. A bill to suspend temporarily the duty on atmosphere firing; to the Committee on Ways and Means.

H.R. 2517. A bill to suspend temporarily the duty on ceramic coater; to the Committee on Ways and Means.

H.R. 2518. A bill to suspend temporarily the duty on capacitance tester and reeler; to the Committee on Ways and Means.

H.R. 2519. A bill to suspend temporarily the duty on vision inspection systems; to the Committee on Ways and Means.

By Mr. LAZIO (for himself, Mr. DOOLEY of California, Mr. BOEHLERT, Mr. KIND, Mr. CASTLE, Mr. MORAN of Virginia, Mr. SAXTON, Mr. ROEMER, Mr. GANSKE, Mr. MALONEY of Connecticut, Mr. GILCHREST, Mr. PRICE of North Carolina, and Mr. SMITH of Washington):

H.R. 2520. A bill to authorize the President to enter into agreements to provide regulatory credit for voluntary early action to mitigate potential environmental impacts from greenhouse gas emissions; to the Committee on Commerce.

By Mr. WELDON of Pennsylvania:

H.R. 2521. A bill to suspend temporarily the duty on anode presses; to the Committee on Ways and Means.

H.R. 2522. A bill to suspend temporarily the duty on rackers; to the Committee on Ways and Means.

H.R. 2523. A bill to suspend temporarily the duty on epoxide resins; to the Committee on Ways and Means.

H.R. 2524. A bill to suspend temporarily the duty on trim and form; to the Committee on Ways and Means.

By Mr. LINDER (for himself and Mr. PETERSON of Minnesota):

H.R. 2525. A bill to promote freedom, fairness, and economic opportunity by repealing the income tax and other taxes, abolishing the Internal Revenue Service, and enacting a national sales tax to be administered primarily by the States; to the Committee on Ways and Means.

By Mr. WELDON of Pennsylvania:

H.R. 2526. A bill to suspend temporarily the duty on certain assembly machines; to the Committee on Ways and Means.

By Mr. CROWLEY (for himself, Mr. WEINER, Mr. CAMPBELL, Mr. HOLDEN, Mr. ABERCROMBIE, Mr. SHOWS, Mr. GILCHREST, Mr. MEEHAN, Mr. WAXMAN, Mr. ETHERIDGE, Mr. GUTIERREZ, Mr. LEWIS of Georgia, Mr. STUPAK, Ms. SCHAKOWSKY, and Mr. WU):

H. Con. Res. 154. Concurrent resolution congratulating Ehud Barak on his election as Prime Minister of Israel and encouraging Israel and her neighbors, Syria and Lebanon, to establish a lasting peace agreement; to the Committee on International Relations.

By Mr. SCHAFFER (for himself, Mr. KOLBE, Mrs. MYRICK, Mr. HOSTETTLER, Mr. PAUL, Mr. BUYER, Mr. CALVERT, Mr. SESSIONS, Mr. SALMON, and Mr. TANCREDO):

H. Con. Res. 155. Concurrent resolution expressing the sense of the Congress that the Federal Government should not directly invest Social Security trust funds in private financial markets; to the Committee on Ways and Means.

By Ms. ROYBAL-ALLARD (for herself, Mrs. CAPPS, Mrs. MALONEY of New York, and Mrs. KELLY):

H. Res. 248. A resolution commending and congratulating the United States Women's National Soccer Team for winning the 1999 Women's World Cup soccer tournament; to the Committee on Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

Omitted from the Record of July 13, 1999

H.R. 5: Mr. FOLEY, Mr. RILEY, Mr. OSE, Mr. ISAKSON, Mr. EVERETT, and Ms. GRANGER.

H.R. 41: Mr. SESSIONS.

H.R. 53: Mr. CALVERT.

H.R. 82: Mr. GALLEGLY, Ms. ROS-LEHTINEN, Mrs. KELLY, Mr. MARTINEZ, and Mr. EVANS.

H.R. 165: Mr. UDALL of New Mexico.

H.R. 218: Mr. FORBES.

H.R. 219: Mr. BARCIA.

H.R. 323: Mr. EHLERS, and Ms. LEE.

H.R. 329: Mr. BORSKI.

H.R. 347: Mr. COBURN and Mr. CUNNINGHAM.

H.R. 353: Mr. LUTHER, Mrs. McCARTHY of New York, Mr. SPENCE, and Mr. BASS.

H.R. 354: Mr. ROYCE.

H.R. 357: Mr. McNULTY.

H.R. 371: Mr. BILIRAKIS.

H.R. 372: Ms. DeLAURO and Mr. FRANK of Massachusetts.

H.R. 383: Mr. ANDREWS.

H.R. 405: Mr. SMITH of New Jersey, Mr. BOUCHER, and Mr. ADERHOLT.

H.R. 415: Mr. HASTINGS of Florida.

H.R. 534: Mr. TURNER.

H.R. 557: Mr. EHLERS and Mr. ISAKSON.

H.R. 566: Mr. FORBES and Mr. ENGEL.

H.R. 601: Mr. BOUCHER, Mr. SISISKY, Mr. RAHALL, Mr. HALL of Texas, Mr. SHOWS, and Mr. STUPAK.

H.R. 637: Mr. KUCINICH and Ms. ESCHOO.

H.R. 675: Mr. KLINK.

H.R. 684: Mr. LANTOS.

H.R. 721: Mr. RILEY, Mr. ROYCE, and Mr. SISISKY.

H.R. 735: Mr. GOODLATTE.

H.R. 754: Mr. FORBES.

H.R. 771: Mr. McCOLLUM.

H.R. 785: Mr. CLEMENT.

H.R. 796: Mr. SKELTON and Mr. LEVIN.

H.R. 798: Mr. MOLLOHAN and Ms. BALDWIN.

H.R. 802: Mr. GORDON.

H.R. 832: Mr. SKELTON.

H.R. 844: Mr. BUYER, Mr. BECERRA, and Mr. LEVIN.

H.R. 845: Mr. FOLEY.

H.R. 853: Mr. TOOMEY.

H.R. 854: Mr. WYNN.

H.R. 860: Mr. STUMP.

H.R. 895: Mr. DAVIS of Illinois.

H.R. 965: Mr. LIPINSKI and Mr. RYAN of Wisconsin.

H.R. 976: Mr. KLECZKA, Mr. INSLEE, and Mr. CLEMENT.

H.R. 997: Mr. WELDON of Florida, Mr. DOOLEY of California, and Mr. WHITFIELD.

H.R. 1004: Mr. LaHOOD.

H.R. 1068: Mr. BISHOP and Mr. GOODE.

H.R. 1070: Mr. WU.

H.R. 1083: Mr. WHITFIELD.

H.R. 1095: Mr. ACKERMAN, Ms. NORTON, Ms. BROWN of Florida, Ms. JACKSON-LEE of Texas, Mr. MORAN of Virginia, Mr. MEEHAN, Mr. WEXLER, and Mr. WU.

H.R. 1102: Mr. STRICKLAND and Mr. BALDACCI.

H.R. 1111: Mr. STUPAK, Mr. MASCARA, and Mr. KLECZKA.

H.R. 1130: Ms. SCHAKOWSKY.

H.R. 1144: Mr. DAVIS of Illinois.

H.R. 1150: Mr. GARY MILLER of California.

H.R. 1172: Mr. DAVIS of Illinois, Mr. PASTOR, Mr. BARR of Georgia, Mr. COLLINS, Mr. CHAMBLISS, Mr. FARR of California, Mr. DEAL of Georgia, Mr. HULSHOF, Mrs. MORELLA, Mr. BECERRA, Mr. PORTMAN, Mr. MINGE, Mr. RILEY, and Mr. GREEN of Texas.

H.R. 1179: Mrs. CUBIN.

H.R. 1180: Mr. GARY MILLER of California, Mrs. McCARTHY of New York, Mr. NADLER, Ms. JACKSON-LEE of Texas, Mr. HUTCHINSON, Mr. DAVIS of Illinois, and Ms. MILLENDER-McDONALD.

H.R. 1190: Mr. GEKAS and Mr. TOOMEY.

H.R. 1193: Mr. SHAYS, Mr. LAZIO, Mr. LAFALCE, Mr. HILLIARD, and Mr. BRADY of Pennsylvania.

H.R. 1194: Mr. DAVIS of Illinois and Mr. HYDE.

H.R. 1202: Ms. LOFGREN, Mrs. MEEK of Florida and Ms. DeLAURO.

H.R. 1217: Mr. KENNEDY of Rhode Island and Mr. DUNCAN.

H.R. 1221: Mr. WELDON of Florida, Mr. DAVIS of Florida, Mr. WHITFIELD, and Mr. DAVIS of Illinois.

H.R. 1244: Mr. WELLER.

H.R. 1281: Mr. McINTOSH.

H.R. 1304: Mr. HOLDEN, Mr. GILCHREST, and Ms. ESCHOO.

H.R. 1315: Ms. ROYEAL-ALLARD.

H.R. 1358: Mr. DIXON.

H.R. 1381: Mr. DUNCAN, Mr. BARTLETT of Maryland, and Mr. SHUSTER.

H.R. 1441: Mr. HYDE, Mr. BARR of Georgia, Mr. CRANE, Mr. JONES of North Carolina, Mr. McINTOSH, and Mr. CHAMBLISS.

H.R. 1442: Mrs. THURMAN, Mr. GARY MILLER of California, and Mr. BRYANT.

H.R. 1494: Mr. DAVIS of Virginia.

H.R. 1511: Mr. HUTCHINSON.

H.R. 1581: Mr. ACKERMAN, Ms. HOOLEY of Oregon, Mr. PORTER, Mr. LEVIN, Ms. LEE, Mr. BLUMENAUER, Mrs. MEEK of Florida, Mr. ROEMER, Mrs. ROUKEMA, Mr. WHITFIELD, Mr. EVANS, Mr. HORN, and Mr. THOMPSON of Mississippi.

H.R. 1592: Mr. HANSEN, Mr. FLETCHER, Mr. GRAHAM, Mr. TALENT, and Mr. NEY.

H.R. 1598: Mr. HEFLEY.

H.R. 1621: Mr. ROTHMAN, Mr. McGOVERN, Mr. HUNTER, Mr. RAHALL, Mr. SHERMAN, Mr. GOODLATTE, Ms. KAPTUR, Mr. SANDERS, Mr. HINOJOSA, Mr. MARTINEZ, Ms. RIVERS, Mr. BORSKI, Mr. MALONEY of Connecticut, Mr. DOYLE, and Mr. LEWIS of Georgia.

H.R. 1777: Mr. HOUGHTON.

H.R. 1795: Mr. VENTO, Mr. BLAGOJEVICH, Mr. ISAKSON, Ms. SCHAKOWSKY, Mr. POMEROY, Ms. RIVERS, Mr. CAPUANO, Mr. WATT of North Carolina, Mr. BALLENGER, Mr. WELDON of Pennsylvania, Mrs. MINK of Hawaii, and Mr. BILBRAY.

H.R. 1798: Mr. WYNN.

H.R. 1820: Mr. BONIOR, Ms. PELOSI, Mr. MEEKS of New York, and Mr. PASTOR.

H.R. 1824: Ms. PRYCE of Ohio and Ms. KAPTUR.

H.R. 1837: Mr. RILEY, Mr. BEREUTER, Mr. SHOWS, Mr. HANSEN, Mrs. CUBIN, Mr. CANADY of Florida, Ms. HOOLEY of Oregon, Mr. GOODLATTE, Mr. HEFLEY, and Mr. CUMMINGS.

H.R. 1838: Mr. MCNULTY, Mr. HASTINGS of Florida, and Mr. SUNUNU.

H.R. 1842: Mr. EDWARDS.

H.R. 1845: Mr. MENENDEZ, Mr. CLEMENT, Mr. KUCINICH, Mr. VISCLOSKY, and Mr. BLAGOJEVICH.

H.R. 1858: Mr. MCINTOSH.

H.R. 1871: Mr. BLAGOJEVICH, Mr. UNDERWOOD, Mr. FILNER, Mrs. MINK of Hawaii, Ms. CARSON, and Mr. MCDERMOTT.

H.R. 1884: Mr. RYAN of Wisconsin.

H.R. 1885: Mr. HUTCHINSON and Ms. SLAUGHTER.

H.R. 1899: Mr. WEXLER, Mr. DELAHUNT, Mr. GUTIERREZ, Ms. JACKSON-LEE of Texas, Mr. OBERSTAR, and Mrs. MINK of Hawaii.

H.R. 1907: Mr. FROST, Mr. LANTOS, Mr. SWEENEY, and Mr. SHERMAN.

H.R. 1926: Mr. ARMEY, Mr. BISHOP, and Mr. JENKINS.

H.R. 1933: Mr. NORWOOD.

H.R. 1935: Mr. FARR of California, Ms. MCKINNEY, and Mr. MARKEY.

H.R. 1941: Mr. CONYERS, Ms. LEE, Mr. WYNN, Ms. ROYBAL-ALLARD, Mr. MCDERMOTT, Mr. FRANK of Massachusetts, Ms. WOOLSEY, Mr. OLVER, and Mr. DIXON.

H.R. 1942: Mr. PORTMAN.

H.R. 1954: Mrs. CUBIN.

H.R. 1977: Mr. KASICH.

H.R. 1991: Mr. TURNER.

H.R. 1995: Mr. COX.

H.R. 1998: Mr. TIERNEY, Ms. LEE, Mr. HEFLEY, and Mr. NEAL of Massachusetts.

H.R. 1999: Mr. VENTO, Ms. SLAUGHTER, and Mr. PETERSON of Minnesota.

H.R. 2000: Mr. TANCREDO, Mr. SAXTON, Mr. BOUCHER, Mr. MALONEY of Connecticut, Mr. HALL of Texas, Mr. ABERCROMBIE, Mr. SPRATT, and Mr. STUPAK.

H.R. 2005: Ms. KAPTUR.

H.R. 2030: Mr. ROMERO-BARCELO.

H.R. 2066: Mr. CUNNINGHAM, Mr. HAYES, Mr. NEY, Mr. ENGLISH, Mr. WICKER, MR. DICKS, Mrs. MEEK of Florida, and Mr. WELDON of Pennsylvania.

H.R. 2088: Mr. GOODLATTE and Mr. HULSHOF.

H.R. 2120: Mr. MORAN of Virginia, Ms. CARSON, Mr. SABO, Mr. SERRANO, Mr. CROWLEY, and Mr. DELAHUNT.

H.R. 2128: Mr. METCALF, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. ISAKSON, and Mr. FLETCHER.

H.R. 2129: Mr. GILLMOR and Mr. HAYES.

H.R. 2162: Mr. PETERSON of Pennsylvania and Mr. OSE.

H.R. 2170: Mr. CAPUANO, Mr. BISHOP, Mr. CLYBURN, Mr. PAYNE, Mr. PHELPS, Mr. PICKETT, Mr. MASCARA, and Mr. BROWN of Ohio.

H.R. 2172: Mr. ENGLISH, Mr. STUPAK, and Mr. BILBRAY.

H.R. 2187: Mr. HALL of Texas.

H.R. 2202: Mr. VENTO and Mr. TIERNEY.

H.R. 2221: Mr. HOSTETTLER.

H.R. 2235: Mr. CLAY and Mr. COSTELLO.

H.R. 2240: Mr. GREEN of Texas, Mr. KANJORSKI, Mr. BALDACCI, Ms. Slaughter, Ms. KAPTUR, Ms. KILPATRICK, Mr. EVANS, Mr. SANDLIN, Mr. GREENWOOD, and Mr. BARCIA.

H.R. 2241: Mr. BALDACCI, Mr. FRANK of Massachusetts, Mr. MOAKLEY, Mr. BAIRD, and Ms. RIVERS.

H.R. 2242: Mr. NUSSLE.

H.R. 2247: Mrs. BONO and Mr. NEY.

H.R. 2260: Mr. KLINK, Mr. SIMPSON, Mr. DIAZ-BALART, Mr. TIAHRT, Mrs. KELLY, Mr. FLETCHER, Mr. RILEY, Mr. GUTKNECHT, Mr. LATHAM, Mr. WHITFIELD, Mr. CRANE, Mr. BACHUS, Mrs. CUBIN, Mr. BARRETT of Nebraska, Mr. SWEENEY.

H.R. 2265: Ms. DELAURO, Ms. SLAUGHTER, Mrs. FOWLER, Mrs. MCCARTHY of New York, Mr. RUSH, Ms. STABENOW, Mr. FILNER, Mr. WEYGAND, Mr. KUCINICH, Mr. EDWARDS, Mr. CARDIN, and Mr. BROWN of California.

H.R. 2289: Mr. WATTS of Oklahoma, Mr. LUCAS of Oklahoma, Mr. COOK, Mr. ORTIZ, and Mrs. MEEK of Florida.

H.R. 2294: Ms. SLAUGHTER, Mr. ALLEN, and Mr. BENTSEN.

H.R. 2295: Mr. GALLEGLY.

H.R. 2305: Mr. BLUMENAUEP

H.R. 2308: Mr. BEREUTER, Mr. INSLEE, and Mr. DAVIS of Illinois.

H.R. 2338: Mr. ENGLISH.

H.R. 2341: Mr. DEAL of Georgia, Mr. PHELPS, Mr. BRADY of Pennsylvania, Ms. LEE, Mr. WAXMAN, Mr. RUSH, Mr. SHOWS, and Mr. RAHALL.

H.R. 2350: Mr. TERRY, Mr. GARY MILLER of California, Mr. RADANOVICH, Mr. KINGSTON, Mr. CHAMBLISS.

H.R. 2369: Mr. SMITH of New Jersey, Mr. INSLEE, Mr. WELDON of Pennsylvania, Mr. GUTIERREZ, Mr. FRANKS of New Jersey, Mr. COOK, and Mr. RAHALL.

H.R. 2376: Mr. TOOMEY.

H.R. 2377: Mr. WAXMAN, and Mr. BORSKI.

H.R. 2280: Mr. DOOLEY of California, Mr. ACKERMAN, and Mr. PASTOR.

H.R. 2383: Mr. HAYWORTH.

H.R. 2399: Mr. PORTER.

H.R. 2446: Mr. MCGOVERN, Ms. MCCARTHY of Missouri, Mr. INSLEE, Mrs. MEEK of Florida, Ms. LEE, Ms. HOOLEY of Oregon, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. OLVER, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. DAVIS of Illinois, and Mr. EVANS.

H.R. 2470: Mr. COOK.

H.J. Res. 55: Mr. WALDEN of Oregon.

H. Con. Res. 34: Mr. DAVIS of Illinois.

H. Con. Res. 39: Mr. HALL of Texas.

H. Con. Res. 46: Ms. JACKSON-LEE of Texas.

H. Con. Res. 58: Mr. OXLEY and Mr. NEY.

H. Con. Res. 77: Mrs. THURMAN.

H. Con. Res. 78: Mr. CUMMINGS and Mr. PALLONE.

H. Con. Res. 80: Mr. ROTHMAN, Mr. KLINK, Mr. FARR of California, Mr. FORBES, Mr. ACKERMAN, Ms. CARSON, Mr. STARK, Mrs. BONO, and Mrs. MCCARTHY of New York.

H. Con. Res. 100: Ms. KILPATRICK, Mrs. CAPPS, Mr. ROYCE. Mr. MEEHAN, Mr. COYNE, Mr. FARR of California, Mr. HOLT, and Ms. CARSON.

H. Con. Res. 109: Ms. NORTON.

H. Con. Res. 112: Mr. CUNNINGHAM, Mr. BEREUTER, Mr. ISAKSON, Ms. DUNN, Mr. HALL of Ohio, and Mrs. MORELLA.

H. Con. Res. 124: Mr. ENGEL, Ms. SCHAKOWSKY, Ms. STABENOW, Mr. INSLEE, Mr. NADLER, Mr. ROMERO-BARCELO, Mr. WEINER, Ms. LEE, Mr. BRADY of Pennsylvania, Mr. SISISKY, Mr. FARR of California, Mr. MEEKS of New York, and Mr. CUMMINGS.

H. Con. Res. 128: Mr. LEWIS of Georgia, Mrs. MCCARTHY of New York, Mr. MALONEY of Connecticut, Mr. MEEHAN, Mr. HINCHEY, Mr. NEAL of Massachusetts, Mr. DAVIS of Illinois, Mr. VENTO, and Mr. RUSH.

H. Con. Res. 133: Mr. MATSUI.

H. Con. Res. 146: Mr. HASTINGS of Florida and Mr. BROWN of Ohio.

H. Con. Res. 147: Mr. MCNULTY, Mr. CAPUANO, Ms. SLAUGHTER, Mrs. MINK of Hawaii, Mr. MCDERMOTT, Mr. GILCHREST, Mr. SAWYER, Mr. HASTINGS of Florida, Ms. WATERS, Mr. SANDLIN, Ms. MILLENDER-MCDONALD, Mr. KENNEDY of Rhode Island, Mr. DOYLE, Mr. GUTIERREZ, Mr. STUPAK, Mr. WAXMAN, Mr. FROST, Mrs. MEEK of Florida, Ms. RIVERS.

H. Res. 89: Mr. BARRETT of Wisconsin.

H. Res. 202: Mr. BARRETT of Wisconsin.

[Submitted July 14, 1999]

H.R. 123: Mr. BARTON of Texas.

H.R. 135: Mr. SHERMAN.

H.R. 329: Mr. LIPINSKI.

H.R. 338: Mr. MATSUI.

H.R. 346: Mr. CANNON.

H.R. 405: Mr. BACHUS.

H.R. 443: Mr. KLECZKA, Mr. JACKSON of Illinois, and Mr. RANGEL.

H.R. 448: Mr. RYAN of Wisconsin.

H.R. 461: Mr. OSE.

H.R. 528: Mr. OSE.

H.R. 531: Mr. WATT of North Carolina and Mr. LUCAS of Kentucky.

H.R. 534: Mr. GREEN of Wisconsin.

H.R. 555: Mr. OWENS.

H.R. 595: Mr. JACKSON of Illinois.

H.R. 614: Mr. OSE.

H.R. 664: Mr. WISE.

H.R. 670: Ms. KAPTUR, Mr. MASCARA, Mr. EVANS, Mr. BOSWELL, Mr. OWENS, Mr. HYDE, Mr. BARCIA, Mr. SHADEGG, Mr. SHAW, Ms. PELOSI, Mr. OSE, and Mr. RUSH.

H.R. 680: Mr. WU and Mr. PETRI.

H.R. 732: Ms. MCCARTHY of Missouri and Mr. WU.

H.R. 772: Mr. HOLDEN.

H.R. 773: Ms. ROS-LEHTINEN.

H.R. 828: Mr. NEAL of Massachusetts and Mr. WHITFIELD.

H.R. 872: Mr. DAVIS of Illinois

H.R. 965: Mr. GORDON.

H.R. 987: Mrs. CUBIN.

H.R. 998: Mrs. CLAYTON and Mr. WATTS of Oklahoma.

H.R. 1032: Mr. SANDLIN.

H.R. 1080: Mr. HOEFFEL and Mr. BORSKI.

H.R. 1112: Ms. KAPTUR.

H.R. 1144: Mr. PICKERING, Mr. TALENT, and Mr. UDALL of New Mexico.

H.R. 1145: Mr. FROST and Mr. HINCHEY.

H.R. 1286: Mr. GILMAN.

H.R. 1291: Mr. COOK and Mr. SANDLIN.

H.R. 1300: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KIND, and Mr. ACKERMAN.

H.R. 1344: Mr. RYUN of Kansas, Mr. BONILLA, and Mr. TURNER.

H.R. 1363: Mr. GOODLATTE.

H.R. 1383: Mr. SISISKY, Mr. BLILEY, Mr. SPRATT, Mr. MALONEY of Connecticut, and Mr. GOODE.

H.R. 1432: Mr. CAPUANO, Mr. MALONEY of Connecticut, and Mr. SWEENEY.

H.R. 1441: Mr. CHABOT.

H.R. 1445: Ms. PELOSI, Mr. WYNN, Mr. SMITH of New Jersey, and Mr. OBERSTAR.

H.R. 1488: Mr. KING, Mr. OBERSTAR, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. PORTER, Mrs. MORELLA, and Mr. LIPINSKI.

H.R. 1494: Mr. HYDE.

H.R. 1514: Ms. LEE, Mr. HOLT, Mr. SANDLIN, Ms. JACKSON-LEE of Texas, Mrs. KELLY, Mr. DAVIS of Illinois, and Ms. WATERS.

H.R. 1531: Mr. OWENS.

H.R. 1592: Mr. LAFALCE, Mrs. CUBIN, Mr. MATSUI, Mr. HILL of Indiana, Mr. MCINTYRE, and Mr. KLINK.

H.R. 1601: Mrs. BONO, Mr. GUTKNECHT, Mr. RILEY, Mr. CHAMBLISS, and Ms. BERKLEY.

H.R. 1604: Mr. GRAHAM and Mr. VITTER.

H.R. 1621: Mr. TURNER, Mr. POMEROY, and Mr. WHITFIELD.

H.R. 1628: Mrs. THURMAN.

H.R. 1704: Mr. PETERSON of Pennsylvania.

H.R. 1719: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1720: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1721: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1722: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1723: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1724: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1726: Mr. FROST, Ms. HOOLEY of Oregon, Mr. WEINER, and Ms. SCHAKOWSKY.

H.R. 1731: Mr. DUNCAN, Mr. LARGENT, and Mr. THOMPSON of California.

H.R. 1732: Mr. PETERSON of Minnesota.

H.R. 1750: Mr. BLAGOJEVICH.

H.R. 1791: Mrs. THURMAN.

H.R. 1827: Mr. CALVERT.

H.R. 1830: Mr. PASTOR.

H.R. 1840: Mr. IASAKSON.

H.R. 1841: Mr. MCGOVERN.

H.R. 1850: Mr. BORSKI.

H.R. 1686: Mr. SANDLIN.

H.R. 1885: Mr. BALDACCI.

H.R. 1887: Ms. PELSOI, Mr. MORAN of Virginia, and Mr. SHERMAN.

H.R. 1907: Mr. DOOLEY of California.

H.R. 1912: Mr. WOLF.

H.R. 1929: Mr. GUTIERREZ.

H.R. 1932: Mr. CLEMENT, Mr. BISHOP, Mr. COOK, Mrs. NAPOLITANO, Mr. NADLER, and Mr. GUTIERREZ.

H.R. 1976: Mr. KUYKENDALL.

H.R. 2004: Mr. SHOWS.

H.R. 2028: Mr. POMBO, Mr. PAUL, Mr. SMITH of Michigan, Mr. HILLEARY, Mr. DOOLITTLE, Mr. JONES of North Carolina, Mr. DEMINT, Mr. TANCREDO, Mr. LARGENT, Mr. RYAN of Wisconsin, Mr. HOEKSTRA, Mr. CHABOT, and Mr. TERRY.

H.R. 2056: Mr. ENGLISH and Mr. CANNON.

H.R. 2124: Mr. BARTON of Texas, Mr. PAUL and Mr. WELDON of Pennsylvnia.

H.R. 2202: Mr. DINGELL, Mr. SANDERS and Mr. FALEOMAVAEGA.

H.R. 2204: Mr. KUCINICH.

H.R. 2221: Mr. SUNUNU, Mr. LARGENT, Mr. POMBO, Mr. HILLEARY, Mr. JONES of North Carolina, Mr. MANZULLO and Mr. WHITEFIELD.

H.R. 2258: Ms. SCHAKOWSKY.

H.R. 2260: Mr. SAM JOHNSON of Texas and Mr. UPTON.

H.R. 2282: Mr. CANADY of Florida and Ms. DANNER.

H.R. 2283: Mr. SHOWS.

H.R. 2306: Mr. KENNEDY of Rhode Island.

H.R. 2337: Ms. RIVERS.

H.R. 2386: Mr. CONYERS.

H.R. 2405: Mr. LEE and Mr. OWENS.

H.R. 2418: Mr. JEFFERSON, Mr. FROST, Mr. BENTSEN, Ms. JACKSON-LEE of Texas, Mr. DEUTSCH, Mr. WALDEN of Oregon, Mr. BACHUS, and Mr. KLECZKA.

H.R. 2419: Mrs. NORTHUP, Mr. MCHUGH, Mr. BARTON of Texas, Mr. FOLEY, Mrs. JOHNSON of Connecticut, Mr. SUNUNU, Mrs. KELLY, and Mr. METCALF.

H.R. 2436: Mr. BLILEY and Mr. SHOWS.

H.R. 2444: Mr. KENNEDY of Rhode Island.

H.R. 2456: Mr. GIBBONS.

H.R. 2470: Mr. HILLIARD.

H.R. 2488: Mr. CRANE, Mr. ENGLISH, Mr. MCINNIS, and Mr. HILL of Montana.

H.R. 2499: Ms. KAPTUR.

H.J. Res. 41: Mr. ACKERMAN, Mr. ANDREWS, Mr. BALDACCI, Mr. BECERRA, Mr. BENTSEN, Mr. BISHOP, Mr. BLUMENAUER, Mr. BONIOR, Mr. BOUCHER, Ms. BROWN of Florida, Mr. BROWN of Ohio, Mr. CLAY, Mrs. CLAYTON, Mr. CLYBURN, Mr. CONYERS, Mr. CUMMINGS, Mr. DAVIS of Florida, Ms. DELAURO, Mr. DOOLEY of California, Mr. EDWARDS, Mr. ENGEL, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FARR of California, Mr. FILNER, Mr. FORD, Mr. FROST, Mr. FRANK of Massachusetts, Mr. HASTINGS of Florida, Mr. HILLIARD, Mr. HINOJOSA, Mr. HOEFFEL, Ms. HOOLEY of Oregon, Mr. HORN, Mr. JACKSON of Illinois, Mr. KIND, Mr. LANTOS, Mr. LEVIN, Mr. LEWIS of Georgia, Ms. LOFGREN, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. MCNULTY, Mr. MALONEY of Connecticut, Mr. MARTINEZ, Mr. MATSUI, Mr. MEEHAN, Mrs. MEEK of Florida, Ms. MILLENDER-MCDONALD, Mr. MORAN of Virginia, Mrs. MORELLA, Ms. NORTON, Mr. OWENS, Mr. PASCRELL, Mr. PASTOR, Mr. RANGEL, Mr. RODRIGUEZ, Mr. ROMERO-BARCELÓ, Mr. RUSH, Mr. SABO, Ms. SANCHEZ, Mr. SANDERS, Mr. SERRANO, Mr. SHERMAN, Mr. SISISKY, Ms. SLAUGHTER, Mr. STARK, Mr. THOMPSON of Mississippi, Mr. TOWNS, Mr. VENTO, Ms. WATERS, Mr. WATT of North Carolina, Mr. WAXMAN, Mr. WEXLER, and Ms. WOOLSEY.

H.J. Res. 46: Mr. SESSIONS.

H.J. Res. 55: Mr. CALVERT.

H. Con. Res. 57: Ms. ESHOO.

H. Con. Res. 62: Mr. GOODE, Mr. BOUCHER, Mr. SABO, Mr. MCGOVERN, and Mr. DUNCAN.

H. Con. Res. 79: Mr. BARTON of Texas and Mr. STEARNS.

H. Con. Res. 110: Mr. JENKINS, Mr. ETHERIDGE, Mr. NETHERCUTT, Mr. HILLIARD, Mr. HOLDEN, Mr. HILLEARY, Mr. NADLER, Mr. FRELINGHUYSEN, Mrs. WILSON, Mr. PASTOR, and Mr. TIAHRT.

H. Con. Res. 124: Mr. RUSH and Mr. FRELINGHUYSEN.

H. Con. Res. 134: Mr. RUSH and Mr. SANDLIN.

H. Con. Res. 146: Mr. ENGLISH.

H. Res. 208: Mr. OWENS.

H. Res. 214: Ms. DANNER and Mr. GILCHREST.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 434

OFFERED BY MR. TRAFICANT

AMENDMENT NO. 1: Page 58, line 3, after the comma insert "and subject to paragraph (3),".

Page 58, line 20, strike "The" and insert "Subject to paragraph (3), the".

Page 59, after line 5, add the following:

(3) RECIPROCITY REQUIREMENT.—The United States shall eliminate the quotas of exports from a country under paragraph (1), and the President shall continue the no quota policy for a country in sub-Saharan Africa under paragraph (2), only if the President determines that the country imposes no quotas on exports of textile and apparel articles from the United States to that country.

H.R. 434

OFFERED BY MR. TRAFICANT

AMENDMENT NO. 2: Page 62, line 18, strike the first period and insert the following: ", and if the President determines that—

"(i) the eligible country in sub-Saharan Africa provides duty-free treatment to such article that is a product of the United States; and

"(ii) all workers employed in the production of the articles that is attributable to the percentage referred to in paragraph (2)(A), as modified by this subparagraph, are citizens of that country.

In applying paragraph (2)(A) for purposes of this subparagraph, '50 percent' shall be substituted for '35 percent' in paragraph (2)(A)(ii).".Offered by Mr. Traficant of Ohio

H.R. 434

OFFERED BY MR. TRAFICANT

AMENDMENT NO. 3: Page 64, line 16, strike "2009" and insert "2000".

H.R. 2415

OFFERED BY MR. TRAFICANT

AMENDMENT NO. 4: Page 84, after line 16, insert the following:

TITLE VIII—RESTRICTING UNITED STATES ASSISTANCE FOR RECONSTRUCTION EFFORTS IN KOSOVA TO UNITED STATES-PRODUCED ARTICLES AND SERVICES

SEC. 801. RESTRICTION ON UNITED STATES ASSISTANCE FOR RECONSTRUCTION EFFORTS IN KOSOVA TO UNITED STATES-PRODUCED ARTICLES AND SERVICES.

(a) PROHIBITION.—Notwithstanding any other provision of law, United States assistance for reconstruction efforts in Kosova due to the armed conflict or atrocities that have occurred in the Federal Republic of Yugoslavia since March 24, 1999, may only consist of articles produced in the United States, services provided by United States persons, or any other related form of United States in-kind assistance.

(b) RULE OF CONSTRUCTION.—A determination as to whether or not an article is produced in the United States in accordance with subsection (a) shall be consistent with the opinions, decisions, rules, or any guidance issued by the Federal Trade Commission regarding the use of unqualified "Made in U.S.A." or "Made in America" claims in labels on products introduced, delivered for introduction, sold, advertised, or offered for sale in commerce.

(c) DEFINITIONS.—In this section:

(1) ARTICLE.—The term "article" includes any agricultural commodity, steel, construction material, communications equipment, construction machinery, farm machinery, or petrochemical refinery equipment.

(2) FEDERAL REPUBLIC OF YUGOSLAVIA.—The term "Federal Republic of Yugoslavia" means the Federal Republic of Yugoslavia (Serbia and Montenegro) and includes Kosova.

(3) MADE IN AMERICA.—The term "Made in America" has the meaning given unqualified "Made in U.S.A." or "Made in America" claims for purposes of laws administered by the Federal Trade Commission.

(4) UNITED STATES PERSON.—The term "United States person" means any United States national, including any United States corporation, partnership, other legal entity, organization, or association that is beneficially owned by United States nationals or controlled in fact by United States nationals.

(4) PRODUCED.—The term "produced", with respect to an item, includes an item mined, manufactured, made, assembled, grown, or extracted.

(5) SERVICE.—The term "service" includes any engineering, construction, telecommunications, or financial service.

H.R. 2415

OFFERED BY MR. TRAFICANT

AMENDMENT NO. 5: Page 84, after line 16, insert the following:

TITLE VIII—LIMITATION ON PROCUREMENT OUTSIDE THE UNITED STATES

SEC. 801. LIMITATION ON PROCUREMENT OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Funds made available for assistance for fiscal year 2000 under the Foreign Assistance Act of 1961, the Arms Export Control Act, or any other provision of law described in this Act for which amounts are authorized to be appropriated for such fiscal years, may be used for procurement outside the United States or less developed countries only if—

(1) such funds are used for the procurement of commodities or services, or defense articles or defense services, produced in the country in which the assistance is to be provided, except that this paragraph only applies if procurement in that country would

cost less than procurement in the United States or less developed countries;

(2) the provision of such assistance requires commodities or services, or defense articles or defense services, of a type that are not produced in, and available for purchase from, the United States, less developed countries, or the country in which the assistance is to be provided;

(3) the Congress has specifically authorized procurement outside the United States or less developed countries; or

(4) the President determines on a case-by-case basis that procurement outside the United States or less developed countries would result in the more efficient use of United States foreign assistance resources.

(b) EXCEPTION.—Subsection (a) shall not apply to assistance for Kosovo or the people of Kosovo.

H.R. 2466

OFFERED BY: MR. SANFORD

AMENDMENT NO. 22: At the end of the bill, insert after the last section (preceding the short title) the following:

SEC. . The amount otherwise provided by this Act for "DEPARTMENT OF AGRICULTURE—FOREST SERVICE—NATIONAL FOREST SYSTEM" is hereby reduced by $23,115,000.

H.R. 2490

OFFERED BY: MR. ANDREWS

AMENDMENT NO. 4: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used by the United States Customs Service to admit for importation into the United States any item of children's sleepwear that does not have affixed to it the label required by the flammability standards issued by the Consumer Product Safety Commission under the Flammable Fabrics Act (15 U.S.C. 1191 et seq.) and in effect on September 9, 1996.

H.R. 2490

OFFERED BY: MR. ANDREWS

AMENDMENT NO. 5: At the end of title I, before the short title, insert the following new section:

RELEASE OF FROZEN ASSETS

SEC. 120. No funds made available by this Act may be obligated or expended for offices, salaries, or expenses of the Department of the Treasury in excess of the amounts made available for such purposes for fiscal year 1999 until the Secretary of the Treasury has, pursuant to section 1610(f) of title 28, United States Code, released property described in section 1610((f)(1)(A) of such title, to satisfy all pending judgments for which such property is subject to execution or attachment in aid of execution under section 1610(f) of such title.

H.R. 2490

OFFERED BY: MR. MALONEY

AMENDMENT NO. 6: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used to implement, administer, or enforce any prohibition on women breastfeeding their children in Federal buildings or on Federal property.

H.R. 2490

OFFERED BY: MR. NEY

AMENDMENT NO. 7: Page 51, line 1, after the dollar amount, insert the following: "(reduced by $160,000)".

H.R. 2490

OFFERED BY: MR. NEY

AMENDMENT NO. 8: Page 2, line 20, after the dollar amount, insert the following: "(reduced by $9,440,000)".

H.R. 2490

OFFERED BY: MR. NEY

AMENDMENT NO. 9: Page 60, line 3, after the dollar amount, insert the following: "(reduced by $80,000)".

H.R. 2490

OFFERED BY: MR. SANFORD

AMENDMENT NO. 10: Strike section 644 (relating to compensation of the President).

H.R. 2490

OFFERED BY: MR. SPRATT

AMENDMENT NO. 11: In title I, in the item relating to "DEPARTMENTAL OFFICES—SALARIES AND EXPENSES", after the last dollar amount, insert the following: "(reduced by $500,000)".

In title I, in the item relating to "INTERNAL REVENUE SERVICE—PROCESSING, ASSISTANCE, AND MANAGEMENT", after the first dollar amount, insert the following: "(increased by $500,000)".

H.R. 2490

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 12. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . (a) The General Accounting Office shall conduct a study to determine the extent to which the incidence of seemingly random yet recurrent violence on the part of employees and former employees of the United States Postal Service might be related to the levels of workplace-related problems and frustrations experienced by postal workers generally.

(b) In conducting the study, the General Accounting Office shall investigate—

(1) the number of formal or informal proceedings brought by postal employees in recent years in which supervisor abuse or other similar mistreatment by the Postal Service was alleged, and how those proceedings were resolved;

(2) the degree of postal employee satisfaction or dissatisfaction with the different procedures and mechanisms available to them for having their workplace-related frustrations and complaints heard and resolved, particularly any procedures or mechanisms provided pursuant to collective bargaining; and

(3) the number of violent incidents committed by employees or former employees of the Postal Service in recent years, and whether workplace-related problems or frustrations may have been a contributing factor.

(c) The matters to be investigated under subsection (b)(1) shall specifically include discrimination on the basis of gender, race, or disability; sexual harassment; retaliatory assignments; and irregularities in hiring, training, promotions, and disciplinary actions.

(d) The General Accounting Office shall transmit to the Congress and the United States Postal Service, within 1 year after the date of enactment of this Act, a report containing the findings and conclusions of its study, together with recommendations for any legislation or administrative actions which it considers appropriate.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE PUBLIC SCHOOL CONSTRUCTION PARTNERSHIP ACT

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SHAW. Mr. Speaker, today I am introducing legislation, entitled the Public School Construction Partnership Act, to help our public schools meet the need for school modernization, new classrooms and the repair of old and aging facilities.

In the 22nd Congressional District of Florida, I represent three of the fifteen largest school districts in the country—the Miami-Dade County Public School District is the nation's fourth largest school district, the Broward County School District is the nation's fifth largest, and the Palm Beach County School District is the fifteenth largest. Broward County is also the third fastest growing school district in the nation. Public school children attend classes in 296 elementary, middle and senior high schools in Miami-Dade County, 178 in Broward County, and 137 in Palm Beach County. Many classes are held in temporary classrooms. Many of the buildings are in need of repairs. The student population in the state of Florida is expected to grow 25 percent faster than the overall population. This makes the need for new school construction critical.

Public schools need new ways to raise revenue to meet the problems caused by growth and overcrowding. The financing needs faced by an urban school district may not be of the same nature or scope as those of a rural district. At the same time we need to reduce construction costs and promote school construction efficiencies to ensure that dollars are spent wisely and effectively. This bill is a meaningful step in those directions. Four different approaches to financing new public school construction and repairing older schools are provided for in this legislation.

First, the bill would allow school districts to make use of public-private partnerships in issuing private activity bonds for the construction or improvement of public educational facilities. Private activity bonds can now be issued to finance 12 types of activities such as airports, docks and wharves, qualified residential rental projects, and qualified hazardous waste facilities. It makes sense to be able to issue them for the construction and rehabilitation of public schools.

In order to qualify for the bonds, a private corporation would be required to participate in a public-private partnership with a public school district. Under the bill, a private corporation could build school facilities and lease them to the school district. At the end of the lease term the facilities would revert back to the school district of no additional consideration. Alternatively, a school district could sell their old facilities to such a corporation, which would then refurbish them, and lease the refurbished facilities back to the school district. The proceeds from the sale could then be used by the district to build new classrooms. This allows the school district to leverage investment in school facilities without having to borrow by issuing tax-exempt bonds.

The bonds would be exempt from the annual state volume caps on private activity bonds, but would be subject to their own annual per-state caps equal to the greater of $10 per capita or $5 million. This would raise more than an additional $120 million for school construction in the state of Florida. The bill leaves to the states the manner in which the per-state amount is to be allocated.

Second, the bill provides for a 4-year safe harbor for exemption from the arbitrage rules. To prevent state and local governments from issuing tax-exempt bonds and using the proceeds to invest in higher yielding investments to earn investment income (thereby earning arbitrage profits), arbitrage restrictions are placed on the use of tax exempt bonds. In the case of tax-exempt bonds use to finance school construction and renovation, the bond proceeds must be spent at certain rates on construction within 24 months of being issued. The bill would extend the 24-month period to 4 years for school bonds as long as the proceeds were spent at certain rates within this period. It is difficult for school districts to comply with the present 24-month period when funding different projects from a single issuance of bonds. The increase in the time period would give school districts greater flexibility in planning construction projects and more money with which to build and repair schools.

Tax exempt bonds issued by small governments are not subject to the arbitrage restrictions as long as no more than $10 million of bonds are issued in any year. In order to provide relief to small and rural school districts undertaking school construction and rehabilitation activities, the third approach undertaken by the bill is to raise the exemption to $15 million as long as at least $10 million of the bonds were used for public school construction.

Fourth, the bill would permit banks to invest in up to $25 million of tax exempt bonds issued by school districts for public school construction without disallowance of a deduction for interest expense. Currently, banks are allowed to purchase only $10 million without being subject to disallowance of interest expense. Banks, traditionally, have been an important purchaser of last resort of tax exempt bonds. Increasing the amount of bonds that can be purchased by banks without penalty will allow school districts to sell their bonds to banks, thereby avoiding having to incur the expense of accessing the capital markets.

This legislation offers an innovative approach to help finance the building and rehabilitation of our public schools, which activity is so vital to improving our education system. The creation of the public/private partnerships would speed up the construction of new public schools that are urgently needed. The bill gives our school districts the flexibility they need to tailor their financing needs to their individual situations.

This legislation can help our public schools to construct and repair needed facilities to educate our children, and I urge my colleagues to join me in seeking its enactment.

TRIBUTE TO JEANETTE M. MIDDLETON

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to congratulate Jeanette M. Middleton of Nashville who recently received a $25,000 Milken Educator Award from founder Michael Milken at the recent Milken Family Foundation National Education Conference in Los Angeles, CA. Jeanette is a teacher at Lebanon Grade School were she implemented numerous innovations in the schools resources and ways of teaching.

Among her accomplishments at Lebanon Elementary School are: starting a science fair; incorporating a recycling program into her science classes; using proceeds from recycling to start a Critters in the Classroom Project; helping write a grant application that resulted in a $65,000 grant to start a computer lab; developing the school web site; and instructing teachers in classroom applications for technology. I am extremely grateful to Jeanette for going the extra mile to see that our children are educated to live, prosper, and grow in to the 21st century.

TRIBUTE TO BOB AND SHIRLEY SHELTON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize two of Colorado's remarkable citizens, Bob and Shirley Shelton of Eagle, CO. In addition to compiling an unparalleled resume of volunteerism, Mr. and Mrs. Shelton have exemplified the notion of public service and civic duty in the community of Eagle.

Mr. and Mrs. Shelton moved to Eagle in 1948 where the couple held various jobs both in the public and private sectors. Bob served seven terms on the Eagle town board and a

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

stint as the community's mayor. Shirley's work consisted largely of secretarial services for the school superintendent and the Selective Service.

Bob and Shirley, now retired, spend much of their time volunteering or actively participating in community projects. Bob works throughout the summer as the manager of the Eagle Regional Visitor Information Center. During the winter, he serves as the ambassador at the Eagle County Regional Airport—helping travelers with all their information needs.

This spring, the couple was selected as the Eagle Flight Days Parade grand marshals, an honor given to them in recognition of their outstanding services to the Eagle community. The two led off the parade on July 3.

Mr. and Mrs. Shelton's contributions and exceptional services to the community of Eagle are to be commended. The dedication and hard work they demonstrate is remarkable. The state of Colorado is privileged to have such outstanding citizens.

CONGRATULATIONS TO LT. COL. THOMAS S. BLACK, U.S. ARMY RESERVE

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mrs. TAUSCHER. Mr. Speaker, I rise today to extend my heartfelt thanks to my constituent and friend Lt. Col. Thomas S. Black, the commander of the Parks Reserve Forces Training Area in Dublin, CA.

Lieutenant Colonel Black assumed command of Camp Parks on August 5, 1997, and has been a tremendous asset to both the Army Reservist and the surrounding community. I, and everyone who served with him at Camp Parks, owe him a huge debt of gratitude.

The bonds between Camp Parks and the surrounding community have always been strong. However, Lieutenant Colonel Black took the relationship to a whole new level with his extensive use of local contractors, his partnership with the city of Dublin on creating new soccer fields and his privatization of the camp's water and wastewater utility system. Camp Parks has truly become one of the Tri-Valley's greatest treasures.

Lieutenant Colonel Black has had a long and prestigious career in the U.S. military since his enlistment in the California National Guard in 1973. He has served in southern California, Germany, Georgia, and Texas, and along the way has earned the U.S. Army's Meritorious Service Medal, the U.S. Army's Commendation Medal, the U.S. Army's Achievement Medal, and various other service awards and ribbons.

I, like everyone else at Camp Parks and the surrounding community, am very sorry to see him leave. As a member of the Armed Services Committee, I have truly enjoyed working with him on issues important to the well-being of Camp Parks and the U.S. Army Reservist. And as the U.S. Representative of the 10th Congressional District, I have truly enjoyed the friendship I have developed with Lieutenant Colonel Black over the last 2 years.

I wish he, his wife Kathy, and his sons the best at his new assignment in Japan. Thank you again Lieutenant Colonel Black for your leadership, your support, and your service to this Nation.

HONORING G. BRUCE EVELAND, STATE COMMANDER FOR THE VETERANS OF FOREIGN WARS

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SAXTON. Mr. Speaker, I rise before you today to recognize an organization which has served as the backbone for securing and protecting the rights of veterans of United States Armed Forces. This year, the Veterans of Foreign Wars of the United States celebrates its 100th year of providing a voice for the American military retiree. Central to the national organization's Centennial Anniversary celebration are the people who are a chief source of its success: the leaders of the local chapters.

I am fortunate enough to number among my constituents in New Jersey's 3rd Congressional District the State Commander for the Veterans of Foreign Wars, Mr. G. Bruce Eveland, a resident of Medford, New Jersey.

Mr. Speaker, I would like to take this opportunity to thank Mr. Eveland for all that he has done not only for veterans, but for his country. His persistence and hard work have ensured a better life for individuals who have certainly earned it: those men and women who have risked their lives serving the United States of America. Bruce Eveland is a tremendous asset to veterans everywhere, and, on the dawn of his homecoming celebration in Lumberton, New Jersey, I ask my colleagues in the 106th Congress to join me in recognizing his service.

A TRIBUTE TO MR. FRANK J. BALEY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. LIPINSKI. Mr. Speaker, I rise to pay my respects and honor a community leader and loyal Democrat, Mr. Frank J. Baley. Frank Baley passed away on Saturday, July 10, 1999 at the age of sixty-nine.

Frank Baley was a devoted public servant and a leader of the Village of Stickney for ten years. He began his political career as a Democratic precinct captain and later served as a member of the Stickney Library Board. In 1965, he was elected Democratic committeeman of Stickney Township and remained a member of the Stickney Township Regular Democratic Organization until his death. He was elected a trustee on the Stickney Village Board in 1966, and held that position for twenty-three years before being elected village president in 1989.

In addition to his political career, Mr. Baley was an insurance and real estate broker. He also held various positions with the Cook County assessor's office and the clerk of the Circuit Court, where he served as the director of the criminal division.

Mr. Speaker, it is my distinct honor to pay tribute to Mr. Baley. As a valuable and revered public servant and community leader, he will be greatly missed.

WINNER OF THE DISCOVER CARD TRIBUTE AWARD

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. ORTIZ. Mr. Speaker, I rise today to commend James A. Clark, an outstanding and innovative young man from Brownsville, Texas.

Competing with over 10,000 other applicants, James won a Silver Award in the Discover Card Tribute Award Scholarship for his outstanding contribution in the area of Trade and Technical Studies. The scholarship rewards student achievement in areas beyond academics. Winners must not only have a strong academic record, they must also possess special talents, be strong leaders, overcome personal obstacles, serve their community, and embark upon unique endeavors.

Academic success is definitely an important aspect of a young person's education. It requires hard work, interest, creativity, and discipline. However, real learning also occurs outside the classroom. A special talent cannot fully flourish without dedication and hours upon hours of practice. Leadership requires self-sacrifice and temerity; overcoming personal obstacle calls for faith and perseverance; and community service requires dedication, compassion, and unselfishness. James Clark, as a winner of the Discover Card Tribute Award, demonstrated all of these qualities.

While I am very proud of James, I know he did not do this alone. I commend his parents and his teachers for supporting and encouraging him in this proud undertaking. I especially commend the American Association of School Administrators (AASA), not only for its active participation in bringing the program into fruition, but also for its support and development of effective school leaders who ensure the highest quality in public education.

I appreciate the efforts of the private sector, like the Discover Card, who are serving a larger interest in recognizing the efforts of outstanding students. They support the AASA in its mission to prepare schools for the 21st Century by improving the condition of children and youth, connecting schools and communities, and enhancing the quality and effectiveness of school leaders.

Mr. Speaker, I ask my colleagues to join me today in applauding James Clark. He exemplifies the high level of academic success, leadership, dedication, creativity, and community service that all Americans, young and old, should emulate.

THE RADOM POST OFFICE

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to call attention to the 125th anniversary of the Radom Post Office. The celebration was held on June 16th. Refreshments were served and a raffle was held at the end of the day. The post office has been a pillar of the community since it was built in 1874. Jane Restoff, the current postmaster in Radom, organized the event.

In small towns like Radom, the Post Office serves not only as a place to send letters, it is a place where the community comes together to interact. It is an important part of our heritage and must not be forgotten.

TRIBUTE TO THE LATE THEODORE "TED" JAMES

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. McINNIS. Mr. Speaker, it is with a great deal of sadness that I take a moment to recognize the remarkable life and significant achievements of one of Larimer County's leading businessman, Theodore "Ted" James. An entrepreneur and developer of Grand Lake Lodge and Hidden Valley Ski Area, Mr. James died at his home on June 8 in Estes Park, CO. While family, friends and colleagues remember the truly exceptional life of Mr. James, I too would like to pay tribute to this remarkable man.

Mr. James was a resident of Estes Park for 46 years; moving to Larimer County in 1953 to run sightseeing buses, two lodges, and a store in Rocky Mountain National Park. During his time in Estes Park, Ted was the president and manager of the Hidden Valley Ski Area, Trail Ridge Store, Grand Lake Lodge, and the Estes Park Inn.

A graduate from Greeley High School, Ted attended the University of Nebraska at Lincoln. During his college career, Mr. James received numerous football awards and was selected by Knute Rockne for the All West football team. Upon graduating college, with a bachelor's degree in business, Ted played football for the Frankfort, PA, Yellowjackets, now known as the Philadelphia Eagles of the National Football League. Many years later, Mr. James was inducted to the Nebraska Hall of Fame at Memorial Stadium.

In 1947, Mr. James was instrumental in merging the Burlington Bus Co., and American Bus Lines to create American Bus Lines in Chicago. With previous experience as the manager of the Greeley Transportation Co., Ted was immediately offered a job as the president and general manager of American Bus Lines Chicago branch.

In 1953, Mr. James was given the opportunity to develop Hidden Valley Ski Area by the Larimer County Park Service. He was a park concessionaire for Hidden Valley, Grand Lake Lodge, and the Trail Ridge Store, as well as operating the Estes Park Chalet.

Mr. James was a member of the Sigma Phi Epsilon fraternity, Scottish Right and Estes Park Knights of the Belt Buckle. He was commissioner of the Boy Scouts of America in Denver, president of Ski County USA, and member and director of Denver Country Club.

Although his professional accomplishments will long be remembered and admired, most who knew him well will remember Ted James as a hard working, dedicated, and compassionate man. I would like to extend my deepest sympathy to the family and friends of Mr. James for their profound loss.

ORACLE CORPORATION: A MODEL CORPORATE CITIZEN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. LANTOS. Mr. Speaker, I am certain that my colleagues are familiar with the extraordinary success of Oracle Corporation of Redwood Shores, California. Oracle is the world's second largest software company and the leading supplier of software for enterprise information management. Under the guidance of its visionary CEO, Larry Ellison, Oracle has pioneered the use of the Internet computing model for the development and deployment of enterprise software. The technological leadership of this outstanding company, which operates in more than 145 countries around the globe, has dramatically improved the ability of businesses to compete in our rapidly changing world.

Oracle's status as a corporate role model, however, rests on far more than its supremacy in the field of information technology. A corporate citizen of the highest order, Oracle has generously provided services and technical support to charities and social causes around the world. The company has truly made a difference.

Mr. Speaker, one recent illustration of exemplary corporate citizenship also demonstrated Oracle's information technology prowess and its application to public service. The ongoing humanitarian crisis in the Balkans, resulting from Slobodan Milosevic's campaign of ethnic cleansing in Kosova, has left hundreds of thousands of refugees with husbands separated from wives and families and parents separated from their children. Attempts to reunite these shattered families have taxed the resources of NATO and international peacekeepers, as well as United Nations refugee officials and other humanitarian organizations.

Desperate to ease the plight of lost family members, the American Red Cross turned to Oracle for an Internet-based solution. Oracle quickly responded by developing the Displaced Persons Linking System (DPLS), an innovative program which has greatly assisted relief workers in reuniting lost family members. In recent days, this technology has been used to bring together many refugees separated by the chaos of war, including a 13-year-old Kosovar refugee and her father in a Macedonian refugee camp, as well as an elderly Kosovar man in a New Jersey relief center and his son in Albania.

Mr. Speaker, Oracle's outstanding humanitarian efforts were noted by the Acting President of the American Red Cross, Steve Bullock, who said: "The Balkan refugee crisis is enormously complex both in terms of its size and scope. Oracle's status as the world's leader in information management technology has helped us tackle this problem in a manner that will help not only Kosovar refugees and their families, but also the victims of natural disasters whom the American Red Cross traditionally has served. I can think of a few organizations better suited to helping the American Red Cross move into the new millennium than Oracle."

Mr. Speaker, Oracle's significant contribution to the relief effort in Kosova merits the sincere gratitude and appreciation of all of us.

The development of the DPLS is only one of a multitude of charitable efforts initiated by Oracle. The Computers for Coexistence program, for example, uses the growth of Internet technology to promote peace and stability. Oracle is currently installing hundreds of network computers in Israeli and Palestinian cities, in schools and community centers, to link children of both people to the Internet and to foster communication between them. A similar effort to bridge the "digital divide" is also underway in Northern Ireland, offering a new avenue for bringing together Protestant and Catholic children and undermining ancient prejudices.

An additional charitable venture, Oracle's Promise, is helping to better the lives of children here at home. By providing computers to schools in low-income neighborhoods across America. Oracle has helped to create enhanced learning opportunities for over 125,000 young people in more than 1,000 classrooms all over our country. These invaluable interventions have occurred in Atlanta, Chicago, Dallas, Denver, Los Angeles, Oakland, San Francisco, Washington, DC, and many other cities. These efforts have earned Oracle the commendation of General Colin Powell in his "America's Promise 1999 Report to the Nation."

Mr. Speaker, Oracle employees directly assist these various programs by volunteering in communities in all corners of our great country. In addition to the thousands of volunteer hours contributed to these projects. Oracle employees devote spare time to causes ranging from Meals on Wheels to literacy tutoring, from assisting senior citizens with minor home repairs to raising money for breast cancer research. Oracle strongly encourages and helps to coordinate these efforts, reflecting this corporate citizen's genuine commitment to public service.

As America's economy grows and prospers, I hope that other companies follow Oracle's outstanding example by recognizing a corporate responsibility both to their communities and to the welfare of the less fortunate. Mr. Speaker, I am honored to represent in the Congress the international headquarters of Oracle Corporation, as well thousands of its employees in the Bay Area. I ask my colleagues to join me in commending the men and women of Oracle for their exceptional contributions to our society.

OUR CONSTITUENTS DEMAND SENSIBLE GUN SAFETY LAWS

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Ms. SCHAKOWSKY. Mr. Speaker, the people of Illinois and Indiana, and in particular the residents of my district, are beginning the healing process after having suffered the violence of hate over the 4th of July weekend. I am thankful and grateful for the outstanding effort by local, state, and federal law enforcement officials in bringing the rampage to an end. I am also proud of my community for never losing faith and for having the courage to stand tall in the face of hate.

The killing and shooting spree took the lives of two men and forever changed the lives of many others. What happened as we celebrated our Independence Day should be a wake up call to Congress to step up, fulfill its duty, and pass legislation that protects the lives of our citizens. The mad man who committed these heinous crimes bought his guns illegally from an unauthorized gun dealer. He was able to do so because the dealer just recently purchased more than sixty weapons in a short period of time. He did so for the sole purpose of selling them for profit.

We have a responsibility to protect the lives of our constituents. Congress must pass and the President must sign bills to limit the purchase of handguns to one per month and to require the registration of every handgun sold in the United States. Our constituents demand it and our children deserve it.

Following the killing spree, Mayor Richard M. Daley of Chicago wrote in the Chicago Triune about the need for Congress to immediately pass gun safety measures. The people of our state appreciate Mayor Daley's unwavering leadership on this issue. He has taken his cause to state and federal legislators and made it clear that without passing sensible gun safety legislation, we all face the consequences of gun violence.

I wholeheartedly agree. His remarks follow.

CRACKING DOWN ON VIOLENCE AND HATE

(By Mayor Richard Daley)

CHICAGO.—Last weekend Illinois and Indiana became the latest focus of violence across the country resulting from intolerance and hate.

Like all Chicagoans I am outraged by these hate-based shootings and the damage that has been done to people who were victims for no reason other than their race or religion.

There is no place in Chicago for hate, hate-related violence or anyone who promotes either. We will never let hate or the violence that flows from it divide us. When acts of bigotry and racism occur, we will stand together against them as one community and one city.

I want to commend the people of Rogers Park, Skokie, Northbrook, and communities in Downstate Illinois and Indiana for coming together and growing stronger as a result of these tragedies. These shootings are a tragic reminder that each of us has an important responsibility to protect the right of every person—irrespective of his race, religion, ethnic background or sexual orientation—to live life to the fullest, free from violence.

There is another issue raised by Benjamin Smith's actions the fundamental causes and ramifications of violence in our communities.

Right now, the Chicago police and the Englewood community are faced with a series of murders of young women. In the wake of those killings, many residents of that community don't feel safe in their own neighborhood. That is unacceptable in Chicago, and that is why the police department has deployed a special task force of investigators to solve those murders.

There are other steps we can take. Residents across the city have demonstrated that community policing can lead to safer streets.

We must also work harder to end the easy availability of guns.

Consider how Smith obtained the handguns he used. He first tried to obtain three weapons from a licensed gun dealer in Peoria Heights but failed a background check and was turned away. That shows that this part of the gun-control system is working—up to a point.

This case demonstrates the need for even stronger background-check laws. If we had a system that ensured that local authorities were alerted whenever someone who may not legally own a gun attempts to purchase one, Smith might have been stopped before he went on his rampage. Instead Smith was able to purchase his guns from a dealer who was not licensed and who had a history of indiscriminately putting guns on the street. This is the point at which the system failed. It failed for a reason I have been discussing for a long time. There is money to be made in selling guns illegally.

Currently an individual can legally purchase guns in large quantities at one time and then sell each one of them illegally for a profit. Last November I proposed state and federal legislation to make it illegal to purchase more than one gun per month. This would make it far less profitable for someone to go into the illegal-arms sales business but would not inhibit the rights of legitimate gun owners in any way. Who could possibly need to purchase more than one gun per month for hunting purposes or to protect his or her family?

We have not yet succeeded in passing this legislation and other gun-control initiatives. On behalf of the victims of the recent shootings and all the victims of gun violence in our city, we will continue our efforts until more effective gun-control measures are law. I will continue to argue that there is no reason why the state of Illinois should not license gun dealers as it does beekeepers, manicurists and taxidermists.

We can make it harder for the Smiths of this world to succeed in acting on their hate. By taking the profitability out of illegal gun sales, we can make it more likely that, once licensed gun dealers turn down their purchase requests, individuals like Smith will have nowhere else to turn to buy weapons.

HAZEL DELL FARM

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to commemorate the historic Hazel Dell farm. It was the location for this years veterans' celebration in Jerseyville. The owners of the farm say it was a natural place for the celebration because the original owner of the farm, Col. William Fulkerson, fought for the Confederacy in the Civil War. His grandson died battling the Germans in World War II, and his grandson died in Vietnam.

Last year, the 1866 Fulkerson Mansion was placed on the National Register of Historic places and a brief dedication was held during which the new National Register plaque was unveiled. I am very pleased to see our community coming together to remember our veterans and take pride in our local heritage.

TRIBUTE TO JUDGE CHARLES WATKINS, JR.

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. DAVIS of Illinois. Mr. Speaker, I rise to pay tribute to a friend, a colleague and a tremendous public interest human being, Judge Charles Watkins, Jr., who recently passed away. Judge was much too young to die, and yet he did probably because like many other men and especially African American men, did not adequately look after his health. Judge was getting ready to retire from his position as a distinguished professor at Malcolm X College in Chicago. Judge was born in Vandalia, La. in a family of ten children. He like most of his peers was taught the value of hard work. Therefore, after high school, Judge entered the military, did his time, came out and went to college to study medical laboratory technology. He got married, and he and his wife HermaJean, had three children, Debbie, Judge C. Watkins III (Chuckie), and Carlos. Judge continued his education and eventually earned a Doctorate's Degree.

Judge had a strong work ethic and worked two and sometimes three jobs for practically all of his adult life. He worked in the blood bank at the University of Illinois, was Director of the Laboratory at the Martin Luther King, Jr. Neighborhood Health Center and developed the medical laboratory technology program at Malcolm X College where he taught for thirty years. Judge was a hardnosed union activist, helped to organize the Cook County College Teachers Union and served as its vice president for 21 years.

Notwithstanding all of his professional accomplishments, Judge was most known for his involvement in public activity and his willingness to reach out and help others.

He was a participating member of the United Baptist Church and served as chairman of the 7th Congressional District Political Action Committee and was a vice president of the Illinois Federation of Teachers. Judge was tough, tenacious and a skilled labor negotiator who could stand like a rock and not be moved. Although he had reached a high level of professional and social prominence, he lived among and worked with people in low-income communities which at one time was characterized by the Chicago Tribune as home for the permanent underclass.

He enjoyed the simple things of life, church with his family, backyard barbeques, trips back to Arkansas and Louisiana, family re-unions, poker games with the boys, interacting with his peers and students, attending community meetings or just sitting at home with his family.

Judge lived his life at the top of the class and shall always be remembered like a tree planted by the river of water. He would not be moved, he would not be compromised and he shall not be forgotten.

EXPRESSING THE SENSE OF THE HOUSE WITH REGARD TO THE UNITED STATES WOMEN'S SOCCER TEAM AND ITS WINNING PERFORMANCE IN THE 1999 WOMEN'S WORLD CUP TOURNAMENT

SPEECH OF

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

Ms. ROYBAL-ALLARD. Mr. Speaker, on Saturday, in front of over 90,000 adoring fans, the United States Women's Team won the 1999 Women's World Cup. In an electrifying match, our team defeated China with a 5 to 4 penalty kick victory.

The excellence of our team sends a powerful and positive message to the world about the importance of women's athletics and its value in building confidence, character and self-esteem for our young women.

Saturday's victory represents a first in many ways.

It was the largest women's world championship in history. Over 90,000 fans attended, a record for a women-only sporting event.

Saturday's game was the most-watched soccer game ever on network televisions.

This was the first Women's World Cup hosted by the United States. Over 30 matches were played before more than 650,000 fans in seven cities across the country.

An unprecedented 16 nations participated, signaling a growth for women's soccer throughout the world.

But Saturday's victory is important for many other reasons.

Our team helped to raise soccer and women's sports to new levels, both in America and internationally. World Cup soccer has long been the venue for male players and is the most popular sport in the world. But, the Women's World Cup and the U.S. national team in particular showed us that women's soccer and women's sports can be just as captivating, just as athletic, just as powerful, and just as competitive as men's sports.

What makes our team so special is that the U.S. women's national soccer program stands in stark contrast to many of its competitors who rely on a government-run or government-financed training system or a professional club to produce national teams.

In contrast, our American women started in community-based amateur recreational leagues, and owe much to their parents, who have steadfastly driven their daughters to weekend soccer games and summer soccer camps.

They have also relied on the high-caliber, but amateur, college sports system which provides top-notch athletic competition that, in turn, produces the top-notch athletes who can compete at this level.

Key to this college competition is the valuable role Title IX of the 1972 Education Amendments has played in first establishing, then strengthening college sports programs for women, creating opportunities both to participate and to compete at advanced levels in soccer and many other sports.

But perhaps the finest trait exemplified by the Women's World Cup, and by the performance of the American team in particular, is the quest for excellence. Whether you are a rabid soccer fan or merely a casual observer, excellence is something we all recognize.

The U.S. Team is renowned both here and around the world for its commitment to values that we can all appreciate: teamwork, sportsmanship and fair play. Their esprit d' corps has been emphasized in feature article after feature article, and has even been a distinctive theme in TV commercials over the past few weeks.

Victory is wonderful, and victory is to be commended. But as long as we pursue excellence in our lives, as the U.S. national team has demonstrated time and time again, we can all be champions.

FINANCING EDUCATION; FREEDOM AND PRIVACY RESTORATION ACT; AND GAY MARRIAGE

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SANDERS. Mr. Speaker, I insert for the RECORD statements by high school students from my home State of Vermont, who were speaking at my recent town meeting on issues facing young people today. I am asking that you please insert these statements in the CONGRESSIONAL RECORD as I believe that the views of these young persons will benefit my colleagues.

FINANCING EDUCATION

(On behalf of James Lucas, Caitlin Stone-Bressor, Jesse Pixley and Kim Junior)

Kim Junior: We are talking about financing our education.

Education is a paramount concern because it affects everyone. Hilary Clinton said that it takes a village to teach a child, and it does. Currently, the United States educational system is going through a rebirth. Many states are attempting to improve their education systems. Vermont has recently shed itself of its old education system and has donned a new, more equal method. This new educational plan, led by Act 60, has helped equalize the percent a property owner is taxed towards education.

Now that the state has money coming to the schools that are in need of funding, the state, the school and the community have to decide how they want to improve their school. The consensus believes that better facilities will make better schools. They think a new gym, arts center or a classroom will make children more capable in that particular area. A new building, however, does not change students.

Jesse Pixley: Teachers are needed to change students and help them to become more educated. But to improve how educators teach is difficult.

Many teachers feel that they are not competent. In a January 29th New York Times article, William Honan said that only one in five full-time public school teachers said they felt qualified to teach in a modern classroom. This is a scary revelation. There is a definite need to enhance the qualifications of teachers and to help them gain sufficient confidence to be able to teach.

The New York Times printed an article on April 23rd telling of over 4,000 Washington teachers and educators who protested because they are not being supported in their pursuit of higher education. Deben Gruber, a special education teacher in Highland School District, said "I can't afford to have a computer, the Internet or a newspaper anymore". The teachers in Washington were not given the opportunity, financially, to attain a greater level of learning.

Caitlin Stone-Bressor: A recent addition for $75.9 million is being added to the $159 million that is already promised to school districts under the Education Reform Act. Of this $76 million addition, only an eighth of it will be given to teachers. The proposal also calls to give $4.2 million to school nutrition programs. While school nutrition is certainly important, America is setting its priorities in the wrong position when it gives so much to food and so little to educators.

Tenureship is also an important issue because it allows unqualified teachers to keep teaching. Established because of the frequent changes in the administration, it allowed teachers to have faith that they would be able to keep their jobs despite changes in authority. Yet the system is proven to have flaws.

James Lukas: Many teachers who are granted tenureship are not fully qualified. The school system then finds that it would cost less to keep these teachers than to get rid of them. The most prominent and meritorious suggestion to remedy this problem is having teachers paid on the basis of skill and quality, and not on seniority. The education system should be run as a private enterprise, and if a teacher is not making the standard, they should not be favored as well as the teacher who excels in his or her area.

Reform is needed to improve our education system. The current system needs to enhance teachers, special education, advanced learning, sports, arts, and all the other aspects of education to make sure Vermont's education system is as good as it can be.

FREEDOM AND PRIVACY RESTORATION ACT

(On behalf of Stacy Pelletier, Jessica Cole, Amy Clark, Sarah Kimball and Christine Miller)

Stacy Pelletier: Do you want the government of the U.S. to be able to find out any information about you whenever they want to? The proposed medical ID and the Know-Your-Customer Act make your medical information open for their viewing and allow banks and government to monitor your financial transactions. Along with these two items, social security numbers have become a huge violation of your privacy. Luckily, the Freedom and Privacy Restoration Act of 1999 looks to make your private life private again.

Jessica Cole: We agree with the Freedom and Privacy Restoration Act of 1999, which forbids the federal government from making any identifiers which can be used in investigating, monitoring, overseeing or regulating private things, like sales or transactions between U.S. citizens. One of these identifiers could be national ID cards.

If Congress doesn't take action, federal officials could soon keep citizens from traveling, getting a job, opening a bank account, or even getting medical treatment unless all their papers are in order according to the federal bureaucracy.

Amy Clark: One example of invasion of our privacy are social security numbers. These identification numbers usually have to be shown for anything from getting a job to getting a fishing license. The Freedom and Privacy Restoration Act prohibits the use of social security numbers as an identifier. In order for parents to get a birth certificate for their children and claim them as dependents, they are forced to get a security number for them. We find that this is abusing our right to privacy.

Sarah Kimball: In 1996, the Department of Health and Human Services was told to come up with a unique health identifier. Their proposed plan includes a giant database for the total medical history of every American, and a medical ID card one would have to show in order to fill a prescription, leave the country, or even check into a hotel. The police could also request to see this card at any time, and many fear that hackers would break into the medical files, destroying doctor-patient confidentiality.

Many of the problems presented are in violation of the Fourth Amendment of the Constitution, but, thankfully, the Freedom and Privacy Restoration Act would prohibit such an act and identification tool from being put into action.

Christine Miller: In conclusion, we value our privacy, which is violated by social security, medical cards, and medical IDs, and the Know-Your-Customer Act.

Congressman Sanders, can we urge you to support the legislation of the Freedom and Privacy Act in the future?

GAY MARRIAGE

(On behalf of Vera Catherine Wade, Alex Hastings, Stephanie Ladd, John Nichols and Mark Boyle)

John Nichols: As Vera already said, we are all members of the Gay-Straight Alliance at BFA. Namely, that is a group of both gay and straight people, and our main purpose is to ease some of the tensions that exist in high school life between hetero and homosexual people that is sometimes the result of perhaps ignorance and other such things that can easily be mended.

However, the reason we are here today is, when we became aware of the possibility of legislation in Vermont being suggested that would ban gay marriage, we saw that as a great concern, as infringing upon the rights of people of the homosexual persuasion.

Vera Catherine Wade: The suggested antigay marriage bills state that a valid marriage consists of a man and a woman. We believe people should have the right to marry whomever they choose. In the past, the question wasn't gender, it was race. To deny anyone the right to marry is a step backwards in equal rights to all peoples.

In addition, Who is to say what a good family is? A man and a woman in an abusive relationship can bring a child into the world without planning, and where is the child supposed to go with that? A homosexual couple have no choice but to plan.

We aren't saying that everyone should get married, and we aren't saying that it's the right thing for these people to marry: we aren't encouraging anything but the right to marry for everyone.

Mark Boyle: Another issue that's a really big problem for homosexuals in many cases is the right to insure your partner. Its okay for a man and a woman in a monogamous relationship outside of wedlock to claim people on taxes or their insurance, and yet it is not okay for homosexuals to claim a partner as a person of their family, and it's not allowed for them to get married so as to be able to include them on any type of taxes or insurance.

The issue of having somebody choose what they want to do is very at hand here. I think that a lot of people tend to stop and think of this as a moral issue, when it is more of an issue of just plain tolerance. You don't have to agree with it or disagree with it or be part of it; all that you have to do is to give people the opportunity to be Americans and to be given the rights and privileges, and the expansion of those privileges to any and all pursuits they choose, as long as it is not infringing on the rights of other humans.

FEAR AND HUNGER IN THE WAKE OF WELFARE REFORM

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. GUTIERREZ. Mr. Speaker, since the passage of the Personal Responsibility and Work Opportunity Act in 1996, legal immigrants have been denied access to vital health, income and nutrition assistance programs. Although the Balanced Budget Act of 1997 and the Agricultural Research, Extension, and Education Reform Act of 1998 restored some benefits to elderly, disabled, and minor immigrants who entered legally before August 22, 1996, researchers have documented a dramatic increase in extreme hunger and food insecurity among those affected by the law.

The following research memorandum was written by Amy K. Fauver, a research associate for the Washington-based Council on Hemispheric Affairs (COHA). The memo represents an elaborated version of an article which will appear in issue 19:09 of COHA's publication, the Washington Report on the Hemisphere. The article addresses the consequences of the immigrant-specific provisions of welfare reform, and demonstrates the need to restore essential benefits to immigrants who have come to the U.S. legally and have paid taxes, but in some circumstances have needed government assistance.

FEAR AND HUNGER IN THE WAKE OF WELFARE REFORM

(By Amy K. Fauver, Research Associate, Council on Hemispheric Affairs)

On August 22, 1996, President Clinton signed the "Personal Responsibility and Work Opportunity Reconciliation Act" (PRWORA), mandating in his own words, "the end of welfare as we know it." The justification for these measures was moral and financial: welfare recipients in general "abuse" the system; welfare "hurts" people by encouraging "dependency"; and above all, taxpayers should "not have to foot the bill for immigrants" who viewed the U.S. as, according to Rep. Lamar Smith (R-TX), chairman of the Subcommittee on Immigration and Claims, "nothing more than a taxpayer-funded retirement home." Among the most dramatic changes were those affecting the eligibility of legal, documented immigrants for federal benefit programs. Of the $60 billion projected savings from welfare reform, approximately $24 billion—44%—was to come from cuts in social services to immigrants. 85% of these savings were from reductions in Supplemental Security Income (SSI), Medicaid, Food Stamps and Air for Families with Dependent Children (AFDC)

PRWORA PROVISIONS TARGET IMMIGRANTS

The immigrant provisions of PRWORA created new categories of distinction among immigrants based not on their legal status, but on their date of arrival in the U.S. Previously, federal means-tested benefits were available to any legally admitted immigrant on the same terms as natural and naturalized citizens after a period of deeming. PRWORA redefined immigrants as "qualified" or "unqualified," which effectively replaced the "legal" or "illegal" dichotomy for determining entitlement, and essentially denied most legal immigrants access to benefits. Aside from emergency medical assistance and a few other programs necessary for the protection of life and safety, any benefits the newly "unqualified" were receiving at the time of the law's enactment were terminated. Although the majority of legal immigrants were "qualified," most were nonetheless barred from SSI and Food Stamps until they were naturalized. The only exemptions were those able to prove 10 years of Social Security-qualified work history, refugees, asylees and those granted withholding of deportation (but only for their first five years in the U.S.), as well as veterans and active duty military, their spouses and dependent children.

PRWORA also distinguished between immigrants based on their date of arrival in the U.S. The "before" group, of those immigrants who were legally present before August 22, 1996 (this date coincides with the signing of PRWORA), were granted greater access to benefits than the "after" group, who arrived on or after that date. The "after" group was barred from benefits for their first five years in the country, except the life and safety provisions.

Pressure to amend PRWORA came from immigrant advocacy groups and President Clinton himself, who vowed to soften the immigrant provisions of PRWORA even as he signed it. The Balanced Budget Act of 1998 reinstated $11.4 billion of the $23.8 billion cut from immigrant benefits, restoring SSI benefits to most "before" immigrants. The legislation also extended the length of time that refugees and asylees can collect benefits from five to seven years in response to an INS backlog of over a year. This formula was intended to provide a realistic time frame in which to naturalize before benefits would be discontinued.

In June 1998, the Agricultural Act restored $818 million in food stamps to specific immigrants, including the elderly and legally present children under 18 from the "before" group. Although these restorations returned food stamps to approximately 250,000 immigrants, two-thirds of those previously eligible remain without such assistance. This law did not address immigrants who entered after the arbitrarily chosen cut off date.

CONSEQUENCES: FEAR AND HUNGER

Despite these attempts to soften the blow that PRWORA dealt to legally-present immigrants, it has profoundly impacted all noncitizen welfare recipients and destroyed the safety net for those not currently needing help, but who might require it in the future.

A July 1998 Urban Institute study of Los Angeles County portrays a sharp decline in immigrant applications for welfare benefits even though the vast majority remained eligible under state-funded programs. This study suggests that many immigrants are not attempting to prove their eligibility partly due to confusion about the law, but especially out of fear of negative consequences. They are afraid that revealing information about their immigration status (as in the case of undocumented parents trying to collect benefits for legal immigrant or citizen children) could result in deportation or compromise future attempts to naturalize if they are labeled a "public charge."

These well-founded anxieties can prevent those who are aware of their eligibility from seeking benefits for themselves or for their children. PRWORA's provisions requiring public agencies to report to the INS any persons "known to be unlawfully present" in the U.S., have exacerbated this fear. Although public health care providers are exempt from such reporting requirement, because they are prohibited from having an official policy that they will not share immigrant status information with the INS, they cannot guarantee protection for undocumented patients. According to the Center for Public Policy Priorities in Austin, TX, "Public health providers report that this is already having a chilling effect on the use of prenatal care, preventative care and primary care."

One of the most egregious problems directly resulting from PRWORA has been an extraordinary increase in hunger among legal immigrants. As for the welfare reductions in general, a disproportionate share of the federal savings from Food Stamp cuts came from restricting immigrant eligibility. Prior to PRWORA, 5.2% of all Food Stamp recipients were immigrants, yet over 30% of Food Stamp cuts came from slashing immigrants benefits. Not surprisingly, many immigrants who lost benefits now are suffering. A May 1998 study by Physicians for Human Rights (PHR) tracked household hunger among legal Latino and Asian immigrants in California, Texas and Illinois. Finding 79% of households interviewed to be food insecure, PHR called "the cuts against individuals who are in the U.S. legally and who pay taxes. . . a serious human rights violation." Legal immigrant households were ten times more likely than the general population to suffer from severe hunger and one-third of immigrant households surveyed reported moderate or severe hunger caused by a lack of sufficient resources.

A similar study by the California Food Policy Advocates (CFPA) echoes these findings, but also documents an "alarmingly high rate of hunger among children in legal immigrant households where food stamps have been cut." Immigrant households in Los Angeles that lost benefits were 30% more likely to experience "food insecurity with extreme hunger" than those that did not. In San Francisco, this number jumped to 173%, making immigrants affected by PRWORA almost twice as likely to be suffering from extreme hunger than an unaffected group. Moreover, in both cities, immigrant households with children which had lost food stamps were almost two-thirds more likely to experience serious food problems than similar households that retained complete benefits.

Although both studies were conducted prior to the Agricultural Act, CFPA's findings were shocking even though California exercised its option—unlike most states—to fill the gap with state funds for the same population that now has regained eligibility. Without further legislation, marked improvements of this nature in the future are unlikely because most of those benefiting from the restoration are immigrant children living in "mixed" households where "eligible" individuals live with others who are not. In Texas alone, there are 65,396 "mixed" households with approximately 9,000 legal immigrant and 145,000 citizen children. Although these children can again collect food stamps, the total resources available to the family remain low because their parents still cannot.

IS "FAIRNESS" IN THE FUTURE?

The Fairness to Legal Immigrants Act of 1999, recently introduced in the Senate, proposes the most extensive restoration to date and offers the first substantive opportunity to right the wrongs done to legal immigrants by PRWORA. If approved, this bill would restore food stamps to all eligible "before" immigrants and those otherwise qualified "after" immigrants who suffer domestic abuse. It would also allow states to cover all pregnant legal immigrant women and children who entered after August 22, 1996 under Medicaid and restore many health and SSI disability benefits for certain immigrants from both the "before" and "after" groups. This bill represents a significant step towards rectifying several of the most controversial outcomes of welfare reform by protecting dependent children, addressing the mixed household problem and providing essential food assistance to many needy legal immigrant families. Wholehearted support by this Congress would send a clear message to law-abiding, taxpaying immigrants that they need not fear, that they need not go hungry and that they will not be abandoned in their times of need.

HONORING ODYSSEY OF THE MIND TEAMS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. KILDEE. Mr. Speaker, I rise today to recognize and honor the achievements of a group of young people who have distinguished themselves as some of the brightest in the world. On July 6, school and local officials, friends, and family, gathered to honor students from Mason Middle School and Crary Middle School, both located in Waterford, Michigan, for their success in the Odyssey of the Mind world competition, recently held in Knoxville, Tennessee.

Students from Mason Middle School placed fifth out of 58 teams in the vehicle problem category, designing a vehicle that would travel through three countries, without touching the ground, and setting off a specific event upon entering the country. Through the use of superior problem solving skills, the Mason team created a vehicle that would travel through China, Egypt, and the United States. In addition to placing fifth, the team won the Ranatra Fusca Award, the competition's highest honor for creativity.

The Mason team includes Alysse Cohen, Robert Dziurda, Tamara Haynes, Caitlin Johnson, Megan Long, and Elizabeth McGregor. Their coaches are Suzy Cohen and Robin McGregor.

Students from Crary Middle School placed sixth out of 53 teams in the environmental challenge category, creating a series of possible habitats for an animal following the destruction of the creature's original habitat, with the judges given the ability to randomly poison one of the habitats.

The Crary team includes Alex Caryl, Eric Chapman, Steve Grabowski, Brad Howell, and Jeff Ritter. The coaches were Angela and Tom Chapman.

Odyssey of the Mind teams provide a large opportunity for some of country's brightest young people to exercise their cognitive and problem-solving skills. To compete in a world competition, a team must place first in the state in their category. It is rare for more than one team from the same school district, and even more rare for them both to perform as highly as Mason and Crary has done.

Mr. Speaker, at a time when the future of our young adults is a constant concern, I am very happy to honor these students and the parents who have taken time out of their schedules to coach the teams. I ask my colleagues in the 106th Congress to join me in congratulating Mason and Crary Middle Schools.

IN RECOGNITION OF TAMARAC ELEMENTARY SCHOOL

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. DEUTSCH. Mr. Speaker, I rise today to celebrate the selection of Tamarac Elementary as a "National Blue Ribbon School of Excellence." It is both an honor and a privilege for me to recognize this exemplary school for receiving such a distinguished award.

Since 1982, the Blue Ribbon Schools Program has celebrated many of America's most successful schools. A Blue Ribbon symbol denotes a level of educational proficiency recognized by parents and students in thousands of communities. Superior teaching, dedicated staff, and a caring environment for students are a few reasons why Tamarac Elementary has been chosen for such an exclusive award after a rigorous selection process.

Tamarac Elementary School was built in 1973 and is the only school in the city of Tamarac, Florida. The school's extraordinary devotion to educating the leaders of the 21st century is illustrated best by its mission statement: "The mission of Tamarac Elementary is to establish an educational environment where children reach their highest potential intellectually, socially, emotionally and physically through a total commitment of school, home, and community." Mr. Speaker, I am sure that my colleagues will agree with me when I say that this mission statement demonstrates noble goals—goals which all schools should strive to fufill.

Tamarac Elementary has taken the Blue Ribbon Challenge and triumphed with flying colors. I wish to congratulate Principal Kathleen Goldstein and her devoted staff for this well deserved honor. This is truly an accomplishment that the entire Tarmarac community can be proud of.

PERSONAL EXPLANATION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. BATEMAN. Mr. Speaker, I am regrettably absent and missed 3 votes on July 12, 1999. The first vote was on the Journal and the rest were under suspension of the rules. I wish to include in the RECORD my statement as to how I would have voted had I been present.

On rollcall vote No. 277, I would have voted "aye." On rollcall vote No. 278, I would have voted "aye." On rollcall vote No. 279, I would have voted "aye."

TRIBUTE TO BRIAN BLAHA

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. TALENT. Mr. Speaker, I rise today to recognize an outstanding student from my district. Brian Blaha, a student from Parkway Central High School, set his sights high, and as a result, he has been named one of the 20 finalists in the 31st United States National Chemistry Olympiad.

Approximately 10,000 chemistry students nationwide competed in a series of qualifying events, organized by the American Chemical Society, for the opportunity to represent the United States. The competition included laboratory and written examinations, which covered topics typically found in third-year college curricula.

I would also like to recognize Brian's chemistry teacher Mr. Mark Schuermann whose dedication and excellence in teaching has aided in the success of his students. The achievements of Brian Blaha are an impressive reflection on his teachers.

Mr. Speaker, I am pleased to be able to recognize this extraordinary student for his achievements. Brian Blaha's success is a true reflection on not only his drive and determination, but also on the parents, family members, and teachers who have supported his hard work and determination. Brian is an excellent example of what young people will achieve when given the opportunity.

1986 AMENDMENTS TO THE FALSE CLAIMS ACT

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. BERMAN. Mr. Speaker, thirteen years ago, Congress passed the 1986 Amendments to the False Claims Act. They have been an enormous success.

As the principal sponsors of those amendments, Senator GRASSLEY and I are gratified to see how well they have worked. Recoveries to the United States Treasury pursuant to the False Claim Act have increased a remarkable 40-fold compared to the period before the amendments were adopted. More than $2.5 billion has been recovered to date from *qui tam* lawsuits, with half of that amount coming in the last few years. Another $3 billion in recoveries is anticipated from the pending cases the government has already joined. This exponential growth in recoveries to the Treasury is expected to continue.

The biggest payoff however has been in the deterrence of fraud. An analysis by William L. Stringer, the former Chief Economist for the U.S. Senate Committee on Budget, has estimated the deterrence attributable to the *qui tam* provisions of the False Claims Act for the first 10 years (through 1996) is $35 billion to $75 billion. He estimates that the next 10 years will produce additional savings of $105 billion to $210 billion. Indeed, many believe that the substantial reduction in Medicare outlays in recent years is due in no small part to the effect these amendments have had in curtailing fraud.

It is not an overstatement to suggest that there has been a cultural shift within companies that do business with the government. Because of the vigilance of the citizenry and the use of the *qui tam* provisions of False Claims Act, companies and entities are changing the way they do business with the government. Instead of developing strategies of "revenue enhancement" when dealing with the government, these same entities are developing new compliance programs to ensure that the government is not overcharged. This shift has occurred for one fundamental reason: The risks of getting caught, exposed and subjected to substantial penalties have grown tremendously as a direct result of the reinvigoration of the government's fraud enforcement caused by the 1986 amendments.

This cultural change is very much what Senator GRASSLEY and I hoped and expected would develop with the enactment of the 1986 amendments. We wanted to encourage, with appropriate incentives, the citizenry to the take us the fight against fraud perpetrated against our government. We had hoped to forge a public/private partnership to go after those who would deliberately overcharge (or underpay) the government. People who are insiders within companies and witness fraud, businesses that become aware of illegal practices by competitors, individuals who through their own investigative efforts turn up information of government overcharges (or underpayments) and, equally important, the private attorneys and law firms who work with the Justice Department and heavily invest their own time, resources, and expertise over many years these individuals, companies and attorneys have collectively turned the *qui tam* provisions of the False Claims Act into the single best example of privatization success.

In the thirteen years since the 1986 amendments were adopted, more than cases have been filed. As a result, a substantial body of False Claims law has developed.

I rise today to express the grave concerns that Senator GRASSLEY and I have about judicial decisions involving one important provisions of the law: the "public disclosure' bar. We have reviewed with dismay opinions of many courts that have misunderstood and therefore, misinterpreted what Congress intended when in adopted this provision. The courts' interpretations of the "public disclosure" bar are often in conflict with each other, resulting in great confusion. Worse, taken together these decisions many discourage many good cases from being filed, threatening to seriously undermine the effectiveness of the Act.

Because of our concerns about judicial interpretation of the "public disclosure" bar, we wrote to Attorney General Reno to set forth our views in detail about this provisions and the various circuit court interpretations. We ask that the Department of Justice, as the government agency with primary responsibility for enforcing the False Claims Act, be especially vigilant in helping courts correctly implement the Congressional policy that underlies the "public disclosure" bar.

We also believe that it would be useful for courts to understand what we as the principal authors of the law intended in creating the "public disclosure' bar.

By introducing our letter to Attorney General Reno into the CONGRESSIONAL RECORD, it is our intention to make it available to federal courts for guidance and perspective.

H.R. 2499, THE SILENT SKIES ACT

HON. ANTHONY D. WEINER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. WEINER. Mr. Speaker, the Silent Skies Act, which I am introducing along with Representatives CROWLEY, HYDE, SHAYS and fourteen other original cosponsors, is intended to expedite the implementation of the next generation of quieter airplane engines.

So many members have airports in their district and have received the same letters from constituents. Every day and every night planes pass over your constituents' homes, businesses, and schools. They interrupt all aspects of life for those who reside under flight paths. While there is little we can do about the every-growing volume of air traffic, we can ensure the planes that fly overhead are as quiet as technology will allow.

In 1990, Congress passed the Aviation Noise and Capacity Act, a measure that led to the implementation of Stage 3 aircraft and reduced noise from airplanes by 50%. By the end of this year, Stage 3 will be fully implemented and most of the U.S. commercial fleet will be in compliance with these new lower noise levels. While we recognize the contributions the airline industry has made in reducing the amount of noise coming from their aircraft, the number of flights going in and out of major airports continues to increase. Our constituents need relief.

By September 2001, the International Civil Aviation Organization will have approved international standards for Stage 4 engines. Our bill simply says that our constituents deserve relief, and they deserve it as soon as possible. The Silent Skies Act mandates a 10 year timetable, beginning in 2002, to phase in Stage 4 engines.

It is time for the Congress to take the lead again. This bill does just that. I am proud to introduce this bipartisan legislation and urge my colleagues to support this bill.

SUMMARY H.R. 2499, THE SILENT SKIES ACT

This bill expedites the implementation of Stage 4-compliant aircraft. In 1990, Congress passed the Aviation Noise and Capacity Act, a measure that led to the development and implementation of Stage 3 aircraft, and reduced aircraft noise by 50%. By the end of this year, Stage 3 will be fully implemented and most of the U.S. commercial fleet will be in compliance with these new lower noise levels. Stage 4 represents the next level of noise reduction, and would reduce airplane noise by an estimated 40%.

This bill directs the Secretary of Transportation to issue regulations establishing minimum standards for Stage 4 noise levels no later than December 31, 2001;

Directs the phase in of these new standards over a ten year period, beginning in 2002;

Directs the Secretary of Transportation to submit a report to Congress on the progress being made toward compliance with Stage 4 implementation; and

Removes the noise level exemption for supersonic civil transport aircraft.

INTRODUCTION OF THE HEALTH RESEARCH AND QUALITY ACT OF 1999

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. BILIRAKIS. Mr. Speaker, today I am introducing, along with my colleagues, Representatives SHERROD BROWN and JIM GREENWOOD, the Health Research and Quality Act of 1999. We are introducing this bipartisan legislation to reauthorize and and redefine the mission of the Agency for Health Care Policy and Research. Our bill renames it as the Agency for Health Research and Quality (AHRQ-pronounced "arc").

The purpose of this new name, and the reauthorization, is to foster comprehensive improvements in our health care system. Our bill refocuses the efforts of this critical agency to support private sector initiatives. Building on its current activities, the new agency will become a key partner to the private sector in improving the quality of health cae in America.

Specifically, our bill directs the new agency to take action to improve health care quality by: Conducting and supporting research to reduce errors in medicine; supporting the Medical Expenditure Panel Survey (MEPS) and expanding its sample size to provide information on the quality of patient care; supporting research to evaluate and initiatives to advance the use of information systems for the study of health care quality and other information initiatives; maintaining the Center for Primary Care Research and continuing primary care research; and establishing grants for regional centers to improve and increase access to preventive health care services.

We realize the importance of supporting public-private solutions to improve health care quality in our nation, and we hope that Congress will support the reauthorization of this important agency. A brief summary of the legislation follows:

SUMMARY OF THE HEALTH RESEARCH AND QUALITY ACT OF 1999—(LEGISLATION TO REAUTHORIZE THE AGENCY FOR HEALTH CARE POLICY AND RESEARCH)

PART A: ESTABLISHMENT AND GENERAL DUTIES

Redesignates the agency as the "Agency for Health Research and Quality" (AHRQ, pronounced "arc"), and changes the agency head's title from administrator to "director." Revises the agency's mission to emphasize its role as a partner to the private sector, with responsibility for promoting health care quality through research, synthesizing and disseminating scientific evidence, and advancing private and public efforts to improve health care quality.

Prohibits the agency from mandating "national standards of clinical practice or quality health care standards."

Emphasizes the agency's non-regulatory role in building the science of quality, while private and public sector purchasers and accreditation agencies set quality "standards."

PART B: HEALTH CARE IMPROVEMENT RESEARCH

Directs the agency to take specific action to improve the quality of health care by:

1. Identifying and disseminating methods for rating the scientific strength of research studies;

2. Conducting and supporting research, and building partnerships to support research, in order to reduce errors in medicine;

3. Supporting the Medical Expenditure Panel Survey (MEPS) and expanding its sample size to provide information on the quality of patient care;

4. Supporting research to evaluate and initiatives to advance the use of information systems for the study of health care quality and other information initiatives; and

5. Maintaining the Center for Primary Care Research and continuing primary care research.

Authorizes the Secretary of HHS, acting through the Director, to coordinate all research, evaluations, and demonstrations related to health services research and quality measurement and improvement supported by the federal government.

Requires the Secretary to contract with the Institute of Medicine to develop two reports on the organization and coordination of the quality improvement, research, and oversight activities of the federal government.

PART C: GENERAL PROVISIONS

Reauthorizes the agency's existing national advisory council and standardizes membership among the groups represented.

Directs the council to more broadly focus on overall priorities for health care research (quality, outcomes, cost, use, and access to care), the field of health services research, and identification of opportunities for public-private sector partnerships.

Increases the limit on small grants from $50,000 to $100,000 to reflect inflation.

Revises the authorization of appropriations to reflect congressional intent to increase research funding related to health care quality and improvement (authorizes $250 million in funding for FY 2000 and "such sums as necessary" for Fiscal Years 2001–2006).

Amends Title III of the Public Health Service Act to establish grants for regional centers to improve and increase access to preventive health care services.

THE NAVY NEEDS THE TOMAHAWK MISSILE

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. HANSEN. Mr. Speaker, some of you may have been surprised to learn that the Tomahawk missile is obsolete. According to a recent AP story the premier strike weapon in the Navy and the hero of Desert Storm is obsolete.

This unbelievable story not only surprised me but it surprised the Navy and the Joint Chiefs.

As late as April 20 of this year the Navy and Joint Chiefs of Staff certified a combat requirement of 4,000 Tomahawk missiles. Today, the navy has half this number.

This administration has fired over 700 Tomahawks in just the last twelve months. We have replaced zero and shut down the production line last year.

Luckily, our fine Chairman of the procurement subcommittee took this shortage head on. We added almost 900 million dollars to the supplemental and the defense authorization bills—to replace these missiles and put the Navy on track to fulfill its national security requirement.

The Navy does need Tomahawk, if you don't believe me just call them your self.

Tomahawk is the Presidential weapon of choice except when it come to the budget. Support our Chairman, support the Navy, support the Tomahawk missile and ignore the nay sayers.

PERSONAL EXPLANATION

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Ms. MILLENDER-McDONALD. Mr. Speaker, on Monday, July 12, 1999, I was detained at Los Angeles International Airport, due to aircraft equipment failure, while returning from my district and missed rollcall votes 277, 278, and 279. Had I been present I would have voted "yea" on votes 277 and 279. I would have voted "present" on vote 278.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

SPEECH OF

HON. DIANA DeGETTE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 13, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes.

Ms. DEGETTE. Mr. Chairman, I rise today to express my support for the amendment offered by the gentleman from California.

Mr. Chairman, we don't need any more timber roads. Construction of timber roads uses U.S. taxpayer dollars to pay for the business costs of the timber industry, and results in the degradation of soil, water quality and wildlife habitat.

We have over 440,000 miles of roads in our National Forests, the vast majority of which are for logging. If you pull out your calculator, Mr. Chairman, you'll find that 440,000 miles is enough to encircle the globe 17 times; that's ten times more road miles than we have in the Interstate Highway System.

These timber roads initiate erosion of soil, deposit sedimentation into streams, damage water quality, degrade fish habitat, fragment wildlife habitat, disrupt wildlife migration routes, and destroy the quiet beauty of our National Forests. The taxpayer ends up paying the cost for these damages—and too often the damage cannot be undone. These timber roads also give timber companies subsidized access to our natural resources. I don't think that's smart horse-trading, Mr. Chairman.

Over the recent recess I took a three-day hiking and horseback trip through some of the beautiful federal lands in my home state of Colorado. Over each hilltop, crossing each stream and river, coming across beautiful vistas, one after another—I found myself thinking what an unforgivable crime it would be to squander these resources. The next time my colleagues return to their districts, I urge them to take to the natural areas, and see first hand what I'm speaking about. I returned from my trip resolved to redouble my attempts to conserve these resources for future generations.

And I believe a good place to start is to eliminate the subsidized creation of more timber roads. I urge my colleagues to support the Miller amendment to protect roadless areas in our National Forest System.

IN MEMORIAM: KAREKIN I, CATHOLICOS OF ALL ARMENIANS

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. PALLONE. Mr. Speaker, I rise today to pay tribute to one of the world's great religious leaders, who recently passed away.

On June 29th, Armenia's Catholicos, Karekin I, died at the age of 66. The Catholicos is essentially equivalent to the "pope" of the Armenian Apostolic Church. Armenia's President Robert Kocharyan declared three days of official mourning, from July 6th through the 8th. Funeral services for the Catholicos were held on July 8th in the Cathedral of Echmiadzin. The principal celebrant of the four-hour funeral rite was Aram, I, Catholicos of Cilicia, the sister Catholicosate of the Armenian Apostolic Church. Thousands of Armenians were joined by religious leaders from around the world, including the Armenian Church Patriarchs of Jerusalem and Constantinople (Istanbul). Also participating in the funeral mass were the heads of a number of national Orthodox Churches, and Cardinal Edward Cassidy, who represented Pope John Paul II.

Messages of condolence on the passing of Karekin I have been sent to the religious and national leaders of Armenia from around the world. President Clinton stated, "His Holiness was widely respected for his deep scholarship, deep sense of principle and his sincere devotion to the broadcast possible ecumenical dialogue." President Kocharian noted that Karekin I had the fortunate distinction to be one of the few Supreme Patriarchs to serve as Catholicos of All Armenians in an independent Armenia.

Last week, an Ecclesiastical Council, composed of the 49 bishops and archbishops, elected Archbishop Nerses Pozapalian as Locum Tenens to run the affairs of the Catholicosate until a new Catholicos is elected. Archbishop Pozapalian, who is 62 years old, was born in Turkey but educated in Armenia. Although the traditions of the church dictate that an election should take place after a six-month wait, a change in the rules has been proposed to permit an election before the year 2000 so that the Armenian Apostolic Church could fully participate in the Jerusalem commemorations of the second millennium of Christ's birth.

Mr. Speaker, Karekin was born in Syria in 1932, baptized as Neshan Sarkissian. He was educated at Oxford in England, and held top church positions in New York, Lebanon and Iran. He was a unique individual in the way he combined a deep reverence for one of the world's oldest religious traditions with a very modern word view. He fluently spoke Armenian, English, French, and Arabic. He was equally at home in meetings with the leaders of other religions, and with leaders of foreign governments and international institutions like the World Bank.

In 1991, Armenia—the first nation to embrace Christianity as its national religion achieved its independence from the officially atheist Soviet Union. Four years later, Karekin was elected as the 131st leader of the Armenian Church, after the death of Vazgen I, who had served for 40 years. At that point, he took up residence in the Armenian town of Echmiadzin, the seat of the Armenian Church.

Mr. Speaker, I consider myself fortunate to have had the opportunity to meet Karekin, both here in the United States, and also at Echmiadzin. He was a man of deep faith and spirituality. But he also addressed very worldly concerns, such as calling for a peaceful solution to the Nargorno Karabagh conflict and securing Armenia's place in a free and prosperous world. In what promised to be a major breakthrough in relations between different branches of Christianity, Pope John Paul II had been scheduled to visit Armenia. Unfortunately, the serious illness of the Catholicos, as well as the Pope's recent health concerns, caused that visit to be put off. As a Roman Catholic with deep concern for the Armenian people, I hope that a meeting between the leaders of these two great churches will eventually take place.

Mr. Speaker, the Armenian Apostolic Church—which will celebrate its 1,700th anniversary in the year 2001—is one of the so-called Ancient Churches of the East which split away from Byzantine Christianity before the Great Schism of 1054, which divided the Eastern and Western Churches. Christianity was brought to Armenia by the apostles Jude and Bartholomew. King Trdat III proclaimed Armenia a Christian country in AD 301, 36 years before Emperor Constantine I, the first Christian ruler of the Roman Empire, was baptized. During the many years that Armenia lived under often hostile foreign domination, the Armenian Apostolic Church was the focus of the national aspirations and identity for the Armenian people. To this day, the Armenian Church is a major focal point for all Armenians, those living in Armenia and Nagorno Karabagh, and the millions of others in the Armenian Diaspora, including more than one million Armenian-Americans.

Mr. Speaker, on this occasion, I join with the Armenian people in mourning the passing of Karekin I, a great man who leaves a towering legacy.

HONORING THE WORK OF HARRY SWAIM

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. GORDON. Mr. Speaker, I rise today to honor Harry Swaim and his nearly 45 years of work for the Communications Workers of America, which has a nationwide membership of more than 600,000. Harry tenure with the organization will soon come to an end, though. He has decided to retire on Aug. 7.

As a state representative for the union, Harry's invaluable experience and caring attitude helped advance the union's many worthy causes. His tireless service to the organization reveals his genuine concern about the membership. Harry truly exemplifies all that is good about organized labor. He is certainly a fixture within the CWA and will be sorely missed by the entire membership.

I have known Harry for more than 20 years and consider him a close friend. He has given me lots of good advice over the years, and I thank him for that. I congratulate Harry for his admirable and distinguished career and wish him lots of luck in future endeavors.

CREDIT FOR VOLUNTARY ACTIONS ACT—H.R. 2520

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. LAZIO. Mr. Speaker, I am introducing today legislation designed to encourage voluntary actions by industry to reduce the potential environmental problems caused by greenhouse gas emissions. The Credit for Voluntary Actions Act represents what I believe is a "New Environmentalism"—a new way to look at how all of these groups can partner together to effect change in the way business affects the environment.

I am proud to say that with the passage of this Credit for Voluntary Actions legislation, environmental regulation will no longer be a zero-sum game. This legislation successfully combines the interests of both industry and environment in a way that is mutually beneficial and unprecedented. The major hindrance to industry cooperation in the reduction of greenhouse gases is the great uncertainty of the regulatory environment. There is a skepticism of scientific knowledge and a feeling that the high cost of pollution reduction will not be a good investment economically.

Additionally, there is no way to predict the future of global climate change or how effective reduction measures taken now will be in the long run. The current regulatory situation actually does more to discourage action than to promote environmentally-conscious activity.

The Credit for Voluntary Actions bill addresses these concerns directly. This is a voluntary program that allows a broad spectrum of U.S. business to participate in ways that make fiscal sense for them. This bill is not creating a regulatory program or buying into any international agreements. It is simply authorizing companies to reduce greenhouse gases without fear of punishment later. Many businesses have come to us and told us they would like to take actions to reduce greenhouse gas reductions but are concerned that they would be penalized in the future if they did so. Does it make sense to stop these companies from doing the right thing for the environment, and their own bottom lines? I didn't think so.

This bill is good for the environment, and good for business. What once might have been considered an anomaly, you see here as a new way to look at environmentalism for the 21st century—representatives from utilities and the oil and gas industry partnering with members of environmental groups; Democrats and Republicans—all standing unified in an understanding that we must find a way to address the issues of climate change.

There are those who are concerned that this bill will pave the way for implementation of the Kyoto Protocol. This bill is neutral on the issue of the Kyoto Protocol and does nothing to implement that accord. Nor does this bill create any other domestic regulatory regime to address the issue of climate change. The purpose of this bill is to pave the way for voluntary actions by companies who are looking at major investments today, but who worry about being penalized tomorrow. Through these voluntary actions, this bill will result in demonstrable and measurable progress on greenhouse gas emissions and the issues associated with global climate change.

This bill embraces the principles of: (1) environmental progress through market-driven approaches; (2) flexibility allowing the creativity and innovation which have created the largest economy the world has ever seen; (3) non-bureaucratic methods focusing on results not progress; and finally (4) voluntary, not mandatory, efforts allowing us to work with those that can and are willing to contribute to the solution rather than concentrating on efforts on enforcing against those who cannot. In short, this bill embraces the legislative approaches of the 21st century to address this emerging environmental issue.

I would like to elaborate on how these important principles apply to this bill. Central to this bill is the concept of tradable emission credits, a market-based approach proven in the Acid Rain provisions of the 1990 Clean Air Act. Tradable credits allow the environmental objectives to be met at lower costs. To achieve these credits, companies are not constrained by pre-conceived methods of reducing greenhouse gas emissions. Rather, they have the flexibility to develop agreements which are tailored to their unique situation. These types of agreements have been successfully used in energy efficiency initiatives. Credits are awarded for measured reductions against a company's historic releases. This results-oriented approach which rewards environmental benefits, not regulation savyness, is similar to the Second Generation approach several of my colleagues are exploring for improving environmental performance in general. Finally, this bill, by focusing on voluntary actions to meet society's needs, mirrors the successes many of our States and localities have had in addressing a wide range of domestic issues.

I am proud to join with my esteemed colleagues in introducing this innovative legislation, and I encourage all of my colleagues in the House to support our efforts.

SECTION-BY-SECTION ANALYSIS OF BILL

SECTION 1—TITLE AND TABLE OF CONTENTS

Section 2—Purpose. To encourage voluntary actions to mitigate potential environmental impacts of greenhouse gas emissions by ensuring that the emission baselines of participating companies receive appropriate credit. These credits for voluntary mitigation actions would be usable in any future domestic greenhouse gas emission program.

The purpose is to encourage voluntary actions, not to encourage a future domestic program. The bill is not tied to Kyoto or any specific international greenhouse gas agreement. Credits would be usable in any domestic program.

Section 3—Definitions. A number of terms are defined including a number of terms specific to the carbon sequestration portion of the bill.

Section 4—Authority for Voluntary Action Agreements. This section provides the authority for entering into these agreements to the President and allows delegation to any federal department or agency.

Section 5—Entitlement to Greenhouse Gas Reduction Credit for Voluntary Action. Provides authority for credits for: certain projects under the initiative for Joint Implementation program; prospective domestic actions (includes a significantly revised sequestration); and retrospective past actions.

This section includes a third party verification provision to the past actions.

This section also includes a Congressional notification provision when the amount of credits equals 350 million metric tons carbon equivalent. This provision is designed to preserve future Congress' options.

Section 6—Baseline and Base Period. This section provides guidance on developing baselines from which reductions are measured.

Section 7—Sources and Carbon Reservoirs Covered by Voluntary Action Agreements. This section explains how sources are calculated. This bill provides provisions for dealing with a company's growth. This section allows baseline adjustments to reflect a company's increased (or decreased) output, net of the general economic growth of the country. Thus, in effect, companies with major growth are rewarded by having their baselines increased, while the environment is protected by offsets from companies which are not growing. This section also includes guidance on "outsourcing", where companies contract out portions of their work, thus reducing their emissions (but increasing the contractor's emissions) while increasing their production (thus raising their baselines).

Section 8—Measurement and Verification. This section provides the reporting responsibilities of participants.

Section 9—Participation by Manufacturers and Adopters of End-Use, Consumer and Similar Technologies. This section provides guidance for manufacturers of products sold to consumers, such as autos, refrigerators, and computers. Use of these products contribute substantially to the overall green house gas emissions. However, without this section, energy efficiency improvements in these areas would not be captured in the voluntary program. This section provides incentive for manufacturers of these products to increase their energy efficiency and other emission reductions efforts in the products they produce.

Section 10—Carbon Sequestration. This section provides guidance on what carbon sequestration projects qualify for voluntary action credits. This guidance is designed to ensure scientifically acceptable methods are utilized in designing these projects, as well as requirements for monitoring, reporting and verification. Credits for carbon sequestration are limited to 20% of all credits available under this act.

Section 11—Trading and Pooling. This provides authority for trading credits and arranging pooling agreements among participants. The pooling authority can provide a means for small businesses and others to participate.

Section 12—Relationship to Future Domestic Greenhouse Gas Regulatory Statute. This provision gives the companies the guarantees they need that these actions will be applicable to any future program that could be authorized by the Congress.

TRIBUTE TO FEDERAL JUDGE KENNETH K. HALL OF WEST VIRGINIA

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. RAHALL. Mr. Speaker, I rise today to pay tribute to, and to celebrate the life of Federal Judge Kenneth K. Hall of West Virginia.

Kenneth K. Hall, who was born in Boone County, West Virginia, died at the age of 81 at his home in West Virginia after a 47 year distinguished career as a State and Federal judge. He began his service to our State and the Nation when he became a circuit judge in the county of his birth in 1952 at the age of thirty-three. He was appointed to his federal judge's post in 1971 by President Nixon.

Five years later, Judge Hall was named to the 4th U.S. Circuit Court of Appeals in Richmond, Virginia, comprised of West Virginia, Maryland, North Carolina and South Carolina.

Well-known for his humor, his wisdom, his straightforward manner and understanding of West Virginians, he is best known for the precedent-setting decision he made in 1995 when he wrote the majority decision that rejected efforts by The Citadel—a Charleston, South Carolina military college—to ban female cadets from attending the college.

The man who made the decision in the case of The Citadel, was a man who had the courage of his convictions. He had honed his skills as a Federal judge early in his career in West Virginia, when he outlawed the State's existing abortion law and presided over a violent school textbook controversy (the Kanawha County Textbook case).

He also presided over a class action lawsuit against Pittston Coal Company, over the tragic 1973 Buffalo Creek Flood which resulted in the deaths of 125 West Virginians and wiped out a small town. The lawsuit ended with a $13.5 million settlement for 625 plaintiffs.

Upon learning of his death, U.S. Senator ROBERT C. BYRD said that "he was someone on whom I could always rely for straightforward, no-nonsense advice . . ." This statement has been made by the many, many friends he left behind and who remember him with reverence and deep respect.

Before becoming a judge, Kenneth Hall served as Mayor of Madison in his home county of Boone, when in 1968 he ran unsuccessfully for the State Supreme Court—but he persevered and went on to serve as a hearing examiner for the Social Security Administration before his elevation to the federal bench.

Judge Hall is survived by his wife, Gerry, and his son Keller. Our thoughts and prayers go out to them, and we keep them and all West Virginians in our hearts as they mourn the loss of Judge Hall's incisive humor, his masterful storytelling, and his deep and compassionate understanding of the people he loved and served so well.

TRIBUTE TO THE LANERI FAMILY AND THE O.B. MACARONI COMPANY

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Ms. GRANGER. Mr. Speaker, I know the U.S. House of Representatives will join me in recognizing a family, company, and corporate citizen of Fort Worth who, for the past 100 years, have not only been significant contributors to the Fort Worth community and the state of Texas but have also made the best pasta this side of Italy. The Laneri family and O.B. Macaroni Company have been a cornerstone of the Fort Worth community; and, as they celebrate their 100th anniversary this year, they are doing so in grand fashion by donating thousands of pounds of pasta to those in need in North Texas and around the world. I want to take this opportunity to recognize the Laneri family, owners and managers of O.B. Macaroni Company, for their longtime contribution to the well being of the community.

An outstanding corporate citizen of Fort Worth, this family firm was founded in 1899. From the beginning, John B. (J.B.) Laneri, the family patriarch who came to Fort Worth in 1882, was the link between the company and the community.

In 1905, O.B. Macaroni Company was incorporated and J.B. Laneri became president. He was an early member of the Board of Trade, Director of the Fort Worth National Bank from 1902, and a noted philanthropist and local booster until his death in 1935. His home, built in 1921 at 902 S. Jennings Ave., is on the Texas Historical Register.

Located at the hub of the vast railroad network which reaches out of Fort Worth, the O.B. Macaroni Company shipped its popular products all across America, as well as provided secure and constant employment to the neighborhood.

The company grew; and in 1907 J.B.'s nephew, Louis Laneri, came to Fort Worth from New York City to join the firm. The business continued to expand; and in the 1930s Louis's sons, John and Carl, went to work for the thriving pasta company.

Built on strong ties to family and community, the Fort Worth Macaroni Company became one of the leading regional pasta manufacturers and is the only company of its kind still existing in the South and Southwest.

The fourth generation of the Laneri family, Louis II and Carlo, continues the pasta operation on the south side of town. Working at the company from their teens, both returned to the family enterprise after graduating from college (Texas Wesleyan University and Stephen F. Austin University, respectively).

Louis Laneri, representing O.B. Macaroni, is a member of the Board of Directors of the National Pasta Association and a member of the DFW Grocers Association, the Food Salesman's Association, and the Food Processors Association.

Carrying on a tradition of giving back to the community, the family donates regularly to the Tarrant County Food Bank, the Women's Haven of Tarrant County, and various Fort Worth social and religious causes and programs, including education in the Roman Catholic Diocese of Fort Worth.

Once again, Mr. Speaker, I want to congratulate and thank the Laneri family and the O.B. Macaroni Company for 100 years of success. Fort Worth is a better place thanks to their family unity, hard work, and charity over the past century.

ENDING MILITARY USE OF VIEQUES AND RETURNING IT TO THE PEOPLE OF PUERTO RICO

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. DIAZ-BALART. Mr. Speaker, I rise to commend the hard work of the Special Commission on the Situation of Vieques, which recently delivered its final report to the Governor of the Commonwealth of Puerto Rico. I would especially like to recognize the Honorable Anibal Acevedo Vila, who very ably served on this commission representing the Popular Democratic Party, for this tireless efforts on behalf of the people of Vieques as well as the general population of Puerto Rico.

The conclusion reached by the Special Commission is that the U.S. Navy must cease its activities on the island of Vieques and return the occupied territory to the people of Vieques as soon as possible. I am pleased to note that the Governor of Puerto Rico agreed with the report's findings and recommendations and adopted them as Administration policy.

I have reviewed the report and was very impressed by the Commission's extensive research and findings. I have the report available for Members of Congress and urge all to call me for copies, and if not for the page limit, I would publish it at this point in the CONGRESSIONAL RECORD.

Again, my congratulations to the Special Commission on the Situation of Vieques for their fine work in investigating U.S. Naval operations on the island.

CITIZENS MEMORIAL HEALTH CARE FACILITY

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. BLUNT. Mr. Speaker, I rise today to publicly congratulate the board of directors, administrative staff and employees of the Citizens Memorial Health Care Facility in Bolivar, Missouri for their outstanding vision, dedication and effort in attaining Merit Status in OSHA's Voluntary Protection Program. The 111 bed licensed skilled nursing facility located in Missouri's Seventh Congressional District joins over 400 other businesses in our nation in participation in this program. However this recognition is unique because this is the first skilled nursing care facility in the Nation to achieve this high level of safety compliance.

The designation was granted after an intensive 15 month-self study by employees at all levels followed by a rigorous five day comprehensive review visit by OSHA inspectors who found the facility to be fully in compliance with all regulations.

According to OSHA this designation means that the health and safety practices and procedures developed by CMHCF are models within the nursing care industry, and that the facility is preparing itself for even higher levels of health and safety compliance.

I would also point out that this outstanding achievement is the result of a cooperative effort between public and private entities rather than a unilateral regulatory effort on the part of a lone federal agency. To quote OSHA "This concept recognizes that compliance enforcement alone can never fully achieve the objectives of the Occupational Safety and Health Act. Good safety management programs that go beyond OSHA standards can protect workers more effectively than simple compliance."

This commitment to excellence in the care of its patients and employees is part of an overall culture of caring that is being recognized by a variety of outside agencies. For example, CMHCF is only one of seven facilities in the state that the Missouri Division of Aging has found to be deficiency free for six years or longer.

I express my appreciation, and that of all my colleagues, to Board President Dave Strader, Executive Director Don Babb, and Facility Administrator Jeff Miller for their leadership in bringing this national recognition to Bolivar Missouri and the Seventh Congressional District.

1999 EXCELLENCE IN BUSINESS AWARDS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the recipients of the fourth annual Excellence in Business Award for their high ethical standards, corporate success and growth, employee and customer service, and concern for the environment.

Award winners include many types of businesses from the Valley: agriculture; charities; finance; banking and insurance; health care; manufacturing; professional services; real estate and construction; nonprofit organizations; small businesses; retail and wholesale.

The 1999 Excellence in Business Award winners are: Joseph Gallo Farms-Agriculture, Big Brothers/Big Sisters of Fresno, Kings and Madera Counties Inc.-Charitable, Valley Small Business Development Corp.-Financial/Banking/Insurance, The Fresno Surgery Center-Healthcare, National Diversified Sales-Manufacturing, San Joaquin River Parkway and Conservation Trust-Nonprofit, Anthony C. Pings and Associates-Professional Services, Colliers Tingey Internatinal-Real Estate/Construction, Me-n-Ed's Pizzerias-Retail/Wholesale, McCombs and Associates-Small Business, and Samuel T. Reeves-Hall of Fame.

Mr. Speaker, I want to congratulate each of the 1999 Excellence in Business Award winners for their leadership and contributions to the community. I urge my colleagues to join me in wishing all of the recipients many more years of continued success.

TRIBUTE TO THE JOHNSON FAMILY ON THEIR 25TH REUNION

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. PAYNE. Mr. Speaker, I rise to bring to the attention of my colleagues here in the United States House of Representatives a family rich in both history and tradition. I speak of the Johnson Family, who will gather on July 30th–August 1, 1999 to celebrate their 25th Annual Johnson Family Reunion.

The Johnson Family are descendants of the distinguished George Johnson of Lincolnton, Georgia. The theme for this year's reunion of the Johnson Family is "A Strong Foundation . . . Bridge To The New Millennium."

At a time when we constantly hear that family values are a thing of the past, the Johnson Family stands out as a shining example of the strong, enduring bonds of family. As we enter this new millennium, we indeed draw inspiration from the Johnson family and their commitment to each other and to the betterment of society.

Mr. Speaker, I call upon all of my colleagues to join me in congratulating the Johnson Family as generations young and old gather for this special occasion. May their 25th family reunion be a successful event full of happy memories which they will carry to the new millennium.

INTRODUCTION OF THE EDUCATING AMERICA'S GIRLS ACT OF 1999, H.R. 2505

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. KILDEE. Mr. Speaker, I am pleased to introduce The Educating America's Girls Act of 1999, or the Girls Act, along with Representatives NANCY JOHNSON, WILLIAM CLAY, CONNIE MORELLA, LYNN WOOLSEY, and many of my other colleagues today.

In 1994, I worked very closely with the American Association of University Women (AAUW) and the National Coalition for Women and Girls in Education (NCWGE) to ensure that the Elementary and Secondary Education Act (ESEA) responded to gender-related differences in educational needs in order for each student to reach his or her full educational potential. Due to the changes adopted in the 1994 ESEA reauthorization, gender equity is a major theme throughout the current ESEA including: requiring professional development activities to meet the needs of diverse students, including girls; encouraging professional development and recruitment activities to increase the numbers of women math and science teachers; having sexual harassment and abuse as a focus of the Safe and Drug-Free Schools Act; and reauthorizing the Women's Educational Equity Act (WEEA), which funds research and programs to achieve educational equity for women.

The Girls Act responds to findings in the 1998 AAUW Educational Foundation Report, Gender Gaps: Where Schools Still Fail Our Children, which identified a number of areas where the educational needs of girls are still unmet. The Girls Act seeks to prepare girls for the future by: employing technology to compensate for different learning styles and exposing technology to disadvantaged groups, including girls; reducing the incidence of sexual harassment and abuse in schools; gathering data on the participation of girls in high school athletics programs; keeping pregnant and parenting teens in school; and reauthorizing the Women's Educational Equity Act (WEEA).

Education technology, which is being increasingly integrated into the curriculum of schools, is a new arena in which we must ensure that girls are not at a disadvantage. While the gaps in math and science achievement have narrowed for girls in the past six years, a major new gender gap in technology has emerged. While boys program and problem-solve with computers, girls use them for word processing—the 1990s version of typing. Little attention has been given to how the computer technology gender gap may impact girls' and boys' educational development. We need to dismantle the virtual ceiling now, before it becomes a real-life barrier to girls' futures.

Gender Gaps found that girls, when compared to boys, are at a significant disadvantage as technology is increasingly incorporated into the classroom. Girls tend to come to the classroom with less exposure to computers and other technology, and girls believe that they are less adept at using technology than boys. Girls tend to have a more "circumscribed, limited, and cautious" interaction with technology than boys. Schools can assist girls in developing a confident relationship with technology by intergrating digital tools into the curriculum so girls can pursue their own interests.

Gender Gaps warned that gender differences in the uses of technology must be explored and equity issues addressed now, before bigger gaps develop as computers become an integral part of teaching and learning in the K–12 curriculum. This is especially true considering that by the year 2000, 65 percent of all jobs will require technology skills. Current law lacks assurances that federal education programs will compensate for girls' different learning styles and different exposures to technology. I believe that federal education technology programs should be designed to better prepare girls for their future careers. The Girls Act requires states and local school districts to incorporate technology requirements in teacher training content and performance standards, to provide training for teachers in the use of education technology, and to take into special consideration the different learning styles and different exposures to technology for girls.

Sexual harrassment and abuse is a serious issue for the education of women and girls and should be a focus in the broader context of safety in our schools. The vast majority of secondary school students experience some form of sexual harassment during their school lives, with girls disproportionately affected. Sexual harassment is widespread and affects female students at all levels of education, including those in elementary and secondary schools. The AAUW Educational Foundation's 1993 survey of 8th through 11th grade students on sexual harassment in schools, Hostile Hallways: The AAUW Survey on Sexual Harassment in America's Schools, shows that the vast majority of secondary school students experienced some form of sexual harassment and that girls are disproportionately affected. While data on the incidence of sexual harassment is scant, Hostile Hallways found: 85 percent of girls experienced some form of sexual harassment; 65 percent of girls who have been harassed were harassed in the classroom and 73 percent of girls who have been harassed were harassed in the hallway of their school; a student's first experience of sexual harassment is most likely to occur in 6th to 9th grade; most girls were harrassed by a male acting alone or a group of males; and 81 percent of girls who have been harassed do not report it to adults.

A 1996 University of Michigan study showed that sexual harrassment can result in academic problems such as paying less attention in class and Hostile Hallways found that 32 percent of girls do not want to talk as much in class after experiencing harassment. Thirty-three percent of girls do not want to go to school at all due to the stress and anxiety they suffered as a result of the sexual harassment. Nearly 1 in 4 girls say that harassment caused them to stay home from school or cut a class.

We know little else about the extent of sexual harassment or even the nature and extent of more serious sexual crimes in schools. The Safe and Drug-Free Schools and Communities Act (SDFSCA) requires the National Center for Education Statistics (NCES) to collect data on violence in elementary and secondary schools in the United States. However, these reports provide only a very limited picture of sexual offenses in schools because they only capture data on rape or sexual battery reported to police. Further, school crime victimization surveys do not include questions on threats or abuse that are sexual in nature.

Sexual harassment in schools is illegal, a form of sexual discrimination banned under Title IX of the Education Amendment of 1972. On the 25th anniversary of Title IX, a report by NCWGE found that less progress was made in the area of sexual harassment than in any other gender equity issue in education. NCWGE concluded that few schools have sexual harassment policies, or effectively enforce them. In addition to calling for more intensified Office of Civil Rights enforcement, NCWGE called on schools to adopt comprehensive policies and programs addressing sexual harassment.

The Girls Act affords an opportunity to greatly reduce the incidence of sexual harassment by gathering data on these often hidden offenses and providing programs to prevent sexual harassment and abuse. As 65 percent of sexual harassment in schools occurs in the classroom, the Girls Act trains teachers and administrators to recognize sexual harassment and develop prevention policies to greatly reduce incidences of sexual harassment and abuse in schools.

Equal access to education for girls means equal access to opportunities for athletic participation in our schools, particularly our high schools. Unfortunately, nationwide data measuring the participation of girls in physical education and high school athletics programs is very limited. Data on girls' participation in physical education and high school athletics programs must be collected and regularly reported by the U.S. Department of Education in order to determine whether girls are fully participating in these activities. Participation in high school athletics programs is important for girls because research has shown that it improves girls' physical and mental health. Additionally, for some girls, high school athletic participation can translate into college scholarships. However, currently there is very little data on high school athletic opportunities for girls to ensure that girls' interests are being met.

A study by the President's Council on Physical fitness and Sports recently found that girls playing sports have better physical and emotional health than those who do not. The study also found that higher rates of athletic participation were associated with lower rates of sexual activity and pregnancy. Other studies link physical activity to lower rates of heart disease, breast cancer, and osteoporosis later in life. Sports build girls' confidence, sense of physical empowerment, and social recognition within the school and community.

Many girls who participate in high school athletics programs receive college scholarships. Girls who have pursued athletic opportunities have received solid encouragement from parents, coaches, and teachers. By participating in high school athletics programs, girls increase their chances at receiving a college scholarship. For many girls, a college scholarship is the only way they can pursue higher education. The Girls Act requires the National Center on Education Statistics to collect data on the participation of high school students in physical education and athletics programs by gender.

Education is the means for all girls, including pregnant and parenting teens, to achieve economic self-sufficiency. Despite strides in making education accessible to girls, dropping out of school remains a serious problem. Five out of every 100 young adults enrolled in high school remains a serious problem. Five out of every 100 young adults enrolled in high school in 1996 left school without successfully completing a high school program. In October of 1997, 3.6 million young adults, or 11 percent of young adults between the ages of 16 and 24 in the United States, were neither enrolled in a high school program nor had they completed high school. Girls who drop out are less likely than boys to return and complete school.

Twenty-five years after the enactment of Title IX, pregnancy and parenting are still the most commonly cited reasons why girls drop out of school. The United States has the highest teen pregnancy rate of any industrialized nation. Almost one million teenagers become pregnant each year and 80 percent of these pregnancies are unintended. Two-thirds of girls who give birth before age 18 will not complete high school. Further, the younger the adolescent is when she becomes pregnant, the more likely it is that she will not complete high school. The Girls Act strengthens support for programs to keep pregnant and parenting teens in school to earn a high school diploma.

Finally, the Women's Educational Equity Act (WEEA) represents the federal commitment to helping schools eradicate sex discrimination from their programs and practices and to ensuring that girls' future choices and success are determined not be their gender, but by their own interests, aspirations, and abilities. Since its inception in 1974, WEEA has funded research, development, and dissemination of curricular materials; training programs; guidance and testing activities; and other projects to combat inequitable educational practices. The Girls Act reauthorizes WEEA.

Mr. Speaker, up to this point I have primarily focused my efforts on strengthening accountability, teacher quality, class-size reduction and school safety, but I intend to seed the incorporation of many of the Girls Act provisions in our efforts to reauthorize ESEA. By working together, we can ensure that the educational needs of both boys and girls are met in the 1999 reauthorization of the Elementary and Secondary Education Act so that the adults of tomorrow will be prepared to compete in the ever-changing global economy of the 21st century.

Mr. Speaker, I am proud to introduce the Educating America's Girls Act of 1999 today and urge my colleagues to support this important legislation.

FALSE CLAIMS ACT

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. BERMAN. Mr. Speaker, I submit the following for the RECORD:

Hon. JANET RENO,
Attorney General of the United States,
U.S. Department of Justice,
Washington, DC.

DEAR MADAM ATTORNEY GENERAL:

As you know, we are the principal House and Senate sponsors of the 1986 Amendments to the False Claims Act, 31 U.S.C. §3729, et seq. ("the Amendments"). We have watched with pride the remarkable success of the amendments in bringing to the attention of the federal government hundreds of cases of fraud. We are particularly pleased with the qui tam provisions of the Amendments, which have resulted in cases that have returned $2:3 billion to the federal Treasury.

With dismay, however, we have watched the federal courts interpret several sections of the Amendments in ways that directly contravene Congressional intent, and, of even greater significance, discourage and foreclose potential relators from bringing meritorious cases. In particular, we are extremely concerned with the courts' crabbed interpretations of the public disclosure bar—§3730(e)(4)(A) and (B). That provision, which was drafted to deter so-called "parasitic" cases, has been converted by several circuit courts into a powerful sword by which defendants are able to defeat worthy relators and their claims. If this trend continues, we fear that the very purpose of the Amendments—"to encourage more private enforcement suits"—ultimately will be undermined. See S. Rep. No. 99-345, at 23–24 (1986).

Thus, we believe it is imperative that the Department of Justice ("the Department") adopt and adhere publicly to an interpretation of the public disclosure bar that comports with the plain meaning of the statute and the Congress' obvious intent. The Department's role in this regard is critical. First, of course, the Department is often involved as a party in cases where the public disclosure bar is raised, and it is entitled and expected to make its views known. Even in cases where the Department determines not to intervene, Congress intended for the Department to be involved in monitoring cases, in part to address questions significant to the ongoing operation of the statute. See e.g. §3730(c)(3) and (c)(4). Finally, as the agency charged, in effect, with the administration of the False Claims Act, the courts are likely to accord significant deference to the Department's interpretation of the Act, and we believe the Department has an obligation to the Congress and to the courts to articulate those views.

With this letter, we intend to provide a detailed explanation of our view of the public disclosure bar, focusing in particular on some of the cases where we believe the courts have misinterpreted the law. In order to place that discussion in context, we want first to explain the origin and significance of the public disclosure bar so that the cases can be viewed in light of Congress' intent.

The public disclosure bar is intertwined inextricably with the history of the qui tam provisions of the statute. From its enactment in 1863, the False Claims Act allowed a relator to bring a qui tam action even if the Government already knew of, investigated and even criminally prosecuted the identical fraud. Such parasitic suites, made infamous in the Supreme Court's decision in Marcus v. Hess, 317 U.S. 537 (1943), allowed relators to recover if they "contributed nothing to the discovery of this crime." Id. At 545. To correct that obvious inequity, Congress enacted the government knowledge bar in 1943, which prohibited qui tam suits based on information in the Government's possession. The government knowledge bar, however, was interpreted too broadly by the courts. If information about fraud was in a file somewhere in the vast federal bureaucracy, a qui tam case was barred even if the government was unaware of the information in its files or had done nothing to pursue it. Indeed, one court held that even if it was the relator him or herself who had reported the fraud to the federal government, their case was precluded on the theory that the government had knowledge of the fraud before the relator filed their case. See, e.g. United States ex rel. State of Wisconsin v. Dean, 729 F.2d 1100 (7th Cir. 1984).

The 1986 Amendment sought to restore some balance between these two extreme regimes. Unquestionably, Congress wanted to prohibit qui tam cases that merely copies a federal criminal indictment and to allow those in which the relator simply informed the government of their allegations before filing suit. But there is considerable terrain between these two poles, and it is here that the courts seem to get lost. The key to navigating the public disclosure bar successfully is understanding Congress' purpose is enacting the Amendments.

Three goals inspired the 1986 Amendments. First and foremost, Congress wanted to encourage those with knowledge of fraud to come forward. Second, we wanted a mechanism to force the government to investigate and act on credible allegations of fraud. Third, we wanted relators and their counsel to contribute additional resources to the government's battle against fraud, both in terms of detecting, investigating and reporting fraud and in terms of helping the government prosecute cases. The reward to the relator is for furthering these goals.

In reversing the old government knowledge bar, however, we wanted to continue to preclude qui tam cases that merely repackage allegations the government can be presumed already to know about because they were disclosed publicly either in a federal proceeding or in the news media. The reason is simple: if the relator simply repeats allegations that he or she heard from someone else and about which the government is already aware and taking action, the relator contributes nothing to the government's efforts to combat fraud. Accordingly, in the 1986 Amendments, we provided that a qui tam case is barred if the relator has based his or her filing upon publicly disclosed allegations unless the relator already has provided information concerning the allegations to the government before filing suit.

Certain courts have exploded this limited bar in ways that mock the very purpose and intent of the 1986 Amendments. A recent case is illustrative. In United States ex rel. Jones v. Horizon Healthcare Corp., No. 97-1635, the Sixth Circuit Court of Appeals held that Ms. Jones' qui tam action was barred because, before she filed her case, she had filed an application for unemployment insurance with the Michigan Employment Security Commission. Her application stated that she had been fired after reporting to her supervisor at Horizon HealthCare that she believed several claims prepared for submission to Medicare were false. The Court held that Ms. Jones' unemployment application was a public disclosure within the federal government prior to filing her action, her suit was barred.

In both its reasoning and its outcome, Jones strays far from the policies that underlie the public disclosure bar. First, as you know, 3730(e)(4)(A) specifically limits a public disclosure to "allegations or transactions" disclosed in a "criminal, civil, or administrative hearing, in a Congressional, administrative, or Government Accounting Office report, hearing, audit or investigation, or from the news media." That list is exclusive, as many of the courts to have considered the question agree. See U.S. ex rel. Dunleavy v. County of Delaware, 123 F.3d 734, 744 (3rd. Cir. 1997) (recognizing the "prevailing view is that this list constitutes an exhaustive rendition of possible sources.") Only an absurdly broad definition of an "administrative hearing" would put an application for unemployment insurance on that list. And Congress did not intend to enact absurdities.

We did intend, and any fair reading of the statute will confirm, that the disclosure must be in a federal criminal, civil or administrative hearing. Disclosure in a state proceeding of any kind should not be a bar to a subsequent qui tam suit. The reason is grounded in the history of the FCA and the policies underlying the 1986 Amendments that we just reviewed. One thing is common to the law throughout its history. It was the Federal Government's knowledge of fraud that triggered the government knowledge bar; it was the federal government's indictment in Marcus v. Hess that formed the basis of the parasitic suit. Thus, when it enacted the public disclosure bar in 1986, Congress was concerned about what the federal government knew about fraud, that is, whether the federal government had in its possession sufficient information to investigate and pursue allegations of fraud, and whether that information was sufficiently publicized so that the federal government would be forced to act or explain why it chose not to act. As was noted in the Senate Report on the Amendments: "Unlike most other types of crimes or abuses, fraud against the Federal Government can be policed by only one body—the Federal Government." S. Rep. 99-345 at 7. To suggest that Congress was concerned with disclosure to anyone other than the federal government when it enacted the public disclosure bar is to ignore history. And to suggest, as the Sixth Circuit held in Jones, that disclosure of fraud to a state agency on an application for unemployment is likely to alert the federal government to fraud is to ignore common sense.[1]

Unfortunately, Jones is by no means an isolated example. U.S. ex rel. Fine v. Advanced Sciences, Inc., 99 F.3d 1000 (10th Cir. 1996) is an equally egregious example of judicial overreaching. In Advance Sciences, the Tenth Circuit held, first, that the listed sources in §3730(3)(4)(A) were not the exclusive means of public disclosure—a holding which, as we have noted already, is simply wrong. The Court went on, however, to hold that a public disclosure occurs whenever the allegations or transactions are provided to any member of the public who is a "stranger to the fraud." In Mr. Fine's case, the stranger was a representative of the American Association of Retired Persons counseling Mr. Fine with respect to a potential age discrimination claim. By public disclosure, we meant disclosure to the public at large, not just one member of the public and certainly not to a confidential counselor. U.S. ex rel. John Doe v. John Doe Corp., 960 F.2d 318 (2nd Cir. 1992), reached a similarly untenable result, holding that disclosure of a government investigation of fraud to the employees of the defendant corporation was during their interviews with government investigators a public disclosure within the meaning of the False Claims Act.

Finally, in this regard, we want forcefully to disagree with cases holding that qui tam suits are barred if the relator obtains some, or even all, of the information necessary to prove fraud from publicly available documents, such as those obtained through a Freedom of Information Act (FOIA) request. See ex rel. Schumer v. Hughes Aircraft Co., 63 F.3d 1512, 1520 (9th Cir. 1995), (finding that a public disclosure would occur only if the relator makes a FOIA request and receives the information requested). We believe that a realtor who uses their education, training, experience, or talent to uncover a fraudulent scheme from publicly available documents, should be allowed to file a qui tam action. Cases such as U.S. ex rel. Stinson, Lyons, Gerlin & Bustamante, P.A. v. Prudential Ins. Co., 944 F. 2d 1149, 1150 (3rd Cir. 1991), which held that a "relator must possess substantive information about the particular fraud, rather than merely background information which enables a putative relator to understand the significance of a publicly disclosed transaction or allegation [,]" undermine Congress' explicit goals. If, absent the relator's ability to understand a fraudulent scheme, the fraud would go undetected, then we should reward relators who with their talent and energy come forward with allegations and file a qui tam suit.[2] This is especially true where a relator must piece together facts exposing a fraud from separate documents.

The consequences of these decisions are alarming. Fraud may well go unpunished and, as a practical matter, undetected. Relators, like Ms. Jones, who are fired from their jobs because they blew the whistle on fraud and then take the not unreasonable step of applying for unemployment insurance will be told by their lawyers that their qui tam case is barred. Congress never intended to force relators to choose between filing a qui tam case and providing for themselves and their families.

The Jones case highlights one aspect of the public disclosure bar that has been widely misinterpreted by the courts—the question of what constitutes public disclosure. Unfortunately, other issues involving the public disclosure bar also need to be addressed. A second issue concerns how much information needs to be disclosed in order to constitute a disclosure of "allegations or transactions." On this question, some, but by no means all, of the courts have held appropriately that in order to trigger the bar, the disclosure must include all of the essential elements of the fraud against a specifically identified defendant. As the Eleventh Circuit observed in U.S. ex rel. Cooper v. Blue Cross and Blue Shield,

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Footnotes appear at end of letter.

19 F. 3d 562, 566 (11th Cir. 1994): "Requiring that allegations specific to a particular defendant be publicly disclosed before finding the action potentially barred encourages private citizen involvement and increases the changes that every instance of specific fraud will be revealed. To hold otherwise would preclude any qui tam suit once widespread—but not universal—fraud in an industry was revealed." See also U.S. ex rel. Lidenthan v. General Dynamics Corp., 61 F. 3d 1402 (9th Cir. 1995) cert. denied 517 U.S. 1104 (1996) (disclosures that make no mention of specific defendant insufficient to invoke bar).[4]

Not only must the particular defendant be identified, so too must all of the elements necessary to bring a fraud action. As the D.C. Circuit explained in U.S. ex rel Springfield Terminal Ry Co. V. Quinn, 14F.3d 645 (D.C. Cir. 1994), "Congress sought to prohibit qui tam actions only when either the allegation of fraud of the critical elements of the fraudulent transaction themselves were in the public domain." Bits and pieces of information about a defendant and some of its actions—even when publicly disclosed—rarely add up to an allegation of fraud. There must be "enough information * * * in the public domain to expose the fraudulent transaction." U.S. ex rel. Rabushka v. Crane Co., 40 F.3d 1509, 1513–14 (8th Cir. 1994) quoting Springfield, 14 F.3d at 65. To hold otherwise, as some courts have, would undermine the stated purposes of the False Claims Act.

"Embracing too broad a definition of 'transaction' threatens to choke off the efforts of qui tam relators in their capacity as 'private attorneys general.' By allowing [qui tam] complaint[s] to proceed beyond the jurisdictional inquiry, we help ensure that private actions designed to protect the public fisc can proceed in the absence of governmental notice or potential fraud. This is not the type of case that Congress sought to bar, precisely because the publicly disclosed transactions involved do not raise such an inference of fraud."—Id., at 1514.

The last issue we want to raise with respect to public disclosure concern the "original source" exception to the bar. The public disclosure bar applies "unless the action is brought by the Attorney General or the person bringing the action is an original source of the information" 31 U.S.C. §3730(e)(4)(A). Section 3730(e)(4)(B) defines "original source" as a relator with "direct and independent knowledge of the information on which the allegations are based who has voluntarily provided the information to the Government before filing an action under this section which is based on the information." This provision, too, is a source of considerable confusion and controversy in the courts. Again, however, what Congress intended when it drafted the original source exception is easy to discern both from the statute itself and from its legislative history.

First, the language of the statute makes plain that by "original source," Congress meant an original source of information provided to the government and did not, as some courts have held, add an additional requirement that the relator also be the original source of the public disclosure that triggers the bar. See, e.g. U.S. ex rel. *Dick* v. *Long Island Lighting Co.*, 912 F.2d 13 (2d Cir. 1990); U.S. ex rel. *Wang* v. *FMC Corp.*, 975 F.2d 1412, 1418 (9th Cir. 1992). There is no statutory nor logical linguistic connection between an original source and the public disclosure that triggers the bar. Of course, a relator could be an original source of the information publicly disclosed, if the relator first provided the information to the Government.

Nor is there any policy rationale that would justify such an interpretation of the original source provision. When Congress enacted the original source provision, we had in mind a scenario where an individual reports fraud to the government and then there is a subsequent public disclosure of the allegations or transactions before that person has filed a qui tam complaint. The disclosure could be, for example, a criminal indictment brought by the Government as a result of the relator's information. It could also be a press story, based on a leak from a Government investigation or an enterprising reporter's investigative skills. Under these circumstances, the relator would not be barred from bringing a qui tam case. To the contrary, he or she should be rewarded for bringing to the Government information about the fraud.

Defendants have also sought the dismissal of relators by urging that "direct and independent knowledge" somehow requires the relator to be an eyewitness to the fraudulent conduct as it occurs. To the contrary, as the Eleventh Circuit concluded in *Cooper* v. *Blue Shield of Florida, Inc.*, 19 F.3d 562 (1994) a relator's knowledge of the fraud is "direct and independent" if it results from his or her own efforts. For example, a relator who learns of false claims by gathering and comparing data could have direct and independent knowledge of the fraud, regardless of his or her status as a precipitant witness.

In light of these policies, it should not be surprising that we support emphatically the courts that have held that §3730(e)(4)(B) does not require that the qui tam relator possess direct and independent knowledge of "all of the vital ingredients to a fraudulent transaction." Springfield, 14 F.3d at 656–57. As Representative Berman explained, "A person is an original source if he had some of the information related to the claim which he made available to the government . . . in advance of the false claims being publicly disclosed." 132 Cong. Rec. 29322 (Oct. 7, 1986).

In closing, we want to urge you to consider seriously the Department's obligation to shape the courts' interpretation of the False Claims Act. We are frankly troubled by the fact that the majority of cases confronting the public disclosure bar are cases in which the Department has not intervened and in which there is no reference at all to the Department's views. To us, it appears that the courts take the Department's decision not to intervene in a case as a verdict on the merits of the relator's claims and are using the public disclosure bar in order to dismiss the case quickly. Even if some of those cases should be dismissed on the merits, we cannot countenance a tortured interpretation of the public disclosure bar to reach a desired result. Moreover, if the public disclosure provisions continue to be misinterpreted, relators and their counsel will be deterred from filing truly meritorious claims.

Further, not all of the cases in which the public disclosure bar is raised are those in which the government has declined to intervene. Defendants make public disclosure motions after the government has joined a case, and they do so for only one reason: to deprive the government of the resources that relators and their counsel bring to the case. Yet in those cases, too, the Department is typically silent, refusing to take a position on the public disclosure issue. That stance, too, may well undermine Congress' expressed intent.

One of the principal goals of the 1986 Amendments was to ameliorate the "lack of resources on the part of Federal enforcement agencies." S. Rep. 99-345 at 7. That was one of the reasons we strengthened the qui tam provisions of the law. Thus, we expected some meritorious cases to proceed without the Government's intervention, and we fully expected that the Government and relators would work together in many cases to achieve a just result. By dismissing relators based on spurious interpretations of the public disclosure bar, the courts are depriving the government of these additional resources. And those resources have been considerable. In numerous cases, relators and their counsel have contributed thousands of hours of their time and talent and spend hundreds of thousands of their own dollars investigating and pursuing their allegations. The Department must act to protect those resources, even in cases where it has not intervened. When a question of statutory interpretation arises, particularly with respect to the public disclosure bar, the Department must make its views known to the court. As we stated emphatically at the time the Amendments were adopted, Congress enacted the Amendments based on the belief that "only a coordinated effort of both the Government and the citizenry will decrease this wave of defrauding public funds." We continue to hold that view.

Sincerely,

HOWARD L. BERMAN,
Member of Congress.
CHARLES E. GRASSLEY,
U.S. Senator.

FOOTNOTES

[1] The same is true for civil complaints filed in state court or discovery obtained as a result of state court proceedings, which several Circuits have held constitute public disclosures within the meaning of §3720(3)(4)(A). See e.g. U.S. ex rel. *Kreindler & Kreindler* v. *United Technologies Corp.*, 985 F.2d 1148, 1158 (2d Cir.), *cert. denied*, 113 S.Ct. 2962 (1993) (holding that discovery materials contained in unsealed court records was "publicly disclosed"); U.S. ex rel. *Stinson, Lyons, Gerlin & Bustamante* v. *Prudential Ins. Co.*, 944 F2d 1149, 1155–56 (3d Cir. 1991) (holding that the disclosure of discovery material—even if not filed in court—constitutes a public disclosure). We believe those cases are wrongly decided. Disclosure of fraud in a state court proceeding, even a state criminal proceeding, is unlikely to get to the attention of the federal government, unless it is publicized in the news media, a contingency the public disclosure bar addresses.

[2] Some courts do get it right. In U.S. ex rel. *Fallon* v. *Accudyne Corp.*, 921 F.Supp. 611 (W.D. Wisc. 1995), the court held that an audit report produced by a state agency did not constitute a public disclosure. "Under these circumstances there is no reason to believe that the United States would become aware of such information." *Id.*, at 625.

[3] Senator Grassley made a similar comment during the debate on the 1986 Amendments: "The publication of general, non-specific information does not necessarily lead to the discovery of specific, individual fraud which is the target of the *qui tam* action." False Claims Act Implementation: Hearing Before the Subcomm. On Admin. Law and Gov. Relations of the House Comm. On the Judiciary, 101st cong. 6 (1990) Statement of Senator Grassley.

PRESCRIPTION DRUGS

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Ms. LEE. Mr. Speaker, I rise to today in strong support of the President's plan to modernize and strengthen Medicare for the 21st century. This proposal will create an affordable prescription drug benefit program that will expand the accessibility and autonomy of all Medicare patients.

Currently, Medicare offers a very limited prescription drug benefit plan for the 39 million aged and disabled persons obtaining its services. Many of these beneficiaries have to supplement their Medicare health insurance program with a private or public health insurance in order to cover the astronomical costs not met by Medicare. Unfortunately, most of these plans offer very little drug coverage if any at all. Therefore, Medicare patients across the U.S. are forced to pay over half of their total drug expenses out-of-pocket. Due to these circumstances, patients do not get the adequate medication needed to successfully treat their conditions.

In 1995, we find that persons with supplementary prescription drug coverage used 20.3 prescriptions per year compared to 15.3 for those individuals lacking supplementary coverage. The patients without supplementary coverage are forced to compromise their health because they cannot afford to pay for the additional drugs they need. The quality and life of these individuals continues to deteriorate while we continue to limit their access to basic health necessities. The President's measure will tackle this problem by allowing our patients to purchase prescription drugs at a lower price.

Why should our patients have to continually compromise their health by being forced to decide which prescription drugs to buy and which drugs not to take, simply because of budgetary caps that limit their access to treat the health problems they struggle with? These patients cannot afford to pay these burdensome costs. We must work together to expand Medicare by making it more competitive, efficient, and accessible to the demanding needs of our patients. The federal government is expecting a surplus of $2.9 trillion over the next 10 years. By investing directly in Medicare, we choose to invest in the lives, health, and future of our patients.

The House Committee on Government Reform conducted several studies identifying the price differential for commonly used drugs by senior citizens on Medicare and those with insurance plans. These surveys found that drug manufacturers engage in widespread price discrimination, forcing senior citizens and other individual purchasers to pay substantially more for prescription drugs than favored customers, such as large HMOs, insurance companies, and the federal government.

According to these reports, older Americans pay exorbitant prices for commonly used drugs for high blood pressure, ulcers, heart problems, and other serious conditions. The report reveals that the price differential between favored customers and senior citizens for the cholesterol drug Zocor is 213%; while favored customers—corporate, governmental, and institutional customers—pay $34.80 for the drug, senior citizens in the 9th Congressional District may pay an average of $109.00 for the same medication. The study reports similar findings for four other drugs investigated in the study: Norvase (high blood pressure): $59.71 for favored customers and $129.19 for seniors; Prilosec (ulcers): $59.10 for favored customers and $127.30 for seniors; Procardia XL (heart problems): $68.35 for favored customers and $142.21 for seniors; and Zoloft (depression); $115.70 for favored customers and $235.09 for seniors. If Medicare is not paying for these drugs, then the patient is left to pay out-of-pocket. Numerous patients are forced to gamble with their health when they cannot afford to pay for the drugs needed to treat their conditions. Every day, these patients have to live with the fear of having to encounter major medical problems because they were denied access to prescription drugs they could not afford to pay out of their pocket. Often times, senior citizens must choose between buying food or medicine. This is wrong.

Many Medicare patients have significant health care needs. They are forced to survive on very limited resources. They are entitled to medical treatments at affordable prices. The President's plan will benefit 31 million patients each year. This plan will address many of the problems relating to prescription drugs and work to ensure that patients have adequate access to their basic health needs. Let's stop gambling with the lives of Medicare patients and support this plan to strengthen and modernize Medicare for the 21st century.

TRIBUTE TO VIKKI BUCKLEY

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

Mr. SCHAFFER. Mr. Speaker, I rise today to recognize the life and contributions of Vikki Buckley, Colorado's Secretary of State, who passed away this morning after suffering an apparent heart attack on Tuesday. Quoting a friend of hers, "Vikki's no longer in the hands of doctors. She's now in the arms of God."

Vikki, who proudly proclaimed herself to not be a hyphenated American, but a proud American. She held the distinction of being the first Black Secretary of State and the first Black Republican woman elected to a statewide constitutional office. Winning her first election by 57 percent to 36 percent in 1994, she was reelected last November. Running for office for the first time, Vikki was selected for the Republican ballot after defeating several opponents at the Colorado Republican State Assembly in 1994. She distinguished herself from her opponents when she stood up and delivered one of the best speeches I've had the pleasure of hearing.

An outspoken conservative, Vikki served as the state's chief election official and traveled around the state and country continuing to speak out on varying issues of importance to her, enduring the wrath of liberals. Most recently, she gave the opening remarks at the National Rifle Association's annual meeting in Denver, CO. Her speech has been acknowledged nationwide and most insightful concerning the heart of humanity and the preservation of the entire Constitution of the United States, including the Second Amendment.

Mr. Speaker, I hereby submit Vikki's speech for the record.

WELCOMING REMARKS OF THE COLORADO SECRETARY OF STATE MS. VIKKI BUCKLEY

Good morning! I greet you as Secretary of State of Colorado and I welcome you to Colorado, a state where some of us believe strongly in the entire Constitution of these United States, including the Second Amendment.

Isn't it ironic that many who would run you out of town would themselves be unable to even vote had we as a nation not honored all provisions of the United States Constitution?

To them I say—shame on you!

I stand before you today as one who has worked closely with the family of Isaiah Shoels. Isaiah was the Columbine High School student who was killed in part because of the color of his skin.

I must agree with Isaiah's father Michael who has stated that guns are not the issue. Hate is what pulls the trigger of violence.

We are witnesses to new age hate crimes which we must eliminate if we are to remain the greatest nation on earth.

What is a new age hate crime?

When our children leave for school without a value system which places a premium on human life—we are accessories to a new age hate crime.

Parents, when you raise your children and send them to school without a value system which teaches the difference between right and wrong; then parents, we have committed a new age hate crime.

I say to those who run our schools, when you allow children to graduate who are technologically and functionally illiterate—you have committed a new age hate crime because those children are destined to be economically tortured to death as though they had been chained and dragged behind a pickup truck in Jasper, Texas.

Those who would run the NRA out of town need to look at our own children who are engaging in irresponsible sex and having children they cannot take care of. Such irresponsible sex is a new age hate crime—raise as much heck about that as you do the NRA and you will save more lives in 5 years than are taken with guns in a century.

If we allow the language of hate in our homes—when terms such as "nigger" are freely used then we are laying the foundation for new age hate crimes. The language of hate must be challenged.

Just before a skinhead gunned down a black man on a downtown Denver street last year he asked, "Are you ready to die, nigger?" Columbine eyewitness accounts reveal that just before Isaiah's killers fired they asked, "Where is that little nigger?" The language of hate must go.

Now I know that some of what I say here today can make some of us squirm a little bit. We are all guilty of harboring some prejudices and stereotypes. But it is when we are most uncomfortable about addressing an issue that we become so close to real problem solving.

People we can do better. I am not a hyphenated American. I am an American. That is why I know we can do better.

I find it difficult to discuss—but I have been a victim of a gun-shot wound. I know first hand the pain and fear—but that experience has not made me an opponent of the NRA or the Second Amendment.

That is why I stand before you today and ask you to join me and commit NRA resources to combat violence and hate. I am not talking a slick PR campaign, I am talking about a programmatic approach designed to combat violence and hate. I will be in touch to make this proposal a reality.

Together, we can work for a living memorial to those who perished at Columbine. But we must stand ever strong against those who would ignore sections of the U.S. Constitution which they do not like. We are a strong democracy because the guiding principles of our Constitution and all of its amendments including the Second must be adhered to in its entirety, not selectively.

Thank you and God bless America.

Vikki, the mother of three sons and the grandmother of two, was once on welfare to support her children. She left public welfare 25 years ago when she became a clerk typist in the Secretary of State's office, the office which she eventually directed as Secretary of State. She attended Heritage Christian Center and was a board member of Project Heritage. She was a founding member and director of the Colorado Stand Up for Kids Organization, and mentored young ladies in the nonprofit organization Empowering Young Ladies for Excellence, and spoke to international women's organizations regarding bridging differences to make a stronger global community. She has worked to help homeless kids and has worked tirelessly in the cause of stopping youth and gang violence.

Vikki was twice featured in significant publications, the December 1995 Ladies Home Journal—"Against all Odds", and Atlantic Monthly, 1996, "America's Conservative Women." She received numerous awards including the Political Award from National Federal of Black Business Women and numerous "Breaking through the Glass Ceiling" awards.

Mr. Speaker, I thank you for giving me the opportunity to share a snapshot of Vikki Buckley's life and the contributions she has made to the state of Colorado and this Nation. Our lives have been enriched for having known Vikki.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 15, 1999 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 16

9 a.m.

Energy and Natural Resources

To resume oversight hearings to examine damage to the national security from alleged Chinese espionage at the Department of Energy nuclear weapons laboratories.

SD–366

10 a.m.

Judiciary

Administrative Oversight and the Courts Subcommittee

To hold hearings on S. 253, to provide for the reorganization of the Ninth Circuit Court of Appeals; and review the report by the Commission on Structural Alternatives for the Federal Courts of Appeals regarding the Ninth Circuit.

SD–628

JULY 20

9:30 a.m.

Health, Education, Labor, and Pensions

To resume hearings on proposed legislation authorizing funds for programs of the Elementary and Secondary Education Act, focusing on improving use of funds.

SD–430

Environment and Public Works

Fisheries, Wildlife, and Drinking Water Subcommittee

To hold hearings on the habitat conservation plans.

SD–406

Governmental Affairs

Investigations Subcommittee

To hold hearings to examine deceptive mailings and the need for legislation to curb the deceptive practices used in the sweepstakes, skill contests and government look-alike mailings.

SD–342

10 a.m.

Budget

To hold hearings to review the President's budget for fiscal year 2000.

SD–608

11 a.m.

Foreign Relations

To hold hearings on the nomination of A. Peter Burleigh, of California, to be Ambassador to the Republic of the Philippines and as Ambassador to the Republic of Palau; the nomination of Robert S. Gelbard, of Washington, to be Ambassador to the Republic of Indonesia; the nomination of M. Osman Siddique, of Virginia, to be Ambassador to the Republic of Fiji, and as Ambassador to the Republic of Nauru, Ambassador to the Kingdom of Tonga, and Ambassador to Tuvalu; and the nomination of Sylvia Gaye Stanfield, of Texas, to be Ambassador to Brunei Darussalam.

SD–419

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 729, to ensure that Congress and the public have the right to participate in the declaration of national monuments on federal land.

SD–366

Aging

To hold hearings to examine the effects on drug switching in Medicare managed care plans.

SD–106

JULY 21

Time to be announced

Intelligence

To hold closed hearings on pending intelligence matters.

SH–219

9:30 a.m.

Indian Affairs

To hold hearings on S. 985, to amend the Indian Gaming Regulatory Act.

SD–106

Armed Services

To hold hearings on the nomination of F. Whitten Peters, of the District of Columbia, to be Secretary of the Air Force; and the nomination of Arthur L. Money, of Virginia, to be an Assistant Secretary of Defense.

SR–222

Environment and Public Works

Fisheries, Wildlife, and Drinking Water Subcommittee

To continue hearings on the habitat conservation plans.

SD–406

10 a.m.

Budget

To continue hearings to review the President's budget for fiscal year 2000.

SD–608

Judiciary

To hold hearings on combatting methamphetamine proliferation in America.

SD–628

2 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 1184, to authorize the Secretary of Agriculture to dispose of land for recreation or other public purposes; S. 1129, to facilitate the acquisition of inholdings in Federal land management units and the disposal of surplus public land; and H.R. 150, to amend the Act popularly known as the Recreation and Public Purposes Act to authorize disposal of certain public lands or national forest lands to local education agencies for use for elementary or secondary schools, including public charter schools.

SD–366

Judiciary

Criminal Justice Oversight Subcommittee

To hold oversight hearings on Federal asset forfeiture, focusing on its role in fighting crime.

SD–628

JULY 22

Time to be announced

Intelligence

To hold closed hearings on pending intelligence matters.

SH–219

9:30 a.m.

Environment and Public Works

To hold hearings on S. 835, to encourage the restoration of estuary habitat through more efficient project financing and enhanced coordination of Federal and non-Federal restoration programs; S. 878, to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program; S. 1119, to amend the Act of August 9, 1950, to continue funding of the Coastal Wetlands Planning, Protection and Restoration Act; S. 492, to amend the Federal Water Pollution Act to assist in the restoration of the Chesapeake Bay; S. 522, to amend the Federal Water Pollution Control Act to improve the quality of beaches and coastal recreation water; and H.R. 999, to amend the Federal Water Pollution Control Act to improve the quality of coastal recreation waters.

SD–406

10 a.m.

Foreign Relations

Near Eastern and South Asian Affairs Subcommittee

To hold hearings on the United State's policy with Iran.

SD–419

2 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 1320, to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands, focusing on Title I and Title II, and related Forest Service land management priorities.

SD–366

2:30 p.m.

Foreign Relations

To hold hearings on the nomination of J. Brady Anderson, of South Carolina, to be Administrator of the Agency for International Development.

SD–419

JULY 27

9:30 a.m.

Energy and Natural Resources

To hold hearings on S. 1052, to implement further the Act (Public Law 94–241) approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

SD–366

JULY 28

9:30 a.m.

Indian Affairs

To hold hearings on S. 979, to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes.

SR–485

2:30 p.m.

Energy and Natural Resources

Water and Power Subcommittee

To hold hearings on S. 624, to authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana; S. 1211, to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner; S. 1275, to authorize the Secretary of the Interior to produce and sell products and to sell publications relating to the Hoover Dam, and to deposit revenues generated from the sales into the Colorado River Dam fund; and S. 1236, to extend the deadline under the Federal Power Act for commencement of the construction of the Arrowrock Dam Hydroelectric Project in the State of Idaho.

SD–366

AUGUST 4

9:30 a.m.

Indian Affairs

To hold hearings on S. 299, to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health; and S. 406, to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations; followed by a business meeting to consider pending calendar business.

SR–485

SEPTEMBER 28

9:30 a.m.

Veterans Affairs

To hold joint hearings with the House Committee on Veterans Affairs to review the legislative recommendations of the American Legion.

345 Cannon Building

SENATE—*Thursday, July 15, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Reverend J. Blaine Blubaugh, Graham Road United Methodist Church, Falls Church, VA.

We are pleased to have you with us.

PRAYER

Almighty God, as we gather here to execute the function of our responsible positions, we are reminded of Your generosity in blessing us with this great Nation of vast human and natural resources and count it a privilege to live and serve here.

We lift before You today these women and men who lead our Senate and express gratitude for their labors. We pray for our President, the President of this Senate, Members of this Senate, and all who serve with them. May they serve with compassion and hope. Empower them to realize their potential in this service.

May all who serve here carry both the privileges and burdens of authority with well-founded responsibility and duty. May they use their influence with honor and dignity and serve to be examples to citizenry wherever they travel so that all with whom they come in contact may realize that service to our Creator and humanity is an honorable work of life. May concrete and effective help be delivered from the votes on various issues and encouragement for those who are attempting to provide a better life for all.

We pray for wisdom, sensitivity, clarity of vision, and a correct perspective which avoids superficial or temporary solutions. We express gratitude for all who make a positive impact in our world, those who lead, build, and contribute to make a difference.

We pray for the families of those who serve in this Senate and ask for a measure of strength and grace for them to cope during their separation and a sense of joy when they are reunited. May all who serve here temper their toil with periods of rest, refreshment, and recreation, and may the spirit of peace and goodwill be the order of the day for this U.S. Senate session. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator CRAPO of Idaho is designated to lead the Senate in the Pledge of Allegiance to the flag.

The PRESIDING OFFICER (Mr. CRAPO) led the Pledge of Allegiance, as follows:

I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

SCHEDULE

Mr. SPECTER. Mr. President, I would like to make opening remarks on behalf of the distinguished majority leader to the following effect, that today the Senate will immediately proceed to a period of morning business until 10 a.m. Following morning business, the Senate will resume consideration of the Patients' Bill of Rights, with Senator NICKLES or his designee to be recognized to offer an amendment. Under the previous agreement, there will be 100 minutes of debate on that amendment. Further amendments will be offered and debated in anticipation of completing the bill today. Senators can expect votes throughout the day.

As a reminder, a cloture vote on the Social Security lockbox legislation will take place during tomorrow's session of the Senate.

I thank my colleagues for their attention.

Now, Mr. President, a parliamentary inquiry. May I proceed with the 15-minute order which has been allotted to me?

MORNING BUSINESS

The PRESIDING OFFICER. The Senate is in morning business. The Senator is recognized for 15 minutes.

Mr. SPECTER. I thank the Chair.

Mr. President, I had requested this time on behalf of myself and Senator BIDEN. We had originally requested 30 minutes, but because of the crowded schedule today, the time was set at 15 minutes. But I will be delighted to share the 15 minutes with Senator BIDEN if he arrives before the expiration of the time.

ELECTRONIC FILING OF SHIPPERS' EXPORT DECLARATIONS

Mr. SPECTER. Mr. President, I have sought recognition in this special order to introduce legislation, on behalf of Senator HELMS, the Chairman of the Foreign Relations Committee; Senator BIDEN, the ranking Democrat; Senator DORGAN and Senator SCHUMER, which would provide for electronic filing of Shippers' Export Declarations. This legislation takes up a recommendation of the Commission on Weapons of Mass Destruction and is directed to assist in our export control to stop those who would acquire the material for weapons of mass destruction from accumulating those weapons. At the present time, there are very sophisticated ways of ordering the component parts of weapons of mass destruction which are not known and cannot be readily ascertained because of the voluminous paper filings.

This legislation would call for electronic filing and would enable our Government to be able to regulate in a desirable fashion, without undue burden on exporters, materials which can be used for nuclear, biological, or chemical weapons. This is a recommendation of the Commission on Weapons of Mass Destruction which filed its report yesterday with copies to the President and to the legislative leaders.

This Commission was established by legislation under the Intelligence Authorization Act signed into law in October of 1996 when I chaired the Senate Intelligence Committee. This legislation was designed to deal with the enormous threat posed to the United States by weapons of mass destruction.

When I chaired the Intelligence Committee in 1995 and 1996, I was aghast at the kinds of problems which I saw with respect to rogue nations having ballistic capabilities for the delivery of nuclear weapons. Since that time, it has been publicly commented that North Korea has nuclear capability; that they have trajectory and ballistic capability to reach parts of the United States; that they pose an enormous threat. It is well known that other rogue nations seek ballistic capability as well. We now find that a nuclear device can be carried across national borders in a suitcase. We have seen in the experience of the Tokyo subway catastrophe the potential for biological and chemical warfare.

Those capabilities are so important that there needs to be preventive action to deal with them in advance of a catastrophe. Regrettably, our Government customarily reacts, instead of acting in anticipation.

The Commission was formed because there are now some 96 separate agencies dealing with weapons of mass destruction, and the Commission filed in its report a recommendation urging Presidential action with the suggestion that the authority be concentrated in the hands of the Vice President. There have been jurisdictional disputes, turf

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

battles, but the Vice President would have the clout to adjudicate disputes and to coordinate the efforts on this matter of such enormous national and international importance.

The Commission recommended providing staffing, with a director to the National Security Council, a top level position, to preside over a council of representatives from the various Departments—State, Energy, Defense, Commerce, et cetera—with ranking officials who have been confirmed by the Senate.

One of the key recommendations of the Commission on Weapons of Mass Destruction was to mandate electronic filing on export items which are in the category that they could provide component parts for weapons of mass destruction.

My staff, Dobie McArthur, has already taken the lead in circulating this legislation among a number of Senators. We have had a favorable response from Senator HELMS and Senator BIDEN, chairman and ranking member of the Foreign Relations Committee. There is an excellent opportunity that this provision could be included in a markup of Foreign Relations this month. As noted earlier, Senator DORGAN and Senator SCHUMER have also joined as cosponsors.

What this legislation does is to provide for the electronic filing of what is known and currently required as a shipper's export declaration. In 1995, the Customs Service and the Census Bureau created the automated export system, but that system has been utilized by only about 10 percent of the filers.

This legislation provides that the electronic filing requirement would come into operation 180 days after the Secretary of Commerce and the Secretary of Treasury certify that a secure Internet-based filing system is up and running. The requirements would be directed toward components which could be used in the manufacture of weapons of mass destruction.

The problem is illustrated by action taken by Iraq in the acquisition of weapons of mass destruction. In a very sophisticated way, when Iraq was purchasing its component parts, instead of buying them all at one time and all from a single supplier, or quite a number of items from a single supplier a few times, the Iraqis would buy an item here, an item there, an item somewhere else, from a wide variety of suppliers, so it was impossible, without some tracking system, to find out exactly what Iraq was doing as they were acquiring these components for weapons of mass destruction.

As we all know, there is dual use on many of these items; that is to say, they can be used for peaceful purposes or they can be used for putting together weapons of mass destruction. In this way, with a sophisticated system, a purchaser may acquire the ingredients to produce weapons of mass destruction.

Electronic filing will put the matter all under one umbrella. Without undue burden on shippers, there can be a determination as to what is being purchased which has the potential for being turned into a nuclear weapon, a biological weapon, or a chemical weapon of mass destruction.

Mr. President, how much time remains on my allotment of 15 minutes?

The PRESIDING OFFICER. Six minutes 14 seconds.

Mr. SPECTER. Mr. President, I will use that time on another subject of currency and importance.

GATHERING EVIDENCE FOR THE WAR CRIMES TRIBUNAL

Mr. SPECTER. Mr. President, the War Crimes Tribunal, which was created by United Nations resolution for prosecuting crimes against humanity arising in the former Yugoslavia, has brought very significant indictments out of the events in Bosnia. There have been indictments; there have been some convictions. The work of the War Crimes Tribunal has taken on even greater significance as a result of what has happened in the war with Kosovo, with the very noteworthy and important indictment against President Milosevic of Yugoslavia.

The Tribunal is now in the process of gathering evidence in Kosovo. Justice Louise Arbour, who is head of the War Crimes Tribunal and has given notice of her intention to leave to become a justice in the Canadian judicial system, visited the Senate back on April 30, 1999. She met with a group of Senators, including myself, and pointed out the need for the acquisition of evidence.

There had been a preliminary allocation of some $5 million. That was supplemented in the emergency appropriations bill with the direction for an additional $13 million, for a total of $18 million to go towards the Tribunal.

The FBI dispatched a group of investigators to acquire evidence in Kosovo, but they have run out of money. Those funds, I believe, are available in the Department of State. I have discussed this matter with the FBI Director Louis Freeh. I compliment the FBI and Director Freeh for their very prompt action in going to Kosovo to gather evidence.

From my own experience as district attorney of Philadelphia, I can personally attest to the fact that evidence has to be acquired when it is fresh. If you do not get it with immediacy, it disappears.

A part of the evidence acquisition has been to question women who were subjected to rape. In conversations with officials of the State Department yesterday, I found that the $50 million which has been appropriated for the United Nations High Commissioner on Refugees has not been released. So there is an urgency in making those funds available for a variety of purposes, including a substantial part of the $50 million to give attention to the women who have been rape victims—in part to counsel them for their own mental health and in significant part to acquire their testimony in the prosecution of those violent perpetrators of the rapes.

So I make these comments and urge that we move ahead with this funding which has been authorized by the Congress, $50 million to the U.N. High Commissioner on Refugees, and also urge that funding be provided in accordance with the direction of the Emergency Supplemental Appropriations Bill so the FBI can have the funding to proceed immediately to Kosovo to gather this very important evidence.

Ms. MIKULSKI. Will the Senator from Pennsylvania yield for a question?

Mr. SPECTER. I will.

Ms. MIKULSKI. First, I congratulate the Senator from Pennsylvania on his leadership in this area. As he knows, we have worked together, but he has certainly been in the forefront on the war crimes issue in particular, the issue of rape as a war crime. We thank him for that.

Does the Senator from Pennsylvania know why the money is not being released?

Mr. SPECTER. I thank my distinguished colleague from Maryland for those kind remarks.

In response, I am advised by officials of the State Department that early on were some problems in the United Nations agency. There is chaos, as one might expect, in Kosovo. The Kosovars are returning to their homes. Some have raised a point that the money was not being officially utilized. I have been advised by the State Department that the issue has now been corrected; so when I made inquiries of the State Department yesterday to liberate $2 million for the FBI, I was told that they had this collateral problem and have begun discussions on the matter with our appropriate colleagues to get the funds released.

Ms. MIKULSKI. Just for a point of information and clarification back to the Senator from Pennsylvania, in a meeting yesterday with the women of the Senate—a bipartisan meeting, I might add—I believe we were told there is a hold on this among our colleagues. Perhaps we can work together to lift that hold to ensure that the bureaucracy concerns are dealt with so we can go on with the mutual humanitarian concerns that I know we share on both sides of the aisle.

Again, I thank the Senator for his leadership on this in the most sincere, kind way.

Mr. SPECTER. If I may respond, that is consistent with what I was told. I did not want to use the expression "hold" because of the pejorative connotation in this Chamber. I made the same point by saying that there were obstacles to getting the funds released. But I think it is a matter of enormous importance. I am glad to hear the bipartisan group of women were meeting yesterday to exercise their leadership. This business about crimes against humanity and rape is just horrendous. We have to act, and act promptly.

The PRESIDING OFFICER. The time of the Senator has expired.

Under the previous order, the Senator from West Virginia is now recognized for 15 minutes.

THE STEEL IMPORT CRISIS: ANOTHER 1,800 U.S. JOBS AT RISK

Mr. BYRD. Mr. President, I thank the Chair.

For months now, I and many of my colleagues, including the very distinguished senior Senator from Pennsylvania, Mr. SPECTER, have been alerting this Congress to the devastating nature of the steel import crisis that has plagued this Nation since the end of 1997.

A year and a half later, in yesterday's Wheeling Intelligencer headlines, we see the statement: "Sixth Steelmaker Claims Bankruptcy." Let me repeat that headline from the Wheeling, WV, newspaper: a sixth U.S. steel mill has declared bankruptcy.

With that announcement, U.S. steelworkers in West Virginia, and elsewhere, are wondering when the Clinton administration and this Congress will realize that enough is enough. I have no doubt that the 1,800 people who are employed at Gulf States Steel, Inc., in Gadsden, AL—the sixth U.S. steel mill to declare bankruptcy since the steel import crisis began—are also wondering why no one is acting on a long-term basis to prevent the illegal steel dumping that has jeopardized their jobs.

I say enough is enough. Six companies declare bankruptcy, more than 6,200 jobs are jeopardized, and this Administration and this Congress still fail to act:

1,800 jobs in Gadsden, Alabama;

200 jobs in Alton, Illinois;

140 jobs in Holsapple, Pennsylvania;

2,400 jobs in Vineyard, Utah; and

540 jobs in Washington, Pennsylvania, and Massillon, Ohio.

For those who believe that the steel industry is not in difficulty, tell it to these families. Tell it to those workers who have lost their jobs. These men and women and their families are the human faces of the steel crisis. They are not just numbers. They are not just statistics. These are real faces. These are real men and women. These are real children of the steel crisis.

While we do nothing, the list of the victims of the steel import crisis grows ever longer. I hear from U.S. steelworkers. They want to know how many more bankruptcies it will take to make the President of the United States and the Congress understand that immediate action must be taken against the tide of cheap and illegal steel imports into this country. How many more U.S. jobs must be lost before we tell our trading partners that enough is enough?

We already know that there will be no quota bill passed by this Congress. The House passed a quota bill. The Senate has not passed a quota bill and will not pass a quota bill. Penalties are not likely against Brazil and Russia, even though the Commerce Department and the International Trade Commission found them to be guilty of dumping steel illegally on American shores. Instead of finding a long-term, global solution, this administration chooses to promote piecemeal solutions and negotiate suspension agreements with those two countries. Changes in U.S. trade laws to strengthen enforcement seem even more unlikely.

According to the Wheeling, WV, Intelligencer, the U.S. steel industry is still holding on to the thin hope that the steel loan guarantee program, which the Senate has already approved twice, will quickly, hopefully, be approved in the House of Representatives. While this is only a short-term program to help U.S. steel mills that have been hurt by the steel import crisis, I thank my colleagues for passing the Emergency Steel Loan Guarantee Program, authored by me, and a similar program, the Emergency Oil and Gas Guaranteed Loan Program, authored by Senator DOMENICI.

On June 21, the Senate requested a conference with the House on H.R. 1664, which contains the steel loan guarantee and the oil and gas loan guarantee, and conferees have been appointed by the Senate. I am hopeful that this conference will take place soon, and we have every right to expect that that conference will take place soon.

There was a commitment entered into not too long ago, at the time the emergency supplemental appropriations bill was in conference between the two Houses. A commitment was entered into by the leadership of both the House and Senate to call up the bill in the Senate. That was done. The majority leader of the Senate and the minority leader kept their commitments. The bill was called up in the Senate, and the steel loan guarantee program and the oil and gas loan guarantee program were passed by the Senate for the second time and sent to the House. It is to be expected that a conference will take place, as the Senate has requested. Hopefully, that conference will then meet and act, and act quickly, and hopefully, further, both Houses will quickly adopt a conference report and send it on to the President for his signature.

Illegal steel dumping has created exigent circumstances for the U.S. steel industry, and the loan guarantees will provide help to companies, small and middle-sized steel companies that employ thousands of hard-working Americans. These loan guarantees would work through the private market, help to sustain good-paying jobs, support our national security, and save taxpayers millions of dollars from lost tax revenues and increased public assistance payments for things such as unemployment compensation, food stamps, and worker retraining.

The fate of the loan programs rests today in the hands of the U.S. House of Representatives. With great respect, I urge the House to act quickly. On behalf of U.S. steel mills and U.S. steelworkers, for those 1,800 steelworkers at great risk with Gulf States Steel in Alabama, for the thousands of other steelworkers and their families across the country who cry out for help, I urge the other body to take action and to support the Emergency Steel Loan Guarantee Program.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes 28 seconds remaining.

Mr. BYRD. Does the distinguished Senator from Alabama wish time?

Mr. REID. Mr. President, if I could interrupt my friend from West Virginia, the Senator from Maine has requested 5 minutes and there isn't time left for that unless he would yield to the Senator. Otherwise, she would—

Mr. BYRD. I would be very happy to yield to the Senator. First, I would like to inquire of the distinguished Senator from Alabama if he wishes some of my time.

Mr. SESSIONS. I thank the Senator from West Virginia. I do not. I expect to follow the Senator from New Hampshire. I do not seek the floor now.

Mr. BYRD. I thank the Senator.

Mr. SESSIONS. I do appreciate the leadership of the Senator from West Virginia on the steel question. It is important; a company in critical condition, with 1,800 employees in Alabama and a 30-year record of business success, which has, in just the last week, gone into bankruptcy.

And I do believe the loan guarantee could help save that historic company. I thank the Senator for his leadership.

Mr. BYRD. I thank the distinguished Senator. With my remaining time, I am very glad to yield to the Senator from Maine, Ms. SNOWE, if she wishes to have my remaining minutes.

Ms. SNOWE. I thank the Senator from West Virginia. I appreciate that. How much time remains?

The PRESIDING OFFICER. Four minutes 4 seconds.

Mr. GREGG. Mr. President, I ask unanimous consent that in addition to the 4 minutes she would be receiving from the Senator from West Virginia, the Senator from Maine receive 5 additional minutes in morning business.

Mr. REID. Mr. President, I don't want to be obstreperous, but we have to get to the bill. That is why I urged the Senator from West Virginia to give his time to the Senator from Maine. I have no problem with that. But as far as extending time, it would have to come off the bill.

The PRESIDING OFFICER. There is objection. Does the Senator from Maine desire to have the remaining time?

Ms. SNOWE. Yes, I do. I thank the Senator from West Virginia for yielding.

Mr. BYRD. Mr. President, my time is rapidly dwindling. I would like to know whether or not she wishes my remaining time.

Ms. SNOWE. Yes.

Mr. BYRD. I ask unanimous consent that my remaining time may be allotted to the Senator from Maine.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maine is recognized.

CONGRATULATING THE U.S. WOMEN'S SOCCER TEAM

Ms. SNOWE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 141, a resolution submitted earlier by Senator SNOWE, Senator REID, and others.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 141) to congratulate the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship.

There being no objection, the Senate proceeded to consider the resolution.

Ms. SNOWE. Mr. President, I rise today to introduce a resolution along with Senators REID, MURRAY, MIKULSKI, COLLINS, LANDRIEU, FEINSTEIN, BOXER, HUTCHISON, and LINCOLN honoring the U.S. Women's National Soccer Team for their outstanding performance and dramatic victory in winning the 1999 Women's World Cup. This is a resolution that I've worked on with Senator Reid, who spoke eloquently earlier in the week on the World Cup victory, and I want to thank him for his strong support for the team and its accomplishments.

The U.S. Womens' National Soccer Team has got to be the single greatest sports story this year, and certainly of this decade. Capturing the hearts and the imagination of America with remarkable play and even higher levels of teamwork and good sportsmanship, the U.S. Women's Soccer Team has ushered in a new era in women's athletics.

We are not just talking about talented athletes here—we're talking about role models who are driven to play by the thrill of victory and the excitement of competition. And perhaps therein lies the true appeal of this team—in a time when money and commercialism often seem to overwhelm the true spirit of sport, along comes these extraordinary women who restore our faith in the virtues of athletic competition and truly give us something to cheer about.

Is it any wonder, then, that these women—as well as women from other nations who have come to the United States in search of World Cup glory—have been "packing them in" wherever they have played. Indeed, The Boston Globe reported that only the Pope has drawn more people to Giants Stadium in New Jersey, and all 65,080 seats at Soldier Field in Chicago were sold-out for the United States-Nigeria game—the largest crowd ever to see a soccer game at that venue.

For the final, over 90,000 fans were on hand to see the national team's dramatic victory over China—a record for an all-women sporting event. Not only has women's soccer arrived, it's taken the nation by storm.

From coast to coast, Americans tuned in to watch our team play world-class soccer—and they weren't disappointed. In fact, it's estimated that about 40 million viewers watched all or part of that nail-biting final match. That's nearly double the rating for the men's World Cup final last year between Brazil and Italy, and bests even the average national ratings for the recent NBA finals between the New York Knicks and the San Antonio Spurs.

Those of us who viewed the tournament were rewarded with victory after victory, as well as the joy of watching athletes who truly love to play. And if Saturday's real-life finale had instead been the ending to a Hollywood movie, it would have been panned for being utterly unbelievable. Who would have thought that after 120 minutes of regulation play, the score would still be tied at zero-zero, with penalty kicks the only thing standing between defeat and victory?

Throughout all that time—with the nation watching, waiting, hoping, and anticipating, with 90,000 chanting fans hanging on every kick, every header, every pass, and every breakaway—our team never gave up or gave in. Goalkeeper Briana Scurry was nothing short of remarkable, robbing the Chinese team of a critical penalty kick. And at the end, when Brandi Chastain's shot came to rest at the back of the opposing team's net, it all paid off in one of those incredible sporting moments that will go down not only in the history of sports, but in the history of womens' struggles for recognition and equality.

There is no question, Mr. President, that sports are just as important an activity for girls and women as they are for boys and men. Through sports, girls and women can experience a positive competitive spirit applicable to any aspect of life.

They can truly learn how to "take the ball and run with it", not only on the playing fields, but in classrooms, boardrooms, and, yes, even the Committee rooms of Congress. Through athletics, girls and women can achieve a healthy body and a healthy mind. They gain the self-esteem to say "give me the ball" with the clock running out and the game on the line.

You know, when I was growing up, girls and women did not have much opportunity to participate in competitive athletics. But the enactment of Title IX of the Education Amendments of 1972 changed all that for good. Finally, with the passage of this landmark legislation, women would be afforded equitable opportunities to participate in high school and college athletics.

And the results are indisputable. Since Title IX's enactment, women and girls across the nation have met the challenge of participating in competitive sports in record numbers. In the past 28 years, the number of college women participating in competitive athletics has gone from fewer than 32,000 to over 128,000 in 1997. Before Title IX, fewer than 300,000 high school girls played competitive sports. As of 2 years ago, that number had climbed to almost 2.6 million.

The U.S. Women's Soccer Team has not only underscored the achievements of Title IX, but has encouraged even more young women to get into the arena and onto the playing fields. You know, it used to be said that girls were made of "sugar and spice and everything nice." Well, the U.S. Women's Soccer Team proved that there is room for being both "nice" and determined. There is room for being both a woman and a competitor.

Indeed, it astounds me when I think of how far we have come since I introduced the original joint resolution of Congress establishing the very first National Girls and Women in Sports Day back in 1986. Where dreams of athletic glory were once almost the exclusive domain of boys, today—thanks in large part to out Women's National Soccer Team—girls now have aspirations of their own.

Watching this team has inspired a whole generation of girls to believe that they can go as high and as far as their talent—and their drive—will take them. Indeed, I have no doubt that girls across America will be running around the soccer fields this summer pretending to be Briana Scurry, Michelle Akers, Mia Hamm, or whoever their particular heroine may be. Certainly, on this team, there are plenty from which to choose.

The U.S. Women's National Soccer Team is but one more example of how, when it comes to athletics, women are "coming off the bench," as it were, and taking their rightful place on the fields, on the courts, in the schoolyards and in our stadiums. They prove, once again, that women are just as surefooted in cleats as they are in heels or whatever other shoes they decide to fill.

In addition to commending the team for all they've done, I would like to take this opportunity to thank the organizers and sponsors of the entire event for the extraordinary job they did in making this tournament a success beyond anyone's wildest dreams. I have no doubt these past few weeks will have an impact on sports in America that will resonate for years.

Again, let me just express my most sincere appreciation to each and every member of the U.S. Women's World Cup Team for making us so proud. They have honored their nation with their sportsmanship, and they have honored themselves with their commitment to each other and their dedication to excellence. Now it is our turn to honor them, and I am pleased to have my colleagues' support for this resolution.

The PRESIDING OFFICER. Without objection, the resolution is agreed to, and the preamble is agreed to.

The resolution (S. Res. 141) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 141

Whereas the Americans blanked Germany in the second half of the quarter finals, before winning 3 to 2, shut out Brazil in the semifinals, 2 to 0, and then stymied China for 120 minutes Saturday, July 10, 1999;

Whereas the Americans, after playing the final match through heat, exhaustion, and tension throughout regulation play and two sudden-death 15-minute overtime periods, out-shot China 5-4 on penalty kicks;

Whereas the Team has brought excitement and pride to the United States with its outstanding play and selfless teamwork throughout the entire World Cup tournament;

Whereas the Americans inspired young women throughout the country to participate in soccer and other competitive sports that can enhance self-esteem and physical fitness;

Whereas the Team has helped to highlight the importance and positive results of title IX of the Education Amendments of 1972 (20 U.S.C. 1681), a law enacted to eliminate sex discrimination in education in the United States and to expand sports participation by girls and women;

Whereas the Team became the first team representing a country hosting the Women's World Cup tournament to win the tournament;

Whereas the popularity of the Team is evidenced by the facts that more fans watched the United States defeat Denmark in the World Cup opener held at Giants Stadium in New Jersey on June 19, 1999, than have ever watched a Giants or Jets National Football League game at that stadium, and over 90,000 people attended the final match in Pasadena, California, the largest attendance ever for a sporting event in which the only competitors were women;

Whereas the United States becomes the first women's team to simultaneously reign as both Olympic and World Cup champions;

Whereas five Americans, forward Mia Hamm, midfielder Michelle Akers, goalkeeper Briana Scurry, and defenders Brandi Chastain and Carla Overbeck, were chosen for the elite 1999 Women's World Cup All-Star team;

Whereas all the members of the 1999 U.S. women's World Cup team—defenders Brandi Chastain, Christie Pearce, Lorrie Fair, Joy Fawcett, Carla Overbeck, and Kate Sobrero; forwards Danielle Fotopoulos, Mia Hamm, Shannon MacMillian, Cindy Parlow, Kristine Lilly, and Tiffeny Milbrett; goalkeepers Tracy Ducar, Briana Scurry, and Saskia Webber; and midfielders Michelle Akers, Julie Foudy, Tiffany Roberts, Tisha Venturini, and Sara Whalen; and coach Tony DiCicco—both on the playing field and on the practice field, demonstrated their devotion to the team and played an important part in the team's success;

Whereas the Americans will now set their sights in defending their Olympic title in Sydney 2000;

Resolved, That the Senate congratulates the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship.

PATIENTS' BILL OF RIGHTS ACT OF 1999—Resumed

The PRESIDING OFFICER. The clerk will report the pending bill.

The assistant legislative clerk read as follows:

A bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

Pending:

Daschle amendment No. 1232, in the nature of a substitute.

Collins amendment No. 1243 (to the language proposed to be stricken by amendment No. 1232), to expand deductibility of long-term care to individuals; expand direct access to obstetric and gynecological care; provide timely access to specialists; and expand patient access to emergency medical care.

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I ask the Senator from New Hampshire to manage this portion of the bill.

The PRESIDING OFFICER. The Senator from New Hampshire, Mr. GREGG, is recognized.

AMENDMENT NO. 1250 TO AMENDMENT NO. 1243

(Purpose: To protect patients and accelerate their treatment and care)

Mr. GREGG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG] proposes an amendment numbered 1250 to amendment No. 1243.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

SEC. . PROTECTING PATIENTS AND ACCELERATING THEIR TREATMENT AND CARE.

(a) FINDINGS.—The Senate makes the following findings with respect to the expansion of medical malpractice liability lawsuits in Senate bill 6 (106th Congress):

(1) The expansion of liability in S. 6 (106th Congress) would not benefit patients and will not improve health care quality.

(2) Expanding the scope of medical malpractice liability to health plans and employers will force higher costs on American families and their employers as a result of increased litigation, attorneys' fees, administrative costs, the costs of defensive coverage determinations, liability insurance premium increases, and unlimited jury verdicts.

(3) Legal liability for health plans and employers is the largest expansion of medical malpractice in history and the most expensive provision of S. 6 (106th Congress), and would increase costs "on average, about 1.4 percent of the premiums of all employer-sponsored plans," according to the Congressional Budget Office.

(4) The expansion of medical malpractice lawsuits would force employers to drop health coverage altogether, rather than take the risk of jeopardizing the solvency of their companies over lawsuits involving health claims.

(5) Seven out of 10 employers in the United States have less than 10 employees, and only 26 percent of employees in these small businesses have health insurance. Such businesses already struggle to provide this coverage, and would be devastated by one lawsuit, and thus, would be discouraged from offering health insurance altogether.

(6) According to a Chamber of Commerce survey in July of 1998, 57 percent of small employers would be likely to drop coverage if exposed to increased lawsuits. Other studies have indicated that for every 1 percent real increase in premiums, small business sponsorship of health insurance drops by 2.6 percent.

(7) There are currently 43,000,000 Americans who are uninsured, and the expansion of medical malpractice lawsuits for health plans and employers would result in millions of additional Americans losing their health insurance coverage and being unable to provide health insurance for their families.

(8) Exposing health plans and employers to greater liability would increase defensive medicine and the delivery of unnecessary services that do not benefit patients, and result in decisions being based not on best practice protocols but on the latest jury verdicts and court decisions.

(9) In order to minimize their liability risk and the liability risk for the actions of providers, health plans and employers would constrict their provider networks, and micro

manage hospitals and doctors. This result is the opposite of the very goal sought by S. 6 (106th Congress).

(10) The expansion of medical malpractice liability also would reduce consumer choice because it would drive from the marketplace many of the innovative and hybrid care delivery systems that are popular today with American families.

(11) The provisions of S. 6 (106th Congress) that greatly increase medical malpractice lawsuits against private health programs and employers are an ineffective means of compensating for injury or loss given that patients ultimately receive less than one-half of the total award and the rest goes to trial lawyers and court costs.

(12) Medical malpractice claims will not help patients get timely access to the care that they need because such claims take years to resolve and the payout is usually made over multiple years. Trial lawyers usually receive their fees up front and which can be between one-third and one-half of any total award.

(13) Expanding liability lawsuits is inconsistent with the recommendations of President Clinton's Advisory Commission on Consumer Protection and Quality in the Health Care Industry, which specifically rejected expanded lawsuits for health plans and employers because they believed it would have serious consequences on the entire health industry.

(14) At the State level, legislatures in 24 States have rejected the expansion of medical malpractice lawsuits against health plans and employers, and instead 26 States have adopted external grievance and appeals laws to protect patients.

(15) At a time when the tort system of the United States has been criticized as inefficient, expensive and of little benefit to the injured, S. 6 (106th Congress) would be bad medicine for American families, workers and employers, driving up premiums and rewarding more lawyers than patients.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that—

(1) Americans families want and deserve quality health care;

(2) patients need health care before they are harmed rather than compensation provided long after an injury has occurred;

(3) the expansion of medical malpractice liability lawsuits would divert precious resources away from patient care and into the pockets of trial lawyers;

(4) health care reform should not result in higher costs for health insurance and fewer insured Americans; and

(5) providing a fast, fair, efficient, and independent grievances and appeals process will improve quality of care, patient access to care, and is the key to an efficient and innovative health care system in the 21st Century.

(c) NULLIFICATION OF PROVISION.—Section 302 of this Act shall be null and void and the amendments made by such section shall have no effect.

Mr. GREGG. Mr. President, this amendment goes to one of the critical issues in the Kennedy health care bill that we have been debating for the last few days, which is the fact that the bill dramatically expands lawsuits in this country.

Our Nation is already far too litigious; 2.2 percent of our gross national product goes into lawsuits every year. That is literally hundreds of billions of dollars every year absorbed in our legal system—dollars that could be used much more productively.

Compared to other nations in the world, we are the most litigious by far. For example, Japan only uses about .8 percent of its gross national product for lawsuits. Canada, our neighbor, uses about .5 percent of its gross national product for lawsuits. These lawsuits that have, for years, been used against individuals and manufacturers accomplish some good, but in many instances they end up chilling events, creating greater costs for consumers and causing such things as research to be retarded, especially in the area of health care. This is a sensitive issue because things such as the development of new devices and the need for doctors to practice defensive medicine are issues that are highlighted and aggressively expanded by the expensive use of lawsuits.

Just this week, for example, we saw a $4 billion judgment—$4 billion—against one manufacturer in this country. That type of judgment against a medical manufacturer, for example, would end up being passed on to the consumers through an increase in premiums and an increase in the cost of insurance.

We are as a society simply too litigious. In many areas we as a society—as a government—have decided that lawsuits should be not cut off but at least curtailed to some degree.

However, the other side of the aisle has come forward with a bill which would dramatically expand the number of lawsuits available in this country. It would essentially be the "Kennedy Annuity for Attorneys Act" rather than a health care bill. This bill, as proposed by the other side, would create the opportunity for 48 million more incidents of lawsuits involving 48 million more individuals, which could then be multiplied in a geometric progression.

Let's just take one situation. Right here, we have the example of how 137 different doctors might treat one simple type of medical problem, "uncomplicated urinary tract infection." There are 82 different treatments from 137 different treating physicians. If one of these doctors picked a treatment which didn't work, under the Kennedy bill that would immediately open a brand new lawsuit against a variety of different individuals, including the employer, the HMO, and the insurer. That lawsuit could be multiplied literally by hundreds of different treatments and hundreds of different opportunities, because this bill dramatically expands the opportunity for lawsuits.

Another example of the expansion of lawsuit opportunity under this bill is this chart. All these different blue lines are new regulatory actions which are available under the Kennedy bill. Fifty-six new causes of action are created under this bill. It is truly an explosion of opportunity for attorneys to bring lawsuits.

There would be a whole new business enterprise created in this country, and it would be a massive enterprise, the purpose of which would be to bring lawsuits under the Kennedy bill. And the practical implications of this are that the cost of health care in this country would go up dramatically.

The Congressional Budget Office has estimated that this bill, the Kennedy bill, because of the lawsuit language which allows attorneys to go out and sue in a variety of different areas—which right now they do not have the opportunity to sue in—would increase the cost of premiums by 1.4 percent.

What does that mean? That means that approximately 600,000 Americans would be thrown off the insurance rolls. The practical effect of this expansion in lawsuits is that you would see a dramatic expansion in the cost of health care in this country and an equally dramatic expansion in the number of uninsured in this country.

In addition, the cost of insurance for doctors would go up dramatically. Under a study done by the doctors' insurance agents—not necessarily the HMO insurance agents or the health plan insurance agents but, rather, the doctors—it is estimated that the premiums on the errors and omissions policies of doctors would go up somewhere between 8 and 20 percent relative to the ERISA part of their insurance.

This means we would see a massive expansion of defensive medicine being practiced. We already know that defensive medicine is practiced excessively in this country, which means procedures undertaken not because the doctor believes they have to be undertaken but they are undertaken to protect a doctor from a lawyer. We would see a massive expansion of this defensive medicine by doctors.

What does that do? That drives up the cost of medicine, and it does very little to improve the quality of care.

Equally important, what we would see is a deterioration in the availability of doctors to practice specialties, which are unique and needed in rural areas—especially OB/GYN—which we have already seen driven out of many rural areas in this country because of the cost of the error and omissions policies. An 8 to 20 percent increase in the cost of those policies would have a devastating impact on an area of medicine which is already underrepresented in the rural parts of this country.

Six-hundred thousand fewer insured people, and what do we get for this expansion in lawsuits? What does the consumer get for this huge expansion in lawsuits? They get a lot more attorneys. There is no question about that. They get a lot more wealthy attorneys. There is no question about that. They will get a lot more attorneys who will be able to contribute to the Democratic National Committee. There is no question about that. The trial lawyers love this Kennedy bill. They are enthusiastic for this bill. If there is a basic beneficiary for the Kennedy bill, it is the trial lawyers in this country. That is what I call this bill. It is the "attorneys' annuity bill" rather than the Patients' Bill of Rights.

What do the consumers get when they get involved in these lawsuits? They will get very little. Will they get greater care? No. They will have to go to court to get care under this bill. A lawsuit has to be brought. Do they get better results? Absolutely not. The attorneys get 54 percent of the recovery. That leaves the litigants with a combined 46 percent after this, one-half being an economic loss and one-half being compensation for pain and suffering.

It makes very little sense when you realize that the only winners under the Kennedy bill are actually the attorneys in the expansion of lawsuits that will occur as a result of the bill.

So where does that bring us? We have come up with a better idea in our bill. We say that rather than creating a brand new opportunity to create all sorts of new lawsuits and add a lot of new attorneys to the American culture, who really add very little in the way of productivity—or better medicine, for that matter—let's let doctors take a look at what doctors are deciding for patients.

Under our bill, a patient, rather than having to go to court to have their concerns addressed, gets to have their concerns addressed by, first, a doctor in the specialty dealing with the type of problem the patient has within the clinic or the group by which the person is being served. That doctor is independent. That doctor makes a decision: Did that patient have the right care or did that patient have the wrong care? Or should that patient get more care? If the patient isn't comfortable with that decision, then the patient can go outside the clinic, outside the insurance group, and have another doctor, who is appointed after having been prequalified by a certified either State or Federal agency, and have another doctor review that patient's care.

If that doctor decides that the patient needs some other type of care—something that the clinic or the interests group did not decide that the patient should have—then that is binding. It is binding on the insurance group. There is an independent review at two different points, one inside and one outside, done by doctors who have a binding decision on the patient. If the patient again is uncomfortable with that decision, then the patient can bring a suit. But it is limited as to amount of damages, and it is limited to the cost of the event.

The practical approach they have put forward is to try to get the patient care, and get the patient good care and efficient care quickly, and make sure they have gotten fair treatment and they have had a review by the appropriate doctors.

As a result, we reduce the cost of health care. As a result, we keep more people insured. As a result, we allow more people to participate in health insurance in this country. As a result, I admit that we do not create as many opportunities for attorneys to bring lawsuits. That is absolutely right. We do not create a bill that basically underwrites the legal profession in this country. That is absolutely right. We assist patients in getting care.

That is a big difference between these two bills. The Democratic bill, the "Attorneys' Annuity Act," the "Kennedy Patients' Bill of Rights," is essentially a bill to promote attorneys. Our bill is a bill to promote health care.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the fact of the matter is, in the United States of America, this great country we live in, there are basically two groups of people who cannot be sued: foreign diplomats and HMOs. That is not the way it should be. We are saying HMOs should be treated like every other entity in the United States.

Today, even an HMO involved directly in dictating, denying, or delaying care for a patient can use a loophole in what we call ERISA to avoid any responsibility for the consequences of its actions. The American people simply do not support that. ERISA was designed to protect employees when they lose pension benefits to fraud, mismanagement, and employer bankruptcies, which occurred so often during the 1960s.

The law now has the effect of allowing an HMO to deny or delay care, with no effective remedy for patients. What they are trying to do is strike a provision from our bill which simply ensures HMOs can be held accountable for their actions, a responsibility of every other industry to consumers. They talk about this in vague abstract, as if this is some big cabal to change the law. All we want to do is make the law apply to HMOs.

Let's talk about a real person. Florence Corcoran is an example of the need to hold HMOs accountable. She lost a baby because the HMO refused the doctor's request for hospitalization in the last days of her pregnancy. The HMO would pay for only 10 hours of at-home care. During the final months of pregnancy, when no one was on duty, her baby went into distress and died. Because Florence received health care coverage through an employer, they had no recourse or remedy for the death of this baby. The HMO was not responsible under the law for any cost because the Corcorans never incurred any medical expenses for the loss of their baby.

The court of appeals—the court that is highest except for the Supreme Court in this country—said, and I quote from a Fifth Circuit Court of Appeals:

> The result ERISA compels us to reach means that the Corcorans have no remedy, State or Federal, for what may have been a serious mistake. This is troubling for several reasons. First, it eliminates an important check on the thousands of medical decisions routinely made in the burgeoning utilization review system. With liability rules generally inapplicable, there is . . . less deterrence of substandard medical decisionmaking.

In another case, another Federal judge, Judge William Young, said:

> ERISA has evolved into a shield of immunity that protects health insurers . . . from potential liability for the consequences of the wrongful denial of health benefits.

That is from the case of Andrews-Clarke v. Travelers Insurance Company, decided last year.

All we want to do is be able to hold the HMOs accountable.

What about the cost of this? We have an independent study by Coopers & Lybrand that found the cost to be as little as 3 cents per person per month. We can handle that. That is fairness.

This is not going to touch off a flood of lawsuits. In fact, it will make people feel better about their health care and, in fact, make health care providers be more diligent in rendering adequate, complete care to their patients. It is not going to create massive lawsuits, as Coopers & Lybrand said.

The Republican provision leaves patients with no recourse if benefits are denied. That is wrong.

I yield 10 minutes to the Senator from North Dakota.

Mr. DORGAN. Mr. President, it is Thursday and most of the week we have seen amendments and offerings from the majority party that do little or nothing for the vast majority of Americans.

The Gregg amendment before us, however, is an amendment that would do something. It would prevent accountability. It would say that patients have no right to expect accountability on the part of HMOs and the insurance companies.

USA Today, in an editorial, says there are "100 Million Reasons that the GOP's Health Plan Fails." That is the number of people not covered by our opponent's health plan. The majority of the American people with private insurance are not helped by their proposal.

Now, some of my colleagues say that doesn't matter because the States cover these folks. Mr. President, 38 States don't guarantee access to specialists; 48 States don't hold plans accountable; 29 States don't provide for continuity of care; 39 States don't provide for omsbudsmen; 27 States don't provide a ban on financial incentives to limit care. The fact is, the argument that the States do this is a specious argument.

Let me go back to a couple of cases I have described in the past to illustrate my point. I know some here in the Senate say this debate is not about individual cases, but I disagree. Ethan Bedrick was born in circumstances that were devastating, the umbilical cord wrapped around his neck causing partial asphyxiation. Consequently, he was born with cerebral palsy and was a spastic quadriplegic. He began to get therapy.

At age 14 months, the HMO said: We are going to cut back on Ethan's therapy.

The doctor said: You shouldn't cut back on the therapy. Ethan has a chance to be able to walk by age 5.

The HMO says: A 50 percent chance of being able to walk by age 5 is minimal or insignificant. Therefore, we won't pay for it.

Now, is somebody going to protect Ethan? Does anything proposed by anyone on the other side of the aisle in the last 3 days solve this problem? The answer is no. In nothing they proposed can they say they will have solved this problem—not just for Ethan but for all the other little Ethans in our country. They will deny him the rights that he ought to have.

What about Jimmy Adams? We had a big debate yesterday about emergency care. One of my colleagues stood up and said little Jimmy would be covered under their amendment. That is not the case. Jimmy Adams got sick with a 104 degree fever in the middle of the night. His mother and father called the HMO. They were told to go to the Scottish Rite Hospital way across the city of Atlanta.

Where is it? the mother asked.

Find a map, she was told.

So they got in the car at 2 in the morning and headed for Scottish Rite Hospital. They passed the first hospital, they passed the second and third hospitals—because they were not authorized to go to these emergency rooms by their HMO. An hour into the trip, they pulled into Scottish Rite Hospital, having passed three emergency rooms because the HMO wouldn't have paid for Jimmy's care there. At that point, Jimmy Adam's heart had stopped. They were able to get his heart restarted. They intubated him. He was a very sick young man. He survived. However, gangrene from that episode caused Jimmy to lose both of his hands and his feet.

This is young Jimmy without hands or feet. He passed three emergency rooms because the HMO said: You have to be in a car an hour to go to the emergency room we will pay for.

Is there anything offered by anybody on the other side yesterday that would have solved this problem? The answer is no because Jimmy's family is enrolled in an HMO that would not be covered under our opponent's proposal. No emergency room proposition offered by anyone over there, even though it was described in wonderful terms, would have done anything to help the Jimmy Adamses in a good many States in this country.

If you think that is wrong, I challenge anyone to tell me how you will receive this protection if you are among the 100 million not covered under the majority's bill and live in a State that doesn't have this coverage. That is the problem with the proposal by the majority party.

Let me give another example. This case deals with the issue of who determines what care is medically necessary, doctors or insurance company bureaucrats. This example was used by Dr. GREG GANSKE, a Republican Congressman from Iowa, who happens to be a reconstructive surgeon. This is a picture of a child with a very serious medical problem, a cleft lip. Dr. GANSKE contacted his colleagues in reconstructive surgery, and Mr. President, he found that 50 percent of them had cases such as this denied. In cases dealing with reconstructive surgery, 50 percent had cases denied because they were not medically necessary.

Think of that. Think of being the mother or father of this young child and being told reconstructive surgery is not medically necessary. Ask yourself whether you think that is reasonable. Yet it happens in this country and will happen again under the Republican bill because they do not allow a patient's doctor to determine what is medically necessary.

Let me show you another picture of a child with the same cleft lip problem. Now let me show Members what happens when reconstructive surgery gives this young child a chance, an opportunity. Here is the same child. Take a look at what someone decides is "medically necessary" and what it will mean to this young child's life. This picture demonstrates what reconstructive surgery can do for this wonderful child.

As these real cases illustrate, this debate is not about theory. It is not about arguing the terminology in some half-baked plan that doesn't do much. It is about providing assurance and guarantees to people in this country. Help this young child. Provide protection for Jacqueline Lee who fell off a cliff 40 feet, fractured her body in three places, and unconscious, is helicoptered to an emergency room. She is unconscious, out cold on a gurney. She survives and then is told by her HMO that she did not get prior approval for her emergency room visit and therefore they will not pay it.

Or Ray, the father who, with tears in his eyes, told about Matthew, his 12-year-old son, who lost his battle with cancer because they were forced to fight both the cancer and the insurance company to provide for the treatment necessary to try to save him. Ray says, "We could not fight cancer and the insurance company at the same time, and it is not fair to ask us to do it."

I say this to you, those who say you are providing wonderful protection—you are not. This editorial says you are not and we know you are not and you know you are not. Mr. President, 100 million people are left out of your plan and you say: Yes, they are left out of our plan but the States cover them. They do not and you know they do not. Medical necessity? Emergency room? OB/GYN? Go down the list and then tell the American people, tell these children, tell the women, tell the families why you do not think they ought to be covered.

This last amendment says to patients, we do not think you ought to be protected, but we certainly think we ought to provide protection to the insurance companies. We certainly think insurance companies ought to be given protection and patients should be denied the right to hold them accountable.

My colleague talks about lawsuits. It is interesting. Texas passed a statute allowing consumers to hold HMOs accountable a couple of years ago. There has been one lawsuit, I understand—perhaps by now two or three. Where is the blizzard of lawsuits our opponents predict when you make health care providers accountable?

Every Medicare patient in this country has the basic protections we are proposing in our Patients' Bill of Rights. Every Medicaid patient in this country has the same protections, and every Federal employee and every Senator sitting on this floor has these protections.

But we have folks in this Chamber who decide it might be good enough for Senators, they voted for it for Medicare, but it is not good enough for the rest of the American people. And the result is too many cases, too many children, too many Jimmy Adamses whose parents decide they have to comply with the rules because they do not have the money.

I remember the first time I saw an entertainer use the moon walk. It made him look as if he was moving forward when instead he was moving backwards. I see that on the floor of the Senate in this debate. People offer proposals when they want people to believe they are making progress, but in reality, they are not doing anything or maybe even moving backwards. That is not going to work in this debate. This debate is not about theory. It is about people's lives, about their medical treatment. It is about providing protection for hardworking Americans who have insurance and think they are protected with decent health coverage—only to discover at 2 a.m. that they do not have access to an emergency room.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator's time has expired.

Mr. DORGAN. I thank the Senator from Nevada for the time and yield the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I will yield to the Senator from Alabama in a second. I do want to point out the Senator from North Dakota, although well informed in most instances, on the issue of suing health care plans of Senators he is not informed. The fact is, under our plan we cannot sue the insurer. We are limited in our rights to sue, and our ability to recover is also significantly limited—in fact, about the same way it is limited in our bill. I would point that out as a point of clarification.

The Senator from Alabama.

Mr. SESSIONS. I thank the Senator from New Hampshire. I will delay my general remarks.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. I yield the Senator from Alabama 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. SESSIONS. Mr. President, I will delay my overall remarks on this matter to deal precisely with some of the examples that have been cited.

There are a number of provisions in the law that allow the containment of lawsuits. Workman's comp—if a person is injured on the job, there are very limited matters for which they can sue. They do not have to prove negligence. They get compensation. They have a lot of advantages. They also are not able to sue their employer under those circumstances. Federal employees, including Senators, are not able to sue.

But let me say this, first and foremost, this is not a step backwards. Right now we have this limitation on lawsuits—not a banning of lawsuits, but a limitation on lawsuits under Federal law. This legislation will increase significantly the power of individual patients to protect their rights against HMOs. It does change existing law. It does move the bar much lower for patients, in a way that makes sense, that keeps costs to a minimum, but improves their access. Now we talk about offering a 2- or 4-year lawsuit in exchange for the plan we have proposed that would allow immediate access to a panel of medical experts to review your claim.

Let me mention some of the special cases that were discussed previously. There was a case in which the HMO had denied therapy. Under our bill, you would have the existing rights we have today to go to court, but in addition to that, you would have an internal review process by the insurance provider. In addition to that, you would be able to have an independent external review of your claim that this therapy is needed. It would require, and provide for, a person with expertise in that medical specialty who is independent of the plan. That is a major step forward for the rights of patients. We do not need to foster a jackpot justice mentality when we can get prompt, professional care.

With regard to the Jimmy Evans situation, what will our bill do for that? Obviously, this matter has been discussed over and over again. It hurts me to see the emotional arguments made that ignore what this bill provides. This bill says you could use a "prudent layperson" standard on emergency care. That means, if you believe your child needs to stop at the first hospital, you can stop there. A prudent layperson means the parent, using normal good judgment, is allowed to use that judgment about where to go in an emergency.

With regard to problem of cleft palate and medical necessity—we have, and have provided for, new requirements on HMOs. Ultimately, there would be an independent, medical expert to review that claim. Surgery for cleft palate is not going to be denied. That is pure scare tactics, and it is offensive to me to suggest that. You can still go to court, at any rate, for the cost of the benefit denied and still get coverage for the medical care you need. So I would say that really is discouraging.

With regard to the fundamentals of the appeals process, you do have to have a decisionmaking process in any complex contractual relationship. How are we going to do it? There is a clear choice. As a matter of fact, many have already discussed this. Friends on the other side of the aisle have said from the beginning that the biggest difference between our parties bills is the question of how to handle the liability issue. They want to add new lawsuits not provided for under current law to allow increased lawsuits. We want to increase the ability of patients to get prompt, cost-free, independent medical reviews for benefits denied when they need it.

I have heard doctors express to me they do not like dealing with bureaucrats when they need to talk about what kind of treatment their patient needs. They are frustrated about that. So this bill says: That is not good enough, HMO; if you cannot respond promptly to a physician's request that the patient receive a certain type of treatment, you are going to have to provide an independent, external expert, with a specialty related to that patient's particular medical problem, who can make a decision that is binding on the HMOs but not on the patient. Let me emphasize, it is binding on the HMO. If that expert says this treatment is needed, then it must be provided immediately.

I think these are the protections we want to provide.

This appeals process is a good plan. Basically, if a patient is denied a benefit, he or she can call the HMO for an internal review. If that is not satisfactory, he or she can demand an external review by an independent medical expert. Even after that, they still maintain the right to sue—a right which exists today.

I think this is a very good policy. As a matter of fact, the Senator from Massachusetts who was here in 1973 pointed out the obvious when he supported the establishment of HMOs. He said in his remarks on the Senate floor at that time these words:

> Medical malpractice litigation has become an onerous and protracted means to resolve medical malpractice disputes. The costs are escalating with less of the medical insurance premium dollar going to compensate the injured party. The delays in resolving such disputes average up to 4½ years from filing of a lawsuit. Litigation has failed to provide an efficient means to achieve a fair result for all concerned.

And I say amen to Senator KENNEDY. He was correct about that. This is not working. It is not the way we can assure prompt care and responses to patients, doctors and injured parties when they need help.

Senator KENNEDY went on to say:

> Litigation of medical malpractice claims have not been an effective method to monitor quality health care standards.

I agree with that also.

I believe the plan proposed by the Republicans provides for a prompt, professional, low-cost, independent determination of disputes. Make no mistake about it, lawsuits are expensive. It takes 25 months—4 years, as Senator KENNEDY says—to bring one to a conclusion. Lawyers charge $200 plus an hour. The plaintiffs' lawyers charge a 40- to 50-percent contingent fee. That means if the plaintiff receives $100,000, the lawyer gets $50,000. If the plaintiff gets $1 million, the lawyer gets $500,000. The lawyers have junior partner lawyers, paralegals, law clerks, and secretaries who work with them, They take deposition after deposition after deposition. Medical experts are called. Testimonies, reports, and legal research have to be prepared. Court appearances, pretrial hearings, discovery conferences have to be arranged and briefs have to be filed.

There is a burden on the courts when you have lawsuits. We pay the judges salaries. The more these cases are given to them to handle, the more judges we need to handle them. The judge has law clerks. Federal judges have at least two law clerks each, bailiffs, U.S. marshals, and court clerks to handle the cases—all of whom are paid for by the taxpayers. This does not include jurors and witnesses. Let's not forget the cost of the courtroom. Go to your courthouse and find out how much a courtroom costs to build. Figure it out on a weekly basis.

These cases go on for 1 year, 2 years, or even 4 years before they ever reach a conclusion.

That is not the way to help patients who need help. Some will win millions of dollars and some will win nothing. I will tell you what else will happen. It will be routine for plaintiff lawyers, to sue a doctor or hospital—which they can already do, make no mistake. Currently, if a physician treats you improperly or the hospital commits an act of negligence or a willful act of wrongdoing, you can sue them. Now we are questioning whether you can sue the insurance company for these kinds of problems.

We have made progress in allowing a good review, a tough new review process. The Kennedy plan is fatally flawed. We must not allow his plan to happen. President Clinton's own hand-picked 34-member Advisory Commission on Consumer Protection and Quality in the Health Care Industry refused to put liability reform or the Democratic liability plan in their bill when they did their report for the President. They did that for a reason. They considered the issue and decided it was not wise.

Meanwhile, for some reason the President and the Democratic Members have changed their minds. I suspect they have talked with their trial lawyer friends in the meantime and have been convinced they ought to go along with this new proposal.

It is not just the President's own review commission that has rejected liability expansion and more lawsuits, but major newspapers in this country as well.

The Los Angeles Times:

> Bad medicine for both employees and employers driving up premiums.

The New York Times:

> Jury awards in State courts for malpractice are——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SESSIONS. I ask unanimous consent for 1 additional minute.

Mr. GREGG. I yield 1 minute.

Mr. SESSIONS. The New York Times:

> Jury awards in State courts for malpractice are notoriously capricious and do more to reward lawyers than patients.

The Washington Post:

> The threat of litigation is the wrong way to enforce rational decisionmaking.

This is a terrible idea. It is the wrong direction to go. It will add expense throughout the system and will not benefit patients by getting them care when they need it. This bill, as proposed, which I support, will do that. It will give patients immediate relief and expert evaluation of their claims.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that the privilege of the floor be granted to the following individuals: Kathryn Vosburgh and Jennifer Barker who are interns with Senator BYRON DORGAN of North Dakota.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. On behalf of the minority, I extend 10 minutes to the Senator from Illinois, Mr. DURBIN.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. DURBIN. I thank the Senator from Nevada.

Mr. President, this is the heart of the debate. This is what the Patients' Bill of Rights is all about. The insurance companies hate the idea of being sued in court as the devil hates holy water. They do not want to be held accountable for their actions. They want to be protected so they can make the wrong decision when it comes to medical care for American families and never be held accountable.

The amendment being offered on the Republican side is an effort to take away from 123 million Americans the right to hold health insurance companies accountable. That is the bottom line: 123 million Americans will be denied an opportunity to go to court when a health insurance company makes a decision which costs them their health or their life.

Most people are stunned to know that you cannot take a health insurance company to court. Since 1974, a Federal law has protected health insurance companies from being sued.

What does that mean? When your doctor wants a certain procedure, a certain medicine, a certain specialist for your good or the good of your family, and that doctor is overruled by a health insurance company bureaucrat, the doctor is the only one who will be taken to court, not the health insurance company.

If we pass nothing else in this Patients' Bill of Rights but this section which says health insurance companies will be held accountable in court, it would be a major victory for America. I trust the judgment of 12 citizens of this country in a jury box to decide the fairness and legality of an issue. Obviously, the Republican side does not. They do not want the health insurance companies to go to court. They do not want them to face a jury. They do not want them to be held accountable.

This party, which parades and triumphs values and responsibility does not want to hold the health insurance companies responsible in the most basic form of adjudication in our country: a jury of your peers.

Oh, they make a lot of arguments about, oh, we are just gilding the lily and feathering the nests of all these trial lawyers. That is not what it is all about. You know it and all America knows it.

The health insurance companies, with the Republican majority, are determined to stop 123 million Americans from ever having a day in court. Ever.

For the last 2 days, Senator KENNEDY, Senator REID, and all of my colleagues have brought stories to the floor—chilling, heartbreaking stories. Here is one. Florence Corcoran. Let me quote Florence Corcoran:

> They let a clerk thousands of miles away make a life threatening decision about my life and my baby's life without even seeing me and overruled five of my doctors. They don't get held accountable. And that's what appalls me. I relive that all the time. Insurance companies don't answer to nobody.

That is what Florence Corcoran says: "Nobody knows about ERISA," this Federal law that protects health insurance companies.

If you are listening to the debate, you would think: Well, surely there must be a long roster of companies in America that receive the same kind of immunity from liability that cannot be brought to court. No. This is it, folks. This is the only sector of the American economy—maybe the only sector in America—that is going to be allowed to be held above the law.

The Republican majority and the health insurance industry are determined to protect their immunity from a lawsuit so that Florence Corcoran, when her life and the life of her baby were threatened by the decision of a health insurance company, can't even take that health insurance company to court.

The Senator from Alabama gets up and talks about: Oh, this legal system, it is so expensive. It takes so long. Let me tell you, when it is your life or the life of your baby, and this is the only place to turn, this is where you will turn. Yes, you will go to a lawyer because you are not wealthy, who will charge a contingency fee, meaning if he wins he gets paid; if he loses, he does not. That is part of the American system.

How many times, day in and day out, do we hear about these cases—simple, ordinary Americans, living their life, doing what they are suppose to do, paying their taxes, going to work every day. They get caught up in a situation where someone's negligence or wrongdoing hurts them. It could be an accident; it could be medical malpractice; it could be a decision by a company that was just plain doing wrong.

Where do you turn? You write a letter to your Senator. That isn't worth much, I will tell you. We will read it. We will write a reply. But if you want justice in America, then you have a chance to go in the court system. But the Republican majority says, no, close the door to America's families so that they cannot hold health insurance companies accountable in court.

For the last 2 days, we argued about all the outrages in these health insurance policies, that you can't go to the nearest emergency room when someone in your family is hurt, that you can't go to the specialist your doctor wants you to go to—the cases go on and on and on—and we try, item by item, to make these health insurance plans more responsive to the reality of life and more responsive to the medical needs of Americans.

But let me tell you this. All of those amendments, all of those votes notwithstanding, this is the bottom line. This will change the mentality of these health insurance companies that say no, because they are driven by the ambition for greed and profit, say no over and over, regardless of the outcome.

The Cortes family from Elk Grove Village, IL, their tiny little baby, Rob, who is now 1 year old, has spinal muscular atrophy. For a year they tried to keep their family together with this little boy on a ventilator at home—on a ventilator at home. They have been fighting this disease, and every week they fight the insurance companies. Will they cover this care? Will they cover this drug? The battle goes on and on.

Mark my words—and I say this to my Republican colleagues—if that health insurance company knew their decisions would be judged by 12 of their peers, 12 American citizens, sitting in a jury box, I bet the Cortes family would get a lot better treatment. You know they would. They know they would be held accountable.

But the health insurance industry and the Republican majority does not want the 123 million Americans to ever have a day in court when it comes to these health insurance decisions. Their arguments are as weak as they can be.

The State of Texas passed a patients' bill of rights. They said you could take the health insurance company to court for certain insured people in Texas. You would think, from the arguments on the Republican side, that the sky fell on Texas 2 years ago. It did not happen. You know how many lawsuits have been filed since this law was enacted, a law which Governor Bush vetoed, but the legislature overrode his veto? Three lawsuits—three lawsuits in 2 years. Does that sound as if we are flooding the courts?

But I will tell you something. In that State, for those who are protected by that law, I will bet you there has been a change in the way they do business.

Let me give you a quote from a health insurance executive. This is from the Washington Post.

> . . . currently, "We would charge the same premium to a customer with the ability to sue as we do to those who do not have the ability to sue.". . .

This is from Aetna. Have you picked up the Washington Post lately? Two-page ads every day begging us not to vote for the Patients' Bill of Rights—Aetna sponsors them, full-page ads. But their spokesman said:

> Why? Those judgments to date have been a very small component of overall health care costs.

That is what Mr. Walter Cherniak, Jr. of Aetna said.

So the argument that this was going to flood the courts did not happen. It did not happen in Texas. As to the argument that it is going to raise premiums, according to a man who does this for a living, it makes no difference in the premium charged for those insured who have the right to sue and those who do not.

Take a look at some of the numbers that have come out in terms of the estimated costs of increases in premiums if there is a right to sue. How much is it going to go up? The Republicans argue it is going to skyrocket. The Congressional Budget Office estimated the impact on premiums to be 1.4 percent; Multinational Business Services, less than 1 percent; Muse and Associates, a private firm, they say .2 percent.

Is it worth a quarter a month to you as an American with a health insurance policy to have the right to go to court when it is your baby's life?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DURBIN. I say to my colleagues, this is the key vote on the Patients' Bill of Rights. This is a vote about whether 123 million Americans will be precluded from court by the Republican majority and the health insurance industry.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. I simply note ERISA does not cover 123 million Americans, so the Senator from Illinois is incorrect.

I yield to the Senator from Iowa 10 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 10 minutes.

Mr. GRASSLEY. Mr. President, this is a Democratic leadership war on health insurance coverage. This is their proposal to subject employer-sponsored health plans, and thus employers, to lawsuits. As a member of the Judiciary Committee, I have worked for tort reform throughout my tenure in Washington. I believe our tort system is badly broken, so it will come as no surprise that I have grave reservations about sending more disputes into it.

First, the big picture: The proliferation of lawsuits has damaged the efficiency, effectiveness and integrity of America's civil justice system. Almost as bad, it is injuring the nation's economy. Now, our Democratic colleagues propose to declare a "new gold rush" for the legal industry, this time in the area of health insurer liability. And the harm that results from doing so will not be limited to our judiciary or our economy—it will harm our health. It's downright unhealthy for America. Is that an overstatement, Mr. President? Well, people with health insurance are likely to have better health than those without it. If the Democrats are now saying that insurance coverage doesn't affect health status, then they'll have to explain why they keep coming up with all kinds of ideas on how to insure people. Five years ago, they thought insurance coverage was important—so much so that they wanted the government to insure everyone. Of course, even with a Democratic President and Democratic control of both Houses of Congress, they didn't manage to do it. It's funny how we don't hear about that effort anymore, but it's certainly not because we solved the problem.

The President acknowledged the problem of the uninsured again when he proposed to allow people under age 65 to buy their way into the Medicare program. By the way, with a hefty subsidy from other Americans under age 65 who pay payroll taxes. Why does the President propose this unless he thinks insurance coverage will improve peoples' health status. Health insurance coverage is not an end unto itself, but a means to an end, and the end is better health. So when the Democrats propose things that will lessen health insurance coverage, and thus harm the health of the American people, we need to ask why.

Some argue that liability laws are a good way to guarantee quality of care. We're certainly not hearing much from the other side in this debate about quality, but objective people think that ensuring quality of care should be the point of patient protection. I care a great deal about health care quality, let me tell you about research that has been done in the context of medical malpractice. These studies, particularly the well-known Harvard study, tell us that the medical liability system is simply not an effective way to ensure quality. There is a tremendous mismatch between incidents of malpractice, on one hand, and the lawsuits that are brought, on the other. For many reasons, instances of substandard medical care often do not give rise to lawsuits, while many lawsuits that are brought are groundless. In the malpractice context, it is not feasible to have immediate appeals of physicians' decisions when they make them, so we're stuck with the tort system.

But when we talk about insurance coverage decisions, we do have an alternative to lawsuits. We can have immediate, independent, external reviews of these decisions. We can do better than lawsuits after-the-fact. That's what our Republican Patients' Bill of Rights will do. It will get patients' claims decided when the patient needs the care. Isn't that the best thing for the patient? Yes—but it's not the best thing for the lawyers, and that's why we're here today.

Mr. President, the other day, I heard a Senator note that only a handful of medical malpractice cases have ever been tried to a jury in his state. His point, apparently, was the lawyers don't really bring lawsuits: just a myth. Well, I am certain that the former trial lawyers in this body understand that defendants in cases sometimes pay out money in settlement of a claim, whether the claim was well-founded or not. Where do my colleagues believe that the money comes from? It comes out of the pockets of the people who buy tht good or service, obviously.

In medical malpractice cases, the cost of medical settlements, just like the cost of jury verdicts, is paid for by you and me. We pay in two ways: higher prices for medical services, and higher insurance premiums. When my friends on the other side say that creating a right to sue health plans somehow will not bring about more lawsuits, they should pay more attention to what their trial lawyer allies are up to. Who knows, maybe if they took a look at what trial lawyers are doing to our economy, they'd have second thoughts about supporting them all the time.

Let's see what an objective source says. The Congressional Budget Office has noted that the lawsuit provision of the Democrat proposal is, by far, the most expensive single item in their bill. More than anything else they are proposing, this liability piece is what will drive people out of their insurance coverage into the ranks of the uninsured. That's a high price to pay to keep the lawyers happy.

Employers are not required by law to offer health insurance coverage to their employees. There are tax advantages for employers to do so, but we're finding that those aren't enough. More and more employees are dropping coverage for their employees. That's not an opinion, that's a fact. My friends across the aisle have repeatedly noted that many liberal advocacy groups support their version of patient protections. Those groups have every right to get involved in this debate, and I'm glad that they are. But my point is that most Americans don't work for liberal advocacy groups. In fact, very few do. I'll also note that most Americans don't work for plaintiffs' law firms.

Even if you're anti-business, you have to admit that businesses provide health insurance coverage to most Americans, and businesses are in a position to discontinue that coverage. The businesses that most Americans do work for, both large and small, are telling us that the Democratic bill will force many of them to drop coverage for employees; hence adopt the Republican Patients' Bill of Rights instead.

Let's keep our eye on the ball. There are two goals that we should be trying to achieve. One is to ensure that people get the appropriate health care to which they are entitled under their insurance coverage. But the 2nd goal is to avoid taking that very insurance coverage away. There are many times in politics when it's impossible to achieve two goals at the same time, but we can this time. We have a Republican approach that achieves both goals. I call on my colleagues to support this approach, and to resist the temptation to join the other side's war on health insurance coverage.

Mr. KENNEDY. Mr. President, I yield 3 minutes to the Senator from New Jersey.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, in the last few days, the Senate has revealed a lot about itself and where it stands.

Members of the Senate have had a chance to respond to the needs of American women in allowing OB/GYNs to be their primary health care provider, and they failed. Members of the Senate have had a chance to protect traveling Americans across the country, allowing access to emergency rooms, and they declined. Americans have asked that doctors make final medical judgments. That issue was brought to the Senate. The Senate declined.

Senator DURBIN now brings to the floor of the Senate one last chance for the Senate to do something fair and decent for the American people in this plan to protect people in Health Maintenance Organizations—to give them the right afforded every other American with every other industry to bring their grievance to a court of law.

It is ultimately the choice between a Patients' Bill of Rights or an insurance protection plan. If we fail, make no mistake about it, this debate and this vote will be noted for the fact that the Senate balanced the interests of 120 million Americans against several dozen insurance companies and made the wrong choice.

In a nation in which we pride ourselves on access to the system of justice and equal rights for all people in this land, there are two privileged classes. By international treaty, foreign diplomats cannot be sued; and by ERISA, insurance companies in the health insurance industry cannot be sued. Here is a chance to reduce that list and make insurance companies and those responsible for our health accountable like everybody else.

Every small business in America is responsible if they do damage to a customer, every dry cleaner, every trucking company, every mom and pop store. This industry, and this industry alone, is treated differently.

Under the Republican proposal, that status quo is protected.

Under Mr. DURBIN's amendment, they will be held accountable. As other Members of the Senate, I have heard constituents come forward where an HMO has failed to diagnose cancer in a small child and months later, because they could not get access to an oncologist, a leg or an arm is lost. Tell that parent they cannot go to court.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TORRICELLI. This is a great opportunity to provide fairness and access. It is the last chance to do something decent in this debate for the American people.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I yield myself 8 minutes.

The longer this debate goes on, the stranger I find those who are supporting the Republican proposal. Their basic proposal started out costing $1 billion. They will have the agreement later this morning, with the acceptance of the long-term care credit, that will end up costing $13.1 billion—$1 billion for patient protections; 100-percent deductibility, $2.9 billion; liberalized MSAs, $1.5 billion; flexible spending accounts, $2.3 billion. That adds to $7.7 billion. And the deductibility of long-term care is $5.4 billion, according to the Senator from Oklahoma. That is $13.1 billion, and not a cent of it is paid for.

Their proposal has gone from $1 billion to $13 billion. Our proposal, according to CBO, is approximately $7 billion, which represents the 4.8 percent figure from CBO. I certainly hope we won't hear any more about the cost of our proposal from our good friends. That was a hot button item. It didn't have anything to do with protecting patients, but it was a hot button item.

Secondly, I hope we won't hear any more about one-size-fits-all. We listened to that line for 3 days. We will probably hear it later in the course of debate on many different measures. "We don't want a solution of one-size-fits-all." Our good friend, Senator COLLINS from Maine, used that 10 times in her presentation. We are having a one-size-fits-all with the Republican proposal because, effectively, they are excluding the States from making their own determination as to what actions the state might take in holding people accountable. The Republican proposal can be labelled "one-size-fits-all" if they are successful on this measure.

They are saying to every State in the country: No, you cannot provide the remedies you would like for malpractice by those making health care decisions. We have one industry in this country that is going to be sacred, one industry that will not be held responsible. You can continue to sue doctors, but we will not permit any State in this country to determine whether you can sue your HMO.

That is an extraordinary position for our good friends, the Republicans, who are always talking about one-size-fits-all, who are always saying that Washington doesn't always know best. I hope we are not going to continue to hear, "Washington doesn't know best. The people in the hinterlands know what is going on. They can make up their minds in the States. The States are the great laboratories for innovation and creativity."

I can give those speeches, but they are wiping that out with this particular amendment. As the Senator from Illinois pointed out, this amendment is so basic and fundamental in protecting American citizens.

Even my good friend from New Hampshire has addressed this issue—I am sure he expected to hear this, but he ought to hear it as one of the principals, and now as acting manager. Last year, when we had the issue of liability of tobacco companies, this is what he said, and we will include the statement in the RECORD:

> When you eliminate that right of redress issue—

Which is effectively what the Republican proposal would do—

> which this bill does, when you take away the ability of the consumer, of the person who has been damaged, of John and Mary Jones, of Epping, NH, to get a recovery for an injury they have received, you have artificially preserved the marketplace, but, more importantly, you have given a unique historic and totally inappropriate protection to an industry.

The Senate accepted that position overwhelmingly. I think there were 20-odd votes in opposition on that issue. But here we have the insurance industry. Evidently, the message is that the insurance industry is more powerful than the tobacco industry. Apparently, the insurance industry has the votes to get their way on this issue.

Why is this issue important? This issue is important for two very basic and fundamental reasons. First, by making the right to sue available, there is an additional incentive—a powerful incentive—to HMOs and others in the health delivery system. There is an incentive to make sure they do what is medically appropriate because they know they may be held liable if they do not.

You may say: That is good in theory, but is it so? Look at Medicaid. Under the Medicaid system, a plan may be held liable, the health delivery system may be held accountable. Do we have people abusing the liability provisions? The answer is no. The answer is no.

As the Senator from Illinois pointed out, the State that allowed for liability most recently was Texas. Has there been a resulting proliferation of lawsuits, as the Senator from Alabama has suggested? The answer is no. There is one legal case that was brought and possibly one or two more pending.

City and State officials have the right to sue. You can take the example of CalPERS, one of the largest health delivery systems in the country, with 1.2 million members. They have had the right to sue for a number of years. You can look at CalPERS premiums over the last 5 years. The cost increase of the premium for CalPERS—whose members have the right to sue—has actually been below the national average for HMOs over the last 5 years. The Senator from Illinois has indicated, as well, the findings of the various studies which support this.

Most important, the answer we get from the other side is we don't need accountability because we have a good internal and external review system under the Republican proposal. That is a phony argument. Over the past 3 days we have shown why this argument is phony. The Republican appeals proposal is a fixed system. There is no de novo review. There are many other problems in their appeals system which we have previously addressed. Yet their best answer is that the external review program is a substitute for the right to hold plans accountable in court.

What happens when the plan drags its feet through the review process until it is too late for the patient? What happens when the plan doesn't tell the patient an external review is even available and the patient doesn't find out about its availability until the damage is done? What happens when the plan makes a practice of turning down everyone—this is reality—who applies for an expensive procedure, knowing there will be an appeal in only a fraction of the cases? Knowing that the worst penalty they could have is to pay the cost of the procedure that should have been provided in the first place?

The PRESIDING OFFICER. The time of the Senator has expired. Fourteen minutes remain.

Mr. KENNEDY. The patient never learns the procedure should have been provided until it is too late.

What happens when the plan refers the patient to an unqualified doctor for a procedure because it doesn't want to pay for a more qualified specialist outside the network? What happens when the patient trusted the plan to do the right thing?

According to the opponents of this proposal, those kinds of abusive practices should carry no penalty at all because you can't sue your way to quality. I would like to hear them say that to a widow who lost a husband—the father of her children—to a plan's greed.

I would like to hear them say that to a young man disabled for life because his health plan insisted on the cheapest therapy instead of the best therapy.

I would like to hear them say that to the parents whose child has died because the health plan mislead them about the availability of appropriate treatment.

I challenge the opponents of this provision to tell the American people why public employees in there own States should have the right to hold their health plan accountable, but the equally hard-working family just down the street employed in the local bank or grocery store shouldn't have the same right.

I challenge them to explain to the child or spouse of someone who has died or become permanently disabled due to HMO abuses, why they should have to live in poverty while a multi-billion-dollar corporation gets off scot-free.

I challenge those on the other side—who talked so much during the debate on welfare reform about the need for people to take responsibility for their actions—to explain why this standard should apply to poor, single mothers but not to HMOs.

I challenge them to explain why every other industry in America should be held responsible for its actions, but HMOs and health insurance companies should be immune from responsibility.

The time has come to say that this unique immunity should end.

The time has come to say that someone who dies or is injured because an insurance company accountant overrules the doctor is entitled to compensation.

The time has come to say that profits should no longer take priority over patients' care.

I withhold the remainder of my time.

The PRESIDING OFFICER (Mr. BURNS). Who yields time?

Mr. GREGG. Mr. President, I yield 7 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, nothing could more dramatically illustrate the differences in general attitudes and attitudes towards health care between the Senator from Massachusetts and the Members on this side than his statement that his bill would be preferable to ours because it would only "cost" the American people $7 billion, while ours would "cost" the American people $13 billion.

In fact, of course, overwhelmingly, the "costs" of his bill will be evidenced in higher taxes on the American people. His so-called "costs" of our bill are, in fact, the reduction of taxes on the American people so they can use their own money to take care of more of their own health care costs. But to the Senator from Massachusetts, it is the same thing—more taxes, not less taxes.

We do not think that is the same thing by any stretch of the imagination.

In addition, of course, he ignores entirely the costs imposed on the American people by paying higher health insurance premiums. Those presumably are irrelevant.

But the subject before us primarily is lawsuits.

There is widespread agreement in this body and across the United States that the medical malpractice system is simply broken, that it comes too late, that it costs so much, that less than half of the dollars that it costs ever get to victims and the rest is consumed by lawyers and by the administration of the system itself.

The problem is, of course, we have never come up with a majority for a way in which to fix that medical malpractice system. But the proposition that it is broken is very widely held.

It is into that broken system the Democrats' plan pours another element of our health care system and says: Oh, the system may be broken, but the only solution is to make it worse, is to make it more widespread.

Pouring good wine into a broken bottle with what impact? Better health care? No. We know the medical malpractice system doesn't create more and better health care.

More lawsuits? Clearly, yes. One aspect of that broken system, of course, is the costs go not into providing better health care for the people of the country but into the system itself.

But the patients—ultimately, the people who buy insurance, the people who consume health care—pay the entire bill, including all of the bills for the lawyers. With what impact? Higher costs for everyone who is insured and therefore fewer insured.

But I think that is perhaps the least of the vices of the Democratic proposal because it allows, under certain circumstances at least, the employer—the person who is providing health care to his or her or its employees—to be sued. As well, it will drive logical and thoughtful employers out of the business of providing insurance at all. And it will do that in a devastating degree.

I suspect that perhaps half of the employers, when they find they are going to be sued, will simply say: We are not interested in any more lawsuits. Sure. We will give each of our employees more money for the cost of that health insurance in cash, and the employee can do what he or she wishes with it.

Some will ignore the cost of health care insurance and will become self-insured—some very much to their pain. Others will attempt to buy individual policies, which will inevitably cost more and give them less than any kind of group policy does. So we will have less insurance under this set of circumstances in order to have more lawsuits.

Let's go back to this whole idea of medical malpractice as a broken system.

What we should be searching for is a better system, and the better system is exactly the plan that the Republican proposal has. It says instead of lawsuits after the harm has been done with the reward, if any, coming 3, 4, or 6 years later, we tell the potential patient who thinks his health care system has not done right by him that he has a right to get an answer promptly before the damage is done.

This is the system we ought to expand to other health care systems. This is the system we are asked by the Supreme Court of the United States to apply to asbestos litigation—a unanimous Supreme Court of the United States.

But instead, if the Senator from Massachusetts has his way, we will simply take a broken system and apply it in more areas than it applies to right now.

That is a perverse answer to a very serious question. We will not treat the patients. They will treat the court system.

Mr. KERRY. Mr. President, we have heard the horror stories: An HMO delays a breast cancer patient's treatment until the cancer has spread throughout her body. Parents are forced to drive their critically ill child to a hospital 50 miles away from their home because their insurer refuses to let them take the boy to a hospital 5 miles from their home. A patient complaining of chest pains is not allowed to see a cardiologist, and as a result suffers a fatal heart attack. Americans want their doctors—not managed care bureaucrats—to make their medical decisions. And when managed care wrongfully delays or denies care, Americans want the right to bring a lawsuit to hold managed care responsible for its misconduct.

And let me tell you directly—the Gregg amendment won't do a thing to help Americans who suffer from the abuse of HMOs. It will maintain the provision in ERISA that allows patients in employer self funded plans to only recover damages in court from an HMO related to the cost of the treatment delayed or denied. It denies the right of Americans to receive punitive damages that send the message to insurance companies that when they do wrong, they'll be held accountable for the wrong they do.

The Gregg amendment sets up a weak appeals process where patients could first dispute the HMO's ruling with a doctor within the insurance plan (but not the one they saw for treatment) and if they are still not satisfied then they can talk to a second doctor that is outside of the insurance plan but regulated by either a state or federal agency. Whatever each of the doctors rule would then be binding. The Gregg amendment only exacerbates a bureaucratic nightmare. It doesn't allow Americans to hold insurance companies accountable in court. It doesn't address the real impediment to accountability in health care: ERISA.

Today, even if an HMO has been directly involved in dictating, denying or delaying care for a patient, it can use a loophole in the Employee Retirement Income Security Act (ERISA) to avoid any responsibility for the consequences of its actions. ERISA was designed over 25 years ago, long before managed care companies became the powerful entity in controlling the health care of Americans that it is today. ERISA was originally designed to protect employees from losing pension benefits due to fraud, mismanagement and employer bankruptcies during the 1960's, but the law has had the affect of allowing an HMO to deny or delay care with no effective remedy for patients.

Judge William G. Young, a Reagan appointed US District Judge, in his landmark opinion in one case, laid the problems out before us in clear language. He said, and I quote, "ERISA has evolved into a shield of immunity that protects health insurers, utilization review providers, and other managed care entities from potential liability for the consequences of their wrongful denial of health benefits. ERISA thwarts the legitimate claims of the very people it was designed to protect." Judge Young was barred by law from awarding damages for wrongful death in an HMO case—his hands were tied by ERISA—but he laid out the point we're trying to make today. We need to end the ERISA nightmare that is hurting ordinary Americans.

We have built a system that puts paperwork ahead of patients and ignores the real life and death decisions being made in our health care system. We must do better. Americans deserve better care, and deserve the right to hold insurers accountable if they do not receive that care.

Our opponents erroneously argue that ensuring that plans are held accountable will drive up premium costs and result in lost coverage. They fail to acknowledge however, that the timely appeals mechanisms in our amendment could prevent lawsuits before harm can occur. In fact, an independent study by Coopers and Lyband found that the Democratic provision to hold health plans accountable would cost a mere 3 to 13 cents a month. Ironically, the industry's cry that liability will raise costs assumes that health plans are very negligent and that patients do indeed suffer real harm.

History bears out our case: access to the court system for ordinary Americans—the right to seek redress—rescued America from Pintos that caught on fire, it gave us seatbelts, bumpers, airbags in cars, and every innovation in safety for consumers that we've witnessed over the last thirty years.

So why would we oppose access to the court system for patients injured by runaway insurance companies? Well, some have said it will clog the courts and increase costs and premiums on insurance. And all the studies that prove otherwise aren't enough for these ideologies. Well, they might want to take a look at the State of Texas, where, over Governor George Bush's objections, they gave Texans the right to sue their HMO. And what's been the result? In 2 years since an external review process was established, only 480 complaints have been filed with the Texas Independent Review Organization—about 30 times less than the 4,400 complaints that were predicted in the first year alone by the Texas Department of Insurance. Even more important, only one medical malpractice lawsuit has been filed under this law. Mr. President, the Republicans have been asking America to look towards Texas for some answers—Mr. President, this is one issue on which I think we ought to follow Texas's example. It works.

Americans overwhelmingly favor holding managed care plans accountable. A Kaiser Family Foundation/Harvard School of Public Health survey released in January of this year found that 78 percent of voters believe that patients should be able to hold managed care legally accountable for malpractice. A poll released in September of 1998 by The Wall Street Journal and NBC News revealed that 71 percent of voters favor legislation that gives patients the right to hold managed care accountable for improper care, even if that might increase premiums—which studies show it would not.

Mr. President, it is clear that accountability is the key to enforcing patients' rights. A right to emergency room care on a "prudent layperson" standard or a right to specialty care does little to protect patients if such care can routinely be delayed or denied. Only legal remedies provide adequate protection against managed care's biggest abuses. And it's time we embraced those legal remedies. That is something about which we should all agree.

I ask unanimous consent to have articles from the New York Times and the Wall Street Journal printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 11, 1998]

HANDS TIED, JUDGES RUE LAW THAT LIMITS H.M.O. LIABILITY

(By Robert Pear)

WASHINGTON, July 10—Federal judges around the country, frustrated by cases in which patients denied medical benefits have no right to sue, are urging Congress to consider changes in a 1974 law that protects insurance companies and health maintenance organizations against legal attacks.

In their decisions, the judges do not offer detailed solutions of the type being pushed in Congress by Democrats and some Republicans. But they say their hands are tied by the 1974 law, the Employee Retirement Income Security Act. And they often lament the results, saying the law has not kept pace with changes in health care and the workplace.

The law, known as Erisa, was adopted mainly because of Congressional concern that corrupt, incompetent pension managers were looting or squandering the money entrusted to them. The law, which also governs health plans covering 125 million Americans, sets stringent standards of conduct for the people who run such plans, but severely limits the remedies available to workers.

In a lawsuit challenging the denial of benefits, a person in an employer-sponsored health plan may recover the benefits in question and can get an injunction clarifying the right to future benefits. But judges have repeatedly held that the law does not allow compensation for lost wages, death or disability, pain and suffering, emotional distress or other harm that a patient suffers as a result of the improper denial of care.

Congress wanted to encourage employers to provide benefits to workers and therefore established uniform Federal standards, so pension and health plans would not have to comply with a multitude of conflicting state laws and regulations.

The United States Court of Appeals for the Fifth Circuit, in New Orleans, reached a typical conclusion in a lawsuit by a Louisiana woman whose fetus died after an insurance company refused to approve her hospitalization for a high-risk pregnancy. The woman, Florence B. Corcoran, and her husband sought damages under state law.

In dismissing the suit, the court said, "The Corcorans have no remedy, state or Federal, for what may have been a serious mistake."

The court said that the harsh result "would seem to warrant a reevaluation of Erisa so that it can continue to serve its noble purpose of safeguarding the interests of employees."

In another case, Judge William G. Young of the Federal District Court in Boston said, "It is deeply troubling that, in the health insurance context, Erisa has evolved into a shield of immunity which thwarts the legitimate claims of the very people it was designed to protect."

Judge Young said he was distressed by "the failure of Congress to amend a statute that, due to the changing realities of the modern health care system, has gone conspicuously awry," leaving many consumers "without any remedy" for the wrongful denial of health benefits.

Disputes over benefits have become common as more employers provide coverage to workers through H.M.O.'s and other types of managed care, which try to rein in costs by controlling the use of services.

Here are some examples of the ways in which judges have expressed concern:

Judge John C. Porfilio of the United States Court of Appeals for the 10th Circuit, in Denver, said he was "moved by the tragic circumstances" of a woman with leukemia who died after her H.M.O. refused approval for a bone marrow transplant. But, he said, the 1974 law "gives us no choice," and the woman's husband, who had sued for damages, is "left without a remedy."

The United States Court of Appeals for the Eighth Circuit, in St. Louis, said the law protected an H.M.O. against a suit by the family of a Missouri man, Buddy Kuhl, who died after being denied approval for heart surgery recommended by his doctors. "Modification of Erisa in light of questionable modern insurance practices must be the job of Congress, not the courts," said Judge C. Arlen Beam.

The United States Court of Appeals for the Sixth Circuit, in Cincinnati, said that Federal law barred claims against a "utilization review" company that refused to approve psychiatric care for a man who later committed suicide. Because of Erisa, the court said, people who sue an H.M.O. or an insurer for wrongful death "may be left without a meaningful remedy."

Federal District Judge Nathaniel M. Gorton, in Worcester, Mass., said that the husband of a woman who died of breast cancer was "left without any meaningful remedy" against an H.M.O. that had refused to authorize treatment.

Federal District Judge Marvin J. Garbis, in Baltimore, acknowledged that a Maryland man may be left "without an adequate remedy" for damages caused by his H.M.O.'s refusal to pay for eye surgery and other necessary treatments. But, Judge Garbis said, whether Erisa should be "re-examined and reformed in light of modern health care is an issue which must be addressed and resolved by the legislature rather than the courts."

The United States Court of Appeals for the Ninth Circuit, in San Francisco, ruled last month that an insurance company did not have to surrender the money it saved by denying care to a Seattle woman, Rhonda Bast, who later died of breast cancer.

"This case presents a tragic set of facts," Judge David R. Thompson said. But "without action by Congress, there is nothing we can do to help the Basts and others who may find themselves in this same unfortunate situation."

Democrats and some Republicans in Congress are pushing legislation that would make it easier for patients to sue H.M.O.'s and insurance wrong decision, he or she can be sued, said Representative Charlie Norwood, Republican of Georgia, but "H.M.O.'s are shielded from liability for their decisions by Erisa."

Changes in Erisa will not come easily. The Supreme Court has described it as "an enormously complex and detailed statute" that carefully balances many powerful competing interests. Few members of Congress understand the intricacies of the law. Insurance companies, employers and Republican leaders strenuously oppose changes, saying that any new liability for H.M.O.'s would increase the cost of employee health benefits.

Senator TRENT LOTT of Mississippi, the Republican leader, said today that he had agreed to schedule floor debate on legislation to regulate managed care within the next two weeks. Senator TOM DASCHLE of South Dakota, the Democratic leader, who had been seeking such a debate said, Mr. LOTT's commitment could be "a very consequential turning point" if Democrats have a true opportunity to offer their proposals.

But Senator DON NICKLES of Oklahoma, the assistant Republican leader, said, "Republicans believe that health resources should be used for patient care, not to pay trial lawyers."

Proposals to regulate managed care have become an issue in this year's elections, and the hottest question of all is whether patients should be able to sue their H.M.O.'s. The denial of health benefits means something very different today from what it meant in 1974, when Erisa was passed. At that time, an insured worker would visit the doctor and then if a claim was disallowed, haggle with the insurance company over who should pay. But now, in the era of managed care, treatment itself may be delayed or denied, and this "can lead to damages far beyond the out-of-pocket cost of the treatment at issue," Judge Young said.

H.M.O.'s have been successfully sued. A California lawyer, Mark O. Hiepler, won a multimillion-dollar jury verdict against an H.M.O. that denied a bone marrow transplant to his sister, Nelene Fox, who later died of breast cancer. But that case was unusual. Mrs. Fox was insured through a local school district, and such "governmental plans" are not generally covered by Erisa.

The primary goal of Erisa was to protect workers, and to that end the law established procedures for settling claim disputes.

Erisa supersedes any state laws that may "relate to" an employee benefit plan. Erisa does not allow damages for the improper denial or processing of claims, and judges have held that the Federal law, in effect, nullifies state laws that allow such damages.

[From the Wall Street Journal, July 8, 1998]

Lawsuits Have Little Effect On Premiums

(By Laurie McGinley)

WASHINGTON—Adding fuel to one of the most contentious issues before Congress, a study found that allowing patients to sue their health plans over treatment denials hardly increased premiums.

Though laced with caveats, the study could have a significant impact on the managed-care debate heating up on Capitol Hill, where a key question is whether injured patients should be permitted to sue their plans for damages. The report, by Coopers & Lybrand for the Kaiser Family Foundation, is the first attempt by an independent group to look closely at the costs associated with litigation. It undercuts assertions by the managed-care industry and employer groups that imposing legal liability on health plans for wrongly denying treatment would send insurance premiums soaring.

After examining three big health plans for state and local government employees, who already have the right to sue, the study found that the cost of litigation was between three and 13 cents a month per enrollee, or 0.03% to 0.11% of premiums.

"Coopers found that in these places where patients can sue, very few have and the costs have been rather small," said Kaiser Foundation President Drew Altman. He cautioned against drawing strong conclusions from the data. "These are real-life examples, but you can't necessarily use them to generalize to the whole country."

MORE COST ESTIMATES COMING

The study won't be the last word on the subject. The Congressional Budget Office is working on a cost estimate of a Democratic "patients' bill of rights" proposal that includes a managed-care liability provision. And the managed-care industry has touted its own study, by the Barents Group, which estimated that the right-to-sue provision could raise premium costs by 2.7% to 8.6%.

The report came as Senate Democrats fired the opening shot in what is likely to be a protracted struggle over managed-care reform. Last night, Minority Leader Tom Daschle of South Dakota tried to attach the Democratic bill to a funding bill for the veterans and housing departments. In response, Majority Leader Trent Lott of Mississippi pulled the bill off the floor. Meanwhile, GOP senators are working on their own, slimmer, managed-care bill.

The Kaiser report gives the Democrats and their legislative allies, including the American Medical Association, added ammunition on the right-to-sue provision. "The study strips away the only serious argument against the right to hold health plans accountable that has been made by the opponents of change," Sen. Edward Kennedy (D., Mass.) said in a statement.

Richard Smith, vice president for policy at the American Association of Health Plans, which represents more than 1,000 managed-care plans, said the study was deficient because it doesn't include the cost of "defensive medicine"—the provision of services solely to avoid lawsuits. Such practices, he said, would be the "single largest cost driver" resulting from the right-to-sue provision.

Larry Atkins, president of Health Policy Analysts, a Washington consulting group, said that "it's impossible to assess the real cost" of liability, but its passage would end managed care's success in curbing health costs.

SUITS IN FEDERAL COURT

Under the 1974 Employee Income Retirement Security Act, injured patients enrolled in employer-sponsored health plans can't sue their plans for damages under state law if they're improperly denied treatment. They are permitted to bring actions in federal court, but if they win they receive only the value of the denied benefit.

But the law doesn't apply to employees of state and local governments, so Coopers & Lybrand examined the litigation experience of the California Public Employees Retirement System, the Los Angeles Unified School District and the State of Colorado Employee Benefit Plan. Altogether, the three plans cover 1.1 million workers. "All three programs reported very low rates of litigation ranging from 0.3 to 1.4 cases per 100,000 enrollees per year," the study said.

Coopers & Lybrand cautioned that public employees may be less likely to sue than their counterparts in the private sector.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 3 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 3 minutes.

Mr. REID. Mr. President, our bill that is now being attempted to be wiped out as far as liability has not established a right to sue but simply says Federal law cannot break what the States say are appropriate remedies for patients and families who are harmed.

Our legislation protects employers against liability.

I repeat. Our legislation protects employers against liability.

It allows patients who are harmed by an insurance company's decision to deny or delay care to hold their insurance company accountable—not their employer.

There is a lot of talk about the ads that are being run that the employers are going to be held responsible. That is absolutely not true.

Under the Republican amendment, if someone dies of cancer because an insurer refuses needed tests, all the insurer is responsible for is the cost of that test. It may be $20 or $30. That will be the extent of liability. Doctors and other health providers can be sued for harm, pain, and suffering. Yet health plans that make decisions to deny or delay care will continue to be off the hook. Doctors and other health providers can be sued, and yet these HMOs continue to be left off the hook.

It is ironic that those who defend States rights so much on the floor of the Senate obviously don't follow through because they are the loudest and the first to use Federal law to protect health insurers that injure patients.

That is another way of saying the insurance industry is being protected by the majority.

Democrats believe insurance companies should be held accountable when their decisions lead to injury or death. And our opponents claim that isn't the way it should be. They say they should be protected in this separate category, as has been pointed out about the foreign diplomat.

In fact, I repeat what I said earlier this morning. An independent study by Coopers & Lybrand, the international accounting firm, found that the provision in our bill to hold health plans accountable would cost as little as 3 cents per person per month.

Our legislation is directed toward patients, not profits. Our legislation wants to maintain and reestablish the party-physician relationship, which the Republican, the majority, have attempted to destroy with their protecting of the HMOs.

The Republican, the majority, bill is an insurance protection bill; ours is one that protects patients.

Mr. GREGG. Mr. President, I note for the RECORD that the bill sponsored by the Democratic side does allow employers to be sued under subsection A(302). It says specifically "shall not preclude any cause of action described in paragraph one against employer."

Mr. REID. Will the Senator yield?

Mr. GREGG. Under the Senator's time.

Mr. REID. If the Senator is accurate in his statement, it would have said the only time an employer can be held responsible is when the employer is involved directly in a specific case and makes a decision that leads to injury or death.

Of course that is fair. If an employer makes a decision—not the employer's HMO, not the employer's doctor, but the doctor himself is involved in making a decision that leads to injury or death—that seems fair to me.

Mr. GREGG. Actually, the language says "discretionary authority," which is a very broad term.

I yield the Senator from Oregon 7 minutes.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Senator from Oregon.

Mr. SMITH of Oregon. Madam President, many of the HMOs that Senator REID identifies are self-funded insurance plans that are provided by businesses. They certainly are included.

As Senator GREGG has noted, the language reads "discretionary authority" which is a very broad term. The potential for liability is very great.

As I speak to my colleagues and the American people today, I simply say we have a problem. We are mortals, and no one gets out of this life alive. When people die and when they get sick, there are lots of tears. We would like to help. Often, as we reach out to help, we look also for people to blame for tragedy. There are plenty of people in the legal profession to help them find others to blame.

I stand before the Senate as a member of the bar. But I am not going to speak as a member of the bar. I am going to speak as the Senator from Oregon and as a member who holds a somewhat unique perspective in this Chamber—as a businessman, also as someone who has actually paid the health care bills.

Colleagues, as I have listened to Senator FRIST I have been impressed by his skill as a physician, his nuances and his understanding of these issues and they have been helpful to me. As I watched Senator EDWARDS of North Carolina use his great skill and ability as a trial lawyer to make the case for liability, I was also impressed.

However, there are not many people in this Chamber who have actually written the check to provide the health care coverage to their employees. My experience before coming to this Senate was as a food processor. I provided health insurance to hundreds of employees and their families. For nearly 20 years in which I managed that business, I saw health care costs rise three, four, even five times the rate of inflation. My business was not to provide health care, it was to produce food. It was—beyond all others—a cost out of control.

These people who are writing the checks, trying to live up to the promise that we all want in this country for health care, are not the enemy. They are trying to do a good job, and to meet the needs of their employees. I cannot think of a single thing that would imperil health care more in this country than removing the protections provided to employers on the issue of liability.

We are shown all of the terrible situations by the charts shown in this Chamber. But I say to you, I have a heart, too. I would like to help. But I also know that when you deal with an inflationary cost such as medicine, sometimes you don't have the ability—particularly in agriculture—to pass those costs on in the price of your product. So when you add on top of that the potential cost of liability, I fear that employers will not be able to bear it and will turn that benefit into cash for their employees and simply say to employees—you will have to buy it yourself.

But people don't have the ability to buy health care coverage as individuals as well as when they are pooled in employer groups. I support employer-provided health care. I think we are imperiling it if we remove the protections provided to employers by ERISA.

Now, employer-provided health care has an interesting origin in our country. It was very rare prior to World War II when we put on wage and price controls but did not limit the ability of businesses and labor to bargain for benefits. When the men went off to war, businesses reached out to many of the women. They could not offer them a higher wage, so they offered them the benefit of health care. Then businesses began to do this more and more, and it became the subject of collective bargaining under Taft-Hartley and other labor provisions. By the 1970s, nearly three quarters of the American people were covered by employer-provided health care plans.

Congress wanted to go further. In fact, it was a Democratic Congress in 1974 that produced the protection called ERISA to further induce and incentivize businesses to expand in a multistate way to provide health insurance.

Folks, it has worked. Right now the frustrating thing to me is, as we try to legislate, we inevitably have to draw lines and make decisions.

We once were in the position in the State of Oregon of figuring out how best to allocate Medicaid resources. We don't like to have uninsured people in our State; we want them to be insured. Our current Governor's name is John Kitzhaber. He is a medical doctor; he is an emergency room physician. He is a Democrat. He came to the Federal Government, along with many on the Republican side, and said: Let's take this Cadillac plan for a few and essentially turn it into a Chevrolet plan for many.

So we got a waiver. Instead of rationing medicine through waiting lines and price, we did it upfront by saying: These are the health care procedures that are available.

The Vice President, AL GORE, and others referred to our Governor sometimes in very disparaging terms. He was even called "Doctor Death" by the media. But he had the courage, and many with him, to make decisions that were tough.

So when we see the pictures and the charts, I say to you that I have been there. I have seen and lived them before. My heart strings are pulled by those, too. But I also know that we don't help them by increasing health care costs—we uninsure them.

What we are debating, really, is where to draw the line, how to make health care more affordable to more people. The last thing in the world we should be doing is so disincentivizing the ability of small businesses to afford health care that they will simply turn it into cash.

I ask unanimous consent to have printed in the RECORD a letter on behalf of the National Grocers Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GROCERS ASSOCIATION
Reston, VA, July 9, 1999.

Hon. GORDON H. SMITH,
U.S. Senate,
Washington, DC.

DEAR SENATOR SMITH: On behalf of independent retail and wholesale grocers nationwide, I am writing to express our strong opposition to legislation that allows employers to be sued for health plan decisions or that modify or eliminate ERISA preemption of state regulation. The National Grocers Association (N.G.A.) is the national trade association representing retail and wholesale grocers who comprise the independent sector of the food distribution industry. This industry segment accounts for nearly half of all grocery sales in the United States.

Under current law, the Employee Retirement Income Security Act (ERISA) supersedes all state laws concerning employee benefits. This means that states cannot regulate or tax employer health and welfare plans, and beneficiaries may not sue plans or employers for violations of state law. The purpose of ERISA preemption of state law is to encourage businesses to offer health insurance to their employees by guaranteeing a uniform national regulatory system and limiting liability. It has served this purpose extremely well.

Elimination of the ERISA preemption would subject companies in the food distribution industry to a patchwork of new regulations in the states in which they operate, and expose them to a new class of possible lawsuits in each of those states. Plans would be forced to cover treatments to avoid litigation, thereby driving up the cost of offering health insurance. There is tremendous concern that the new costs associated with removing the ERISA preemption could cause many businesses to stop offering health insurance to their employees.

Again, I urge you to oppose legislation to modify or eliminate the ERISA preemption thereby increasing the cost of health care while expanding employer liability. Thank you in advance for your consideration of our concerns.

Sincerely,

THOMAS K. ZAUCHA,
President and CEO.

Mr. SMITH of Oregon. The letter talks about how many small grocers, as many in business, simply will not be in a position to bear this additional burden.

I ask Members to understand, we are talking about a very significant thing. It is not just about price; it is about the ability to participate, and to continue providing health insurance to the working men and women of this country. I ask my colleagues to vote against expanding liability and in support of the Gregg amendment.

Mr. KENNEDY. Madam President, I yield myself 5 minutes. Do we have 9 minutes left? Please let me know when 4 minutes are up.

Madam President, statements have been made here to the effect that we should not let this process go forward. Statements have been made that this is basically a Democratic initiative, a partisan issue. We have claimed it is an issue of fundamental justice.

Let me quote Frank Keating, the Republican Governor of Oklahoma, a man who was so respected in his own party that he was elected chairman of the Republican Governors' Association. According to an Oklahoma newspaper, in an interview with Keating, Keating sided with congressional Democrats. He said health maintenance organizations should be open to lawsuits if they are grossly negligent. Keating said his oldest daughter had a heart defect since birth, but that the gatekeeper at her health maintenance organization in Texas told her she did not need to see a cardiologist. Keating said he made a call to a top aide to Texas Governor George W. Bush to get some action. He said he realized other people might not be able to pull such strings.

That is what a Republican Governor has said is the reality in real America.

We see it in the Federal courts. I will have printed in the RECORD a series of statements from judges who are seeing these cases. Let me read one by Federal Judge William Young, a longtime Republican, who, incidentally, was appointed to the bench by President Ronald Reagan. He said that disturbing to this court is the failure of Congress to amend a statute that, due to the changing realities of the modern health care system, has gone conspicuously awry from its original sense. This court has no choice but to pluck the case out of State court and then, at the behest of the insurance company, slam the courthouse door in the wife's face and leave her without any remedy.

Judge Young came down here and urged us to include this particular provision in our legislation because of what he has seen occur in the Federal courts.

I could read instance after instance. Judge Spencer Letts has a long statement about this as well. He said that it is not just the parents. They are the most powerful voices, but it is the judges who are appalled at the inequity and outrageous injustice that is taking place in the Federal courts all over this country, and it is wrong.

Most Americans would be shocked to know that HMOs enjoy immunity from suits. If a doctor fails to treat a patient with cancer correctly and if the patient dies, you can sue the doctor for malpractice. But if a managed care company decides to pinch pennies and overrule the doctor's recommendations on treating the patient and the patient dies, the insurance company is immune from responsibility. No other industry in America enjoys this immunity from the consequences of its actions. The HMOs do not deserve it. On this life-and-death decision, immunity from responsibility is literally a license to kill.

Madam President, we ought to at least leave this matter up to the States, not preempt the States.

I want to say the strongest supporters of this provision are the doctors. The reason the doctors are the strongest advocates of this position is because they are sick and tired of having their medical recommendations overruled by HMOs. That is the basic justification.

Ultimately, it is basic fairness to the individual who may be harmed. The provision ultimately improves the quality of care by ensuring their accountability. Finally, we have the doctors themselves pleading, pleading, pleading for Congress to act.

The American Medical Association has indicated its strong support in a letter. I ask unanimous consent to have that printed in the RECORD as well.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN MEDICAL ASSOCIATION,
Chicago, Il, July 8, 1999.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the 300,000 physician and student members of the American Medical Association (AMA), we are pleased that the Senate has agreed to begin debate on patient protection legislation. Bipartisan enactment of comprehensive legislation in this area is urgently needed.

* * * * *

This bill should remedy the inequity that results from health plans' ability to routinely make medical decisions while remaining unaccountable for the injuries they cause. Health plans duplicitously argue that they should make medical necessity decisions and control utilization review and appeals processes while stating that they want to be protected by ERISA preemption. By not removing that immunity, this bill would fail to hold those health plans accountable. Presently, 125 million enrollees participate in ERISA-covered health plans, and despite state legislative initiatives to provide adequate legal remedies, those enrollees are all without effective legal recourse against their health plans. This is an issue of fundamental fairness. The AMA firmly believes that Americans covered by ERISA plans must have the same right of redress as those who are covered by non-ERISA plans. We therefore request that S. 326 be amended to remove ERISA preemption for health plans.

* * * * *

In conclusion, the AMA appreciates the Senate's efforts to adopt legislation that would promote fairness in managed care. We urge you to join us in advancing patients' rights by strengthening the "Patients' Bill of Rights Act," S. 326, to guarantee all patients these essential protections.

Respectfully,
E. RATCLIFFE ANDERSON, Jr., MD.

Madam President, I hope this amendment will be defeated and that we let the States make the final judgment. They ought to be the ones who make the decision about protecting their own citizens. On this issue, it should not be the Federal Government or the Senate preempting and denying States the opportunity to protect their citizens.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes and 29 seconds.

Mr. KENNEDY. I yield 2 minutes on the bill to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 2 minutes.

Mrs. BOXER. Madam President, I thank Senator KENNEDY for his incredible leadership on this issue.

Last night, I said the score was 8 to 0; it was 8 for the HMOs, patients nothing. I think this amendment is worth 2 points, so it will either be 10 to nothing or 8 to 2.

Let me tell you why I think this amendment is so important. If this amendment is agreed to and the HMOs cannot be held accountable in a court of law, it means that if they kill you, if they maim you, if they hurt you or your family or your children due to callous and uncaring bureaucrats, they cannot be held accountable. We set no new Federal cause of action. We simply say if the States believe it is right—such as Texas decided it was—then they can allow these lawsuits to proceed.

Let me tell you about an emergency room physician I met. He came before the Congress. He told a harrowing tale of a man who was brought into the emergency room with uncontrollable blood pressure. The doctor tried everything. Finally, by administering drugs through an IV, he was able to control the pressure. He felt the man needed to stay in the hospital at least overnight. He called the HMO. The HMO said, "Absolutely not. Give the man his medication and send him home."

The doctor begged. The doctor cajoled. The HMO was unrelenting. The doctor went to the patient. He said, "Your HMO will not allow you to stay here, sir, but I strongly advise you to stay here."

The patient said, "What will it cost?"

The doctor said, "About $5,000."

This gentleman started laughing. He said: I don't have $5,000. I have a family. I have to go home. I have a job. I am sure my HMO would never do this to me, would never put me in danger. If they say I can have the drugs, give me the drugs, and I will go home.

The doctor could not prevail with the gentleman. The gentleman went home and had a stroke. He is now paralyzed on one side of his body.

I ask for an additional 30 seconds on the bill.

Mr. KENNEDY. I yield 30 more seconds.

The PRESIDING OFFICER. The Senator is recognized for 30 seconds.

Mrs. BOXER. So now what happens? This man is paralyzed for life. Oh, he could sue the doctor, that good doctor who begged the HMO. Yes, he could sue the hospital. The hospital had nothing to do with it.

I am saying to my friends on the other side of the aisle, you are always talking about States rights. We come in here and get lectured every day. All this amendment, under the underlying bill, says is, if a State decides to allow their people the right to sue a callous, uncaring, and negligent HMO, as Texas decided to do and other States did, let them do it.

I hope this amendment will be defeated. Remember, it is worth 2 points.

Mr. NICKLES. Madam President, I ask that the Senator from New Hampshire yield me 1 minute.

Mr. GREGG. I yield the Senator from Oklahoma 1 minute.

Mr. NICKLES. Madam President, I ask unanimous consent to have printed in the RECORD a letter from the Republican Governors Association, signed by Governor Keating from Oklahoma, Ed Schafer, Governor of North Dakota, and Don Sundquist, Governor of Tennessee, all urging us to defeat the KENNEDY bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

REPUBLICAN GOVERNORS ASSOCIATION,
Washington, DC, July 14, 1999.

Hon. DON NICKLES,
Assistant Majority Leader, U.S. Senate, U.S. Capitol, Washington, DC.

DEAR SENATOR NICKLES: As Congress begins debate on managed care reform legislation, we would like to emphasize our confidence in states' achievements in managed care and ask that any legislation you consider preserve state authority and innovation. We applaud the Republican Leadership's efforts to complement the states' reforms by expanding managed care protections to self-insured plans without preempting state authority.

Historically, regulating private insurance has been the responsibility of the states. Many, if not all of the ideas under consideration now in Congress, have been considered by states. Because the saturation of managed care is different throughout the nation, each state has its own unique issues relative to its market place. We have concerns about the unintended consequences of imposing one-size-fits-all standards on states which could result in increasing the number of uninsured and increasing health care costs.

As Governors, we have taken the reports of abuses in managed care seriously and have addressed specific areas of importance to our citizens. As you know, some analysts estimate that private health insurance premiums could grow from the current 6 percent to double-digit increases later this year. This does not include the costs of any new federal mandates. Health resources are limited.

We hope the Congress' well-intended efforts take into account the states' successful and historical role in regulating health insurance.

Sincerely,

FRANK KEATING,
Governor of Oklahoma, Chairman.
ED SCHAFER,
Governor of North Dakota, Vice Chairman.
DON SUNDQUIST,
Governor of Tennessee, Chairman, RGA Health Care Issue Team.

Mr. NICKLES. I want to be clear. The Governors do not want us micromanaging their health care. The Governors, frankly, do not want us driving up health care costs. The Governors do not want to have a bill that is not really for patients rights, but rather for trial lawyers' rights. It would be great for lawsuits, but it would be terrible for health care. It basically would have people dropping health care all across the country because, not only do you sue HMOs, but you sue employers as well. Maybe many people have missed that part of the debate.

The Kennedy bill says, let's sue employers. If your health care is not good enough, sue your employers. The employers say: We do not have to provide health care; we are going to drop it. Employees, I hope you take care of it on your own. If you want to increase the number of uninsured, pass the Kennedy bill. This amendment would strike the provision. I think it would be very positive for health care in America.

Mr. GREGG. I yield, off the bill, to the Senator from Pennsylvania, 3 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania has 3 minutes off the bill.

Mr. SANTORUM. Madam President, I thank the Senator from New Hampshire. Many have said that you cannot sue your HMO. There are three Federal Circuit Court cases and 12 Federal District Court cases that have said ERISA does not preempt State law when you want to sue your HMO for malpractice.

I ask unanimous consent to have this list printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ERISA IS NOT A BARRIER TO HMO MALPRACTICE LIABILITY

The key argument made time and again by sponsors of the Kennedy unfunded mandates bill is that we need expanded liability because managed care companies are shielded from being held accountable for malpractice by the federal ERISA (Employee Retirement Income Security Act).

The fact is that in at least 15 cases since 1995, federal circuit and district courts have ruled that ERISA does not shield an HMO from being sued for medical malpractice.

Federal circuit court

In Dukes (1995), the third circuit court held that ERISA did not preempt Pennsylvania state law on medical negligence action involving an HMO.

In Pacificare (1995), the tenth circuit court held that ERISA did not preempt Oklahoma state law, stating, "just as ERISA does not preempt the malpractice claims against the doctor, it should not preempt the vicarious liability claim against the HMO . . ."

In Rice (1995), the seventh circuit court held that ERISA did not preempt Illinois state law medical malpractice action.

Federal district court

In Henderson (1997), the court rejected claims of ERISA preemption in a malpractice case against an HMO, its hospitals, and treating professionals and settlement for $5 million was reached shortly thereafter.

In Prihoda (1996), the court held that ERISA did not preempt vicarious liability of an HMO.

In Kampmeier (1996), the court held that ERISA did not preempt Pennsylvania state law claim for medical negligence.

In Quellette (1996), the court held that ERISA did not preempt Ohio state law claim for medical negligence.

In Roessert (1996), the court held that ERISA did not preempt California state law for negligence.

In Fritts (1996), the court held that ERISA did not preempt Michigan state law for medical negligence.

In Lancaster (1997), the court held that ERISA did not preempt Virginia state law medical negligence claim.

In Blum (1997), the court held that ERISA did not preempt Texas malpractice claim against an HMO.

In Edelen (1996), the court held that ERISA did not preempt District of Columbia law in malpractice action against an HMO.

In Prudential (1996), the court held that ERISA did not preempt Oklahoma malpractice law in an HMO case.

In Ravenell (1995), the court held that ERISA did not preempt Texas malpractice law in an HMO case.

State court decisions

In Pappas (1996), Pennsylvania Superior Court held that medical malpractice action against an HMO was not preempted by ERISA.

In Naseimento, Massachusetts Superior Court held that ERISA did not preempt liability of an HMO, and a jury awarded $1.4 million.

Mr. SANTORUM. So the issue is not whether you can sue your HMO. That is not why we are so adamantly against the provision in the Kennedy bill. It is not to be able to sue your HMO. I do not have any problem with your being able to sue your HMO. What I do have a problem with is what this bill does: it allows you to sue your employer. It allows you to sue the employer for a decision made by an HMO, by an insurance company. What will that mean?

You heard the Senator from Oregon, who is a small business owner, say—and, by the way, I have talked to dozens of employers who have said this:

If you are going to open up the books of my corporation—I make widgets or I make steel or I make desks or I make pencils—you are going to open up my books for my employees to sue me for a decision my insurance company, that I hired, made. I cannot afford it. I am not in the business of health care. I am not managing these health care decisions. I hired someone to do that, but I am going to get sued for their decisions? Sorry, as much as I would love to provide group health insurance to you, I cannot allow the corporation—our corporation, our effort—to be jeopardized by a decision made by someone outside of what I do.

I cannot let it happen. They will drop their insurance. I ask for 30 additional seconds.

Mr. GREGG. I yield the Senator 30 seconds.

Mr. SANTORUM. Who will be the first person, once these employers drop their insurance as a result of this bill, to run to the Senate floor and say:

These nasty employers, look at them; they are dropping their insurance; we need the Government to take over the health care system?

Yes, the Senator from Massachusetts would be the first person on the Senate floor calling for a Government health care system.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I ask unanimous consent that 23 cases emphasizing ERISA's limitations, Federal cases from most every circuit plus various State courts around the country, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COURT CASES EMPHASIZING ERISA'S LIMITATIONS

A. FEDERAL APPELLATE DECISIONS

1. Bedrick v. Travelers Insurance Company (4th Cir. 1996) 93 F.3d 149

Ethan Bedrick was born with severe cerebral palsy and required speech therapy and physical therapy to prevent contraction of his muscle tissues. In April of 1993, Travelers Insurance Company terminated the speech therapy and severely restricted physical therapy when Ethan was 14 months old. When Ethan's father threatened to sue, the insurance company reviewed the decision. The insurance company concluded, without updating Ethan's file or consulting with his physicians, that intensive physical therapy would not result in what the insurance company described as "significant progress" for Ethan.

In its ruling in 1996, the Fourth Circuit held that Travelers' decision was arbitrary and capricious because the opinions of their medical experts were unfounded and tainted by conflict. The court observed that neither the insurance plan nor the company's internal guidelines required "significant progress" as a precondition to providing medically neoessary benefits. "It is as important not to get worse as to get better", the court noted. The court noted that "the implication taht walking by age five. . . would not be 'significant progress' for this unfortunate child is simply revolting." (page 153)

ERISA left the Bedricks with no remedy to compensate Ethan for the developmental progress he lost during the three years and more that his parents had to litigate the benefit denial by Travelers. The Bedricks' state law causes of action were eliminated due to ERISA.

2. Corcoran v. United Healthcare, Inc. (5th Cir. 1992) 965 F.2d 1321

Mrs. Corcoran was in an employer-sponsored health plan using Blue Cross as administrator and United Health Care handling utilization review. Mrs. Corcoran was pregnant and had a history of pregnancy-related problems. Although her own doctor recommended hospitalization, United Health Care denied that hospitalization was medically necessary and did not pre-certify a hospital stay. Instead, 10 hours of daily in-home nursing care were authorized. When the nurse was not on duty, the fetus developed problems and died. The Corcorans had no remedy for damages against United under ERISA. The Corcorans' claim for state damages were eliminated due to ERISA.

The court noted: "The result ERISA compels us to reach means that the Corcorans have no remedy, state or federal, for what may have been a serious mistake. This is troubling for several reasons. First, it eliminates an important check on the thousands of medical decisions routinely made in the burgeoning utilization review system . . . Moreover, if the cost of compliance with a standard of care (reflected either in the cost of prevention or the cost of paying judgements) need not be factored into utilization review companies' cost of doing business, bad medical judgements will end up being cost-free to the plans that rely on these companies to contain medical costs. ERISA plans, in turn will have one less incentive to seek out the companies than can deliver both high quality services and reasonable prices" (page 1338).

3. Cannon v. Group Health Services of Oklahoma, Inc. (10th Cir. 1996) 77 F.3d 1270

Ms. Cannon was diagnosed with elobastic leukemia. She received chemotherapy treatments, and her leukemia went into remission. Subsequently, her insurer amended her policy to state that preauthorization would be denied for an autologous bone marrow treatment if sought after the first remission.

Ms. Cannon's doctor recommended an autologous bone marrow treatment and requested preauthorization from the insurer. When the insurer denied the treatment as experimental, the doctors made a second request which was also denied. Through persistence by the doctor and Ms. Cannon, the insurer reversed its decision and authorized the treatment approximately seven weeks after the first request was made. It was not until 18 days after the decision to authorize the treatment was made that Ms. Cannon learned of the reversal. Two days after notification, she was admitted to the hospital and died the following month.

Ms. Cannon's surviving spouse brought several state law claims. The court held that the state law causes of action were preempted due to ERISA and that there was no remedy under ERISA for the delay in receiving the authorization. The court apologized for the result and wrote "although we are moved by the tragic circumstances of this case and the seemingly needless loss of life that resulted, we conclude the law gives us no choice but to affirm" (page 1271).

4. Jass v. Prudential Health Care Plan, Inc. (7th Cir. 1996) 88 F.3d 1482

Ms. Jass was in an employer-sponsored health plan using Prudential Health Care Plan to administer the plan. She had complete knee replacement surgery. A utilization review administrator for Prudential determined that it was not necessary for Ms. Jass to receive a course of physical therapy following the surgery to rehabilitate the knee.

Ms. Jass claimed that her discharge from the hospital was premature since she had not received required rehabilitation and she had permanent injury to her knee.

Ms. Jass had no damages remedy against either the utilization review administrator or Prudential under ERISA. The court found that ERISA preempted any state claim against Prudential for vicarious liability for the doctor's alleged negligence in connection with the denial of rehabilitation.

5. Comer v. Kaiser Foundation Health Plan (9th Cir. 1994) 1994 U.S. App. LEXIS 27358, 1994 WL 718871

Although Ryan Comer had been diagnosed with an unusual form of pediatric cancer, Kaiser denied coverage for high-dose chemotherapy and denied authorization for an autologous bone marrow transplant. Ryan subsequently died.

Ryan's parents' state wrongful death action was preempted by ERISA. Ryan's parents had no damage remedy available to them under ERISA.

6. Kuhl v. Lincoln National Health Plan of Kansas City, Inc. (8th Cir. 1993) 999 F.2d 298

Mr. Kuhl had a heart attack. His doctor decided on June 20, 1999 that he required specialized heart surgery. Because the hospitals in his town did not have the necessary equipment for such surgery, the doctor arranged for the surgery to be performed in St. Louis at Barnes Hospital.

When Barnes Hospital requested precertification for the surgery, the utilization review coordinator at Mr. Kuhl's HMO refused to precertify the surgery because the St. Louis hospital was outside the HMO service area. Accordingly, the surgery scheduled for July 6 was canceled. The HMO instead sent Mr. Kuhl to another Kansas City doctor on July 6 to determine whether the surgery could be performed in Kansas City. That doctor agreed with the first doctor that the surgery should be performed at Barnes Hospital. Two weeks later, the HMO agreed to pay for surgery at Barnes Hospital. By then, the surgery could not be scheduled until September.

When the doctor at Barnes Hospital examined Mr. Kuhl on September 2, Mr. Kuhl's heart had deteriorated so much that surgery was no longer a possibility. Instead, he needed a heart transplant. Although the HMO refused to pay for an evaluation for a heart transplant, Mr. Kuhl managed to be placed on the transplant waiting list at Barnes. Mr. Kuhl died waiting for a transplant.

The survivors of Mr. Kuhl have no damages remedy against the HMO under ERISA. Mr. Kuhl's survivors' state law causes of action were eliminated due to ERISA.

7. Spain v. Aetna Life Insurance Co. (9th Cir. 1993) 11 F.3d 129, cert. denied (1994)

Mr. Spain was diagnosed with testicular cancer. The recommended course of treatment was three-part procedure which had to occur in a short time period. Although Aetna initially approved the treatment, Aetna withdrew its approval prior to the third part of the procedure.

While Aetna ultimately changed its position and authorized the third part of the procedure, it was not authorized until it was too late to be effective. Mr. Spain died. There are no damage remedies against Aetna under ERISA. Mr. Spain's survivors' state law causes of action were eliminated due to ERISA.

8. Settles v. Golden Rule Insurance Co. (10th Cir. 1991) 927 F.2d 505

Mr. Settles was in an employee-sponsored health plan. The employer paid a monthly premium to Golden Rule and the employer was required to give written notice to the insurer in advance of terminating Mr. Settles' coverage. On October 24, the insurer notified Mr. Settles by a letter that it had terminated his insurance unilaterally. That same day Mr. Settles suffered a heart attack and he died five days later.

The widow sued Golden Rule in state court alleging that the death of her husband was caused proximately by the insurer's unilateral decision to terminate his insurance. The court ruled that ERISA preempted her state claims. ERISA does not provide a damage remedy for her losses.

B. FEDERAL DISTRICT COURT DECISIONS

9. Wurzbacher v. Prudential Insurance Co. of America (E. Dist. Ky. January 27, 1998)

Mr. Wurzbacher received monthly injections of leupron as treatment for his prostate cancer. Under his retiree health plan, the treatment was fully covered (paid 100% of the $500 charge) and paid for. When Prudential took over as the plan administrator, it changed the coverage stating the plan would now only over 80% of $400 ($320) of the $500 charge for each injection. Since Mr. Wurzbacher could not afford to pay the additional $180, he asked his physician for alternatives. In light of the aggressiveness of the cancer, the doctor said the only alternative was castration. The request was approved by Prudential and he was castrated.

When he returned home, he found a letter from Prudential notifying him that it had made a mistake and that the plan would pay the full $500 for the monthly leupron injection.

The court held that the Wurzbachers' claims for state damages were eliminated due to ERISA. Neither Mr. Wurzbacher nor his spouse have a damage remedy under ERISA for alleged negligence by Prudential in denying the claim.

10. Andrews-Clarke v. Travelers Insurance Co. (D. Mass. Oct. 30, 1997) 21 EBC 2137, 1997 WL 677932

Richard Clarke's health plan covered at least one 30-day inpatient rehabilitation program per year when necessary. Travelers refused to approve Richard's enrollment in a 30-day inpatient alcohol rehabilitation program. Instead it approved two separate brief (five and eight days, respectively) hospital stays. Within 24 hours after the second hospital stay, Richard attempted suicide in the garage with the car engine running while he consumed a combination of alcohol, cocaine, and prescription drugs. His wife discovered him by breaking through the garage door. Mr. Clarke was taken to the hospital where he was treated for carbon monoxide poisoning.

At his mental commitment proceeding, the court ordered Mr. Clarke to participate in a 30 day detoxification and rehabilitation program following his release from the hospital. Travelers "incredibly refused" to authorize admission under his plan. Instead, for his detoxification and rehabilitation, Mr. Clarke was sent to a correctional center, where he was forcibly raped and sodomized by another inmate. He received little therapy or treatment at the correction center. Following his release, he went on a prolonged, three-week drinking binge. He was hospitalized overnight with respiratory failure. After his release from the hospital, he began drinking again. He was found the following morning dead in his car, with a garden hose running from the tailpipe into the passenger compartment.

Mr. Clarke's widow and four minor children sued Travelers and its utilization review provider under state law. ERISA was held to preempt all of these and to provide no remedy. The Court noted that "the tragic events set forth in Diane Andrews-Clarke's Complaint cry out for relief" (p. 2140) and "Under traditional notions of justice, the harms alleged—if true—should entitle Diane Andrews-Clarke to some legal remedy on behalf of herself and her children against Travelers and Greenspring. Consider just one of her claims—breach of contract. This cause of action—that contractual promises can be enforced in the courts—pre-dates the Magna Carta" (p. 2141).

But the Court also noted: "Nevertheless, this Court has no choice but of pluck David Andrews-Clarke's case out of the state court in which she sought redress (and where relief to other litigants is available) and then, at the behest of Travelers and Greenspring, to slam the courthouse doors in her face and leave her without any remedy" (p. 2141).

In discussing the need for ERISA reform the Court was quite clear:

"This case, thus, becomes yet another illustration of the glaring need for Congress to amend ERISA to account for the changing realities of the modern health care system" (pp. 2141-2142).

"It is therefore deeply troubling that, in the health insurance context, ERISA has evolved into a shield of immunity which thwarts the legitimate claims of the very people it was designed to protect. What went wrong?" (p. 2144).

"The shield of near absolute immunity now provided by ERISA simply cannot be justified" (p. 2151).

The Court, recognizing "the perverse outcome generated by ERISA in this particular case," called upon Congress for reform.

11. Thomas-Wilson v. Keystone Health Plan East HMO (E.D. PA 1997) 1997 U.S. District court LEXIS 454, 1997 WL 27097

In May of 1995, Ms. Thomas-Wilson was diagnosed with Lyme disease. She began receiving intravenous antibiotic treatment on June 6, 1995, which the HMO covered. In August of that year, the HMO denied continuation of that treatment. Since she could not afford to pay herself for the treatments, she stopped receiving them and her condition worsened. She could not work or perform household duties. Her neck and back pain became so severe and persistent that she needed a full-time caregiver.

From September through December of 1995, the HMO required her to undergo extensive testing to determine if she had Lyme disease. In December of 1995, the HMO reinstated coverage for the intravenous antibiotic treatment.

Ms. Thomas-Wilson filed suit alleging that she became severely disabled and endured great pain, suffering, depression, and changes in personality as a result of the interruption of her treatment.

The court found that Ms. Thomas-Wilson's and her spouse's state tort claims against the HMO were preempted by ERISA. There was no damage remedy available under ERISA.

12. Turner v. Fallon Community Health Plan Inc. (D. Mass. 1997) 953 F. Supp. 419

Mrs. Turner's HMO refused to authorize cancer treatment. She died. Mr. Turner sued his spouse's HMO for allegedly causing her death by refusing to authorize treatment.

The court held that, even assuming there had been a wrongful refusal to provide the treatment to Mrs. Turner, her surviving spouse's state claims were preempted by ERISA. Mr. Turner has no damage remedy available under ERISA.

13. Foster v. Blue cross and Blue Shield of Michigan (E.D. Mich. 1997) 969 F. Supp. 1020

Mrs. Foster was diagnosed with breast cancer and Blue cross refused to approve the treatment prescribed of high dose chemotherapy with peripheral cell rescue and autologous bone marrow transplantation. Because of this denial, Shelly Foster did not receive the treatment and died. The court, noting that this was a "harsh result," held that the claims of her spouse for breach of contract, bad faith and infliction of emotional distress, negligent misrepresentation and fraud, and wrongful death, as well as any claim under the Michigan civil rights statute, were all preempted by ERISA. Mr. Foster had no damage remedy under ERISA.

14. Smith v. Prudential Health care Plan, Inc. (E.D. Pa. 1997) 1997 WL 587340

Mr. Smith's contract with Prudential through the PAA Trust required pre-authorization for medical treatment before insurance coverage would be provided. After Mr. Smith injured his leg in an automobile accident on January 18, 1995, he needed surgery to reduce his heelbone. When no doctor participating in the Prudential HMO was available, Mr. Smith found a qualified out-of-network doctor to perform the surgery. Prudential would not authorize the surgery since "surgical correction is no longer possible." Mr. Smith filed a state action for breach of contract, negligence, and negligent performance of contract. The court ruled that plaintiff's claims were preempted by ERISA. Mr. Smith has no remedy under ERISA.

15. Udoni v. The Department Store Division of Dayton Hudson Corporation (N.D. Ill. 1996) 1996 U.S. Dist. LEXIS 8282, 1996 WL 332717

Mrs. Udoni's bone deterioration in her facial bones, caused by osteoporosis, prevented her from eating food. Her bone deterioration caused numerous other problems. Her doctors had to replace her facial bones with bones from her hip.

Under Mrs. Udoni's medical plan, medical conditions were fully covered but treatments to correct conditions of the teeth, mouth, jaw joints were excluded. The plan's administrator classified Mrs. Udoni's operation as "dental" and denied coverage for surgery.

The court ruled the interpretation of the plan was arbitrary and capricious. The physicians had provided evidence repeatedly explaining the medical necessity and classification of her specific surgery. Recognizing that to remand the case to the administrator would be futile in light of its "continued refusals to consider (or even acknowledge) substantial evidence of the merits" of Mrs. Udoni's claim, a bench trial was scheduled.

ERISA provides no remedy for complications resulting from the deterioration in Mrs. Udoni's physical condition during the coverage disputes. Mrs. Udoni's claim for damages arising from improper denial of benefits were eliminated under ERISA.

16. Bailey-Gates v. Aetna Life Insurance Co. (D. Conn. 1994) 890 F.Supp. 73

Mr. Bailey-Gates was hospitalized in May of 1991 for physical and mental disorders. A managed care nurse for Aetna ordered him released on June 18, 1991. He was released on June 25 and less than two weeks later, on July 4, 1991, he committed suicide.

His survivors sued Aetna for negligently releasing him while he was still in need of hospitalization for his disorders. The court ruled that ERISA preempted his survivors' state claims. Mr. Bailey-Gates' survivors have no damage remedy under ERISA.

17. Gardner v. Capital Blue Cross (M.D. Penn. 1994) 859 F.Supp. 145

Although Ms. Wileman's tumor from her peripheral neuroectodermal cancer was reduced by 70% from chemotherapy, only a bone marrow transplant could possibly eliminate the cancer. Blue Cross initially denied the request and refused to pre-certify the procedure. Blue Cross reconsidered and agreed to pay for the bone marrow transplant after it heard from Ms. Wileman's lawyer and the Pennsylvania Insurance Department.

Ms. Wileman's condition worsened sufficiently during the delay following the denial. Her doctors decided she was too weak to undergo the bone marrow transplant when they were preparing for the transplant in June of 1993. In September of 1993, Ms. Wileman died.

The court held that ERISA preempted her survivors' state negligence claims against the HMO. Her survivors have no damage remedy under ERISA.

18. Nealy v. U.S. Healthcare HMO (S.D. N.Y. 1994) 844 F. Supp. 966

Mr. Nealy had been treated by his doctor for an anginal condition. The HMO had assured Mr. Nealy that he could continue the care he was receiving for his pre-existing condition and be treated by the doctors he had been seeing.

After Mr. Nealy enrolled in the HMO, he was not issued an identification card. One week after first seeking an appointment, Mr. Nealy was examined on April 9, 1992, by a primary care physician who refused to refer Mr. Nealy to his former cardiologist. The HMO explained its refusal in an April 29, 1992 letter saying it had its own participating cardiologists. On May 15, 1992, the primary care physician authorized Mr. Nealy to see a cardiologist on May 19, 1992. Mr. Nealy suffered a massive heart attack on May 18, 1992 and died.

The court ruled that Mr. Nealy's surviving spouse's state claims were preempted due to ERISA. Mrs. Nealy has no claim for damages under ERISA.

19. Dearmas v. Av-Med, Inc. (S.D. Fla. 1993) 814 F. Supp. 1103

Ms. Dearmas was injured in an automobile accident, and she was transferred to four different hospitals in three days by her HMO based on the availability of providers participating in her plan at those facilities. As a result of those transfers, as well as other delays in her treatment, she alleged irreversible neurological damage.

The court held that ERISA preempted her state negligence claims against the HMO. Ms. Dearmas has no claim for damages under ERISA.

20. Pomeroy v. Johns Hopkins Medical Services, Inc. (D. Md. 1994) 868 F. Supp. 110

Mr. Pomeroy required surgery for dilopia (double vision). The HMO denied his claim. Five months later, in September of 1990, suffering from back pain and severe depression, the HMO again denied treatment. After these denials, he became addicted to a pain killer. When he sought treatment for the addiction, the HMO once again denied his claim.

Mr. Pomeroy pursued his benefits under the state Health Claims Arbitration Board and the HMO removed the case to federal court.

The court dismissed with prejudice Mr. Pomeroy's state claims for mental, physical and economic losses due to ERISA preemption. The court also dismissed without prejudice his benefit claim. Mr. Pomeroy has no claim for damages under ERISA.

21. Kohn v. Delaware Valley HMO Inc. (E.D. Penn. 1991) 14 EBC 2336

Mr. Kohn entered outpatient drug and alcohol rehabilitation in 1989. His HMO primary care physician admitted him in February of 1990 into an in-patient program. When the 15 days concluded, the therapist determined additional inpatient care was necessary. The HMO not only refused coverage for the additional inpatient care but refused to allow Mr. Kohn's family to pay for that additional care. While attempting to cross the railroad tracks in a drunken stupor, he was struck, and killed by a train two weeks after leaving the rehabilitation center.

The court found that ERISA preempted his survivors' claims based on denial of additional treatment. The court also held that a vicarious liability claim against the HMO based on ostensible agency would not be preempted if the HMO doctors committed malpractice. The survivors had no claim for damages under ERISA.

Mr. REID. I yield the final minutes we have on this amendment to the Senator from Illinois, the floor leader for the Democrats.

The PRESIDING OFFICER. Four minutes 24 seconds remain.

Mr. GREGG. Will the Senator suspend?

Mr. REID. Will the Senator withhold?

Mr. GREGG. I understand this is your last speaker. We have Senator DOMENICI, and then I will close. If Senator DOMENICI can go in between that.

Mr. REID. The Senator wants Senator DOMENICI to go now, if Senator DURBIN will withhold.

Mr. GREGG. I yield 5 minutes off the bill to Senator DOMENICI.

Mr. DOMENICI. I thank the Senator from New Hampshire.

Madam President, I want Senator KENNEDY to know that I will not get red in the face today. My wife is watching, and she tells me I do better when I do not yell.

Looking at America today, I ask this question: Is the best way to resolve the problem of somebody who is a patient and sick, and the kind of coverage and care to which they are entitled, to give it to the trial lawyers to resolve before juries in court cases?

I cannot believe the best we can do to arbitrate and settle these disputes is to say: Let the trial court do it; let the juries do it. We already know, if you are looking for an egregiously inefficient way to resolve disputes, use the trial lawyers and use the courts of America. It just does not target the problem. It resolves issues in a very arbitrary way.

I say to everybody here, I am convinced that letting the trial lawyers solve a medical problem is borderline useless. It will cost immeasurable amounts of money because every lawsuit will be worth something and because everybody will be frightened to death to try something before a jury, not because they are guilty but because jurors and the trial system are apt to award a gigantic verdict. Then every case is worth something.

Can we not figure out a better way than that? Whatever the arguments in this Chamber, the issue is: When people are covered by managed care or private health care, to what are they entitled?

It is not an issue of whether a doctor performs malpractice. That litigation is wide open. It is, if they are not getting what they are entitled to, how do you fix that? Frankly, I believe to fix it by throwing every one of those decisions into the lap of a trial lawyer who can file a lawsuit is, for this enlightened America, borderline lunacy. For an intelligent, bright America, it is ludicrous to suggest that as a way to settle disputes about coverage and quality of care.

Think of this: You open this up to the trial lawyers, and whatever an HMO or a managed care or an employer's policy provides for people is going to be in question unless the patient turns out healthy, safe, and sound.

If it turns out that they get sick or sicker, what do you think the case is going to be? They should have provided a different kind of care; I am in court; I am going to get an expert to say it should have been different; I am going to get a contract lawyer, an expert, to read into this contract what they think I should have.

Then they are liable for wrongful death, they are liable for any kind of illness, because the patient did not get well.

Frankly, I believe that is a giant mistake, and everybody should understand we are adding billions of dollars to the cost of health care through this and maybe will not get the kind of relief the people need.

Whatever the Republicans' final package is, I hope and pray that as part of the external review process we put in something that is very tough on HMOs and managed care and other policies, that they will provide what an independent medical expert says they are supposed to do, and it will force them to do it, not in a jury trial but in the process run by the States and their policymakers and insurance carriers.

Do we want the final decision as to the kind of coverage, the propriety of what was given to patients, to be decided by jurors in a courtroom with monstrous liability attached to it, or do we want it to be done by an expert as part of a review process with short timeframes and mandatory performance when they make a decision as to what they are entitled to?

I believe an enlightened America should opt for the latter. I do not believe an enlightened America should even consider having contract disputes of this type determined by trial lawyers in courtrooms by jurors.

Which do we want? Do we want health care or do we want a jury verdict? Do we want health care as it should be or do we want a trial in the courts of this country? I choose the former, and you can do it without putting these issues into the courts of America, Federal or State.

I yield the floor.

Mr. KENNEDY. I yield the remaining time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. I thank the Chair.

Let me say at the outset that the Senator from Pennsylvania misstated this amendment. This amendment says an employer can be held liable only when that employer uses his discretionary authority to make a decision on a claim. If a decision is made by an insurance company hired by the employer, the employer cannot be held liable. That is what this language says clearly.

Is there a time when an employer could be held liable? We found two cases. You decide whether they should be brought into court.

The employer collected the premiums from the employee and did not turn them in to the insurance company. When the employee had a claim, the insurance company said: You are not on the books.

In the second situation, the employee was a full-time employee and had worked 9 months at this firm. He filed a claim with the health insurance company. The insurance company said: No; we see you as a part-time employee. It is a dispute over part-time/full-time.

Those are two instances under law where employers are brought into court. Employers do not make these medical decisions. They would not be subject to this lawsuit.

Please bear with me for a minute. This is the most important amendment we will consider on this bill.

The Senator from New Hampshire corrected me. He is right. It does not keep 123 million Americans out of court. It keeps 120 million Americans out of court. I stand corrected. I say to the Senator. He is right. It is only 120 million Americans and their families who will be denied a day in court by the Republican amendment, an amendment which is a Federal prohibition against State lawsuits against health insurance companies.

Across the street at the Supreme Court building, you will find the phrase, "Equal Justice Under Law." This amendment says to that phrase: Denied; denied. Equal justice under law is denied for those families who want to take health insurance companies into court and hold them accountable for their wrong decisions.

The Senator from New Mexico said: What are we doing taking contract questions into courts? I do not know where that Senator went to law school, and I do not know whether he follows law and order in other programs, but that is what courts do. Courts decide questions like contract coverage. That is part of the law of the land for every business in America, except health insurance companies.

The Republicans have come forward with this amendment, an amendment which the insurance industry wants dearly so that they cannot be held accountable in court. What this means is that families across America, when decisions are made, life-or-death decisions, will not have their day in court. The Republicans want to continue to prohibit American families from holding these health insurance companies accountable for their bad decisions.

From USA Today: The central question is, Should HMOs, which often make life or death decisions about a treatment, be legally accountable when their decisions are tragically wrong? Right now the answer is no.

If we pass the Democratic Patients' Bill of Rights, finally the courthouse doors will open to families across America. If the Republicans and the insurance industry prevail on this amendment, those doors are slammed shut. What will that mean? It will mean not just fewer verdicts, not just fewer settlements, but the continued attitude of this health insurance industry that they are held unaccountable, they cannot be held accountable to anyone. They will make decisions—life and death decisions—for you and your family and never face the prospect of going to court.

This is an internal memorandum from an HMO. This memorandum says it as clearly as can be. What they conclude is: Stick with the current law that keeps us out of court. This gentleman, who is in charge of management, said: We identified 12 cases where our HMO had to pay out $7.8 million. If we had it under the ERISA provisions that the Republicans want to protect, we would have paid between zero and $500,000 to those 12 families.

This is what it is all about. Someone who is maimed, someone who loses their life, their family goes to court and asks for justice. Equal justice under the law, that is all we are asking for.

The Republican majority and the insurance industry do not want to give American families that opportunity.

Vote to make sure we have equal justice under the law.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GREGG. I yield myself 5 minutes off the bill. I will be the last speaker, so Members can understand there will be a vote in about 5 minutes—two votes. I stand corrected.

There have been a lot of representations in this argument in the last hour and a half or so. Let me make a couple points.

First off, once again, the Senator from Illinois cites the wrong number of people covered by this proposal. That does not really go to the core of the issue, but it should be clarified. The Senator from New Jersey said there are only two classes of people who are covered by this type of situation, diplomats and insurance companies. Actually Senators and members of the Government are covered in the same way. In fact, it was an OPM directive from the Clinton administration on April 5, 1996. I will simply quote from it. It says:

> Legal actions to review actions by OPM involving such denials of health benefits must be brought against OPM and not against the carrier or the carrier subcontractor.

It further states those actions can only be for certain limited amounts of recovery. So essentially we are tracking that proposal which is what Senators are presently covered by.

Also, the Senator from Massachusetts said—and this point was made by the Senator from Washington—that, yes, our proposals cost $13 billion and, yes, your proposals cost billions of dollars.

But there is a little bit of difference. We cut taxes. We give people assets. We put money in their pockets. We say to your folks: You can go out and use that money to benefit your family. Your proposals increase the cost of premiums and drive people out of the health care system and create more uninsured people. There is a fairly significant difference between the two cost functions of these two bills.

But this amendment goes to the fact that the proposal from the other side of the aisle essentially dramatically expands the number of lawsuits which will be brought in the United States, lawsuits which will be brought in all these different areas by aggressive and creative attorneys, lawsuits which today and under our bill would be settled under a procedure which is reasonable, which has independent doctors looking at the issue. Those decisions, by doctors who are independently chosen by independent authorities, are binding, binding on the health care provider group.

So we take out all these lawyers, all these attorneys. I think of this one procedure I cited before where you have literally 137 doctors talking about 82 different ways to treat one different type of health complication. That can be multiplied by thousands, if not millions, giving literally millions upon millions of opportunities for attorneys to bring lawsuits because one doctor shows treatment A and another doctor chose treatment A-82 or B-82.

The fact is the decision should not be made by an attorney. That decision should be made by an outside doctor who has independence, who is chosen by an independent group, and who has binding authority.

The end product of this bill will be to create a lot of new attorneys in this country having a lot of new opportunities to bring a lot of new lawsuits. In fact, there has been an lot of hyperbole on this floor. I want to put it in perspective. It might be hyperbole, but it is still fairly accurate.

There is a show on Saturday morning that I enjoy listening to on National Public Radio. Some may be surprised that I enjoy listening to National Public Radio, but I do. The show is called "Car Talk." In "Car Talk," there is a law firm in Cambridge, MA. I know it is euphemistic, but they call them, so far: Dewey, Cheatum & Howe? They represent the folks on "Car Talk." Their offices are somewhere in Cambridge in Car Talk Plaza, and they represent the Tappet Brothers. Today I think they have three attorneys: Dewey, Cheatum & Howe.

If this bill is passed, Dewey, Cheatum & Howe are going to have to build a new building in Cambridge, and they are going to have all these attorneys working for them because that is how many people will be needed to bring all the lawsuits that are going to be proposed under this bill as a result of its expansion.

What is the serious, ultimate outcome of this? It drives up costs. That is the serious ultimate outcome. It was almost treated as if that was an irrelevancy by one of the other speakers. Well, 1.4 percent of the premiums are going to go up. That does not mean anything? I say 1.4 percent translates into 600,000 people.

There have been a lot of pictures brought to the floor about people who have not gotten adequate health care, and I am sure their stories are compelling. But this floor would be filled if we put up the 600,000 pictures of people who will lose their health care insurance—filled right up to the ceiling by people who no longer have health care insurance as a result of all these lawsuits driving up all these costs for health care.

As the Senator from Pennsylvania pointed out, what will be the outcome of that? What will be the outcome of all these people being put out of their health care insurance because the cost has gone up so much? These are CBO's estimates, not mine. It will be that somebody will come to the floor from the other side of the aisle saying: We have to nationalize the whole system in order to take care of all the uninsured we just created by creating all these lawsuits for all these attorneys to pursue. What a disingenuous approach to health care, in my opinion.

The Republican plan has a constructive way to approach this. It leaves the decision of care to the patient, to be reviewed by a doctor, who is independently chosen, who is in the specialty where the patient needs the care. That decision is binding, binding on the health care provider.

I hope Senators will join me in supporting my amendment which voids the language which expands the lawyers' part of this bill.

I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, for the information of all Senators, I think we are ready to vote on the Gregg amendment, which strikes the liability provision. I also notify Senators that immediately following that vote, there will be a vote on the first-degree amendment, the amendment offered by Senator COLLINS dealing with long-term care deductibility and also dealing with ER and OB/GYN and access. So that vote will be immediately after the Gregg amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1250. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER (Mr. FITZGERALD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

The amendment (No. 1250) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. BROWNBACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, previously I indicated we would have two rollcall votes back to back. Since we found out there is a Special Olympics luncheon several of our colleagues wish to go to, I ask unanimous consent the pending Collins amendment No. 1243 be temporarily laid aside and the vote occur on the amendment first in the next series of votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized

Mr. KENNEDY. May we have order, Mr. President? Mr. President, the Senate is not in order. We have done very well during the course of the morning. We have had good attention, a good exchange, and good debate. This is an important amendment. If we could make sure the Senator could be heard and the Senators give their full attention, we would be very appreciative.

The PRESIDING OFFICER. The Senate will be in order. Any Senators with conferences, please take them off the floor. Staff will take their conferences off the floor.

The Senator from Oregon.

Mr. WYDEN. I thank the Chair.

AMENDMENT NO. 1251 TO AMENDMENT NO. 1232

(Purpose: To prohibit the imposition of gag rules, improper financial incentives, or inappropriate retaliation for health care providers; to prohibit discrimination against health care professionals; to provide for point of service coverage; and, to provide for the establishment and operation of health insurance ombudsmen)

Mr. WYDEN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. WYDEN), for himself, Mr. REED, Mr. HARKIN, Mr. WELLSTONE, and Mr. BINGAMAN, proposes an amendment numbered 1251 to amendment No. 1232.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, the Senator is yielded 6 minutes.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Thank you, very much.

Mr. President and colleagues, I offer this amendment with a number of our colleagues to protect the relationship between health professionals and their patients.

What this amendment is all about is essentially ensuring that patients can get all the facts and all of the information about essential health care services for them and their families.

If ever there was an amendment that does not constitute HMO bashing, this would be it.

I don't see how in the world you can make an argument for saying that in the United States at the end of the century, when doctors sit down with their patients and their families, the doctors have to keep the patients in the dark with respect to essential services and treatment options for them.

Unfortunately, that is what has taken place. They are known as "gag clauses."

They are chilling the relationship between doctor and patient, and they are at the heart of what I seek to do in this amendment with my colleagues.

I think Members of this body can disagree on a variety of issues with respect to managed care. I have the highest concentration of older people in managed care in my hometown in the United States. Sixty percent of the older people in my hometown are in managed care programs. We need this legislation, but at the same time we have a fair amount of good managed care.

But today we are saying even though Members of the Senate will have differences of opinion, for example, on the role of government and health care, we will have differences of opinion with respect to the role of tax policy in American health care.

If you vote for this amendment, you say we are going to make clear that all across this country, in every community, when doctors sit down with their patients and their families, they will be told about all of their options—all of their options, and not just the ones that are inexpensive, not just the ones that perhaps a particular health plan desires to offer, but all of the options.

It doesn't mean the health plan is going to have to pay for everything. It means the patients won't be in the dark.

By the way, when I talked to the distinguished Senator from Massachusetts shortly after coming to the Senate, a majority of Members of this body said these gag clauses should not be a part of American health care.

Let's differ on a variety of issues—the role of government, the role of taxes—but let's not say, as we move into the next century in the era of the Internet and the opportunity to get information, that the one place in America where you keep patients in the dark would be when they sit down with their provider and cannot be told all the options.

There are other important parts of this amendment. One that complements the bar on gag clauses, in my view, is the provision that makes sure providers would be free from retaliation when they provide information to their patients, when they advocate for their patients.

This amendment is about protecting the relationship between patients and their health care providers. If ever there was something that clearly did not constitute HMO bashing, it is this particular amendment.

Unfortunately, across this country we have seen concrete examples of why this legislation is needed; why, in fact, we do have these restrictions on what forces health care professionals to stay in line rather than tell their patients what the options are with respect to their health care. We have seen retaliation against health care workers who are trying to do their job.

It strikes me as almost incomprehensible that a Senator would oppose either of these key provisions. What Member of the Senate can justify keeping their constituents in the dark with respect to information about health care services? I don't see how any Member of the Senate can defend gag clauses. That is what Senators who oppose this amendment are doing. This amendment says to patients across America that they will be able to get the facts about health care services.

We talked yesterday about costs to health care plans. What are the costs associated with giving patients and families information? That is what this legislation does. In addition, it says when providers supply that information, plans cannot retaliate against providers for making sure that consumers and families are not in the dark.

We have seen instances of that kind of retaliation. It strikes me that it goes right to the heart of the doctor-patient relationship if we bar these plans from making sure patients can get the truth. It goes right to the heart of the doctor-patient relationship if providers are retaliated against, as we have seen in a variety of communities.

Mr. KENNEDY. Will the Senator yield?

Mr. WYDEN. I am happy to yield to the Senator.

Mr. KENNEDY. The argument on the other side will be, Republicans will say: We ban the actual gagging of a doctor.

The real distinction between the amendment of the Senator from Oregon and the Republican amendment is that this amendment ensures the doctor will not risk his job if he advocates. He might be able to tell the patient they need a particular process, the doctor will be permitted to relay that information, but then he can be fired under the Republican proposal.

Also, they will have the option of giving financial incentives for doctors not to provide the best medicine.

The amendment of the Senator from Oregon is the only amendment that does the job.

Mr. WYDEN. The Senator is absolutely right. What the Senator has pointed out is that you gut the effort to protect patients from these gag clauses unless you ensure that the providers are in a position to do their job and not get retaliated against and not face this prospect of getting financial incentives when they do their job.

The Senator from Massachusetts is absolutely right. We are making sure that providers can be straight with their patients. We are actually giving them the chance to carry out that antigag clause effort by making sure they will not be retaliated against and by making sure they will not face the prospect of their compensation in some way being tied to doing their job.

I am very hopeful all of our colleagues can support this amendment. It tracks what the majority of the Senate is already on record in voting for, the effort that the Senator from Massachusetts and I led in the last Congress shortly after I came here.

I was director of the Gray Panthers at home in Oregon for about 7 years before I came to Congress. I can see a lot of areas where Democrats and Republicans have differences of opinion on American health care. There are a lot of areas where reasonable people can differ. I don't see how a reasonable interpretation of what is in the interest of patients and providers can allow for gag clauses and then give these plans the opportunity to vitiate any effort to bar gag clauses by saying: If you try to be straight with your patients, we will retaliate against you; we will tie your compensation to your keeping these parties in the dark.

I hope my colleagues will support this amendment. It shouldn't be partisan. It doesn't constitute HMO bashing.

I yield the floor.

Mr. KENNEDY. I yield 6 minutes to the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I thank the Senator.

I strongly support the effort my friend from Oregon is making to ensure that there is a provision in this bill that is finally passed prohibiting these gag provisions. I think that is very important.

I want to speak about a different aspect of this larger amendment. This is a provision that Senator HARKIN has taken the lead on, that I am cosponsoring with him. It deals with the problem of discrimination against nonphysician providers of health care services.

What am I talking about when I talk about "discrimination against nonphysician providers of health care services"? I am talking about the people whom everyone, on occasion, wind up going to for high-quality professional health care. I am talking about nurse anesthetists, about speech and language pathologists, nurse practitioners, physical therapists, nurse midwives, occupational therapists, psychologists, optometrists, and opticians. These are health professionals who are licensed to provide particular medical services.

All we are providing in Senator HARKIN's amendment, which I cosponsor, is that a health maintenance organization cannot arbitrarily prevent a whole category of health care providers from providing that health care they are licensed and qualified to provide.

This is an extremely important issue for a State such as New Mexico where we have a great many rural and underserved areas. That is where the impact is the greatest because we have too few physicians in my State. The reality is that if a person is limited in obtaining their health care from a physician, in many cases in many parts of our State they either have a choice of driving a great distance or going outside their health plan and paying out of their pocket for something that ought to be covered by the premium they are already paying.

It is a serious issue that needs to be addressed. In my State, the estimate is that we are losing 30 physicians. I believe it was 30 physicians in 1 month, according to the estimate. So we have a shortage of physicians. We are losing many of the ones that we have. We need to be sure people have access to the nonphysician health care providers who are very qualified to provide some of these services.

Let me show a chart on one of the specialties I am talking about. This is on anesthesia providers.

As I indicated before, nurse anesthetists are covered as one of the groups of health care providers. In our State, if you want anesthesia services, if you have to have anesthesia provided to you, your ability to get that strictly from a physician occurs in only one small area of our State. That is the area in blue. In all of the rest of our State, you are forced to rely upon someone other than a physician to provide that service.

All we are saying is, in the case of anesthesia services, a health maintenance organization should have to allow those services to be provided by another qualified person other than a physician, where that person is available. This is a simple matter of fairness to patients in rural areas. It is something that does not involve significant costs. In fact, the estimate of the Congressional Budget Office is less than half a percent change in cost over a 10-year period.

The reality is that many of these nonphysician health care providers provide these services at a much lower cost than the physician does. So, in fact, it is not a question of increasing the cost. In many cases, it is a question of decreasing the cost.

We offered this amendment in committee when this bill was considered in the Health and Education Committee. I offered this exact language. Senator HARKIN did. Several of our Republican colleagues at that time expressed their support—not with their votes but with their statements—for providing this type of guarantee. So it is nothing radical. This is a simple fairness issue, and it is one that makes all the sense in the world as far as the economics of health care is concerned.

If we are really concerned about getting adequate health care to the rural underserved areas of our country, such as I represent in New Mexico, such as Senator HARKIN represents in his State, it is essential we have this amendment as part of what we pass out of Senate.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. BINGAMAN. I am glad to yield.

Mr. KENNEDY. President Clinton, as I understand, has insisted this be part of the Medicare Program. So it is in the Medicare Program. Could the Senator indicate to me how this is working in his own State? Is it working well? It would appear to me to be a precedent for this, unlike other public policy issues, and it appears we have a pretty good pilot program—more than a pilot program. Perhaps the Senator would share with us his experience.

Mr. BINGAMAN. I thank the Senator for that question. It is an extremely good point. This is the nondiscrimination requirement that was put into the Balanced Budget Act in addition to Medicare.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. I yield another minute.

Mr. BINGAMAN. I thank the Senator. In relation to Medicare managed care plans, and in relation to Medicaid, it has worked extremely well in those cases. As far as I know, there has been no objection raised to it.

So I believe what has worked there makes good sense in this area as well. I believe it is very important we have this provision included in the bill we finally pass.

One other example. In my State, certified registered nurse anesthetists are the sole anesthesia providers for 65 percent of our rural hospitals. If our rural hospitals are going to continue to function, as they must, then we need to be sure the nonphysician providers who are able to provide services in these smaller communities are able to do so and be compensated through these health maintenance organizations.

I think this is an important provision. I hope very much Senators support it and we can get this adopted as part of a bill we finally pass.

I yield the floor.

Mr. REID. Mr. President, the minority yields 6 minutes to the junior Senator from Iowa.

The PRESIDING OFFICER. The distinguished Senator from Iowa.

Mr. HARKIN. Mr. President, I join my friend and colleague from New Mexico. Together, we are cosponsoring this very important, vital amendment.

Again, I will repeat some of what the Senator said. The most important thing I heard him say was, in the State of New Mexico, only 65 percent of the State has nurses that provide anesthesiology.

I have a map of my State of Iowa. There are a lot of different colors on it, and I will not go into all the explanation, but the reality is, the vast majority of the State of Iowa only has certified nurse anesthetists to provide services to all of the State of Iowa. We have a few counties, about nine or 10, that have doctors, MDs. The rest are registered nurses. That is all. So someone up here in northwest Iowa or southwest Iowa, someplace up in this area, would have to drive hundreds of miles just to access an MD who is an anesthetist.

Here is a letter from Preferred Community Choice PPO. I will not read the whole thing. It says:

> At this time, participation is limited to MD and DO degrees only.

I ask unanimous consent the entire letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> PREFERRED COMMUNITYCHOICE PPO,
> *Mountainview, AR, November 1, 1995.*
>
> GREETINGS: Thank you for recent inquiry regarding participation in our network of providers. At this time, participation is limited to MD and DO degrees only. We have created a file for interested providers who fall outside of these two categories. Should we expand the network in the future, we will use the information that you have provided for future contact. We appreciate your interest in Preferred CommunityChoice.
>
> MICHAEL H. KAUFMAN,
> *Provider Relations.*

Mr. HARKIN. That is what we are trying to get over with our amendment. As the Senator from New Mexico pointed out, this would cover such things as physician assistants, nurse practitioners, psychologists, optometrists, chiropractors, et cetera. This is not an "any willing provider" amendment. We are not saying that. We are not saying that we require a plan to open up to any provider who wants to join. We are simply saying a health plan cannot arbitrarily exclude a health care professional based on his or her license. That is all we are saying: They cannot do it based upon licensure.

Second, this provision does not require health plans to provide any new benefits or services. It just says, if a particular benefit is covered and there is more than one type of provider that can provide a service under their State license or certification, the health plan cannot arbitrarily exclude this class of providers. For example, if a plan offers coverage for the treatment of back pain, it cannot exclude State-licensed chiropractors.

Third, and I want to make this point very clearly, this provision would not expand or modify State scope-of-practice laws. Decisions about which providers can provide which services are left where they belong: to the States.

Again, I just want to remind everyone, this Congress supported this concept when we passed provider nondiscrimination language as part of the Balanced Budget Act for Medicare and Medicaid programs. The Senator from Massachusetts made an inquiry. He said: How is this working? I can tell you, it is working great in my State for elderly people under Medicare because now a lot of elderly people, who live in sparsely populated areas of my State, can access, for example, for back pain, chiropractors. They can access nurse practitioners, physician's assistants, a whole host of different providers under Medicare who are licensed by the State of Iowa. That is what our amendment does.

Again, I have to ask, if people in these programs, people in Medicare and

Medicaid, have the right to choose their provider, should not all Americans?

That is why this is a very simple and straightforward amendment. Thirty-eight States have recognized the need for this provision by passing similar legislation. Thirty-eight States have passed legislation providing that people can have their choice of providers as long as they are licensed or certified by the State.

You might say, why would we do it here if 38 States already cover it? The problem is, the State laws do not apply to the 48 million Americans who are in self-funded ERISA plans. That is the problem. That is the loophole we are plugging.

This provision is critically important for those who live in rural areas; those who do not have access to an MD or a DO; those who rely upon others who have State licensure or State certification to provide the kind of medical services they need.

In our amendment, the amendment by the Senator from New Mexico, Mr. BINGAMAN, and me, we are basically saying we want to give people a little more power, to empower them a little more, and to provide freedom of choice for the American consumers. It is very simple. This provision says a managed care plan cannot arbitrarily exclude a health care professional on the basis of the license or the certification.

It is a simple and straightforward amendment. It has broad-based support. I have a list of all the different associations supporting it. I would point out the broad-based support that it indeed does have, by everything from the American Academy of Physician's Assistants, nurse anesthetists, chiropractors, nurse midwives, the American Dental Association, American Nurses Association, Occupational Therapy Association of America, the American Optometric Association, the Physical Therapy Association, Speech, Language, and Hearing Association, and the Opticians Association of America. A broad range of providers support this provision.

The PRESIDING OFFICER (Mr. BUNNING). The Senator's 6 minutes have expired.

Mr. HARKIN. Mr. President, I hope at least we can support this and provide our people freedom of choice.

Mr. REID. I yield the Senator from Rhode Island 6 minutes.

Mr. REED. Mr. President, I rise in strong support of this amendment. There are many very important provisions, but I want to focus on one provision, and that is the creation at the State level of ombudsman programs or consumer assistance centers. I have been working on this provision, along with Senators WYDEN and WELLSTONE. We introduced separate legislation, and today, as part of this amendment, we are considering this very valuable and very important opportunity to empower consumers of health care services in this country.

One of the persistent themes we have heard throughout this debate is how do we give consumers more leverage in the system against these huge HMOs, against what appears to be illogical, indifferent decisions about the health of themselves and their families.

We rejected some proposals which I believe we should have embraced. For example, we just defeated an opportunity to give people a chance, in extremist, to go to court if necessary. This is something that has been adopted in Texas and is working very well. If we cannot do any of those things, then I think we must do at least this; and that is, to give the States the incentive to develop consumer assistance centers so individual health care consumers—patients—when they have frustrating denials, have someplace to turn.

We all know, because we all listen to our constituents, that every day there are complaints about the inability to get straight answers from their HMO, of the inability to get coverage, the inability to get what you paid for. Where do they turn? Too many Americans cannot turn anywhere today. If we pass this amendment, we will give them a chance to turn to a consumer assistance center.

I will briefly outline the provisions of the legislation. We provide incentives to four States to set up consumer assistance centers. These centers will operate as a source of information. They can give direct assistance in terms of advice or assistance to someone who is in a health care plan who has a question about their coverage. They will operate a 1-800 hotline. They will be able to make referrals to appropriate public and private agencies. They will not be involved in any type of litigation. This is not an attempt to provide an opportunity to recruit litigants. This is a consumer assistance center concept. I hope also that these centers will educate consumers about their rights.

This is something that has been promoted by many different organizations. The President's health care advisory commission in 1997 pointed out this is efficiency and every State, every region should have these types of centers.

We have similar centers with respect to aging and long-term care ombudsman programs working very well. Several States—Vermont, Kentucky, Georgia, and Virginia—have adopted these programs because they want to give a voice and give some type of power to their consumers in health care. Florida and Massachusetts have programs they are trying to get up and running, and just a few weeks ago on this floor in response to profound concerns we have about the military managed care program, the TriCare program, we adopted legislation that would set in motion the creation of an ombudsman program for military personnel. It is not a controversial idea. We passed this idea with overwhelming support.

This is something we can do. This is something we should do, and, frankly, if we rejected all the remedies we are proposing to give to consumers, we have to adopt at least this one. We have to give an incentive to States for working through not-for-profit agencies to set up these consumer assistance programs. Frankly, this is something that is long overdue, noncontroversial, and it should be done.

I see the Senator from Oregon, who has been a stalwart on this issue, is standing. He might have a comment.

Mr. WYDEN. I appreciate my colleague yielding. I so appreciate his leadership because this is a chance, with the Reed proposal, to make sure the consumers in this country can get what they need without litigation. I hope Members of the Senate will see this ought to be the wave of the future. It is a revolution in the concept of consumer protection because what this part of our proposal does, under the leadership of the Senator from Rhode Island, is essentially say: Let's try to help the patients and the families early on in the process. Let's not let problems fester and continue and eventually result in huge problems which can lead to litigation.

It seems to me—I want the Senator from Rhode Island to address this—what he is doing is essentially changing consumer protection so it ought to be at the front end when problems have not become so serious.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WYDEN. I ask the Senator from Rhode Island be given 2 additional minutes.

Mr. KENNEDY. I yield 1 minute.

Mr. WYDEN. I do not think there is a good health plan in America that cannot support the idea of a good ombudsman program so we can solve problems without litigation. I thank my colleague.

Mr. REED. I thank my colleague from Oregon. Let me reaffirm what my colleague said. This whole concept of ombudsman and consumer assistance centers is designed to allow the consumer in the first few hours, or even minutes, when they encounter problems in the health care system, to get advice and assistance. This is not a theoretical concept. It works already in several States.

California has a model program around the Sacramento area. People have benefited from this. This is what we want to see in every State in the country.

Again, if we cannot be sensitive enough to recognize the need for consumer assistance early in the process, then I believe we are failing the American public miserably. I hope we can embrace, support, and adopt this amendment, particularly this provision with respect to the ombudsman consumer assistance program.

I yield back my time.

Mr. KENNEDY. I yield 4 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator is recognized for 4 minutes.

Mr. EDWARDS. Mr. President, I rise in strong support of this amendment. I particularly want to address the issue of financial incentives, which this amendment addresses, which essentially is HMOs and health insurance companies providing financial incentives for physicians to provide less than appropriate care to limit the treatment options for patients or, in the case I am about to talk about, not calling in other physicians or doctors when they may be needed under the circumstances.

This is the story of something that actually happened in North Carolina.

A young mother was in labor. During the course of her labor, she was being overseen by an obstetrician/gynecologist who was responsible for her care. Unfortunately, this single OB/GYN was responsible for the care of a number of mothers in labor on this night.

During the course of the evening and the morning, the mother developed severe complications with her labor. There were clear signs the baby was in serious trouble and was having trouble getting oxygen and needed to be delivered. Something needed to be done immediately. The nurses taking care of this mother did exactly what good nurses would do under the circumstances: They paged the doctor. They called the doctor who was on call. They could not get him there. They had no understanding of why he was not responding to the call. They notified, by way of the call, that it was an emergency situation. Still no response.

More and more time was passing when the child within the mother's womb was not receiving the oxygen it needed and continued to suffer injury and damage.

Finally, the doctor appeared and delivered the baby by cesarean section. Unfortunately for this child and the family, it was too late. The child suffered severe and serious permanent brain injury. The child has severe cerebral palsy and, essentially, will require extensive medical care for the course of its life.

Later we learned that what happened was the physician who was in charge of this patient's care had a financial incentive, because of his contract with the HMO, not to call in additional physicians. In other words, he was rewarded where, on a consistent basis, he did not call in backup help—even though in this situation he was taking care of too many patients, too many mothers.

There was an emergency, and the bottom line is this: Because of a financial incentive, an insurance HMO credit with its doctor, we have a young child who will have cerebral palsy for the rest of his life. This is the kind of thing that should not happen in America. This is what this amendment addresses. It specifically deals with the issue of financial incentives in a thoughtful, intelligent way, limiting the financial incentives that can be allowed and requiring their disclosure—both of which are absolutely needed and absolutely necessary.

I might add one final thought. This child, who for the rest of his life will be severely brain damaged, will require extensive medical care, very expensive medical care, running in the many millions of dollars. His family, who are responsible for this child's care, who live with this problem 24 hours a day, day in and day out, year after year—this child's medical care is being paid for by Medicaid.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EDWARDS. If I may have 30 more seconds?

Mr. KENNEDY. I yield the Senator 30 more seconds.

The PRESIDING OFFICER. The Senator is recognized for 30 seconds.

Mr. EDWARDS. Since this child suffers from a severe injury as a direct result of an incentive that the HMO, the health insurance company, provided to the doctor, since this child suffers this severe injury and will have millions of dollars of medical problems over the course of his life, the question is, Who pays for this cost? The HMO is not going to pay for it. Who is going to pay for it is the taxpayers of America, through Medicaid.

So the financial burden of what happened as a result of this financial incentives clause, a clause which is absolutely fundamentally wrong and should not be allowed, is that every American taxpayer is responsible for carrying the burden of these millions of dollars in medical costs.

Thank you, Mr. President.

Mr. KENNEDY. I yield 9 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 9 minutes.

Mr. WELLSTONE. Thank you, Mr. President.

I thank the Senator from Massachusetts, the Senator from North Carolina, and the Senator from Oregon for their work on the floor of the Senate.

Mr. President, I say to Senator WYDEN from Oregon that I did not get a chance to hear his remarks on the floor of the Senate, but I think this whole question of whether or not doctors and providers can advocate for their patients and speak up when they think their patient is being denied care unfairly is extremely important. It is a little shocking, but it is really true that we all hear from doctors who tell us that they do not believe they can do that. They have no protection. They are worried about losing their jobs.

So I just say that if we are about being on the side of consumers, which I think is what we are about, Senator WYDEN's amendment is extremely important.

I will speak to another provision in this amendment which we actually have not discussed on the floor of the Senate. Of course, my fear is that Republicans will come out with a second-degree amendment and try to essentially wipe this amendment out. I wish—in fact, I would give up half of my 9 minutes if somebody from the other party would come down here; I would give up 4 and a half minutes just to get their other point of view, because the argument I am about to make goes as follows.

This is about "points of service," which actually is about consumer choice. What we are saying in this provision is that if you are paying extra or are willing to pay a little extra, you should have the choice to be able to stay with your doctor, to be able to go to the clinic to which you have been going.

For example—and this just drives people in Minnesota crazy—an employer may shift a plan, and then what will happen is, even though you have been taking your child or your children, or you yourself have been seeing the same doctor whom you trust, who knows you well, who knows your family well, all of a sudden you no longer can see them.

What we are saying is, don't the consumers and don't the families in Minnesota and Oregon and Massachusetts and Kentucky—all around the country—have some choice? My gosh, if people are willing to even pay a little extra in premium, how can anybody come out on the floor of the Senate and say they are not entitled to some continuity of care and some choice when it comes to being able to continue to see their doctor?

I can give a lot of examples. Let me simply go through the Republican proposal for a moment and then come back to some examples.

In the Republican proposal, only if the employer has 50 employees or more is there any discussion at all about any alternatives; and even there, it is two panels of providers. But two panels of providers does not make for choice. And if it is under 50 employees, there is no choice at all.

We have gone over this over and over again. For the 115 million people who are excluded, they do not have any protection whatsoever.

So again, the clock is ticking away. But if, in fact, any Republican wants to come and debate me, I would be pleased to give up my 4 minutes or 3 minutes or whatever.

Again, this is about choice. We are saying is that if you and your family have been seeing a doctor and going to a clinic for 5 or 6 or 7 years, if you have paid extra, and all of a sudden your employer shifts plans or your managed care plan narrows the number of doctors you can see, you ought to be able to continue to see your doctor, you ought to be able to continue to go to that clinic.

We have all had this experience of—well, maybe we have not; I have. You go into the hospital; you put on one of those gowns. I think I could become rich by coming up with an alternative gown that does not tie in the back, because it just makes you nervous right away; you are very nervous, and you do not know what is going to happen to you.

You know what? It sure makes a difference if it is your family doctor who is there with you. It sure makes a difference if you have the sense that there is a doctor or a nurse or people from the clinic who have recommended you need to have the surgery who are there with you, who care about you, who know you, who love you.

I will say it again, consumer choice is what this amendment is about. How can the Republicans come to the floor of the Senate with a piece of legislation that they claim is patient protection and not give families this choice? If a family in Minnesota wants to pay or can pay a little more in premium to make sure that if their employer shifts plans they will be able to stay with their family doctor, or if you are an elderly citizen and you have Parkinson's you will be able to stay with your neurologist, or you have a child who is very ill with cancer you will be able to stay with your pediatric oncologist, I would think, for gosh sakes, we would want to allow a family to have that choice.

I do not want to hear my colleagues on the other side of the aisle talk about freedom of choice if they are going to come out here with a second-degree amendment that is going to wipe out this very important choice that this amendment says people and families should have in our country.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. Three minutes.

Mr. WELLSTONE. If I only have 3 minutes left, since we are in the last day of the debate, I want to try to pull this into focus, at least as a Senator from Minnesota.

I would like to say one more time, if you take, for example, this amendment—and I do not have the time to read it, this amendment has the support of the Patient Access Coalition with 134 members. Every kind of consumer organization, provider organization, children's organization, women's organization, and advocacy organization for people with disabilities, all are saying: Please make sure that families in this country have a choice and do not get cut off from seeing their doctor, do not get cut off from seeing a specialist who can really help them. I see the same pattern in all of this. We have said we ought to cover all 165 million Americans. We shouldn't be covering 43 million Americans. We ought to have some standard of protection for all families in the country that States can build on. Republicans say no.

We say you ought to have a guarantee of access to specialists, if you need those specialists. There should be a panel in the plan. If there isn't a specialist in the plan to help you or a member of your family, you ought to be able to go outside the plan and receive that care. Republicans vote no.

Then we say, if you are denied care, there ought to be an appeals process. You ought to have a right to seek redress of grievance. When you do that, there ought to be an independent appeals process, and there ought to be some people you can go to. There ought to be some advocacy for consumers. On that strong consumer protection amendment, Republicans vote no and basically want to stop it.

I think the logic of this debate is clear. I have seen a little bit of confusion in a couple of articles. I do not believe this is about Senators who cannot sit down in the same room and agree with one another, and therefore, why can't they do that. What is wrong with them?

I think this is a very honest debate where you have two different definitions of what is good. I think we are talking about two different frameworks of self-interest and power. I think there is a reason that every single children's consumer and provider organization has supported our amendment and wants to see real patient protection. There is a very good reason why the insurance industry is the only interest that is supporting the Republican proposal.

It is because the Republican Party, the other side of the aisle in this debate, is marching lock, stock, and barrel with the insurance industry, and we are on the side of consumers and families. As Democrats, that is exactly where we should be.

I yield the floor.

The PRESIDING OFFICER. The Senator's time as expired.

Mr. KENNEDY. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. SCHUMER. I thank the Senator from Massachusetts.

Mr. President, I rise in support of this amendment. It looks as if even this amendment will be defeated, if the past is any pattern. It is so minimal: the right to ombudsman, points of service, a gag rule so your physician can tell you the truth, financial incentives. It is hard to believe this amendment is going down, but it is, and so is every other reasonable provision.

So as we come to the close of this week's debate, it is worth looking at what has happened in the Senate. What has happened this week can be summed up in one sentence: The insurance industry won; American families lost.

The insurance industry won and American families lost because the right to emergency room treatment at the nearest hospital is not granted. The insurance industry has won and American families have lost because access to specialists is not guaranteed. The insurance industry has won and American families have lost because the right to appeal an unfair decision by the HMO is not guaranteed. The insurance industry won and American families lost because the right to sue, even the most egregious, outrageous behavior by an HMO, is not granted.

The insurance industry won and American families lost because the right of so many women, the desire of so many women to have an OB/GYN as their primary care physician is not there. And most of all, the insurance industry won and the American people lost, because instead of covering 161 million people, we are only covering 48 million people. Even the minor changes that were made by those on the other side of the aisle are underscored by these two numbers: 161/48. 161 million people covered by our proposal; 48 million by theirs.

What about the other 113 million? They get no rights at all.

I am going to make a prediction. This will not be the last time we take up the Patients' Bill of Rights.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. KENNEDY. How much time do I have?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. KENNEDY. I yield a half minute.

Mr. SCHUMER. I thank the Senator. I was just finishing my thought.

The mothers and fathers of America, who have been wrestling with the HMO bureaucracy, struggling with it, are not going to have their problems solved. They will come back to us, and we will be back to pass a better bill.

Mr. KENNEDY. Mr. President. I think we have 2½ minutes. How much remains on the other side?

The PRESIDING OFFICER. Fifty minutes.

Mr. KENNEDY. I will withhold the remainder of my time to respond to some of the points made on the opposite side.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, if I may, I ask unanimous consent that Sofia Lidskog be granted the privilege of the floor during the duration of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I yield myself such time as I might take for some additional views.

During the Health, Education, Labor, and Pensions Committee consideration of S. 326, I asserted strong positions on several key components of the managed care reform debate. These additional views are intended to reiterate my support for S. 326, provide the committee with a cohesive explanation of my position on specific policy, and express my appreciation to the committee for reporting to the full Senate a good bill for health consumers.

S. 326 offers a series of patient protections to consumers in Employee Retirement Income Security Act (ERISA) regulated health plans. Direct access to OB/GYN and pediatric providers, a ban on gag clauses, a prudent layperson standard for emergency services, a point-of-service option, continuity of care and access to specialists will provide consumers in self-funded plans the same protections being offered to state-regulated plans participants. Additionally, all ERISA regulated plans will be required to disclose extensive comparative information about coverage, networks and cost-sharing. This requirement is complemented by the establishment of a new binding, independent external appeals process, the lynchpin of any successful consumer protection effort.

I believe the two most contentious elements of the managed care reform debate are addressed favorably for consumers in S. 326. The first is holding health plans accountable for medical versus coverage decisions; the second is ensuring that health plans cannot manipulate the definition of "medical necessity" to deny patient care.

S. 236 does not expand the liability of ERISA plans by exposure to state tort laws, which has been proposed as a way to hold health plans accountable for medical decisions. Rather, S. 326 gets patients the medical treatment they need right away through a timely appeals process. Get the care; then worry about the problems. It doesn't require them to earn it through a lawsuit. I do understand the frustration expressed by physicians who are held liable for their medical decisions. It is for that very reason that the bill I support securely places the responsibility for medical decisions in the hands of independent medical experts. These decisions are binding on health plans, who run the risk of losing their accreditation, daily fines and, ultimately, their stake in the market.

Likewise, the external appeals process in S. 326 prohibits plans from hiding behind an arbitrary definition of medical necessity to deny care. S. 326 expressly establishes a standard of review, including: the medial necessity and appropriateness, experimental or investigational nature of the coverage denial; and, any evidence-based decision making or clinical practice guidelines, including, but not limited to, those used by the health plan. This is in subtitle C. Sec. 503(e)(4). In other words, the independent external reviewer—required by the bill to have appropriate medical expertise—will have access to the patient's medical record, evidence offered by the treating physician and all other documents introduced during the internal review process. Additionally, the reviewer will consider expert consensus and peer-reviewed literature, thus incorporating standards of "medical necessity" clearly outside those prescribed by the plan. The bill also requires that, during the internal appeals process, the medical necessity determination is made by an independent physician with appropriate expertise—not by the plan.

Since its inception in 1974, this is the first major reform effort of ERISA as it pertains to the regulation of group health plans. The focus of the mission—regardless of politics—should be to protect patients. Protecting patients means not only improving the quality of care but expanding access to care and allowing consumers and purchasers the flexibility to acquire the care that best fits their needs. The contention has been how to do this in the context of our health delivery system. I believe S. 326 is a responsible approach to protecting consumers in the managed care market.

While bipartisanship was in short order during committee consideration of S. 326, it is my hope that through the balance of this process we will continue discussions among Members to advance needed patient protections without jeopardizing access to health care. While we have been unable to bridge some of the partisan barriers during floor consideration, I believe a better plan for health care consumers is being passed today.

I suggest the absence of a quorum and ask unanimous consent that the time be charged to our side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Who yields time?

Mr. FRIST. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. FRIST. Mr. President, I rise today pleased with the discussion and the debate which has taken place over the last 4 days, recognizing that we have a number of other amendments as we go forward and hopefully look for a vote later today for final passage.

I want to mention a couple of things I haven't had the opportunity to speak on earlier yet I continue to be asked about by my colleagues and by various people in the media and constituents continue to call about. One of them has to do with an issue we debated yesterday, which will be voted on at 3:30; that is, access to specialty care.

A number of issues have arisen. I think it is important that our colleagues all understand that the Republican bill ensures access to specialty care. Again, the easiest way for me to take care of that, without getting involved in a lot of the rhetoric that goes back and forth, is with the wording in the underlying bills that is a little bit different. "Specialty" versus "specialty care" has all kinds of connotations that allow people to confuse the issue.

But in section 725 of our bill, it states that plans—and I begin my quotation by saying—"shall" ensure access to specialty care as covered under the plan.

What is important is that people understand that the ultimate decision of what is "medically necessary and appropriate"—those exact words that are used in the various bills and amendments that have come forward to ultimately decide what is "medically necessary and appropriate"—ends up being with a physician who is independent of the plan, who is a medical expert, who is a specialist, who is appointed not by the plan.

We have heard again and again that in some way this independent reviewer is tied to the plan. The words are written in the bill. I don't know how much more we can do in terms of distancing this reviewer, this physician, this independent reviewer, who is appointed by an entity, which is regulated by the Government, and is another sort of separation from the plan. This entity can be approved either by the Secretary of Health and Human Services or by the State or by the Federal Government. This entity appoints this third party reviewer who ultimately decides what is "medically necessary and appropriate."

When we use those words "medically necessary and appropriate," again and again it has come back that at least we should consider putting it in Federal statute and defining in Washington, DC, what "medically necessary and appropriate" means.

I reject that, and I think we should reject that because it is difficult—I think it is impossible, but I will say it is difficult—to define what is "medically necessary and appropriate." To pretend that we can do it on the Senate floor is misleading. In fact, many think tanks and many Senators, Congressmen and women have tried to do it, and we haven't been able to define it in Medicare or in CHAMPUS. The President's Quality Assurance Commission was unable to define what is "medically necessary and appropriate."

Thus, we don't attempt to define it. We say it is important, but we say ultimately it has to be defined by an independent medical specialist, independent of the managed care company. Then we have a whole list of things that he or she has to take into consideration.

We continue to limit what that third party independent reviewer—he or she—actually considers the best practice of medicine, which is very different, I should say, from "generally accepted medical practices." "Generally accepted medical practices" haven't been defined very well. There is not a book of "generally accepted medical practices."

I say that because if your sick heart is not beating very well, there are procedures that may not be "generally accepted" but they can be lifesaving. They may not be done very much in a community. Whether you do a transplant, or you put a wrap around the heart, or you take out a section of it, that may not be the overall best practice, but it could be "generally accepted practice" or "generally accepted" but not the "best medical practice." I don't want to get into writing these definitions into Federal statute.

The distinction that has been made in several bills when we talk about "medical necessity" is also a very important issue because for the layperson, or the patient sitting out there, you would think that "medical necessity" would be easy to define. But saying what is going on out there in the health care arena, what is the range of treatment—we have seen charts on the floor that basically show that the range of treatment is huge in America, charts on how to treat urinary tract infections 80 different ways by 170 different physicians.

What that basically says is the range of treatment is huge—the variety. It doesn't say whether all of those are good or whether all of those are bad. But the fact that it doesn't say that and the practice is so wide, we don't want to make that the gold standard. If we were going to write something into Federal statute, we shouldn't say "generally accepted medical practices" because in truth it takes not the lowest common denominator but it takes the common denominator and makes that the standard.

I think it is very dangerous to say "best practices" will be the standard. That is why I don't think "best practices" should be written into Federal statute as the definition.

Why is that? It is because "best practices" are evolving over time. Yes, you can have studies in the New England Journal of Medicine and in the Journal of the American Medical Association of the greatest breakthrough, but you can't expect that greatest breakthrough which might be in truth the best practice 3 or 4 or 5 years later to immediately be disseminated to hundreds of thousands of physicians the next day across the United States of America.

I am trying to spend a little bit of time with this because I think it is dangerous to try to define "medical necessity" in Federal statute. We can still use the terms. You need "medical necessity" in there—what is "medically necessary and appropriate"—but I don't think we should. I think we are doing a disservice if we try to define it. I struggled. We tried in our committee and in our staff to come up with a good definition. It doesn't mean that health care plans aren't going to try to define what is "medically necessary and appropriate."

The reason this bill is necessary is that some managed-care plans have terrible definitions. They say what is "medically necessary and appropriate." They might say that it is effective and that it has had proven efficacy in the past. But some will go so far as to say what is the most efficient or what is—they don't say it this way—but what is the least expensive, and once they have put it in the contract, the people will come back and point to that.

Those are bad definitions. But that same sort of risk of writing in the definition in Federal statute, again, can be very dangerous if we are looking for quality of care in an evolving health care marketplace.

The beauty of our bill is that we fix the system. We go to where the problem is. We don't bring in a trial lawyer or a lottery where people wait 5 years on average to have a medical malpractice lawsuit.

I didn't participate in the earlier discussion today. But when you look at medical malpractice, my experience in medicine is that when you look at health care and lawyers, it is in medical malpractice. Basically, we know that is a very costly system. Most people just want to get something covered and don't know how to go out and hire a lawyer. Most lawyers, because they are operating on contingency fees, aren't going to fool with the $5,000 case, or the $20,000 case, or the $50,000 case. They will fool with the $1 million case. Then it becomes very arbitrary. You have a costly system that is an arbitrary system.

The third point is that it takes forever. It is a time consuming system. Earlier studies, I am sure, were quoted on the floor. The average malpractice case takes 5 years before recovery is made. That is an average of 5 years. That means some are 6, 7, 8, or 9 years.

The American people want to fix the system. They want the reassurance that their managed care plan is not denying coverage.

I yield myself 3 more minutes, and then I will yield to the Senator from Texas, if I may. I will finish this one thought.

What the American people want is for us to get away from this fear that managed care is overriding what they or their physician, in consultation with each other, think and believe is appropriate and, in truth, provides good quality of care. The reason I believe we were stuck on this vote earlier is the American people are saying let's fix the system, but let's make sure that we remove the barrier to the coverage that I deserve, that I expect, and that is appropriate for me, and that it is delivered in a timely way.

That is not helped by a very expensive lawsuit which is not going to be settled for about 5 years, at least in medical malpractice. It will not allow a person to get coverage for that cleft lip repair of a child or the appendectomy or the laryngitis.

We want to do what is best for Americans, best for children, and allow that timely access of care, removing unnecessary barriers. There will be certain barriers, remove the unnecessary, unjustified barriers, so that Americans can rest assured they can, in a timely way, receive good, quality care. That is the purpose of this bill.

I have been pleased with our discussions. As we accept some amendments and reject others, I know we can come up with a good bill later today.

I yield such time as necessary to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Is it possible to have 20 minutes?

Mr. FRIST. I yield 20 minutes.

Mrs. HUTCHISON. I thank Senator FRIST for his leadership in this area. Certainly all Members look to the one doctor in our body to give us advice, not only on what we need to do to make patient care better but to know the system well enough to know what will cause more harm than good. I appreciate the steady level-headedness of the Senator from Tennessee. We are fortunate to have a physician in our midst.

Our Nation has the highest quality health care anywhere in the world. There is no question about that. In my home State of Texas, in our largest city of Houston, the biggest employer in the whole city is the health care industry, the Texas Medical Center. It contains world-class hospitals, including the renowned University of Texas M.D. Anderson Cancer Center, which is the finest cancer treatment center in the world. Baylor College of Medicine, too, is a world leader in the treatment of cardiovascular disease. Houston is the home of the fathers of modern heart surgery: Dr. Michael DeBakey and Dr. Denton Cooley.

In the city of Dallas, TX, the University of Texas Southwestern Medical School has four Nobel laureates. They are doing research that is changing the quality of health care for our future. They are doing it because we have a system that allows for the investment in research. It allows for the treatment that is the best for diseases.

We don't want to break something that isn't broken. We don't want to try to fix something that isn't broken. We want to make sure we are giving better quality health care, that we are going to continue to have research and be in the forefront of research and technology as we go into the next millennium, trying to make sure we are doing the right thing.

There are problems. We have too many uninsured. Too rapid growth of HMOs and other service providers has caused some to be left behind. We must address these problems. Are there problems with HMOs? Absolutely. Do we need to increase the number of insured Americans? Of course.

If the American people remember the health debate we had in 1993, this Nation soundly rejected an outright Federal takeover of health care. That bill went down once America realized that their doctor, their hospital, everyone involved in the health care industry in this country would have to answer to a massive bureaucracy in Washington, DC.

Under global cost limits, total health care spending in this Nation would be capped by Washington. Any way you slice it, what the administration offered was Government rationing of health care.

Today, we are considering legislation that would impose 350 new Federal mandates and regulations on our Nation's health care system. There has been discussion about the cost of these mandates, whether they will cost as much as a Big Mac or a McDonald's franchise. Either way, there will be increased costs, and more Americans could lose their insurance.

Once a mandate becomes law, a Federal agency here in Washington will issue regulations or interpretations of that mandate. We have only to look as far as the Health Care Financing Agency to see what a total disregard of congressional intent can do in the health care industry. While Congress did mandate more efficiencies, they did not mandate the cuts that HCFA made in our hospital industry and to our health care providers, such as physicians and home health care service agencies. We can see what Federal control of a health care industry does by looking at what HCFA is doing to the health care providers in this country today.

I think we need to move very carefully into the arena of more Federal regulations of our health care industry. We do need to do something more than we are doing right now. However, I think we need to be very aware that we could go too far and throw out the baby with the bathwater.

I believe Democrats and Republicans want to make sure patients have basic rights when they and their family members need health care. It is wrong for an HMO to deny coverage for medically necessary treatment. It is wrong to allow a patient to get lost in red tape and unnecessary delays.

Both of our bills seek to empower patients when they are dealing with their health care industry and their insurance companies. However, there are three major differences in the way in which Democrats and Republicans are approaching the issue of managed care.

First, we believe that cost matters and that higher costs will translate into more Americans losing their coverage.

Second, Republicans recognize that the Federal Government and a Federal bureaucracy should not impose a one-size-fits-all approach to ensuring quality care.

Third, we believe good health care is better than a good lawsuit.

With regard to costs, the Congressional Budget Office has said that the Democrats' plan will cause health insurance to increase in price by 6 percent above the current rate of inflation. By some estimates, that could lead to an estimated 1.8 million Americans losing their health coverage.

Mr. President, 1.8 million people is a city the size of Houston relying on free clinics or charity coverage. That is what the Democrat bill will do.

The new mandates in the Democratic bill will also cost an estimated 190,000 American jobs and additional out-of-pocket costs by the average family of $207 a year. This is not acceptable. The average cost per family for employer-provided health premiums has already more than doubled over the last decade from $2,530 in 1988 to $5,349.

The provisions of the Republican bill will also cost money, but the total cost of our bill as calculated by the Congressional Budget Office is less than 1 percent in increased health premiums. These increases are more than offset by the provisions in our Patients' Bill of Rights Plus that will make health care more accessible and affordable for all Americans.

For the self-employed, our approach will make 100 percent deductibility of health insurance available next year—not in 5 years, as currently envisioned. Next year, every small business owner, every stay-at-home parent with their own business, will get exactly the same tax treatment for health insurance that corporations presently enjoy. This is long overdue.

The bill will allow employees the so-called flex plans or cafeteria plans to roll over to the next year up to $500 in unused funds to health insurance premiums or other out-of-pocket health costs. Under the present use-it-or-lose-it flex plans, they are not able to keep the money they have not spent. We want to encourage them not to spend money they do not need to spend by allowing them to roll it over.

The second major difference between our two bills and our two approaches is that the Democratic plan assumes Washington knows better than individuals, States, and health care providers what is in their best interest. We heard so much this week about how some of the provisions of the Republican bill do not apply to all private health care insurance. That is true. For those health plans that are now regulated exclusively by the Federal Government, we ensure that patients have their rights, such as direct access to OB/GYNs, direct access to pediatricians, access to specialists, and access to emergency room care. But, for the vast majority of Americans with health care, it is the States that have jurisdiction over their plans. This has been the case for several decades, ever since there has been health insurance in our country. Since the advent of HMOs, more and more States have acted to regulate managed care plans to ensure that the residents of their States enjoy the same protections we are proposing for the federally regulated plans. Every State in America has some regulation of their managed care companies today.

There are wide differences in approach by various States, but there are wide differences among the States. Why should there not be wide differences if the States are acting on behalf of their own constituents, which they know better than we do? Who is to say the patient protections and regulations in New York are the same that the citizens of Texas would want? I do not want to take responsibility for deciding that New York should be doing something because Texas likes it.

The Democratic bill is too federally centered and heavyhanded in other areas as well. We have heard much discussion of medical necessity. The Democrats say they only want to allow physicians to do what is medically necessary. That sounds fine, but what do they mean by medical necessity? It goes to an agency that will have 250 pages of regulations about what is a medical necessity. And there we have it again, one-size-fits-all.

By trying to do this in Federal law, the Democratic plan empowers a Federal Government employee to make those decisions, not your doctor talking to you about your needs. Under our system, we let an external review board of professionals, who are not associated with the HMO, decide who is right in making the call for the care. If the HMO says they are not going to cover a certain procedure, and the patient and the doctor decide that is not the right decision, the patient can internally appeal within the HMO, within a short period of time, and then appeal again to an outside panel of experts not associated with the HMO. That is the system we have in Texas, and it is working.

In 1997, Texas enacted an innovative and broad set of managed care reforms, including a host of patients' rights that are included in our bill today. The Texas plan includes the right to both internal and external appeal if the HMO denies a claim. In fact, in Texas, before you can even think of suing your HMO in court, you must exhaust your administrative remedies, and because the State tried to apply its external review provisions to federally regulated as well as State regulated HMOs, a Federal court has struck down part of the State law. But it was working very well.

The State recently acted to revive the external review section of the law. Now the system is voluntary. But, surprisingly, HMOs and other health plans are still willing to participate and be bound by the external review process in Texas. And it is working.

The Republicans' Patients' Bill of Rights Plus establishes a national, internal, and binding external appeals process using the Texas statute as a guide. It is a good system. I think it will work for the federally covered plans as it has worked in Texas. In fact, in Texas it has worked so well that, of more than 300 appeals heard under the external review system, only one lawsuit has emerged, and the appeals have gone about 50-50 in favor of both patients and health plans.

This brings me to the third major difference between the Democrat and Republican approach, and that is they believe lawsuits are the answer to better care, and we disagree. Good health care is prospective. A lawsuit is retrospective. An adequate external review process helps ensure that HMOs will not arbitrarily deny coverage for benefits. It will make them want to improve the quality of the care and services they provide in the future. A lawsuit, on the other hand, only seeks to shift money around long after the fact, to try to determine who was at fault and how much they owe. At that point, patient care is obsolete. We are talking about fault. I would rather focus on what we can do to give that patient the care when the patient needs it.

All one needs to do, if the suggestion is that more lawsuits are the answer, is to look at our current medical malpractice tort system. Many physicians in this country may be upset with the growth of managed care, but most of them are far more concerned with the tidal wave of lawsuits against doctors and other health care providers that we have seen in recent decades. These lawsuits, costing hundreds of billions of dollars, have done little to improve the practice of medicine in America. In fact, I wonder if they do not cause more defensive medicine rather than better care. In fact, in some ways, I think they have alienated the doctor-patient relationship.

So look at the range of views here. The Washington Post said last year that expanding lawsuits in this area was probably wrong. The Post wrote:

> There appears as well to be an impulse among congressional Democrats to make insurers and companies that self-insure liable for damages. The impulse is understandable but the threat of litigation is the wrong way to enforce the rational decisionmaking that everyone claims to have as a goal. The proposed appeals system should be given a tryout. "First do no harm" is the rule of medicine. It should be the rule on legislating as well.

Mr. President, I know my colleagues across the aisle are trying to address complaints they have heard from their constituents. But rather than again mandating new rules that will drive up the cost of health care, the American people would be much better served with a carefully tailored approach that respects the ability of patients, professionals, and State regulators to make their own decisions about what is best practice in their States and within their communities.

The Patients' Bill of Rights Plus does just that. It makes sure that HMOs are accountable, without scaring employers away from even offering insurance to their employees. It gives patients rights without encouraging inflationary rises, and empowers health care providers to provide the care their patients need but without Washington having to look over everyone's shoulder. It is the right answer, and it is the right time.

Mr. President, I thank the leadership, Senator FRIST, and Senator COLLINS, and those who have worked closely on the task force to make sure we do provide the rights to patients in an affordable way that will not drive up costs and drive people out of the system. That should be our goal.

I yield the floor.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we have 2½ minutes left. I will use those minutes.

I want to point out for the benefit of the membership, we have almost concluded our 50 minutes of debate. The debate has included a number of different amendments. All are very important because they all relate to the doctor-patient relationship. That is the heart of our entire bill. The heart of our bill is to make sure that medical professionals are able to practice the best medicine and make the best recommendations and that the insurance companies will comply with those recommendations. The heart of our bill is maintaining the relationship between the doctor and his or her patient. That is the heart of our bill. We still have not had any real criticism, observations, or comments on those issues.

We had some debate in the HELP Committee when these matters were raised. I note the proponents of those particular amendments—those who were on the committee and those who were not—were on the floor ready to respond to questions. Nonetheless, we have heard debate on the overall legislation. We still have not heard a response to what I think has been a powerful presentation in favor of these measures. Again, I will mention very quickly what this amendment is about.

This amendment is critical to preserving the relationship between medical professionals and patients, as well as providing fair information to consumers. Today, medical professionals are too often gagged, harassed, and financially penalized if they advocate for their patients.

I am reminded in my own State of Massachusetts of Barry Adams who was fired for simply reporting quality of care problems to his superiors. This happened just 3 months after he received a glowing evaluation that said he was an excellent role model, conducted himself in a professional manner, was an advocate for patients, and channeled his concerns appropriately.

Yet after he spoke up about his concerns, the facility mounted a campaign to oust him. The month he was fired, a woman died from a morphine overdose given by an unsupervised junior nurse. This was the very type of incident Barry reported previously, the very type of incident that Barry reported in the complaint that led to his firing. The facility also retaliated against two of his colleagues who reported unsafe patient conditions.

Barry fought back, and more than a year after he was fired, a judge ruled that Barry's termination was unlawful. The judge ordered the hospital to reinstate Barry, pay all back wages and expunge his record. He won. But the point is, he never should have been fired in the first place. This amendment prevents that from happening.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Mr. President, if patients cannot count on their doctor, quality medical care is impossible. If doctors cannot do their best for their patients without fear of retaliation, quality medical practice is impossible, too.

This amendment protects the relationship between the doctors and their patients. The Republican bill protects only the insurance companies. Part of the doctor/patient relationship is being able to go to the medical professional of your choice, not the HMO's choice.

This amendment establishes a point-of-service option that guarantees that choice. The Republican bill offers no meaningful guarantee.

Without the type of information the ombudsman program provides, too many consumers will simply be unable to exercise the rights this bill proposes to grant. As our friend and colleague, Senator REED, pointed out, giving consumers information so they will have their rights protected under their HMO is so important. This amendment provides basic, commonsense protections for health professionals and patients, and I know of no valid reason that it should be opposed.

Mr. President, I reserve the remainder of my time. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ENZI. Mr. President, I rise in opposition to the amendment.

I have sat here and listened to the arguments from the other side. There is part of this amendment the Democrats didn't even talk about. The problem is that this part of the amendment will make things worse, and not just for doctors and nurses. It will put patients at risk by allowing providers to release the intimate details of a patient's treatment without having to worry about being accurate or even truthful.

Here is how. Under the Democrat amendment, any provider could disclose any information about a patient at any time for any reason. This fact is so important that I want to say it again: under the Democrat amendment, any provider could disclose any information about a patient at any time for any reason. And as bad and unbelievable as that is, that's not even the worst of it. This amendment allows a provider to do the worst of all things—not only to give out information about a patient, but even lie about it—and not be held accountable. How can that be possible, you ask? Isn't that against the law? Not if this amendment passes, it's not. If this amendment passes, that possibility is a reality, and your private health records will be held hostage by a provider who can make an unchecked decision to disclose them without asking your permission and who can't be penalized for doing so.

But that is not all. There is no requirement in the Democrat amendment that when a provider exposes your confidential records, that the provider make disclosures only within his area of expertise. So if an anesthesiologist wants to reveal something about the way your ear exam was performed, the Democrat amendment says that is okay. There is nothing saying that the person disclosing your information has to know anything about either the procedure or your case before revealing everything about it—in fact, he doesn't even have to witness the treatment or ever have met you—and there's nothing saying he will be held accountable if he's mistaken or just flat out wrong. Adding insult to injury, the Democrat amendment doesn't even say that the disclosure has to relate to safety and health. All the amendment says is that the disclosure must be based on squishy terms that aren't even defined. For example, the amendment says that the disclosure must be based on information, and I'm quoting here, that the provider "reasonably believes * * * to be true." It is unbelievable to think that this flies under the Democrat amendment. It is unbelievable that the amendment would allow a patient's health information, records, and private treatment details to be jeopardized and publicized without his consent, based on something that a total stranger "reasonably believes to be true" and is not even related to the patient's own safety. Exposing patients to such a high degree of risk without tying disclosures to patient safety, expertise or even accuracy is not only unacceptable, it's just plain wrong.

What the Democrat amendment completely ignores is that procedures specifically related to the health care industry are in place for reporting problems with patient safety and health right now. The amendment also completely ignores and steam rolls all the state law in this area. I find it fascinating that the other side has said over and over and over again in this debate that their bill will not shift decisionmaking from the state capitals to Washington bureaucrats, and then they propose an amendment like this.

I want to talk about what this does to state law, and then talk about the procedures that are in place now.

On the first day of this debate, I heard no less than four Senators on the other side of the aisle characterize our "states rights" argument as being "tired" and "old." Well, while I might take issue with it being "tired," I certainly agree that it is "old." In fact, it's as old as the Constitution. And if you are tired of hearing about it, think about this: How many times have you been to Wyoming? What do you know about the folks there? I can tell you that it's true they need access to good health care, and I can also tell you that folks there don't want the Federal government to step in and trump what the Wyoming Legislature has done to protect them. They don't want one standard that applies to everyone regardless of who they are, where they're from, and how they live. And if those on the other side of the aisle think that the people I represent in Wyoming are exactly like New Yorkers or Californians, then I suggest you head back to Cheyenne with me this weekend and see if you change your mind.

One size fits all doesn't fit when we are talking about giving providers ways to report patient safety problems and protecting them when they make disclosures. Over 25 states have their own language prohibiting employers from retaliating against providers who disclose information relating to patient safety within a recognized framework. That's over 25 states with different laws and different reporting procedures; 25 states that offer different rights and responsibilities. I cannot underscore the importance of this enough. To a Democrat caucus that has repeatedly said that their bill will not shift the decisionmaking from the state capitals to Washington bureaucrats, I challenge you to tell me how such a statement jives with an amendment such as this one that fully wipes out state law. Not only that, I challenge you to tell me how this flawed amendment is better than the law that exists on the state books. More on this in a minute.

Bottom line, this amendment allows providers to file complaints disclosing confidential patient information without permission. These complaints don't need to relate to safety and health. The provider does not need to know anything about who or what they are disclosing—whether it be the specific patient treatment or the patient himself. And finally—and most ridiculously—the provider doesn't need to be accurate because he can't be penalized for inaccurate statements, misleading information or even downright lies about the patient or other health care providers. How in heaven's name could any state law anywhere be worse, or more destructive, than this? Indeed, having no law whatsoever would be vastly better.

But you do not have to take my word for it. Just take a look at some of the State laws. In California, for example, providers cannot disclose information that violates the confidentiality of the physician-patient privilege. An important provision. Is it anywhere to be found in the democrat amendment? No. The amendment ignores it entirely. What about a Rhode Island law that eliminates any protection for providers who participate or cause the problem being reported, or who provide false information? That one is pretty important, too. Also nowhere to be found in the Democrat amendment.

The body of state law that it would destroy is incredibly vital whether we're talking about ERISA plans or not, because the courts have definitively held that where quality of care is concerned, state law trumps ERISA. As the Supreme Court has held, "the historic powers of the State include the regulation of matters of health and safety." Another seminal third circuit case has held in citing the Supreme Court that, while the quality control of health care benefits might indirectly affect the sorts of benefits an ERISA plan can afford, they have traditionally been left to the states, and there is no indication in ERISA that Congress chose to displace general health care regulation by the states. It's clear: the courts have deferred to the states when it comes to quality of care. I think that the democrats should take a lesson from this.

I have heard it said, however, that we need not worry about the overhaul of state law that occurs under the Democrat approach to health care because their bill will merely set a "floor" upon which States can build. Such a statement is questionable given an amendment such as this that is so flawed that it actually protects those who publicize confidential patient information and lie about it without giving the patient or other accused providers an opportunity to object. As a former state legislator, I say respectfully, "thanks, but no thanks." The only floor this sets for the States is the one they will stomp on when they take one look at this bill.

So who should investigate claims of wrongdoing and retaliation? I have mentioned that lots of other procedures are in place that allow for reporting and are specific to the health care industry. One of the biggest and most far-reaching of these is the reporting mechanism in place at the Joint Commission on Accreditation of Healthcare Organizations. The Joint Commission covers over 80 percent of the approximately 6,200 hospitals in this country that receive Medicare payments. These charts I have next to me are blow-ups of information taken directly off of the Joint Commission's website and show not only how reports and concerns about patient care can be disclosed, but also what followup occurs in response.

Here is how the process works. If a provider wants to report an alleged problem, that provider has several choices under the Joint Commission. He can e-mail a complaint, fax a complaint, mail a complaint, or call the Joint Commission directly using their toll free number. And there are a couple of points I want to make about why this process is so much better, more related to the health care industry, and has much stronger teeth than this amendment. First, using the Joint Commissions' toll free number, reporting concerns can be immediate and confidential. Not only that, communications with the Joint Commission can be made in English or in Spanish. Second—and this one's really important, too—all complaints must relate to quality of care issues and patient safety unlike the democrat amendment which can relate to anything. Third—and perhaps most important of all—where serious concerns have been raised about patient safety, the Joint Commission will, and I emphasize "will" conduct an unannounced, on site investigation. Period. And with the Joint Commission, there will never be any concern over who's investigating problems. The Joint Commission's standards are recognized as representing a contemporary national consensus on quality patient care, and these standards are continuously reviewed to reflect changing health care practices. This is a real solution that combines a proactive reporting method to make sure that patient quality is not compromised, with an appropriate and strong followup with mandatory, unannounced, on site inspections by an organization that knows the health care industry as well as anyone.

In addition to all the State laws setting up reporting procedures and protections for providers, and in addition to the practices in place such as the Joint Commission, there are other controls. Hospitals that receive Medicare payments and that are not accredited by the Joint Commission are certified by the states. All these hospitals are required to provide patients with a document that explains their rights including a phone number where they can call a state agency to make a complaint about quality of care issues. These rights must also be posted. Yet another control is that patients—and even providers—can anonymously complain to the Medicare Program's Peer Review Organization on quality of care matters. Providers may also complain to HCFA's regional offices, state survey agencies and professional licensing boards.

I have heard the stories about providers who have disclosed information and then were retaliated against. What I don't know is why the state laws, the Joint Commission's reporting process, state reporting processes, Medicare reporting processes, HCFA's reporting processes, and the professional licensing board—among other protections—are not working. I have in my hand a copy of the HELP Committee's report on the Patients' Bill of Rights and all of the amendments introduced to the bill. You may remember that an amendment similar to the democrat amendment introduced here today was introduced during the markup of this bill. I happened to remember that amendment, too, and so I picked up a copy of the committee report and began to leaf through the minority comments to find their explanation of the amendment. I was looking for some reason—other than pure politics—about why an amendment like this is needed, about what isn't working in the system that must be fixed, and about why current laws, practices and procedures aren't enough. This is what the committee report is for, right? So I looked, and I looked. Out of the report's main body of 108 pages, 99 pages were written by the majority to explain and to support our bill. Only nine pages were written by the minority—nine. So out of nine pages, you would not think it would take too long to find some information—any information—about one of the minority's major amendments. I did not think so either, but I was wrong. I did finally find the minority's reference to the amendment, though. It was three sentences long. Three sentences out of nine pages on a major amendment. Let me read them to you: "Doctors and other providers must be able to give every patient their best possible advice, without fear of retaliation or financial penalties." So far, so good. "Out plan bans abusive insurance industry practices that undermine the integrity of the doctor-patient relationship. The committee legislation does not." So I kept reading. I scanned the page. What abusive industry insurance practices? I wanted to know. Why do providers fear retaliation? Why are current law, current practices, and current procedures not working? Nothing. Wouldn't you think that if the majority was able to spend its time writing 99 pages supporting its position, the minority might have been able to spend just a little more time adding even one paragraph to its nine pages on this? Not even one paragraph on an amendment that the democrats say is so vital. It just doesn't make any sense.

I have heard time and again that Republicans are weeping "crocodile tears" about our bill. In fact, out of those mere nine pages in the minority's committee report, an entire sentence was wasted making this statement. But it seems to me that when you lay down amendments and don't share information about why we should trump state law in support of an amendment that protects providers who disclose misleading and confidential patient information unrelated to the patient's safety, then I think it is the democrats who are the ones crying crocodile tears when people like me are baffled by their empty allegations and outlandish solutions.

Mr. President, I yield the floor.

Mr. KENNEDY. I yield back any time I have on the amendment.

Mr. FRIST. I yield back the remainder of our time on this amendment.

AMENDMENT NO. 1252 TO AMENDMENT NO. 1251

(Purpose: Enhancing and augmenting the internal review and external appeal process, covering individuals in approved cancer clinical trials, improving point-of-service coverage, protecting individuals when a plan's coverage is terminated, and prohibiting certain group health plans from discriminating against providers on the basis of license or certification)

Mr. FRIST. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. Frist], for Mr. Ashcroft, for himself, Mr. Kyl, Mr. Mack, Mr. Frist, Mr. Sessions, Ms. Collins, Mr. Crapo, Mr. Abraham, Mr. Jeffords, Mr. Enzi, Mr. DeWine, Mr. Grassley, Mr. Hatch, and Mr. Helms, proposes an amendment numbered 1252 to amendment No. 1251.

Mr. FRIST. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. FRIST. Mr. President, very quickly, because we have a lot of ground to cover over the next 100 minutes, the amendment that has been sent to the desk involves basically five components. I will be relying on a number of my colleagues coming to the floor, all of whom have worked for weeks and months and, in some cases, well over a year on these amendments.

The first of these components is on external appeals. As we continue to address the issues before us, it is very important to have the American people recognize we are going to continue to improve this bill as we go through.

A second component is the clinical trial issue, an issue Senator MACK and I have worked very aggressively on over the last year with a number of our colleagues on both sides of the aisle, an issue that had been addressed initially earlier in the week that, as we said before, we are going to come back to and lay out what we think is the most reasonable way to achieve a very important goal, and that is to increase access to important clinical trials.

A third component a number of Senators, again Senator COLLINS and Senator GRASSLEY, will be speaking to is on provider nondiscrimination, and we will be looking at some protections that are similar to those in Medicare and Medicaid.

A fourth component of this amendment—again a very important one because it involves choice, and again we are working to improve this bill as we go through with the amendments—is on point of service where we expand choice, which again is a basic underlying principle of the Republican efforts in this bill.

The fifth component that will be addressed is continuity of care, again a very important issue, the whole issue of extending the transition period for patients.

We have a lot to cover over the next 100 minutes. To me it is very pleasing, having participated so much on each of these issues, that upon passage of this amendment with its five components, we will do a great deal to improve the quality of care of individual patients. That is where our focus must be.

We are going to begin with the issue of clinical trials, again picking up on the discussion earlier in the week. I yield 12 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

PRIVILEGE OF THE FLOOR

Mr. MACK. Mr. President, I ask unanimous consent that Dr. Larry Kerr, a health fellow for the Judiciary Committee, be granted the privilege of the floor for the remainder of the debate on the Patients' Bill of Rights.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MACK. I thank the Chair.

Mr. President, I am pleased to be joined by Senator FRIST, Senator JEFFORDS, and Senator COLLINS, and others, as we offer this amendment to provide cancer patients with coverage of health insurance benefits when they participate in approved clinical trials.

Many health plans will not pay for the cost of routine patient care if patients want to participate in a clinical trial. As a result, beneficiaries with cancer are denied access to these trials of promising new therapies because these therapies are deemed "experimental" by most health plans and, therefore, not qualified for coverage. This means many cancer patients have two choices when they have exhausted all traditional therapies: either pay the cost of participating in a clinical trial themselves or go without additional treatment.

For all but the most wealthy patients, it is cost prohibitive to take part in a clinical trial. This amendment will help ensure that a patient's decision about whether or not to participate in a clinical trial is based upon science and not cost.

Clinical trials are one of the most effective ways of determining which treatments are beneficial. Yet cancer researchers have told me they have had difficulty enrolling the required number of patients to participate in the clinical trials they are conducting. Scientists have identified noncoverage by private insurers, as well as Medicare, as one of the primary reasons why patients do not participate in clinical trials.

For example, approximately 2 percent of cancer patients are participating in clinical trials. This amendment will help scientists recruit cancer patients who wish to participate in clinical trials by breaking down the financial barriers which may preclude most patients from participating.

Clinical trials are one of the most effective techniques for assessing the effectiveness of a scientific and medical intervention. Many of my Senate colleagues have joined with me in a bipartisan effort to double biomedical research funding through the National Institutes of Health. Last year, Congress appropriated $15.6 billion for NIH. This represented a $2 billion increase, the largest increase in NIH history. At a time when American researchers are making such tremendous progress in scientific areas such as cancer genetics and biology, it is essential that this knowledge be translated into new therapies through well-designed clinical trials. This amendment is a natural extension of the historic effort to double funding for medical research in our country.

When my brother, Michael, was diagnosed with cancer, there were only three basic forms of treatment—surgery, radiation, and chemotherapy. Today, scientists are revolutionizing the treatment of cancer by developing many new weapons to kill cancer, including gene therapy and immunotherapy.

On a personal note again, every time I get into these discussions, and every time I see the new efforts that are being pursued, and the successes that have been developed, I cannot help but think if Michael's melanoma had been discovered or if he had found the disease much later in his life, when these new procedures—gene therapy and immunotherapy were available—and if he had been able to participate in a clinical trial, which he attempted to do throughout his treatment many years ago, his life may have been saved.

This amendment will help scientists continue the unprecedented progress being made to find new methods of treatment.

Coverage of cancer clinical trials is a bipartisan issue. Earlier this year, for example, Senator ROCKEFELLER and I introduced legislation to provide for Medicare coverage of cancer clinical trials. I am pleased to say that 36 additional Senators, from both sides of the aisle, have cosponsored this legislation. I look forward to working with my colleagues to pass this important legislation during the 106th Congress.

The reason Senator ROCKEFELLER and I targeted our legislation to cancer is the same reason we have targeted this amendment to cancer today—there is a legitimate debate about what the true cost may be. Senator ROCKEFELLER and I believe the cost will be insignificant. And we have the studies to prove that.

However, there are legitimate concerns with respect to cost which have been raised. Both the amendment we offer today and the Rockefeller-Mack legislation, call for a study and report to Congress in 2005 on the cost implications of covering cancer clinical trials.

I support comprehensive coverage of clinical trials. But, at this time, we need more information before we go further. This amendment will help provide the information we need to make a better informed decision.

During markup of S. 326, the Senate Committee on Health, Education, Labor, and Pensions considered an amendment offered by my friend and colleague, Senator DODD, to provide clinical trial coverage.

Since then, my colleagues and I have more thoroughly studied this amendment. We have examined what barriers exist that impede enrollment in clinical trials. We looked into the cost implications. We considered the best way to define the term "routine patient costs."

Let me first highlight the many similarities in our amendment and the amendment which Senator DODD offered during committee consideration.

Our amendment requires plans to provide coverage of routine patient costs. I will get back to that term in a few minutes.

Our amendments ensures that health plans are not required to pay for costs of items and services that are reasonably expected to be paid for by the sponsors of a clinical trial. This includes tests or measurements conducted primarily for the purpose of a clinical trial.

Our amendment permits plans to require clinical trial participants to use in-network providers, if they are available. If coverage is provided by a nonparticipating provider, payment would be at the same rate the plan would pay for comparable services to a participating provider.

Our amendment is limited to those health plans over which Congress has sole and exclusive jurisdiction.

Our amendment is limited to only the highest-quality clinical trials. These include trials approved and funded by the National Institutes of Health, the Department of Veterans Affairs, and the Department of Defense. Only those trials which have undergone the rigors of peer-review will be considered.

Our legislation differs with Senator DODD's proposal in three ways.

The first difference is how to best define the term "routine patient cost." In researching this issue, we have found that there is not a generally accepted definition of the term, "routine patient cost" associated with participation in a clinical trial. The Balanced Budget Act required the Institute of Medicine to conduct a study on the issue of cancer clinical trial coverage, including the definition of routine patient costs. This study is due in September, and it will likely help us to better define this highly technical term. There are other experts who have opinions on how to define the term "routine patient cost." We believe it is best to leave this task to patients, employers, health plans and those with true expertise in the field of clinical trials.

It is essential to remember that protocols for clinical trials vary widely, and routine patient costs for clinical trials also vary. Scientific researchers have indicated that developing one standard for determining routine patient costs will be a daunting task. I don't believe Congress is best qualified to make this important scientific determination.

Therefore, our amendment provides for a negotiated rulemaking process to establish a time-limited committee charged with developing standards relating to the coverage of routine patient costs for patients participating in clinical trials. This way, organizations representing cancer patients, health care practitioners, hospitals, employers, manufacturers of drugs and medical devices, medical economists and others will be involved in the process of defining routine patient costs with respect to clinical trials.

By May, this committee is required to develop standards for routine patient costs for individuals who are participating in those trials. If the committee is unable to reach a consensus, then the Secretary must develop these standards and publish a rule by June 30, in the year 2000. In either case, coverage for these benefits would begin for plans beginning on, or after, January 1, 2001.

We believe that a negotiated rulemaking process is the best way for organizations representing all who are affected to collectively determine what costs should be considered in "routine patient costs." These decisions will have a major effect of the cost of covering clinical trials.

I will just underscore that again. These decisions will have a major effect on the cost of covering clinical trials.

Under the Democratic bill, these organizations can only submit a comment to the Secretary, who has broad authority to determine what constitutes routine patient costs. However, those comments could be rejected out-of-hand by the Secretary.

By contrast, the negotiated rulemaking process ensures that all who have an interest in the outcome have a seat at the negotiating table to make the decision. We believe it is essential that cancer patients have an opportunity to be involved in establishing standards for routine patient costs, and a negotiated rulemaking procedure affords them that opportunity.

Second, as I mentioned earlier, our amendment differs from the Dodd amendment in that it is limited to cancer clinical trials. There are more clinical trials involving cancer than perhaps any other disease. This targeted approach will not only provide a needed benefit to a large patient population, but it will also provide significant information for the study and report called for in this amendment.

Finally, our amendment includes a study and report to Congress on the costs to health plans and any impact on health insurance premiums. Senator DODD's amendment did not include this study and report, which I believe is extremely important. Congress can then use this important information to determine if they wish to expand coverage for patients with other diseases.

Like most of my colleagues, I am very concerned about the ever-increasing costs of health insurance. According to the Congressional Budget Office, our amendment will result in an increase in health insurance premiums of less than one-tenth of one percent. The Dodd proposal would cost five times that amount.

I have met with thousands of cancer patients throughout Florida and the rest of the United States, patients desperately wanting to participate in clinical trials when traditional therapies are no longer beneficial.

Let me conclude my comments here today by relating an experience which puts a human face on why this issue is so important.

As my colleagues may know, I frequently visit the National Institutes of Health to meet with scientific reserchers so I may gain a better understanding of the many advances which are taking place to detect and treat cancer and other diseases.

Over the years, I have been fortunate to get to know Dr. Steven Rosenberg, a world-renowned scientist and oncologist who is an expert in the field of melanoma research and treatment. I first met Dr. Rosenberg after reading his book, "The Transformed Cell."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MACK. I ask for 2 additional minutes.

Mr. FRIST. I yield an additional 2 minutes.

Mr. MACK. Last year, I was meeting with Dr. Rosenberg to learn about a clinical trial he is conducting on a state-of-the art melanoma vaccine. During our conversation, Dr. Rosenberg mentioned that one of my constituents was at NCI participating in that clinical trial. I asked if I might meet him. Before we went to his hospital room at NCI, Dr. Rosenberg showed me photographs which had previously been taken. This patient had purple, bulbous melanoma lesions several inches in diameter down the side of his body.

Dr. Rosenberg introduced me to my constituent, and we engaged in casual conversation.

At one point I asked him how he was doing. To show me how he was doing, this brave man took off his hospital gown and showed me that these lesions of huge size on both his arm and his side were totally gone. That is why I think it is so important that we have this amendment included in the legislation, so that other cancer patients will have the same opportunity.

To conclude, what is this amendment really about? Most importantly, it is about giving patients fighting cancer the hope that an experimental therapy being tested in a well-designed clinical trial might save their lives. In addition to providing hope, it paves the way for new therapies that will, one day, not only provide hope, but a cure. It is about allowing cancer patients to make what may be the final major health care decision of their lives—whether to participate in a clinical trial.

Mr. President, I've met with many patients who were participating in clinical trials. To me, these patients are, in many ways, like America's astronauts. Later this month, we will celebrate the 30th anniversary of man's landing on the Moon. Like the astronauts of Apollo, clinical trial participants are pioneers. They are heroes, who are helping to push science and medicine into new frontiers. We must provide hope to these brave Americans.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the facts are that the Republican majority have offered a number of feel-good amendments. Everyone should understand that these amendments, even if they pass, will only cover 40-plus million Americans. Our amendment covers over 160 million Americans. Even though the provisions they have stuck in this amendment are weakened compared to the Democratic provisions dealing with external appeals, provider nondiscrimination, points of service, continuity of care, it is just the same as the amendment we offered for 50 minutes. Advocates of that amendment came from the minority side and presented their arguments to the Senate, to each other. The majority was not here. They did not offer a single word in opposition to the amendment that was offered by the minority.

This can best be summed up not by a Senator, not by some paid advertisement on television. I think the best way to sum this up is by a New York Times statement by Bob Herbert today entitled, "Money versus Reform."

> Donna Marie McIlwaine was 22 when she died on Feb. 8, 1997. She is buried in the Chili Rural Cemetery in upstate Scottsdale, N.Y.
>
> The managed-care reform legislation that has been the focus of a furious debate in the Senate was essentially an effort to make it easier to save the lives of patients like Ms. McIlwaine.
>
> The Republican Party, flooded with money from the managed-care industry, gives lip service to the idea of protecting patients, but then does the bidding of the companies that are the source of all that cash.
>
> It's a tremendous scandal. No one can seriously argue that lives are not being lost.
>
> Ms. McIlwaine went to the doctor several times in the week before she died, complaining of pains in her chest and shortness of breath. According to her family, she was diagnosed with an upper respiratory infection and "panic attacks."
>
> In fact, she was suffering from pneumonia and a blood clot in her left lung. Her mother, Mary Munnings, told me yesterday that her daughter had been screaming from excruciating pain before finally lapsing into unconsciousness and dying at home on a Saturday night.
>
> There was no need for her to die. Ms. Munnings said that when she contacted the office of her daughter's primary-care physician the following Monday, she learned that Ms. McIlwaine had not been sent for the laboratory tests that would have properly diagnosed her condition. She said that when she asked why not, she was told that "they couldn't justify" the tests to her health maintenance organization.
>
> So we have Donna Marie McIlwaine dead at age 22.
>
> Most of the country understands that an unconscionable obsession with the bottom line has resulted in widespread abuses in the managed care industry. Simply stated, there is big money to be made by denying care. It is now widely known that there are faceless bureaucrats making critical diagnostic and treatment decisions, that some doctors are being retaliated against for dispensing honest advice, that women have had an especially hard time getting the care they need, and that patients have died because they were unable to gain admittance to emergency rooms.

Mr. President, that is what this debate has been about. I quote further:

> The so-called patients' bill of rights, sponsored by Democratic Senators Tom Daschle and Edward Kennedy, was an attempt to curb these and other abuses. The managed-care industry wanted no part of the legislation, which meant the Republicans wanted no part of it. The Democrats had to virtually shut down the Senate before the Republican majority would even agree to bring this matter to the floor for a debate.
>
> The Republican whip, Don Nickles of Oklahoma, could hardly have been clearer about his party's desire to avoid the issue. "I don't want our members to go through a lot of votes that can be misconstrued for political purposes," he said.
>
> The Democrats succeeded in forcing debate on the bill, but they haven't gotten the patient protections they sought. What occurred on the floor of the Senate this week was a G.O.P.-sponsored charade in which one Republican senator after another talked about protecting the health of patients while voting to protect the profits of this industry.
>
> It was a breathtaking exercise in hypocrisy. It was as if George Wallace had spoken earnestly about the need to admit black students to a public school in Alabama while standing in the doorway to block their entrance.
>
> Some face-saving measures were passed by the G.O.P. majority, but the essence of managed-care reform was defeated. In the end, it didn't matter that Mary Munnings had needlessly lost her daughter, or that a parade of managed-care victims had traveled to Washington to detail their horror stories, or that organizations representing doctors, patients and their families had lined up en masse in support of reform.
>
> All that mattered was the obsession with the profits of the insurance companies and the H.M.O.'s.
>
> Eventually substantial improvements will be made in the delivery of effective and affordable health care to Americans. It will take years but it will happen. And then the country will look back and wonder (as we have with Social Security, Medicare and the like) why anyone was ever opposed.

Mr. President, that is what this debate is all about. It is a debate about protecting the insurance industry or protecting American patients. I am sad to report, money is going to win. Money is going to prevail over American patients who need help. It is as simple as that.

It is whether or not a doctor can make a decision for a patient or a bureaucrat is going to make a decision for a patient. It is a question of whether we are going to be driven by profits or patients. Let us hope some day patients will prevail.

I yield 3 minutes to the Senator from Maryland.

Ms. MIKULSKI. I thank the Democratic whip for yielding me this time.

Mr. President, I am troubled about the pending amendment because one of its components my colleagues might not be aware of is that it strips the Democratic provision to provide continuity of care.

This is pretty serious because what continuity of care means. What does continuity of care mean? Under our proposal, continuity of care means just because your company changes HMOs, you should not have to change your doctor, or if your doctor is put out of the network, you shouldn't have to leave your doctor.

I hope we can make sure that we keep continuity of care in. If we lose it, we are going to have our own amendment. Senator Bob KERREY and I are going to offer our own amendment on continuity of care. I will tell you why we feel so strongly about it.

We think the most important thing in getting well is the doctor-patient relationship. You need to have a doctor who knows you, and you need to keep your doctor who has prescribed a course of treatment and who knows you as a person, not as a lab test, not as a chart. We do not believe doctors are interchangeable. We believe you should be able to keep your own doctor. Let me tell you what the Democratic provision does. Under the Democratic proposal, if your company changes HMOs, you get to keep your physician through at least a 90-day transition period.

So if you are a diabetic or if you are engaged in a particular course of treatment, you get to keep your doctor.

Then we have three provisions that make sure you keep your doctor when you are facing significant medical circumstances. What would be a significant medical circumstance? It means, for instance, when you are pregnant. We think that when you are having your baby and you have an OB/GYN and a course of treatment, you should be able to keep that same doctor all the way through your pregnancy and through your postpartum recovery.

Why is that important? Suppose you are a diabetic, or suppose you have kidney problems, or suppose you have a whole variety of other medically indicated symptoms that require very special monitoring; you can't just change your doctor. We certainly don't want to change doctors in late-term pregnancies. We have talked a lot on this floor about late-term pregnancies. Well, let's make sure you get to keep the same doctor during late-term pregnancies.

Let's take another issue. If you are terminally ill, under the Republican school of thought you would lose your physician—if you are terminally ill and your company changes providers. We think if you are dying of cancer, if you are in the last stages of any illness, or if your child is in the last stages of illness, you shouldn't have to change your doctor. We truly believe that when a little boy or girl is dying of leukemia and the family is facing the heartbreak of that, they should at least be able to keep the same doctor through the course of treatment.

The other exception we provide is if you are in an institution or a facility. So if you are in a mental facility and you are getting well, you are working hard to get well, let's keep the doctor while you are keeping up the fight to get well. If you are also recovering from a stroke and you are in a rehab center, we say you should be able to keep your doctor and the same set of providers throughout that course of treatment.

We are being bashed on this floor about how we are for lawyers. Well, I am not for or against lawyers, but I am for doctors. I am really for the doctors and the other appropriate health care providers. I think that if you are pregnant, or terminally ill, or if you are in an institution trying to get better, you ought to be able to keep your doctors, and maybe we would not have to turn to the lawyers.

I yield the floor.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. FRIST. Mr. President, we are currently debating an amendment that we have introduced on several topics. One is external appeals, strengthening that external appeals process.

No. 2, and one that I have been intimately involved with, is expansion of cancer clinical trials, to make those trials more available to the American people. We have a very important issue on provider discrimination and continuity of care. Senators COLLINS and ENZI will be responding later to the comments that were just made, which I thought were very positive in terms of what is necessary and what the American people expect in terms of continuity of care.

We want to address the fifth issue at this juncture, and that is the point of service. I yield 5 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the Senator from Tennessee, Dr. BILL FRIST, for his leadership and effort in this bill to craft a responsible and effective piece of legislation that will increase protections substantially for consumers' medical care and do so in a way that enhances the quality of that care. Dr. FRIST is an extraordinary physician. He has given his life to medicine. He was the first person to do a lung transplant in the State of Tennessee—not an inconsiderable event. The thought of that is beyond my comprehension. And he has certainly provided great leadership here.

One of the concerns I have heard a lot about from my doctors and dentists in the State of Alabama is that closed plans prevent patients from having any opportunity to go outside that plan to seek another physician, if that is whom they choose. As a Republican, and as an American, I believe in achieving freedom as much as we possibly can and giving people choices. So we have sought to listen to those physicians and dentists, to try to understand what they are saying and try to provide that kind of option for Americans.

I am glad Dr. FRIST and the leadership on this side have concurred that we can take a major step forward, that we can say that every American in one of these self-insured plans—not regulated by the State—can have the option to choose a plan that allows them to go outside that plan if they want to pay the extra expense to go to a doctor who may charge more. They would pay the difference for that extra privilege. I think that is good policy. It promotes freedom, and in this day of computers and high technology, it is not impossible to maintain the different accounting procedures that may be necessary to handle a different offering in that regard.

So I am excited about this step. We already have a provision in our bill that is similar to this amendment, but it doesn't provide a guarantee it in the way this one would. After talking to physicians, dentists, and small business groups, we have decided to maintain an exemption from this provision for businesses with 50-employee or less. Small businesses may be unduly burdened administratively as it may be more difficult and time-consuming for them to process claims. Furthermore, we have discovered that fewer than 4 percent of people covered under our bill are employed by these small businesses.

So, Mr. President, I am delighted to see this occur. I believe it will have broad-based support. The cost is negligible —almost none—because if the person chooses the point of service option, they would pay the additional cost for it.

I want to mention something and clarify an issue. The National Association of Insurance Commissioners testified on our bill and has written the Senate, a letter in March of this year, in which they state unequivocally that:

> It is our belief that States should and will continue efforts to develop creative, flexible market-sensitive protections for health consumers in fully-insured plans, and Congress should focus attention on those consumers who have no protections in self-funded ERISA plans. The States have already adopted statutory and regulatory protections for consumers and fully-insured plans and have tailored these protections to meet their State's consumer health care marketplace. Many States are supplementing their existing protections during the current legislative session [right now], based upon particular circumstances within their States. We do not want States to be preempted by congressional or administrative actions.

What we are primarily concerned with regarding this piece of legislation is Federal ERISA plans, which States cannot regulate. That is why we are here. We are going to leave the other plans to the States who are already regulating them.

I see my time has expired. I will again express my delight that we are able now to say that the individuals who come in will be able to receive point-of-service option.

Mr. KENNEDY. Mr. President, I inquire on my time and will yield the Senator 2 minutes. This change will, of course, only be for the self-funded program, and of course there are no changes in excluding any employer that has less than 50 employees. That hasn't been changed, has it?

Mr. SESSIONS. That is correct. But we know, for example, in Alabama, only 4 percent of the self-insured plans would fall under that group because most of the self-insured plans are for the larger businesses. We have also found that, in Alabama, for example, 75 to 80 percent of the state-regulated plans already offer point-of-service choice now. So it is not as critical as it might appear.

We don't want to see the trend go the other way. It could turn the other way. Physicians are afraid that HMOs will build up walls and block out physicians and choice in the future. So they want this protection. I think it is legitimate, and I think the Senator favors that.

Mr. KENNEDY. If I could continue, I yield myself another minute. Is the Senator saying that of all the self-funded programs, only 4 percent have fewer than 50 employees?

Mr. SESSIONS. Yes. Actually, 4 percent less than 100.

Mr. KENNEDY. Four percent less than a hundred. So, effectively, this won't apply, I imagine, to any of the mom-and-pop small businesses; they won't have those kinds of protections, will they, in Alabama?

Mr. SESSIONS. Only four percent under our bill will not be guaranteed that protection, but many are already providing it. Furthermore, 75 to 80 percent of plans regulated by the state of Alabama plans do offer it.

Mr. KENNEDY. What percentage of Alabama, just for my own information, works in plants with less than 100 employees?

Mr. SESSIONS. Most of those plants don't have self-insured, and they are already subject to State regulations.

Mr. KENNEDY. So they wouldn't be affected by the Republican program in any event.

Mr. SESSIONS. In the State of Alabama, and in most States, I think, the smaller companies use traditional plans that are subject to State regulations. I think our primary focus in this body has been to deal with those plans that are not regulated.

Mr. KENNEDY. I thank the Senator.

Mr. SESSIONS. I thank the Senator.

Mr. KENNEDY. I yield the Senator from New York 3 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Thank you, Mr. President. I thank the Senator for yielding.

We are coming to the close of this debate. The amendment the Senator from North Carolina and I offered on appeal has been replaced by a much weaker version. We allow an independent review process. We allow that, if your HMO should say to you, you can't have this medicine, you can't have this procedure, you can't see this specialist, you would get an independent review as to whether that was right or wrong.

Under the proposal that was passed by the other side, very simply, that review will not exist except by somebody appointed by the HMO itself—not independent and not real. But, in general, in this debate, and what has happened again is what has happened this week, which is simple, the insurance companies won and American families lost. As a result of what we have done today, the vast majority of American families will not get access to emergency rooms, access to specialists, the right to appeal an unfair decision, the right to sue, and the right to have an OB/GYN physician be their primary care physician.

If we could sum up this debate, it is in two charts. It is in three little numbers. First, under the Democratic plan, 161 million people are affected. Under the Republican plan, 48 million people are affected—161 million or 48 million.

What do the American people want? My guess is they want as many people covered as possible.

As for cost, it is $2 a month more. As the Senator from Massachusetts has said repeatedly, that is not more than the cost of a Big Mac a month. We could cover all of these people, and we could have emergency room access, we could have access to a specialist, and a right to appeal an unfair decision.

I ask the American people to remember this day as a day when the Senate turned its back on them and their wishes; as a day when the special interests, particularly the insurance companies, prevailed over common sense and wisdom; as a day when this Senate chose to have only 48 million people covered, not 161 million; and a day when this Senate said you can't get emergency room coverage, you can't get access to a specialist, and you can't get the right to appeal an unfair decision by the HMO because it cost $2 more a month per worker.

It is a sad day for the American people. It is a day when this body chooses to follow the whims of the insurance industry rather than the desires of the American people.

Oh, yes. There are some placeboes. In fact, the bill we are passing today is a placebo. But by definition a placebo is only affected when there is nothing wrong with the patient. If you are well and you are never going to get sick, you love the Republican plan. But if you have had to go through the agony and ordeal of having an HMO reject medicines, doctors, and procedures that are desperately needed by you or a loved one, you will rue this day.

I say to my colleagues: Wake up. Our health care system is ill. A placebo won't work. This bill is a placebo. Managed care needs real medicine to become well again, and this placebo will not do the job.

It seems very clear to me that this will not be the last time we take up the Patients' Bill of Rights. The reason this won't be the last time we will take up this bill is because the families of America will find out in the next year that the HMO beast has not been tamed, that the good that HMOs have brought in terms of reducing costs is being outweighed by the bad in terms of cookie-cutter decisions made by accountants and not by doctors.

We will be back. We will argue this issue again and we will prevail because the American people want real medicine—not a placebo prescribed by the insurance industry.

Thank you, Mr. President.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I yield up to 5 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I guess, despite the rules of the Senate, we all have our own rules that we apply to ourselves about what we say.

One of the problems is that if one side of the debate insists on getting up and saying things that are verifiably false, we end up with a shouting match going back and forth.

Our bill guarantees access to emergency care. Our bill guarantees that any woman at any point at any time can get access to an OB/GYN physician. Our bill deals with people under the Federal jurisdiction because the States have already done a very good job in dealing with the people under their jurisdiction which they cannot reach without Federal action.

We have talked at great length. Our colleagues keep saying this bill cost $2 a month. The problem is that the Congressional Budget Office, the nonpartisan budgeting arm of the Congress, says this bill will cost $72.5 billion, this bill will take insurance away from 1.9 million Americans, and this bill will end up driving up costs for Americans who are able to keep their insurance.

Obviously, anyone who follows the debate around here realizes that Democrats aren't very much worried about cost. But why are we so worried?

No. 1, we are worried about 1.9 million people losing their insurance. We believe we can fix what is wrong with HMOs, and do it without driving up medical costs so much that people lose their health insurance.

But I would like to make two final points which I think are critical to this entire debate. If you came from outer space this morning and you listened to our Democratic colleagues, you would think they are opponents of HMOs. But let me read for you from congressional debate on February 10, 1978. I quote:

> I authored the first program of support for HMOs ever passed in the Senate. The Carter administration has made the promulgation of HMOs one of its major goals. Clearly HMOs have done their job in proving themselves a highly desirable mechanism for medical care delivery.

That is Senator TED KENNEDY. That is not PHIL GRAMM.

Our Democrat colleagues are the fathers and the mothers of HMOs. Yet today they have decided to vilify an institution they created. Rather than fixing the problems that exist, they have decided, for political reasons, it would be basically a good idea to destroy HMOs.

Why are we concerned about destroying the private health care system? Why are we so concerned about cost? The reason we are so concerned about cost, the last time we had double-digit health care inflation, the Democrats and President Clinton sent a health care bill to Congress, the Clinton health care bill, that would have had the Government take over and run the health care system, a bill that would have required every American to buy their health care through a Federal health care collective.

Today, our Democrat colleagues are very concerned about "medical necessity." We have heard them talk about it all day long. When we open the Clinton health care bill, which they supported, on page 86, it mentioned "medical necessity" under exclusions. Let me read their solution to the problem of medical necessity when they wanted the Government to take over and run the health care system.

Their bill says, on page 86, line 10, under "Exclusions":

> Medical necessity. The comprehensive benefit package does not include any item or service that the National Health Board may determine is not medically necessary.

Today, our dear Democrat colleagues are all concerned about "medical necessity," but when they wanted the Government to take over and run the health care system they defined medical necessity as whatever the National Health Board determined it to be, and the National Health Board was the Federal Government.

Today, our colleagues have gone on and on about medical access and point of service. When the inflation rate on health care was above double digit and they proposed having the Government take over the health care system, do you know what their point of service option was? If you didn't join the Government plan, you got fined $5,000. The choice they provided in their point-of-service option is if the doctor who had to work for the Federal Government provided care he felt you needed but their Government health board felt you didn't need, he got fined $50,000 for doing that. If he provided a service they didn't allow and you paid privately for it, the physician could go to prison for 15 years.

Now, the same people who proposed all these things and came within a heartbeat of forcing Americans into this totalitarian system because they wanted to deal with inflation and access, today they are proposing legislation that would drive the inflation rate up by 6.1 percent and would, by Congressional Budget Office numbers, force 1.9 million people to lose their health insurance.

Why are we so concerned about starting runaway medical inflation again? Part of it is because we care about the people who lose insurance. Part of it is because we care about the $72.5 billion in costs for people who get to keep their insurance. But a lot of it is because we remember what Bill Clinton and the Democrats wanted to do the last time we had runaway medical inflation.

I am sorry, but I have a very hard time listening to my Democrat colleagues talk about medical necessity when only a few years ago they proposed to let Government define what medical necessity was, and if their board didn't say it was necessary, you didn't get it. I have a very hard time listening to them talk about a point-of-service option when virtually every one of them supported and cosponsored a bill that would have put a physician in prison for 15 years for providing a service that their Government board said was not needed.

In listening to our colleagues, it's easy to forget their support of legislation for the last 25 years that created HMOs. One forgets they love HMOs so much that they tried in 1994 to force every American into an HMO run by the Government. And one forgets that they were so concerned about patients rights they let the National Health Board determine what was medically necessary with no review whatever, and they put a doctor in prison for 15 years if he didn't comply with their rules.

There is a certain disconnect between what they are saying today and what they have proposed in the past.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. I yield myself 8 minutes, and I ask to be notified at the conclusion of 8 minutes, and at the conclusion of my time, I yield 6 minutes to the Senator from Maine.

Mr. REID. Mr. President, I respectfully suggest we have been going back and forth and we have had Members waiting for well over an hour. It is not appropriate to yield to successive people. It should be our time.

Mr. ASHCROFT. How much time does the Senator desire?

Mr. REID. I yield 3 minutes to the Senator from Oregon, who has been here for about 3 hours.

Mr. ASHCROFT. I am very sorry. I didn't intend to deprive him of that opportunity. When I came in, I failed to observe him in the Chamber. I am happy to have him go ahead.

Mr. REID. I know the Senator from Oregon has been here a long time, but the Senator from Connecticut left a hearing and came to speak on the clinical trials.

Would the Senator allow the Senator from Connecticut to speak next?

Mr. WYDEN. Yes.

Mr. REID. The Senator is yielded for 5 minutes.

Mr. DODD. I appreciate the courtesy of the Senator from Oregon. I apologize for not being here during the presentation of the amendment dealing with clinical trials by my friend and colleague from Florida, Senator MACK. He made numerous references to the amendment I offered yesterday, and I want to address those concerns.

While I have deep appreciation for the motivations behind the amendment offered by our colleague from Tennessee, Senator FRIST—and I will speak specifically on the issue of the clinical trials—the amendment offered by Senator MACK, if you look at it in the totality, says no to 9 out of 10 people in this country. How does that work, 9 out of 10?

The clinical trials are limited to cancer therapies only; only for cancer. We all agree we ought to have clinical trials for cancer. No one disagrees with that. In a way, it is very cruel to say we can have experimental testing for cancer patients, but we cannot for people with AIDS, Parkinson's disease, diabetes, and heart and lung disease. A long list of patients are excluded.

Today, if you are watching this debate and you have cancer and this amendment is adopted, you are OK, but God help you if you fall outside the cancer area and you need the clinical trials, or you want to get involved in that because it could save your life, save your wife's life, or your child's life. You would like to get in the clinical trials. If you adopt this amendment, you cannot.

The argument is, we need to study the issue more. If we need to study clinical trials, why make an exception for cancer? If we don't need to study the clinical trials for cancer, it seems to me we don't need to study them when it comes to other life-threatening, devastating diseases where the only option can be the clinical trial.

As I said to my colleagues yesterday, this is the only option we offer in our amendment. It has to be clinical trials approved by NIH or the Department of Defense or by the Veterans Administration. There must be no other alternative available, and it only picks up routine costs. The cost of drugs and medical devices is not included.

I don't understand how we say to someone with mental illness, osteoporosis, cystic fibrosis, multiple sclerosis, stroke, blindness, arthritis, Lou Gehrig's disease, and more areas where clinical trials can make a difference for people. By adopting this amendment, we are excluding the option of people to utilize what may be the only avenue available to them to save their lives or the lives of their family.

Obviously, we acquire necessary information that allows a product or a device to become available to the public at large, saving future generations.

So I urge my colleagues, with all due respect, while it is hard to argue with this limited amendment, we will have a broader amendment that covers all of these areas which are so critically important to people.

Mr. KENNEDY. Will the Senator yield?

Mr. DODD. I will be happy to yield.

Mr. KENNEDY. The Senator pointed out for those who might be watching that if they had cancer, this amendment, if agreed to, would at least assure them of coverage. Of course, two-thirds of those individuals will not be in the plans that would be covered by this proposal. So two-thirds of those who have cancer, on the face of it, would not be protected. Contrast this with the amendment the Senator from Connecticut offered, which would have applied to all private health plans and would have included all diseases.

The PRESIDING OFFICER (Mr. FITZGERALD). The time of the Senator has expired.

Mr. KENNEDY. I yield 1 additional minute.

Mr. DODD. I deeply appreciate the Senator from Massachusetts raising that point. He is absolutely correct. It does cover the cancer patient, provided you are part of that small minority that gets coverage. But if you are part of the 113 million and have cancer, you are out. It is an important point to make. If you are part of the 48 million, you are out there completely. You are just gone. I think this is a tragedy.

Every single cancer group in this country does not support this amendment. No cancer group at all endorses this amendment because they understand it is a great deprivation and liability to their efforts. They understand how important it is to cover these other illnesses as well. These groups, by the way, also have supported unanimously the amendment we offered, which would have covered clinical trials for all patients.

The PRESIDING OFFICER. The additional minute of the Senator has expired.

Mr. DODD. I ask unanimous consent for half a minute.

Mr. KENNEDY. Yes.

Mr. DODD. On this issue, on the clinical trials, to deny people across the board the ability to access clinical trials is one of the great shortcomings of the Republican proposal here. This will do a lot of damage to an awful lot of people, unnecessarily. The application of clinical trials is the only course available to people to save their lives and to save future lives. By excluding AIDS and the other diseases I have mentioned from the clinical trial approach, not to mention 113 million people who are excluded, we do a great disservice, at the end of this century, to people who expect more of this body.

I urge the rejection of this amendment.

Several Senators addressed the Chair.

Mr. REID. I yield 3 minutes to the Senator from Oregon.

Mr. WYDEN. Mr. President, well over 2 hours ago I offered the first-degree amendment that deals with an issue that ought to be totally nonpartisan, and that is protecting the relationship between health care professionals and their patients. The distinguished Senator from Texas is on the floor. I think he illustrated what the debate has now become. He wanted to talk about the Clinton health care plan of 1994. What my colleagues and I are here to talk about is giving patients and their families a voice in 1999.

In over 2 hours of discussion on the floor of the Senate, there has not been one argument—not one argument—advanced against our provision involving gag clauses; not one argument advanced against our provision protecting the providers from retaliation; not one argument advanced as it relates to this matter of making sure there are not financial incentives to keep the patients in the dark.

In 2 hours on the floor of the Senate, not one single argument was made against those positions. I think it is because the Senate understands that the free flow of information between patients and health care providers is at the heart of what we want for our health care system. It is also what this country is all about. It is what the first amendment is all about.

I know this has been a very hard debate to follow. We have had discussions about HCFA. We have had discussions about the Clinton health care plan of 1994. We have heard discussions about costs, about making sure that patients get all the information from their health care providers, and that providers are free from retaliation when they do give out that information, that is not going to cost a good health care plan a penny. Maybe if you are offering poor quality care it may end up costing you a little bit of money but giving people information, protecting their first amendment rights, is not going to cost a penny.

I am very hopeful our colleagues, when we get back to it, will support the first-degree amendment that was before the Senate a little over 2 hours ago, and recognize that, in the space of that time, not one single argument—not one—has been advanced against the idea that there ought to be a free flow of information. We ought to protect the relationship between health professionals and their patients.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I yield myself 6 minutes. I ask to be informed at the conclusion of the 6 minutes.

By agreement, I believe Senator COLLINS was to have 6 minutes at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I thank the Republican Members for their effort on assembling a very good plan. It is a plan designed to protect the interests of individuals who receive their health care through HMOs. It is designed so that, if the HMO denies a particular kind of treatment as not being necessary, there is an appeals process, and the appeals process is first to the HMO, asking them to correct a faulty decision. But if the HMO does not respond constructively, there is an appeal to an independent appellate authority, an independent appeals officer.

I wanted to make sure the Republican bill's effort to have this appeals process, which gives people the chance to make sure they are treated fairly, has the right enforcement to it. The right enforcement, in my judgment, is to send people to treatment, not to send people to trial. It would be possible to have a big legal arrangement where the person does not get treatment, they die, and the relatives then go to court. Instead of getting treatment, you get a trial and you may get a lot of money, but you have a dead relative. I think it is important to understand this is a health care effort we are waging.

So I wanted to do some things to strengthen the enforcement provisions in the Republican proposal which relate to the external review. That is the final appeal to a person outside the HMO, a qualified individual. This is what I think we must do.

First of all, we must make sure that the HMO acts promptly. While the Republican bill provides there should be certain designations within 5 days, there is a place where the HMO has to provide the reviewer, or the appeal authority, with the documents of the case. We put in a time limit on that. We put in a stiff penalty for failure to meet that time limit. It simply is saying we will not allow an HMO to drag its feet in order to avoid the review by an independent authority. So I wanted to make sure we had that.

Second, I want to make sure the person whose case is being reviewed has the right to present evidence to the appeal authority. I think this is implicit in the Republican bill, but I want it to be explicitly stated that when a person files a review petition, they have the right to say this is the reason you should set aside your judgment; this is the reason you should make a determination that the treatment is appropriate in my case—not only the person but the doctor who made the original decision. And that is important as well, making sure they are involved.

Then I want to make sure the person conducting the review of a physician's work would be a qualified physician or would be a person who was qualified to be the same kind of specialist the treating physician was so we would not have some bureaucrat or some individual who was interested in or more well trained, perhaps, in business making judgments about things that were medical. That is provided for in this particular matter. So it makes it clear we want to have the physician doing the kind of assessment in the appellate process.

However, I wanted also to make sure we had HMOs willing to carry through on the decision of the appeals process. I thought to myself, what if the patient lost the appeal in the HMO, made the appeal to the external authority—and this can be done very rapidly because the timeframes are tight in this instance, and should be, and we always include even expedited timeframes for medical exigencies—what if the appeal goes to the external appeal authority and then the HMO refuses to provide the treatment in spite of the determination by the external authority?

One option in that situation, I suppose, would be to say you go to court. But if you are sick and you call an ambulance, you expect the ambulance driver to take you to the hospital, not to the courtroom. What we need for people is not to be provided with a trial; we need people to be provided with treatment.

What we have done in this amendment is simply this: If you had this opportunity for an expeditious appeal that has gone through the HMO and the external authority, the external appeal officer is to write in any appellate decision a date by which treatment is to be commenced. If treatment is not commenced as of that date, the system converts to a fee-for-service system so the patient has the right to get whatever service is needed at the expense of the provider which failed to provide it in accordance with the directive of the appellate officer.

Furthermore, it provides a penalty, an immediate $10,000 payment to the patient—not to the Government, not to the Department of Labor, not to an administrating bureaucracy—to the patient for having been dislocated and for having arranged for other things.

The business of the HMO is to arrange for medical services, and this is a plan which simply says we are going to deliver to people medical services. We are not going to deliver them somewhere else. We do not want you to end up with a good lawsuit; we want you to end up with good health care. And if the HMO does not provide the health care in accordance with the appeal, then it is time we turn loose the patient who paid the premium, and that patient has the right to access the care of his or her choice to get it done, and the responsibility of payment for that falls upon the noncomplying health care provider in the HMO. That makes sense. Instead of getting a good lawsuit because you did not get health treatment and you got sick, you get good treatment. It seems to me that should be the objective to have. That is basically what we have done.

We have made sure there are time lines.

The PRESIDING OFFICER. The Senator has used his 6 minutes.

Mr. ASHCROFT. Mr. President, that is kind of you, and I yield myself an extra 30 seconds. We made sure there are enforceable time lines. We have made sure physicians will be the appeals officers on the work of physicians. We have made sure the responsibility to deliver the process to the appellate appeals officers, both internal and external, is expedited. And we have made sure, in the event of noncompliance, the patient gets treatment. We convert the system to fee for service, and you can access treatment on your own.

It is with that in mind that I am pleased to conclude my remarks and yield to the Senator from Florida 5 minutes for his remarks.

Mr. MACK. Mr. President, I am not sure I need 5 minutes. I could not help but listen very closely to my colleagues on the other side of the aisle with respect to the issue of clinical trials and the idea of targeting clinical trials to cancer.

One could draw the conclusion from what they had to say either they never heard of the idea of targeting clinical trials to cancer or there was some confusion. I remind my colleagues on the other side of the aisle who have supported a clinical trial expansion of the Medicare program that is limited to only cancer —let me say that again. The clinical trial legislation that Senator ROCKEFELLER and I introduced earlier this year is limited to cancer only; just as this amendment is limited to cancer: Senator FEINSTEIN, Senator SARBANES, Senator JOHNSON, Senator BINGAMAN, Senator KERRY, Senator LEAHY, Senator KERREY, Senator SCHUMER, Senator AKAKA, Senator MURRAY, Senator BREAUX, Senator MIKULSKI, Senator CONRAD, Senator WELLSTONE, Senator MOYNIHAN, Senator INOUYE, Senator GRAHAM, Senator HARKIN, Senator KENNEDY, Senator BOXER, Senator DURBIN, Senator ROBB, Senator BIDEN, Senator DODD, and Senator HOLLINGS.

I submit that one of the reasons we have this not only in this amendment but also in the Medicare approach is because there is truly a concern about what the true cost of clinical trials is. As I said in my earlier comment, Senator ROCKEFELLER and I happen to believe the cost is quite small. In fact, there are arguments out there that Medicare is already picking up the cost of those clinical trials. We have limited it to cancer because we, in fact, believe we can develop information that will allow us to expand it.

Mr. DODD. Will my colleague yield?

Mr. MACK. If the Senator would wait. What I have found, as I have listened to this debate now for 4 days, is the term "compartmentalization" comes back into my mind: The ability on the other side of the aisle to think of one procedure, one amendment, one concept at a time, as if it has no influence or no effect on the cost of health care and what it might do to those individuals who could lose their health care coverage because of increased costs. It is very reasonable to ask the question: What does it cost; how do you define certain aspects of the clinical trial that is going to take place?

I will be glad to yield.

Mr. DODD. I thank my colleague for yielding. I suppose the best evidence I can offer is, in fact, a significant number of HMOs today are offering full clinical trials. What we are talking about are the few who are not. My amendment is not designed to deal with every HMO. Most of them today provide clinical trials on a wide array of issues. We are, by our amendment, saying: Shouldn't those few HMOs that are not doing this do what the others are doing?

Sloan-Kettering and M.D. Anderson cancer research centers did independent studies on costs. I think they are world-class institutions. Their conclusion was the clinical trial was less, lower cost——

The PRESIDING OFFICER. The 5 minutes allotted to the Senator from Florida has expired.

Mr. DODD. I ask the Senator have an additional 1 minute.

Mr. MACK. Can I inquire who is going to use that minute?

Mr. DODD. Two minutes.

Mr. KENNEDY. I yield 2 minutes, Mr. President.

Mr. DODD. I thank my colleague. Mr. President, let me know when I have a minute and give the Senator from Florida a minute to respond to what I am saying.

The CBO estimates 12 cents per patient per month. That is their estimate. Sloan-Kettering and M.D. Anderson say it is lower than standard cost, less than the cost that would be otherwise. We limit, by the way, how the clinical trials are approached so that you have to have no other available option. It has to be life-threatening. It is only NIH, Department of Defense, and Veterans Affairs.

We have narrowed it and also said, as important as cancer is—and I am a cosponsor of the bill of the Senator from Florida, but I hope my cosponsoring of clinical trials for cancer is not interpreted to mean that I do not think there ought to be clinical trials for diabetes or AIDS or mental illness or heart and lung disease or multiple sclerosis osteoporosis—all these other areas in which it can make a difference. I applaud my colleague for his bill. That was to deal with cancer, but we do not exclude these other options which most are doing today. Most are, but this is for the few that do not.

Mr. FRIST. Mr. President, I yield myself 4 minutes. I know we have a number of other speakers on the floor. After our discussion two nights ago, I looked at the two studies the Senator from Connecticut used. This is one of the problems. There is not good data on what are routine costs. I went through this the other night. I cannot be any clearer.

I have personally read the studies, as many as I could find. The two presentations you made in the data on how much money it saves is not peer review. It has not been published, to the best of my knowledge. Both are presentations made on May 7, 1999, at the National Coalition for Cancer Research. The data probably is good, but I cannot go back and see what the methodology is. Let me say that is the problem, that there are only three prospective, randomized clinical trials I could find and we were able to find in the committee. There may be more trials out there. But three clinical trials, not the ones you are talking about, that, again, show the cost, with some variation, might be zero—I am not sure what the lowest is—but up to 10 percent.

Mr. DODD. Both Sloan-Kettering and M.D. Anderson, did they say it is lower cost? Am I accurate?

Mr. FRIST. You are exactly right. I do not question the data. But it is unpublished data with no explanation given for methodology on either one. The cost of clinical research in the M.D. Anderson study or the Sloan-Kettering study—no details were given about methodology. So, yes, you say it is cheaper, but I have no idea how they determined that, whether they are accurate or not.

To the best of my knowledge, that has not been peer-reviewed. All that does not matter very much, except when you go back to an earlier question of why we focus on just cancer. I was not on the floor, but I had heard the argument, why not other diseases, such as Alzheimer's and cardiovascular disease, and others? I think that is legitimate.

Let me tell you my rationale for starting with something that is focused. The NIH has about 6,000—maybe it is 5,000; maybe 7,000—clinical trials out there, about 6,000 and 2,000—1 out of 3—are in cancer. The others are scattered among different disease processes.

So we said, since we do not know what the routine costs are —the other day I talked about the difficulty of defining "incremental costs," using the example of medical devices. There are no studies—prospective, randomized clinical trials—to know what the incremental costs are for devices.

So what we are arguing is, instead of opening that door broadly, to start with a foundation of information about which we know. The clinical studies on routine costs all apply to cancer, which happens to be about one out of three trials that are out there today.

That is the base we are going to start with as we get into this subsidy—a good subsidy—that is in our private health care system which is passed on by increased premiums, or some way you are taxing people out in the private sector who are listening to this right now. We are going to tax you to pay for these trials.

We simply say, let's do it in a systematic way, starting with the body of knowledge we know about, which happens to be in cancer, and then letting it expand, potentially, over time based on our findings.

One last thing, in our amendment, as was pointed out, we also have a study, a very important study, that will expand so we will not have three studies. You will not be presenting data that has not been published yet, which I think is part of our amendment.

I will yield to the Senator from Florida, and then we will come back.

Mr. DODD. Just to make a couple quick points.

Mr. FRIST. I yield 1 minute to the Senator from Florida.

Mr. MACK. I believe the Senator from Florida has been graciously given 1 minute by Senator KENNEDY.

Mr. DODD. If my colleague will yield at this time?

Mr. FRIST. I yield and reserve my time.

Mr. KENNEDY. Mr. President, I think the Senator from Florida has 1 minute. Then I would be glad to yield another minute and a half to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. First of all, the impression created that HMOs or most HMOs cover all clinical trials is inaccurate.

There is a second component to this thing. ERISA plans versus the plans that we have control over may be confusing the issue as well.

In addition, though, I think it is important to focus. Again, this discussion has come down to a discussion about cost. I happen to agree with the Senator from Connecticut about the data that we have from those two health organizations. But I think he knows as well that there are those out there who make claims that the cost of the clinical trials would be substantially higher than that—from OMB, CBO, the administration.

So the point is that there is a legitimate debate about the cost of clinical trials. I am saying I think, before we go to the full extent of comprehensive coverage, we ought to fully understand what we are getting ourselves involved in.

With that, I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Let me just say, the Congressional Budget Office estimates that 90 percent of HMOs provide broad-based clinical trials. They did the study on the 12-cent per month cost; and 90 percent do. Our amendment deals with a handful who are not.

Ironically, the adoption of this amendment may encourage some of these HMOs that are today providing clinical trials across the board to reduce actually the number they provide. That is No. 1.

No. 2, I say to my friend and colleague from Tennessee, these HMOs, the 90 percent that are providing broad-based clinical trials, have obviously done an economic study or they would not do it. They are not mandated under current law to do it. So the vast majority providing clinical trials beyond just cancer have, obviously, made the financial calculation that this is something they can afford to do. So in addition to Sloan-Kettering, M.D. Anderson, and the Congressional Budget Office—the costs are relatively low. They are providing the benefit.

What we were saying in the amendment that was defeated yesterday is you ought to be for those 10 percent or 12 percent that are not providing the clinical trials in these other areas. You ought to do so. That is the distinction, and there is ample data.

The PRESIDING OFFICER. The time has expired.

Mr. FRIST. I ask Senator KENNEDY, does he have somebody from his side?

Mr. REID. Mr. President, I yield Senators HARKIN and BINGAMAN 1 minute each.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, earlier today Senator BINGAMAN and I offered an amendment to provide nondiscrimination, so the plans could not discriminate against providers on the basis of their license or certification.

Now I see the Republicans have offered that amendment. I read through it. It is almost word for word the same as ours. Gee, here is an amendment I could vote for on the Republican side, until I read the fine print. What is the fine print? The fine print is this: Senator BINGAMAN, in our amendment, covers 161 million people; the Republicans' amendment covers only 48 million people.

It is sort of like this. A doctor prescribes an antibiotic for you to take every day for 7 days. The Republicans come in and say you can only take it for 2 days. It is probably better than nothing, but it is not going to cure the illness.

The Republican amendment on provider nondiscrimination is not going to cure the discrimination against chiropractors, against optometrists, against nurses and nurse practitioners, and physicians assistants. That is why I cannot support it.

The PRESIDING OFFICER. The 1 minute has expired.

The Senator from New Mexico has 1 minute.

Mr. BINGAMAN. Mr. President, I thank the manager of the bill.

Let me add one other thing. We need to ask, who are the 48 million people who are covered under the Republican plan and under this amendment they have offered on nondiscrimination against providers? They are people who work for large employers primarily who are self-insured. The employers have their own insurance programs.

Unfortunately, in my State, there are very few of those large employers. You have to have over 100 employees, essentially, before it makes any sense to be self-insured.

In New Mexico, people work for small employers, by and large. Even those who work for larger employers generally are not working for self-insured employers. Essentially, the folks I am representing in the Senate are not going to be covered by the amendment as it is offered. I think this is a serious defect.

There is one other thing I want to say in relation to Senator DODD's point. The American Cancer Society does not support an amendment or provision that does not apply to all insured individuals, that requires a commission to determine routine patient costs, and delays access to clinical trials until the year 2001. The American Cancer Society maintains that all patients with a serious and life-threatening illness should have assured access and reimbursement for clinical trials.

Mr. President, I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I yield the Senator from Maine 5 minutes.

Ms. COLLINS. Thank you, Mr. President.

This amendment includes two provisions that are intended to strengthen the Patients' Bill of Rights that was reported by the Senate HELP Committee. We do not have much time, but I would like to take a moment to describe two of the provisions that are of particular concern and interest to me.

First, our amendment includes provider nondiscrimination language. During the HELP Committee markup, as the Senator from New Mexico will recall, I pledged I would attempt to come up with language on the floor because we shared many of the same concerns, reflecting, I think, the populations of our State. So we have done just that.

The exclusion of a class of providers solely on the basis of their license or certification unfairly restricts patients' access to qualified professionals who are licensed and certified by the various 50 States. This is a very important issue in rural areas because there may not be a sufficient supply of physicians to provide the care that the health plan has promised. In these areas, if, for example, a plan discriminates against optometrists, the result may be that patients have to travel long distances in order to get eye care or, conversely, they have to pay out of their own pockets for services that are supposed to be covered benefits.

Maine, for example, has optometrists in virtually every community in the State, but we have very few ophthalmologists, and they are located primarily in southern Maine, primarily in our larger cities.

In 1982, 17 years ago, to respond to this problem, Maine specifically passed legislation requiring State-regulated health plans to have nondiscrimination language with regard to optometrists. The Republican amendment tracks similar protections that are provided for Medicare and Medicaid beneficiaries in the Balanced Budget Act of 1997.

Our amendment would prohibit federally regulated group health plans from arbitrarily excluding providers, based solely on their licensure or certification, from providing services for benefits that are covered by the plan.

Let me be clear about what this amendment does not do. It does not require the plans to cover new services just because the State may license a health care professional in that area. For example, there are some States which license aromatherapists. Just because aromatherapists may be licensed by a State doesn't mean the health plan has to cover those kinds of services. Moreover, nothing in our amendment would require the health plan to reimburse physicians and nonphysicians at the same rate.

The amendment also makes clear—and this is really critical—that this provision is a nondiscrimination provision. But it is not a willing provider requirement. It does not require health plans to take all comers. It simply says that a managed care plan cannot exclude a health care professional's entry into that plan solely on the basis of licensure or certification. Senator GRASSLEY, Senator HATCH, Senator JEFFORDS, and Senator ENZI have all worked with me on drafting this provision.

The second provision, which is of particular concern to me, improves upon the continuity of care provisions in the HELP Committee bill. Our amendment would affect the legislation in two different ways.

First, it recognizes that it would be unconscionable to require a patient who is terminally ill to change health care providers in the final months of life just because the health plan either stopped contracting with that particular provider or the employer providing the health plan switched plans, thus causing a change in the providers under contract. Our proposal would extend the transition period for patients who are terminally ill from 90 days until the end of life. This proposal is one that I know is of concern to Senator MIKULSKI, and it is something on which I completely agree with her.

Second, it would require a comprehensive study—I don't believe this is part of the Democratic proposal—into the appropriate thresholds, costs, and quality implications of moving away from the current narrow definition in Medicare of who is considered terminally ill and toward a definition that better identifies those with serious and complex illnesses. This study was suggested by the group, Americans for Better Care of the Dying. Senator JAY ROCKEFELLER and I have worked with this group in proposing our end-of-life care legislation.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Ms. COLLINS. I ask unanimous consent for 1 additional minute from the underlying bill.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. I yield 1 additional minute from the bill.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. This study, as I said, was suggested by the group, Americans for Better Care of the Dying. It is intended to help us shift the paradigm in this country of how we view serious illness. Medicare currently defines terminally ill people as those having no more than 6 months to live. It is often very difficult to predict with any certainty how long exactly a seriously ill person is likely to live. This study will help us to provide better care for that broader category of patients who are terminally ill and have the need for more coordinated care but who may well live longer than a 6-month period.

I thank Senator ENZI and Senator GRASSLEY for their work and joining with me in improving the continuity of care provisions of the bill.

I yield the floor and reserve the remainder of our time.

Mr. ABRAHAM. Mr. President, I rise to address provisions included in this amendment on behalf of Senators ASHCROFT, KYL, and myself. These provisions concern external review of denial of coverage. In my view, they will improve the underlying Republican proposal in several important respects.

Mr. President, I believe the Republican proposal takes the steps necessary to ensure that every American has access to high quality medical care. In my view, the overriding goal of this legislation is to empower patients and their physicians. By putting medical considerations first, we will protect patients against arbitrary actions by health care bureaucrats. Republicans have put in place an external review procedure which will guarantee a patient's right to appeal adverse decisions by providers and to receive the care he or she deserves.

The purpose of an external review is to ensure that an unbiased, medical opinion can be offered when coverage has been denied on the basis of medical necessity and appropriateness or because a treatment is considered experimental. The changes contained in this amendment will guarantee an unbiased, timely and appropriate decision and I believe they will help ensure that the external review process works effectively. In particular, I would like to focus on three changes which resolve issues that were brought to my attention by the Michigan State Medical Society:

First, we clarify that appeals which are considered emergencies be made with the expediency necessary for the emergency, but in no case should the emergency decision take longer than 72 hours.

This clarifying language ensures that decisions are made in an expedient fashion, especially in case of emergencies.

Second, the amendment language clarifies that the independent, external reviewer shall be a physician in the same specialty area dictated by the case in question. This only makes sense, Mr. President, and I appreciate the sponsors willingness to clarify the language in this regard.

Third, in the Patients' Bill of Rights Plus, the independent external reviewer must take into consideration several factors in making his or her final decision. Some of those factors include: Any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer; timely evidence or information submitted by the plan, issuer, patient or patient's physician; the patient's medical record; and expert consensus and medical literature.

This amendment clarifies that expert consensus includes both generally accepted medical practice and recognized best practice.

Senators KYL and ASHCROFT have also included other provisions to tighten the external appeal process which I support. I note my full support for these provisions and ask my colleagues to support them as well.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the majority has about 2 minutes remaining on the amendment. The minority has about 15 minutes—about 12 minutes, I am sorry. So with the permission of the manager of the bill, I yield 3 minutes——

The PRESIDING OFFICER. The Senator has 15 minutes.

Mr. REID. I yield 3 minutes to the Senator from Minnesota, Mr. WELLSTONE; 3 minutes to the Senator from Nebraska, Mr. BOB KERREY; and 3 minutes to the Senator from North Carolina, Mr. EDWARDS.

Mr. KERREY. Would the Senator mind if the Senator from Nebraska went first?

Mr. REID. If the Senator will withhold.

Mr. JEFFORDS. Does the Senator intend to go one after the other?

Mr. REID. Yes, since the majority has 2 minutes remaining.

Mr. JEFFORDS. I want to accommodate the Senator from Wyoming—we only have a couple of minutes left—if he could speak now.

Go ahead.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I see the Senator from Maine heading for the door. With great respect for her, I want her to hear this observation. She talked about continuity of care and said that she and Senator GRASSLEY and Senator ENZI had worked on language in this amendment that provided continuity of care for people with terminal illness. I call her attention to pages 49 and 50 of this bill. It does not do that. It says specifically, under terminal illness, it is subject to paragraph 1, which says the general rule is just for up to 90 days. The only exception under continuity of care with this bill is for pregnancy, which was in the original bill.

Ms. COLLINS. Will the Senator yield for a clarification on that?

Mr. KERREY. I only have 3 minutes. I am sorry.

I call the Senator's attention to continuity of care. Look at the language of the bill because on page 49 it describes this transitional period.

This is something that is very important to me. I received health care in 1969 after I was injured in Vietnam. I have a very passionate concern for people now who are in managed care.

I must say, the problem we are experiencing with managed care is not self-funded ERISA plans. That is what the Republican proposal is going to do. It is going to solve almost a nonexistent problem that may, in fact, as a consequence of setting the bar low, encourage people who are in HMOs and who are in the marketplace providing those plans to say: I see the bar is low; we are going down to that lower standard. That is a major concern I have with this proposal. It does not cover the plans that are the biggest problem.

I call your attention to pages 49 and 50. Under the continuity of care provisions, the only continuity of care that would be provided would be women who are pregnant. They could go beyond 90 days under this provision, but those who were terminal would not. Terminal illness is subject to paragraph 1, according to the language of the bill itself, which does not provide for an extension.

Our proposal would go beyond those three general categories, not just terminal illness, not just institutionalized people, not just women who are pregnant—all three reasonable—and certainly not just self-funded ERISA plans, which are hardly receiving any complaints at all.

That is the odd thing about this debate. We are going to take care of a problem that doesn't exist under the guise of—I have heard people come down saying: We are going to address a problem with HMOs. Well, you would address the problem of HMOs if you changed your bill.

This bill doesn't take care of HMOs. It takes care of self-funded ERISA plans. Go to your mailbox and see if you have any complaints about self-funded ERISA plans. You won't find any complaints about that. The complaints are about HMOs.

We have watched the market move more and more into business decisions when it comes to health care. And I am for the market. I like what the market can do. When we regulate the market, we say——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. KERREY. I will come back to this later, Mr. President. This bill does not provide continuity of care except for pregnancy. Those with other health problems would not be covered under this proposal.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I came to the floor earlier today and said I have a proposition for my colleagues. It is this: Let's give people freedom of choice. If people have paid extra premiums and their employer should shift insurance company plan or managed care plan, and they want to be able to take their children to the same family doctor they have been going to for 10 years, they ought to be able to do so.

I waited for the response.

Now I notice my colleagues on the other side of the aisle come out here with an amendment and they say this deals with the problem. First of all, they give freedom of choice to 48 million Americans, one-third of those who would be eligible. Only 48 million people in self-insured plans are covered. Another 115 million people aren't covered.

Two-thirds of the families in our country that need some protection and need freedom of choice aren't covered. Then I look at this bill and I notice that even among the 48 million people, if you were in a plan where you are working for an employer with fewer than 50 employees, you would not be covered. Subtract that number of Americans. Now we are well below 48 million people, well below one-third of the citizens in this country.

Finally—and I don't even know what this means, but we need to look at the fine print—they have an exception in terms of points of service or freedom of choice:

> It shall not apply with respect to a group health plan other than a fully insured group health plan if care relating to point of service coverage would not be available and accessible to the participant with reasonable promptness.

I have absolutely no idea what that means. Obviously, consumers and families would be going to a doctor who would be prompt in giving them or their children the care they need, unless this is some kind of an open-ended escape clause.

I am telling you, the more the people look at the fine print and the detail of what the Republicans are offering on the floor of the Senate, the more they will see a consistent pattern: Offer as little as possible, covering as few people as possible, with as little protection as possible, so you don't offend the insurance industry.

That is what it is all about. We should be representing the people in our States. We should be advocates for people in our States. We should be advocates for families, advocates for children. We don't need to be advocates for the insurance companies. They already have plenty of clout.

I yield the floor.

Mr. REID. Mr. President, I will yield our final 3 minutes to the Senator from North Carolina.

I ask for the yeas and nays on the underlying amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EDWARDS. Mr. President, let me address the external appeals part of this amendment. Yesterday afternoon, we had a debate, at which time I brought to the attention of my colleagues on the other side the fact that, essentially, we had no enforcement mechanism for any of the provisions passed because there was no meaningful external review, the reason being insurance companies got to write the language on what is medically necessary, and the only thing that was appealable was what is medically necessary.

That being the case—that the insurance company totally controlled whether there could be an appeal at all—not having a meaningful appeal is similar to having a law without a police force or a court system. There is no way to enforce it. The law is meaningless. All of these provisions we pass are meaningless unless they are enforceable.

This amendment attempts—and I applaud my colleagues for making this effort. I think it is the result of a discussion we had yesterday. It attempts to address that problem, but it still has an enormous problem in it. There are two parts of an appeal process. The first is, do you get to appeal? The second is, if there is an appeal, what can be considered?

What they have offered by way of different language today, for the first time in the course of this week, is some change in what can be considered if there is an appeal. They don't change, in any way, what is appealable. Once again, the only thing appealable is medical necessity. You can't appeal whether you have access to a specialist. You can't appeal whether you were reasonably prudent in going to the emergency room. All that long list of things which are contained in the various provisions that have been considered are not appealable. The only thing appealable is medical necessity. The insurance company writes what medical necessity means. They can write it any way they want.

So the problem is, while they have attempted to address the second part of the appeals process—and I applaud them for that —they have not addressed in any way the first part, which means the insurance company lawyers can write the contracts in a way that essentially makes appeals impossible by simply drafting very narrow language of what medical necessity means. If they do that, then nobody gets their foot in the door.

What we have done basically is we have taken a door that was completely closed and put a very tiny crack in it. That is all that has happened. Instead of what we ought to be doing, which is to have a simple, plain provision—and I don't know why my colleagues won't agree with this; maybe they will if we talk about it—a plain provision which says any right provided in any part of these amendments and bills that have been passed is appealable.

Why not make them all appealable? That way, we have an enforcement mechanism. We have a police force, a court system, and we have a way to make the rights that we are attempting to create meaningful because if we don't do that, essentially what happens is we pass laws that are totally unenforceable. The result is the insurance company totally controls what occurs. What we have today is a situation where HMOs and insurance companies are totally in control. That is what we are about this week. We are about changing that.

I do applaud my colleagues for making some effort to address that issue. But what has happened is they only address the second part, which is what can be considered. They still, I might add, allow the party considering the appeal, which is chosen by the insurance company through another entity, to consider what the HMOs' own plans and procedures are. So the bottom line is this, Mr. President—

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. EDWARDS. The bottom line is this: What we have is a provision that does not cure the problem. There is a simple cure, and if we are doing this in good faith, I ask my colleagues to join me in that cure, which is a simple provision which says that any right created in these amendments, in these patient protections we are attempting to debate and pass on the floor, is appealable. It is that simple, that straightforward. If we want to enforce these laws against the insurance companies, that is what we ought to be doing. It is simple and straightforward and it will work.

I thank the Chair.

Mr. JEFFORDS. Mr. President, I yield 5 minutes off the bill to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I rise in support of the amendment. I want to particularly congratulate the Senator from Maine for her care and concern over the 2 years she has been involved in drafting this bill. I want to particularly express my pleasure at the improvement to the continuity of care provision she put into this bill. From our base bill, we further extend our continuity of care for terminally ill patients through the end of life.

While the language in our committee bill followed the recommendations of the President's Quality Commission and the National Committee on Quality Assurance, both of which recommended ninety days for transition for all chronically ill patients, we feel very strongly that terminally ill patients and their families deserve to remain with their providers.

Extremely important is the other piece of the continuity of care provision. It would require the Agency for Health Care Policy Research, the Medicare Payment Advisory Commission and the Institute of Medicine to conduct a multi-pronged study into the appropriate thresholds, cost and quality implications of moving away from the current narrow definition of "terminally ill" towards identifying those with "serious and complex" illness.

This study was suggested by the groups who advocate for patients suffering with terminal illness. Unfortunately, many patients are not captured by current efforts to address the coordination and care needs of those who have several years, rather than several months, to live. This is because "terminally ill" is a narrowly construed concept. These patients may be better captured as "serious and complex." This study is designed to help shape those parameters and seeks to improve the care for all patients with terminal illnesses.

Again, I commend the Senator from Maine's leadership on this important matter.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, we are at the conclusion of another part of this debate. There is an amendment that includes a variety of different provisions trying to upgrade the Republican proposal and make it more acceptable and responsive to the points that have been raised during the course of the debate. Most importantly, the points have been raised by doctors, nurses and patients all over this country. Still, they fall short.

These amendments are another testament to the priority the Republicans place on protecting profits instead of patients. Every time we point out the severe defects and loopholes in their plan, they say: Oh, no, we will improve it. Then the so-called improvements come, and they are virtually meaningless. It is botched cosmetic surgery; all the wrinkles still show. You can put lipstick on a pig, but it is still a pig. And you can call something a patients' bill of rights, but it is still a patients' bill of wrongs.

Every single one of these amendments leaves a profit-protection proposal, a sham proposal, a triumph of disinformation. We have voted on 10 of the amendments that have been offered by the other side, and we will have this amendment—10 amendments. There isn't a single amendment that has the support of a patients' organization or a medical organization—not one. I think that is a fair indication as to what those amendments are really about.

On the contrary, each and every one of the positions we have taken had the strong support of the medical profession. Each and every amendments we have offered—each and every one of them—had the strong support of the medical profession. I think that speaks volumes about who is really interested in protecting the patients and not the profits of the HMO.

Let's look at these proposals individually. The so-called independent appeals provision leaves every fundamental flaw in the original bill uncorrected. The HMO still chooses and pays the review organization. The HMOs own definition of "medical necessity," no matter how unfair, still controls the whole process. That has been pointed out by our colleague, the Senator from California, Mrs. FEINSTEIN. That particular loophole remains in the bill.

The clinical trials proposal applies only to cancer patients and only to those in self-funded plans. Two-thirds of Americans are left out. Two-thirds of cancer patients are left out.

All of the cancer organizations have rejected this proposal. We have printed their positions in the RECORD. They all reject this particular proposal.

If you or your loved one has heart disease or Alzheimer's, cystic fibrosis or multiple sclerosis, a spinal cord injury or diabetes or AIDS, you are out of luck under the Republican plan. And if you are a farmer or small business employee who belongs to an HMO and you develop cancer, you are out of luck.

The continuity of care provision has not changed a bit. If you have a terminal illness and are fortunate enough to live more than 3 months, they can cut you off; you have to change doctors. If you have a long, ongoing illness—even cancer or life-threatening heart disease—you have no transition at all. And if you are one of the 113 million people not in a self-funded plan, you are not protected at all.

Let's go back to the basics. Again, after 4 days and 10 amendments, they have not presented a single proposal supported by any group of doctors, nurses, or patients—not one, zero.

Their bill is supported by the insurance companies that profit from abuse. Our bill is supported by 200 groups; doctors, nurses, and patients who want to end these abuses.

The Senate should stand with the health professionals and the patients, not with the powerful special interests.

We will have another opportunity in a few moments to stand again with the patients. Let's hope the Senate will.

I reserve the balance of the time.

Mr. JEFFORDS. Mr. President, I yield the Senator from Maine 2 minutes off the bill.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I recently discussed the continuity provisions which are included in the amendment before us. This is one of the rare areas of agreement on both sides of the aisle. We both agree that if someone is terminally ill, and if there is a change in health care providers, the terminally ill patient should be able to stay with that provider until the end of his or her life.

Our amendment clearly says that the care shall extend for the remainder of the individual's life for such care. There is, however, a technical mistake which could create some ambiguity in that provision.

I ask unanimous consent, since the yeas and nays have been ordered, that I send a modification to the desk to correct that technical amendment. I hope my colleagues will agree to that.

Mr. REID. Objection.

The PRESIDING OFFICER. Objection is heard.

Ms. COLLINS. Mr. President, since there has been an objection, which I think is very unfortunate, the technical correction will be included in the final Republican package that will be offered.

As I said, I think the intent is very clear. The majority of the language is very clear. But there is an ambiguity in one section which will be cleared up in the final language.

Also, at this time I request the yeas and nays on the underlying Collins amendment which was set aside.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient.

The yeas and nays were ordered.

Mr. KENNEDY. I yield to the Senator from California 1 minute off the bill.

Mrs. BOXER. Mr. President, by popular demand, I have my scorecard back. It was 8 to nothing. And then I gave two points to the liability, one, because that is crucial. Unfortunately, we lost that—the patients did. The HMOs won. They still will be able to get away with hurting people and not paying any price whatsoever.

So we are 10 to nothing.

We are about to have two votes. The Collins amendment is opposed by the obstetricians and gynecologists who have sent out a letter saying it is nothing; it is a cruel nothing. I have their exact words at everybody's desk.

I hope we will vote that down. It doesn't do anything about the specialists. It doesn't do anything about OB/GYNs. It doesn't do anything about emergency rooms. Senator GRAMM pointed that out. They are still going to be charged.

Again, we have a sham proposal. I hope it will be 10 to 2 after the next two votes. But I am afraid it is going to be 12 to zero.

I yield the floor.

Mr. KENNEDY. We yield back any time remaining on our amendment.

Mr. FRIST. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Two minutes.

Mr. FRIST. Mr. President, shortly we will be voting on two amendments. The first vote will be an amendment which was carried over from this morning on long-term care, deductibility, access to emergency room services, access to specialists, and access to OB/GYN services, after which we will be voting on the amendment that we have been talking about over the last 100 minutes, which is an amendment we have introduced on external appeals with a Republican amendment that provides a specific timeframe for expedited external review, No. 1.

No. 2, on coverage of clinical trials, our amendment provides coverage of routine patient costs associated with participation in an approved trial in the field of cancer.

No. 3, provider nondiscrimination, where our amendment offered protections similar to those provided in Medicare and Medicaid, and the balanced budget amendment of 1997.

No. 4, a point-of-service aspect, where we extended the point-of-service option to beneficiaries beyond what was in the underlying bill.

No. 5, continuity of care, which has been discussed by Senator COLLINS.

I very much believe these amendments will strengthen the underlying bill.

I urge their approval because I think they go right to the heart of what the American people want, and that is to keep the focus on the patient, on the individual, to ensure quality and to ensure access.

I yield the remainder of our time.

POINT OF-SERVICE OPTION AND ANTI-DISCRIMINATION AMENDMENT

Mr. GRASSLEY. Mr. President, I am pleased to support this amendment with my colleagues, Senator COLLINS, Senator SESSIONS, and others. This amendment will offer freedom of choice to millions of Americans and will ensure they have access to a wide range of providers.

Our amendment would provide individuals with the option of choosing a point-of-service plan when no such option exits. I support this because I want to give people choice and the ability to go out of network if they need to. They may have to pay more for this freedom, but they should at least have this protection if they want it.

I have been a long-standing supporter of the point-of-service option. This provision was part of my Medicare patients' bill of rights in 1997. I also supported a similar amendment offered by Senator HELMS on the Senate floor several years ago.

I believe people should have this option when they are willing to pay for it. Point-of-service provides people with the security of insurance coverage to see providers outside the plan if they need to. Many people are will to pay for this extra security. But for people who don't want to pay for this, they won't have to. They can choose another plan that better suits their needs.

In addition, this amendment ensures that managed care plans do not discriminate against any class of providers, such as chiropractors or optometrists. This is important to patients because it ensures they have access to certain providers or services they prefer who may be left out of the network. Classes of providers, who are not medical doctors, are sometimes excluded from participating in managed care plans to restrict patients' access to their services. Our amendment would ensure this does not happen by prohibiting plans from discriminating against any class of providers who are licensed to practice in their state.

This amendment is about choice, freedom, and security. It is about allowing patients to choose a plan or provider that best meets their health care needs. I hope my colleagues on both sides of the aisle will vote in favor of these very important patient protections.

The PRESIDING OFFICER (Mr. THOMAS). The question is on agreeing to amendment No. 1243, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative assistant called the roll.

The result was announced—yeas 54, nays 46, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—54

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

The amendment (No. 1243), as amended, was agreed to.

Ms. COLLINS. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1252

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1252. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 54, nays 46, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—54

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

The amendment (No. 1252) was agreed to.

Mr. NICKLES. Mr. President, for the information of our colleagues, we are coming to closure on this bill. I think the procedure is that now the Democrats, if we continue our alternation, have a second-degree amendment which will be offered to the underlying amendment, and we will consider that. We will vote on it. Then it is our expectation that we will have the passage of the substitute amendment, to be offered by Senator LOTT on behalf of us, that will be wrapping up some of the changes we made to S. 326 in the consideration of this bill.

We will offer that immediately following disposition of the Democrat amendment, and that will be the final vote of the evening. At least that is our expectation. For Members' information, we will be voting on the next amendment no later than 6:50, hopefully before 6:50. Then it is our intention to vote on final passage no later than an hour or 2 hours after that. That would be closer to 9.

It is our hope that we can shave off some time and have final passage much closer to 8 than 9. Members can plan accordingly. Please plan on two more votes, one on the Democrat amendment, which will be offered momentarily, and then basically the final passage or the Republican wraparound amendment—we might call it that—or a substitute. It would incorporate all the changes we have made on the floor to S. 326.

I yield the floor.

Mr. KENNEDY. Mr. President, may we have order. This is a very important amendment, and the Senators are entitled to be heard. We are enormously grateful for the attention that has been given to the debate generally, but this is in many respects one of the most important amendments. The Senators should have a chance to have the attention of the membership.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senate will be in order.

AMENDMENT NO. 1253 TO AMENDMENT NO. 1251

(Purpose: To provide for a transitional period for certain patients)

Mr. KERREY. Mr. President, I send an amendment to the desk on behalf of myself, Senator MIKULSKI, and Senators SCHUMER, GRAHAM, KENNEDY, MURRAY, DASCHLE, DURBIN, ROCKEFELLER, and TORRICELLI, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

Mr. REID. Mr. President, the Senator from Nebraska is yielded 7 minutes.

Mr. JEFFORDS. Mr. President, I ask that we suspend temporarily for a motion.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. KENNEDY. If the Senator will yield temporarily, as I understand, the Senator is going to make a motion to reconsider and lay on the table.

Mr. JEFFORDS. Mr. President, I move to reconsider the vote on the amendment just passed.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. KERREY], for himself, Ms. MIKULSKI, Mr. SCHUMER, Mr. GRAHAM, Mr. KENNEDY, Mrs. MURRAY, Mr. DASCHLE, Mr. DURBIN, Mr. ROCKEFELLER, and Mr. TORRICELLI, proposes an amendment numbered 1253 to amendment No. 1251.

Mr. KERREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KENNEDY. Did we yield 7 minutes to the Senator?

Mr. KERREY. That is correct.

Mr. President, this proposed change in the law would provide protection for every single American who has health insurance in this country—not just those that are in self-funded ERISA plans, as the Republican alternative would do. That is the most important distinction. I have been asked, well, if our amendment fails, will I vote for the Republican alternative? My answer is no. I believe that would be a step backward because it will say to the marketplace that you can fall to the lowest possible standard, which is what the Republican proposal does.

Every step of the way, we have seen a sort of grudging retreat from our challenge to change the law and intervene in the marketplace. There is cost to this, Mr. President; I acknowledge that cost. But as with all regulation, we have to measure the cost versus the benefit. That is what we intend to do with this amendment—talk about the benefit to people who will be able to get continuity of care, and not just if they are pregnant, which the Republicans included in their earlier alternative, but to take care of people with terminal illness, for example. I understand it that there will be a modification to the Republican bill on this point. But you have to be declared terminal.

What if you have cancer and you believe you are going to survive treatment? What if you have diabetes or some other complicated medical condition, and you established, over the years, a relationship with your physician who watched for changes in your physical condition, looked at your symptoms and determined the kind of treatment and response to those symptoms, and suddenly you are told your doctor was either removed from the managed care group, which happens, or your doctor changes venue and moves to some other locality and you are told by your managed care organization that you have to pick a different doctor. Your relationship with this physician is over.

This amendment puts the law on the side of those individuals and says you can continue care with that doctor for 90 days for most conditions, and for three conditions this time can be extended. It is reasonable.

Is there cost? Yes. Measure the cost against the benefit of having the law on your side when it comes time that you are told that your doctor now is different and you have had a relationship with that doctor. The doctor has diagnosed your cancer and told you here is the treatment, or has been your doctor treating your diabetes or your cardiovascular disease, or your doctor has told you what the treatment is going to be, and suddenly you have a new doctor. You have to pick somebody new. That is what this amendment does. It puts the law on the side of every single American, not just those in self-funded ERISA plans, as the Republican version would do. This takes care of everyone.

I have real passion on this subject because on the 14th of March, 1969, I was a healthy human being with the U.S. Navy SEAL team, and I thought I could accomplish everything on my own. I didn't think I needed any law to support me or take care of my needs. Then I was injured. In an instant, I went from being able to take care of myself on my own to not being able to do anything at all, including going to the bathroom, without asking somebody else for help. So they sent me to the Philadelphia Naval Hospital, and I recovered there.

Well, in 1989, when I came to the Senate, I was fortunate enough to be able to be a member of the Appropriations Committee, and we were marking up a bill—a law that this body considered. It occurred to me we were appropriating money for military hospitals—including the one that I had gone to in 1969. Well, in 1969, I didn't understand the relationship between that law and me. That hospital was not there because of Sears & Roebuck.

I love the marketplace. I come from the business sector and I love what the market can do. But the market has limitations. My life was saved by a hospital that was authorized by this Congress. The appropriations were authorized by this Congress not because I made a financial contribution, not because I was able to come and influence anybody in this Congress—there wasn't a politician in America in 1969 I liked, let alone been willing to make a contribution to. Yet Congress passed, and the President signed, a law which saved my life—not the marketplace but a law.

Was there cost? You're darn right there was cost. What was the benefit to the rest of America? I hope the benefit was being able to say we live in a country where we want our Congress to pass laws to take care of our own. We want to take care of each other. It isn't just about me. I am healthy today, and the independence I have and the health I have came as a consequence of that law. That law gave me independence.

Roughly 10 days ago, we all celebrated the Fourth of July. That is Independence Day. This Nation has an over 200-year tradition of making independence meaningful by fighting against illiteracy, fighting against intolerance, and fighting against illness. If you are sick or disabled and you don't have health insurance and reliable health care, you are not likely to feel independent. It is likely to be meaningless to you.

So what this amendment does is to say if you have a relationship with a doctor, and the doctor is treating you, and the market determines that the doctor no longer can treat you, you will have a right, under the law, to continue to have the care of that physician for 90 days. If it is one of the three exceptional conditions, this right can be extended.

As I say, there is cost. I don't disregard the cost at all. I have heard many Senators come down and talk about how this is going to increase the cost of our insurance. I am willing to pay it. Why? Because Americans were willing to pay the bills for me. That is why we are a great country. We don't just take care of ourselves; we take care of each other. We recognize, as great as the marketplace is, as wonderful as free enterprise is in creating jobs and generating wealth, there are limits. If all we care about is the bottom line and generating profit for our businesses, we will forget the need to put the law on the side of human beings when, through no fault of their own, the bottom drops out of their lives.

So I hope and pray that the Republicans will give this amendment consideration. It is the last amendment we will consider before we shut this thing down permanently. At least for the rest of this week, we are not going to have a chance to change the law and put it on the side of Americans out there who desperately need it.

I understand there are costs to it. If I talk to people in Nebraska and they ask why we do this, I will not only use myself as an example, I will use hundreds of others who had the law on their side. Medicare beneficiaries have had the law on their side, and they are better off as a consequence.

I yield the floor.

Mr. KENNEDY. Mr. President, I yield 5 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, we are in the closing hours of this debate now. I want to thank the distinguished Senator from Massachusetts for his steadfast advocacy not only this week, but his whole life has been devoted to making sure that people have access to health care, and to believing that in the United States of America there is an opportunity structure where we give help to those people who try to practice self-help—we have done that in education and in our legal framework—and also to be sure that if you have something happen to you in terms of your physical, emotional, or mental well-being, you should have access to health care in the greatest country in the world.

I thank Senator KERREY for offering this amendment. I think it is an outstanding amendment and I am pleased to be a cosponsor. I lend my voice to this amendment that the Senator has offered, and I hope that at least once this week we can pass an amendment 100–0, and that we put the profits of an insurance company aside, put the politics of party aside, and that we take a moment to think what is in the best interest of the American people.

I hope that on this amendment we can come together. Senator KERREY's amendment is one that I offered in the committee. It was defeated along party lines. But I understand committees. That is the way it goes. But I don't understand how we are doing this on the floor of the Senate because, first of all, we are advocating continuity of care. What does that mean?

It means just because your boss changes insurance companies, you don't have to change your doctor. It also means if your physician is pushed out of a network, you are not pushed aside from seeing that physician.

Why is this important? It is important because doctors are not interchangeable. The hallmark of getting well and staying well is the relationship between a doctor and a patient. We have known this throughout history. This is nothing new. This goes back to Hippocrates and the earliest basis of medicine. Your doctor knows you as a person—not as a chart or a lab test. Your doctor knows you, your history, your family's history. Your doctor knows what is best for you and how to act in the most prudent way in regard to what is medically necessary or medically appropriate or medically indicated.

Why is this important?

There are those who will say this will cost too much. I say, if we don't have it, it will be penny-wise and pound-foolish.

If you are dumped from seeing the doctor you currently have and you have to start all over again, that doctor is going to have to take a complete physical. The doctor is going to have to take complete tests and in many instances start all over with you. Diabetes is treatable and diabetes is manageable, but if you are a diabetic and go to a new doctor, that doctor has to know you and your history and your family history, and start again with complicated tests and complicated evaluations. That is penny-wise and pound-foolish. You should stick with your own doctor, or at least come up with a transition plan.

What about the terminally ill?

This amendment Senator KERREY has offered says if you are terminally ill, or your family member, or your child, is terminally ill, you get to keep your doctor. What happens if your child has a terminal illness? You are struggling with this illness. Imagine being a father wanting to be at the bedside of a child who is terminally ill. Instead he is in the other room calling an insurance company finding out if his son's doctor is in his new plan's network because the company he works for has changed HMOs. So he is up there not talking to the doctor about his son, or not even talking to his son, but trying to figure this out.

I think that is cruel. I think it is cruel and unusual punishment.

What happens if you are recovering from a stroke and you are in a rehabilitation hospital?

Under the Kerrey-Mikulski amendment, you will get to keep your doctor during that rehabilitation, so you can return and not be having to try to find out who your physician is going to be.

What happens if you have been admitted to a mental hospital for an acute psychiatric episode and you have chronic schizophrenia, but you also have a physician who has been treating you, who knows you, and in those 90 days you have to change doctors just when you are trying to get your mental health back again?

This is what we are talking about—continuity of care, so for those undergoing an active course of treatment and for all Americans who have insurance you would get at least 90 days to come up with a transition plan.

But in three categories—if you are terminally ill; also if you are within an institution or facility; or if you are pregnant—you get to keep your doctor for a longer period.

We think this is what should happen. This isn't just BARBARA MIKULSKI making this up.

I will submit a letter from the Consortium of Citizens with Disabilities. These are people who strongly support the Kerrey-Mikulski amendment.

This is what they say:

> Protecting continuity of care is not some wonky technicality. It will have a real impact on the quality of care for many people with disabilities and anyone who is undergoing active treatment. Consider for a moment what could happen to a child with cerebral palsy if their parent's employer changed health plans and there was no opportunity to adequately plan a transition to new plan and new providers. It can be assumed this child would be receiving ongoing physical therapy.

This could be potentially expensive and exhausting for the family. There may be a variety of other reasons for this.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONSORTIUM FOR CITIZENS
WITH DISABILITIES,
Washington, DC, July 12, 1999.

Re CCD strongly supports the Kerrey/Mikulski amendment on continuity of care.

Hon. J. ROBERT KERREY,
U.S. Senate, Washington, DC.

DEAR SENATOR KERREY: We are writing as Co-Chairs of the Health Task Force of the Consortium for Citizens with Disabilities (CCD) to express our strong support for the amendment you intend to offer with Senator Mikulski during the upcoming debate on the Patient's Bill of Rights. Your amendment will ensure that continuity of care is protected when health plan contracts are terminated. This is a critical issue to people with disabilities. CCD is a Washington-based coalition of nearly 100 national organizations representing the more than 54 million children and adults living with disabilities and their families in the United States.

For people with disabilities, planning a transition from one health plan to another requires great care and much coordination. If an employer switches health plans or if enrollees experience a change in health plans for any reason, persons with disabilities need to be guaranteed that they will have adequate time to manage the transition to new providers. For persons undergoing active treatment for serious conditions, patients should be permitted to continue being treated by their existing provider until the serious condition has been positively resolved or for at least ninety days.

Protecting continuity of care is not some wonky technicality. It will have a real impact on the quality of care for many people with disabilities and anyone who is undergoing active treatment. Consider for a moment what could happen to a child with cerebral palsy if their parent's employer changed health plans and there was no opportunity to adequately plan a transition to a new plan and new providers. It can be assumed this child would be receiving on-going physical therapy, they would potentially be taking extensive prescription medications, they would have an on-going need for various types of durable medical equipment such as a wheel chair or other devices that help them to function. They may also be receiving personal assistance services. If a transition to another plan is necessary, should the care of the child be abruptly terminated without any planning to manage the transition to a new plan and new providers?

What is most perverse about such a situation is that if care is interrupted, this child could develop an acute health problem that requires a hospitalization. Is this in the best interest of that child or the health plan? This type of scenario is not limited to this example.

Anyone who is receiving on-going care needs an opportunity to plan and manage a transition to a new health plan, and if necessary a new provider. We are frustrated that such a straightforward issue is not adequately addressed in the Republican Leadership proposal.

There are many complex issues that will be raised as the Senate debates the enactment of a Patient's Bill of Rights. Continuity of care is not one of them. Your amendment provides a straightforward solution to a simple problem. Under current law and the Republican Leadership proposal, health plan enrollees could be stranded and life-prolonging health care could be abruptly interrupted through no fault of their own.

The CCD Health Task Force is grateful for your leadership on this critical issue and we look forward to working with you and your staff to ensure that this amendment is adopted.

Sincerely,

JEFFREY CROWLEY,
National Association of People with AIDS.
BOB GRISS,
Center on Disability and Health.
KATHY MCGINLEY,
The Arc of the United States.
SHELLEY MCLANE,
National Association of Protection and Advocacy Systems.

Ms. MIKULSKI. Mr. President, we have letters from parents. We have letters from advocacy groups that say in the United States of America when you get health care it shouldn't have term limits on it.

I yield the floor.

Mr. REID. The Senator from New York is allocated 4 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I thank the Senator from Nevada for yielding.

It has been a long week. I know there will be many who will say that this week was not as productive as it might be. I agree with that completely.

But this is one good point that has emerged. We have debated, as we asked, the Patients' Bill of Rights. It is now an issue that is before the American people. They know there will be a time when they don't have to put up with HMOs that are dictating policy.

The American people know that in the doctor-patient relationship there does not have to be a third person in the room all the time—an actuary, an accountant with no medical experience. They know it is possible for this Senate and this Congress to pass a law that might say that if your doctor says you need a medication, and says you need a procedure, and says you need an operation, and your HMO denies it, you have the right —you could, if this Senate had the courage—to an independent appeal.

Unfortunately, amendment after amendment that would have protected the average American was rolled back. Unfortunately, we are in a situation where the insurance industry has all too often dictated what has happened on this floor. Instead of stepping up to the plate and voting for the protections for which our constituents are literally clamoring, this Senate buckled to the insurance industry and passed a bunch of amendments that are aimed at looking good and doing nothing. The look-good, do-nothing amendments will not prevail because next week, and the week after, as Americans visit their doctors and their HMOs deny them service, deny them things they need, they will know.

This entire debate can be summed up in three numbers. Who is covered under the Democratic plan? One hundred and sixty-one million people. We lost on that amendment. The Republican plan, which covers 48 million people, prevailed.

What are we saying to the 113 million who will not get coverage? The main argument against the legislation is that it would cost too much. The cost is $2 a month. How many Americans wouldn't pay $2 a month to have their doctor determine what medicine, what operation, what specialist they need?

I think the only Americans who would not vote to have that $2 a month in exchange for what they need medically are in this Senate, and in a few of the HMOs.

My colleagues, my friends, this is not the Senate at its greatest hour. This is a time when we, once again, succumb to the special interests and deny what the American people want.

But we will be back. The American people will demand we come back. They will demand the pendulum swing back to the middle so actuaries don't make policy, but doctors do.

We shall return. We shall, not tonight but in the future, prevail.

Mr. BOND. Mr. President, I yield myself 10 minutes.

As we near the end of this debate, I want to share a few thoughts generally on the proposals we are discussing. Quite frankly, we just had an opportunity to see the amendment which has been offered. Our crack Senators are reading it over to study the measure. They will shortly have comments to offer on that.

I want to talk about some areas that I think have become very obvious as we have moved forward in this debate. The first thing we ought to emphasize is that both sides are going to deal with the managed care problems and concerns. We have heard from patients in our States. I have heard a lot of rhetoric and a lot of name-calling about what the various bills do. The simple fact of the matter is, the people of Missouri, the folks who talk to me, the people who are concerned about health care—the small businesses are particularly sensitive—have some things they don't want to do.

The first rule of medicine is to do no harm. They want to make sure we don't make it worse. I believe the amendments we have adopted and the direction in which we are going will make the situation better. We are going to assure patients in a managed care plan, if they are turned down for coverage, they can go to a physician for an external appeal, and thanks to the very wisely crafted provision of the amendment offered by my colleagues—Senator ASHCROFT, Senator KYL, and Senator ABRAHAM—if the managed care organization doesn't provide them with that coverage of services that the external appeal said they are entitled to, they will be able to go out and get it someplace else and bill the HMO.

What we are saying is, we don't want to give people a lawsuit, a cause of action or, even worse, give their widow or their orphans a cause of action. We want to give them health care. We want to give them a treatment. We want to give them a treatment, not a trial. We want them to make sure they can get health care. That is the important point. That is what the provisions we have adopted do.

One of the things we don't want and one of the things our colleagues on the other side of the aisle seem to want is another bureaucratic nightmare. Do we really want to turn the regulation of our health care system over to the Federal Government, to the bureaucrats at the Health Care Financing Administration? I say not. We have had a lot of experience with HCFA, and it has not been good.

The Republican bill is based on the premise that States can do a good job monitoring what is going on in the world of managed care, they can do a good job of deciding what is the appropriate legislative response. Some may do better, some may not do as well. But the nice thing about the laboratory of States is that we can see which States are doing the best job and we can change the law.

During my time and service in State government, we worked on assuring better regulation. The States will move forward. My State has passed a Patients' Bill of Rights. Most States have. They are looking to see how it works. The States that make it work the best are going to be followed by others.

The Democratic bill, the Democratic approach, is based on the premise that States can't handle managed care regulation and that Federal bureaucrats are better equipped to do it. The Democratic bill will overturn a host of State laws and replace them with the interpretations of the Federal Government employee. These are the same bureaucrats who produced one nightmare after another in trying to impose their regulatory monstrosities from Washington. Now they want the entire health care system turned over to them.

We have already had examples of HCFA's failures related to the issue of consumer protection, the very topic that the Democrats want to turn over to HCFA lock, stock, and barrel. Back in 1996, we entrusted HCFA with more responsibility when Congress passed the Kassebaum-Kennedy health care bill designed to make sure health care was portable. How well did HCFA handle this responsibility? According to the General Accounting Office, HCFA admits they pursued a Band-Aid, minimalist approach for protecting consumers.

The GAO has another finding that HCFA "lacks the appropriate experience or expertise to regulate private health insurance." These are the people to whom we want to turn over regulatory responsibility for the entire health care system? When they are entrusted with the entire responsibility, when they are incompetent or mess up, the whole country suffers.

One of the things I have done as chairman of the Small Business Committee is to try to ensure that Federal agencies live up to the requirements of the law passed in this body and the other body unanimously to reduce redtape, to make sure that Federal agencies take into account how their activities and their regulatory actions would impact small business. We found there were several agencies that weren't doing a very good job. The regulatory process was clogged up.

I initiated the "Plumber's Friend Award" to unclog the regulatory pipes in these agencies. Needless to say, HCFA and the Department of Health and Human Services were one of the first. We give these awards to Federal Departments which blocked the flow of public participation because they failed to reduce unreasonable and burdensome regulations affecting small business. HCFA and HHS qualified for the award by repeatedly disregarding Federal laws designed to make it easier for small businesses to deal with the massive amounts of regulation and paperwork required by Federal bureaucrats.

That is an example of the nightmare HCFA is creating. We saw the nightmares. They were going to impose surety bond requirements on home health care agencies, many of them small businesses in my State. HCFA decided they were going to require the small business home health care agencies to purchase surety bonds that would cover up the Federal Government's mistakes. In other words, they had to provide insurance so if the Federal Government made a mistake, the surety bond would be responsible. A home health care operator told me with tears in her eyes she couldn't raise the money to buy a surety bond.

Then they imposed cuts on the home health care agencies that have been putting them out of business left and right. Under the Balanced Budget Act, they were supposed to save $16 billion a year over 5 years. They cut back on the amount of reimbursement so much that they would wind up saving $48 billion a year. They were imposing a system of reimbursement that penalized the good providers, that penalized the providers who were providing the most intensive care in the home. They were penalizing the providers in the most difficult areas—precisely the kind of service we want to keep.

HCFA has had a bad track record. Ask anybody who has had to deal with HCFA, and they will say, whatever the problem is, HCFA is not the answer.

There are some who think that maybe our colleagues really want to get back to the era of another health care proposal that came from the White House. Known as Clinton Care, the 1993 health care plan was going to be a Federal takeover of health insurance. The wisdom of the Federal Government was going to run health care.

Senator GRAMM has done a good job this week talking about some of the possible horror stories that could and would have happened if we passed the Clinton health care bill. Fortunately, we didn't. Some of my colleagues are running around saying they personally helped kill the Clinton health care bill. That sucker wasn't killed by any Republican. It died of its own weight. The Democratic majority leader didn't even bring it up because once they looked at it, they said, this thing isn't going to work. It was dead on arrival.

Let me state some of the likely results had we adopted the President's proposal to socialize medicine. Expensive mandates on the Nation's employers would have cost jobs, insurance premiums that would likely skyrocket. It would create 50 new Federal bureaucracies, a new trillion-dollar Federal entitlement. These were the items we would have received.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BOND. Mr. President, I ask for another 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. The bottom line is we would have had 1,200 pages of mandates, rules, requirements, and penalties. It died. But let me remind my colleagues what the President said just a couple of years ago, in September 1997. Talking about his failed effort to impose this failed health care bureaucracy on the American people, he said:

> If what I tried before won't work, maybe we can do it another way. That is what we tried to do, a step at a time until we have finished.

That is what I am afraid of. That is what we were trying to do, to get to the point where we had socialized health coverage in the United States.

Costs are clearly a problem. Costs are going to be a lot more than $2 million, or one Big Mac, $2 a month or one Big Mac a month, as some of my colleagues on the other side have said. If you have a $2,600-a-year family health insurance program and you have a 5-percent raise, it is a whole lot more than $2 a month. It is about $180 a year, something similar to that. It is a lot more. And when costs go up, people lose their health insurance.

We need to fix some of the problems. We need to do it without driving people out of the system. We already have 40 million uninsured people in America. I can tell you one thing that is clear: small businesses are very much concerned about ensuring they do not get priced out of the ability to compete by their health insurance costs.

There is an excellent article in the Wall Street Journal on Thursday, April 15. I ask unanimous consent it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, April 15, 1999]

Taking Care: Small Employers Offer Health Benefits to Lure Workers in Kansas City

(By Lucette Lagnado)

Kansas City, Mo.—When Stephanie Pierce took over as director of the Broadway Child Enrichment Center in December, she faced a hiring crunch.

The small, church-based day-care center was enrolling more children than ever, and Ms. Pierce needed to keep the staff she had and bring on more. It was no small challenge in Kansas City's strong economy, where newspapers are flush with help-wanted ads and workers can brush off day-care work, with its low pay and high pressure.

So, Ms. Pierce made a move her hourly workers could never have imagined: She scrutinized her budget, swallowed hard and decided to offer medical benefits to employees.

That put the day-care center out of sync with small employers in many U.S. cities. But not in Kansas City.'

Nationwide, the problem of people living without any health insurance is growing. It is estimated that they total more than 40 million, and their numbers are increasing as welfare recipients who had Medicaid leave the rolls for jobs that don't offer health benefits. In addition, fewer small businesses are offering medical benefits to workers, says a study by the Henry J. Kaiser Foundation. It puts the share at 54 percent last year, compared with 59 percent in 1996.

But Kansas City is moving the opposite way, thanks not only to its tight labor market—a 2.8 percent unemployment rate, vs. 4.2 percent nationally—but also to a Chamber of Commerce initiative and to competition for workers from an industry that does offer medical benefits: riverboat casinos.

As small employees such as the daycare center offer this coverage for the first time, some interesting things are happening. The employees are facing the pain of rising health costs, just like their big brethren. But they are also learning something else that large companies know: In some ways, offering health benefits saves money. As for workers, they are finding that coverage can be a psychic as well as physical benefit.

The first change Ms. Pierce noticed at her day-care center went pretty directly to the bottom line. Sick days declined. In February, overtime costs for her 14-member staff totaled $120, down from a monthly average $420 last year.

It seems that before, sick workers who were uninsured would commonly stay home to try to nurse themselves back to health, or would get stuck for hours in a hospital emergency room or free clinic. Now, they can get timely medical attention from private physicians in their health plan and often return to work sooner.

That means Ms. Pierce no longer has to pay as many other workers to pull overtime, at higher pay. "It's better to pay an employee to be there at work than to be sick. It helps your cash flow," Ms. Pierce says. Having a staff that has health benefits is "a whole new world," she says.

For the staff, the changes are greater still. Before she got insurance, employee Towanna Smith says, being ill meant "terrible" waits at a hospital emergency room, not to mention other indignities she perceived. She and a friend were in a car accident last year. "My friend had insurance and I didn't, and I noticed that the doctor treated her differently. He went over her thoroughly," says Ms. Smith, who is 26 years old.

Last month, Ms. Smith, now in a health plan, went to a doctor for a swollen arm that has nagged her since the accident. "I brought out my insurance card, and I got special treatment," she says, smiling. "I said, 'Thank you, Jesus.'"

She might also thank the riverboat casinos. About four years ago, out-of-town gambling companies arrived in an already-tight labor market here and began hiring thousands of people locally, leaving in place companywide policies that called for full-time workers to get medical coverage. "The boats put people in a tizzy," says Scott Samuels, an adviser to hotels and restaurants. "People were flowing to the casinos to work, and I know that employers in the hospitality field, out of sheer need, had to offer greater benefits and incentives to employees."

Quick to react was Peter Levi, president of the local Chamber of Commerce. To help local employers compete, he teamed up with an insurer, Blue Cross Blue Shield of Kansas City, to devise a healthcoverage plan that a mom-and-pop business could afford. Blue Cross capped premium increases at about 9% a year.

In three years, more than 3,000 businesses here have begun offering the plan. Blue Cross officials expect the number to increase 15% this year.

Some other insurers, noting this success, also began offering small-employer health-benefits plans. HealthNet, a health plan partly owned by the eight-hospital St. Luke's-Shawnee Mission Health System, last summer unveiled a program for tiny businesses and has signed up 200 of them, covering 4,000 employees and dependents, including the Broadway Child Enrichment Center.

Frances Cox, who has operated a 77-room Best Western Hotel for more than a decade, began offering medical benefits for the first time in 1997. She chose Kaiser Permanente, the big health-maintenance organization, and agreed to pay 100% of the premiums, prompted by the need to compete with the casinos for reliable workers. "It is the cost of doing business," she sighs. "You have to stay competitive."

Only seven or eight of her 20 employees took the coverage. That surprised her, but she learned that some were covered through their spouses, while others had Medicaid, the federal-state program for low-income people, which they preferred to an HMO requiring copayments.

As a recruitment tool, the benefits do the trick for Ms. Cox. She has attracted people like her new 29-year-old head of housekeeping, Lewis Nicholson.

Mr. Nicholson had worked at a fast-food outlet for 14 years without getting benefits, and he held a second job cleaning office buildings by night, just to get medical coverage. A year ago, he decided to take advantage of Kansas City's booming job market. "In looking for a job, I looked to see what type of benefits" were offered, he says. Result: no more fast food, just one full-time job at the Best Western, where Ms. Cox says he is already one of her most valued employees.

Ms. Cox makes sure she gets her money's worth from Kaiser Permanente. If a sick worker has trouble getting a quick doctor's appointment, "I will call and say, 'This is Fran Cox and I am director of operations. Can't you see this person?'' she says. "When they develop a better relationship with their doctor, that gets them back to work faster."

She adds that as after employees "become exposed to insurance, they begin to appreciate what the benefits are. They know that they can go to a single doctor and receive excellent care. They are being educated."

So is she—in costs. The first year, 1997, the HMO coverage cost her $110 a month per employee. That rose to $120 in 1998, and then, for 1999, Kaiser Permanente jolted her with a boost to $157 a month per covered worker. Though Kaiser eventually agreed to shave this by $5 in return, she says, for boosting workers' copayments, "a jump like this pretty much scares the jeepers out of me," Ms. Cox says, and makes her wonder "how long can we continue" to offer free medical coverage. One option she is considering is requiring employees to pay part of the premium.

Some employers find they can't offer health benefits even if they want to. Patti Glass ran the nonprofit Jewish Family and Children Services, assisting the frail elderly. She was paying $6.50 an hour—and hemorrhaging workers. Ms. Glass looked into health plans but found them prohibitively expensive for her mostly middle-aged workers. Even a basic plan would add $1.35 to her hourly wage costs, she figured, and she would still have to offer a pay increase to be competitive.

"Adding the cost of health benefits was going to make the service unavailable. It was going to make the cost astronomical," she says. The upshot: Ms. Glass chose simply to raise wages 30%, to $8.50 an hour, and forgo a health plan.

As an alternative, some employers merely give workers an opportunity to get in on group insurance, but contribute nothing toward paying the premiums. There are also bare-bones plans that do little more than give employers the right to say that they offer a medical plan.

Still, even a number of fast-food outlets here now offer some sort of medical coverage to certain hourly workers. David Lindstrom, a former Kansas City Chiefs lineman, owns three Burger King franchises, including one in suburban Johnson County, an area of million-dollar mansions, feverish construction and an unemployment rate of about 2%. For his "key approved" employees—full-time workers who can open and close restaurants—he offers Blue Cross medical coverage and pays much of the monthly premiums.

To him, offering benefits "was a competitive decision we needed to make, and we think that long-term it will reap rewards for us. Already, it has allowed us to retain employees."

People like Kathy Wilson. A nine-year employee, Ms. Wilson arrives at 4 a.m. to get ready for the day, and soon becomes a whirling-dervish of activity, rushing from station to station. "I cook the eggs, I cook the sausages, I heat up the Cini-Minis," she says. Then the customers arrive, and she really gets busy.

FInding medical coverage became a top priority for Ms. Wilson, who is 29, a few years ago after she had a baby. Paying for everything out of pocket was a huge strain. It wasn't long afterward that Mr. Lindstrom began offering insurance, and she jumped at it. Out of her pay of $8.75 an hour, Ms. Wilson contributes $25 every month for medical coverage, plus a discretionary $85 to cover her son.

Though her employer pays half, some fast-food operators have chosen no-frills health plans that require workers to pay 100% of the premiums, for very basic coverage. Several McDonald's and Godfather's Pizza outlets here have signed up with Star Human Resources Inc., a Phoenix company that sells plain-vanilla health plans known as Starbridge. One of them costs only $5.95 a week, usually paid by the workers themselves, and provides a narrow array of benefits with strict limits.

Marilyn and Thomas Dobski, owners of a dozen McDonald's outlets, offer Starbridge, and about 40% of full-time hourly employees take it. Shift managers, who typically earn about $7 an hour, can enjoy a fancier, $50-a-month Starbridge plan subsidized by the Dobskis.

Mike Rogers, a Star salesman in Phoenix, explains that his company provides a limited plan for working population that "most insurers don't want to mess with." He is quick to concede it isn't comprehensive: "If they have a catastrophe, our little plan won't be adequate." But Mrs. Dobski, defending it, says the plan offers workers "much more than nothing."

The uninsured in Kansas City still total between 9% and 12% of the population. But that is far below the nationwide average, 18%, or New York's 28%. The number of uninsured patients showing up in St.-Luke's Shawnee Mission emergency rooms for free care has at last leveled off, says Richard Hastings, chairman.

Kansas City's experience intrigues E. Richard Brown, a professor at the University of California at Los Angeles who studies health policy. He warns that the medical benefits popping up could disappear fast if the local ecomony weakened and competition for workers eased up. But another student of these issues is more hopeful. William Grinker, president of Seedco, a nonprofit New York organization, says, "Historically, once you have benefits, it is much harder to take them away."

These days, benefits are a new goal—beyond just a job—at Kansas City's Women's Employment Network, which helps low-income, often poorly educated Kansas City women find work. "We actually coach the women so they don't simply settle," says Leigh Klein, the network's executive director. In January, the network placed 25 women. The average wage was $7.87 an hour and 18 of the jobs came with benefits of some sort, more than half of them medical.

The importance of benefits is something the center drums into its clients. It is a crucial lesson, because if they are giving up welfare to take a job, they will also lose Medicaid after about three years.

Charlotte Jones, a spirited 20-year-old attending one recent session, has learned will. "I worked at lots of fast-food places—Texas Tom and White Castle," that didn't offer medical benefits, she says. As her classmates nod, she adds: "If I had a job that paid even $7 an hour, but it had benefits, I would snatch it up."

It is nap time at the Broadway Child Enrichment Center. Ms. Pierce, the director, lowers herself onto a red plastic toddler's chair to explain how she picked a benefits plan. Keeping costs down was the overarching priority. She reviewed $120-a-month HMOs, plus a HealthNet Preferred Provider plan for $137 a month.

"I gave the staff a spreadsheet and let them help me with the decision," she recalls. Wary of HMOs, they chose HealthNet, whose coverage includes doctor's visits (with a $15 co-payment) and maternity care and hospitalization.

The director, for one, couldn't be happier. Before the employeers got coverage, Ms. Pierce says, "these girls would spend two to four days at home being sick. Now, they don't have to—they call, get an appointment, get a medication and return to work."

Mr. BOND. It talks about small businesses in Kansas City, MO, getting health insurance coverage. But the costs are still the problem, and there are examples of people who are trying to provide health care coverage, but when the costs continue to go up, then they have to drop it. They are fighting over $5 a month. Some of the people who wanted to provide health care for their employees figured they could not afford $1.35 an hour in addition which, on a 2000-hour-a-year job, would come out to around $2,700. They aren't able to afford the increased cost of insurance.

If we drive the costs of health insurance up, we are going to find people who cannot afford it. We are going to find employers who drop it. Particularly, if we give the employee the right to sue their health care plan or their employer, as my friends on the other side wish to do, they are not going to provide it.

We need to make health care better, more affordable, more accessible. We do not need to drive people out of the health care system.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 9 minutes.

We are drawing to a close on this debate. While I am pleased that our colleagues have addressed an issue related to genetic discrimination in their bill, I am very concerned about the way in which this has been approached and I regret that we have not had sufficient time to focus on this issue. I was a cosponsor of Senator SNOWE's original bill in the 105th Congress, which contained strong penalties and disclosure prohibitions. Unfortunately, the Republican bill will not stop genetic discrimination, because it lacks three key provisions.

First, the Republican bill does not prohibit discrimination by employers. If we only address health insurance, we could actually increase employment discrimination. Second, the Republican bill does not prohibit health insurers from sharing the information with each other and with employers. Finally, the Republican bill lacks teeth. The only penalty in the Republican bill for genetic discrimination is a fine of $100 a day. Do we really think that $100 a day will deter the health insurance industry from practicing genetic discrimination?

That is why Senator DASCHLE, Senator HARKIN, Senator DODD and I introduced legislation earlier this month to truly prevent genetic discrimination. Our bill prohibits disclosure of genetic information to employers, prohibits employment discrimination, and contains strong penalties.

The bottom line is that people are afraid, and that prohibiting health insurance discrimination is not enough. We have letters from patient groups, women's groups, medical groups, and labor groups, asking us to stop employment discrimination, place some limits on disclosure of predictive genetic information, and back up these prohibitions with strong penalties. I look forward to passing a meaningful genetic discrimination bill after this debate.

As to our debate this week on the Patients' Bill of Rights, I think it is fair to look at the reaction in communities across the country. I would like to share this with our colleagues.

Here is the St. Louis Post-Dispatch editorial, July 14 of this year:

> The Republicans keep asking the wrong question about health care. Instead of asking how to keep the quality of health care high, their primary concern seems to be how to keep the cost of health care down. They are paying too little heed to the symptoms of an ailing health care system, which are hard to miss. There is a drumbeat of HMO horror stories.
>
> Sure, people want inexpensive health care. But it is increasingly apparent that neither doctors nor nurses nor patients are willing to have appropriate medical care dictated by HMO bureaucrats with their eyes on the bottom lines.

Dayton, OH:

> The Republican's bill is largely a statement of goals. The Democrats' bill provides better support for patients and medical-care providers. . . .

The Atlanta Journal, and Constitution, July 15:

> It's called the Patients' Bill of Rights but by the time the U.S. Senate gets done with it a better title will be "The HMO Protection Act."
>
> On amendment after amendment this week, Senate Republicans have had their way, creating a bill that seeks to limit the rights of HMO patients, not protect them. . . .
>
> Relying on the mercies of the marketplace and the HMOs to meet America's health care needs has not worked and will not work. Patients need protections. That's what Congress ought to provide.

New York Times, July 15:

> What occurred on the floor of the Senate this week was a GOP-sponsored charade in which one Republican Senator after another talked about protecting the health of patients while voting to protect the profits of industry.
>
> It was a breathtaking exercise in hypocrisy. . . .
>
> All that mattered was the obsession with the profits of the insurance companies and the HMOs.

Newsday, July 15:

> Medical insurance? Try malpractice by GOP.

The Fort Worth Star-Telegram, July 13, a column by Molly Ivins:

> We are watching a classic political shell game: There's the Patients' Bill of Rights that actually gives the patients some rights and there's the Patients' Bill of Rights that doesn't. . . .
>
> The reason we know this is pure hooey is because the very bill they are opposing has already been in effect in Texas for over two years and none of the heinous consequences they predict has occurred here.
>
> If the Republicans and the insurance industry have their way, the old shell game will run right through the Senate and we'll get something called a bill of rights that has no remedies in it.

The Seattle Post Intelligencer, July 8:

> The health insurance industry is back again with a misleading campaign opposing a patients' bill of rights.
>
> Just as the industry did successfully in 1994 with its Harry and Louise ads that misled the public about President Clinton's health care reform—falsely claiming that people would lose their right to choose their own doctor—the new campaign is designed to convince us that a patients' bill of rights will cause many people to lose their health insurance.
>
> Like the Harry and Louise ads, the campaign relies on fear rather than fact. . . .
>
> Consumers need avenues of redress when dealing with health care providers. . . . [T]he ability to sue their health care provider and portability of their health care should they change jobs or move to another area[,] those are all fundamental rights to which consumers are entitled. No one should be fooled by this later effort to distort the issue of health care.

The Charleston West Virginia Gazette, July 14:

> Democrats have a proposal called the Patients' Bill of Rights. Republicans have called theirs the Patients' Bill of Rights-Plus Act. If truth-in-advertising laws applied to Congress, the GOP would have to call its bill the Patients' Bill of Rights-Minus Act. . . .
>
> Some cost-saving measures may be necessary to keep health care spending under control, but when HMOs sacrifice patient health for profits, they must be held accountable. Democrats want that. Republicans apparently don't.

The News and Observer, Raleigh, NC:

> The GOP is up against it, because this bill of rights, [referring to the Democrats'] is hardly a revolution: It would ensure that people could choose their doctors and their specialists, would allow them to go to the closest emergency room instead of one specified by an HMO, would enable them to keep a doctor who has begun treating them even if that doctor were dropped by the HMO. Republicans rail against regulation of this type, but they fail to see the American people are ready for it.

These are just a few examples of editorials being written all across the country this week. Why do they all get it and no one gets it in here except Democrats and the two or three of our Republican friends who have supported the Patients' Bill of Rights? Why is the debate so different all across the country than it is, apparently, here in the Senate? Why is it that we have all the nurses supporting us? Why is it that we have all the doctors supporting us? Why is it that we have all the health professionals and all the patients groups supporting us? And why is it that newspapers and editorials all over the Nation, north, south, east, and west get it?

We wonder whether this is really an issue. We are asked: is this really an issue out there? I can tell you, just from the cases I have had in my own office, that this is an issue. I received a call this morning from Kathy Mills, a registered Republican who called my office from Tulsa, OK. She said her husband was literally "killed by an HMO" last July, and she has been trying to find someone to listen to her story. She has given up her efforts to contact her own State Senators because they have not responded to her numerous calls.

On July 16 last year—1 year ago tomorrow—Mrs. Mills' husband, who had a history of severe congestive heart failure, was seen by an internist at their new HMO for severe chest pain. Without taking a thorough patient history and despite a positive EKG, the doctor sent Mr. Mills home. As Mrs. Mills was later told by doctors at the HMO, their policy is to refer patients to a cardiologist only after waiting 10 days, unless the patient is "having a heart attack on the table." Mr. Mills was released to go back to his job, working outside in 100-degree weather.

Mr. Mills died later that day of a massive heart attack.

The HMO doctors have been forthcoming, and after extensive inquiry Mrs. Mills feels certain it is HMO policy that is at fault for her husband's death. Unfortunately, her attorney has informed her she does not have the right to sue the HMO.

Mrs. Mills just this morning offered to fly to Washington with what little money she has left to tell her story to the Members of the Senate. Her conviction is that in the future injustices like the unnecessary death of her husband will be prevented, or at the least that when they occur the Americans victimized will have some means to redress the wrong.

People ask whether this is still going on. This is yesterday. Here is a story about Jacob. Jacob is 4 years old and lives in a midwestern State. Jacob's mom has asked that we not use his last name or the name of the HMO because she is afraid of what the HMO will do.

Jacob was diagnosed with a rare form of cancer. The course of treatment recommended by Jacob's doctor was called monoclonal antibody treatment, and it is only available at Memorial Sloan-Kettering Hospital in New York. Jacob could participate in a clinical trial at Memorial Sloan-Kettering that would involve complex surgery, transplant, radiation, and chemotherapy treatment.

When Jacob's parents inquired into the clinical trial, their physician told them it was not experimental. Their physician told them that monoclonal antibody treatment is the standard of care for Jacob's type of cancer, and has been standard treatment in use since 1987. Even though this recommended course of action is the standard treatment, because Jacob's treatment could only be obtained through a clinical trial, his HMO denied him this needed therapy. After many months of fighting the HMO from both inside and outside the system, the company approved the first stage of Jacob's treatment.

However, the story does not end there. Jacob's only hope for a cure is to complete the entire course of treatment which comes in four stages. Jacob's family continues to live in fear of their HMO because he has not completed the treatment yet and, in the words of his HMO, "This determination to provide coverage . . . may be terminated at any time, even if the condition or treatment remains unchanged."

Jacob and his family are currently receiving treatment, but they live in fear.

I can give you the story that I received last Friday, a very powerful case involving a small boy and how he was denied needed surgery by one of the major HMOs in this country.

This is happening every day, every hour. People all across the country understand it. Certainly the parents of these children understand it. Mrs. Mills understands what is happening. I doubt there is a Senator's office that hasn't received similar calls in the last few days.

We have had a series of votes in the last 4 days, and each of these votes has been decided in the interest of the insurance industry. They have prevailed over patients' interests, but only by a narrow margin. That is only temporary.

Mr. President, I yield myself 2 minutes on the bill. We may have lost the battle for the minds of Republican Senators, but we are winning the battle in the minds of the public.

Once the debate is over and the votes are counted, the action will move to the House of Representatives. I believe we will do better in the House because of the groundwork we have laid in the Senate. We intend to keep the pressure on. There is still a good chance that a strong Patients' Bill of Rights can be enacted into law by this Congress this year. A switch of only two or three votes would have given us victory after victory on each of these specific issues.

If there is an attempt to bury this issue in the Senate-House conference, the consent agreement makes clear that we can raise it again and again in the Senate this year. Every day, every week, every month we delay, more patients suffer.

This is a Pyrrhic victory for the Republicans. If they keep taking marching orders from HMOs, they will keep losing public support. The American people will not be fooled by hollow Republican promises and cosmetic Republican alternatives. Patients deserve real protections, and not just some patients, but all patients.

You should not have to gamble on your health. You should not have to play a game of Republican roulette to get the health care you need and deserve. This issue is not going away. Too many people have had too many bad experiences with abuses by HMOs and managed care health plans. They know the horror stories firsthand. Everyone knows these abuses are wrong, and, frankly, we have only just begun to fight.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I yield to the Senator from New Mexico such time as he may consume.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the chairman. Mr. President, I ask unanimous consent that I be permitted to speak for 30 seconds as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 1379 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOMENICI. Mr. President, I wish I had brought a prop with me. It would have been the front page of the New Mexico papers in 1997, because in 1997 across New Mexico there were front-page stories and headlines. Guess what they said: "New Mexico Passes Patients' Bill of Rights."

Six months later, in July of 1998, there could have been a comparable headline across New Mexico, my State, the State in which the Democrats want to cover every single person who has health insurance. There could have been another headline saying: "Patients' Bill of Rights Now Effective in New Mexico."

Maybe if I had brought that newspaper with me, some people from that side of the aisle would understand. They do not trust the States and even if the States already have protection through a bill of rights, they still want to take over nationally.

Forty-two States have protections for some or all of the very same things that are in the Democratic bill that the editors across America, at least to the extent identified by the distinguished Senator from Massachusetts, seem to be supporting. They do not even say in our State we already have the protection, except they imply it in Texas by saying: How can it get to be so expensive when we already have it?

I ask the question: If they already have it, why do we need to pass one? Our premise is that 42 States already have many of the protections being suggested here. Some of them are moving in the direction of covering more than is being proposed here. Why do we insist that they would be better enforced in Washington, DC? I submit to anybody who understands the bureaucracy in Washington, do you really want every State's protection under a bill of rights to be dependent on HCFA? HCFA cannot handle in any diligent manner, with any reasonable conclusion, the work we have given them on Medicaid and Medicare and benefits and figuring out who can pay what. And now they want to give HCFA, from every State in the Union, huge numbers of the very people the other side of the aisle is crying for but who are already protected.

I do not know if we will ever get anybody, outside of those who hear what I am saying, to write that and check it out. It does no good to say the Democrat plan covers 161 million Americans. The question is, Why do we cover 161 million Americans?

I will introduce as part of my remarks the entire list of patient protections and mandates that are already in New Mexico's law. It reads like a litany of the issues we have been debating: Emergency room, OB/GYN, and how you get protection under it.

Everybody in New Mexico, on all the issues we have been discussing, is already covered, except whom? Except those the Republican bill covers as we introduced it and have debated it, for it goes out into the land and says there are some people the Texas Bill of Rights does not cover because they cannot; it is not legal for them to cover them. Some people in New Mexico are not covered. I wish I could tell you how many, but nobody knows how many. Some have insurance, and we cannot cover them with New Mexico's rights. So we are covering them here. So it is a bill of rights for those who are uncovered in America.

I do not know how we will ever make the point, but let me just say, if you do not need coverage under a bill of rights because you already have it, then how does anyone get by with coming to the floor and saying: We're covering it anyway, and the other side of the aisle isn't covering it and they don't care? How do you get away with that?

Mr. GRAMM. Say it 200 times.

Mr. DOMENICI. I think you just keep saying it, like they have been saying it. It can be nothing else. In fact, there are many States with broader bill of rights' protections today than the Democrat bill, if it were passed. So why do they need it?

Mrs. BOXER. Would the Senator yield for a question?

Mr. DOMENICI. I want to finish. It is the first time I have had to speak. I looked over and you spoke at least 10 times, and you did beautifully.

Mrs. BOXER. Not quite.

Mr. DOMENICI. I would like to finish and then answer any questions when I finish.

Mrs. BOXER. Good.

Mr. DOMENICI. So I decided the best thing I could do is come here to the floor and see if I could express, in as simple language as I could, why the Congress needs to pass a Patients' Bill of Rights. I think I have tried my very best today to say we probably need one for those who are not covered or cannot be covered in our States because, by operation of law, the States do not cover them and cannot cover them.

Actually, I wish we could say that 200 times. Maybe we ought to. Every time somebody stands up, we ought to say: We're covering those who are uncovered in America. Now let's go on to the rest of the debate, and then put up a sign and say: We're covering 48 million—put it up there—because they are the only ones who either do not have this protection or cannot have it. These people are not covered because the law says you cannot cover them, the States simply do not have the authority to provide these rights to these people, vis-a-vis, the health insurance they have.

Having said that, I believe that answers most the questions that have arisen in this debate. But, then I understand there remains—I see this as only four issues—another very interesting issue. Because at this stage of the evolution in the United States of America of settling disputes one goes to court and asks a jury to do it even though plenty of criticism exists from laymen and professionals on how inefficient, how lacking in rationale the decisions are that are rendered by juries and trial lawyers bringing cases. The Democrats insist that we put that in here as the mechanism, the means, the way to settle disputes over scope of coverage, whether you have given somebody what they are entitled to under an insurance policy or not, or given them the specialists they are entitled to.

Can you imagine, we are making a major issue here out of whether the lawyers and juries and courtrooms ought to decide that? Can you imagine that we could stand up before a group of people and say, just as the millennium arrives, we have concluded that with all the knowledge we have, everything we know about arbitration, mediation, ways to avoid going to juries and courtrooms, that this was the way to resolve this issue, and if we do not do it, as our opposition says, we are denying people insurance coverage?

What we need to look at before the day is over—and what I hope those who wrote editorials will look at—is did the Republicans have in their bill a method and means of resolving these disputes which are legitimate disputes? Do we have a method of resolving them that is apt to do it expeditiously, professionally, and is it apt to be right?

I believe, with what has been added here on the floor and will be in the bill tonight, when we finally vote on it, that we can stand up and say, there is a way.

We think enough of this issue that we have made it nationwide, as I understand it. There will be no insurance policies that do not have this approach to settling the solutions across the land. That is pretty fair. Because it is sort of generically necessary for whatever set of rights you are giving to people.

So there are two issues. Frankly, for me, they are both very simple. I have explained the one on scope of coverage, and I have just explained the one on why in the world would you get lawyers and juries involved in the disputes between patients and health care systems on coverage. If doctors perform their service improperly, we still have medical malpractice. That is not being changed here. It is when you sit down and have an argument about a specialist, can you get a decision quickly.

I have heard from our side, from some very good experts—and as a matter of fact, we on the Republican side are very fortunate. We have a great doctor helping us. Frankly, when he tells us about this, I am not even sure we need a second opinion. He seems to know the answers very well, and we seem to rely on him. We are very glad to have him. He suggested, along with Senator ASHCROFT and others, that we ought to have a more straightforward, forthright, expeditious, and enforceable provision to handle the disputes between patients and their insurance coverage as to what they are entitled.

Those are two of the issues. To tell you the truth, if those two issues could be resolved, we would be well on our way to having it done.

There are some other issues that are around on the scope of what exactly we ought to mandate? They are not as important as these two. Who should we be covering? Should you let lawyers instead of doctors, lawyers instead of independent professionals, determine the scope of coverage and the entitlement of people to coverage under insurance, and the delivery of health care under new insurance approaches in the United States?

My last point, those couple of editorials my friend from Massachusetts read were written by editorialists who said we should not be concerned about cost; we should only be concerned about care. Let me tell you, one of the reasons we do not have enough coverage in the United States is because health care is expensive. While there are some who think the money just flows down from heaven and we pay for coverage, most people know somebody is paying for it—a business. In my State thousands of small businesses are paying for it.

If you think it is not important to them as to whether they maintain coverage, how much coverage they are going to pay for it, and whether their insurance costs go up 6.1 percent or not, then I guarantee you, you have not been reading the letters I am getting in my office from small businesspeople saying: You cannot give us too many mandates and you cannot have lawyers suing us because of the kind of coverage we have.

You may be surprised, but businesses do not have to provide health care. That is the law in America. It is voluntary on the part of most businesses. I am very pleased that most businesses are moving as rapidly as they can to buy insurance.

But I guarantee you, the other issue is, how much do we have to add to health care costs to get a reasonably good system for patient protection that is not now available in America? That is what we have been talking about, doing that where it is not available because of the operation of law.

We could go into three or four more issues, but I choose to give my own summary and my own understanding of the real nature and philosophical difference between that side of the aisle, the Democrats, and this side of the aisle.

Frankly, everyone around here knows I am not a Senator who votes one way all the time. I have been known to have a big argument with my friend from Texas, and he votes one way and I vote another. I will not chalk up the results, like that scoreboard: DOMENICI—6; GRAMM—0. But in any event, we have had those disagreements.

Mr. GRAMM. It was the other way around.

Mr. DOMENICI. He will think it was the other way around.

But in any event, the point of it is, it does not normally fall on this Senator to come to the floor and brag about our side of the aisle being right. But I can tell you, on this one I am very pleased with what has happened. I never have felt more comfortable than I have with this task force of Republicans who have handled this issue.

They have been good. They have been sharp. They know the issues, and there has never been a shortage of Senators arguing on this bill. I have been very pleased that they are willing to answer questions far more than I am. They know much more than I do.

I believe the issue is as I have painted and described it today. If it turns out that by beginning to cover a bunch of people who aren't covered, we only add eight-tenths of a percent to the cost, we don't inject into the system lawyers and courtrooms and jury trials to determine disputes between a provider and patient, and we provide for resolution of disputes in an expedited manner, as is going to be done in the bill we will introduce when we wrap this thing up tonight, I think we are on the right track.

I don't believe the American people, contrary to what my good friend, Senator KENNEDY, said, are going to be fooled by this. I don't think when it is over they are going to say: Boy, we would have had much better health care if the Democrats would have won their way. I think many are going to say it would have been a lot more expensive. I think many of them will say: We would be back in Washington every week trying to get the rules out of HCFA, which can't handle what it has now, much less handling all the States in terms of the Patients' Bill of Rights and the remedies available under it.

I thank everybody who worked on our side as diligently as they have. I particularly say we are lucky in the Senate to have Dr. BILL FRIST as a Senator. He is on my Budget Committee. I had trouble. I used to say his name "First" instead of FRIST. It took me a while. He tried to correct me six or eight times, and I finally got it. I think we are very fortunate to have him here because when he tells us how this works, and he shares the opinion of how the medical people are looking at it and what the reality is, I end up thinking Tennessee did us a very special favor by sending him to us.

I close by saying, I hope after all this work, the proposal that the Democrats offer will get defeated and that the final Republican bill, which will be explained again in depth by others, passes. Let's go to conference and see how it all turns out.

Mrs. BOXER. Will the Senator yield for a question?

Mr. DOMENICI. How much time do we have remaining?

The PRESIDING OFFICER. Twenty minutes.

Mr. DOMENICI. Do you have any time?

Mr. REID. I yield 2 minutes on the bill to the Senator from California.

Mrs. BOXER. Mr. President, I say to my friend, who is my chairman, how much I respect him and also how much I disagree with him.

I ask my friend a question. The Senator said—and I think he said it very clearly and straight from the heart—the Democrats are wrong, it is a philosophical difference, that we are wrong to say we need a national bill because the States are taking care of this problem.

Senator DORGAN has a chart. I want to ask the Senator if he will take a look at it. Thirty-eight States have no protection for their people when it comes to access to specialists. It goes down the list. Many States have virtually no protection on most of the issues we are debating in this Patients' Bill of Rights. The question is, How does the Senator respond to that?

He has said States are taking care of it when, just taking specialists, there are no protections for people getting specialists in 38 States, and there is a whole other list that I won't go into. I think that is an important question. I would like to hear the Senator's response to it.

Mr. DOMENICI. Sure.

Mrs. BOXER. The fact of the matter is, he says unequivocally, States are taking care of it when people in those States are writing to us and telling us: We need a Patients' Bill of Rights at the national level. We have no protection.

Mr. DOMENICI. Mr. President, I tried as best I could to say 48 States have patients' bills of rights. I did not say 42 States have every single item that the Democrats want in the Patients' Bill of Rights, but they do have the authority to put in as much as they want. So if the sovereign States, their Governors and legislatures, think your litany of things ought to be there and they are that important, they have the authority to pass it.

Mrs. BOXER. Mr. President, if I may take back my time, I ran for the Senate on a lot of issues. My friend has been elected many more times than I have to the Senate. We stand up and we say what we believe.

For example, I know the Senator is very strong on mental health protection. I have been with him on that. For me to think that I am going to sit here and say some legislature in some other State knows more than what my people tell me, I think we are here to do the people's business. When we look at this list, when we see how many things people don't have, I think it is ducking responsibility to say we should walk away from it.

By the way, the Republican bill claims to give people specialists, so the Senator himself has argued in favor of it for 48 million people.

Mr. REID addressed the Chair.

Mr. DOMENICI. I already have answered.

Mr. GRAMM. Will the Senator give me 10 minutes?

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. We have 31 minutes; they have 12 minutes. The minority yields 5 minutes to the Senator from Illinois, Mr. DURBIN.

Mr. DURBIN. I thank the Senator from Nevada.

Mr. President, for those who have followed the debate this week, there have been some very clear-cut issues decided on the floor of the Senate. Sadly, I must report that the Republican majority and the insurance industry have prevailed on every single effort by Democrats to provide protections to families across America when it comes to their health insurance.

Take a look at the scoreboard. On the Democratic side, we offered protection to 113 million Americans who were left high and dry by the Republican side and the insurance industry. We lost.

We offered an amendment saying that every woman in America could choose her OB/GYN as her primary care physician and could not be overruled by an insurance company. We lost.

We offered an amendment saying that emergency room care could be at the hospital closest to your home instead of that dictated by the health insurance policy. We lost.

We offered an amendment saying that doctors should make medical decisions and not the health insurance companies. We lost.

We offered an appeal process that gave families a fighting chance when the health insurance company turned them down for coverage. We lost.

We offered an amendment for access to specialists, when your doctor says that is in your best interest, in order to come out of a process healthy and well. We lost.

We offered the latest treatments, clinical trials, prescriptions that doctors recommend to save the life of someone in the most perilous of circumstances. We lost.

I have to give credit to the insurance lobby because, through their efforts on the floor this week, they have rejected every effort we have made to provide protection for America's families when it comes to health insurance. I used to think the gun and tobacco lobbies were the big ones on the floor of the Senate. My hat is off to the insurance lobby. They have really done a job. With the Republican majority, they have defeated us time and time again on 11 different amendments, 11 different efforts to protect American families.

There may be dancing tonight, when this is all over, in the boardrooms of the health insurance companies in America, but there won't be any dancing in the family rooms for those American families who realize that tomorrow they are just as vulnerable to a decision made by a health insurance company clerk as they were yesterday. There won't be any dancing in the emergency rooms across America, as the nurses and doctors there respond to emergencies, never knowing whether or not the insurance company will reimburse them for their heroic efforts to save lives. And there won't be any dancing in the doctors' offices, as they leave the room with the patient to go to a backroom and call an insurance company and beg them for the right to make the best medical decision for an individual.

I know the Republican side has criticized us for bringing pictures of real people to the floor of the Senate. I know it scalds their conscience to see these pictures, pictures of kids such as Rob Cortes, a little 1-year-old, a little boy I met last Sunday. Every time I voted on an issue this week, I thought about this little boy and his family in the Chicago area. This little 1-year-old breathes with a ventilator, as my colleagues can see. He has spinal muscular atrophy. His mom and dad fight every day so he can live, and they fight the insurance company every day to make sure they have an opportunity and access to the miracle drugs they need to give this little boy a chance.

The Republicans tell us this is unfair. Don't bring us pictures of real people. We want to talk about statistics. We want to talk about the 1993 Clinton health care bill. Give me a break.

I say this: If doubletalk were electricity, the Senate floor would be a powerplant after the debate that we have had this week on health insurance. I think the American people know what is at stake. They realize they had a chance, with the Democratic Patients' Bill of Rights, to have some rights and some protections when it comes to their health insurance, but they have lost.

There has been a decision made by the Republican side of the aisle and the insurance companies that they are going to create and protect a privileged class in America, the health insurance companies. They won't be answerable to the law, and they will not have to provide the kind of medical protection that every family counts on in America. Time and again, as we have offered these amendments, the Republican majority has defeated them. It is true that two or three of them have crossed the aisle from time to time to join the Democrats, but never enough to make a difference.

Sadly, that is how this debate is going to end. But it isn't going to end today. This debate will continue because we are calling on American families across this Nation to join us, to let the Senators on the other side of the aisle know that there are more important things in this town than the health insurance industry. Let them realize that this is the only building in America where health insurance reform is a partisan issue, because in every house I have visited in Illinois, families have told me time and again, whether you are a Democrat, Republican, or independent, you are vulnerable to an accident or illness that can leave you at the mercy of a health insurance clerk who will overrule your doctor and make a decision that can make your life miserable. That is what this is all about.

Vice President GORE came up here today with a last-minute plea to the Members of the Senate to pass a bipartisan bill to protect families. He told the story of a doctor who was working in the emergency room and a man came in and had a cardiac arrest before him. This doctor used a defibrillator and brought the man back to life. When the hospital turned in the charges, the HMO rejected him, saying it wasn't an emergency, it was only a cardiac arrest.

Let me tell you, this issue is not cardiac arrest; it is alive and well, and we will continue to fight it.

The PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mr. JEFFORDS. Mr. President, I yield the Senator from Texas 10 minutes.

Mr. GRAMM. Mr. President, one of the frustrating things about this debate is that when facts are established, our dear colleagues on the other side of the aisle continue to use information that has no foundation in fact and which, in fact, is at variance with the facts. So what I would like to do is to go through and present the facts, not as I would like to make them up, or as our colleagues may have made them up, but the facts in terms of the findings of the Congressional Budget Office, the nonpartisan arm of Government which does estimates on the basis of which we run Government.

First of all, the CBO estimate which I have here says that the ultimate effect of the Kennedy bill would be to increase premiums for employer-sponsored health insurance by an average of 6.1 percent. That is not my number, that is the number of the Congressional Budget Office. That converts into $72.7 billion of costs that will be borne by companies that pay insurance and employees that often match that expenditure.

Senator KENNEDY has made headlines by saying we are talking about a hamburger a month. The reality is that the estimate of the Kennedy bill by Congressional Budget Office is enough money to buy every franchise of McDonald's in America. It is estimated that this cost will mean that 1.8 million Americans will lose their health insurance. That is 1.8 million people who won't have access to health care at least paid for by insurance of any kind.

Our colleagues on the Democrat side of the aisle don't seem very concerned about 1.8 million people losing their health insurance. But we are very concerned. We looked at public opinion strategies nationwide poll of small businesses which asked what they would do if the Democrat bill were adopted and you could sue not only the HMO, or the health care provider, but sue the company that bought the insurance policy. The responses indicated that 57 percent of small businesses in America say that they either would be very likely to drop health insurance coverage, that is 39 percent, or somewhat likely, 18 percent. That is 57 percent of the insurance for some 70 percent of the working people in America that would be jeopardized by this bill. Yet, over and over and over again, we hear this talk as if there are no costs involved.

Now our colleagues go on and on as if repeating something would make it true, by saying that their bill covers 161 million people and our bill covers 48 million people. The way Federal law and State law is structured, the federal government has jurisdiction over 48 million people in terms of health insurance under a Federal law called ERISA. My State has passed a comprehensive health care Bill of Rights. Maybe Senator BOXER would not support their Bill of Rights, but Senator BOXER would not be elected in Texas. I might not support the Bill of Rights in California, but I probably would not be elected in California.

The point is, who elected Senator BOXER to write health care policy for State insurance in Texas? Nobody in Texas elected her. Nor did they elect me for that purpose. If I wanted to write State insurance policy in Texas, I would have run for the Texas senate and not the U.S. Senate.

So we have this absurdity that is stated over and over again that they are covering more people than we are. We are covering the people in America who are under Federal jurisdiction.

They are preempting State law in every State in the Union, and Senators who have never been to some States in the Union are dictating to them about the jurisdiction of their legislature. Yet, somehow it is suggested that I don't care about people in Oklahoma. I care about people in Oklahoma so much that if the State has the power to write their own health care Bill of Rights—which they do in Oklahoma—I want them to write it. That is how much I care about them. But in that area where it is Federal jurisdiction, I want us to write it.

In terms of continuity of care, if there has ever been any debate in history that could be referred to as somewhat contradictory of a previous position, it is this. I want to remind my colleagues who today aren't concerned about a 6.1-percent increase in the cost of health insurance, who aren't concerned about 1.8 million people losing their health insurance, who in 1994 they were so concerned about double-digit health inflation—an inflation rate we would match if their bill passed, they were so concerned that they wrote the Clinton health care bill. And they were so concerned about medical necessity that when they wrote it, here is what their medical necessity was:

> The comprehensive benefit package does not include an item or service that the national health board may determine is not medically necessary.

Today they are jumping up and down about medical necessity. They want a doctor to choose. They want us to write in our bill that we are going to let the Federal Government define it. But when they wrote their health care bill in 1994, they said that a national board would decide.

They talk about point-of-service option. But when they wrote their health care bill, if you didn't join their health care collective, you would be fined $5,000. If your doctor prescribed a health treatment that was not approved by the Clinton administration, your doctor would be fined $50,000. And if they provided a health service that wasn't prescribed and you paid for it, your doctor could go to jail for 15 years.

Now, that is how much they cared about all these things when they were trying to put America under socialized medicine. They were trying to do it because people were losing health insurance, because costs were going up.

Yet today they are trying to pass a bill that would drive costs up and that would deny people their health insurance.

Having spent all of this time answering all of this misinformation, let me spend the rest of my time saying a few things that I feel strongly about.

No. 1, I have never been prouder of the Republican majority than I am today. I have never seen greater collective political courage than I have seen today.

It would be very easy with all of this demagoguery about insurance companies, HMOs, health, consumers, and charts showing scores of HMO's 12, consumers 0.

I remind you that our Democrat colleagues invented HMOs. TED KENNEDY in 1978 said:

> I authored the first program of support for HMOs that passed the Senate. Clearly HMOs have done their job.

What is TED KENNEDY saying today? He loved them so much that he wanted to put the whole Nation under one run by the government. But, today, he is trying to kill HMOs.

We are not trying to kill HMOs. I am not ashamed of that.

I want to give people a choice so that if they don't want to be in HMOs they can get out. We broaden their options. We give people the right to fire an HMO.

Senator KENNEDY gives people the right to sue one. We guarantee people the right to see a doctor. He guarantees the people the right to see a lawyer.

I am proud, when it has been so easy to demagogue this issue, that we have stood up for the interests of this country.

We have written a very good bill. It cleans up the things in HMOs that needed to be cleaned up. But it doesn't kill off the only mechanism we have to control costs.

We provide tax deductibility for the self-employed. That will mean millions of people will get health insurance that do not have it today.

We let people have medical savings accounts—a new, innovative way to let people choose their own doctor and control costs at the same time.

I am proud of what we have done. It is easy to demagogue, but it is hard to lead. We have led, and America is going to benefit from our leading.

Finally, let me say we have come forward with a bill that works—a bill that works for people, a bill that holds down costs, a bill that promotes equality.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I yield 5 minutes to the Senator from North Dakota, Senator BYRON DORGAN.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I guess my favorite Will Rogers quote is the old one that we all know. He said, "It ain't what he knows that bothers me. It is what he says he knows for sure that just ain't so."

I heard a lot of discussion today about facts and about whose side is right. In fact, we just heard the two stages of denial on the central argument of the Republicans against our real Patients' Bill of Rights.

The first stage is that States provide all of this protection, so we shouldn't have to do it. And when informed the States don't do it, they say, well, that might be true, but the States could do all of it if they wanted to. That is the second stage of denial, of course.

Let me talk again about some of the people involved in this debate, if I might. This is, after all, fundamentally about patient care. It is not a debate about theory.

I want to talk about Ethan Bedrick once again. This young boy pictured here was born under very difficult circumstances. During his delivery, the umbilical cord wrapped around his neck and consequently, he was born with cerebral palsy and a condition called spastic quadriplegia. He can't get the rehabilitation services he needs to help him because his HMO says there is only a 50-percent chance of his being able to walk by age 5 and that chance is insignificant. The HMO called a 50-percent chance of being able to walk by age 5 a minimal benefit. His parents appealed and appealed. Guess who they appealed to—the same people who turned them down.

We know that in 31 States there is no right to an independent, external appeal. The Republican plan says that Ethan Bedrick and citizens in 31 States are denied coverage. Denied. That is the fact. Dispute it if you can, but those are the facts and they are stubborn.

Or what about Jimmy Adams. Jimmy Adams doesn't have hands or feet today because his folks had to pass three hospital emergency rooms before they got to the fourth hospital where the HMO would pay for his emergency care. On the hour-long trip to the further hospital, his heart stopped beating. They were able to revive him, but too much damage had already been done by the lack of circulation to his limbs. This young child lost his hands and feet due to gangrene.

Our opponents say, young Jimmy Adams can stop at any emergency room under the Republican bill. Sorry; not true. The Republican bill doesn't cover over 100 million people, and there are 12 States that have no protections with respect to emergency room care.

With respect to Jimmy Adams, or a Jimmy Adams of the future, the Republican plan says this: Denied.

What about this young fellow born with a severe deformity? Dr. Greg Ganske, our Republican colleague over in the House, does reconstructive surgery. He surveyed his colleagues, and 50 percent of them had HMOs deny reconstructive surgery for young patients with birth defects such as this.

Here is the picture Dr. Ganske used when he described the kind of circumstances these children live with.

What about an appeal for this young fellow? What about the access to the specialist services needed? The Republican plan says "denied" to this young child—denied. Under the Republican plan—and in 38 States—there is no provision for access to specialists for reconstructive surgery.

Those are the stubborn facts.

Let me show you the bright morning of hope for a young child who was born with a cleft lip who has had access to the appropriate reconstructive surgery. This is the same child I just showed you.

Here is the way this child looks with reconstructive surgery. What a world of difference this makes in a young child's life.

This is called patients' rights.

Some say it doesn't matter; we don't need it. We say these rights are critical to the health of the people in our country. This is about children, men, women, families.

Would anyone in here, if this were your son or daughter or your parent, really stand up and say let the States protect his or her. Would you really vote against these basic protections, such as access to specialists, if it were your child's health on the line? You know the answer to that. Of course, you wouldn't.

We just heard a fill-in-the-blank speech from about three people. You could fill in the blank. Over and over, in debate after debate, year after year, the subject changes, but the mantra remains the same: Let the States do it.

During the debate to create Medicare we heard the same thing: We don't need Medicare; let the States do it.

On minimum wage—Let the States do it.

On protections for residents of nursing homes—Let the States do it.

On efforts to create a safer workplace or prevent child labor—Let the States do it.

That speech has been given in this Chamber for 150 years, and it is so tired, rheumatoid, and calcified that I don't want to hear it anymore.

We have had to fight for every step, for progress on such issues as creation of the Medicare program, a safe workplace, and minimum wage. Tonight we are fighting for something called a Patients' Bill of Rights. All along the way, we see people digging in their heels saying for lots of reasons that they don't want to do it.

We need to do it for these children. No longer shall we deny them the rights they deserve in our health care system.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I yield 5 minutes to the Senator from North Carolina, JOHN EDWARDS.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Thank you, Mr. President.

Mr. President, actually for almost 20 years before I came to the Senate, I had an opportunity to see firsthand what insurance companies do to people because of the type of work I did.

What I saw was they take people's money. They deny them coverage when they need it, and when they need them the worst, they are never there.

What I have seen on the floor of the Senate for the last week is what insurance companies do in Washington.

What they do is this: They make certain that the power in the health care industry in this country remains with them.

They have done that in a remarkably effective way. It has been extraordinary to watch what has happened over the course of the last week.

It boils down to—at least, to me as a first-time observer of this—a very simple fact. On the floor of the Senate this week, insurance companies have won and the American family has lost. The children, parents, and members of American families have lost and the insurance companies have won. This is what has happened.

No. 1, insurance companies cannot be held accountable. They absolutely cannot be held accountable. They have done everything they can do to make sure that occurs. The reason for that is very simple. I have listened to my colleagues on the other side argue with great emotion that we want to turn health care over to lawyers.

Exactly the opposite is true. This is why. What happens, in every amendment, in every single bill—including the underlying bill offered by the other side—this language appears: "when medically necessary and appropriate under the terms and conditions of the plan." That language is the killer language. It is the language the insurance companies need, that they desperately want, and that they have gotten. It is the language that is going to remove any power from any patient or any family or any doctor in America as a result of what is passed on the floor.

The reason they are wrong about lawyers is because the plans control. Under what has passed during the course of this week, the plans always control. They control what benefit patients receive to begin with; they control what patients can appeal; they control what happens on appeal.

I ask the American people: Who do you believe writes these plans for the big HMO companies of America? Who do you think writes these plans? Lawyers. Their teams of lawyers write these plans.

When we leave the floor tonight, starting tomorrow, everything that is passed will be handed to the HMOs; the very first thing they will do is get in their cars and drive down to their big law firms and hand these over to the lawyers and the lawyers will go to work. What the lawyers are going to do is write health care plans that make absolutely certain the insurance companies have total control over what happens, they have control over the initial benefit, they have control over the appeals process, and that they cannot, under any circumstances, be held accountable.

Mr. REID. Will the Senator yield?

Mr. EDWARDS. Yes.

Mr. REID. It appears what the Senator has said as an experienced trial lawyer from the State of North Carolina, the lawyers will be under the control of the insurance companies?

Mr. EDWARDS. That is absolutely true. These are lawyers hired by the insurance companies.

Mr. REID. The talk of the lawyers controlling what is going to happen with the Patients' Bill of Rights is a flip-flop. The lawyers will control what goes on with health care in America as a result of what has happened here, is that right, because the patients have lost and the insurance companies have won?

Mr. EDWARDS. Absolutely.

What will happen is that the lawyers will write the plans, and under every single thing we have passed during the course of this week, the plan controls; the insurance company controls.

If anyone thinks for a minute that the lawyers who are hired by these insurance companies are not going to write the plans in a way that protects the plan and the HMOs and never protects the patient, they are living in never-never land. That is exactly what will happen.

As a result, in its simplest terms, the insurance company and their team of lawyers have won this battle. The patients have lost.

One last thing. We have heard lots of talk about cost from the other side. That is a false argument. It is a false argument for a simple reason. No. 1, what will happen under our real Patients' Bill of Rights is that we get patients to emergency rooms, to specialists, to the doctors who they really need to see as quickly as possible. That has an extraordinarily important cost effect, which is they get treated more quickly, their condition and disease is diagnosed more quickly, and as a result the long-term costs associated with that are reduced.

Our bill will reduce costs over the long haul. It will absolutely reduce costs when the long-term expenses and costs are considered.

Second, when an HMO or health insurance company acts recklessly and irresponsibly and a child, for example, is severely injured and that child incurs millions and millions of health care costs over the course of his or her lifetime, the health insurance will not be held accountable. No way are they held accountable. Those costs—the millions and millions of dollars—don't go away.

The question is, Who pays? The American people pay. The American taxpayers pay. They pay through Medicaid. That is the only way those costs will be paid. Instead of an HMO being responsible for paying, the American taxpayer pays. The people listening to this pay.

Mr. REID. I yield 2 minutes to the Senator from California.

Mrs. BOXER. Mr. President, we are in the final inning, so it is time to bring out the scoreboard.

HMOs, 12; patients, zero. It is a shutout. On every amendment, patients have lost and the HMOs have won. Mr. President, 12–0 and counting.

The Republican bill will pass. It is a bill supported by the insurance industry. It is a bill supported by the HMOs.

This is what it leaves out: It leaves out OB/GYNs for women, the right to a specialist, the right to an emergency room, the right to a clinical trial for every fatal disease, the right for all Americans to be covered—70 percent of Americans are not covered in the Republican bill. It leaves out the right to hold HMOs accountable if they kill you, if they maim you, if they hurt you or any member of your family.

The Republican bill is a shutout. The American people are shut out from any protections. Patients are shut out. Decency and fairness are shut out. And the HMOs will continue to put their dollar signs ahead of our vital signs.

We will not give up. The innings may be over on this particular battle, but we are going to be here. We will be here for several more years and we will fight this. As Senator DORGAN said, a lot of these fights took a long time. It took a long time to get Medicare. There were fights from the other side of the aisle that it was a horrible idea to give senior citizens coverage.

I could go back in history. We will be on the right side of history because we are fighting for what is right for the patients of this country, for the people of this country. It has been a good debate. I am glad we have had it. I think it does show the difference between the parties. I think we are very open and honest about our differences. I am proud to stand on this side of the aisle on this Patients' Bill of Rights.

Mr. REID. Mr. President, I yield the final 4 minutes to the person who offered this amendment with Senator KERREY, the junior Senator from the State of Maryland, BARBARA MIKULSKI.

Ms. MIKULSKI. Mr. President, it has been interesting to me that during the two hours I have been here, in the time allocated to this amendment, no one from the other side has debated the merits of the Kerrey-Mikulski amendment.

We have heard about the health care plan, we heard about Mrs. Clinton's health plan, but no one challenged the fact that the American people should have continuity of care. Just because a business changes their insurance company, you should not have to change your doctor.

Also, we heard a great deal about the States—let the States do it. I bring to the attention of my colleagues, only 22 States have a continuity-of-care provision; 28 States do not. So, 28 States are vulnerable to the lack of a continuity-of-care provision.

Also, all 50 States have a Constitution. So why should we have one ourselves? Why should we have one? The reason we have a Federal Constitution is that we are one nation under a law that should protect all American people and we also have a Federal Constitution that we love and cherish because we have a Bill of Rights.

Imagine if we were still waiting for the 14th amendment, if we were doing it one State at a time. Imagine if we women had gotten the right to vote, if we had done it one State at a time. Do you think the railroads would have let us have the direct vote by the people of the Senate? No; I think we would still be choo-choo-ing along under the old system.

Let's talk about the cost. I think that is a fallacy in the argument. This Congress is going to debate in the next week or two a tax bill that could plunge us into a deficit. Sure, we think we have a surplus, but it is a promissory note surplus; it is not a guaranteed surplus. So while we are going to talk about cost, just wait until we start talking about that tax bill.

The other thing is, we did not hesitate to pass the national ballistic missile system. I will tell you something. My constituents in Maryland are more at risk for their lives and safety from insurance gatekeepers preventing them from having access to the medical care they need than they are of some missile striking us in Baltimore, Crisfield, Hagerstown, or all around the State, or this country.

So let's not talk about cost. And let's not invent phony arguments. Let's go back to what we are debating, the Kerrey-Mikulski amendment that says let's provide continuity of care. It is very straightforward. It would allow for a transition that, when a doctor is no longer included as a provider under a plan, or employers change plans, it would provide 90-day transitional care for any patient undergoing an active course of treatment with a doctor.

That means if you have diabetes, it means if you have high blood pressure, it means if you have glaucoma, that you can at least have a transition plan to have someone meet your needs.

Then we make three exceptions. We make them for pregnancy, we make them for terminal illness, and we make them for someone who is institutionalized.

A patient who is dying should not have to change a doctor in the last days of his or her life. If you are pregnant, I think you ought to have the doctor through post-partum care that is directly related to delivery. That's what we are fighting for today, and I hope we pass this amendment. I yield the floor.

Mr. JEFFORDS. I yield 3 minutes to the Senator from Alabama.

Mr. SESSIONS. Mr. President, I just want to say something and get it off my chest. It is offensive to me, and almost demeaning to this Senate, for people who disagree with the work that has been done by people such as Dr. BILL FRIST, and Senator COLLINS from Maine, and Senator JEFFORDS, who worked hard on this bill, to suggest that they are bought and paid for by insurance companies and HMOs.

I haven't talked to an HMO, but I have talked to some people who are concerned about expanding costs of health care. It is Alabama businesses. We had the Business Council of Alabama in my office just a few days ago, a group of them. It is the biggest group in the State. The first thing they said was: JEFF, please don't vote for something that is going to skyrocket health care costs. We are afraid of that. We have already got an 8-percent inflation cost increase predicted for next year; 8 percent already. You vote on a bill, the Kennedy bill, with 6 percent more? Please don't do that. We can't afford to cover our employees. They are going to lose health care.

And the numbers back that up. This is what we are about.

It offends me to have it suggested that some insurance company is here—HMOs are not even here, that I have observed. They do not care what the rules are. You tell them what the coverage is, what the rules are, and they will write the policy and up the premium to pay for it. And working Americans are going to pay for it. That is what is really unfair to me.

For Senators to suggest that there is a scorecard and only truth and justice and decency and fairness occur when her amendment is voted on? We have amendments. This whole bill mandates and controls and directs HMOs on behalf of patients. Everything that is in it, that is what it does. Some just want to go further, and whatever you do is never enough. There is always another amendment to go further.

It is a sad day when we have a group of fine Americans who worked on this legislation for 2 years or more, to present a bill that is coherent, that improves and protects the rights of people who are insured to a degree that has never happened before, and have them accused of being a tool for some special interest group. It is just not so. The Members on the other side know it, and they ought not to be saying it. It is wrong for them to do so.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I yield 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I want to comment on the process. We have seen pictures of infants with various medical challenges that I need to clear up. It keeps coming back and back again. The example of cleft palate is being used over and over. I want to demonstrate, to help educate our colleagues, because obviously it is not coming through what is in the bill, what will be in the final bill tonight.

No. 1, let's just say the baby is born with a cleft palate, which is a defect in the upper part of the mouth. The doctor recommends surgery, regardless of what is in the health plan. The HMO contract says "cosmetic" surgery is not covered.

So the medical claim is made. The doctor and the patient say: Yes, this thing is medically indicated. The plan has written down that cosmetic surgery is not indicated. So they say: We want to do something about it.

Today they have to throw up their hands. There is nothing they can do. That is why we need a Patients' Bill of Rights. What happens? We have an internal review built into the plan. So if there is a disagreement, the doctor and the patient disagree with the plan, there is a process, for the first time for most of these plans, for internal review. They may have other physicians who are affiliated with the plan making that decision. Let's just say they came up with an adverse decision. Basically, the second opinion inside the plan, the internal review, said: No; I am with the plan. We are still not going to cover it.

Well, is it eligible, or is it not, for external review? Remember the external review plan. You have the managed care company; you have the entity that is government regulated: State, Federal, Department of Health and Human Services regulates this entity. This entity appoints an independent doctor, a medical specialist, if necessary, to do the review: Is it eligible or is it not?

The key worlds are, "Is there an element of medical judgment?" There clearly is, because you have a doctor saying that cleft palate needs to be repaired. So automatically—and that is the trigger—it goes to an independent external review.

We have heard a lot of people say it is not independent. It is pretty independent if you have a managed care company, you have an entity that is government regulated here that is unbiased—the words are actually in the plan—appointing an independent reviewer, who is a doctor. Or, if it happens to be a chiropractor of concern—it can be a chiropractor. I might add, who is independent, a specialist in the field, who makes the final decision.

In the independent external review, the reviewer makes an independent medical determination made on a whole list of things that we have in there—not just what the plan considers, but best medical practice, generally accepted medical practice, the peer reviewed literature, the best practices out there, what his colleagues are doing—and then a decision is made and whatever decision is made, it is binding. It is binding on the plan.

Let's just say it is binding on the plan, so let's have "repaired" here. Let's say the plan says, "We are still not going to do it. I don't care what the reviewer says." You are going to see in the final bill that they have to do it. If they do not do it in a timely fashion—I want everybody to read the bill—they are going to be fined.

Mr. President, I ask for an additional 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 2 minutes.

Mr. FRIST. I thank the Chair.

So the decision has been made by the independent reviewer, and it is binding on the plan that you do the repair, that it is medically necessary and appropriate. The plan has to do it. We are still worried. What about that plan, if it just doesn't want to do it? Basically, what we have are penalties that are built in the bill. They have to do it, they have to do it in a timely fashion, and if they do not they are fined $10,000. Not only that, if they are fined $10,000 and still don't do it, immediately you can go to somebody else and have it repaired. And who is going to pay for that? The initial plan.

To me, that is the way the process works. You have an independent reviewer. You guarantee the patient gets that repair in a timely fashion, if in that independent review it is thought to be medically necessary and appropriate, regardless of what the HMO contract says.

Internal appeals, external appeals, independent reviewer with penalties built in if that is not carried out in a timely fashion, and the guarantee that the care can get done because you can go, even have a third party do it and charge it back to the initial plan—unbiased, independent, internal, external appeals, and that is the accountability provisions that are built into this bill. I am very proud of the fact it is there. It will change the way medicine is practiced by managed care.

I yield the floor.

Mr. DORGAN. Will the Senator yield?

Mr. NICKLES. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes 35 seconds.

Mr. KENNEDY. Just for a question, may I yield a minute to Senator DORGAN?

Mr. NICKLES. Yes. Sure.

Mr. DORGAN. I just wanted to observe for one moment. I listened to the presentation. That presentation works with respect to the people who are covered. But there are 120 million who are not covered. If one says those who are not covered are covered by a State, we must point out that 38 States do not have provisions that guarantee access to specialists. I want to make the point.

Mr. FRIST. Say again, covered by that?

Mr. DORGAN. There are 120 million people, roughly, not covered. And we have 38 States—if the proposition is "but if we don't cover them in our bill, the States do," there are 38 States that do not cover them either.

Many of these children will simply not have access to a specialist. Those are the facts.

Mr. FRIST. May I respond on his time? This is a critical point because we have been debating scope. It is very important for the American people to understand and for our colleagues to understand that scope, and when it comes to accountability, the internal and external appeals, the independent reviewer does not just apply the 48 million people not covered by the States. It is covered by people who are both ERISA covered, federally regulated, as well as the States, and it is important my colleagues understand that because that is a huge part of our bill. In many ways, it is the heart of our bill for the appeals process, the accountability, what I just went through, both ERISA, federally regulated plans, and State plans. That is why it is so hard, in the last hours of this debate when it is so misunderstood what is in this plan. That is why I tried to go through it very clearly. It covers all 124 million people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, how much times remains?

The PRESIDING OFFICER. Two minutes 21 seconds.

Mr. NICKLES. Mr. President, I appreciate the clarification made by our colleague from Tennessee. My colleague from Tennessee said we have this appeal process which applies to all plans, State-regulated plans as well as federally regulated plans, and that is very important. For people to say this would not have an appeal process, it would not apply to them, they are absolutely wrong. Any employer plan in the country would, from the internal and external appeal under the bill which hopefully we will be passing shortly.

For the information of our colleagues, we are going to be voting in the next minute or two on the pending amendment, and then we will take final action on the substitute that will be offered by Senator LOTT and myself and others. We expect to be voting on that, just for the information of our colleagues, by 8:15, hopefully no later than 8:30. We are going to be wrapping this up.

I have one final comment. I urge my colleagues to vote no on the pending amendment. The pending amendment deals with continuity of care, all of which we support, but it tells the States: We don't care what you are doing. It is another one of these examples of we know better, we can define continuity of care better from Washington, DC, than the States. That is a serious mistake.

In addition to overruling State laws, it also takes away an existing right under ERISA. It eliminates injunctive relief which would apply to everybody in the plan. It eliminates class action and injunctive relief on page 8 in the amendment. I do not know why they put it in. It is wrong. It is in the amendment. A person can go to court and say: I am entitled to the benefit under the plan, and the judge can agree, but the court can only agree for that one individual. It cannot agree for all the participants in that plan. That is a violation of current law which takes away rights in existing law. It is a serious mistake and should not be allowed. I urge my colleagues to vote no on the underlying amendment.

I yield back the remainder of our time. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1253. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

The PRESIDING OFFICER (Mr. SESSIONS). Are there any other Senators in the Chamber desiring to vote?

The resúlt was announced—yeas 48, nays 52, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Torricelli
Wellstone
Wyden

NAYS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The amendment (No. 1253) was rejected.

Mr. LOTT. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 1251

Mr. LOTT. Mr. President, I ask unanimous consent to vitiate the yeas and nays on the pending amendment No. 1251, as amended.

The PRESIDING OFFICER. Is there objection?

Mr. GRAHAM. Reserving the right to object, could I add a further statement to that unanimous consent request?

Mr. LOTT. Fine.

Mr. GRAHAM. I ask unanimous consent to be able to offer an amendment at this time.

Mr. LOTT. We have to object to that.

The PRESIDING OFFICER. Objection is heard.

The amendment, as amended, was agreed to.

The amendment (No. 1251), as amended, was agreed to.

AMENDMENT NO. 1254 TO AMENDMENT NO. 1232

(Purpose: Providing legislation to improve the quality of health care, protect the doctor-patient relationship, augment patient protections, hold health care plans accountable, and expand access to health care insurance throughout the country)

Mr. LOTT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for himself and Mr. NICKLES, proposes an amendment numbered 1254 to amendment No. 1232.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, I have consulted with the Democratic leader, Senator DASCHLE, on this next unanimous consent request. I know Members will be interested in this.

I ask unanimous consent that the vote occur on passage of S. 1344, as amended, at 8:20 this evening, with the Lott substitute and amendment No. 1232 having been agreed to and notwithstanding paragraph 4 of rule XII and the consent agreement of June 29, 1999.

I further ask that the time between now and 8:20 be equally divided between the two leaders, or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, that having been agreed to, the final vote will occur at 8:20, with the time equally divided between now and then. So Senators who want to participate should be prepared to be here to be involved in the debate. Those who want to get supper at this point, now is the time to do it.

Having said that, I want to go ahead and make my statement on this substitute package at this time. Then I will yield to the assistant majority leader, Senator NICKLES, who will divide the balance of our time between Members on our side of the aisle who wish to speak on the final package.

I think we have had a really good debate on this issue. We have been on it 4 full days now, into the night on Monday, Tuesday, Wednesday, and now Thursday. There have been a number of amendments offered. Some of them have passed and some have failed. But I think it has been handled quite well on both sides of the aisle. I believe we are now ready to finish the debate and get to final action on this legislation.

I thank the floor managers for the good work they have done. Senator NICKLES and Senator JEFFORDS on our side have been ably assisted by a number of our colleagues who have spent long hours on the floor, including Senators FRIST, COLLINS, and a number of others. Senator REID has done an excellent job as the whip on the Democratic side of the aisle, working with Senator NICKLES on behalf of the leaders to make sure time has been handled properly, and working out the charts on what amendments would be offered when, which has proven not to be an easy task, but one they have done a great job on.

Of course, I have enjoyed the exchanges that involved Senator KENNEDY and sometimes Senator GRAMM. It has been interesting, and I guess we can say elucidating in some respects. I also thank the task force on our side that has worked for a year and a half on this issue to make sure we were ready to go with an alternative, or to go with a solution to the problems we found in this area. They have done excellent work. Again, this task force was chaired by Senator NICKLES. Other members were Senators ROTH, GRAMM, COLLINS, FRIST, GREGG, SANTORUM, SESSIONS, ENZI, and HAGEL.

There has been a lot of great work by those members of the task force and members of the Health Committee who spent a lot of time and participated in the debate that has gone forward. I have really learned to appreciate the statement I heard on the floor earlier, that with Dr. FRIST, you really don't need a second opinion. He has done a great job. Sometimes it has been hard to understand for those of us who have not been in the medical profession. I appreciate that.

I think it is time we moved forward. We have done good work. Let's report out this legislation and go to conference and let's get a result.

There are certain things patients do need in America. Consumers do need some guarantees. I could go through a list of areas where there are problems, and I am going to go over the solutions we have here. I think the worst thing we can do now is to not wrap this up with a concluding favorable vote.

Now, there are some who will say the President will veto this bill. When we passed the missile defense bill, the word was: I will veto it. But we worked it out and he signed it. It was the same thing on education flexibility. The word was, you have language in here on the Individuals With Disabilities Education Act and we thought we should meet our commitment there before we spent money on a lot of other programs. In the end, we worked out the disagreements and the President signed education flexibility.

Today, for the first time in history, enrolling, signing of a bill was done by Senator THURMOND and by the Speaker, and it was sent by Internet to the White House—the Y2K liability bill. It came out of committee on a partisan vote, but some Democrats worked with all of the Republicans and we got a bill through the Senate. It took us three tries. We were told the President would veto this bill, but he is going to sign the bill.

The point is, to the President and to those of you who haven't supported the Republican position on this Patients' Bill of Rights Plus, work with us. If you want to get something done, let's make it happen. If you want an issue, you have got enough votes, you will have issues; so will we. And then what? Is America going to be better off? No. Let's get results. We have done that in the past on other issues related to health. So I challenge our Democratic friends to join us in this effort.

This is the main event. We have gone through a number of votes and we have had our debate on these amendments. But now we are dealing with a comprehensive package that the task force has developed on the Republican side of the aisle, and it will strengthen the rights of patients and improve the way HMOs work, without wrecking the American health care system.

The American people don't want the Federal Government to take over health care. They don't want that. They don't want bureaucrats making the decisions, and they don't want it being determined by a bunch of lawsuits. But they do want some action to clarify and solve some of the problems we have.

Make no mistake about it, the version of this bill that we have offered is far superior to the Democratic bill, which I believe contains a lot of bad policy. It is dangerous in many respects: dangerous because, under the guise of humanitarian concerns, it would drive into the ranks of the uninsured some 1.8 million Americans; dangerous because, under its compassionate rhetoric, it would threaten the ability of most small businesses to provide health insurance to their employees; dangerous because it would place the scalpels of litigation into the hands of the trial lawyers and virtually invite them to carve up the Nation's health care system.

I don't believe the American people want that. The system is not perfect. HMOs are not perfect, although the quality of their care, as every other consumer product, can vary tremendously from one group to another, from one region to another. In my own State of Mississippi, we only have about 5 percent of our health care that is provided by managed care organizations—5 percent.

So we have a very different view and set of concerns than do some of the other States where there is a lot more activity in this area.

If there is one thing we have learned from the downfall of the Clinton health package in 1994, it is this: The American people don't want the Government to control health care. They do want solutions, though, to some of the real problems that exist, such as portability, which we did deal with. They want us to recognize the problems where they really exist, but they don't want political grandstanding in Washington to imperil the highest quality health care in the world.

I heard it said yesterday on the floor, "Health care in America is in real trouble." There are concerns about the evolution that is occurring.

But health care in America is still the best that the minds of men have conceived.

My mother is alive today because of medical procedures. She is on her third pacemaker. She is doing fine. If her knees would hold up, she would still be out looking for a date.

And the pharmaceuticals and the medicines they make are miracle drugs.

We should not kill the goose that laid the golden egg.

Can we improve it? Can we work with all those involved in the system to make it better. We can do that. That is what we are doing today.

I hate to think where we would be if the Congress, 20 or 30 years ago, had attempted to micromanage health care the way this Democratic legislation attempts to do now.

I wonder if we would, today, have the non-invasive surgery, the miracle drugs, the sophisticated diagnostics that we all take for granted.

If the Government moved in and said we are going to start dictating this and say what you can do, what you can't do, and when you can do it, we would have a loss of that entrepreneurial, dramatic innovation and spirit that we have had in health care in America today.

The Congress should not imperil the continuing transformation of American medicine. Will it be different in 10 years? You bet it will. So will life in America. It is happening so fast that it is breathtaking.

It is not our job to control or dictate that transformation.

Our job is to find ways for more Americans to have broader access to those innovations in health care.

That is precisely the point of our Republican Patients' Bill of Rights Plus. We want to give more clout to health care consumers while, equally important, making it easier for families to get insurance. They will have a choice. They decide for themselves how they are going to get this care.

All the consumer rights in the world don't matter an aspirin if you aren't able to become a consumer. That's why our Republican bill creates new opportunities for uninsured Americans to buy into the health care system.

For starters, our bill makes all Americans eligible for medical savings accounts, not just the 50,000 currently allowed in a pilot program.

Give people that option to get into a medical savings account and to make the choice as to how they will use it. And give them the reward. If they don't have to spend it, they get to keep it. What a great American idea.

We offer full deductibility for health care costs. That alone will make insurance more affordable for 16 million Americans.

That is the way to go. We should make it deductible—not just for the self-employed, although we ought to do that, but for all of them. That would solve the problem of a lot of these small business men and women who can't afford to provide the coverage for their employees. Let them deduct the cost when they choose what they want.

We provide full deductibility for self-employed persons, so these 3.3 million hard-working people, and their families will have the same tax break that big business has. At least 132,000 households will be able to afford health coverage with this provision for the first time.

At every point, our approach is to expand access to health care. That is our greatest contrast with the other package that has been offered by Senator KENNEDY and Senator DASCHLE.

It is worth repeating.

If we went with their proposal, it would result in the loss of insurance for an estimated 2 million people.

That is far too heavy a price to pay for some of the things we have argued about this week.

This bill, the substitute amendment I am offering, is the main event of the debate of health care this week.

For the 48 million Americans whose health care plans are not protected by existing State regulations—that is a critical point—it will provide these things.

I want to emphasize that. The bill we are about to vote on will provide these things:

Guaranteed access to emergency room care;

Direct access to OB/GYN without prior authorization;

Direct access to pediatrician without prior authorization;

Better continuity of care if your doctor leaves a health plan;

Guaranteed access to specialists;

Improved access to medications;

Protection of decisionmaking by doctors and patients;

And, very importantly, our bill provides a way to get a review.

Dr. FRIST talked a lot about that. If the doctor makes a recommendation, and he and the patient disagrees with what the managed care organization says, they will have a chance to have a review internally, and then one externally with expedited procedures. And, at that point, there is still the opportunity for lawsuits. If they don't comply with the result, there will be penalties for noncompliance.

Again, instead of getting a lawsuit—which may be nice when it is finally concluded for your heirs—you will get action. You will get a decision through an appeals process.

That is the way to go.

I am not critical of lawsuits because I have a problem with lawyers. I am one. I was on both sides of this issue for plaintiffs and defendants when I practiced law. I was a public defender in my home county. I understand there is a necessity and a time for lawsuits. But I don't think it should be the first resort. It should be the last resort. See if you can work it out. See if you can design an appeals process that will get you to a conclusion and that will get results, rather than a lawsuit that may be great for the deceased person's beneficiaries.

We believe patients should have a timely and cost-free appeals procedure to contest any denial of coverage. We believe patients should not suffer discrimination based on genetic testing. Our bill forbids it.

We believe government should facilitate breakthroughs in medicine and help providers gain access to them. Our bill does that, too.

What we do not do is put American health care in the hands and in the pockets of the trial lawyers.

Senator JEFFORDS has said it best: "You can't sue your way to better health care."

In that regard, the Democratic bill that has been before us this week reminds me of the old days of medicine. Well, we will bleed the patients. And, believe me, I think that is what would happen if we went with what they have proposed. It would be bled with Federal-level bureaucrats. They would be bled in the courts.

That is not the answer. I think that is a bad idea. There is a better way—a way that protects the rights of patients without imperiling the Nation's health care system; a way that opens the door to medical care; that gets more people covered by the insurance of their choice; a way that educates consumers so that they, rather than the government bureaucrats, can make their own informed choices.

That is the sum and substance of our Patients' Bill of Rights Plus. It is "plus," because it is a bill of rights, but also it provides some tax opportunities through the medical savings accounts and the deductibility.

I thank many Senators who have worked on this issue on both sides of the aisle.

I think we all know a little more about this subject than we did, and maybe more than we ever wanted to know.

I have every expectation that it will win the Senate's approval and find favor in the House of Representatives.

I am optimistic, as I always am, that we can get a result. If we make up our minds to do that, we will.

This bill addresses the real problems many Americans face with the delivery of health care. It expands access to health insurance and makes it more affordable. It bans genetic discrimination in health care, expands research, and educates the consumers.

In short, it is the right thing to do, and this is the right time to do it.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I yield 8 minutes to the distinguished Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am a little bit confused over just what we accomplished in the past week.

As I understand it—I think it is pretty accurate—the Republican bill will pass. However, the President has indicated that he is going to veto this bill. And there is no question that the veto will be sustained. Then where are we? What have we accomplished in a week?

It seems to me that we have let the American people down in a situation such as has been outlined. People can say the President shouldn't veto. He is indicating he is going to do that. That is his privilege, obviously. We have been through that before.

So, therefore, it seems to me that we have to ask ourselves: Could we have done a better job? It seems to me that we could have.

I greatly regret we are not able to present the legislation which a bipartisan group of us had the privilege of working on. We believe that legislation would have accomplished something that we were not able to accomplish, as I previously outlined.

I believe we ought to cover all Americans; that is, all privately insured Americans—164 million. The legislation we will pass will not do that.

I believe we ought to have an effective and timely external review process to resolve coverage disputes. I am not sure the legislation we have before us—and that we will shortly pass and having examined it—accomplishes that.

I think we ought to be able to give patients the right to sue in Federal court for economic damages—only in the Federal court, and not in the State courts. I certainly have supported legislation to prevent the suits in the State courts.

We have dropped from our bill the controversial provisions codifying the Federal law—the professional standard of medical necessity. Instead, we added language to our external review provisions to ensure that external reviewers have a meaningful standard of review.

It is with some regret that I announce that I recognize we are not going to have a chance to present our legislation, and I think it would have been good. I think we would have avoided the problems we currently have before us and that our Nation and our citizens would be better off.

I thank the Chair.

Mrs. MURRAY. Mr. President, as we prepare for final passage of the Republican HMO legislation, I come to the Senate floor to express my disappointment and my frustration with this end product. This bill is a failure and ultimately we will all suffer the consequences of the majority's reluctance to protect patients.

I had high hopes at the beginning of the week that we could come together on some of the key areas of agreement and produce a good bipartisan bill to protect patients. I had hoped for a bill to put the health care decisions back into the hands of patients and consumers.

Our health care system is in a state of flux. It has moved from a system that served people only when they got sick and encouraged overutilization. Now we have a system where economic barriers are erected to prevent patients from accessing care. We have gone from a system of waste and over-utilization to a system where patients cannot get the care for which they paid. Decisionmaking—life and death decisionmaking—is now too often solely in the hands of insurance executives focused on profits and quarterly reports. Who is looking out for the patients?

We need to restore a balance with a system where insurance protects you when you become ill, but also helps prevent you from becoming sick in the first place. We need a system where the ultimate decision rests in the hands of patients based on the medical advice of their physicians. We need a system where people are fighting illness, not fighting the insurance company. We need a system where doctors are not spending 45 minutes on the phone with an insurance company so a sick child can be admitted to a hospital. We need a system where parents are free to stop at the first, closest emergency room and not drive to the one their insurer commands if their child has been hit by a car.

I know such a system does and can exit. One of my greatest concerns is what the failure of Patients' Bill of Rights means to managed, coordinated care. Let me tell my colleagues, I support managed care. I support a coordinated care approach that is focused on prevention and early detection of disease.

HMOs and managed care were born in my state of Washington. The original HMO law, signed by a Republican President in the early 1970's was enacted because of the new, revolutionary form of health insurance still in its infancy in Washington state. I want to be clear, health maintenance organizations are not the enemy. One of my colleagues yesterday made a statement that the Democrats saw HMOs as the bad guys. He tried to make a point that somehow supporting the Health Security Act in 1994 and the Patients' Bill of Rights was contradictory. He was wrong. Our intent is to ensure patients the right to receive the care they have paid for, not to eliminate coordinated care.

The experience in Washington state has taught me that we can have a system that reduces overutilization and unnecessary care while actually improving health care benefits. I know that good managed care structure has increased our immunization rates. I know that it has contributed to the fact that almost 70 percent of women in Washington state over the age of 55 receive mammagrams. I know that a good managed care structure has increased our average life expectancy and reduced our infant mortality. It has reduced the number of people who smoke and decreased the incidence of heart disease. We have a healthier population in Washington state, in part because we have the benefits of a coordinated care delivery system that focuses on prevention and reduces wasteful, unnecessary health care services.

Unfortunately, things are changing in Washington. Due to mergers and acquisitions we now have health care plans being run by companies in California and other states. We now have for-profit insurance companies using HMOs and more importantly, we have premiums from HMO participants going to enhance short term profits. Our once envied system has deteriorated. I am hearing more and more from patients and physicians about the obstacles they must over-come to access health care. They must push hard to get wise health care decisions, not just big economic benefits.

I honestly believe that if we fail to restore some kind of balance, managed care will become a thing of the past. People will demand changes and will dismantle managed care. We will then be back to a system where only the very wealthy have regular and consistent access to quality health care and where you only see your doctor when you are ill, not to prevent illness.

I had hoped that a uniformed standard set of protections for patients would restore some trust to managed care. That is the only way we can ensure that the "outrage of the day" does not become the guiding force in state legislatures. If my colleagues think that by killing our balanced and fair Patients' Bill of Rights it will end this debate, think again. You can be sure that in the next session of the legislature in each state there will be new patient protection bills ranging from access to expanded, mandated benefits. Patients will demand this.

Ultimately, these single "outrage of the day" bills will be the nail in the coffin for managed, coordinated care. We will see the end of a health care delivery system that encourages prevention and keeps people healthier, longer. We will see a return to a system where access is only provided to the ill.

Not only does this jeopardize health insurance, it jeopardizes biomedical research and development. Why invest in research that prevents illness or prevents hospital stays or detects cancer sooner, when no one will have access to it? Why double NIH research dollars, to prevent illness and to find cures for deadly diseases like cancer and MS, if patients are not encouraged to seek care to prevent illness or to seek regular, prevention and early detection care? Doesn't it seem to be a contradiction to encourage biomedical research when we do not have a health care delivery system that invests in wellness?

Our Patients' Bill of Rights will not result in pushing people off of insurance. Our bill is a reasonable, cost effective proposal that does enhance managed care, not diminish it. It rewards those insurance companies that do offer a good package and a good product. They will no longer have to compete with companies that do not look at their beneficiaries as people, but rather premiums. There are good insurance companies out there. I know this to be true as there are several in Washington state. While I have heard of some problems in the state, I believe it is a combination of consumer misinformation and distrust. But, unfortunately these good companies have to compete in a very price sensitive market with companies that have policies in place to limit and deny access to quality care.

I am also disappointed that most of my Republican colleagues refused to engage in an open and honest debate. They offered amendments sold as access to emergency room coverage or improvements in women's health or access to clinical trials, when in fact their underlying bill is nothing more than a simple statement only saying we support patients, but not supporting and enforcing access to care. My Republican colleagues say they want these things, and as participants in the Federal Employees Health Benefit Plan we have these benefits and protections, but they do not provide them to all insured Americans because the insurance lobby has told them to say no.

This is a short sighted strategy as parents with sick children, cancer survivors, patients with MS or Parkinsons, and women denied access to ob/gyn care will ultimately be heard. Wait until they discover that for $2 more a month they cold have gone to the ER or they could have participated in a new life saving clinical trial at the Fred Hutchinson Cancer Research Center. They could have gone to see their ob/gyn when they first found the lump on their breast or their child could have seen a pediatric oncologist following a diagnosis of cancer. What do my colleagues think will happen when families realize that for the price of a Happy Meal each month they could have saved their child? There will be outrage and it will be heard all the way to Washington, DC.

I hope that this issue is not dead. I hope somehow this is not the end of the debate and that like so many other issues we will be able to put aside partisan differences and work towards real patient protections.

Mr. LEAHY. Mr. President, we are coming to the close of a vital debate, and I do not use that word casually. The issues we are voting on in some cases have life and death consequences for the people we were elected to represent.

The individual rights spelled out in our Patients' Bill of Rights are clear, and they are specific. They are strong, and they would work. They have been painstakingly drafted and redrafted and then further refined for more than a year.

They have the support of hundreds of medical and consumer organizations whose millions of members work directly in this field. They would achieve for patients the very rights that our constituents have repeatedly signaled that they want and need and deserve in this age of managed health care.

We have offered the Patients' Bill of Rights, point by point, reform by reform. In response, senators on the Republican side of the aisle have cobbled together weak or illusory copies of these reforms, offered them in place of the real thing, and hoped that nobody outside this Chamber would notice the differences.

We have seen this happen with access to emergency case, with a woman's access to an OB/GYN and with a patient's access to specialists.

This flurry of amendments, mixing genuine rights for patients and the phantom versions from the other side, has obscurred some of these issues in a cloud of political dust. Tonight, with the final votes of this debate, that cloud will be lifted. Senators will decide whether they will stand with patients and their doctors, or with the insurance companies.

Senators will decide whether 161 million Americans can enjoy the protections of the Patients' Bill of Rights, or whether 113 million Americans will be left in the waiting room.

There are many key differences between the Patients' Bill of Rights and the fall-back plan that Republican leaders have come up with. But the most important differences are that our bill would cover everyone, our bill lets doctors make the medical decisions, and our plan holds plans accountable to take away incentives to minimize critical health care decisions that can hurt or kill people.

Just this morning, we have heard the Republicans attempt to justify why it is okay to protect HMO's from accountability for their decisions that lead to injury or death. Polls show that the public overwhelmingly supports the key elements of our Patients' Bill of Rights. Americans—the people that Democrats and Republicans alike say we are trying to protect—want the protections the Democratic plan offers.

I have heard from many Vermonters on their experiences with managed care. Each of these moving stories makes you ask: What if it was me, or someone I knew?

When I was home in Vermont last week, I picked up the Burlington Free Press and, beside a guest column he had written, was met with the friendly face of an old friend, Dr. Charles Houston. He and I go way back to my days as a prosecutor in Burlington when he was a prominent physician doing remarkable things in the Vermont medical community. He has been a beacon of good advice to me throughout my time in the Senate. He is an indispensable Vermonter.

Dr. Houston's commentary depicted the devastating and tragic experience he and his wife had with their managed care company that ultimately led to his wife's death.

My wife is a registered nurse, so I get a dose of the practical reality of these problems across the breakfast table, as well as from the accounts I get from Vermonters. It is these personal accounts, like this one from Charlie, that bring home the need for a Patients' Bill of Rights.

Mr. President, I will ask unanimous consent that Dr. Charles Houston's article be entered into the RECORD.

Mr. President, the question today is this: Will the Senate pass a bill that protects everyone—161 million Americans who get their health care through a managed care program—or just a fraction of those families, the 48 million who are in employer self-funded plans? Will we continue to hear and read stories from the people in our states who have no protections? Will we continue to hear accounts like the tragic one of Charlie Houston's wife? I hope not.

The President has indicated that he would veto a so-called Patients' Bill of Rights if all we send him is one containing the weak Republican provisions.

Maybe then we can rescue those millions of Americans the Senate today has stranded in the waiting room without a real patients' Bill of Rights.

Mr. President, I ask unanimous consent to have printed in the RECORD the article to which I referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, July 2, 1999]

MANAGED CARE NEEDS IMMEDIATE OVERHAUL

(By Dr. Charles S. Houston)

Can anything worthwhile be added to the billions of words written and spoken about health care? Why is our medical care today both better and worse than in the past? What happened?

Here's one story.

An 84-year-old nurse led an active life despite mild chronic lung disease, but after a long plane trip developed pneumonia. Finally admitted to the hospital, she was treated aggressively by an ever-changing group of specialists and nurses and went home after two weeks—but with diarrhea either from antibiotics or a hospital infection.

She was weak and undernourished but her doctors could not visit her at home, insisting she return to the hospital. When she refused, they tried to direct her care by phone. She drafted downhill and died two weeks later, a victim of efforts to reshape medicine by managed care in recent years.

First, traditional care was scrapped and most doctors forced to join systems and to abandon fee-for-service medicine. We are told this was done because: 1. care was getting too expensive; 2. too many people could not get care; and 3. technology had become so complex.

Managed care, we were told, would decrease the cost, eliminate waste, open the system to the needy, and provide highly technical care through specialists. In the capitalist mode, competition would cure all.

The goal became to provide the best possible care to everyone. Who could quarrel with this? Yet a moment's thought shows this was and will always be impossible: There aren't enough providers and other resources. But you don't need a Cadillac to go shopping; any car will do. Instead our goal should be to make appropriate care easily available to all who need and seek it. The treatment should match the problem, the cost must be affordable.

So what has managed care done? 1. The costs of care have skyrocketed even faster; and 2. specialization has led to fragmentation and medical care by committee. What little fraud had existed was replaced by the waste-filled octopus to non-medical insurance administrators who can—and do—overrule caregivers in major medical decisions. Doctors must climb walls of paperwork, distancing them from patients. It has become harder to reach or talk to your physician. Administrators and stockholders in the managed care organizations fatten on profits. Now many HMOs are failing or increasing rates prohibitively.

Two other dominating forces must be mentioned. Medical knowledge has expanded far more rapidly than has understanding of how to use it appropriately. More and more specialists with exotic devices do miracles, So, in part to protect the patient, in part for self-protection, physicians often feel compelled to consult experts, and some are reluctant to take leadership in care of an individual. Fragmentation became a worse danger than concentration of responsibility.

There's no virtue in crying wolf, and screaming catastrophe without offering a way of escape. Having been a practitioner for many years, alone and in groups, and a teacher in our medical school, I have watched and studied the destruction of traditional care with dismay. I'm confident that many patients and doctors feel as I do. Something must be done, and soon. Managed care as we know it must go. Though oversimplified, the following would be a strong start:

End or modify commercialization of health care. By regulation make hospitals, medical groups and insurers non-profit and monitor compliance.

Continue the lead role of a primary care provider as first call and facilitate appropriate consultation and resources.

Require insurers to open enrollment for all, allowing them a fair return on investment.

Since each state has different needs, develop statewide insurance plans to provide appropriate health care to all its citizens. Several years ago the Governor's Health Commission prepared such a plan but it failed. Why? Lobbyists? Economic fears? This plan deserves careful look.

Finally, a sad personal note. The patient described above was my wife of 58 years. She was truly a victim of the new medicine.

Mr. LEVIN. Mr. President, I strongly support the Patients' Bill of Rights which Democrats have offered and fought for during these four days of consideration and which the Republican majority has weakened at every turn. I cannot support the inadequate substitute which Republicans have now put before us. The Republican bill is full of loopholes in the fundamental protections for patients which we seek to provide. In fact, the substitute Republican bill provides almost no protections for nearly two-thirds of Americans with health insurance.

The Democratic bill would guarantee access to needed specialists. The Republican bill fails to guarantee patients access to needed specialists outside the HMO at no extra charge. The

Democratic bill would assure access to the closest emergency room. The Republican does not guarantee access without financial penalty and prior authorization. The Democratic bill gives women the right to choose their OB/GYN as their primary doctor, as many women wish to do and protects women from "drive-through mastectomies". The Republican version is not adequate. And unlike the Democratic bill, the Republicans fail to hold HMOs accountable when their decisions and practices lead to the death or injury of patients. And, the Republicans would continue to allow insurance company officials to override the medical decisions of a patient's own doctors.

Mr. President, in short, the Republican substitute for the Democratic bill is a mere shadow which does not deserve the title, "Patients' Bill of Rights".

The core of the Democratic effort has been to ensure that insurance administrators not overrule a health care professional's medical decisions, that HMOs can be held accountable for their actions which is a responsibility every other industry has to its consumers, and to ensure that all insured are protected. The Republicans have developed a bill that leaves more than 113 million Americans with insurance unprotected because most of the provisions in their bill for the most part are narrowly applied to only one type of insurance, self-funded employer plans, which cover only 48 million of the 161 million people with private insurance.

Our bill ensures that the special needs of children are met, including access to pediatric specialists. It provides important protections specific to women in managed care such as direct access to ob/gyn care and services and the ability to designate an ob/gyn as a primary care provider, and provides specific protections regarding hospital length-of-stay for mastectomy, by allowing the physician and patient to make decisions the length of stay in a hospital following a mastectomy or lumpectomy. The Republican bill does not prevent "drive-through mastectomies." Additionally, our bill speaks to the issue of specialty care. Patients with special health conditions must have access to providers who have the expertise to treat their problems. Our amendment allows for referrals for enrollees to go out of the plan's network for specialty care, at no extra cost to the enrollee, if there is no appropriate provider available in the network. There are about 30 million Americans who have had trouble seeing specialists with their HMO plans. This includes women and children with special needs who either had critical care delayed or, worse, had that care denied. On the issue of emergency services, the Democratic amendment says that individuals must have access to emergency care, without prior authorization, in any situation that a "prudent lay person" would regard as an emergency.

Survey after survey reveals that the American people support these proposed protections. And, there are over 200 patient groups and health care provider organizations, workers' unions, and employee groups, that stand behind the need for these patient protections. That list includes the American Medical Association, American Heart Association, American Nurses Association, American Public Health Associations, Center for Women Policy Studies and the Child Welfare League of America. We have a stark choice before us, a strong Patients' Bill of Rights that protects patients or a weak bill aimed at protecting insurance companies.

Earlier this week, Mr. Steve Geeter, husband and father of two young children of Grass Lake, Michigan, stopped by to visit with my office. Mr. Geeter has terminal brain cancer and will be participating in an experimental clinical trial at the National Institutes of Health over the next several months. Mr. Geeter and his wife spent a considerable amount of time with my staff discussing his options and limitations under his HMO plan and the need for reforms, including access to clinical trials. I very much appreciate Mr. Geeter taking the time to share his HMO experiences with my office. They substantiate the need for the legislation before us. Several months ago, Mr. Geeter's HMO plan required that he be released from the hospital after 24 hours of intensive care following brain surgery. The plan's justification was that Mr. Geeter had passed the neurological exams and transfer to a room would cost too much. Mr. Geeter subsequently developed complications and had to be returned to the hospital emergency room. This may have been averted with just an additional 1-day hospital stay-over. The Democratic amendment would have protected patients, such as Mr. Geeter, from an insurance company official requiring that they be discharged from the hospital prematurely. Plans would no longer be able to deny promised benefits based on an interpretation of medical necessity defined by insurance companies rather than the patient's health care provider. The Democratic amendment used a professional standard of medical necessity—based on case law and standards historically used by insurance companies.

Mr. Geeter also expressed strong support for the Democratic amendment on access to clinical trials of experimental treatments, which offer patients access to cutting-edge technology and are the primary means of testing new therapies for deadly diseases. Historically, insurance plans have paid the patient care costs for clinical trials, not the costs of the experimental therapy itself. However, research institutions, particularly cancer centers, increasingly are finding that trials, which once were paid for by health insurance, must be curtailed because of lack of payment by managed care plans. Clinical trials may be the only treatment option available for patients who, like Mr. Geeter, have failed to respond to conventional therapies. Under the amendment, trials are limited to those approved and funded the National institutes of Health ¦NIH¦; a cooperative group or center of the NIH; or, certain trials through the Department of Defense or the Veterans Administration. The Republican bill provides no hope for patients with no options other than a promising experimental treatment down the road. A study is not enough for a patient with a life-threatening disease when there are no other treatment options and there is nowhere else to turn.

In addition to having the benefit of the input of Mr. Geeter, I've communicated with others in my state. Over the past several months, I have traveled around Michigan and met with constituents various communities to get their thoughts on our efforts here in the Senate. I have had discussions with physicians, hospital administrators, nurses, seniors, city and county government representatives and health care advocates.

Ms. Myrna Holland, a resident of Ferndale, Michigan and Director of Nursing Education at Providence Hospital expressed concern that patient choice is limited when HMOs engage in restrictive practices such as "doctor-only" policies. These professionals include, but are not limited to, certified nurse anesthetists, nurse practitioners physical therapists, optometrists, podiatrists and chiropractors. This is particularly important for patients living in rural areas. Many rural communities have a difficult time recruiting physicians, and often non-physician providers are the only source of health care in the local area. If a managed care plan covers a particular service, but there is no one in the community to provide it, rural patients are too often forced to drive long distances, incurring expense, to get the care they need. The Democratic amendment would have prohibited HMOs from arbitrarily refusing to allow health care professionals to participate in their plans by virtue of their licensure or certification. The Republican bill would allow HMOs to continue restrictive practices, leaving consumers with an inadequate choice of health care providers or limited access to health care.

Robert Casalou, Acting Administration of Providence Hospital in Michigan, raised concerns about continuity of care. The Democratic amendment assured continuity of care. When health plans terminate providers without cause or when employers switch health plans for their employees, quality of care for patients currently undergoing treatment can be severely threatened. For example, a patient who is undergoing a course of chemotherapy should not have to change physicians abruptly in the middle of treatment, and a woman who is pregnant should not have to change doctors before she gives birth. The Democratic amendment allowed for a transition to lessen those problems. When a doctor no longer is included as a provider under a plan, or an employee changes plans, our amendment provided for at least 90 days of transitional care for any patients undergoing an active course of treatment with that doctor. The amendment also provided special protections for pregnancy, terminal illness, and institutionalization.

Additionally, Mr. Casalou, and others, expressed support for holding HMOs accountable for their actions. Today, 123 million Americans who receive insurance coverage through a private employer cannot seek redress for injuries caused by their insurer. All they can claim is the cost of the benefit denied or delayed. Even if an HMO has been directly involved in dictating, denying or delaying care for a patient, it can use a loophole in the Employee Retirement Income Security Act (ERISA) to avoid any responsibility for the consequences of its actions. ERISA was designed to protect employees from losing pension benefits due to fraud, mismanagement and employer bankruptcies during the 1960s, but the law has had the effect of allowing an HMO to deny or delay care with no effective remedy for patients. The Democratic amendment would have closed this loophole, ensuring that HMOs can be held accountable for their actions. It did not establish a right to sue. It simply says Federal law will no longer block what the States deem to be appropriate remedies for patients and families who are harmed. The only time an employer can be held responsible is when the employer is involved directly in a specific case and makes a decision that leads to injury or death.

Donald Anderson, who I spoke with in Detroit, is a quadriplegic who is in a wheelchair who changed jobs and also changed health care providers. Donald's new provider would not cover a rolling commode wheelchair for him after the wheel broke on the wheelchair he owned, even though his doctor classified the chair as a medical necessity. Our amendment would have allowed the physician, not the insurance company, to decide what prescriptions and equipment are medically necessary. The amendment provided that a plan may not arbitrarily interfere with or alter the decision of the treating physician regarding the manner or particular services if the services are medically necessary. Under the Democratic amendment, Donald would have received a rolling commode.

In Grand Rapids, I spoke with another constituent of mine, Dr. Willard Stawski, a general surgeon. Dr. Stawski told me about a patient of his who did not seek care for her hernia because she was told by her HMO that it was an unnecessary operation. Dr. Stawski told me that after his patient elected not to have the operation, she became very ill. Gangrene set in and she died several months later. Under the Democratic amendment, this tragedy might have been averted. What a doctor deems to be medically necessary, is the medical treatment that the patient receives. Thus, Dr. Stawski's patient would have had the surgery because Dr. Stawski said that the surgery was medically necessary.

All we were asking for with this amendment is that patients be able to receive the care that a doctor or other medical professionals deems to be medically necessary. Doctors are frustrated, patients are frustrated. The Republican majority defeated our efforts to adopt these good amendments.

Mr. President, while I cannot support the Republican susbstiutute bill, I hope we will have a later opportunity to pass a strong bill of rights. The public wants a strong one and they are right.

Mr. BRYAN. Mr. President, for those Americans who have been harmed by the decisions of managed care plans, this public debate is long overdue. For those who yet face a decision about their health care made by their managed care plan, the end to the wait cannot come soon enough.

The Democrats' Patients' Bill of Rights will ensure those who depend on managed care plans for their health care will not be receiving a lesser standard of care than those who do not.

Last week while I was in Nevada, people voiced concerns about who really makes their medical care decisions if they are in a managed care plan. They wanted to know what would happen, under the Democrats' Patients' Bill of Rights, when a patient is told by his or her physician they need a specific treatment, and the physician informs the patient that the plan must first approve or disapprove his decision.

Would their physician be able to decide what treatments would be appropriate for their medical condition? Or, would they be at the mercy of a managed care plan bureaucrat far removed from the situation who would decide "yea or nay" on treatment determined necessary by their physician?

We can all empathize with the stress involved in this situation—your doctor has determined what your medical condition requires for appropriate care, but you must wait to see if what you need is approved by the plan. If the answer is "no", then you must either forego the care, or pay for it out-of-pocket —not a very good choice.

And what if you found yourself in the situation of a Nevada man, covered by an HMO plan, who came into an emergency room suffering from an upper gastrointestinal bleed. The emergency room physician called for a gastroenterologist to perform an emergency procedure to halt the bleeding. But the gastroenterologist would not treat this man without a prior authorization from the HMO plan. If he did the procedure without the authorization, he would not be paid. The doctor tried to contact the HMO for an hour to get the necessary authorization. During this time, the emergency room had to give the patient four units of blood, which would not otherwise have been required if the procedure had been done in a timely manner. Finally when it appeared the patient might not survive, the doctor contacted the HMO plan and said if he did not get authorization for the procedure, he would go to the media about this patient. The HMO then authorized the procedure.

The Democrats' "medical necessity" amendment would prohibit all managed care plans from arbitrarily interfering with a doctor's decision that the needed health care be provided in a particular setting, or is medically necessary and appropriate.

The amendment's definition uses a professional standard of "medical necessity". This is reasonable for both the patient and his or her treating physician, and the particular managed care plan. If a decision on whether or not to cover a particular treatment is made pursuant to a professional standard, it will be based on standards and case law interpretations historically used by insurance companies.

If a managed care plan can use its own definition of "medical necessity", any external review of a plan's treatment decisions would be resolved using that definition. This very likely would not work to the benefit of the patient.

The Democrats' approach would also maintain the important relationship between a doctor and the patient. It is a relationship that of necessity must be based on complete communication and trust between the two.

The Democrats' proposal will also ensure patients have a right to an external appeal from the decisions made by their managed care plans. One of the key provisions of this amendment is its requirement the appeal process be timely—for both internal and external appeals. It also requires "expedited" reviews when a patient is facing a medical emergency.

The Republican bill provides patients no guarantee of an expedited review for medical emergencies. Additionally, a managed care plan could simply delay sending the information needed for an appeal of one of its decisions. There is no deadline requirement for a plan to respond to a decision made by a reviewer. Without a timeliness requirement, patients are at the mercy of when, if ever, a plan wants to deal with an appealed case.

The Republican bill would drastically limit the application of its proposed patient protections to only one type of health care insurance—the self-funded employer plans. Those types of managed care plans provide the medical insurance for many Nevadans who work in the gaming industry. Those employees should have protections. But, why should 113 million people with private insurance be left unprotected? That is what the Republican bill would do, and it is wrong. For those small businesses which provide health insurance for their employees, almost all must depend upon the private insurance market for their coverage. Why should small businesses' employees have less protection than those workers in larger businesses which can afford to self-insure? Why should Americans who have to purchase their health insurance themselves, because they do not have an employer's assistance, be left unprotected?

The Republican bill will only cover 48 million Americans. The Democrats' bill will cover 161 million Americans—both those covered by self-insured employers, and those covered by private insurance. Why should 113 million Americans be without protection? Should we protect only 48 million, or protect 161 million? It is an easy decision.

Women should be able to designate their OB/GYN as their primary physician, and to have direct access to OB/GYN services without first having to obtain a specialist referral. Women also should make a decision with their physicians about the length of their hospital stay when they have a mastectomy. I have long supported these efforts to level the field of health care services for women. The Democrats' Patients' Bill of Rights will ensure those protections.

For individuals who are chronically ill, or have medical problems requiring access to speciality care, the Patients' Bill of Rights will require plans to provide access to specialists. If plans do not have an appropriate specialist within their plans, then the patient will be allowed to go outside the plan network, at no additional cost. The Democrats' Patients' Bill of Rights will ensure this access.

Every American should be assured the quality of their health care and their access to health care options is not diminished, because they rely upon an HMO for their health care coverage.

All of the 161 million Americans throughout this country who receive their health care through managed care plans deserve the protections included in the Democrats' Patients' Bill of Rights.

The opportunity is before us to ensure those protections. But that opportunity is going to be lost today. And that is a tragedy for everyone who depends on managed health care.

Mr. LIEBERMAN. Mr. President, I have been proud to join with Senators CHAFEE, GRAHAM, and other colleagues to express our shared dissatisfaction with the Senate's progress in reaching agreement on a strong patients' bill of rights, and to prepare a balanced, thoughtfully-crafted alternative that we believe would protect the rights of health consumers and could attract the support of a bipartisan majority of the Senate.

Listening to the deeply partisan discussions we have heard on the floor this week, I am reminded of the movie "As Good As It Gets," which has become a cultural touchstone of sorts for venting the popular hostility toward HMOs.

It is not any particular scene I am thinking of, but the title itself. I am moved to wonder if this debate, which seems to be operating on political autopilot and showing no signs of producing anything other than a Presidential veto, is as good as we get in the U.S. Senate, and as good it gets for the American people, who don't know a second degree amendment from a first degree amendment, but who do know that our managed care system badly needs a transfusion of basic fairness and accountability.

We are here today to say that we can and should do better for America's families, that despite the apparent legislative logjam it is still possible to pass a constructive reform proposal, and that we are eager to offer a plan that Senators CHAFEE, GRAHAM, and many of us have been fine-tuning over the last few days which fits that bill.

While Sherlock Holmes had the 7% solution, we are offering a 70% solution.

Our bipartisan alternative includes roughly 70 percent of the patient protections that most Members already agree on, and strikes some balanced compromises on the remaining issues that continue to divide us.

The liability provisions in our bill are an example of our success in finding a sensible middle ground.

This case, the managed care case, reminds me why we have tort law; why we have negligence law; why we have a system of civil justice. There has been this odd result that ERISA has given total immunity to managed care plans who are today making life and death decisions about our lives.

The question is, how do we respond to that, how do we reform it? I think, with all respect that the Democratic bill goes too far.

It opens up the system to the unlimited right to sue and creates the same prospect for the lotteries that have been going on elsewhere in the tort system. I am concerned that those ills will be repeated here—some will get rich and others, many others, will not be adequately compensated for the injuries they suffer as the result of the managed care plan decisions.

And some small businesses and individual people will be priced out of health insurance by the costs that will be added as a result of runaway judgements.

I think the Republican plan, on the other hand, is not real reform because it essentially allows a patient, who is harmed by a negligent decision of a managed care plan, to be denied any significant compensation for their injury.

Under the Republican plan, patients have to traverse an elaborate series of procedural hurdles to be eligible for compensatory damages. First, the patient has to fight their way through the appeals process. Then the independent appeals body must grant a decision in favor of the patient. Finally, if the plan doesn't accept and deliver that treatment, then, under the Republican bill, the only right the aggrieved health care consumer has, is to go to court for the value of that lost treatment, plus $100 a day.

The amendment on liability which Senator GREGG offered went far beyond striking the liability provisions from the Democratic bill and would deny efforts to adequately compensate patients injured because of managed care plan decisions.

That's just not enough.

I think we've struck a reasonable compromise in our bipartisan bill. You're entitled to sue for economic loss which includes not only the cost of your health care, but lost wages, replacement services, and the value of lost wages and replacement services for the rest of your life based on the injury you've suffered.

And it allows for pain and suffering up to $250,000 or three times economic loss whichever is greater. It has pain and suffering but with a limit on it.

Another good example of our success in finding a sensible middle ground comes in the form of our plan's consumer information section, on which I have worked. Both the Democratic and Republican bills provide beneficiaries with information about coverage, cost sharing, out-of-network care, formularies, grievance and appeals procedures. One area of sharp difference is health plan performance. The Republican bill does not include any requirement that the performance of the plan, its doctors, and hospitals in preventing illness and saving lives be reported.

Our bipartisan alternative requires provider performance report cards because we believe this is critical information for consumers to have in deciding which managed care plan to choose. We also reached back to an earlier bipartisan bill I sponsored with Senator JEFFORDS to include waivers and other language to ease the difficulty of administration for HMOs, PPOs, and providers.

The bottom line here is that patients rights don't have to lead to political fights. There is a path to dependable consumer protections that does not require detours to bash HMOs or our colleagues. We have pled with our leadership to give us the opportunity to offer our alternative as an amendment today and prove our case.

If not, I am prepared, and I believe our coalition is as well, to offer this proposal as an amendment to another legislative vehicle in the Senate this session. The American people deserve more from this critically important debate than high-glossed veto bait. We must show them that we take their concerns and our responsibilities seriously, and pass a law that will in fact improve the quality of health care for millions of American families.

Mr. SARBANES. Mr. President, this week the Senate is finally addressing an issue that is vitally important to the American people—managed health care reform.

The number of Americans who receive health care through managed care organizations continues to increase at a rapid rate. Today, approximately 75 percent of those with employer-provided health insurance are covered by managed care plans.

Although managed care was put forth as promoting both greater efficiency and higher quality health care, all too often the lure of greater profits has resulted in curtailing care to patients dependent on managed plans for their medical needs. The American people are rightly demanding more patient protections, and it is clearly time for Congress to act to guarantee all Americans certain fundamental rights regarding their health care coverage.

The Democrats in both the House and Senate have worked hard to convince the Republican Majority of the need to establish safeguards for patients in managed care. For a long time the Majority chose to ignore the patients' plight and refused to acknowledge the need for any patient protections at all. Last Congress we proposed a comprehensive set of reforms designed to ensure that patients receive the care they have been promised and have paid for. I am proud to be an original cosponsor of this Democratic bill again this Congress.

After seeing how the public responded to this Democratic initiative, the Republican Majority did draft a managed care reform bill. But, unfortunately their bill calls for only the most minimal reforms; in many respects it is a sham. In addition, until this week, they persisted in blocking the issue from being brought up on the floor.

However, the Democrats joined together in insisting that the needs of managed care patients be given careful consideration. After much hard work by the Minority leader and others, an agreement was reached under which patients' rights legislation could be brought up on the Senate floor this week.

The debate which has taken place highlights the difference between the Democratic and the Republican approaches to this issue. The Democrats seek to provide comprehensive coverage and protections; the Republicans are minimalist in both respects. Let us look at some of the differences: the Democrats' bill would protect all 161 million Americans with private insurance; the Republican proposal ignores the over 113 million people who work for other than the large self-insured employers, or State or local governments, or who buy their own insurance.

Our bill would guarantee basic patient protections to all consumers of private health insurance. The Republican proposal would cover only the employees of businesses that assume the risk of self-insuring their employees. Thus, the Republican bill leaves out more than 70 percent of the consumers of private health insurance.

The Democrats' bill provides patients with access to specialists, whereas the Republican bill is woefully inadequate in this regard. For those who are seriously or chronically ill, receiving treatment from a qualified medical specialist can mean the difference between life and death. Our Patients' Bill of Rights would guarantee that patients with special conditions could go to providers with the expertise needed to treat their particular problems, even if the needed specialist was not a member of a plan's provider network. Under the Republican bill, patients are not guaranteed access to the specialists they need and could be charged exorbitant fees for going to an out-of-network provider—even if the plan may be at fault for not having access to appropriate specialists.

The Democratic bill would prevent HMOs from arbitrarily interfering with doctors' treatment decisions whereas the Republican bill does not address this issue at all. The Republicans claim that our provision would allow doctors to order unnecessary care, but that is not the case. Under our bill, an insurer could still challenge a doctor's recommendation, but their denial of coverage would have to be based on medical facts not on their bottom line.

The Democratic bill would restore patients' ability to trust that their health care provider's advice is driven solely by health concerns, not cost concerns. It would prohibit the coercive practices used by managed care companies to restrict which treatment options doctors may discuss with their patients. The Republican bill would allow HMOs to continue terminating health care providers for having frank and candid doctor-patient communications and would allow HMOs to continue using incentives to bias a doctor's medical decision-making.

Managed care companies regularly refuse to pay for emergency room services without prior authorization. This unreasonable requirement has caused countless tragedies as people are forced to waste critical time finding an emergency room their HMO will pay for.

One of my constituents recently experienced this shocking treatment from an HMO. While hiking in the Shenandoah Mountains, she fell off a 40-foot cliff. She sustained fractures to her arms, pelvis, and skull but was quickly airlifted to a hospital in Virginia. Her HMO refused to pay the over $10,000 in hospital bills because she failed to gain "pre-authorization" for her emergency room visit. For over a year, she challenged her HMO and faced personal bankruptcy. Ultimately, the Maryland Insurance Administration ordered the insurer to pay the hospital and fined them for refusing to pay from the outset. However, her struggles with the HMO were not yet over. Within a year, after follow-up surgery for her injuries, she found herself again in need of an emergency room. This time she called the HMO beforehand, but was told they would pay only for her screening fees because the visit was not considered a medical emergency.

The Democratic Patients' Bill of Rights would guarantee that patients could go to the nearest emergency room during a medical emergency without having to call their health plan for permission first. Patients would have the right to receive the medical care they need without the limitations currently imposed by HMOs. The Republicans, on the other hand, would not guarantee patients access to the nearest emergency room and would not ensure that patients could receive full medical care without prior authorization.

Our bill would also provide patients with meaningful recourse if they are harmed by a managed care plan's medical decision-making. Today, there is nothing to discourage HMOs from denying critically necessary care. Thus, our bill creates a fair, independent, and timely appeals process through which patients could challenge a plan's denial of care. Under the Republican bill, HMOs could delay the appeals process indefinitely and many HMO decisions could not be appealed at all. Furthermore, where the Republican bill is silent, our bill would enable those harmed by the medical-decision making of HMOs to hold those HMOs legally accountable for second-guessing the advice of a treating physician. The Republican plan would continue to shield HMOs from accountability for conduct that results in injury or death to patients.

The American people need a meaningful Patients' Bill of Rights. That is why I strongly support the Democratic proposal put forward by Senator DASCHLE.

Mr. BAYH. Mr. President, in a few short moments we will be proceeding to our final votes of our four day debate on the Republican and Democratic versions of the Patients' Bill of Rights. I am taking the floor this evening to explain why I oppose both these proposals and to express my support, again, for the bipartisan approach to managed care reform that I sponsored with my colleagues JOHN CHAFEE, BOB GRAHAM, JOE LIEBERMAN, ARLEN SPECTER, MAX BAUCUS and CHUCK ROBB.

One of the most difficult obstacles to meaningful health care reform is that there is an inherent tension between our two most important objectives.

The first objective is to ensure the highest possible quality care. Regardless of our vantage point on the political spectrum, we can all agree that the United States offers the best quality health care in the world. Men, women and children flock here from every corner of the globe to gain access to our physicians and our hospitals. Maintaining this high standard of care must be at the forefront of any attempt to reform the means by which Americans pay for their health care.

Seemingly at odds with the objective of highest quality care is the need to make sure that health care is affordable. The ability to cure disease or heal the injured is rendered almost meaningless if only a fraction of the population can afford it.

Spiraling health care costs have a negative impact upon society in a variety of ways—some obvious and some not so obvious. I well remember the situation in Indiana when I took over as Governor. In the midst of our worst recession since the 1930s, our Medicaid costs were increasing by 20% per year, an increase that mirrored substantial annual hikes in the private market.

One clear result was that workers around the state were losing insurance as business after business found themselves unable to pay for even basic health coverage.

But for both the state government and for those businesses that maintained health insurance, the spiraling increases crowded out funding for many other significant initiatives and investments. On the state level, paying increased Medicaid bills meant less for education, transportation and child care. For private businesses the choices were equally stark—pay increased insurance costs and in so doing postpone expanding the workforce, offering pay increases, investing in research or modernizing factories and offices.

In 1989, we began to make some very tough decisions in Indiana to bring the Medicaid budget under control; private businesses similarly began to turn to managed care. For the past ten years, those changes have helped to keep health care costs under control and have resulted in continuing insurance coverage without having to choose between offering health insurance or creating new jobs, or maintaining Medicaid or education funding.

But today, there is ample evidence—acknowledged by Democrats and Republicans alike—that the pendulum may have swung too far towards keeping costs down, and as a result, we are jeopardizing the quality of health care that Americans receive.

In trying to redress this imbalance, there are a few lessons that we learned in Indiana that were useful principles for me to keep in mind as this debate progressed.

First, and perhaps most importantly, any significant reform had to be market-based. Any attempt to have the government control the health care system would be doomed to failure.

The Chafee-Graham bi-partisan bill that I have supported since taking office is market based; it sets some basic ground rules but leaves that actual management of health care to the experts in the private sector—the patients, the doctors and the insurers.

Unfortunately, the Republican plan takes the concept of market-based reform to its illogical extreme. That plan falls far short of establishing even the most basic protections for people in managed care. Most egregiously, the Nickles-Lott bill would only cover a fraction—less than 30%—of the people who have private insurance. We have all accepted the idea that there ought to be some minimum protections and guarantees offered to those in managed care to prevent the abuses that we have witnessed over the past few years. But if all sides have accepted that principle, it seems very unfair that the majority would choose to leave nearly 120 million people out of the protections we all believe are necessary.

I strongly support the elements of the Democratic approach that advance these principles—access to specialists, proper emergency care, access to obstetrician/gynecologists, independent reviews of denial of care—but the bipartisan bill wisely avoids the one element of the Democratic Patients' Bill of Rights that I believe will drive health care costs up: expanded liability.

If health care costs do not remain under control, there are serious ramifications for both the national economy and for the American taxpayer.

The United States already pays more—expressed as a percentage of GDP—for health care than any other industrialized nation. A rise in these costs will have an appreciable negative impact upon our economic strength in an increasingly competitive global environment. With pressure from a unified Europe and resurgent Asia, the last thing this Congress ought to do is to help spur a dramatic rise in health care costs for a liability provision that is unlikely to make any American healthier.

And the American taxpayer is at risk if health care costs spiral out of control because it is the taxpayer who will foot the bill if hundreds of thousands of people are suddenly forced into the Medicaid system if they lose their health benefits. We simply, as a nation, cannot afford a return to the days when health care costs increased by double digits every year.

The bipartisan bill does allow some tightly controlled access to the Federal courts for suits that seek restitution for economic loss. It seems to me that before we expose health care plans and employers to unlimited liability and to punitive damages, we must at least try this limited, moderate approach.

Mr. President today we will face a test of whether Washington can still work. The American people will be watching to see if their cynicism and apathy towards the political process in general and Washington, in particular, will be deepened or whether we can put partisanship aside and restore their confidence in our ability to govern for the benefit of the nation.

Some in this chamber truly do not want to have any legislation that reforms the way in which HMOs operate; some do not want to have any legislation so that they can have an issue for the 2000 elections.

Neither approach serves the American people very well and that is why I support the bi-partisan bill as the only possibility to actually get something done. The Democratic proposal will not pass the Senate; the Republican proposal will be vetoed by the President and that veto will not be overridden. Compromise is the only possibility before us for success in this area.

The bipartisan bill strikes the right balance between additional patient protections and maintaining control of increasing health care costs. In the final analysis, we have a choice to make: do we choose to just give more speeches that won't help anyone, or do we try to get something done? Are we going to insist upon everything that we want, or will we put aside our partisan differences to get some of what the American people want?

It is my hope, even if that vote doesn't occur today, that the members of this Senate will pass the test by finally putting aside the rancor and bitterness of the past four days, to put aside the desire to score debating points off each other, and to rally around this centrist, responsible bipartisan bill that will give the American people the key components of HMO reform that they need and deserve.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. I yield 3 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President. I commend my colleagues from Rhode Island and Florida for their efforts to try to craft a bipartisan compromise.

We succeeded in putting together legislation that I believe would have led us to a bill that could become a law.

As Senator CHAFEE indicated, we are in a situation where a bill that is supported by an overwhelming majority of all of the health-related organizations—doctors, nurses, patients, and providers—is not going to enjoy enough votes on this floor to pass.

The bill that will pass is going to be vetoed by the President.

I hope we can find a way to crawl out of our fox holes and find the common ground that is necessary if we are going to address in a responsible way the issues and the concerns we have been talking about for this entire week. I commend the leadership for sticking to their agreement and giving everyone an opportunity to be heard. I regret there was no sense of compromise on the floor. It is important we do that. I hope we continue with that mission. I appreciate those who have worked hard to achieve that compromise.

I yield the floor.

Mr. GRAHAM. I yield 1 minute to the Senator from Arkansas.

Ms. LINCOLN. Mr. President, I, too, compliment our colleagues from Rhode Island and from Florida. We have had a train wreck in terms of the health care proposals we tried to present this week in the Senate.

For the past few days in the Senate we have had a lot of colorful charts and graphs. We have seen a lot of ads on TV paid for by special interest groups. There has been a lot of partisan maneuvering. What we haven't had, what the American people haven't seen, is a sensible, moderate debate on this critical issue of health care.

Tonight, I am very proud to join my colleagues in trying to provide emergency relief, to find the middle ground in this debate with the proposal that should be acceptable to the majority of the people, the Members of the Senate, and without a doubt is in the best interests of the American people.

This issue is of great importance to the American public and they are waiting to see if Washington—and more importantly, if the Senate—will be able to do their job. And that is to present a plausible response to the reforms that are needed in this Nation's health care program.

I applaud my colleagues.

Mr. GRAHAM. Mr. President, I yield 1 minute to the Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank my friend from Florida.

It has been a spirited debate. We must acknowledge there have been impressive displays of party unity on both sides, but to what end? The end of the sound and fury is we will produce a bill we know the President will veto, and therefore there will be nothing done to help the American people with the problems they have with health care.

It didn't have to be that way. There was a third way. There was a third way that would have recognized and expressed something else the debate has concealed: The fact that across party lines we agree on about 70 percent of the topics we talked about. It was the aim of our bipartisan group to put that majority round of agreements on the bill. Unfortunately, we didn't have an opportunity to have it heard by our colleagues in this debate.

We will be back. We are going to submit our proposals and there will be another day.

I yield the floor.

Mr. GRAHAM. Mr. President, I will consume such time as remains on our side.

There are a series of winners and losers as we conclude this debate. The first winner is the status quo. We all know the result of the effort of the last 4 days will be nothing. We will be in exactly the same position as we were before we started.

The losers are all those American families who have genuine concerns about the way in which they are being treated—the arbitrariness, the inadequacy of services under their current health maintenance organization plan.

The winner is cynicism. The American people will again question whether their political institutions are capable of responding to serious public issues. The loser will be the opportunity we had to bring together in the best spirit of the Senate a bipartisan plan, an American plan that would have dealt with an American problem.

The Miami Herald editorialized yesterday that what the American people want is Senate action, not a showoff dictated by political consultants.

Unfortunately, that is what they have received.

We will continue the effort to fashion a reasonable bipartisan plan that will deal with the legitimate concerns, first of all, of the American people—not a small percentage of the American people. We will do so in a way that will be sensitive to the cost of health care but also sensitive of the fact that people should get what they contract for from their health maintenance organizations and will provide an enforcement mechanism that is meaningful.

This is not the last chapter in this debate. I anticipate that shortly we are going to have the rubble of a collapsed bill under the weight of a Presidential veto.

I urge my colleagues to use the time between now and then to think seriously about whether that is the last record we want to write on this important national issue. I do not think it is what we want. We don't want an issue. We want a result that will help American families.

The day to achieve that result is, unfortunately, not today, but it will come. Hopefully, it will come soon.

The PRESIDING OFFICER. The Democrat leader.

Mr. DASCHLE. I yield 8 minutes to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if the Chair would be good enough to let me know when 5 minutes remain.

Mr. President, a little over 2 years ago, a number of Members were working with those involved in the health care field, those that have been injured because of actions taken by HMOs, and those doctors and nurses who believe that we could do better.

Tonight we are at a point in the development of a policy where we have seen a setback in terms of protecting patients. We have seen a setback in giving patients and their doctors the opportunity to make medical judgments, rather than having their medical judgments overridden by the economic judgments made by gatekeepers, accountants or insurance company officials. We have received a setback, but I, for one, am not discouraged. I believe that as a result of the last 4 days of debate not only do we have a better understanding about what is important, but I think the American people have a much better understanding.

I think the actions we can expect from the House of Representatives as we begin their debate and discussions starts at an entirely different level. I am very hopeful we will get a strong bill out of the House of Representatives.

I am absolutely convinced, as I stand here, that we will have the opportunity to resolve this issue in favor of the concept underlying the Democratic bill, a concept which as been supported by doctors, nurses, by children's advocates, women's advocates, and advocates for the disabled: that when doctors and patients make a medical judgment, patients will get the type of health care they have actually paid for and not be prevented from getting the best health care.

I am absolutely convinced that is a concept that will be accepted. It was not accepted during this debate. Others will have a different judgment on it. I believe that is inevitable. We have seen other battles where we have seen the inevitability come to pass. I am convinced of it.

I, for one, think this has been an enormously constructive and productive debate these last 4 days. Quite frankly, as one who has been fortunate enough to be involved in this debate, rarely have I seen—at least on our side—so much involvement by the Members, and their participation, their knowledge, their awareness and the wealth of experience that was brought to illuminate so many of these issues. I think that has to be to the benefit of the American people.

I am not discouraged. I regret that we were not successful, but we will continue this battle and we will be successful.

In conclusion, I do thank the majority leader and thank the Senator from Oklahoma, for they have responsibilities as leaders of this institution. I thank them for the way in which this debate has been developed and the structures for the discussion that have been afforded to us over the past days.

I thank in particular our leader, the Democratic leader, Senator DASCHLE. I thank Senator DASCHLE on behalf of those of us who feel strongly about this issue—it is not just, I know, those of us on this side. I am sure those on the other side also feel strongly but have come to different conclusions than those we came to about this issue. We would not have had the debate this week if it had not been for Tom DASCHLE of South Dakota. There are no ifs, ands or buts. This has been, I think, an extraordinary service to this institution, and I think it has been an extraordinary service to the patients and the medical professionals in this country.

I thank my colleague and friend, Senator REID, who was so much a part of the leadership, and of such help and assistance during this time.

I thank the members of our committee. I serve on a number of committees and have been proud to serve on all of them. But my heart is with the Health, Education, Labor and Pensions Committee. All of our members were extremely active. Senator DODD; Senator HARKIN; Senator MIKULSKI, who has been so involved in health care issues; Senator BINGAMAN; Senator WELLSTONE; Senator MURRAY; Senator REED—every one of these Senators has been so engaged and involved in this issue.

I pay tribute to our chairman, Senator JEFFORDS, for his courtesies, and Dr. FRIST, for his strong dedication to trying to find ways—which we were unable to on this measure. But I have respect and affection for the members.

I also thank so many others who were not on the committee who were so involved and engaged, particularly those on our side, although there were others on the other side.

I also wish to thank the many staff people who have worked on this issue this week and for the past two years. From my staff, David Nexon, my long time chief health advisor, Cybele Bjorklund, my deputy health advisor, who worked so ably on this legislation, Michael Myers, my staff director, for his leadership on this legislation, Will Keyser, Jim Manley, Connie Garner, Melody Barnes, Carrie Coberly, Matt Ferraguto, Jacqueline Gran, Jon Press, Ellen Gadbois, Stacey Sachs, Theresa Wizemann, Webster Crowley, Andrew Ellner, Paul Frey, Arlan Fuller, Sharon Merkin, Dan Munoz, Malini Patel, and Kate Rooney.

From Senator DASCHLE's staff, Bill Corr, Laura Petrou, Ranit Schmelzer, Mark Patterson, Jane Loewenson, and Elizabeth Hargraves; the staff of the Department of Health and Human Services and the Department of Labor; the staff of the Democratic Policy Committee; and the staffs of so many other Senators that have played a critical role during this debate.

I think, as always, their involvement and their support has been invaluable, permitting us to have a level of discussion which I think was worthy of this institution.

Finally, I want to say on this issue, as all of us would understand in our responsibilities, that we will be back. We may have a setback tonight, but I, for one, do not believe this is a setback in this issue. We will be back to fight, and fight, and fight again, and I believe ultimately to prevail.

I thank the Chair.

Mr. BYRD. Mr. President, I will vote against the Republican alternative to the Patients' Bill of Rights. All week long, I have supported amendments that would have strengthened the Republican bill and would have provided all privately insured Americans with meaningful patient protections. At each step along the way, the Democratic amendments were rejected.

There are major deficiencies in the Republican bill. The bill that will be passed by the majority covers only 48 million Americans who receive their coverage through self-funded plans. What about the 113 million that their bill leaves out? Don't those 113 million people deserve protections too? I believe that all 160 million Americans with private insurance deserve basic protections.

Another important weakness in the Republican plan, Mr. President, is that it does not provide patients the opportunity to hold their health plans responsible under state law. If a health plan's decisions lead to the injury or death of a patient, the plan should not be shielded from accountability.

I regret that the Senate narrowly rejected the Robb amendment, which I cosponsored. This amendment would have provided women with important access to their obstetrician/gynecologist (ob/gyn). The Republican bill does not allow a woman to designate her ob/gyn as her primary care provider.

Another major distinction between the bills is who makes medical decisions. Will it be the doctor or the insurance company? Unfortunately, the Republicans rejected our definition of medical necessity. Under our bill, plans could not deny benefits based on the insurance companies' definition of medical necessity instead of the doctors' definition.

The Democratic version of managed care reform includes access to clinical trials for patients with life-threatening or serious illnesses. The Republican bill provides access to clinical trials only for those suffering from cancer. In addition, their provision applies solely to 48 million Americans. Their bill leaves too many seriously ill Americans without the hope that experimental therapies through clinical trials provide.

I regret that the Senate has squandered this opportunity to enact a true Patients' Bill of Rights and provide important protections to all privately insured Americans. I feel I must vote against this bill that puts health plans' profits ahead of patients' well-being. I hope that we can revisit this issue one day and pass legislation that provides strong patient protections.

The PRESIDING OFFICER. The assistant majority leader.

Mr. NICKLES. Mr. President, I thank my colleague from Massachusetts for his statement, as well as Senator REID. It has been a pleasure to work with both. This has been a very productive and fruitful debate. As a result, we ended up with a very good bill.

I am going to call on several members of our task force who helped put this bill together and worked very hard, not just for a week, not just for this week but, frankly, for the last year and a half. We had countless meetings and a lot of people, a lot of staff, put in a lot of effort. This was an effort that we felt very strongly about because we wanted to improve the quality of health care without increasing costs and increasing the number of uninsured, and I think we have done it.

Mr. MCCONNELL. Mr. President, I come to the floor today to express my strong support for the Republican Patient's Bill of Rights Plus Act. As private health coverage has shifted toward coordinated care, many consumers are concerned that their health plan focuses more on cost than on quality. Many consumers fear that they might be denied the health care they need. To respond to these concerns, both parties have developed patient protection legislation.

Our colleagues Senators DASCHLE and KENNEDY have offered a proposal which I believe takes the wrong direction. Their bill tries to impose a one-size-fits-all solution in a manner which would override many of the reforms our states have decided—or, equally important, decided not to—enact. Their proposal includes liability provisions which will dramatically increase premiums and further expand the medical malpractice industry in this country. In fact, their bill should be called the "Lawyers' Right to Bill" not the Patients' Bill of Rights and the tragedy of their lawsuit saturated approach is that it would make health insurance unaffordable to 1.8 million Americans—including 30,000 Kentuckians.

I am pleased to say that we have crafted a better proposal for protecting America's families which is embodied in the Patient's Bill of Rights Plus Act. The Patient's Bill of Rights Plus

Act provides needed protections for Americans in a way which won't increase the number of uninsured Americans by driving up health care costs.

The Patients' Bill of Rights Plus Act guarantees access to emergency care. It requires plans to pay for emergency medical screening and stabilization under a "prudent layperson" standard. If we pass this legislation, we will never again have to hear heart-wrenching stories about families with desperately ill children who bypass the nearest hospital in order to make it to a hospital which is in their plan's network. Under our plan, if you have what a normal person would consider an emergency, you can go to the nearest hospital, period.

The Patients' Bill of Rights Plus Act would provide direct access to pediatricians and OB/GYN's. This commonsense provision would allow parents to take their children directly to one of the plan's pediatricians without having to get a referral from their family's primary care physician. Similarly our legislation would allow women to go directly to a participating OB/GYN, without having to get a referral from their primary care physician.

The Patients' Bill of Rights Plus Act also bans "gag clauses". Gag clauses are contractual agreements between a doctor and a managed care organization that restrict the doctor's ability to discuss freely with the patient information about the patient's diagnosis, medical care, and treatment options. Our legislation would put an end to this practice. I believe a doctor should be able to discuss treatment alternatives with a patient and provide the patient with their best medical advice, regardless of whether or not those treatment options are covered by the health plan.

The Patient's Bill of Rights Plus Act also provides strong, independent external appeals procedures to ensure that patients receive the care they need. Many Americans are concerned that their health plan can deny them care. If a plan denies a treatment on the basis that it is experimental or not medically necessary, a patient can appeal that decision. The reviewer must be an independent, medical expert with expertise in the diagnosis and treatment of the condition under review. In routine reviews, the independent reviewer must make a decision within 30 days, but in urgent cases, they must do so in 72 hours. As opposed to the Kennedy plan which mandates a broad, one-size-fits-all definition of medical necessity, our plan allows those decisions to be made on a case by case basis by an independent external medical doctor. Unlike the Kennedy bill which encourages lawsuits, the Patient's Bill of Rights Plus Act focuses instead on giving patients the care they need. After all, when you're sick, don't you really need an appointment with your doctor, not your lawyer?

The most troubling aspect of Senator KENNEDY's legislation is that it will further swell the numbers of uninsured Americans.

The Kennedy plan drives up health care costs and makes health insurance unaffordable for more Americans. According to the very conservative estimates of the Congressional Budget Office, the Kennedy Patients' Bill of Rights would increase insurance premiums 6.1 percent (Source: Congressional Budget Office Report on S.6, 4/23/99). This means that 1.8 million Americans would likely lose their health insurance.

In Kentucky, 30,095 people would likely lose their health insurance.

In California, 271,927 people would likely lose their health insurance.

In New York, 118,091 people would likely lose their health insurance.

In Minnesota, 36,315 people would likely lose their health insurance.

Even if the Kennedy bill does not pass, it is expected that health insurance premiums will rise an average of seven percent next year (Source: Towers Perrins 1999 Health Care Cost Survey 1/99). At a time when premiums are rising well above the rate of inflation, do we really want to pass legislation which raise premiums even more? The answer is clearly no.

Our Patients' Bill of Rights' Plus Act takes a better approach to the problem of the uninsured. While avoiding provisions which will drastically raise premiums, it includes important tax provisions to make insurance more affordable. Earlier this week we passed the Nickles Amendment which will allow self-employed individuals to deduct 100% of the cost of their health insurance. This is particularly important to the 124,000 of Kentucky's farmers, ministers, stay-at-home moms, and young entrepreneurs who are self-employed. According to a study by the Employee Benefits Research Initiative, nearly ½ (43.6 percent) of all workers in the agriculture, forestry, and fishing sectors have no health insurance. By allowing the self-insured to fully deduct the costs of health insurance, we are taking an important step in reducing the numbers of uninsured.

There are certainly significant differences between our two bills. However, no single issue distinguishes the two more than the question of liability. I believe we can and should find bipartisan agreement on the important issues of providing emergency care, ensuring direct access to pediatricians and OB/GYN's, banning gag orders, deductibility of health insurance for the self-employed, and a whole myriad of issues except for one thing: The Kennedy bill insists on new powers to sue. Leafing with abandon through the yellow pages under the word "attorney" is not what most Americans would call health care reform.

Simply put, I believe that when you are sick, you need a doctor, not a lawyer. I am opposed to increasing litigation because it will drive up premiums, drive 1.8 million Americans out of the health insurance market, prevent millions more uninsured from being able to purchase insurance, and aggravate an already seriously flawed medical malpractice system.

If 1.8 million Americans lose their health insurance, 189,000 fewer women will have access to mamograms and 238,000 fewer women will have access to pelvic exams. I have a question for the supporters of Sen. Kennedy's bill. What kind of reform makes preventative services less available? What kind of reform is that?

As if driving 1.8 million Americans out of the health insurance market wasn't reason enough to oppose the Kennedy bill, I am also strongly opposed to expanding liability because it will exacerbate the problems in our already flawed medical malpractice system. Typically these lawsuits drag on for an average of 33 months. Even if at the end of this 33 months, only 43 cents of every dollar spent on medical liability actually reaches the victims of malpractice (Source: RAND Corporation, 1985). Most of the rest of the judgement goes to the lawyers. That's right, over half of the injured person's damages are grabbed by the lawyers. Why would anyone want to expand this flawed system which is so heavily skewed in favor of the trial lawyers?

The Washington Post said last March that "the threat of litigation is the wrong way to enforce the rational decision making that everyone claims to have as a goal" (Source: Washington Post 3/16/99). More recently the Post said that the Senate should enact an external appeals process "before subjecting an even greater share of medical practice to the vagaries of litigation" (Source: Washington Post 7/13/99). The Los Angeles Times Editorial page called expanding liability to health plans "bad medicine for both employees and employers" and stated that "The key to fixing ERISA is not in radical measures like more lawsuits. . ." (Source: Los Angeles Times 2/29/98)

Mr, President, I have always felt that this debate is about improving private health insurance in America. That the debate was about providing better care, for more Americans not less.

We can and we should guarantee access to emergency services.

We can and we should ensure direct access to pediatricians.

We can and we should ban gag clauses.

We can and we should provide an independent external appeals process.

We can and we should provide full deductibility for the self-employed.

By voting for the Patients' Bill of Rights Plus Act, we will have taken all of these important steps and more. However, what we must not do is take action which will deprive 1.8 million

Americans of health insurance. Mr. President, I urge my colleagues to vote for this common-sense health care reform.

Mr. FRIST. Mr. President, I rise to address a point of some contention on the floor over the past two days. Two days ago, I twice quoted from Dr. Robert Yelverton, Chairman of the Primary Care Committee of the American College of Obstetricians and Gynecologists. The precise quotes were as follows: First, "The vast majority of OB/GYNs in this country have opted to remain as specialists rather than act as primary care physicians," and second, "None of us could really qualify as primary care physicians under most of the plans, and most OB/GYN's would have to go back to school for a year or more to do so."

These quotes, which were taken from the New York Times, on June 13, 1999, were entirely accurate as reported by the Times. I ask unanimous consent to have printed in the RECORD the New York Times article.

There being no objection, the material was ordered to be printed in the RECORD as follows:

[From the New York Times, June 13, 1999]

Beyond the Horror Stories, Good News About Managed Care

By Larry Katzenstein

Most health plans these days are some form of managed care. And for most families, it is the mother who decide which one to use.

"Women visit doctors more than men, and in a family situation, they may be the ones who have primary responsibility for taking children to the doctor," said Elizabeth McGlynn, the director of the Center for Research on Quality in Health Care at the Rand Corporation in Santa Monica, Calif.

Wendy Schoales, a homemaker in Everett, Wash., offered another reason: "We're more picky."

Mrs. Schoales's husband works or the Boeing Company, which, like many large employers, offers several health-plan options. Several years ago, when she switched her family from traditional fee-for-service care to managed care to cut expenses, an important motivation was her being able to continue to use the obstetrician and gynecologist who had delivered her first child, Ashlyn. "When you find a doctor you like, you want to stick with him, especially when it comes to an ob-gyn," she said.

Two years ago, Mrs. Schoales's second child, Gavin, was born under managed care but with the same obstetrician and gynecologist. The care was just as good as it had been with Ashlyn, she said, and the cost was significantly lower. "They charged us just one copayment for the whole maternity experience," she said.

For the same reasons, Katherine Davidge of Newton, Mass., also fared well under managed care during the births of her two children. Her experience in getting her managed-care plan to cover treatment for depression, on the other hand, was an exercise in exasperation.

Ms. Davidge's plan subcontracts mental-health services to another company, a common practice in managed care. "I'd call this company and ask, 'Is Dr. X covered?'" she said, "And they'd say no. And then the same thing would happen for Dr. Y and Dr. Z. So, then I asked for a list of practitioners I could see, and it was really bizarre because they just wouldn't give us the list. They said they typically don't give it out."

After several months of phone calls and letters, Mr. Davidge said, she received a list. "It was so small that it was almost impossible for me to find somebody that I knew anything about," she said. "So I gave up."

Managed care would seem tailor-made for women. It provides a coordinated system of care that makes preventive services readily available—and women use preventive measures at twice the rate men do. Health-maintenance organizations and other managed-care plans remind members to come in for checkups. With a primary-care doctor to facilitate matters, plans are supposed to help route patients to the most appropriate specialist for their ailments—and all this for a more affordable premium and limited out-of-pocket expenses.

"One reason women's preventive services have always been such a leading issue in managed care is that two of the tests it emphasizes, Pap smears and mammograms, provide the best evidence that preventive testing saves lives," said Dr. Karen Scott Collins, an assistant vice president of The Commonwealth Fund, a philanthropic foundation in New York City that supports research on health and social policy.

Yet it is the darker side of managed care that has received Most of the attention in recent years—the follies and tragedies caused by restricted choice of physicians, barriers to needed care, delays in service, limitations on care and a zeal for cost-cutting.

Women, especially, could be excused for thinking that managed care is bad for their health, because some of the most highly publicized outrages attributed to health-management organizations, or H.M.O.'s, and other managed-care plans have involved women's issues: drive-by mastectomies, drive-by deliveries, coverage denied for what were regarded as promising breast-cancer treatments and refusal to let obstetricians and gynecologists be primary-care physicians.

The abuses attributed to managed care have caused a backlash in the form of legislation to make it more accountable, particularly to women. This includes the Newborns' and Mothers' Health Protection Act of 1996, which requires a minimum hospital stay of 48 hours after a normal vaginal birth and 96 hours after a Caesarean section, unless the mother and physician agree to an earlier discharge. Laws in many states mandate that women in managed care be given direct access to an obstetrician and gynecologist without a referral from their primary-care physician, and a Patients' Bill of rights Act pending in Congress would make choosing an obstetrician and gynecologist for primary care the law of the land.

Despite the mixed reviews that managed care gets from patients and physicians, findings from a 1998 Commonwealth Fund survey, announced last month, suggest that women in managed-care plans fare better in some important ways than those who receive traditional medical care.

"The joke about managed care is that it doesn't manage and it doesn't care," said Humphrey Taylor, the chairman of Louis Harris & Associates of New York City, which conducted the survey. "But the findings from this survey suggest that managed care is serving women at least as well as fee-for-service medicine, and certainly better than some of the managed-care horror stories would suggest."

The survey, conducted by telephone, involved 1,140 women with managed care and 351 women with traditional fee-for-service care, all of them younger than 65. Among the key findings were:

Women with managed care were more likely to identify a particular doctor as their regular source of care (87 percent of them did so versus 78 percent of those with traditional care).

Women with managed care were more likely to say that their health plan sends them reminders for preventive care (27 percent versus 18 percent).

Women with managed care were more likely to have seen an obstetrician and gynecologist as their primary care physician (66 percent versus 61 percent).

Women with managed care were more likely to have received a Pap smear in the last three years (74 percent versus 67 percent).

Among women 50 and older, those with managed care were more likely to have received colon-cancer screening (29 percent versus 20 percent) and to have talked with their doctor about hormone-replacement therapy (56 percent versus 50 percent).

One in five women under both types of coverage reported problems in gaining access to health care, like obtaining an expensive prescription or seeing a specialist.

But the survey has not made believers of many physicians who specialize in women's health. "As a gynecologist, my biggest problem with managed care is the severe restrictions that have been placed on my ability to make independent decisions on how to treat disorders that might require surgery," said Dr. Robert Yelverton of Tampa, Fla., who estimated that 80 percent of his patients have managed care.

Dr. Yelverton said that one managed-care company requires a woman who is bleeding heavily from excessive menstrual flow and has excessive pain with her periods to be confirmed anemic and to be on iron supplements for three months without improvement before being allowed to have a hysterectomy.

That requirement "is based on the premise that too many hysterectomies are done," said Dr. Yelverton, who said he believes that most obstetricians and gynecologists would first try hormonal treatment rather than surgery for such problems. "But when that doesn't work, we have patients who are miserable," he said.

Dr. Yelverton, the chairman of the American College of Obstetricians and Gynecologists' primary care committee, said that one of the most highly publicized improvements is managed care, allowing a woman to see an obstetrician and gynecologist as her primary-care provider, "hasn't worked out."

"The vast majority of ob-gyns in this country have opted to remain as specialists rather than act as primary-care physicians," he said, attributing this to the stringent standards that managed-care plans have set for primary-care providers. "None of us could really qualify as primary-care physicians under most of the plans," he said. "And most ob-gyns would have to go back to school for a year or so to do so."

Health care experts consider the measures assessed in the Commonwealth Fund survey—having a regular doctor or getting regular Pap smears—to be good indicators of quality of care. But the most crucial measures for evaluating any type of care are the results: diagnosing breast cancer at an early stage, for example. A study published last February in the Journal of the American Medical Association looked at this result and found that in this case, too, managed care had the edge over traditional care.

The study involved nearly 22,000 women over age 65 whose breast cancers were diagnosed between 1988 and 1993. Researchers found that women enrolled in Medicare H.M.O.'s were generally more likely than fee-for-service patients to have had their cancers diagnosed at an earlier stage. And among women who underwent breast-conserving surgery, known as lumpectomy, the H.M.O. enrollees were significantly more likely to have received radiation, the medically recommended accompanying treatment.

So, where does that leave matters? "With three-quarters of all insured women now in some type of managed-care plan, the time has come to shift the focus from whether managed care is better or worse than fee-for-service to making sure that women are receiving quality health care in whatever type of managed-care plan they belong to," said Dr. Collins, the Commonwealth Fund executive.

She and other health-care experts applaud a current voluntary program in which managed-care plans are graded on more than 50 measures, several pertaining to women's health.

This set of measures is known as the Health Plan Employer Data and Information Set. It is administered by the National Committee for Quality Assurance, a private, nonprofit organization also involved in accrediting managed-care plans. The committee's most recent compilation of information, known as Quality Compass 1998, includes Health Plan Employer Data scores and consumer-satisfaction data submitted by 447 commercial managed-care health plans that collectively cover 60 million Americans.

Some managed-care plans do not participate in the program. Others do but do not allow their scores to be publicly reported. But several large employers, including Xerox and General Motors, strongly encourage managed-care plans under contract with them to make their scores public. And some states, including New York, New Jersey and Maryland, require plans to release this information. Working with the committee, the states issue annual managed-care report cards through pamphlets and on their Web sites. The www.health.state.ny.us site has information for New Yorkers.

Regarding mammography screening rates, for example, New York residents can learn the names of the seven health plans—CDPHP, CHP/Kaiser, Finger Lakes, Health Care Plan, Healthsource HMO, HMO CNY and Preferred Care—that performed significantly better than the statewide average during 1996 and 1997, and the five health plans—CIGNA Health Care, MVP, Physicians Health Service, Prudential Health Care Plan and United Healthcare-NYC—that performed significantly worse.

Some physicians believe that these efforts are having a positive effect. One is Dr. Jeffrey Hankoff, a family physician in Santa Barbara, Calif., who takes care of a large managed-care population and is the medical director of an independent practice association, or I.P.A., a group of about 30 physicians who collectively negotiate contracts with managed-care plans.

"One thing managed care has brought to the table is that quality is the major focus and not a token effort," Dr. Hankoff said. "Every time a patient writes a letter of complaint, our I.P.A. has a committee that reviews it. We're really attempting to make sure that people are getting the care they're supposed to be getting. In a managed-care operation, that's monitored all the time because the plans demand it and the Government demands it of the plans. It's something that managed care really hasn't received credit for."

Look at the Stats, Talk to Friends

Here are steps that women can take for choosing a high-quality managed-care plan:

Ask your employer's benefits department if its plans make their Health Plan Employer Date and Information Set (Hedis) scores public, and ask to see them. "You should prefer a plan that's willing to show its Hedis numbers," said Elizabeth McGlynn of the Rand Corporation in Santa Monica, Calif.

Find out whether a plan is fully accredited by the National Committee for Quality Assurance, and reject plans that have applied for accreditation and failed. Accreditation provides assurance that a plan has a quality-improvement program. Accreditation information for most plans is available on the committee's Web site (www.ncqa.org) or by calling (888) 275–7585.

Ask if the plan offers a specific program for women's health, has it own medical director for women's health, or has a network of providers that includes a women's health center. Then try to find out if they're more than gimmicks.

"There are certainly some issues of women's health that have been picked up by managed-care organizations purely for advertising purposes, to attract women," said Mark Chassin, chairman of the department of health policy at Mount Sinai School of Medicine in New York City. "But it has been difficult for women to get customized or gender-based advice about important treatment issues such as heart disease, for example, where women have different risk factors from men and need to be managed differently and to consult with specialists who understand those differences."

Talk to people in the plan. "Word of mouth is probably underestimated as a good indicator of quality," said Donald Berwick, who directs the Institute for Health Care Improvement in Boston.

Consider the doctors. "The most important aspect of quality in managed care is the provider you choose rather than the plan," said David Blumenthal, director of the Institute for Health Policy at Massachusetts General Hospital and Partners Health System in Boston. Because doctors belong to an average of eight plans, "in most communities right now, most managed-care companies include most doctors in that community, so you can get almost any doctor on any plan," Dr. Blumenthal noted. "The quality variations among plans probably mostly reflect the different doctors."

For many people, the worst aspect of managed care is having to stop seeing a doctor who is not in the plan. So before joining a plan, find out if your doctor participates and, if not, what it will cost if you continue seeing that doctor.

Ask whether the plan covers prescription drugs. This is especially important for women taking hormone replacement therapy or oral contraceptives.

If you have children, ask if the plan provides baby-sitting or has provisions for combining child and adult visits.

Mr. FRIST. Unfortunately, before introducing these statements, I apparently misspoke and said, "Let me share with Members what one person told me." I should have said, "As Dr. Yelverton was quoted in the New York Times as stating." So, I wish to clarify the RECORD.

Dr. Yelverton has taken offense at my use of his quotes. In fact, he contends that I "misused" his quotes. At this time, Mr. President, I ask unanimous consent to have printed a letter from Dr. Ralph Hale, with an attached memo from Dr. Yelverton, into the RECORD, so that his views may be clear.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE AMERICAN COLLEGE OF
OBSTETRICIANS AND GYNECOLOGISTS,
Washington, DC, July 14, 1999.

Hon. BILL FRIST,
Washington, DC.

DEAR SENATOR FRIST: As Executive Vice President of the American College of Obstetrics and Gynecologists (ACOG), I feel it necessary to clarify ACOG's position on the Robb/Murray amendment to allow women in managed care plans direct access to ob-gyn care. I've also attached a memo from Dr. Robert Yelverton, Chairman of ACOG's Primary Care Committee, correcting your misuse of his statements in a June 13 New York Times article.

ACOG and Dr. Yelverton fully support efforts in Congress, including the Robb/Murray amendment, which would enable ob-gyns to be designated as primary care providers. A recent ACOG/Princeton Survey Research Associates survey found that nearly one-third of all ob-gyns in managed care plans are denied the opportunity to be designated as primary care physicians. Ob-gyns are often the only health care provider many women see throughout their adult lives and are best suited to understand and evaluate the health care needs of their patients. While not all ob-gyns may choose to accept a PCP designation, all ob-gyns should have the opportunity to be designated as a woman's PCP under managed care.

We also strongly endorse the Robb/Murray amendment's provision that would require managed care plans to allow women direct access to the full array of covered ob-gyn services provided under the plan.

While the amendment failed yesterday on a 48 to 52 vote, we are hopeful the Senate will take up this important issue again. Dr. Yelverton and I urge you to vote in favor of these important policies.

Sincerely,

RALPH W. HALE, M.D.,
Executive Vice President.

TAMPA BAY WOMEN'S CARE
Tampa, FL, July 13, 1999.

To: Lucia DiVenere, ACOG Government Relations.

From: Robert W. Yelverton, M.D., Chairman, Primary Care Committee.

I received your fax tonight and offer the following in response.

I have never spoken directly to Senator Bill Frist (R–TN) or any member of his staff on the subject of OB/GYNs as primary care physicians or on any other subject. The quote that Senator Frist attributed to me on the floor of the Senate today came from an article in the June 13, 1999, edition of the New York Times. The article may be viewed on the New York Times website (go to www.nytimes.com, then click on Health and Science). I was contacted by the article's author, Larry Katzenstein, and asked to comment on the impact of managed care on women's healthcare in this country. In my interview with Mr. Katzenstein, I discussed "barriers" that managed care organizations have raised against the efforts of OB/GYNs to become primary care physicians. The quote attributed to me by Senator Frist was from a non-quote in this article. I told Mr. Katzenstein that some managed care organizations have placed barriers consisting of such stringent (not "high," as Senator Frist stated) standards for their qualifications as primary care physicians that most OB/GYNs would not be able to meet them without further training.

One objective of my comments was to demonstrate that the College's interests were to allow OB/GYNs to provide women's healthcare to their patients unimpeded by the cumbersome requirements of managed care referral systems. Mr. Katzenstein's article did not emphasize to the degree it should have that these were barriers to OB/GYNs being designated primary care physicians—not "high standards"—as has been discussed repeatedly in meetings of the Primary Care Committee. I went on to say to Mr. Katzenstein that the qualification requirements that some managed care organizations impose on OB/GYNs in certain instances exceeded even those required of family physicians. He chose not to include that statement in his article.

Senator Frist's misuse of my statement in support of his position that OB/GYNs could not act as primary care physicians because of the "high standards" that managed care organizations set for primary care physicians, is regrettably misleading, to say the least, and does an injustice to the true intent of my statements.

I personally supported then and I support now the amendment sponsored by ACOG to allow OB/GYNs to act as primary care physicians and to allow direct access for women's healthcare and did, in fact, spend a portion of this very afternoon e-mailing my senators and encouraging them to vote in support of the amendment.

Please contact me at (813) 269-7752 after 9:00 a.m. tomorrow (Wednesday). I will be glad to discuss this matter with you at that time and will support any effort that you want to undertake to clarify this issue now on the floor of the Senate.

Mr. FRIST. The gist of Dr. Yelverton's complaint is that he was informed that I used his quotes to oppose an amendment which sought to allow OB/GYNs to be treated as primary care physicians. Dr. Yelverton supports allowing OB/GYNs to serve as primary care physicians and he supports "direct access for women's healthcare." My position is that we should not be confusing the issue and saying that OB/GYNs—specialists—are "primary care physicians" and thus have the implied responsibility of serving as overall gatekeepers for insurance plans. Instead, I believe we should insure that women have direct access to OB/GYNs for obstetrical and gynecological care without going through a gatekeeper. In that spirit, I used Dr. Yelverton's reported quotes.

I continue to believe that our task is to see that women can have direct unimpeded access to OB/GYNs. We will do that, without saying that OB/GYNs must be designated as "primary care physicians" who are responsible for treating all aspects of the patient's health needs, including ear infections and the like. I sincerely believe that direct access to OB/GYNs is the issue, not whether we label OB/GYNs as "primary care physicians."

Mr. President, I yield the floor.

Mr. DEWINE. Mr. President, as debate draws to a close on managed care reform, I want to talk about a few of the key provisions that I strongly support in the comprehensive legislation developed by the Republican Health Care Task Force and my colleagues on the Senate Health Committee.

All throughout the process of developing responsible managed care reform legislation, I have shared the same overall policy goal held by most of my colleagues: to reform the managed care system without reducing quality, without increasing cost and without adding to the ranks of Americans who cannot afford health insurance. These are important issues for individuals and families.

Just as important to them, and to me, is the impact of managed care on the quality of health care provided to children. That issue, perhaps more than any other, governed how I examined and worked on this very important legislation.

Working with my friend and colleague from Tennessee, Senator BILL FRIST, I worked to ensure that the bill approved earlier this year by the Senate Health Committee protected the interests of families with children. The bill approved by the Committee and included in the Task Force bill provides for direct access to pediatricians. For any family, this is common sense. Pediatricians are general practitioners for children. Why should parents have to take their child to a primary care physician in order to be given permission to have the child see a pediatrician? This "gatekeeping" role is just not necessary.

That's why Senator FRIST and I worked to include language in the Committee-passed bill that lets parents bypass the gatekeeper. Under this bill, parents can take their child straight to the pediatrician. The Task Force bill also includes this language.

The larger debate concerns pediatric specialists. My view on this, based, I might add, on considerable personal experience, is that children are not simply a smaller version of adults. Fortunately, for the most part, children are proportionately healthier than adults. This means that for the small number of children who suffer from illnesses and conditions, they are the exception to the rule. To a parent who loves them, however, this is no consolation. Not only is their child suffering, but treatment can also be extremely expensive.

Children who suffer from cancer, to take one example, should be able to see a pediatric oncologist, not an oncologist who was trained to treat adults. That is why Senator FRIST and I worked to include in the Committee-approved bill an amendment that would require the practitioner, facility or center to have, and I quote from our amendment, "adequate expertise (including age-appropriate expertise) through appropriate training and experience." By requiring age-appropriate expertise, we are saying that a child will see a pediatric specialist and an elderly patient will see a geriatric specialist. We are ensuring that the most vulnerable people—the youngest and the oldest—within our population are referred to the specialists who are trained to treat their particular age group. We have also clarified this language to ensure "timely" access to such specialty care.

Mr. President, let's not lose sight of our bottom line goal: to ensure quality health care without compromising access to care. We already have 43 million Americans who are without any health care coverage. Excessive mandates on the quality of care will only drive up the cost of providing care, and could price health care out of the range of affordability. Our legislative efforts must not add to the uninsured. Mr. President, employer-provided health insurance is strictly voluntary—employers do not have to offer health insurance to their employees. So, we are walking a fine line between ensuring that our nation's health care quality remains high, while still keeping such care affordable.

In my home state of Ohio alone, 1.3 million of 11 million Ohioans are uninsured—they have no health care coverage at all. Worse still, in Ohio we have 305,000 children who have no health insurance coverage. With health care costs estimated to increase by 7–8 percent due to inflation alone, it is clear that we should not add to this cost increase.

On this score, there is serious cause for concern. A Lewin Group study found that for every one percent rise in premiums, 300,000 more people become uninsured. The Congressional Budget Office (CBO) estimated that the Daschle-Kennedy Patients' Bill of Rights bill would increase health care premiums by 6.1 percent. That means an additional 1.8 million Americans would lose health insurance if that particular bill becomes law. Based on data provided by the CBO, that bill would add $355 each year to the average worker's health care premium. If that is not enough to drive Americans to the ranks of the uninsured, it will certainly add to the cost of living for American families.

I support the Task Force legislation, which CBO estimated would raise premiums by only 0.8 percent—that's eight-tenths of one percent. This legislation also would provide direct access to pediatricians and access to specialty care. This legislation would provide for an independent external review process for all adverse coverage decisions that are based on a lack of medical necessity or investigational or experimental nature of the treatment. This process will better protect everyone, including children and the elderly, because it would ensure that the independent external reviewer assigned to review an adverse coverage determination has expertise (including age-appropriate expertise) in the diagnosis or treatment under review. All of these patient protections are included, while still keeping health care affordable.

I also support this legislation because it would help 317,000 Ohioans and close to 9 million other Americans nationwide who are self-employed, but can only currently deduct 45 percent of their health care costs. The self-employed are mainly farmers, family-owned and operated businesses, and independent business people and entrepreneurs. They represent the heart and soul of our economy, but the tax code treats these first-class workers like second-class citizens.

Mr. President, in the last several years, I have voted for legislation that would move this important tax break to full deductibility, which large corporations already have. By making such health care costs 100 percent deductible for the self-employed, we have the opportunity to reduce the ranks of the uninsured. We would be making health insurance more affordable, and more accessible for our country's self-employed workers and their families.

These are just some of the provisions that would improve our managed care system—improvements that would not compromise affordability and accessibility. That is why I will vote for the Task Force bill later today.

Mr. WARNER. Mr. President, this week the United States Senate has been debating the provisions of two pieces of legislation dealing with increased patient protections for individuals with health plans. The bill that I support is called the "Patients' Bill of Rights Plus Act." The other bill under consideration is called the "Patients' Bill of Rights." Though these bill have similar names, they differ greatly in what they will in fact accomplish. After I briefly summarize the major components of these bills, it will be clear that the title of the "Patients' Bill of Rights" is a misnomer. It will also be clear that the "Patients' Bill of Rights Plus Act" is a bill that is truly focused on the American people. Through its major components, this bill will provide consumer protections, enhance health care quality, and increase access to healthcare.

The Patients' Bill of Rights Plus Act contains a number of provisions that are key consumer protections. These provisions will greatly enhance the health plans of the 48 million Americans who are covered by self-funded group health plans governed exclusively by the Employee Retirement and Income Security Act ("ERISA") and will enhance the quality of healthcare.

First, the Patients' Bill of Rights Plus Act has emergency care protection for consumers. Currently, some plans and managed care organizations require prior authorization for emergency department services and/or have denied payment for emergency room services if it turns out the patient's situation does not meet the plan or organization's definition of an emergency. As a result, a participant may be liable for the entire emergency room bill. This potential large cost to the patient, and the uncertainty of coverage, has a significant negative impact on the patient seeking emergency room care, even if such a visit is reasonable. What a tragedy it would be for a person to die because that person refused to go to the emergency room out of fear that coverage would be denied later?

The Patients' Bill of Rights Plus remedies this situation in a cost effective manner by requiring self-funded ERISA plans that provide coverage for emergency services to pay for emergency medical screening exams using a "prudent layperson standard." The bill also requires these ERISA plans to provide coverage for any additional emergency care necessary to stabilize an emergency condition after a screening exam. Under the prudent layperson standard, an ERISA plan would be required to cover emergency medical screenings if a person with an average knowledge of health and medicine would expect that the absence of immediate medical attention would result in serious jeopardy to the individual's health. For example, let's say an individual is experiencing chest pain. Though I am not a doctor (my father was), I do know that chest pain could at least be a symptom of indigestion, heart burn, or a heart attack. If this individual went to the emergency room because of these chest pains, the prudent layperson standard would cover emergency screening, even if the heart pain turned out to be a case of indigestion.

Another problem that I continuously hear people complaining about is gatekeepers. Many plans require patients to visit their primary care physicians and obtain a referral before they can visit a specialty doctor. These gatekeeping provisions can, in certain circumstances, drive up the cost of healthcare, and also make it more difficult for patients to access appropriate medical care. Moreover, certain gatekeeping provisions fail to recognize that women and children have unique health care needs. The Patients' Bill of Rights Plus Act also remedies these problems by requiring self-funded ERISA plans to provide direct access to routine obstetric and gynecological ("ob/gyn") care and routine pediatric care without requiring prior authorization.

Third, in addition to improving access to emergency care services, ob/gyns, and pediatricians, the Patients' Bill of Rights Plus Act ensures access to covered specialty care by requiring ERISA plans to provide patients access to covered speciality care within network, or, if necessary, through contractual arrangements with specialists outside the network. While this bill would not prevent a plan from requiring a referral by a patient's primary care physician in order to obtain some specialty services, the bill does require a plan to provide for an adequate number of visits to the specialist when the plan requires a referral.

Fourth, the Patients' Bill of Rights Plus Act also addresses the situation of when a patient's physician under a plan is terminated or is not renewed by the plan. This bill requires an ERISA plan to continue coverage with a patients' provider, if the patient is undergoing a course of treatment that includes institutional care, care for a terminal illness, or care starting from the second trimester of pregnancy. Coverage duration is for up to 90 days for a patient who is terminally ill or who is receiving institutional care. For a pregnant woman who is in her second or third trimester, coverage is required to be continued through the postpartum period.

In addition to providing these key consumer protections to the 48 million Americans who are covered by self-funded group health plans governed exclusively by ERISA, the Patients' Bill of Rights Plus Act creates appeals procedures for the 124 million Americans covered by both self-insured and fully-insured group health plans. These appeal provisions are essential protections to ensure that Americans receive the service and coverage they are entitled.

Simply put, the Patients' Bill of Rights Plus Act requires an internal and external review process under which consumers can appeal a plan's denial of coverage. A plan must complete a consumer's internal appeal within 30 working days from the request for an appeal. An internal coverage appeal can also be expedited, meaning the determination must be made within 72 hours, in accordance with the medical exigencies of the case, after a request is received by the plan or issuer. In the event that the plan denies coverage because the treatment was not medically necessary or appropriate or was experimental, the internal review must be conducted by a physician who has appropriate expertise and who was not directly involved in the initial coverage decision.

A consumer who is denied coverage and who loses an internal appeal still may have an avenue to pursue coverage through an external appeal. An external review is available when a plan has denied coverage based on lack of medical necessity and appropriateness and the amount involved exceeds a significant financial threshold or there is a significant risk of placing the life or health of the individual in jeopardy. Once an external review is requested, a plan must select a qualified external review entity, in accordance with the medical exigencies of the case. The plan must select the entity in an unbiased manner and the entity must be: (1) an independent external review entity licensed or credentialed by a State; (2) a State agency established for the purpose of conducting independent external review; (3) an entity under contract with the Federal Government to provide independent external review services; or (4) any other entity meeting criteria established by the Secretary of Labor.

The external review entity then selects the independent expert to conduct the external review. This independent expert reviewer must have appropriate expertise and credentials, must have expertise in the diagnosis or treatment under review, must be of the same specialty as the treating physician when such an expert is reasonably available, and must not have certain affiliations with the case or any of the parties involved. This expert's job under the external review is to render an independent decision based on valid, relevant, scientific, and clinical evidence. This includes information from the treating physician, the patient's medical records, expert consensus, and peer-reviewed medical literature to assure that standards of care are reviewed in a manner that takes into account the unique needs of the patient.

This internal and external review process is integral to ensuring that patients get the medical care they need. Again, the bill provides for an Independent medical judgment by a qualified and non-biased medical expert. This will protect against the possibility that a health plan might try to "short change" its consumers. Our bill is a responsible approach that will not drive up costs and cause more Americans to lose health insurance coverage.

Sixth, the Patients' Bill of Rights Plus Act protects health insurance consumers against the use of a technological innovation that could prove costly to them. Scientists today believe that most people carry genes with certain characteristics that may place these people at risk for future diseases. Consequently, insurance companies could use this technology and charge higher premiums to those individuals who are genetically predisposed to certain diseases. The Patients' Bill of Rights Plus Act protects against this by prohibiting all group health plans and health insurance issuers from denying coverage, or adjusting premiums or rates based on "predictive genetic information" for the 140 million Americans covered by both self-insured and fully insured group health plans and individual health insurance plans.

Finally, this bill protects consumers and increases the quality of health care by protecting patient-provider communications. The communications are protected through the elimination of gag rules, which restrict physicians and other health care providers from discussing patient treatment options not covered by patients' plans. I believe in providing patients with the most information possible so that they can make informative healthcare decisions, in consultation with their health care provider. The gag rule prohibition in this bill will permit health care professionals to discuss treatment alternatives with patients and render good medical advice, regardless of whether the treatments or alternatives are covered benefits under the plan.

Not only does the Patients' Bill of Rights Plus Act provide consumer protections and increase health care quality, this legislation also increases access to the health care system. First, this bill expands the use of Medical Savings Accounts ("MSA"). These accounts were created in 1994 but are currently only available for employees of firms with 50 or fewer employees. This bill expands MSA availability to all individuals. This bill also loosens some of the restrictions on Flexible Savings Accounts ("FSA"). An FSA is an account which an employee can deposit money into to cover healthcare costs that are not covered by the plan. Current law, however, provides that any money in the FSA that is not used by the end of the year is lost. This bill would allow workers to keep up to $500 of unused FSA funds in tax-preferred accounts every year, giving those patients greater control over their health care. I have long been a supporter of giving Americans the ability to better control their own health care costs by purchasing special tax-preferred savings accounts for basic medical expenses. Finally, the Patients' Bill of Rights Plus Act expands access to health care by allowing self-employed Americans to deduct 100 percent of health insurance expenses from their taxes. Combined, MSAs, FSAs, and the full deductibility of health care costs for the self-employed will increase Americans flexibility in health care coverage options and decrease the number of uninsured.

Mr. President, this is just a brief summary that highlights some of the major provisions of the Patients' Bill of Rights Plus Act. As I am sure you can see Mr. President, that this bill is truly a Patients' Bill of Rights. This bill provides consumers with a number of protections against health plans and increases accessibility to the health care system. Consequently, I am proud to be a cosponsor of this important piece of legislation.

On the other hand, because I feel so strongly that we as a Congress must work toward increasing accessibility to the heath care system, I feel compelled to speak out against the so called "Patients' Bill of Rights." This bill, by prescribing more mandates, more regulations, more bureaucracy, and more lawsuits, will certainly raise the costs of health care and close the access door to many Americans.

Health care costs are already high in this country, and many Americans cannot afford health insurance. According to Dan Crippen, director of the Congressional Budget Office, there were approximately 43 million Americans under the age of 65 that lacked health insurance coverage in 1997. As health care costs continue to rise, who do you think is going to pay for the increased cost? Well, I am fairly certain it will not be the insurance companies or the health care providers. Rather, increased costs will be passed on to the consumers through higher premiums and reduced benefits. That means the consumer will have to bear the cost by paying higher premiums for their health plans and receiving less benefits. Higher premiums for consumers mean even more Americans will be unable to afford health insurance coverage.

Mr. President, I believe the United States Congress should pass a Patients' Bill of Rights that provides consumer protections and does not result in people losing access to the health care system. The "Patients' Bill of Rights" does not achieve these objectives.

The Congressional Budget Office has conducted a cost estimate of the "Patients' Bill of Rights." The original cost estimate of this bill was that it would increase premiums 6.1%. It is not difficult to understand that higher premiums are likely to result in some loss of health insurance coverage. If you increase costs, some people will not be able to afford health insurance. Americans should not have to choose between the basic necessities of life like food and shelter and health insurance. Mr. President, given the number of uninsured Americans and the prospect of increasing health care costs, the "Patients' Bill of Rights," by increasing premiums by 6.1%, is simply irresponsible.

Predicting the exact number of Americans that will be uninsured if the "Patients' Bill of Rights" becomes law is difficult. However, the numbers the experts keep telling me are that this bill will result in over 1 million Americans losing their health insurance coverage. Of this over 1 million Americans, an economic consulting firm estimates that this bill will cause over 34,700 Virginians to lose their health insurance. Let me reiterate this point Mr. President. The experts have been telling me that due to the 6.1% premium increase in the "Patients' Bill of Rights," over 1 million Americans and approximately 34,000 Virginians are likely to lose their health insurance. This, Mr. President, I cannot accept.

Mr. President, legislation that will cause so many Americans and so many Virginians to lose health insurance coverage is not a true Patients' Bill of Rights; therefore, I am unable to support the inappropriately titled, "Patients' Bill of Rights." On the other hand, the Patients' Bill of Rights Plus Act is a true Patients' Bill of Rights. The Patients' Bill of Rights Plus Act increases access to the health care system and provides key consumer protections. I am proud to be a cosponsor of this legislation, and I urge my colleagues on both sides of the aisle to support this true patient protection piece of legislation.

Mr. BINGAMAN. Mr. President, over the past few days, my Democratic colleagues and I presented a number of arguments which clearly laid out the need for managed health care reform.

The ability to hold insurance companies accountable for their decisions is a critical element in ensuring the overall quality of patient protections.

While we will continue to present our case in a variety of ways, I would like to take this opportunity to relate a story that was shared with me just a few weeks ago about a young girl from Albuquerque, New Mexico.

Anna, 6 years old at the time, was a very active and energetic young girl and excited about entering first grade that year. One evening, Anna went with her parents and her brothers and sisters to a softball game. She and other children went off to play in an area near the softball field. Suddenly, some of the children came running towards the adults, screaming for help. Anna had caught her foot in a gate. Her foot was bleeding profusely and she was in agonizing pain. She was immediately rushed to the local emergency room.

After Anna was examined by her doctor and after a conversation with her family's HMO, it was determined that Anna would not be admitted to the hospital that night.

Anna's family reluctantly took her home that night where she was in pain throughout the evening. Her family was forced to watch their small, frail daughter lay in bed in agony.

The next morning, her mother was worried because Anna's foot was purple, swollen, and cold. Anna was in tremendous pain and had a fever. Her parents did not hesitate any longer and Anna was rushed back to the emergency room.

This time she was admitted immediately and treated on an emergency basis, but it was too late and her family's worst fears were realized. Anna had a raging infection that had already destroyed half of her foot which had to be amputated.

Anna had two surgeries and spent 6 weeks in the hospital. She will live with this deformity forever.

Unbelievably, her family's HMO has delayed paying for the 6 weeks she was in the hospital to have her foot amputated and grated at a cost of $23,000.00.

Anna's family paid for the protection of health insurance. What they received in return was a possible delay of critical medical service which has left Anna disfigured and has ruined her family's credit.

To the amazement of anyone who hears this story, under current law, Anna's HMO will not be held accountable for their decisions.

Under the Democratic plan, Anna and her family would have legal recourse like any other American has in this country when they are wronged by a business.

The Democratic plan simply states that if a patient is injured or killed as a result of an insurance company's decision, the insurance company can be held liable under state law.

Let me be clear. This will not open the flood gates to more litigation and raise the cost of health insurance.

It doe not override states' rights. It simply says that whatever rights a given state chooses to grant shall not be blocked by federal legislation.

Without adoption of the Democratic plan, stories like Anna's will continue to be told. I understand Anna is quite a young girl and she will go on. But she and her family will struggle with this nightmare.

The Democratic plan is not about lawyers—it is about people like Anna and protecting their rights.

Anna, her family and millions like them in this country are waiting for us to do just that.

Mr. GRASSLEY. I commend the leadership, Senator LOTT and Senator NICKLES, and the minority leader, Senator DASCHLE, for coming to an agreement to bring this very important legislation, the Patients' Bill of Rights, to the Senate floor for debate. I know this is a politically charged issue, but I believe there is enough in common on both sides of the aisle to pass a good, strong, bipartisan bill. At the end of the day, we can have legislation that will provide patients with the necessary protections they want, and deserve, without driving up the cost of insurance so high that we add to the number of uninsured.

Many of the provisions in the bills that have been introduced during this Congress and last Congress are similar to provisions I put forth in my Medicare patient bill of rights bill or S. 701, which was adopted as part of the Balanced Budget Act of 1997. The cornerstone of my Medicare legislation was an expedited appeals process with a strong independent external review procedure and user-friendly, comparative consumer information so Medicare enrollees could make informed choices about their health plan options. Although the Medicare program already had an external review process, there were problems with the timeliness of reviews, particularly in urgent situations where a patient's health was in jeopardy. My bill codified the appeals process to ensure that these situations would be rectified. Independent reviews would be completed in 72 hours when considered urgent and 30 days for non-urgent situations.

My legislation also addressed another problem with the Medicare program. The program did not offer enrollees clear, concise, and detailed information about health plan choices and beneficiary rights in managed care. As more and more plans entered the Medicare market, it became increasingly clear that beneficiaries needed access to detailed, objective information about their options and about the protections they have under the Medicare program. S. 701 included new requirements for the program to provide enrollees comparative and user-friendly consumer information that became the foundation for the National Medicare Beneficiary Education program that is in existence today.

In addition to the expedited appeals process and the consumer information program, S. 701 contained other items like prohibiting gag clauses in Medicare managed care contracts, offering a point-of-service option, and assuring access to specialists when medically necessary. Not all of these provisions were included in the Balanced Budget Act of 1997, but I am proud to say most were and, as a result, Medicare beneficiaries enjoy these rights today.

Senator JEFFORDS' bill reported out of committee, and the Republican leadership bill, S. 300, also share many of the patient protections I advanced for Medicare for individuals currently insured under the Employee Retirement Income Security Act (ERISA). While there have been some who have criticized the Republican bill for not covering all insured individuals, the reality is most individuals are covered under state consumer protections. However, for the 48 million people who are solely covered under ERISA, our bill would provide them similar protections to what most individuals enjoy today under their state laws. Furthermore, our bill would extend the two most fundamental and important protections to all employer-sponsored plans—an appeals process with a strong external review mechanism, and detailed, user-friendly consumer information so that individuals can make the best health plan choice possible for their needs. Our bill would not duplicate state regulation, thus avoiding unnecessary costs and regulatory burdens for employers. These costs ultimately get passed on in the form of lower wages, reduced health benefits, and fewer jobs.

To argue that the cost of this additional regulatory burden, and I might add this unnecessary cost, is worth it because everyone should have the same federal protections is short-sighted and just plain wrong. Health insurance coverage is a benefit that Americans want and desperately need. It is a benefit that employers voluntarily provide. If we require that all plans, even those already regulated by the state, be subjected to any new federal law, we will increase the cost of providing health insurance coverage. There is no dispute here. We have the figures from the Congressional Budget Office. In fact, the CBO provided us with a breakdown of the cost of each new patient protection. And guess what? The costs go up as we mandate more government regulation. This is not rocket science, this is common sense.

We need to ask ourselves as members of the Senate if we want to jeopardize the health insurance coverage of hard-working Americans for our own political and personal gain. We have guaranteed health insurance, so we don't need to worry about losing our coverage. But what about the voters, the people we are supposedly trying to help with this bill:

Should we pass this bill without regard to the cost or the impact it will have on people's coverage?

Should we be telling our constituents who are content with their health plan that the cost doesn't matter because what matters most is helping people who were harmed by their managed care plan?

Should our response be to folks back home that they should be willing to pay more for protections they already have under state law so that the federal government can step in to do what the states are already doing?

In addition to the rise in premiums patient protections will most certainly cause, the private sector is now predicting health care costs will increase even further than anticipated. A recent survey released by a human resources consulting firm indicates health insurers and health plan administrators expect HMO costs to increase 6 percent. Point-of-service plans are expected to rise 7.7 percent. According to a General Accounting Office (GAO) report, a 6 percent premium increase will result in approximately 1.8 million Americans losing their health insurance. This is without Congress taking any action. If the Democrats had their way, we would be adding another 5 to 6 percent on top of the 6 percent increase already projected. What good are patient protections when you don't have any health insurance? And the costs of higher insurance premiums are not only measured by the loss of coverage. Families will have to make choices between a better education for their children; preparing for retirement; starting a business; or simply affording to each out on occasion just to pay their higher premiums to keep their health care coverage.

The survey goes on to cite reasons for these higher than expected premium increases. At the top of the list of reported reasons is new state and federal mandates. Do not be mistaken. The impact of increased regulation is real. And the cost is far greater than some monetary figure or percentage increase can possibly demonstrate. We are talking about peoples' health insurance coverage, and ultimately their health. For research has shown there is a direct correlation between a person's health and whether that person has insurance.

The Republican bill attempts to target protections where no state protections exist under ERISA. It provides two fundamental federal protections to all employer-sponsored plans. One of these provisions, which will offer patients the ability to solve disputes with managed care plans, is the appeals process. This provision, in my estimation, would solve many of the problems people experience with their managed care plans. This approach, unlike the Democratic approach, would provide assistance to the patient when they need it the most—at the time when care is needed. What good is it to know you can sue your health plan when your health has already been harmed or worse yet, you are dead? What good is to sue when most of the money ends up in the hands of trial lawyers?

Our bill would allow for any dispute regarding medical necessity decisions or a treatment determined to be experimental by the plan to be appealed to an external independent review board. This board would be made up of medical experts in the area of dispute. The appeals process would be timely, independent, and binding on the health plan. Patients would get health care when they need it, not a lawsuit after its too late.

The other new Federal protection that is fundamental to consumer choice is the availability of consumer information. The Republican bill would establish new disclosure and detailed plan information requirements for all employer-sponsored plans. This information would be available to people to ensure they understand what their plan covers, how it defines medical necessity, what they should do when a dispute arises, and much, much more. This provision will enable patients to make decisions about their health care and will create greater competition among health plans to provide quality care and service.

Throughout this debate we must remember what the purpose of this legislation is. We must not let rhetoric cloud our judgment about what will truly benefit patients and not special interest groups. We must remember this debate is about patients; not trial lawyers; not doctors; and not bureaucrats in Washington. We need to act responsibly to pass a bill that will provide meaningful patient protections while preserving the health insurance coverage of millions of hard-working Americans. Again, I ask the fundamental question we must consider. What good is a patient bill of rights when you don't have insurance?

Republicans and Democrats agree on a number of issues that really matter to our constituents. We should be able to pass a bipartisan bill with those provisions we all support. Both sides may have to compromise. But that is part of making the legislative process work. I ask my colleagues to remember on whom this debate should focus on. Let us not forget, it is the patients' bill of rights.

Mr. MURKOWSKI. Mr. President, today I rise to join my colleagues in the important debate on ensuring the health care rights of patients across America.

Our nation has the best health care in the world, yet there is a growing concern over changes in how most Americans receive health care. Individuals once accustomed to choosing a doctor and paying for medical treatment are now thrown into managed care systems or HMOs. Too often for the patient, HMO rules, restrictions and concern for profit seem of more consequence than providing quality health care.

The Republican plan, called Patients' Bill of Rights Plus, is a direct response to patient concerns. In a nutshell, the Republican bill guarantees affordable, quality health care and provides access to the best doctors and specialists available.

The Republican bill will protect the unprotected by establishing a Bill of Rights for patients whose plans are not already regulated by existing consumer protection laws. Under our bill, patients will have the right to talk openly and freely with their doctor about all treatment options; the right to coverage for emergency care; and the right to see the doctor of their choice.

It will make health insurance more affordable and accessible by accelerating full tax deductibility of health premiums for the self employed; and expanding the Medical Savings Account pilot program to all of America.

It will empower patients by providing a timely and inexpensive appeals procedure for all patients who are denied coverage by an HMO.

Why is the Republican plan a better alternative?

The Democrat bill, called "The Patients Bill of Rights Act," may have a similar title to the Republican bill, but the two bills represent entirely different approaches to the role of government in health care:

The Democrat bill encourages litigation.

Our plan insures patients will get the care they need, not a trial lawyer knocking at their door. It creates a fair and efficient process to resolve disputes with HMOs.

The Democrat plan, will enhance lawsuits, not the delivery of health care. Mr. President, health care cannot be improved through the court system.

The Democrat plan creates massive Federal bureaucracy. The Democrat plan regulates all health insurance at the federal level—thereby pre-empting state laws. The Democrat plan is a litany of federal mandates on private health insurance. It's one step closer to a federal take-over of America's health care system.

The Democrat plan is a "one-size-fits-all plan." The Democrat bill squeezes patients into a one-size-fits-all health plan. The Democrat plan puts one of the most ineffective agencies, the Health Care Financing Administration, in charge of it all!

Maybe that works in Massachusetts, but it won't work in my State of Alaska. Let me explain.

The Federal Intrusion in Alaska doesn't work. Mr. President, a one-size-fits-all" approach doesn't fit Alaska's health care needs. Let me tell you the facts:

Alaska contains the most rural, remote areas in the nation;

Alaska is 74 percent medically underserved; and most importantly;

Alaska is a state in which the Federal Government, and in particular, the Health Care Financing Administration, just doesn't understand.

Let me tell you about three health care problems in Alaska that were exacerbated by Federal intrusion:

Federal intervention threatens to destroy Alaska's Rural Physician Residency Program. Alaska's rural health care problems are tough. Physician turn-over rate is high. At Bethel Hospital, 4 of the 16 primary care physicians on staff leave every year. Many villages populated by 25–1,000 individuals never even have access to physicians.

The result is that bush Alaska has the highest rates of preventable diseases in America. Doctor Harold Johnson, head physician of the Alaska Family Residency Program described the physician needs of Alaska as follows:

> The history of physician turnover, isolation and general burn-out had been continuing in bush Alaska settings without any sign of improvement for the last 45 years. The Alaska Family Practice residency is a vital program designed to train a workforce to handle bush Alaska's harsh conditions, isolation and unique culture.

I worked to protect that residency program with specific language in the Balanced Budget Act, but still this important program is threatened.

Why? Because the Health Care Financing Administration (HCFA) improperly interpreted my language, thereby preventing our doctors from training in rural Alaska and other rural areas across the nation. Senator Collins and I had to introduce legislation to stop HCFA from harming these rural programs. It's this agency, HCFA, that Democrats now ask to run health care for most of America.

HCFA ignores Alaska's Medicare access problems. Access to health care is the over-riding problem for Alaska's elderly. Fourteen of nineteen primary care physicians in a major hospital in Anchorage will no longer accept Medicare patients. Why? Because doctors in rural areas lose money on Medicare patients in rural areas.

I have stated my concern over and over to the Health Care Financing Administration, but was ignored. As a matter of fact, the Administrator of the agency testified before the Finance Committee on February 26, 1998 that her agency has found "no overall problem with access to care" anywhere in the nation.

Why is HCFA ignoring rural America? I have been working with her agency for the past year to educate them—and have even brought representatives up to Alaska. But the problem persists.

Once again I stress that HCFA is not the agency to run all of America's health care. HCFA's approach of a one-size-fits all" solution never seems to consider rural America.

And, lastly,

Health care access is denied to King Cove, Alaska. This debate is about "patients rights"—about the rights of American citizens to have certain guarantees when they need medical attention. But when I think of King Cove, Alaska, I can't help but note a certain level of hypocracy by the party on the other side of the aisle.

It was one of the last votes Congress cast last year, "The King Cove Health and Safety Act of 1998"—here's the background.

King Cove is located in the westermost part of Alaska and is accessible only by sea or air. Air traffic is often completely stopped due to a combination of prevailing northernly winds, heavy snows, strong crosswinds and turbulence.

Since 1981, there have been 11 air crash fatalities and countless other air crashes and injuries from the King Cove airport. One fatal accident involved a medivac flight headed for Anchorage.

The people of King Cove came to Congress to ask for access to health care—to ask for permission to build a small gravel road to a nearby, 24-hour, "all-weather capability" airport in the town of Cold Bay. Permission from Congress was needed because the Department of Interior prevented the gravel road from crossing a mere seven miles of federal property.

I am not talking about the ability for a King Cove resident to get an M.R.I., or the ability to choose their own specialist. I am talking about the most basic of all health care rights—access—the ability to simply get to a hospital.

My bill to allow that access was vigorously opposed by the Democrats. And President Clinton threatened a veto. Why? Because a big "one-size-fits-all" federal law prevented a 7-mile road. Once again those big "one size fits all" laws don't seem to fit Alaska.

Sadly, the majority of Democrats last year voted to deny the most basic right—access to health care—to Alaska residents. So the Democrats can "talk the talk" all they want about HMOs, and access to emergency rooms, but when it came time to "walk-the-walk" for the people of Alaska, they could not and would not do it.

I ask my colleagues, how can we be on the floor of the Senate debating what happens to a person after he gets to a doctor or hospital when many here were unwilling to provide Alaskans with access to that doctor or hospital?

Mr. President, that is what Federal intrusion has done to health care in Alaska. Again I stress that a "one-size-fits-all" package doesn't work in rural America.

Public health is too important to be sacrificed to such a big-government vision.

I favor patients rights that will strike against government control of the health-care system; I favor a plan that makes coverage more affordable and puts patients in control of their medical care; I favor the Republican bill.

I yield the floor.

Mr. McCain. Mr. President, over the past four days, we have cast many difficult votes. Often, as you know, several issues are addressed in a single amendment or series of votes. Therefore, in order to ensure that my positions on these matters are fully understood by my constituents, I ask unanimous consent that an explanation of my votes on health care amendments be printed in the Record.

There being no objection, the explanation was ordered to be printed in the Record, as follows:

SENATOR MCCAIN'S VOTES ON PATIENTS' BILL OF RIGHTS

7/15/99: Kerrey Amendment #1253—JSM voted no because it was too broad in scope requiring an unlimited continuation of care from all plans with too many exceptions causing excessive costs for patients. Failed 48–52

7/15/99: Collins Amendment #1243—JSM voted yes because it made long term health care more affordable while also expanding direct access to obstetric and gynecologist care for women; providing timely access to specialists; and expanding patient access to emergency care. Passed 54–46

7/15/99: Ashcroft Amendment #1252—JSM voted yes because the amendment tightens up the external review process, making it more independent of the influence of insurance companies, and because it moves toward requiring insurance companies to pay for the costs of individuals participating in clinical trials. Amendment was adopted 54–46.

7/15/99: Gregg Amendment #1250—JSM voted yes because the amendment eliminates the provisions in the Democrat bill that would allow excessive and unnecessary litigation. He believes, however, that patients should be permitted reasonable and limited access to the courts to recover compensatory damages when denied proper health care by their insurer. Amendment was adopted 53–47.

7/14/99: Dodd Amendment #1239—No recorded vote on text of Dodd amendment regarding insurance coverage for individuals participating in clinical trials and access to approved drugs and devices; text of amendment was eliminated by adoption of Snowe Amendment #1241.

7/14/99: Kennedy Amendment #1242—JSM voted yes because he believes the patient protections afforded by the underlying legislation should be extended to as many people as possible, without precluding states from establishing additional protections. Amendment failed 48–52.

7/14/99: Snowe Amendment #1241—JSM voted yes because the amendment establishes requirements for extended coverage and overnight hospital care for mastectomies and similar procedures. Amendment was adopted 55–45.

7/14/99: Bingaman Amendment #1243—JSM voted no because he felt it did not fully address the problem which is why he preferred the amendment offered by Senator COLLINS providing timely access to specialists while also expanding access to emergency room services, women access to obstetric and gynecological care and expansion of deductibility of long-term care to individuals. Failed 47–53.

7/13/99: Santorum Amendment #1234—JSM voted yes because the amendment provides for full deductibility of the costs of health insurance for self-employed individuals and restates states' rights to regulate health plans which are not exempt from state control. Amendment was adopted 53–47.

7/13/99: Graham Amendment #1235—JSM voted no because the amendment would allow individuals to receive non-emergency care in emergency facilities if a non-life threatening medical condition was discovered during the course of treatment for a life-threatening condition. He supported the language in the amendment mandating that all patients have access to emergency facilities, but felt that authorizing post-stabilization care in an emergency facility would open the door for people to receive a litany of unauthorized, costly health services if they come into an emergency room under the pretense of a life-threatening condition. Conditions discovered during the course of an examination in an emergency facility, should be handled through the normal referral process using non-emergency doctors and facilities. Amendment failed 47–53.

7/13/99: Nickles Amendment #1236—JSM voted yes because the amendment waives the requirements of the underlying legislation if their implementation would result in a 1 percent increase in premiums or make health care unaffordable for 100,000 Americans. Amendment was adopted 52–48.

7/13/99: Robb Amendment #1237—JSM voted no because the amendment would eliminate the threshold exemptions in the Nickles amendment #1236. He supported the provisions of the amendment that required coverage and established minimum hospital stays for patients undergoing mastectomies and related procedures. These provisions were subsequently adopted in the Snowe Amendment #1241. Amendment was defeated 48–52.

7/13/99: Frist Amendment #1238—JSM voted yes because it made health plans accountable for their actions and delivery of medical care to patients. 52–48.

Mr. GORTON. Mr. President, as a parent and grandparent, I know there is nothing as important as taking care of one's family, especially if a family member is sick. If your daughter gets hurt, you want her healed. If your dad is ill, you want him to get better. It's human nature. Our compassion and desire to help our loved ones is limitless. Caring for your family is as natural as breathing. That's why good medical care is so important to all Americans.

Health care is about security, it's about peace of mind. It's very personal. It's about your doctor, your hospital, and your health care plan. It should not be about attorneys, paperwork, and the massive federal government.

America is blessed with the best medical care in the world, but the quality of our health care will be jeopardized if we fail to prepare for the challenges of this rapidly developing field.

As Congress takes a hard look at the health care system, we need to take a step back from the partisan bickering so often associated with the political system and instead do what's best for our families.

So as this debate in Congress ensues, I will support proposals, from either party, that will make health care better.

These are the principles I advocate:

Ensuring that Americans have access to the highest quality health care available;

Making sure that your medical decisions are made by a doctor;

Access to healthcare that is affordable; and

Creating opportunities for families that are now uninsured to buy health care coverage.

Washington families from Poulsbo to Pullman should have access to the best available care when they need it. Congress should implement common sense consumer protections for patients not covered by existing state laws.

Patients should be able to go to the nearest emergency room without worrying about whether that hospital is a part of his or her insurance plan's network. They should simply get the care they or their families need.

Woman should also have direct access to their ob-gyn for their health care needs, and children need to be able to see pediatricians who specialize in children's health care.

The patient-doctor relationship is unique and very personal. Patients should be able to choose their physician; under the Patients' Bill of Rights Plus Act, which I support, they can.

Patients should also be confident they are receiving the highest quality health care. It is difficult to keep abreast of the new developments and treatments in the fast-changing world of modern medicine. We have learned more in the last five years about how to improve health care than we learned in the prior 25 years. We need to make sure that hard-working doctors have the tools and the best information they need to provide the best care.

Should patients have recourse if they think their plan has been negligent or unfairly denied them treatment? Absolutely. We need to look at models that work during this debate, and adopt health care reforms that move the standard of patient care forward, not back.

Some in Washington, DC want to complicate the health care equation. Instead of a quick resolution and access to care when patients need it, patients would have to wait years for the courts to resolve the issue. The problem with that philosophy is that lawsuits are after the fact—the damage is already done. We should focus on quality health care and on treating patients, not spending all time in court. After all, you can't sue your way back to health.

Who benefits if we have more lawsuits? Clearly not the patients. One GAO study from 1987 found that cases with merit below $50,000 were unlikely to be pursued by plaintiff's attorneys. And, the time to payoff—if any—takes on average 33 months to be resolved; and medical malpractice claimants only received 43 cents on the dollar.

Their plan would allow employers to be sued. But, for many small businesses one lawsuit would put them out of business. In fact 57% of small businesses said they would drop health care coverage for their employees rather than risk a lawsuit that could put them out of business. That is not good for families.

I believe there is a better way. Patients should be able to hold their health plans accountable. New internal and external appeals provisions give all patients in group health plans that ability. If a patient believes his plan wrongly denied coverage for a health care service he can access a timely internal review conducted by the plan. If he still disagrees with the plan's determination, a patient can ask for an independent review conducted by a doctor who is a specialist in the area of dispute. The decision of the external review is binding on the plan and the court is able to award monetary penalties if the plan does not comply.

There are those in Washington, DC that would extend the arm of the federal government into your families' health insurance—requiring you to pay for benefits you may or may not need. The Congressional Budget Office concludes that the bill offered by the Democrats would cause premiums to rise by 6.1 percent, or $355 per family.

Ultimately, increased costs mean more American families can't afford insurance. The Lewin Group estimates that for every 1 percent increase in premiums 300,000 people lose their insurance coverage. A 6.1 percent increase would put health care out of reach for 1.8 million more Americans. In Washington state it means as many as 50,000 more Washingtonians may be unable to afford health insurance. That's unconscionable.

Instead, insurance coverage needs to be more accessible to American families. One way to do that is to allow full deductibility of health insurance costs for those who are self-employed—the same benefit many businesses receive. Employees who pay for their families' insurance premiums should also be allowed that same tax deduction. Medical Savings Accounts should be made more broadly available—37 percent of the people currently enrolled in the MSA pilot program were previously uninsured.

Our mandate is clear: "first do no harm." This time-tested creed of the medical profession applies to this debate. The challenge is to provide common sense improvements to the current system but not at the expense of increased costs, more uninsured families, fewer health care choices, and another layer of government bureaucracy between patients and their doctors.

Let me add, Mr. President, that I think it is important that we have this debate. But, unfortunately, both parties are engaging in political gamesmanship and procedural antics on the Senate floor; each hoping to prove it is the champion of the health care issue. What's the end result? A debate—but, just a debate.

That result—no real progress—seems to me the exact result that political Washington, DC is hoping for. Where there was a glimmer of bipartisanship—for example on amendments that would give patients access to clinical trials or end the practice of drive-thru mastectomies—politics reigned.

In the meantime, there is a growing crisis in our rural areas as seniors continue to lose access and choice in their health care options. We know that as mandates pile up the cost of providing health care increases. Yet, the Administration's answer to Medicare has been across the board reductions in payments to hospitals and insurance plans. Just two weeks ago a number of plans decided they could no longer afford to do business in Eastern Washington. There is now only fee-for-service in most of Eastern Washington meaning seniors will end up paying more for fewer benefits.

Earlier this week, I attended a hearing at which rural hospital administrators testified about the impact of Medicare changes on access to care for seniors in rural areas. As the Administration develops payment systems, and issues its regulations and guidance for Medicare, I continually hear from the medical community, particularly those in rural areas, that the payment reductions and increased paperwork burden are simply intolerable. If hospitals and doctors can no longer do business in rural areas it ultimately means that the quality of care for seniors and other families living in our rural communities is in jeopardy.

We must work towards more choice, access and quality care for all Americans; for those who may be in group health plans, the subject of this current debate, but also for seniors and those Americans living in rural communities.

Congress' focus should be to create new opportunities for covering the uninsured by enacting provisions to make health insurance more affordable and accessible. We should pass common sense patient protections for those who are currently unprotected by state laws and all patients should be able to hold their health plans accountable.

After all, health care is about security, it's about peace of mind, it's about your doctor, and your hospital; but most importantly, its about your family.

Mrs. SNOWE. Mr. President, I rise today to express my strong support of the Patients' Bill of Rights. This bill will provide needed reform to our managed care system and ensure some basic patient protections for those with health insurance who do not fall under state jurisdiction.

This week the Senate debated an issue that goes to the heart of the personal security of every American. . .an issue that underlies all other issues. . .that cuts across racial lines, income levels, gender, or profession. Health care in this Nation affects all of us, touches all of our lives. And I am pleased that we are having this opportunity to discuss how we can ensure that health care delivery in the new century never loses sight of its most important component—the patient.

We need to have this discussion because, to paraphrase the recent car commercial, this is not your father's health care system. It isn't even the system we knew ten or fifteen years ago. Not so long ago, health care was delivered on a fee-for-service basis. Today, an explosion of advances in medicine and technology along with the advent of managed care, HMO-based networks, have changed the face of health care in America. And it is time to take stock.

We need to ensure that medical decisions are dictated by patients and their doctors—not the fine print on an insurance policy. And we must do so in a way that doesn't step on the toes of sound policies already put in place by individual states and doesn't substitute endless courtroom litigation for immediate medical treatment.

As more and more people enter into managed care plans, we hear of more and more problems—in some instances, it seems that patients are barely off the operating room table before they are sent home, whether they are ready or not. Or patients are denied access to a treatment or the specialist they need—something my state staff hears time and time again from constituents.

I happen to think that medical tests and medical doctors should be driving medical decisions, not actuaries or accountants. In all too many cases, it seems as though health care has become too much about crunching numbers and not enough about healing patients.

Indeed, the whole drive toward managed care has been prompted by an effort to contain and reduce health care costs in this nation—by itself, a worthy goal. And by-and-large, managed care has proven less costly than the traditional fee-for-service system—in fact, last year, the average premiums for traditional fee-for-service plans were almost 20 percent higher than HMO premiums and about 7 percent higher than premiums for preferred provider organizations.

But the question is, at what price? There is a real feeling among many Americans that, in some far off place, bureaucrats they will never see are making decisions that will dictate the quality and level of care they will receive. There's a real feeling that the average American has little say in what is probably the most deeply personal issue there is—and that the dollar sign is more compelling than any X-ray or MRI.

This bill addresses these concerns in a number of important and effective ways, all designed to put patients first.

This bill recognizes that medical emergencies are just that—emergencies. If you are being rushed to the hospital with a heart attack, that's hardly the time to have to phone ahead for prior approval—under this bill you'll know you're covered.

This bill protects a patient's right to hear the full range of treatment options from their doctor. It is outrageous that patients are often denied the best possible information just when they need it most, and this legislation would make these so-called "gag clauses" a thing of the past.

This bill would allow parents to bring their children directly to pediatricians, instead of having to go through primary care physicians. How much sense does it make that some managed care plans consider pediatricians to be specialists? The last time I checked, being a child is not a sickness—children deserve the quick and direct access they need to doctors who are really just general practitioners for kids, and under this bill they get it.

This bill would protect one's right to see a specialist. If a patient believes that seeing a specialist is the only way to get a sound diagnosis, they should not be denied that option.

And finally, this bill allows patients who are pregnant, terminally ill, or in the hospital to continue to see their current doctor, even if that doctor is no longer participating in the patient's health care plan. It's unconscionable that, after seeing a doctor who knows your condition better than anyone else, you could be asked to return to square one—and that would no longer happen under this legislation.

I realize that both parties have identified some of the more pressing problems with managed care, and both have laid out ideas on how to address these problems. And I truly believe that Senators on both sides of the aisle are concerned with what they've seen and heard from their constituents. The point that must be made here is that it is not so much our goals that differ, but rather the path we take in getting there.

And one of the most glaring differences is the way we approach existing state laws. Not surprisingly, many states have already beaten us to the punch when it comes to patient protections, and this bill respects the work they have done by complementing, rather than undercutting, their efforts.

Maine, for example, banned so-called "gag clauses" back in 1995, provided direct access to ob/gyns in 1996, and instituted the prudent layperson standard for emergency care in 1998. Wouldn't it make a lot more sense for the federal government to focus on fixing what's broken, instead of the problems that states like Maine have already fixed?

Yet, the Kennedy-Daschle bill asks us to overturn all the laws duly passed by 50 state legislatures and substitute then with a "father knows best" approach. It basically says, "thanks for all your efforts on this issue—now step aside and let the real experts take over". We think a better idea is to complement, not displace, state decisions and this bill does just that by providing benchmark protections for patients who are not already covered by State regulated plans.

We also take a different approach when it comes to disputes over care, emphasizing swift access to providers over the slow grind of the legal system. Under this bill, if an individual has a problem with a decision about their health, they can appeal, under an expedited process, to an independent party who is an expert in the condition being reviewed.

Why? Because what patients need first and foremost is medical relief now, not legal relief later. If I were sick today and I didn't believe I was getting the care or treatment I needed, I would rather see a doctor than a lawyer. The bottom line is getting well, and this bill would rather put medication ahead of litigation.

Finally, let me just say that I believe no patients bill of rights could be complete without a provision to protect against genetic discrimination.

Every day, scientists are finding links to a whole host of diseases. An estimated 15 million people are affected by over 4,000 currently known genetic disorders. Today, testing is available for about 450 disorders—but testing is useless if people are afraid to take advantage of it for fear of insurance discrimination.

No wonder then a reported 8 out of 10 people who undergo genetic testing pay for it out of their own pockets. Others simply forgo testing altogether. And still others refuse to participate in important medical research.

This is a travesty that must be remedied, and it would be remedied by this bill, which includes a provision I authored that provides absolutely fundamental protections against genetic discrimination in health insurance. This language has a long history—I first introduced these protections in the 104th Congress in conjunction with Representative LOUISE SLAUGHTER in the House.

Since then I have worked extensively with Senators JEFFORDS and FRIST to ensure that this bill effectively addresses the need for protections against genetic discrimination in the health insurance industry.

Americans should not live in fear of knowing the truth about their health status. They should not be afraid that critical health information could be misused. They should not be forced to choose between insurance coverage and critical health information that can help inform their decisions. They should not fear disclosing their genetic status to their doctors. And they should not fear participating in medical research.

We have laid out stringent, tough, and sensible guidelines that allow people to use the information that can be obtained from genetic testing without fear. Any of my colleagues who have heard me talk about genetics know about my constituent, Bonnie Lee Tucker, who is afraid to have a genetic test for breast cancer—despite the fact that she has nine immediate family members who have had this killer—and despite the fact that she believes this information could help protect her daughter. Why? Because she is afraid it will negatively impact her ability and her daughter's ability to get insurance.

Our language ensures that people who are insured for the very first time, or who become insured after a long period of being uninsured, do not face genetic discrimination. It ensures that people are not charged exorbitant premiums based on such information.

It ensures that insurance companies cannot discriminate against individuals who have requested or received genetic services. It ensures that insurance companies cannot release a person's genetic information without their prior written consent. And it ensures that health insurance companies cannot carve out covered services because of an inherited genetic disorder.

In short, it ensures that Bonnie Lee Tucker, and the thousands of Americans like her, can take advantage of the latest scientific breakthroughs to protect their health and well-being without losing their insurance coverage.

There will be no issue more important in the 106th Congress than the one before us this week. No issue affects people more personally than health care, and we have a real responsibility to ensure that any changes we make put the patient's interests first. I believe this legislation puts patients first without unnecessary bureaucracy, without excessive involvement from the federal government, without trampling the laws already on the books in all fifty states, without increasing the costs of insurance or increasing the number of the uninsured.

Mr. BUNNING. I rise in opposition to the Kennedy health care bill and in support of the Republican alternative—the Patients' Bill of Rights Plus.

Mr. President, when the rhetoric starts heating up, it is often difficult to tell exactly what is going on.

However, it has been my experience that quite frequently, the best way to determine where people are headed is to look at where they have been. You can often tell where people are going if you look back to where they are coming from.

And, quite honestly, I get a little nervous when I hear people talking about providing a bill of rights for patients that sounds very enticing. Without looking into the facts, I get a little nervous because I know where the supporters of the Kennedy bill have been.

I know where the President has been. We know where they are coming from on health care.

Where are they coming from? Well, back in 1994, these same people were trying to sell us on Clinton Care—the President's misguided proposal which would have taken away a patient choice and freedom and which would have put the Federal Government in charge of the Nation's entire health care system.

Fortunately, that proposal was rejected by Congress and the American people. It failed because it was recognized for what it really was—a big government proposal that would have moved us closer to single-payor, government-run health care system.

And the American people made it clear back in 1994 they simply didn't have a great deal of confidence that letting the Federal Government run health care would be any kind of improvement.

Now, the debate has changed. We are talking about "expanding patients' rights." And who can be against that?

But if you look at the people who are talking the loudest about these new rights, you will see the very same folks who supported Clinton Care—and who have consistently supported single payer, socialization of medicine all along. And that should concern everyone.

Have they changed their spots? I don't think so.

Be that as it may, even if you ignore the past and simply accept the Kennedy bill as a stand-alone measure that has nothing to do with past congressional efforts to put the Government in charge of health care, there are some very good reasons to oppose it. And there are some equally strong reasons to support the Republican alternative.

The reasons to oppose the Kennedy bill are simple. It will increase health care costs. It will increase the number of people who have no health insurance coverage dramatically. And it will seriously threaten our existing system of voluntary employer provided health care insurance.

It promises new "patient rights" which sound appealing at first blush, but when you look at it a little closer you discover that the costs are awfully high and the only ones who really benefit from those new rights are the lawyers and the bureaucrats.

I would like to talk about a couple of the problems that I see with the Kennedy bill and then point out a couple of the reasons that the Republican alternative is better.

First is the scope of the Kennedy bill—who will be affected. Today, much of the health care is regulated under the Federal ERISA statute—the Employee Retirement Income Security Act.

Today 42 million Americans get health care insurance through their employer as part of a plan that is directly governed by ERISA.

But, an even larger number—84 million—get their insurance through health plans that ERISA leaves to State regulation. Under the Kennedy bill, this would change.

The scope of the Kennedy bill is so broad that the States would be cut out of health care regulation. Uncle Sam would be in the driver's seat.

That's not what we want. One of the reasons the Clinton health bill failed was because Americans were suspicious of the Federal Government making health care decisions.

Many of us believe these decisions need to be kept as far from Washington as possible. The States have a role to play. Mr. President, even in Kentucky where our States general assembly has made some mistakes with health care recently, we want to keep working before turning everything over to Uncle Same.

So, the scope of this bill is troubling.

But even more troubling is the cost of the Kennedy bill. That is what health insurance is all about in the first place—the cost of health care.

And cost is certainly the one single health care issue that Kentuckians talk the most to me about. The cost of insurance premiums, prescription drug prices, medical equipment.

People are worried about their bottom lines. They are worried about how much is going to come out of their pockets. They want to know if they are going to be able to continue to afford to take care of themselves and their families.

For the folks who are worried about costs, the Kennedy bill is definitely the wrong prescription because it will increase costs, it will raise prices and it will swell the number of uninsured American families.

The nonpartisan Congressional Budget Office reports that the Kennedy bill would raise health insurance premiums 6.1 percent above inflation over the next three years.

In Kentucky this translates into $190 in higher insurance premiums that families would have to pay each year.

The worst part of these higher costs is that they mean fewer Americans will be able to afford health insurance.

CBO estimates the Kennedy bill will cost 1.4 million Americans their health insurance.

As many as 30,000 Kentuckians could lose their insurance coverage because of the higher costs imposed by the Kennedy bill.

According to at least one estimate, all of the new regulations and mandates in the Kennedy bill will cost almost $60 billion.

Somebody is going to pay those costs. Insurers are going to pass their costs along to the employers. And the employers will have to make a decision on whether to pass those increases along to their employees. And some of them may decide to drop the health care benefits they currently offer to their employees altogether.

So, that's the bottom line. the Kennedy bill of rights will mean that fewer people have health insurance—and those who still have it, will pay a lot more for it.

On the other hand, the GOP plan addresses health care quality without significantly raising costs. It would increase costs less than 1 percent.

That's a mighty big difference for the 1.4 million Americans who would be priced out of the market by the Kennedy bill, and for the millions of other Americans who would have to pay more out of their pockets for higher premiums.

A new bill of rights doesn't help you much if you lose your insurance coverage because you or your employer can't afford the premiums.

Our bill doesn't drive up costs, and it won't cause more Americans to lose their coverage because it doesn't have all of the new mandates and new regulations that the Kennedy bill does.

In fact, the Republican alternative actually includes provisions to help expand the availability of health insurance coverage and to help reduce the costs of insurance.

Our bill makes health insurance premiums 100 percent deductible immediately. That makes health insurance more affordable for 125,000 Kentuckians and millions more across the country who are self-employed.

The Republican bill also would lift the cap on the number of medical savings accounts that can be set up. Currently there is a national limit of 750,000. Our bill would allow every American who wants to set up a medical savings account the opportunity to do so.

MSAs might not be the right thing for everyone, but they make sense for a lot of families and they can really cut costs for many of them.

Our bill also improves on the existing "flex accounts" that many employees use to get health insurance coverage through cafeteria plans. Right now, many employees can use flex accounts to help cut medical costs and save money. Our bill would give employees even more flexibility to shift their coverage from one insurer to another and to make sure they can continue to see their own doctor.

Our bill contains these provisions to help reduce the costs of health care, and to expand health insurance coverage. The Kennedy bill includes none of them.

Over 40 million Americans have no health insurance coverage at all. The last thing we should do here in the Senate is pass legislation that is just going to make that number rise.

But that is what will happen if we pass the Kennedy bill. The supporters of this legislation claim that they want to give more rights to patients, that they want to protect Americans from the HMOs and the big insurance companies.

But, instead, their bill is an empty promise that would actually give Americans fewer rights. You can't have patient rights to fight your insurer if you can't even afford to buy insurance in the first place.

Imposing more regulations and more requirements on employers and insurers might have a gut appeal, but in the end it's not going to fix anything. It's only a placebo—a sugar pill—that turns out just to be an empty promise that won't cure this patient.

The next issue I want to address has to do with liability and lawsuits.

Everybody has heard the horror stories and a lot of Americans are becoming more and more worried that they are not going to be able to get the care they need because their insurance company refuses to pay for the treatment their doctor recommends.

When that happens, the question for patients becomes—what do you do if your insurer disagrees with your doctor?

The Kennedy bill's answer to this question is simple—it says sue your HMO or your employer. Sue your insurance company. Go to court and let the lawyers fight it out about your health care.

Under current law, patients can already sue their HMO in Federal court, and many of them are doing this. But, the Kennedy bill goes a step further and sets up a litigation lottery by lifting the Federal preemption and making it easier for patients to sue in State courts too.

The bill's supporters make a big deal out of liability and say that lawsuits are the best way to hold HMOs and employers accountable for decisions. And at first, suing your HMO—the big bad insurance company—might sound like a good idea, a sort of rough justice.

But I don't think anyone really believes that getting lawyers involved and going to court is the best way to obtain better medical care.

If your insurance company denies you coverage for a specific problem or a specific treatment, and you need medical care quickly, suing is not a very effective answer.

And I don't see how suing an employer about your health plan is going to help make things better. It's just going to make it more expensive, and give employers an incentive not to offer health care to their employees.

If you do sue under the Kennedy bill, there is no telling how long you are going to be in court, even if you can afford to pay a lawyer to take the case. And going to court to get a judge to rule on medical decisions isn't going to help a patient get help any more faster.

More lawsuits are only going to clog up the courts and increase legal bills, and in the end that is just going to drive up health care cost.

According to the General Accounting Office, it takes 33 months—almost three years—to resolve the average medical malpractice claim.

Some take much longer, and most patients can't wait that long for medical care.

Everyone knows that there are too many lawsuits in America. We hear it all the time. Most of the time in Congress, we are debating changes to the liability rules to cut down on litigation, to keep matters out of the courts.

For instance, we just passed the Y2K bill to give businesses and high tech firms more incentives to fix problems before they occur.

That's what we should do with health care. It just doesn't make sense to say we are going to improve health care by filing more suits in our courts. Making it easier to sue insurance companies or employers is a knee-jerk, feel-good reaction that isn't going to help anybody get medical care any faster.

On the other hand, the Republican bill says that if you are a patient and you think you're not getting a fair shake from your insurer, you can immediately appeal for a speedy internal review of the case. No lawyers, no courtrooms, no legal games.

And, after that review, if you think you still aren't being treated fairly, you can demand a quick and timely independent review by outside experts.

The Kennedy bill claims to have external reviews too. But the bill's primary focus is on making it easier to sue, and that means the primary arena for external reviews is going to be the courts.

The bottom line, Mr. President, patients already can sue their HMOs in Federal court. They have that right today.

But instead of encouraging quick resolutions of disputes, the Kennedy bill encourages even more lawsuits in State courts. This will only shift scarce resources from the operating room to the courtroom, and that's the last thing we need.

You can't sue yourself healthy.

In conclusion, Mr. President, I would like to tell my colleagues about what happened in Kentucky when our State adopted a health care bill that increased regulations, took away patients' freedoms and injected the government further into medical care. It's a living example of what could happen is we passed the Kennedy bill.

A couple years ago our general assembly passed a Clinton-lite health care bill. Back then we heard a lot of the same arguments that we do now about the need for more regulations and more government involvement in health care.

The proponents argued that the government had to step in to protect patients from insurers and to hold the line on costs.

Well guess what happened in Kentucky? We passed a big government health plan with all sorts of new mandates on insurers. The legislation was designed to protect patients, and give them more rights by the power of government intervention.

What happened was predictable. The insurance companies fled Kentucky in droves. For a while there were only two insurers who would underwrite individual health plans in our State—Blue Cross/Blue Shield, and State Government. That's it. Everyone else left us high and dry.

The number of uninsured Kentuckians rose. Costs increased. Medical care became more expensive and harder to get.

Since then, our State legislature has been backtracking and paring back those regulations and mandates. And guess what. Insurance is becoming more available again and prices have stabilized.

That's the sort of situation we are looking at if the Kennedy plan passes. More regulation, more government in your personal life, higher costs, and worse health care. It happened in Kentucky, and it can happen in the rest of the country if we pass the Kennedy bill.

Mr. President, I urge my colleagues to oppose the Kennedy bill. It's the wrong prescription for America. We know that more regulation and more government aren't the answer, but we have to keep fighting this battle.

It wasn't the answer in the Clinton health bill, it wasn't the answer when we passed health care reform in Kentucky, and it's not the answer today.

If you want higher medical costs, if you want more uninsured Americans, if you want more government rules and fewer choices for individuals, then support the Kennedy bill.

But, Mr. President, that's not what we really need. We need more affordable, more available, health insurance. We need a reliable, fast, and fair system of reviews to keep insurance companies honest but we don't need a flood of lawsuits. That is what the Republican bill offers.

Mr. **McCAIN**. Mr. President, our personal health and the health of our loved ones is the most valuable thing we possess. Unfortunately, we often take good health for granted until tragedy strikes and the health or well-being of a family member is jeopardized by disease, accident, or the ills often associated with aging. This is when we fully appreciate the value of good health, as well as the importance of access to quality health care.

When one of us or a loved one becomes ill, the obstacles of daily life become insignificant in comparison to ensuring the best health care services are available to ensure a full and speedy recovery. Our priority instantly becomes seeking and receiving the best possible care from qualified medical professionals.

Unfortunately, too many Americans feel powerless when faced with a health care crisis in their personal life. Many feel as if important, life-altering decisions are being micro-managed by business people rather than medical professionals, and too many Americans believe they have no access to quality care or cannot receive the necessary medical treatment recommended by their personal physician.

Many Americans work hard and live on strict budgets so they can afford health insurance coverage for their family. Then, the moment they need health care, they are confronted with obstacles limiting which services are available to them: confronted by frustrating bureaucratic hoops; and confronted by health plans that provide little, if any, opportunity for patients to redress grievances. This happens too often and can be attributed to several factors.

Our health care system is very complicated. It is comprised of thousands of acronyms and codes, and even has acronyms for acronyms. Our overly complex health insurance system intimidates and confuses many Americans. Many of us fail to fully examine the coverage provided by our health plans until we become ill, and then it is difficult to understand the legalese of the plan documents. Another contributing factor is the depersonalization of health care, which has become focused more on profits than on proper patient care.

I am not embarrassed to admit that I find the complexity of the health system very disconcerting and am often overwhelmed by its intricacies. I can certainly relate to the majority of Americans who are overwhelmed by a system which does not meet their basic needs in a simple, efficient and affordable manner.

Let me stress that I am not here today to bash managed care. I am not here to condemn Health Maintenance Organizations (HMOs) and the services they provide millions of Americans. I applaud the success of managed care in reining in skyrocketing health care costs, eradicating excessive and costly health care expenditures, and significantly reducing unnecessary overuse of the system. Managed care has played a direct role in reducing health care costs so that health care coverage is affordable for millions of hard-working American families.

However, while I appreciate the important contributions of managed care, we must protect the rights of patients in our Nation's health care system. Too many Americans feel trapped in a system which does not put their health care needs first. They believe that HMOs value a paper dollar more than they do a human life.

I know that my colleagues share my view, as do most managed care companies, that we cannot continue to ignore the rights of patients. For far too long, we have allowed the health care reform debate to be determined by special interest groups. Democrats are perceived as advocating certain principles and priorities for the trial lawyers, who are drooling over the prospect of unlimited and excessively costly litigation against insurers. Meanwhile, Republicans are perceived as working to protect the profit margin of the insurance companies and big business. As a result, this critical debate is overwhelmed with partisan bickering, and millions of Americans are left with no representation and inadequate health care.

It is time for all of us to put aside partisanship and the influence of special interests to work together for what is needed and wanted by our constituents—safe, quality, affordable health care.

I believe several fundamental health care principles must guide our health care debate:

First, we must put Americans in charge of their own health care. There are too many people who feel overpowered and overwhelmed by the current medical system. The current structure has created a caste system, and many patients believe they have become the serfs. Patients and their doctors should control their health care decisions, not HMO bureaucrats or political bureaucrats in Washington. Physicians utilizing the best medical data must make the medical decisions, not insurance companies or trial lawyers. We need to put in place a balanced system that allows managed care companies to reduce costs but also reinvigorates the patient-doctor relationship which is essential for receiving optimal care.

On the other hand, patients need to recognize that they cannot rely solely on doctors to always provide the best medical options. We each have a responsibility to learn how our medical plan operates, read about the options available to us and our family before we become sick, and most importantly, become better consumers of health care. I don't think many people would enter a salesroom or bank unprepared with the pertinent information for purchasing a new car or home, but too many of us blindly enter into major decisions affecting our health without doing any research. I know this is not easy, particularly with our very complex health care system and when so many of us barely find the time for sleep between work and family responsibilities. But we must become better advocates for ourselves in this complex medical system.

To that end, the government should help Americans become educated consumers by ensuring pertinent health care information is readily accessible. I have advocated and will continue to advocate a central web site or other service which simplifies research for Americans as they gather data on available health care options.

Second, we must improve access to affordable health care. It is simply disgraceful that 43 million Americans can not afford health care coverage. This is the largest number of uninsured citizens in over a decade, despite our strong economy and past actions to provide greater access to medical care. We must continue building upon already enacted reforms by expanding medical savings accounts, offering flexible savings accounts, providing full tax deductibility for self-employed health insurance costs, and allowing tax deductibility for long-term care expenses.

We must stop wasting our limited resources on pork and wasteful spending projects, so that we have more money to assist Americans who are uninsured and can not afford to put money away in medical savings accounts or will not be able to benefit from a tax credit. We should provide more funding for our nation's community health centers which are a tremendous resource in helping millions of Americans gain access to health care who would otherwise go without. Community health centers have instituted a sliding fee schedule which allows people to contribute what they can afford and still receive health benefits. We should strengthen and expand these successful centers throughout our country.

In addition, our tax code impedes a competitive market by prohibiting many Americans from truly being health care consumers. Many people lack purchasing power and are dependent on their employers for health care coverage. Tax benefits should not be limited for health care purchased only by big businesses. We should develop a method for providing the same tax benefits to individuals and families.

Third, Americans must have a choice of doctors to meet their health care needs. Today, too many women cannot go directly to an obstetrician or gynecologist for medical care. Instead, they are forced to waste valuable time seeking a perfunctory referral from a "gatekeeper" doctor before they can go directly to their OB/GYN. The same is true for children. Mothers and fathers should be allowed to take their children directly to a pediatrician. Instead, the current system forces them to go through a gatekeeper for referral. Women and children must be given the opportunity to seek care directly from the trained professionals best suited to address their unique health needs.

Additionally, Americans should be free to choose their doctors, including specialists, if they are willing to bear the additional costs which may accompany this freedom. People should be able to enroll in a point-of-service plan with access to a multitude of physicians, rather than be limited to an HMO which restricts freedom of choice in doctors.

Fourth, we must guarantee access to emergency care. If a man or woman in Phoenix, Arizona fears they are having a heart attack, they should not be required to seek approval from their managed care company prior to calling an ambulance and going to an emergency room. Any bill we pass must guarantee care in an emergency room without prior approval from an HMO if the person believes that it is an emergency situation.

Fifth, we must ensure continuity of care. Individuals who are pregnant, terminally ill, or institutionalized should be given special consideration so that their necessary care is not interrupted abruptly if their employer changes health plans.

Sixth, doctors must be able to communicate openly and fully with their patients. Today, some doctors are prevented by HMOs from openly discussing all medical treatments available to a patient. This is unconscionable. HMOs must not be allowed to stop doctors from openly discussing all possible care available, even if the procedures are not covered by the HMO. A doctor's loyalty must be to the patient and not an HMO's bottom line.

Seventh, a free and fair grievance process must be available in the event an HMO denies medical care. A mother should have options when she is told her son or daughter's cancer treatment is not necessary and will not be covered by her insurance. We can not support a system that leaves that mother powerless against corporate health care. She must have access to both internal and external appeals processes which are fair and readily available and which use neutral experts who are not selected, paid, or otherwise beholden to the HMO. In life-threatening cases, there must be an expedited process.

Finally, once all options to receive necessary medical care have been exhausted, including an external appeals process, and that care has not been appropriately provided, every American should have the right to seek reasonable relief in the courts. I find it incredible that HMOs and their employees are able to avoid responsibility for negligent or harmful medical care. Americans covered by ERISA health plans should have the same right of redress in the courts as those who are enrolled in non-ERISA plans if they are unable to receive a fair resolution through an unbiased appeals process. We must ensure that patients receive the benefits for which they have paid and rightfully deserve. We must also ensure that unscrupulous health plans not go unpunished when they act negligently, resulting in harm to a patient.

I drafted a compromise on this issue which would be fair to patients and HMOs and would not cause excessive and costly lawsuits. The proposal, which is filed as amendment number 1246, would require patients to go through both the internal and external appeal processes if they were unsatisfied with care or decisions of their HMO. Once the appeal process reached a decision, they could accept the decision, or if they felt they still had not been treated fairly, they could go to the courts. In court, they could receive compensatory damages with a cap of $250,000 on non-economic damages.

I believe this is a fair and reasonable compromise which would allow patients to be compensated, but eliminates the potential for extravagant awards that could drive up the cost of health care. Unfortunately, I was precluded from calling up this amendment and another amendment which would have protected the rights of children born with birth defects (amendment number 1247) because of the stringent controls established by the Leadership for debate on this bill.

It is unfortunate that this health care reform debate has been controlled by special interest groups on both sides and mired in partisan political maneuvering. This has become a debate—not about providing affordable access to quality health care for all Americans—but a debate about preserving the positions of competing special interests. It has become a debate about the interests of trial lawyers versus the interests of insurance companies—not the interests of patients. No reasonable compromise has been offered on either side to resolve issues like liability, choice, access, and cost. Instead, we are voting on competing proposals at the extremes.

This is not a debate. It is a contest—a contest between parties and special interests. And it is a contest that no one—not Republicans, not Democrats, certainly not the American people—wins, except, of course, the special interests who are only concerned about their financial well-being, rather than the physical or financial well-being of every American. It is a shame that this body is so controlled by special interests that we cannot even put the health of the American people ahead of politics.

I cosponsored the original Republican Patients' Bill of Rights, S. 326. And despite the concerted efforts of the trial lawyers and the insurance companies and those more interested in partisan politics than the health of the American people, we have succeeded in adopting some much-needed improvements to the original bill. For example, the external appeal process has been made more independent of the influence of the insurance companies; a small step has been taken toward requiring HMOs to pay for an individual's participation in a clinical trial; it requires expanded access to specialists and emergency medical care; and it mandates extended hospital care following mastectomies and related surgeries. These improvements are a step in the right direction—toward putting the needs of patients first.

Because of these changes, I am reluctantly supporting final passage of this legislation. I am doing this because I believe it is important to move forward and enact legislation to implement much-needed health care reform. The House will soon take up health care reform, and I hope they will pass a reasonable health care reform bill which honestly puts the needs of patients first. We can then work for a practical and fair compromise during conference.

I want to put my colleagues on notice that, if a conference agreement comes back to the Senate that does not meet the standard of putting patients first, then I will have to oppose that legislation. This is too important an issue to allow the influence of special interests to prevent us from doing what is right for all Americans.

Mr. NICKLES. Mr. President, I call on the chairman of the HELP Committee, Senator JEFFORDS, for 2 minutes.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I will make my full statement after the vote, but this bill gives new consumer protections to the 48 million Americans in self-insured plans that the States are unable to protect. This bill creates a new, binding, internal/external appeals process for 124 million Americans. This bill also protects 140 million Americans from having their predictive genetic information used to deny them health insurance coverage, and it expands access to health insurance through increasing affordability and choice of health care options.

As we prepared this legislation, we had three goals in mind. First, to give families the protections they want and need; second, to ensure that medical decisions are made by physicians in consultation with their patients; and finally, to keep the cost of this legislation low so it does not displace anyone from being able to get health care coverage.

The Patients' Bill of Rights was not crafted easily and it was not crafted hastily. This legislation is a result of over 2 years of work by the Senate HELP Committee. In March of 1997, I chaired the first of 17 hearings on the topic of improving health care quality. In April of 1998, I chaired a committee field hearing at Fletcher Allen Hospital, in Burlington, VT. Numerous leaders from the Vermont medical profession and Vermont insurance regulators pointed out the State of Vermont already has passed 22 patient protections, including direct access to OB/GYNs and a ban on gag rules and a continuity of health care provision. Vermont's most pressing need, according to these State providers, was to enact protections for those individuals in self-funded plans that the States could not protect.

The Vermont health providers also stressed their strong concern that any Federal health care legislation not increase costs. The Congressional Budget Office estimates that the Kennedy proposal would have raised health insurance premiums by 6.1 percent. A study commissioned by the AFL-CIO concluded that such an increase would cause 1.8 million Americans to lose their health insurance. This would mean approximately 4,000 Vermonters would lose their health insurance. The Vermonter who could still afford health insurance would have to pay an additional $328 a year for family coverage.

During the battles over the last few weeks, we have heard a great deal of biting, political rhetoric. But we cannot forget that the real issue is to give Americans the protections they want and need in a package they can afford and that we can enact. We must pass this bill.

Mr. NICKLES. Mr. President, how much time remains for both sides?

The PRESIDING OFFICER. For the majority, 11 minutes 20 seconds, and 13 minutes 1 second to the Democratic side.

Mr. NICKLES. I yield 2 minutes to the Senator from Pennsylvania, also a very strong contributor to the membership of our task force.

Mr. SANTORUM. Mr. President, I thank Senator NICKLES for his outstanding leadership on this task force. We would not be where we are today, passing what I believe is a very useful and precise way to respond to a very complicated problem. Senator NICKLES shepherded this task force with great skill. He deserves a great amount of the credit for what is being accomplished today.

With respect to the comments that this bill is dead, it is not going anywhere, the President is going to veto it, I would say this: Of all the criticism I heard about the Republican bill, most of it is it just does not go far enough. It is not that what we are doing is not right or it is not in the right direction; it just does not do enough.

I do not know about you, but I have watched Congress for a long time. I have seen a lot of things happen in this institution, where sometimes it is good just to do something in the right direction, that we all agree is in the right direction. I do not think anyone is saying what you are doing is absolutely antithetical to good health care, you say internal/external—no. We need more of that, we need a tougher one, but not to say what we are doing is bad. It just is not enough. I am hopeful people will say doing something that is good should not be the enemy of what some believe is the best.

So I am hopeful we can get together, the House has to act, they are going to pass a different bill, and then we can sit down with the President and our colleagues on the other side of the aisle and do something that is good. Let's do something on which we can agree. Let's do something that can move the ball forward and work together so we can go out and say: We, in fact, did protect patients. We did improve the quality of health care. Maybe not as much as some would suggest we could—I differ with that—but we did do something positive. We did improve access to health insurance. We did not blow a hole and increase costs dramatically to drive people out from health coverage. That is what we need to do, to move forward and do something good.

Mr. NICKLES. Mr. President, I yield 2 minutes to the Senator from Missouri, Mr. ASHCROFT.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, we have a great opportunity, which we will capitalize on this evening, by voting for this measure which has been the result of hard work by a team and task force of individuals dedicated to improving the health care of Americans and access to health care. I am grateful for it. I totally reject the notion that this is a victory for the status quo. One person can make this a victory for the status quo. Bill Clinton can. He could veto this. I do not believe we should think that he will. I believe we should continue to work and present him with this great opportunity to lift the status of health care of Americans.

One area I was concerned was that people ought to get the right treatment from HMOs and that, if they have a disagreement with an HMO, they ought to be able to settle that disagreement in a way that gets them treatment. So an appeals process was established for an internal appeal by the patient and an external appeal.

I sought to improve the bill. It did not include this provision, but I offered an amendment which said, if the external appeal agreed with the patient and said that the patient deserved the treatment and ordered the HMO to do it, and if the HMO would not provide the treatment—we have amended this bill now so the person is eligible to go and get the treatment elsewhere and charge the HMO, and the HMO that wrongfully refused the treatment to the patient has to give a $10,000 penalty payment to the patient.

This really gives the patient what the patient needs, health care. The Democratic proposal sends the patient to court. How disappointed would you be, as a person, if you called for an ambulance and you found them taking you to the court instead of to the hospital?

We do not want to end up with a dead relative and a good law case. We want to end up with good treatment, and that is what this bill will do. It has a strong set of enforcement provisions to respect the rights of individuals, and if the HMO fails to comply with that enforcement, we send the people to the hospital, not to the courtroom.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time? The Democratic leader.

Mr. DASCHLE. I yield 3 minutes to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I thank the Chair.

Mr. President, I rise this evening with great regret, regret that we have not done what we should have done to protect the children of America who are in a managed care plan. The bill before us that we will vote upon is a litany of missed opportunities and missed statements with respect to the status of children in managed care. For example, access to pediatricians. They are classified as specialists, so they cannot be automatically the primary care provider to children. Frankly, most Americans believe that is exactly who they are.

Second, there is no guaranteed access to pediatric specialists. We have language in this Republican proposal that talks about age-appropriate specialists. That is language written by HMO lawyers to ensure that they can magically transform an adult specialist, who might have seen a child at 1 year or 2 years, into an age-appropriate specialist, just as they do today.

We have a situation in which we have not provided for expedited internal and external appeals based upon developmental needs of a child. Children are different from adults. They have conditions for which an adult could wait months and months and months for adequate care, but in a child they become critical because the child's development is critical. These are shortcomings that will leave the children of America shortchanged.

We can and must do more. We could have done more, and we could have given all the individuals in managed care the right at least to go to consumer assistance centers, ombudsman programs, so they could have their questions resolved, and we pushed that aside.

Frankly, the greatest disappointment I have is that we heard a lot of discussion this evening and the last few days about the cost of this bill. We could give all these protections to children, every item in the Democratic proposal, and the cost would be negligible, because one of the good news issues is that children are generally healthy. But for those chronically ill children, it would have made all the difference in the world.

Today is not the day we are helping the children of America in managed care, but I hope we will some day, and that day will come, and it must come.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, for the last 2 years, Democrats have worked tirelessly for this moment. We have been guided by a very simple goal. That goal is to protect the rights of 160 million Americans who have private health insurance. Democrats have tried to answer the question: What should motivate that system, money or medicine? What should be the crux of our health care system? Do we put a money screen on decisions, or do we put a medical screen on decisions? We concluded that when it comes to someone's life, someone's health, the answer to that question is very simple.

Democrats have outlined six basic principles. The first is that all 160 million Americans ought to be covered by patient protections. We offered an amendment to ensure that all 160 million Americans would be covered, and our Republican colleagues defeated it.

The second principle is to ensure we provide access to needed care regardless of circumstances: access to qualified specialists, real access to emergency rooms, access to lifesaving treatments and drugs, access to quality care that is unique to America in some cases. We offered amendments to provide these protections, and our Republican colleagues defeated them.

The third principle is simply this: That doctors ought to make medical decisions. Not accountants, not bureaucrats, not people with green eyeshades who make monetary decisions instead of medical ones. Let doctors make those decisions. We offered an amendment, and our Republican colleagues defeated it.

The fourth principle is quite simple to understand, but extremely important to millions of Americans. Let us, above everything else, protect the doctor-patient relationship. Let us ensure that all doctors can talk about all medical options with their patients when they are facing critical medical decisions. Let us ensure that we protect doctors from retaliation by managed care companies. And let us ensure that chronically ill patients get to keep their doctors.

Mr. President, that is not too much to ask. When we talk about rights, basic rights in this country, what could be more basic than that? We offered an amendment, and our Republican colleagues defeated it.

The fifth principle is one we also feel strongly about, and that is accountability. I have heard many of our Republican colleagues say: You should not have to go to court to get your health care; the important thing is getting the care you need.

We agree with that, and we provide a strong, independent appeals process. But all too often, HMOs make decisions that are wrong. And all too often, patients are left with absolutely no recourse. We simply believe that when this happens, when an HMO or an insurance company makes the wrong decision, you ought to have some recourse. You ought to be able to hold them accountable. You can with a doctor. You can with a hospital. Why not with an insurance company?

Finally, I have never been more proud of our women Senators, and I have never been more convinced that we need more women in the Senate than I am tonight, because they have enlightened us. Mr. President, in our caucus and on the floor. They have sensitized us to women's issues unlike anything I have ever heard before. There isn't a man in the Senate who can tell us what they told us, with the loquence, with the passion, with the eeling. They told us there are special needs of women that just are not being addressed. If we are going to make this system work better for millions of Americans, we ought to understand that. So we offered an amendment to ensure that women's needs are protected, and our Republican colleagues defeated it.

Tonight, I agree with those who have said we missed a golden opportunity to pass a real Patients' Bill of Rights. We have offered clear choices. The majority has opposed us every step of the way. The majority leader said, let's work together, work with us. We have made every effort to work with our colleagues, but the only thing we have gotten back is what I believe the Republican bill truly stands for when it calls itself HMO reform. In my view, HMO stands for "half measures only." That is all we have gotten—half measures. To those who say, isn't this just a little bit better? my answer is no. In all sincerity, I believe we will actually lower the standard when we pass this bill tonight. We have not made progress; we have moved backward.

I am always amused, frankly, that our Republican colleagues turn to taxes anytime they want to fix a problem. I am surprised there is not a tax break for observing the speed limit. Tonight, there is another $13 billion bill that we will be voting on, most of which is a tax break. I support meaningful tax reform, targeted especially to working families. But when we talk about a Patients' Bill of Rights, are we really talking about the need for a tax break, or a break from the kind of oppression that many people feel with their insurance and managed care companies?

I also regret the fact that we did not have an opportunity to debate the bipartisan bill. I wish we could have had a good debate on the Graham-Chafee bill. I wish we could have at least moved forward with that piece of legislation. I believe there would have been 45 Democratic votes for that bill tonight. The problem is, as I understand it, there are only three on the Republican side.

Even if we offered a bipartisan bill, cosponsored by two very prominent Members of our Senate tonight, we would only have the same 48 votes we had on almost every single amendment we offered.

The President will veto this bill because he and we know we can do better than this, that we should not lower the standard. We should do far more to ensure that we cover all patients, all 160 million. Ultimately, I believe, as Senator KENNEDY noted, we will pass a comprehensive Patients' Bill of Rights.

This afternoon I was reminded again of how critical this is to real people. Throughout this debate, what meant most to me is the experience I have had in talking to real people whose lives have been affected by managed care companies, whose lives have been directly, and in some cases, negatively affected by their decisions.

Justin Dart, a full-fledged lifelong Republican was out on the lawn this afternoon. He was there in his wheelchair, surrounded by medical equipment needed to function and maintain his health. He has experienced medical care. He has benefited from it, and, unfortunately, as he related again today, he has been disappointed by it.

In the most passionate and most eloquent way he could say it, with his lips quivering, speaking to all of us, as he urged the Senate to do the right thing tonight, he said: "I'll give my life for my country, but I won't give it to an insurance company."

Too many people have given their good health, and in some cases their lives, because decisions have been made by insurance companies for the wrong reasons. We are going to fix that. I am hopeful, as others have expressed, we can do better, we can find a way to ensure that all Americans are going to be protected, as we know they should be. We should not give up until we know we have done the job right.

Mr. President, over the past three-and-a-half days, we have finally had the opportunity to have a good debate on several critical issues affecting patients' rights. Senate Democrats—and the patients of America—have waited a long time for it. Because of limited time, other critical issues remain to be debated. Still, we are glad the Senate has spent most of this week debating two dramatically different approaches to patients' rights. The American people deserve to understand the differences. They are important.

Mr. President, the Senate has indeed missed a golden opportunity to pass a real Patients' Bill of Rights.

Instead, the Republican majority is handing the insurance industry its version of HMO reform: Half Measures Only.

On critical issues, we gave our colleagues a choice: guaranteed patient access to the closest emergency room versus ambiguous assurances of limited emergency care; access to clinical trials for all life-threatening and disabling diseases versus limited clinical trials only for cancer; medical determinations made by doctors and other health professionals versus decisions made by HMO accountants; the right to hold HMOs accountable for their decisions that harm or kill patients versus the right to live with whatever bad decisions an HMO might make; and, of course, the extension of basic rights to all privately insured Americans versus the exclusion of over 100 million Americans.

The list goes on.

All that was necessary on the Senate's part was to listen to the doctors and nurses and other health professionals. To listen to the American people. Unfortunately, a majority of the

Senate chose to ignore those voices and listen instead to the industry that stands to continue to profit from our failure to provide meaningful patient protections. The industry that opposes even minimal protections and any means of enforcing them.

Frankly, we are astounded. Yes, we were told repeatedly by Senator NICKLES and Senator GRAMM and Senator FRIST that this would happen. That their plan was simply to block this legislation from ever coming to the Senate floor, since they did not want to be in a position of having to defend an indefensible position. When that plan failed, they made it clear their strategy was focused on political cover instead of meaningful reforms. (That cynical strategy will ultimately fail, too.)

Still, we held out hope—that reason would win out in the end. That the overwhelming public support for our modest reforms —support that knows no partisan boundaries outside of Washington, DC—would influence at least a handful of Senate Republicans. We are astounded that it did not—that there are not five Republican senators willing to challenge their leadership in order to please over 80% of the American people.

Maybe some of them just didn't read the two bills. The other day, Senator GRAMM again invoked the name of his "mama" and said he wants her to be able to call her doctor instead of a bureaucrat when she gets sick. Well, we agree. But, given his concern, Senator GRAMM and the vast majority of his Republican colleagues are supporting the wrong legislation.

It is the Democratic bill that protects patients' rights to communicate directly with their doctor and make medical decisions with their doctor—without inappropriate interference from a nameless, faceless HMO accountant.

Senator GRAMM and other opponents argue: "The Democratic bill is a step toward government-run health care."

That charge is simply untrue—under our bill, health care professionals, not the government, would make decisions.

Ours is not a step toward government-run health care; it's a step away from HMO accountant-run health care.

The insurance industry's TV ads opposing the Democratic bill warn that people get hurt "when politicians play doctor." Again, that is the height of irony.

Senate Democrats are not playing doctor. Under the current system, and under the Republican bill, it is HMO accountants who are playing doctor, denying the real doctors the ability to implement medically sound decisions. And real people are getting hurt every day.

Let's be clear—we're not opposed to managed care.

The theory of managed care—that a primary care physician and health network will understand the whole patient and manage his or her care to improve patient health—is a good one. But all too often that theory has been corrupted in practice.

Too often, instead of managed care, we have managed costs.

The Hippocratic Oath is not about saving money; it's about saving lives. And while we should take reasonable actions to curb health care costs, we cannot do it at the expense of Americans' health. Furthermore, any costs associated with the Democratic bill would be minimal—and nonexistent for HMOs that already provide the medical services they should.

The United States has the best health care in the world—the best doctors, nurses, facilities, and equipment. But what good is the best health care in the world if insurance company accountants block your access to it?

Over the course of the last several days, my Republican colleagues have rejected every Democratic proposal to improve Americans' access to better health care. In one twist, they rejected our proposal to protect women from being discharged from the hospital too soon after breast cancer surgery, only to turn around the next day and take credit for that proposal at the same time they denied those same breast cancer victims—and other women and men—access to clinical trials for new, life-saving treatments.

It has been a pattern all week: reject the real patient protections, and, in the specific cases where there's enough of a public outcry, offer up a half-measure that pretends to solve one problem at the expense of another. We saw the same tactic on the juvenile crime bill, when Republicans bent over backwards to avoid any meaningful gun legislation. Their operating principle: block the real solution and take credit for a false one.

Perhaps the most egregious and disheartening example of hypocrisy is the majority's approach to determining which Americans will benefit from the half-measures they are willing to support. Democrats believe all 161 million privately insured Americans should be guaranteed a national floor of patients' rights. We are talking about the basic rights of American patients. Two people living on the same street—possibly insured by the very same company—should not have two different sets of "basic rights" simply because they work for different employers.

Under the Republican bill, only 48 million Americans—those in self-funded plans—are covered by the vast majority of their protections. They exclude over 100 million Americans from their so-called protections.

The majority has argued that this exclusion is necessary to satisfy one of their core principles: that the states should be left to regulate HMOs. In the Nickles amendment striking the Kennedy amendment to cover all privately insured Americans, the majority stated, "It would be inappropriate to set federal health insurance standards. . . . One size does not fit all, and what may be appropriate for one State may not be necessary in another." That amendment passed Tuesday, by a largely party-line vote.

So the majority established that as its core principle, one that overrides the need to provide all Americans basic health care rights. Yet listen to the core principle laid out in the Snowe amendment I mentioned earlier. (Curiously, the Snowe amendment, which every Republican senator supported, extended its protections to all privately insured women.)

In the Snowe amendment, the majority stated a "core principle" diametrically opposed to the core principle of the Nickles amendment: "In order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States." That amendment passed Wednesday at 1:23 pm.

Two-and-a-half hours later, the Republican majority reversed itself once again. They voted against a Democratic amendment to expand coverage to all privately insured Americans, regardless of their condition or disease—not just women with breast cancer. The whole idea behind a comprehensive Patients' Bill of Rights is that it will cover all people and all diseases, not simply those that get the most media coverage.

Some of my colleagues seem to have two contradictory sets of core principles on the same issue on the same day. And, at the end of the day, the result is that, for all but one disease, the majority has chosen to deny more than 100 million Americans any protections at all.

It's a cynical, and destructive, philosophy. The American people are sure to reject it, for they understand this issue far better than some politicians seem to think. How could they not understand? Every American knows someone who has been denied timely, necessary treatment by an HMO that put costs above patient care.

Our bill is a modest one. It would guarantee American patients a minimum level of protection to ensure timely access to quality health care. That's what Americans expect when they buy health insurance, and that's the least they deserve.

I am disappointed that, this week, America's patients were denied that minimal protection. But I can assure them that the fight for their rights is far from over. Senate Democrats—and maybe even a few brave Republicans—are committed to a real Patients' Bill of Rights, and it will pass, whether it's next week, next year, or next Congress. I guarantee it.

Mr. President, I also want to take a moment to thank some of the multitudes of people who have fought so hard for a real Patients' Bill of Rights and who are committed to that fight until we succeed.

I thank Senator KENNEDY. I must say, I do not know if we have a more passionate, more articulate, more aggressive defender for working people in this country than we have in Ted KENNEDY. He is an inspiration. We all are deeply indebted once more for the leadership he has provided not only in our caucus but in the Senate on this extraordinarily important issue. I am proud to have worked with him to develop S. 6. Also, he, like many others, has been tireless on the floor this week, and I commend him for doing such a good job for our entire caucus.

I thank my assistant Democratic leader whose presence on the floor has just been phenomenal. I do not know how I could do what I do were it not for the fact that he is always there—always there.

I thank my caucus. I do not know that I have ever been more proud of the caucus than I am tonight for their participation, for their leadership, for their willingness to roll up their sleeves to do their homework, to come to the floor and debate, as they did so aggressively all week. In one way or another, every member of our caucus has contributed to this debate and to the two-year effort to make it possible. More of them than I could name right now have contributed enormously, often selflessly. Our caucus has never been more unified. We believe in patients' rights, and we are committed to fight for them.

So, I thank every Democratic senator. I say to each of you, it truly would not have been possible without you.

I thank, as well, the majority leader for allowing this debate, and the assistant Republican leader. This debate happened because they agreed to schedule it. It would not have happened were it not for that agreement, and I am grateful for that.

I thank Senator FRIST for his involvement because of his unique experience in life.

A special thanks goes to the more than 200 organizations representing doctors, nurses, and other health care providers as well as consumer groups, that have supported our bill. They pulled out all the stops they could, with whatever limited resources they had, to ensure that they were part of this American Democratic system. Again, I cannot name them all. But their shared commitment to a comprehensive, meaningful Patients' Bill of Rights has been critical to this process. And I say to each of them, don't be disheartened by today's loss. As I said before, we will ultimately prevail, and patients will ultimately be protected.

I should send that same message to Justin Dart and all the men, women, and children who have shared their stories—often painful stories—with us. This debate could not have been held were it not for the fact that they put meaning to this debate in ways that only they can. Their stories remind us that this is not a theoretical debate. It is a real choice affecting real people who have suffered and will continue to suffer in the absence of meaningful reforms. We thank you, and we will continue the fight.

Last, I want to thank the people who are too often thanked last, the staff—the staff in every office who have worked in various ways to ensure our long struggle led to a real floor debate.

Senator KENNEDY's staff deserves special recognition. I'm sure there were many others, but I want to recognize four of them in particular: Michael Myers, David Nexon, Cybele Bjorklund, and Jim Manley. As always, they are as amazing as their boss. They have been absolutely essential to the effort.

Finally, I want to thank my own staff—both those in my own office and those throughout the Leadership Committees. At the risk of leaving someone out, I'm going to try to name most of them. Few people know how hard they work, and their commitment to service and to this cause of patients' rights is unsurpassed.

From my staff, I want to thank especially: Jane Loewenson, Elizabeth Hargrave, Shelly Ten Napel, Pete Rouse, Laura Petrou, Bill Corr, Mark Patterson, Ranit Schmelzer, Molly Rowley, Marc Kimball, Chris Bois, and Elizabeth Lietz.

From the Floor Staff, I thank Marty Paone, Lula Davis, Gary Myrick, and Paul Brown. We are very lucky, as Republicans and Democrats, to have the floor staff that we do. We owe them a big debt of gratitude, because without them we could not do what we do.

From the Leadership Committees, my special thanks to: Bonnie Hogue, Caroline Chambers, Chuck Cooper, Maryam Moezzi, Tim Mitchell, Jodi Grant, Nicole Bennett, Maria Meier, Alexis King, Jamie Houton, Andy Davis, Mary Helen Fuller, Marguerite Beck-Rex, Brian Barrie, Kobye Noel, Katherine Moore, Nate Ackerman, Rick Singer, Clare Flood, Adriana Surfas, Kevin Kelleher, Brian Jones, Russell Gordon, Robyn Altman, Jeremy Dorin, Paige Smith, Chris Casey, Jeff Hecker, and Toby Hayman.

So tonight, Mr. President, the fight goes on. I am optimistic that in the end we will have the opportunity to debate, once more, how we can resolve this issue, how we can stick to those six principles, how we can ensure that this American health system, which is so good in so many ways, can be made better.

I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The assistant majority leader.

Mr. NICKLES. Mr. President, how much time is left on our side?

The PRESIDING OFFICER. Six minutes 47 seconds.

Mr. NICKLES. First, I compliment my colleague and friend, Senator DASCHLE—this has been a good debate—as well as Senator REID and Senator KENNEDY. We have had a good debate, good discussion of the issue. We have never had a cross word. We have had some good debate, excited debate.

I want to call on an additional couple members of our task force—first Senator COLLINS.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Thank you, Mr. President.

I begin by expressing my appreciation to Senator NICKLES and my other colleagues on the health task force. We have labored hard during the past year and a half, and I am very proud of the legislation we introduced.

I also thank our staff, particularly Priscilla Hanley on my staff who has worked night and day during the debate.

We are on the verge of passing landmark legislation that will expand access to health care, that will hold HMOs accountable for providing the care that they have promised, and that will improve the quality of health care in this country.

I am particularly pleased that the final bill contains provisions I offered to provide a tax deduction for the purchase of long-term care insurance, to ensure that women have direct access to OB/GYNs without having to go through a gatekeeper, to guarantee that a terminally ill patient is able to keep his or her doctor even if that doctor has left the HMO network, and to expand patient access to a variety of health care providers.

At the heart of this bill is the internal and external appeals process that will provide coverage and protections to everyone in all employer-sponsored health plans. This appeals process will ensure that consumers receive the care they have been promised up front, before harm is done, and without having to hire an expensive lawyer and resort to a lawsuit in order to get the care they need.

That is the heart of this bill. We have worked hard to provide these kinds of protections which will ensure that people do get the treatment they need when they need it—not damages years later in a courtroom.

I thank the assistant majority leader for the time.

I am proud to be a supporter of this important legislation.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The assistant majority leader.

Mr. NICKLES. I thank the Senator from Maine for her outstanding leadership. I also thank the Senator from Missouri who mentioned a few of the changes he made in the appeals process that I hope my colleagues listened to. He made this a much better bill. I thank my colleague.

When you look at the appeals process that Senator ASHCROFT has explained and Senator FRIST has explained, no one can say this isn't a very substantive bill that applies to all employer-sponsored plans.

Next, Mr. President, I yield 2½ minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I just want to openly thank Members on both sides of the aisle. This has been a very challenging bill. Although I think it is going to be more satisfactory to this side of the aisle than the other side, it is a bill that I think we can all, after tonight, go home, think about, talk to our constituents about, and recognize that we have accomplished exactly what at least I wanted to accomplish; and that is, as I said 4 days ago when this first started, to keep the patient at the center of all of this debate—not special interests and not the rhetoric that goes back and forth, but how we can ultimately come up with a bill that helps patients.

We have strong patient protections. We have addressed quality head on and hit it with internal, external review. It has been strengthened from both sides of the aisle. It has been strengthened by recommendations that we have had through our staff and working together.

If we look at the access provisions, they are very strong, the medical savings accounts, the full deductibility for the self-employed, all of which we have done, the gag clauses, the access to specialists, direct access to obstetricians, what we have accomplished in terms of emergency room access, continuity of care. If we put it altogether, it comes back to the benefit of the patients, smack-dab at the heart.

When people ask me all the time, what can you do as a Senator to really help individual people, it comes down to this bill, I believe, a first step.

Our bill does take medical decisions out of the hands of a huge HMO bureaucracy and puts them back to that very special relationship, one I have been blessed to participate in again and again, that special relationship of the doctor-physician, the provider and the patients, who entrust their lives to you, their lives to you, their health care, their quality of life, their ability to see, to walk, to have that heart keep beating. That is entrusted to you. We have benefited that. We have enriched that. We have made that better. That is what we have accomplished tonight.

We have done it without markedly increasing cost because we all know, when cost goes up, out of control, it drives premiums up and access falls, and the number of uninsured are important.

I appreciate the support.

Mr. NICKLES. Mr. President, how much time remains?

The PRESIDING OFFICER. One minute 28 seconds.

Mr. NICKLES. Mr. President, I thank all of my colleagues and, frankly, the entire Senate for a very good debate.

I believe we came up with a very good bill. I think we passed a bill that will improve health care quality. We passed a bill for anybody in America who has an employer-sponsored plan to have an appeal, an appeal that will be decided by doctors, despite some of the advertisements we have seen, appeals that are decided by experts, by doctors. That is binding and that is real. So I hope that maybe some of the rhetoric will tone down a little bit and we will look at what is in it.

We also didn't do damage. We didn't say we are going to turn over health care plans to the Health Care Financing Administration. We are not going to duplicate State regulation. We will not confuse the States and say, no matter what you have done, Washington knows better. We didn't make those mistakes.

We didn't astronomically increase health care costs. We didn't pass a bill that would increase the number of uninsured by a couple million.

Final comment on the President. I hope the President decides not to play politics and say: We are going to veto that bill; it doesn't do what I want it to do.

I hope he will work with us to pass a positive bill that will benefit and improve health care quality for all Americans. If he wants to play politics, that is his choice. If he wants to, then we don't have to have a bill. It is up to him. If he wants to help us pass a good bill, I think we can do so, that would improve health care quality for all Americans.

Mr. President, I yield back the remainder of our time, and I ask for the yeas and nays on the bill.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the two pending amendments are agreed to.

The amendments (Nos. 1254 and 1232) were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER (Mr. HAGEL). The question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

The bill (S. 1344), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. NICKLES. Mr. President, I move to reconsider the vote

Mr. JEFFORDS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. Mr. President, I would like to make a couple of comments concerning the bill. I have already stated that I very much respect and appreciate the tenor of the debate that we had throughout this week with proponents and opponents of the legislation we just passed, including Senator KENNEDY, Senator REID, Senator DASCHLE, and others. I think we had an excellent debate.

I also want to thank my colleagues who really did work hard, and especially I thank Senator JEFFORDS for his leadership, and Senator COLLINS, Senator FRIST, and all the members of the task force. They did a fantastic job.

In addition to the Senators I just mentioned, I want to thank other members of the task force, including Senator HAGEL from Nebraska, the Presiding Officer of the Senate, Senator SANTORUM, and other Senators who worked so hard.

Also, Senator ENZI joined us and did a fantastic job on the floor, as well as in the Health Committee.

A lot of people put in a lot of time and effort, and a lot of staff members worked very hard on both the majority side and the minority side. I want to recognize a few.

First, from my staff, I thank Stacey Hughes and Megan Hauck. Eric Ueland, Hazen Marshall, and Mark Kirk did a fantastic job.

In addition, I want to recognize some staff members from other staffs who probably spent more time in the last year and a half working on this issue than any other issue. I can assure you that in the last month, and in particular the last 2 weeks, this has been a full-time job, including Saturday and Sunday, and late nights almost every night: With Senator COLLINS, Priscilla Hanley; Senator DEWINE, Helen Rhee; Senator ENZI, Chris Spear, Ray Geary, and Jen Woodbury; Senator FRIST, Anne Phelps and Sue Ramthun did a fantastic job on a number of provisions; Senator GRAMM, Mike Solon; Senator GREGG, Alan Gilbert; Senator HAGEL, Steve Irizarry; Senator HUTCHINSON, Kate Hull; Senator JEFFORDS, Paul Harrington, who did a fantastic job both in the Health Committee and also on the floor, and Kim Monk, Tom Valuck, and Carole Vannier did a fantastic job; Senator LOTT, Sharon Soderstrom and Keith Hennessy; Senator CRAIG, Michael Cannon; Senator ROTH, Kathy Means, Dede Spitznagel, and Bill Sweetnam; Senator SANTORUM, Peter Stein; Senator SESSIONS, Rick Deeborn, and Libby Rolfe.

This is an understatement because these staff members worked very hard.

In additional, I wish to recognize Senator GRAMM, who worked on this task force, and was the primary promoter of the medical savings account, which is a very important thing for bringing tax equity and relief.

I have already mentioned Senator ROTH helped us, as well as his staff. Senator GREGG, who led the fight, frankly, against having a propensity for lawsuits, did a fantastic job; Senator HUTCHINSON, and Senator SESSIONS.

This was not an easy effort. It was a challenge. I think it was a good effort, and I think we produced a good bill because we had a lot of Senators who were willing to spend a lot of time trying to improve the quality of health care in America.

I hope the President will not look at the rhetoric that was sometimes on the floor, but will look to the substance of the legislation and work with us to see that it will become the law of the land.

My thanks to Senator JEFFORDS and others who worked so hard to make this happen.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I truly believe that tonight is a win-win situation. We have made health coverage significantly better for those people who have such coverage today, but, almost more importantly, we make it more accessible for others, and more affordable for others in accomplishing the many patient protections—the improvement in quality, the appeals, internal and external.

A lot of people have been involved over the course of the last year. I simply want to add my thanks to the two leaders in this effort, Senator JEFFORDS, chairman of the Health, Education, Labor, and Pensions Committee, for whose committee this bill passed and was debated. And, through much bipartisan discussion, the amendment process improved a bill that the task force, after about 6 to 8 months of very hard work, developed.

It was under Senator JEFFORDS' leadership that this bill took its final shape so that it finally arrived on the floor, and we were able to debate it.

Senator NICKLES for the last year and a half has chaired a task force, has been the quarterback, the manager of a broad range of people who participated in the study of the issues, true substantive study—not superficial policy reviews but a substantive study of the issues. Senator NICKLES oversaw and managed a group of people on that committee who have already been mentioned, including Senators ENZI, GREGG, HAGEL, and Senator COLLINS who literally has been on the floor for the last 4 days almost without leaving, participating in the debate on issue after issue.

Thanks also to Senator SANTORUM, Senator GRAMM of Texas, Senator LOTT—especially our majority leader, Senator LOTT, who spoke so eloquently a bit ago summarizing what this bill has been about, what it will accomplish, the confidence that he placed in both the task force and the Health, Education, Labor and Pension Committee.

I especially want to thank several staff members: Stacy Hughes and Meg Hauck, who have shown leadership among all the staff members; Anne Phelps and Sue Ramthun, two people with whom I worked most closely with and who have gathered the information, digested the issues, and spent late nights here.

I had the opportunity to work with Sue Ramthun over the last several years on health issue after health issue. This will be the last bill that she participates in, in the Senate—at least for a while. I say "for a while" because I am hopeful she will come back to our staff. I recognize her tremendous leadership and her knowledge of what has gone on in this body in the past. It has been immensely helpful to me, coming here just 5 years ago, to be able to work with an individual who understands the institution, understands the issues, and who has been involved in health issues long before I came to this body.

I want to mention Bill Baird, legislative counsel, who over the last 4 days—and also over the past years—has participated so directly in allowing Members to translate these ideas to specific language for the bill we were able to ultimately pass. It is a win-win.

As I said in my closing remarks tonight, the thing I will think about as I go home and reflect on over the last 4 days is we made real progress. We don't have all the answers. We don't pretend this bill has all the answers in establishing an appropriate balance between managed care, coordinated care, and that doctor-patient relationship. But we are getting it back into balance because it has been out of balance for a period of time. Our bill does take that whole doctor-patient relationship and make it the heart of this managed care environment.

In closing, it has been a wonderful opportunity for me to be able to work, again, on both sides of the aisle as we developed this bill which will significantly improve the quality and access of health care for Americans.

Mr. JEFFORDS. Mr. President, this is a time of trial for so many Members to finally come to this end and have a victory which hopefully will not stop here but will continue. There is too much good in this bill not to have it become legislation that will be passed into law. I am confident the President, when he understands what is in here, and we work with the House and make some changes—I am sure we can accommodate the other side and we can end up with a piece of legislation. Hopefully it will be done this year.

Mr. President, as chairman of the Committee on Health, Education, Labor, and Pensions, which had jurisdiction over this bill, I would like to take a moment to thank all those who have worked so hard to make this bill possible. This legislation has been developed over the course of more than two years, and a great number of people have positively contributed to the process.

This bill represents a tremendous effort by the members of the HELP Committee. I want to thank the members of the Nickles Task Force for their guidance. I wish to thank Senator NICKLES himself, and also the majority leader for their dedication to see this legislation through to the end.

The staff to the members of the HELP Committee have contributed greatly to this bill. Rob Wasinger with Senator BROWNBACK, Prescilla Hanley with Senator COLLINS, Libby Rolfe with Senator SESSIONS, and Kate Hull with Senator HUTCHINSON.

The staff of the subcommittees carried a great deal of weight. This includes Helen Rhee with Senator DEWINE, Chris Spear and Raissa Geray with Senator ENZI, Anne Phelps and Sue Ramthum with Senator FRIST, and Alan Gilbert with Senator GREGG.

The committee markup of this legislation lasted over 11 hours and so I must acknowledge the tireless efforts of Denis O'Donovan, Steve Chapman, and Leah Cooper from the full Committee staff. I also thank Bill Baird of the Legislative Counsel Office. He has provided enormous help.

I am grateful for the efforts by the staff of the GOP Health Care Task Force. Michael Cannon with the RPC, Steve Irizarry with Senator HAGEL, Mike Solon with Senator GRAMM, Peter Stein with Senator SANTORUM, and Kathy Means, Bill Sweetnam, and Dede Spritznagel with Senator ROTH.

Finally, I would like to thank the assistant majority leader's staff for their leadership. Stacey Hughes, Meg Hauck, Hazen Marshall, Matt Kirk, Brooke Simmons, Gail Osterberg, and Eric Ueland were invaluable. As well as Sharon Soderstrom and Keith Hennessy from the majority leader's Office.

On my own staff, I would like to thank Paul Harrington, Sean Donohue, Dirksen Lehman, Kim Monk, and Philo Hall and Marle Power my Staff Director. This certainly could not have happened without my health policy fellows, Tom Valuck, Kathy Matt, and Carol Vannier. I especially want to thank Karen Guice and Pat Stroup, who each provided two years of groundwork on this legislation.

The round the clock work, particularly over the past week, of all the staff involved is greatly appreciated.

Mr. President, I could not be more proud of all these people.

Around-the-clock work, particularly over the past week, of all the staff is greatly appreciated. I cannot be more proud of these people. I want to commend them and thank them profusely. I also thank, of course, the people who work in this great body to make sure that we end up doing the right things at the right time.

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

OSCE PA DELEGATION TRIP REPORT

Mr. CAMPBELL. Mr. President, I take this opportunity to provide a report to my colleagues on the successful congressional delegate trip last week to St. Petersburg, Russia, to participate in the Eighth Annual Parliamentary Assembly Session of the Organization for Security and Cooperation in Europe, known as the OSCE PA. As Cochairman of the Helsinki Commission, I headed the Senate delegation in coordination with the Commission Chairman, Congressman CHRIS SMITH.

THE PARLIAMENTARY ASSEMBLY

This year's congressional delegation of 17 members was the largest representation by any country at the proceedings and was welcomed as a demonstration of continued U.S. commitment to security in Europe. Approximately 300 parliamentarians from 52 OSCE participating states took part in this year's meeting of the OSCE Parliamentary Assembly.

My objectives in St. Petersburg were to advance American interests in a region of vital security and economic importance to the United States; to elevate the issues of crime and corruption among the 54 OSCE countries; to develop new linkages for my home state of Colorado; and to identify concrete ways to help American businesses.

CRIME AND CORRUPTION

The three General Committees focused on a central theme: "Common Security and Democracy in the Twenty-First Century." I served on the Economic Affairs, Science, Technology and the Environment Committee which took up the issue of corruption and its impact on business and the rule of law. I sponsored two amendments that highlighted the importance of combating corruption and organized crime, offering concrete proposals for the establishment of high-level inter-agency mechanisms to fight corruption in each of the OSCE participating states. My amendments also called for the convening of a ministerial meeting to promote cooperation among these states to combat corruption and organized crime.

My anti-corruption amendment was based on the premise that corruption has a negative impact on foreign investment, on human rights, on democracy building and on the rule of law. Any investor nation should have the right to expect anti-corruption practices in those countries in which they seek to invest.

Significant progress has been made with the ratification of the new OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Under the OECD Convention, companies from the leading exporting nations will have to comply with certain ethical standards in their business dealings with foreign public officials. And, last July, the OSCE and the OECD held a joint conference to assess ways to combat corruption and organized crime within the OSCE region. I believe we must build on this initiative, and offered my amendment to urge the convening of a ministerial meeting with the goal of making specific recommendations to the member states about steps which can be taken to eliminate this primary threat to economic stability and security and major obstacle to U.S. businesses seeking to invest and operate abroad.

My anti-crime amendment was intended to address the negative impact that crime has on our countries and our citizens. Violent crime, international crime, organized crime and drug trafficking all undermine the rule of law, a healthy business climate and democracy building.

This amendment was based on my personal experiences as one of the only members of the United States Senate with a law enforcement background and on congressional testimony that we are witnessing an increase in the incidence of international crime, and we are seeing a type of crime which our countries have not dealt with before.

During the opening Plenary Session on July 6, we heard from the Governor of St. Petersburg, Vladimir Yakolev, about how the use of drugs is on the rise in Russia and how more needs to be done to help our youth.

On July 7, I had the opportunity to visit the Russian Police Training Academy at St. Petersburg University and met with General Victor Salnikov, the Chief of the University. I was impressed with the General's accomplishments and how many senior Russian officials who are graduates of the university, including the Prime Minister, governors, and members of the Duma.

General Salnikov and I discussed the OSCE's work on crime and drugs, and he urged us to act. The General stressed that this affects all of civilized society and all countries must do everything they can to reduce drug trafficking and crime.

After committee consideration and adoption of my amendments, I was approached by Senator Jerry Grafstein from Canada who indicated how important it was to elevate the issues of crime and corruption in the OSCE framework. I look forward to working with Senator Grafstein and other parliamentarians on these important issues at future multi-lateral meetings.

CULTURAL LINKAGES WITH COLORADO

St. Petersburg is rich in culture and educational resources. This grand city is home to 1,270 public, private and educational libraries; 181 museums of art, nature, history and culture; 106 theaters; 52 palaces; and 417 cultural organizations. Our delegation visit provided an excellent opportunity to explore linkages between some of these resources with the many museums and performing arts centers in Colorado.

On Thursday, July 8, I met with Tatyana Kuzmina, the Executive Director for the St. Petersburg Association for International Cooperation, and Natalia Koltomova, Senior Development Officer for the State Museum of the History of St. Petersburg. We learned that museums and the orchestras have exchanges in New York, Michigan and California. Ms. Kuzmina was enthusiastic about exploring cultural exchanges with Denver and other communities in Colorado. I look toward to following up with her, the U.S. Consulate in St. Petersburg, and leaders in the Colorado fine arts community to help make such cultural exchanges a reality.

As proof that the world is getting smaller all the time, I was pleasantly surprised to encounter a group of 20 Coloradans on tour. In fact, there were so many from Grand Junction alone, we could have held a Town Meeting right there in St. Petersburg! In our conversations, it was clear we shared the same impressions of the significant potential that that city has to offer in future linkages with Colorado. I ask unanimous consent that a list of the Coloradans whom I met be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

HELPING AMERICAN BUSINESSES

Mr. CAMPBELL. In the last Congress, I introduced the International Anti-Corruption Act of 1997 (S. 1200) which would tie U.S. foreign aid to how conducive foreign countries are to American businesses and investment. As I prepare to reintroduce this bill in the 106th Congress and to work on combating crime and corruption within the OSCE framework, I participated in a meeting of U.S. business representatives on Friday, July 9, convened by the Russian-American Chamber of Commerce, headquartered in Denver. We were joined by my colleagues, Senator KAY BAILEY HUTCHISON, Senator GEORGE VOINOVICH and my fellow Coloradan, Congressman TOM TANCREDO.

We heard first-hand about the challenges of doing business in Russia from representatives of U.S. companies, including Lockheed Martin Astronautics, PepsiCo, the Gillette Company, Coudert Brothers, and Colliers HIB St. Petersburg. Some issues, such as export licensing, counterfeiting and corruption are being addressed in the Senate. But, many issues these companies face are integral to the Russian business culture, such as taxation, the devaluation of the rouble, and lack of infrastructure. My colleagues and I will be following up on ways to assist U.S. businesses and investment abroad.

In addition, on Wednesday, July 7, I participated in a meeting at the St. Petersburg Investment Center. The main focus of the meeting was the presentation of a replica of Fort Ross in California, the first Russian outpost in the United States, to the Acting U.S. Consul General on behalf of the Governor of California. We heard from Anatoly Razdoglin and Valentin Makarov of the St. Petersburg Administration; Slava Bychkov, American Chamber of Commerce in Russia, St. Petersburg Chapter; Valentin Mishanov, Russian State Marine Archive; and Vitaly Dozenko, Marine Academy. The discussion ranged from U.S. investment in St. Petersburg and the many redevelopment projects which are planned or underway in the city.

CRIME AND DRUGS

As I mentioned, on Wednesday, July 7, I toured the Russia Police Training Academy at St. Petersburg University and met with General Victor Salnikov, the Chief of the University. This facility is the largest organization in Russia which prepares law enforcement officers and is the largest law institute in the country. The University has 35,000 students and 5,000 instructors. Among the law enforcement candidates, approximately 30 percent are women.

The Police Training Academy has close contacts with a number of countries, including the U.S., France, Germany, the United Kingdom, Finland, Israel and others. Areas of cooperation include police training, counterfeiting, computer crimes, and programs to combat drug trafficking.

I was informed that the Academy did not have a formal working relationship with the National Institute of Justice, the research and development arm of the U.S. Department of Justice which operates an extensive international information-sharing program. I intend to call for this bilateral linkage to facilitate collaboration and the exchange of information, research and publications which will benefit law enforcement in both countries fight crime and drugs.

U.S.-RUSSIA RELATIONS

In addition to the discussions in the plenary sessions of the OSCE Parliamentary Assembly, we had the opportunity to raise issues of importance in a special bilateral meeting between the U.S. and Russia delegations on Thursday morning, July 8. Members of our delegation raised issues including anti-Semitism in the Duma, developments in Kosovo, the case of environmental activist Aleksandr Nikitin, the assassination of Russian Parliamentarian Galina Starovoitova, and the trafficking of women and children.

As the author of the Senate Resolution condemning anti-Semitism in the Duma (S. Con. Res. 19), I took the opportunity of this bilateral session to let the Russian delegation, including the Speaker of the State Duma, know how seriously we in the United States feel about the importance of having a governmental policy against anti-Semitism. We also stressed that anti-Semitic remarks by their Duma members are intolerable. I look forward to working with Senator HELMS to move S. Con. Res. 19 through the Foreign Relations Committee to underscore the strong message we delivered to the Russians in St. Petersburg.

We had the opportunity to discuss the prevalence of anti-Semitism and the difficulties which minority religious organizations face in Russia at a gathering of approximately 100 nongovernmental organizations (NGOs), religious leaders and business representatives, hosted by the U.S. Delegation on Friday, July 9. We heard about the restrictions placed on religious freedoms and how helpful many American non-profit organizations are in supporting the NGO's efforts.

I am pleased to report that the U.S. Delegation had a significant and positive impact in advancing U.S. interests during the Eighth OSCE Parliamentary Assembly Session in St. Petersburg. To provide my colleagues with additional information, I ask unanimous consent that my formal report to Majority Leader LOTT be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CAMPBELL. Thank you, Mr. President. I yield the floor.

EXHIBIT NO. 1

COLORADANS IN ST. PETERSBURG, RUSSIA

Iva Allen, Grand Junction.
Kay Coulson, Grand Junction.
Inez Dodson, Grand Junction.
Isabel Downing, Grand Junction.
Terry Eakle, Greeley.
Betty Elliott, Grand Junction.
Dorothy Evans, Grand Junction.
Kay Hamilton, Grand Junction.
Helen Kauffman, Grand Junction.
Nancy Koos, Denver.
Dick and Jay McElroy, Grand Junction.
Lyla Michaels, Glenwood Springs.
Carol Mitchell, Grand Junction.
Neal and Sonya Morris, Grand Junction.
Pat Oates, Grand Junction.
Kawna Safford, Grand Junction.
Phyllis Safford , Grand Junction.
Dorothy Smith, Grand Junction.
Irene Stark, Montrose.

EXHIBIT NO. 2

COMMISSION ON SECURITY
AND COOPERATION IN EUROPE,
Washington, DC, July 14, 1999.

Hon. TRENT LOTT,
Majority Leader, United States Senate, Washington, DC.

DEAR SENATOR LOTT: I am pleased to report to you on the work of the bipartisan congressional delegation which I co-chaired that participated in the Eighth Annual Session of the Parliamentary Assembly of the Organization for Security and Cooperation in Europe (OSCE), hosted by the Russian Parliament, the Federation Council and the State Duma, in St. Petersburg, July 6–10, 1999. Other participants from the United States Senate were Senator Hutchison of Texas and Senator Voinovich. We were joined by 14 Members of the House: Rep. Smith, Rep. Hoyer, Rep. Sabo, Rep. Kaptur, Rep. Cardin, Rep. Sawyer, Rep. Slaughter, Rep. Stearns, Rep. Tanner, Rep. Danner, Rep. Hastings of Florida, Rep. Salmon, Rep. Cooksey, and Rep. Tancredo. The combined U.S. delegation of 17, the largest representation by any country in St. Petersburg was welcomed by others as a demonstration of the continued commitment of the United States, and the U.S. Congress, to Europe.

This year's Assembly brought together nearly 300 parliamentarians from 52 OSCE participating States. Seven countries, including the Russian Federation, were represented at the level of Speaker of Parliament or President of the Senate. The Assembly continued to recognize the democratically elected parliament of Belarus which President Lukashenka dissolved following his illegal power grab in 1996.

The inaugural ceremony included a welcoming addresses by the Speaker of the State Duma, Gennady Seleznev, and the Governor of St. Petersburg, Vladimir Yakovlev. The President of the Assembly, Ms. Helle

Degn of Denmark, presided. The theme for the St. Petersburg Assembly was "Common Security and Democracy in the Twenty-First Century."

Foreign Minister Knut Vollenback of Norway addressed the Assembly in his capacity of OSCE Chairman-in-Office to report on the organization's activities, particularly those relating to post-conflict rehabilitation and reconstruction in Kosovo. Vollenbaek urged the Parliamentary Assembly and its members to play an active role in promoting human rights, democracy, and the rule of law in Kosovo. Considerable attention was given to the Stability Pact for Southeastern Europe throughout the discussions on Kosovo.

Members of the U.S. delegation actively participated in a special plenary session on Kosovo and contributed to a draft resolution concerning the situation in Kosovo. The delegation was successful in securing adoption of several amendments; underscoring the legal obligation of State to cooperate with the International Tribunal for the Former Yugoslavia; granting access to all prisoners by the International Committee on the Red Cross; extending humanitarian assistance to other parts of the Federal Republic of Yugoslavia; and supporting democracy in Serbia and Montenegro. Senator Voinovich introduced a separate resolution stressing the urgent need to support infrastructure projects which would benefit neighboring countries in the Balkans region. This resolution was widely supported and adopted unanimously.

Work in the Assembly's three General Committee—Political Affairs and Security; Economic Affairs, Science, Technology and Environment; and Democracy, Human Rights and Humanitarian Questions—focused on the central theme: "Common Security and Democracy in the Twenty-First Century."

During discussion in the General Committee on Political Affairs and Security, the U.S. pressed for greater transparency with respect to OSCE activities in Vienna, urging that meetings of the Permanent Council be open to the public and media. Considerable discussion focused on the Assembly's longstanding recommendation to modify the consensus rule that governs all decisions taken by the OSCE. During the closing session Rep. Hastings was unanimously elected committee Vice Chairman.

Members offered several amendment to the draft resolution considered by the General Committee on Economic Affairs, Science, Technology and Environment. Two amendments that I sponsored focused on the importance of combating corruption and organized crime, offering concrete proposals for the establishment of high-level inter-agency corruption-fighting mechanisms in each of the OSCE participating States as well as the convening of a ministerial meeting to promote cooperation among these States to combat corruption and organized crime. Other amendments offered by the delegation, and adopted, highlighted the importance of reform of the agricultural sector, bolstering food security in the context of sustainable development, and regulation of capital and labor markets by multilateral organizations.

The Rapporteur's report for the General Committee on Democracy, Human Rights and Humanitarian Questions focused on the improvement of the human rights situation in the newly independent states. Amendments proposed by the U.S. delegation, and adopted by the Assembly, stressed the need for participating States to fully implement their commitments to prevent discrimination on the grounds of religion or belief and condemned statements by parliamentarians of OSCE participating States promoting or supporting racial or ethnic hatred, anti-Semitism and xenophobia. Other U.S. amendments that were adopted advocated the establishment of permanent Central Election Commissions in emerging democracies and emphasized the need for the Governments of the OSCE participating States to act to ensure that refugees and displaced persons have the right to return to their homes and to regain their property or receive compensation.

Two major U.S. initiatives in St. Petersburg were Chairman Smith's resolution on the trafficking of women and children for the sex trade and Rep. Slaughter's memorial resolution on the assassination of Galina Starovoitova, a Russian parliamentarian and an outspoken advocate of democracy, human rights and the rule of law in Russia who was murdered late last year. The trafficking resolution appeals to participating States to create legal and enforcement mechanisms to punish traffickers while protecting the rights of the trafficking victims. The resolution on the assassination called on the Russian Government to use every appropriate avenue to bring Galina Starovoitova's murders to justice. Both items received overwhelming support and were included in the St. Petersburg Declaration adopted during the closing plenary.

An ambitious series of bilateral meetings were held between Members of the U.S. delegation and representatives from the Russian Federation, Ukraine, Turkey, France, Romania, Kazakhstan, Uzbekistan, Armenian, Canada, and the United Kingdom. While in St. Petersburg, the delegation met with Aleksandr Nikitin, a former Soviet navy captain being prosecuted for his investigative work exposing nuclear storage problems and resulting radioactive contamination in the area around Murmansk. In addition, the delegation hosted a reception for representatives of non-governmental organizations and U.S. businesses active in the Russian Federation.

Elections for officers of the Assembly were held during the final plenary. As. Helle Degn of Denmark was re-elected President. Mr. Bill Graham of Canada was elected Treasurer. Four of the Assembly's nine Vice-Presidents were elected: Mr. Claude Estier (France), Mr. Bruce George (U.K.), Mr. Ihor Ostach (Ukraine), and Mr. Tiit Kabin (Estonia). Rep Hoyer's current term as Vice-President runs through 2001.

Enclosed is a copy of the St. Petersburg Declaration adopted by participants at the Assembly's closing session.

Finally, the Standing Committee agreed that the Ninth Annual Session of the OSCE Parliamentary Assembly will be held next July in Bucharest, Romania.

Sincerely,

BEN NIGHTHORSE CAMPBELL, U.S.S.,
Co-Chairman.

IMPASSE IN IMPLEMENTING THE NORTHERN IRELAND PEACE AGREEMENT

Mr. DODD. Mr. President, today the people of Northern Ireland were denied an opportunity to take a major step forward in making the promise of peace contained in the Good Friday Peace Accords a daily reality. Today, David Trimble, President of the Ulster Unionist Party, refused to lend his party's critical support to the implementation of a key provision of that agreement—the establishment of a Northern Ireland legislature and the appointment of its twelve member, multiparty executive. Ironically, in refusing to cooperate in the formation of the assembly, the Ulster Unionists are further away from their stated goal of ensuring IRA decommissioning of its weapons at the earliest possible date.

Regrettably, despite the herculean efforts of British Prime Minister Tony Blair and Irish Taoiseach Bertie Ahern to move the process forward, the so called d'Hondt mechanism provided for in the agreement has been run and an attempt to form an executive with cross community support has failed. I am deeply disappointed that the leadership of the Ulster Unionist Party has been unable to garner the necessary support of its membership to honor the obligations that the leadership committed that party to when it signed the Accords on April 8, 1998. More importantly, the people of Northern Ireland, who turned out in large numbers to participate in last year's referendum endorsing the Good Friday Accords, must also be deeply disappointed that once again their political leaders have fallen short, let this deadline pass and jeopardized the peace process.

Where do we go from here? Prime Minister Blair and Taoiseach Ahern will meet next week to reassess the situation, including the possibility of implementing those provisions of the agreement that fall within the mandate of the British and Irish Governments. In addition, the parties are required by the terms of the agreement to undertake a fundamental review at this juncture. In the meantime, I would hope that the people of Northern Ireland, Protestant and Catholic, who stand the most to lose if this agreement is allowed to wither on the vine, will let their political leaders know how disappointed they are that the agreement is not being implemented in good faith. I would also call upon those who have resorted to violence in the past to refrain from doing so—violence can never resolve the political and sectarian conflicts of Northern Ireland.

Mr. President, for more than a quarter of a century Protestants and Catholics throughout the North have lived in fear that a trip to the movies or the market place could prove to be a fatal one because sectarian violence has been a common occurrence in their daily lives. The Northern Ireland Peace agreement was designed to end the cycle of violence that has destroyed so many families in Northern Ireland. It can still accomplish that goal. There is still time for all of the parties to find the political courage to do the right thing for the people who they claim to represent.

Mr. President, I like to think of myself as a realist, yet despite the events of the last several days I am optimistic that the Good Friday Accords remain the key to unlocking the formula for a lasting peace throughout Ireland. With the help of the British, Irish and American governments, there is still time for Northern Ireland's political leaders to find within themselves the courage to move forward with the implementation of the Accords. I hope and pray they do so before that time runs out.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 14, 1999, the Federal debt stood at $5,624,306,987,432.02 (Five trillion, six hundred twenty-four billion, three hundred six million, nine hundred eighty-seven thousand, four hundred thirty-two dollars and two cents).

One year ago, July 14, 1998, the Federal debt stood at $5,530,848,000,000 (Five trillion, five hundred thirty billion, eight hundred forty-eight million).

Five years ago, July 14, 1994, the Federal debt stood at $4,624,996,000,000 (Four trillion, six hundred twenty-four billion, nine hundred ninety-six million).

Ten years ago, July 14, 1989, the Federal debt stood at $2,800,265,000,000 (Two trillion, eight hundred billion, two hundred sixty-five million) which reflects a debt increase of more than $2 trillion—$2,824,041,987,432.02 (Two trillion, eight hundred twenty-four billion, forty-one million, nine hundred eighty-seven thousand, four hundred thirty-two dollars and two cents) during the past 10 years.

TWENTY-FIFTH ANNIVERSARY OF THE RUNAWAY AND HOMELESS YOUTH ACT

Mr. LEAHY. Mr. President, this week marks the 25th Anniversary of the Runaway and Homeless Youth Act. I had hoped as part of celebrating the silver anniversary of the passage of this landmark legislation that the Congress would be sending to President Clinton for signature, S. 249, the Missing, Exploited, and Runaway Children Protection Act. This legislation reauthorizes programs under the Runaway and Homeless Youth Act as well as authorizes funding for the National Center for Missing and Exploited Children. Both programs are critical to our nation's youth and to our nation's well-being.

Unfortunately, the bill is still being held up for no good reason. I have been working since 1996 to enact this legislation. Last Congress and again this Congress, we have been able to clear the passage of this important legislation on the Democratic side of the aisle.

I had hoped that by the end of this week my colleagues on the other side of the aisle could be persuaded to let this legislation pass the Senate and President Clinton sign it into law. The many grassroots supporters of this legislation and I remain frustrated.

If we do not pass this legislation soon, I fear it will again, as it was last Congress, be caught up in a more contentious debate on juvenile crime.

I had hoped that we had been able to move away from using this noncontroversial legislation to try to pass unreasonable juvenile justice legislation. Last Congress, the Majority was roundly criticized for its tactic, which the New York Times labeled a "stealth assault on juvenile justice." That procedural gimmick cost us valuable time to get this legislation enacted.

This year, it appeared that such procedural ambushes had been avoided in the Senate and minimized in the House. In late May, the Senate had a full and fair debate on a juvenile justice bill. After significant improvements through amendments, the Hatch-Leahy juvenile justice bill passed the Senate on May 20, 1999 by a strong bipartisan vote. The House finally considered juvenile crime legislation in June, although the Republican leadership has steadfastly blocked a House-Senate conference on the Hatch-Leahy bill.

Separately, in April of this year the Senate passed S. 249, the Missing, Exploited and Runaway Children Protection Act of 1999. In May, the House passed S.249 with an amendment. As I explained in a floor statement on June 30, I was hopeful that the Senate would immediately take up and pass the amended version of S.249 and worked to do that. I consulted with the Department of Health and Human Services about certain concerns I had with the House amendment and was reassured that Vermont would not be adversely affected by it. I noted my disagreement with other aspects of the House action and ways to deal with those without holding final passage of S.249 hostage. I regret to report, however, that this important legislation has been in Senate limbo since late May.

The guts of the legislation remain the Leahy-Hatch substitute language to S.249 that was reported by the Judiciary Committee and which passed the Senate in April. We were careful to recognize the important work of these programs in Vermont, as well as the many other programs and staff across the U.S. that are working effectively with runaway and homeless youth and their families. The House-inserted amendments do nothing to change the special care we took in the Senate to craft the main components of this legislation.

The Leahy-Hatch substitute language preserves current law governing the minimum grants available for small States for the Basic Center grants and also preserves the current confidentiality and records protections for runaway and homeless youth.

In addition, our substitute amendment reauthorizes the Runaway and Homeless Youth Act Rural Demonstration Projects. This program provides targeted assistance to States with rural juvenile populations. Programs serving runaway and homeless youth have found that those in rural areas are particularly difficult to reach and serve effectively.

Under the Runaway and Homeless Youth Act, every year each State is awarded a Basic Center grant for housing and crisis services for runaway and homeless children and their families. The funding is based on its juvenile population, with a minimum grant of $100,000 currently awarded to smaller States, such as Vermont. Effective community-based programs around the country can also apply directly for the funding available for the Transitional Living Program and the Sexual Abuse Prevention/Street Outreach grants. The Transitional Living Program grants are used to provide longer term housing to homeless teens age 16 to 21, and to help these teenagers become more self-sufficient. The Sexual Abuse Prevention/Street Outreach Program also targets teens who have engaged in or are at risk of engaging in high risk behaviors while living on the street.

The Runaway and Homeless Youth Act does more than shelter these children in need. As the National Network for Youth has stressed, the Act's programs "provide critical assistance to youth in high-risk situations all over the country." This Act also ensures that these children and their families have access to important services, such as individual, family or group counseling, alcohol and drug counseling and a myriad of other resources to help these young people and their families get back on track.

Runaway and Homeless Youth Services in Vermont show positive results. For those who do not think rural areas have significant numbers of runaway youth, I note that in fiscal year 1998, the Vermont Coalition of Runaway and Homeless Youth Programs and Spectrum Youth & Family Services ("the Coalition"), reported that 81 percent of the 1,067 youths served by the Coalition programs were in a positive living situation at the close of service. They were reunited with their families, living with a friend or relative, or in another appropriate living situation. They were not in Department of Corrections or State Rehabilitative Services (SRS) custody.

Since 1992, the Coalition programs have seen a 175 percent increase in the numbers of youths served: The Coalition programs served 388 runaway and homeless youths in 1992. This number increased to 1,067 in 1997. In 1998, 61 percent of the youths served were 15, 16 or 17 years old.

The Coalition programs are the "who you gonna' call" in cases of family crisis and runaway incidents. They are a critical part of Vermont's ability to respond pro-actively when youths and families are in crisis, and to prevent the need for later, more costly services.

The Coalition average cost per client in fiscal year 1998 was $1,471. Each client has different needs which could mean a week of service, a month, or the entire year. The service could include housing, family counseling, or any of the array of services offered the Coalition programs. The average time a case was open in fiscal year 1998 was 54 days.

The relative costs of various services available to youths experiencing problems frequently associated with runaway and "push-out" incidents and other serious family conflict is dramatically higher. For fiscal year 1998, the costs for a bed in Vermont's Juvenile Detention system was over $69,000; a bed in a in-patient adolescent substance abuse treatment facility was over $54,000.

The Vermont Coalition programs provide early interventions that are more humane, and more cost effective. When one youth is diverted from entering state custody, the state of Vermont saves $19,761. If 102 young people, or 9 percent of the 1,067 youths served in fiscal year 1998, were diverted from entering SRS Custody, then Vermont saves over $2,000,000—four times the amount of dollars Vermont currently receives under the RHYA for service to runaway and homeless youths.

The Vermont Coalition and Spectrum Youth & Family Services should be applauded for their important work and I believe the best way to do that is to reauthorize the Runaway and Homeless Act, so programs like these in Vermont have some greater financial security in the future.

I want to thank the many advocates who have worked with me over the years to improve the bill and, in particular, the dedicated members of the Vermont Coalition of Runaway and Homeless Youth Programs and the National Network for Youth for their suggestions and assistance. Without these dedicated public-spirited citizens these programs could not be successful.

The other important piece of S. 249 is authorizing the nation's resource center for child protection, the National Center for Missing and Exploited Children (NCMEC). This center spearheads national efforts to locate and recover missing children and raises public awareness about ways to prevent child abduction, molestation, and sexual exploitation.

Since 1984, when the center was established, it has handled more than 1.3 million calls through its national Hotline 1–800–THE-LOST; trained more than 151,755 police and other professionals; and published more than 17 million publications that are distributed free of charge. The center has worked with law enforcement on more than 65,173 missing child cases, resulting in the recovery of 46,031 children.

Since its creation, the center has helped 83 Vermont missing child cases and has helped resolve 82 of them. Nationwide, prior to 1990, the child recovery rate of the center was 62 percent. From 1990 through 1998, even with increasing caseloads, the recovery of children that are reported to the center has reached 91.8 percent.

Last year, the center launched a new CyberTipline. It allows Internet users to report such things as suspicious or illegal activity, including child pornography and online enticement of children for sexual exploitation.

Each month NCMEC brings chiefs and sheriffs together for special training. To date, the center has trained 728 of these law enforcement officials from all fifty states, including chiefs from Dover, Hartford, Brattleboro, and Winooski, Vermont and representatives from our State Police force.

The center also trains state and local police on crimes against children in cyberspace. Although this program has just begun, already 103 Unit Commanders from 34 states, including Vermont have been trained. In February of this year, Captain David Rich of the Hartford, Vermont Police Department attended this course.

The NCMEC trainers conducted a statewide infant abduction prevention seminar for the Vermont Chapter of the Association of the Women's Health, Obstetric and Neonatal Nurses, attended by 252 nurses and security staff, and conducted site audits at two Vermont hospitals.

I applaud the ongoing work of the Center and hope that the Senate will promptly pass this bill so that they can proceed with their important activities with fewer funding concerns.

Mr. President, S. 249, the Missing, Exploited, and Runaway Children Protection Act, should be passed without further delay.

CONGRATULATIONS TO THE U.S. AIR FORCE

Ms. MIKULSKI. Mr. President, I say to my colleagues in the Senate and to those listening everywhere, I rise to congratulate the U.S. Air Force on their gallantry and their bravery in risking their lives to take much-needed medicine to a woman who is now a scientist working in Antarctica on a National Science Foundation expedition.

This woman recently discovered a lump in her breast and needs medical treatment. She cannot leave Antarctica until the middle of October because of the horrendous weather conditions. She can't get out and nobody can get to her. But God bless the U.S. Air Force. They were willing to step forward at great risk to themselves to take the much-needed medicine, and at a very specific moment, drop the six packages that will be able to provide her with treatment, through the genius of telemedicine.

Imagine the terror of a woman who discovers a lump in her breast. Imagine if this lump is discovered while you are serving at a remote research station on the South Pole, which is completely inaccessible during many months of the year. A plane has never landed on the South Pole during the winter. So how could she hope to get the medical supplies she needed for treatment?

This is the situation faced by a woman serving at the National Science Foundation's Amundsen-Scott research station at the South Pole. She could neither leave the station nor expect outside help until October. We all know when a lump is discovered, immediate treatment is essential. That is part of what we have been arguing about.

But guess what. This is when our U.S. Air Force became involved. We are all so proud of what they do to protect America's values and interests around the world. Most recently, they were successful in ending genocide and ethnic cleansing in Kosovo.

But on this mission to the South Pole, they were called on to act as humanitarians. Flying from New Zealand, the 23-person crew had to fly their aircraft for nearly a 7,000-mile round trip. They had limited visibility. They had to make their drop with great precision—since the medicine and equipment could not be exposed to the harsh conditions for more than a few minutes. Personnel on the ground also showed great skill and courage. They came outside in 70-below degree weather to plot the drop site with a great big letter "C" so the supplies could be dropped in the right spot, and they could be there at the right time to get it.

All Americans were awed by their skill and bravery. It was led by Major Greg Pike and his crew. They made their drop successfully, returned safely, and the supplies are now being used.

For those of us who saw the news, we know the U.S. Air Force risked themselves because if that plane ran into difficulty, they were at a point of no return. When they opened up the plane to be able to drop this much-needed medicine, they had to put special gear on because they themselves were facing temperatures at 150 degrees below zero. But they did it because they had the "right stuff" to make sure she had the right medicine. I tell you, it was quite a moment to see. Those great guys also sent her a bouquet of flowers and pictures of themselves and their families.

Mr. President, this also reminds us of the bravery of our National Science Foundation staff who have also worked in very difficult conditions to conduct the important scientific research.

We say to her, to the lady in the Antarctic, if she can watch us on C–SPAN: God bless you. We are pulling for you, and we say here in the Senate, God bless the U.S. Air Force.

I yield the floor.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4206. A communication from the Department of State, transmitting, pursuant to law, a report entitled "Battling International Bribery", dated July 1999; to the Committee on Foreign Relations.

EC–4207. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–4208. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the emigration laws and policies of Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan; to the Committee on Finance.

EC–4209. A communication from the Chief Counsel, Bureau of Public Debt, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Final Rule to Amend 31 CFR Part 306 to Prohibit Bearer Reissues", received July 6, 1999; to the Committee on Finance.

EC–4210. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Early Referral of Issues to Appeals" (Revenue Procedure 99–28, 1999–29 I.R.B.), received July 13, 1999; to the Committee on Finance.

EC–4211. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Notice 99-37, Information Reporting for Tuition Tax Credits and Qualified Student Loan Interest" (Notice 99–37), received July 12, 1999; to the Committee on Finance.

EC–4212. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fosetyl-Al; Pesticide Tolerance for Emergency Exemptions" (FRL # 6372–3), received July 7, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4213. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Tebufenozide; Benzoic Acid, 3,5-dimethyl-1-1-(1.1-dimethylethyl)-2-(4-ethylbenzoyl) hydrazide; Pesticide Tolerance" (FRL # 6088–8), received July 7, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4214. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imidacloprid; Pesticide Tolerances for Emergency Exemptions" (FRL # 6088–3), received July 13, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4215. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Myclobutanil; Pesticide Tolerances for Emergency Exemptions; Correction" (FRL # 6089–2), received July 13, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4216. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Sweet Cherries Grown in Designated Counties in Washington; Change in Pick Requirements" (Docket No. FV99–923–1 IFR), received July 6, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4217. A communication from the Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Cranberries Grown in the States of Massachusetts, et al.; Temporary Suspension of a Provision on Producer Continuance Referenda Under the Cranberry Marketing Order" (Docket No. FV99–929–1 FIR), received July 6, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4218. A communication from the Secretary of Agriculture, transmitting, a draft of proposed legislation relative to improving and reforming the administration of Department programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4219. A communication from the Federal Register Liaison Officer, Records Management and Declassification Agency, Department of the Army, transmitting, pursuant to law, the report of a rule entitled "Manufacture, Sale, Wear, Commercial Use and Quality Control of Heraldic Items" (32 CFR Part 507), received June 28, 1999; to the Committee on Armed Services.

EC–4220. A communication from the Federal Register Liaison Officer, Records Management and Declassification Agency, Department of the Army, transmitting, pursuant to law, the report of a rule entitled "Radiation Sources on Army Land" (32 CFR Part 655), received June 28, 1999; to the Committee on Armed Services.

EC–4221. A communication from the Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants: Final Designation for Critical Habitat for the Rio Grande Silvery Minnow" (RIN1018–AF72), received June 30, 1999; to the Committee on Environment and Public Works.

EC–4222. A communication from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled "Allocation of Assets in Single-Employer Plans; Assumptions for Valuing Benefits", received July 12, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–4223. A communication from the Secretary of Health and Human Services, transmitting, pursuant to the Low-Income Home Energy Assistance Act of 1981, a report of the allotment of emergency funds to 16 States and the District of Columbia; to the Committee on Health, Education, Labor, and Pensions.

EC–4224. A communication from the Executive Secretary, President's Cancer Panel., transmitting, pursuant to law, a report entitled "Cancer Care Issues in the United States: Quality of Care, Quality of Life" for the period January 1, 1997 to December 31, 1998; to the Committee on Health, Education, Labor, and Pensions.

EC–4225. A communication from the Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries off West Coast States and in the Western Pacific; Western Pacific Crustacean Fisheries; Bank-Specific Harvest Guidelines" (RIN0648–XA31), received July 12, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4226. A communication from the Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries off West Coast States and in the Western Pacific; Western Pacific Crustacean Fisheries; Bank-Specific Harvest Guidelines" (RIN0648–AK61), received July 12, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4227. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Atqasuk, AK; Docket No. 99–AAL–3 (7–7/7–8)" (RIN2120–AA66) (1999-0218), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4228. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Yakutat, AK; Docket No. 99–AAL–2 (7–7/7–8)" (RIN2120–AA66) (1999–0220), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4229. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Adak, AK; Docket No. 99–AAK–9 (7–7/7–8)" (RIN2120–AA66) (1999–0219), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4230. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Palmer, AK; Docket No. 99–AAL–5 (7–7/7–8)" (RIN2120–AA66) (1999–0217), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4231. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (104); Amdt. No. 1937 (7–1/7–8)" (RIN2120–AA65) (1999–0032), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–4232. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled

"Standard Instrument Approach Procedures; Miscellaneous Amendments (43); Amdt. No. 1938 (7-1/7-8)" (RIN2120-AA65) (1999-0033), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4233. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter Deutschland Model EC 135 Helicopters; Request for Comments; Docket No. 99-SW-38 (7-1/7-8)" (RIN2120-AA64) (1999-0267), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4234. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes; Correction; Docket No. 99-NM-112 (7-7/7-8)" (RIN2120-AA64) (1999-0266), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4235. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dassault Model 2000, 900EX, and Mystere Falcon 900 Series Airplanes; Docket No. 99-NM-63 (7-7/7-8)" (RIN2120-AA64) (1999-0265), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4236. A communication from the Senior Attorney, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Civil Penalties" (RIN2127-AH48), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4237. A communication from the Senior Attorney, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Importation of Motor Vehicles and Equipment Subject to Federal Safety, Bumper, and Theft Prevention Standards" (RIN2127-AH45), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4238. A communication from the Attorney, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Tire Identification Symbols" (RIN2127-AH10), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4239. A communication from the Senior Attorney, Office of the Secretary, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Disclosure of Code-Sharing Arrangements and Long-Term Wet Leases (Delay of Effective Date)" (RIN2105-AC10) (1999-0002), received July 12, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4240. A communication from the Acting Director, National Marine Fisheries Service, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Trip Limit Adjustments," received July 13, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4241. A communication from the Acting Director, National Marine Fisheries Service, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closure for the Shallow-water Species Fishery by Vessels Using Trawl Gear in the Gulf of Alaska," received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4242. A communication from the Legal Counsel, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Parts 2 and 15 of the Commission's Rules to Further Ensure That Scanning Receivers Do Not Receive Cellular Radio Signals" (ET Docket No. 98-76) (FCC 99-58), received July 12, 1999; to the Committee on Commerce, Science, and Transportation.

EC-4243. A communication from the Management Analyst, AMD-Performance Evaluation and Records Management, Office of the Managing Director, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Assessment and Collection of Regulatory Fees for Fiscal Year 1999" (MD Docket No. 98-200) (FCC 99-146), received July 8, 1999; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-249. A petition from the New York State Legislative Commission on Water Resource Needs of New York and Long Island relative to Methyl tertiary Butyl Ether (MtBE); to the Committee on Environment and Public Works.

POM-250. A resolution adopted by the House of the General Assembly of the State of North Carolina relative to the United Nations Convention on the Elimination of All Forms of Discrimination Against Women; to the Committee on Foreign Relations.

HOUSE RESOLUTION 388

Whereas, the United Nations Convention on the Elimination of All Forms of Discrimination Against Women was adopted by the United Nations General Assembly on December 18, 1979, became an international treaty on September 3, 1981; and

Whereas, as of March 1999, 162 countries had ratified the Conventions and six states had endorsed the United States ratification in their state legislatures; and

Whereas, the Convention provides a comprehensive framework for challenging the various forces that have created and sustained discrimination based on sex against half the world's population, and the nations in support of the present Convention have agreed to follow Convention prescriptions; and

Whereas, the State of North Carolina shares the goals of the Convention, namely, affirming faith in fundamental human rights, in the dignity and worth of the human person, and in the equal rights of women; and

Whereas, although women have made major gains in the struggle for equality in social, business, political, legal, educational, and other fields in this century, there is much yet to be accomplished; and

Whereas, the State of North Carolina recognizes the greatly increased interdependence of the people of the world; and

Whereas, it is fitting and appropriate to support ratification of the most important international agreement affecting the lives of women throughout the world; Now, therefore, be it

Resolved by the House of Representatives:

SECTION 1. The House of Representatives urges the citizens of North Carolina to recognize that we are citizens of the world with responsibilities extending beyond the boundaries of our city, State, and nation. The House of Representatives further urges the United States Senate to ratify the United Nations Convention on the Elimination of All Forms of Discrimination Against Women and to support the Convention's continuing goals.

SECTION 2. The Principal Clerk shall transmit certified copies of this resolution to the Secretary of the Senate and to each member of North Carolina's Congressional Delegation.

SECTION 3. This resolution is effective upon adoption.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER (for himself, Mr. HELMS, Mr. BIDEN, Mr. DORGAN, Mr. SCHUMER, and Mr. SESSIONS):

S. 1372. A bill to require the filing of Shippers' Export Declarations through the Automated Export System of the Department of the Treasury with respect to certain transactions of proliferation concern, and for other purposes; to the Committee on Governmental Affairs.

By Mr. FEINGOLD:

S. 1373. A bill to increase monitoring of the use of offsets in international defense trade; to the Committee on Foreign Relations.

By Mr. THOMAS (for himself and Mr. ENZI):

S. 1374. A bill to authorize the development and maintenance of a multiagency campus project in the town of Jackson, Wyoming; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself and Mr. KOHL):

S. 1375. A bill to amend the Immigration and Nationality Act to provide that aliens who commit acts of torture abroad are inadmissible and removable and to establish within the Criminal Division of the Department of Justice an Office of Special Investigations having responsibilities under that Act with respect to all alien participants in act of genocide and torture abroad; to the Committee on the Judiciary.

By Mr. HOLLINGS:

S. 1376. A bill to amend the Internal Revenue Code of 1986 to impose a value added tax and to use the receipts from the tax to reduce Federal debt and to ensure the solvency of the Social Security System; to the Committee on Finance.

By Mr. BENNETT:

S. 1377. A bill to amend the Central Utah Project Completion Act regarding the use of funds for water development for the Bonneville Unit, and for other purposes; to the Committee on Energy and Natural Resources..

By Mr. VOINOVICH (for himself and Mrs. LINCOLN):

S. 1378. A bill to amend chapter 35 of title 44, United States Code, for the purposes of facilitating compliance by small businesses with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DOMENICI:

S. 1379. A bill to amend the Internal Revenue Code of 1986 to provide broad based tax relief for all taxpaying families, to mitigate the marriage penalty, to expand retirement savings, to phase out gift and estate taxes, and for other purposes; to the Committee on Finance.

By Mr. HATCH:

S. 1380. A bill to provide for a study of long-term care needs in the 21st century; to the Committee on Health, Education, Labor, and Pensions.

By Mr. COCHRAN:

S. 1381. A bill to amend the Internal Revenue Code of 1986 to establish a 5-year recovery period for petroleum storage facilities; to the Committee on Finance.

By Mr. McCAIN (for himself and Mr. BROWNBACK):

S. 1382. A bill to amend the Public Health Service Act to make grants to carry out certain activities toward promoting adoption counseling, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. SNOWE (for herself, Mr. REID, Mrs. MURRAY, Ms. MIKULSKI, Ms. COLLINS, Ms. LANDRIEU, Mrs. FEINSTEIN, Mrs. BOXER, Mrs. HUTCHISON, Mrs. LINCOLN, Mr. DASCHLE, Mr. CAMPBELL, and Mr. MACK):

S. Res. 141. A resolution to congratulate the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship; considered and agreed to.

By Mr. BOND:

S. Res. 142. An original resolution authorizing expenditures by the Committee on Small Business; from the Committee on Small Business; to the Committee on Rules and Administration.

By Mr. WARNER:

S. Res. 143. An original resolution authorizing expenditures by the Committee on Armed Services; from the Committee on Armed Services; to the Committee on Rules and Administration.

By Mr. HATCH:

S. Res. 144. An original resolution authorizing expenditures by the Committee on the Judiciary; from the Committee on the Judiciary; to the Committee on Rules and Administration.

By Mr. McCAIN:

S. Res. 145. An original resolution authorizing expenditures by the Committee on Commerce, Science, and Transportation; from the Committee on Commerce, Science, and Transportation; to the Committee on Rules and Administration.

By Mr. CHAFEE:

S. Res. 146. An original resolution authorizing expenditures by the Committee on Environment and Public Works; from the Committee on Environment and Public Works; to the Committee on Rules and Administration.

By Mr. GRAMM:

S. Res. 147. An original resolution authorizing expenditures by the Committee on Banking, Housing, and Urban Affairs; from the Committee on Banking, Housing, and Urban Affairs; to the Committee on Rules and Administration.

By Mr. HELMS:

S. Res. 148. An original resolution authorizing expenditures by the Committee on Foreign Relations; from the Committee on Foreign Relations; to the Committee on Rules and Administration.

By Mr. DOMENICI:

S. Res. 149. An original resolution authorizing expenditures by the Committee on the Budget; from the Committee on the Budget; to the Committee on Rules and Administration.

By Mr. ROTH:

S. Res. 150. An original resolution authorizing expenditures by the Committee on Finance; from the Committee on Finance; to the Committee on Rules and Administration.

By Mr. SPECTER:

S. Res. 151. An original resolution authorizing expenditures by the Committee on Veterans Affairs; from the Committee on Veterans Affairs; to the Committee on Rules and Administration.

By Mr. McCONNELL:

S. Res. 152. An original resolution authorizing expenditures by the Committee on Rules and Administration; from the Committee on Rules and Administration; placed on the calendar.

By Mr. WELLSTONE:

S. Res. 153. A resolution urging the Parliament of Kuwait when it sits on July 17 to grant women the right to hold office and the right to vote; to the Committee on Foreign Relations.

By Mr. THOMPSON:

S. Res. 154. An original resolution authorizing expenditures by the Committee on Governmental Affairs; from the Committee on Governmental Affairs; to the Committee on Rules and Administration.

By Mr. GRASSLEY:

S. Res. 155. An original resolution authorizing expenditures by the Special Committee on Aging; from the Special Committee on Aging; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself, Mr. HELMS, Mr. BIDEN, Mr. DORGAN, and Mr. SCHUMER):

S. 1372. A bill to require the filing of Shippers' Export Declarations through the Automated Export System of the Department of the Treasury with respect to certain transactions of proliferation concern, and for other purposes; to the Committee on Governmental Affairs.

PROLIFERATION PREVENTION ENHANCEMENT ACT OF 1999

Mr. SPECTER. Mr. President, I have sought recognition today to introduce legislation that will help the United States achieve important non-proliferation and counter-proliferation goals by improving the process through which export data on shipments of proliferation concern is collected and analyzed. By requiring that export data related to shipments of proliferation concern be filed electronically, this legislation will make it possible for agencies with export control responsibilities to do their job more efficiently and effectively.

To minimize the administrative burden on exporters, my legislation phases in the electronic filing requirement 180 days after the Secretary of Commerce and the Secretary of the Treasury certify that a secure, Internet-based filing system is up and running. There is already an electronic filing system available, but the existing system is being replaced with an Internet-based system that will be easier to access and use. When the new Internet-based system is in place, and that is expected to happen by early next year, my legislation will require that shipments of proliferation concern be reported electronically. The net result of enacting this legislation will be enhanced export control monitoring and enforcement, with minimal burden to shippers and exporters.

Let me take a moment to provide some background information for my colleagues, to make it clear what my legislation does and why. Current law requires shippers, forwarders and exporters to file what is known as a Shipper's Export Declaration, or SED. The SED indicates what is being shipped, where it is going, who it is being shipped to. Most of these are now filed on paper, and it is a time consuming and difficult process to sort through all these paper SEDs to identify shipments of proliferation concern, to track them down and check them out. In 1995, the Customs Service and the Census Bureau created the Automated Export System, or AES, which makes it possible to submit SEDs electronically. With the SED information in electronic form, it is much easier to sort through the data and identify shipments of concern.

About ten percent of SEDs are currently filed in electronic form through AES, and almost ninety percent of the forms are filed on paper. The data from the ninety percent of SEDs that are filed on paper is not as easy to review as it could be, and it is not possible to do the type of cross-checking and analysis that is necessary to zero in on the shipments that export officials need to monitor closely, and in some cases, prevent from being shipped. For example, before the 1991 Persian Gulf War, the Iraqis had a very sophisticated procurement strategy for acquiring weapons of mass destruction. They broke down their purchase requests and instead of asking for everything they wanted from one or two companies, asked for a few items from a large number of suppliers. If the Iraqis had grouped their requests, their orders would have raised eyebrows. Someone would have become suspicious, either the suppliers or export enforcement officers who reviewed the export data. As it was, the Iraqis ordered relatively small quantities of dual use commodities, items that can be used to create weapons of mass destruction but also have perfectly ordinary commercial uses, and combined them with shipments from other suppliers, sometimes from other countries, to make weapons of mass destruction. If all SEDs on items of proliferation concern had been filed electronically, as they will be when my legislation is enacted, it would have been much easier to detect what the Iraqis were up to and take preventive action.

Not all of the shipments that are being reported on paper rather than electronically are of proliferation concern. Shippers in the United States export literally hundreds of thousands of items each month that do not raise proliferation concerns; agricultural products, toasters, automobiles, and all sorts of completely harmless goods. But there are other items that we have to watch more carefully; items that are on the Department of State's Munitions List or the Commerce Control List. My legislation will make it easier to track shipments of these items by requiring that SEDs be filed electronically for any item that is on the United States Munitions List or the Commerce Control List. With this information available in electronic format, agencies with export control responsibilities will be able to enforce our export control laws more effectively and prevent proliferation of WMD. By limiting mandatory electronic filing to items that raise genuine concerns about proliferation, my legislation will maximize the benefit to our national security without unduly burdening shippers and exporters.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Proliferation Prevention Enhancement Act of 1999".

SEC. 2. MANDATORY USE OF THE AUTOMATED EXPORT SYSTEM FOR FILING CERTAIN SHIPPERS' EXPORT DECLARATIONS.

(a) AUTHORITY.—Section 301 of title 13, United States Code, is amended by adding at the end the following new subsection:

"(h) The Secretary is authorized to require the filing of Shippers' Export Declarations under this chapter through an automated and electronic system for the filing of export information established by the Department of the Treasury.".

(b) IMPLEMENTING REGULATIONS.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of Commerce and the Secretary of State, shall publish regulations in the Federal Register to require that, upon the effective date of those regulations, exporters (or their agents) who are required to file Shippers' Export Declarations under chapter 9 of title 13, United States Code, file such Declarations through the Automated Export System with respect to exports of items on the United States Munitions List or the Commerce Control List.

(2) ELEMENTS OF THE REGULATIONS.—The regulations referred to in paragraph (1) shall include at a minimum—

(A) provision for the establishment of online assistance services to be available for those individuals who must use the Automated Export System;

(B) provision for ensuring that an individual who is required to use the Automated Export System is able to print out from the System a validated record of the individual's submission, including the date of the submission and a serial number or other unique identifier for the export transaction; and

(C) a requirement that the Department of Commerce print out and maintain on file a paper copy or other acceptable back-up record of the individual's submission at a location selected by the Secretary of Commerce.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) and the regulations described in subsection (b) shall take effect 180 days after the Secretary of Commerce, the Secretary of the Treasury, and the Director of the National Institute of Standards and Technology jointly certify, by publishing in the Federal Register a notice, that a secure, Internet-based Automated Export System that is capable of handling the expected volume of information required to be filed under subsection (b), plus the anticipated volume from voluntary use of the Automated Export System, has been successfully implemented and tested.

SEC. 3. VOLUNTARY USE OF THE AUTOMATED EXPORT SYSTEM.

It is the sense of Congress that exporters (or their agents) who are required to file Shippers' Export Declarations under chapter 9 of title 13, United States Code, but who are not required under section 2(b) to file such Declarations using the Automated Export System, should do so.

SEC. 4. REPORT TO CONGRESS.

Not later than 180 days after the date of enactment of this Act, the Secretary of Commerce, in coordination with the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Energy, and the Director of Central Intelligence, shall submit a report to Congress setting forth—

(1) the advisability and feasibility of mandating electronic filing through the Automated Export System for all Shippers' Export Declarations;

(2) the manner in which data gathered through the Automated Export System can most effectively be used by other automated licensing systems administered by Federal agencies, including—

(A) the Defense Trade Application System of the Department of State;

(B) the Export Control Automated Support System of the Department of Commerce;

(C) the Foreign Disclosure and Technology Information System of the Department of Defense;

(D) the Proliferation Information Network System of the Department of Energy;

(E) the Enforcement Communication System of the Department of the Treasury; and

(F) the Export Control System of the Central Intelligence Agency; and

(3) a proposed timetable for any expansion of information required to be filed through the Automated Export System.

SEC. 5. DEFINITIONS.

In this Act:

(1) AUTOMATED EXPORT SYSTEM.—The term "Automated Export System" means the automated and electronic system for filing export information established under chapter 9 of title 13, United States Code, on June 19, 1995 (60 Federal Register 32040).

(2) COMMERCE CONTROL LIST.—The term "Commerce Control List" has the meaning given the term in section 774.1 of title 15, Code of Federal Regulations.

(3) SHIPPERS' EXPORT DECLARATION.—The term "Shippers' Export Declaration" means the export information filed under chapter 9 of title 13, United States Code, as described in part 30 of title 15, Code of Federal Regulations.

(4) UNITED STATES MUNITIONS LIST.—The term "United States Munitions List" means the list of items controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

Mr. BIDEN. Mr. President, there is no greater threat to our country than that posed by weapons of mass destruction. Nuclear, chemical or biological weapons—perhaps delivered by long-range guided missiles—could cause more destruction in a week or even a day than we suffered in all of the Vietnam war.

The United States has many non-proliferation and counterproliferation programs, but there are cracks in our organization for combating this terrible scourge.

The Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction, also know as the "Deutch Commission," has found those cracks.

Yesterday the Commission gave America a blueprint for repairing them. We dare not ignore its analysis, any more than we would ignore termites in our homes.

My colleague and friend from Pennsylvania, Senator ARLEN SPECTER, also deserves special recognition today. The Commission was his idea; he secured its establishment and later ensured its continued existence. As Vice Chairman of the Commission, he worked to ensure that its recommendations would be practical and politically feasible.

Today Senator SPECTER is introducing legislation to implement one of the Deutch Commission recommendations: that we require electronic filing of Shippers' Export Declarations on a secure, Internet-based system.

This legislation will provide more timely and usable data for non-proliferation analysis by executive branch agencies, without causing any significant burden for exporters or endangering the traditional confidentiality of Shippers' Export Declarations.

I am pleased to be an initial cosponsor of this legislation and I am confident that it will be enacted.

Shippers' Export Declarations are already required under chapter 9 of title 13, United States Code. The content of those Declarations is prescribed in part 30 of title 15, Code of Federal Regulations. This legislation will not require any reporting by industry that is not already mandated under those regulations.

There is also an existing Automated Export System, but its use is voluntary and it has not gained much acceptance. This bill will require that shippers use an Internet-based Automated Export System, once it is certified as being secure and capable of handling the expected volume of information that would be filed.

I want to assure U.S. companies, as I have been assured, that this legislation will not cause difficulties for them. Exporters will have on-line assistance in filing their Declarations and will be able to double-check their Declarations for accuracy after filing them.

In addition, the Director of the National Institute of Standards and Technology, which maintains the security of unclassified Federal Government communications, must join in certifying that the Internet-based Automated Export System is ready for use and has been successfully tested.

That will ensure the continued confidentiality of these Declarations.

This is hardly a revolutionary bill. Rather, it is one discrete, rational measure that is needed to improve our defense against the spread of nuclear, chemical or biological weapons to countries or groups that could otherwise rain chaos and destruction upon our country and the whole world.

We simply must take this step, along with others recommended by the Deutch Commission. For our own sake and for our children's sake as well, we absolutely must respond to the challenge of proliferation.

By Mr. FEINGOLD:

S. 1373. A bill to increase monitoring of the use of offsets in international defense trade; to the Committee on Foreign Relations.

DEFENSE OFFSETS DISCLOSURE ACT OF 1999

Mr. FEINGOLD. Mr. President, I rise today to introduce a bill that will help clarify the difficult subject of the use of offsets in international defense trade. This little known practice has a potentially tremendous impact on our domestic industry, international trade, and national security, yet is barely understood by either the public or private sectors. My bill, the "Defense Offsets Disclosure Act of 1999" seeks to expand the monitoring and reporting of offsets use so that policy makers and the public can better understand the impact on our economy.

Mr. President, what are offsets? Offsets are the entire range of industrial and commercial benefits that are provided to foreign governments as inducements, or conditions, for the purchase of military goods and services. Among techniques used to meet offset requirements are co-production, subcontracting, technology transfers, in-country procurement, marketing and financial assistance, and joint ventures. In other words, they are largely non-cash "sweeteners" attached to export sales of large military [and occasionally civilian] products, typically set forth in side agreements and provided to the purchasing country over a period of time.

My legislation would offer several measures to get a handle on the whole range of issues involved in the use of offsets:

First, my bill declares that it is the policy of the United States to pursue better monitoring of offsets, to promote fairness in international trade; and to ensure an appropriate level of foreign participation in the production of United States weapons systems. To fully understand the implications of offsets and the extent of their impact, we must have more information on offset agreements, particularly the indirect offset obligations that are otherwise invisible. While many of my colleagues can cite anecdotal evidence of companies harmed or jobs lost, we must develop a more effective mechanism to accurately quantify the impact of offsets.

Second, my bill expresses the sense of Congress that the Executive Branch should seek trade fairness through transparency and standardization of the use of offsets in international defense trade. In particular, the Secretaries of State and Commerce and the U.S. Trade Representative should raise the issues of transparency and standardization bilaterally at all suitable venues, and our government should initiate discussions on standards for use of offsets through appropriate multilateral fora. While some believe that offsets are a business practice best left to business to handle, the nature of the problem calls out for government-to-government discussion to ensure that an even playing field exists for all stakeholders in the international defense trade.

Third, the bill establishes a new requirement for more detailed information on offsets in Congressional notifications of government-to-government and commercial sales. Current law only requires notification of the existence of an offset agreement, with no details or follow up description of the measures used to fulfill the offset obligation. My bill will require a description of the offset agreement and its dollar value. It also calls for an additional report upon completion of an offset obligation which would identify all measures taken to fulfill the offset agreement identified earlier in its pre-sale Congressional notification. At least one defense contractor already has been willing to provide this information as part of its regular license application and has provided the size of the offset, its direct and indirect components, and a rough estimate of the likely measures it would use to fulfill its offset obligations. My bill should elicit similar useful information on all offset agreements.

Fourth, the bill expands a prohibition on incentive payments that I authored in 1993. That earlier provision prohibited the use of third party incentive payments to secure offset agreements in any sale subject to the Arms Export Control Act. My new bill expands the prohibition to include items "exported" or "licensed". The previous language addressed only "sales". The incentive payments provision in my bill should close any loopholes and clarify that incentive payments are not an acceptable component of any type of offset transaction.

Fifth, the bill requires the Administration to initiate a review to determine the feasibility, and the most effective means, of negotiating multilateral agreements on standards for the use of offsets. It also mandates a report on the Administration's activities in the area. Through international dialogue and coordination we can arrive at multilateral standards for the use of offsets in defense trade agreements. Whether you believe that offsets are merely an annoying, but ordinary, business practice, or hold the view that they pose a major long term threat to our labor force, our industries, and our national security, I believe it is both possible and necessary to develop some common ground for business practices worldwide.

Sixth, the bill requires the President to establish a high-level, nonpartisan commission to review the full range of current practices; the impact of the use of offsets; and the role of offsets in domestic industry, trade competitiveness, national security, and the globalization of the weapons industry. There needs to be broader public awareness and national debate by a range of concerned parties on the implications of offsets. A June 29 hearing on offsets in the House Subcommittee on Criminal Justice, Drug Policy, and Human Resources, at which I testified, was a good start, but more still must be done.

Mr. President, I first discovered the murky world of offsets in 1993 when I learned that the Wisconsin-based Beloit Corporation, a subsidiary of Harnischfeger Industries Inc., had been negatively affected by an apparent indirect offset arrangement between the Northrop Corporation and the government of Finland. Beloit was one of only three companies in the world that produced a particular type of large papermaking machine. In its efforts to sell one of these machines to the International Paper Company, Beloit became aware that Northrop had offered International Paper an incentive payment to select instead the machine offered by a Finnish company, Valmet. Northrop was promoting the purchase of the Valmet machinery as part of an agreement that would provide dollar-for-dollar offset credit on a deal with Finland to purchase sixty-four F–18 aircraft. This type of payment had the flavor of a kickback, distorted the practice of free enterprise, and threatened U.S. jobs. By lowering its bid—barely breaking even on the contract—to take into account the incentive payment offered by Northrop, Beloit did succeed in winning the contract. Nevertheless, the incident demonstrated to me the potential for offset obligations to have an impact on apparently unrelated domestic U.S. industries.

To address some of the immediate concerns raised by Beloit's experience, as I mentioned earlier, in 1993 I offered an amendment (which passed into law in 1994), to the Arms Export Control Act to prohibit incentive payments in the provision of offset credit. I wanted to clarify the Congress' disapproval of an activity that appeared to fall through the cracks of various existing acts. Neither the Anti-Kickback Act nor the Foreign Corrupt Practices Act seemed clearly to address issues raised by the payment being offered to International Paper in the Beloit case. The measure also expanded the requirements for Congressional notification of the existence, and to the extent possible, information on any offset agreement at the time of Congressional notification of a pending arms sale under the Arms Export Control Act. Last year, I offered additional language to expand further the prohibition on incentive payments and enhance the reporting requirement on offsets to include a description of the offset with dollar amounts. While my provisions were incorporated in the Security Assistance Act of 1998 as passed by the Senate Foreign Relations Committee, the legislation never made it to the floor.

Unfortunately, Mr. President, while Congress has tried to address specific problems encountered by companies in our states and districts, efforts to date have barely scratched the surface of the difficult subject of offsets. In fact, neither the legislative nor the executive branches has a full grasp of the breadth and complexity of the issue, although I know many are concerned about the potential impact of the use of offsets. From what we do know, it appears that there are several key areas affected by the practice of using offsets:

The domestic labor force and defense industrial base, particularly in the aerospace industry, impacted by the increasing role of overseas production in the defense industry;

The non-defense industrial sectors unintentionally harmed, as in the Beloit case, when defense contractors engage in indirect offset obligations;

The breadth of the U.S. economy potentially influenced by the growing globalization of the defense industry; and

The national security possibly threatened by joint ventures and growing reliance on foreign defense contractors, a concern recently highlighted in the Cox report on China's technology acquisition.

Mr. President, I believe my bill will allow us to collect better information on the use of offsets, to engage in an informed discussion on both the problem and viable policy options, and to encourage multilateral efforts to find common standards and solutions that will benefit us all. Only through these efforts can we hope to get a clear picture of the complex offset issue and ensure that their use does not produce negative consequences for the American labor force, the domestic industrial base, or our national security.

Mr. President, I ask that the bill be printed in the RECORD.

The bill follows:

S. 1373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense Offsets Disclosure Act of 1999".

SEC. 2. FINDINGS AND DECLARATION OF POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) A fair business environment is necessary to advance international trade, economic stability, and development worldwide, is beneficial for American workers and businesses, and is in the United States national interest.

(2) Mandated offset requirements can cause economic distortions in international defense trade and sabotage fairness and competitiveness, and may cause particular harm to small- and medium-sized businesses.

(3) The stated goal of supporting the national security needs of allied countries by assisting their defense industries through the use of offsets may no longer be sufficient justification for the practice.

(4) The use of offsets may lead to increasing dependence on foreign suppliers for the production of United States weapons systems.

(5) The offset demands required by some purchasing countries, including some of the United States closest allies, equal or exceed the value of the base contract they are intended to offset, mitigating much of the potential economic benefit of the exports.

(6) Offset demands often unduly inflate the prices of defense contracts.

(7) In some cases, United States contractors are required to provide indirect offsets which can negatively impact nondefense industrial sectors.

(8) Unilateral efforts by the United States to prohibit offsets may be impractical in the current era of globalization and would severely hinder the competitiveness of the United States defense industry in the global market.

(9) The development of global standards to manage and restrict demands for offsets would enhance United States efforts to mitigate the negative impact of offsets.

(b) DECLARATION OF POLICY.—Congress declares that the United States policy is to develop a workable system to monitor the use of offsets in the defense industry, to promote fairness in international trade, and to ensure an appropriate level of foreign participation in production of United States weapons systems.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the executive branch should pursue efforts to address trade fairness by making transparent and establishing standards for the use of offsets in international business transactions among United States trading partners and competitors;

(2) the Secretary of State, the Secretary of Commerce, and the United States Trade Representative, or their designees, should raise the need for transparency and other standards bilaterally with other industrialized nations at every suitable venue; and

(3) the United States Government should enter into discussions regarding the establishment of multilateral standards for the control of the use of offsets in international defense trade through the appropriate multilateral fora, including such organizations as the Transatlantic Economic Partnership, the Wassenaar Arrangement, the G–8, and the World Trade Organization.

SEC. 4. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Relations of the Senate;

(B) the Committee on International Relations of the House of Representatives;

(C) the Committees on Commerce of the Senate and the House of Representatives; and

(D) the Committees on Armed Services of the Senate and the House of Representatives.

(2) G–8.—The term "G–8" means the group consisting of France, Germany, Japan, the United Kingdom, the United States, Canada, Italy, and Russia established to facilitate economic cooperation among the eight major economic powers.

(3) OFFSET.—The term "offset" means the entire range of industrial and commercial benefits provided to foreign governments as an inducement or condition to purchase military goods or services, including benefits such as coproduction, licensed production, subcontracting, technology transfer, in-country procurement, marketing and financial assistance, and joint ventures.

(4) TRANSATLANTIC ECONOMIC PARTNERSHIP.—The term "Transatlantic Economic Partnership" means the joint commitment made by the United States and the European Union to reinforce their close relationship through an initiative involving the intensification and extension of multilateral and bilateral cooperation and common actions in the areas of trade and investment.

(5) WASSENAAR ARRANGEMENT.—The term "Wassenaar Arrangement" means the multilateral export control regime in which the United States participates that seeks to promote transparency and responsibility with regard to transfers of conventional armaments and sensitive dual-use items.

(6) WORLD TRADE ORGANIZATION.—The term "World Trade Organization" means the organization established pursuant to the WTO Agreement.

(7) WTO AGREEMENT.—The term "WTO Agreement" means the Agreement Establishing The World Trade Organization entered into on April 15, 1994.

SEC. 5. REPORTING OF OFFSET AGREEMENTS.

(a) INITIAL REPORTING OF OFFSET AGREEMENTS.—

(1) GOVERNMENT-TO-GOVERNMENT SALES.—Section 36(b)(1) of the Arms Export Control Act (22 U.S.C. 2776(b)(1)) is amended—

(A) in the fourth sentence, by striking "(if known on the date of transmittal of such certification)" and inserting "and a description of any offset agreement, including the dollar amount of the agreement"; and

(B) by inserting after the fourth sentence the following: "Such description shall to the extent possible be available to the public.".

(2) COMMERCIAL SALES.—Section 36(c)(1) of the Arms Export Control Act (22 U.S.C. 2776(c)(1)) is amended—

(A) in the second sentence, by striking "(if known on the date of transmittal of such certification)" and inserting "and a description of any offset agreement, including the dollar amount of the agreement"; and

(B) by inserting after the fourth sentence the following: "Such description shall to the extent possible be available to the public.".

(b) REPORTING UPON COMPLETION OF OFFSET OBLIGATIONS.—Not later than 90 days after the fulfillment of an offset obligation made in conjunction with transactions reported in section 36 (b) or (c) of the Arms Export Control Act, the President shall submit a report to Congress identifying all measures taken to fulfill the offset obligations related to the sale. The report shall contain all the information required in section 36 (b) and (c) of the Arms Export Control Act, as well as any additional information that may not have been available at the time of the initial notification.

SEC. 6. EXPANDED PROHIBITION ON INCENTIVE PAYMENTS.

(a) IN GENERAL.—Section 39A(a) of the Arms Export Control Act (22 U.S.C. 2779a(a)) is amended—

(1) by inserting "or licensed" after "sold"; and

(2) by inserting "or export" after "sale".

(b) DEFINITION OF UNITED STATES PERSON.—Section 39A(d)(3)(B)(ii) of the Arms Export Control Act (22 U.S.C. 2779a(d)(3)(B)(ii)) is amended by inserting "or by an entity described in clause (i)" after "subparagraph (A)".

SEC. 7. MULTILATERAL STRATEGY TO COMBAT OFFSETS.

(a) IN GENERAL.—The President shall initiate a review to determine the feasibility of establishing, and the most effective means of negotiating, multilateral agreements on standards for the use of offsets in international defense trade, with a goal of limiting all offset transactions.

(b) REPORT REQUIRED.—Not later than 90 days after the date of enactment of this Act, the President shall submit to the appropriate congressional committees a report containing a strategy for United States negotiations of multilateral agreements with designated foreign countries that provide standards for the use of offsets with respect to the sale or licensing of defense articles or defense services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), and a timetable for entering into such multilateral agreements. One year after the date the report is submitted under the preceding sentence, and annually thereafter for 5 years, the President shall submit to the appropriate congressional committees a report detailing the progress toward reaching such multilateral agreements.

(c) REQUIRED INFORMATION.—The report required by subsection (b) shall include—

(1) a description of the United States efforts to pursue multilateral negotiations on standards for the use of offsets in international defense trade;

(2) an evaluation of existing multilateral fora as appropriate venues for establishing such negotiations;

(3) a description on a country-by-country basis of United States efforts to engage in negotiations to establish bilateral agreements with respect to the use of offsets in international defense trade; and

(4) an evaluation on a country-by-country basis of foreign government efforts to address the use of offsets in international defense trade.

(d) COMPTROLLER GENERAL REVIEW.—The Comptroller General of the United States shall monitor and periodically report to Congress on the progress in reaching a multilateral agreement.

SEC. 8. ESTABLISHMENT OF REVIEW COMMISSION.

(a) IN GENERAL.—There is established a National Commission on the Use of Offsets in Defense Trade (in this section referred to as the "Commission") to address all aspects of the use of offsets in international defense trade.

(b) COMMISSION MEMBERSHIP.—Not later than 60 days after the date of enactment of this Act, the President, in consultation with Congress, shall appoint 10 people to serve as members of the Commission. Commission membership shall include four representatives from the private sector, including one each from a labor organization, the defense manufacturing sector, academia, and an organization devoted to arms control; four from the executive branch, including one each from the Office of Management and budget, and the Departments of Commerce, Defense, and State; and two from the legislative branch, one each from among members of the Senate and the House of Representatives. The member designated from Office of Management and Budget will serve as Chairperson of the Commission. The President shall ensure that the Commission is nonpartisan and that the full range of perspectives on the subject of offsets in the defense industry is adequately represented.

(c) DUTIES.—The Commission shall be responsible for reviewing and reporting on—

(1) the full range of current practices by foreign governments requiring offsets in purchasing agreements and the extent and nature of offsets offered by United States and foreign defense industry contractors;

(2) the impact of the use of offsets on defense subcontractors and nondefense industrial sectors affected by indirect offsets; and

(3) the role of offsets, both direct and indirect, on domestic industry stability, United States trade competitiveness, national security, and the globalization of the weapons industry.

(d) COMMISSION REPORT.—Not later than 12 months after the Commission is established, the Commission shall submit a report to the appropriate congressional committees. The report shall include—

(1) an analysis of—

(A) the collateral impact of offsets on industry sectors that may be different than those of the contractor providing the offsets, including estimates of contracts and jobs lost as well as an assessment of damage to industrial sectors;

(B) the role of offsets with respect to competitiveness of the United States defense industry in international trade and the potential damage to the ability of United States contractors to compete if offsets were prohibited;

(C) the impact on United States national security of the use of coproduction, subcontracting, and technology transfer with foreign governments or companies that result from fulfilling offset requirements; and

(D) the potential negative effects of the increasing globalization of the weapons industry through the use of offsets and the resultant implications for the United States ability to limit the proliferation of weapons and weapons technology;

(2) proposals for unilateral, bilateral, or multilateral measures aimed at reducing the detrimental effects of offsets; and

(3) an identification of the appropriate executive branch agencies to be responsible for monitoring the use of offsets in international defense trade.

(e) TERMINATION.—The Commission shall terminate not later than the date that is 3 years after the date of enactment of this Act.●

By Mr. THOMAS (for himself and Mr. ENZI):

S. 1374. A bill to authorize the development and maintenance of a multi-agency campus project in the town of Jackson, Wyoming; to the Committee on Energy and Natural Resources.

MULTI-AGENCY VISITOR CAMPUS IN JACKSON, WYOMING

Mr. THOMAS. Mr. President, I am pleased to introduce a bill today to authorize the development and maintenance of a multi-agency campus in the town of Jackson, Wyoming.

The management of our public lands and natural resources is often complicated and requires the coordination of many individuals to accomplish desired objectives. When western folks discuss federal land issues, we do not often have an opportunity to identify proposals that capture this type of consensus and enjoy the support from a wide array of interests; however, the multi-agency campus offers just such a unique prospect. As local, state and federal officials attempt to provide services to the public, they have identified a need to develop a campus in Jackson, Wyoming that offers visitors "one stop shopping" service for wildlife, tourism and resource issues.

The multi-agency campus includes a wildlife interpretive center, facilities for public programs, walkways, bike paths, museum space, and office locations for Wyoming Game and Fish, U.S. Forest Service and the local chamber of commerce. There are several entities involved with this effort—U.S. Department of Agriculture, U.S. Forest Service, Wyoming Game and Fish, National Park Service, U.S. Fish and Wildlife, U.S. Department of Interior, Teton County, Town of Jackson, Jackson Chamber of Commerce and the Jackson Hole Historical Society. Project coordinators and involved parties have spent a great deal of time incorporating the concerns of various individuals through public meetings and by presenting their plans to agency and congressional representatives.

This legislation is needed to improve communication between the federal agencies and related entities, and reduce costs to federal, state and local governments as they attempt to address public needs. Specifically, the bill would allow the U.S. Forest Service to transfer a small parcel of their land within the proposed campus boundaries to the Town of Jackson in exchange for the Town constructing a new administrative facility for the agency.

Mr. President, this bill enjoys the support of many different groups including federal agencies, state organizations and officials, as well as the local community. It is my hope that the Senate will seize this opportunity to improve upon efforts to provide services to the American public.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Jackson Multi-Agency Campus Act of 1999".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the management of public land and natural resources and the service of the public in the area of Jackson, Wyoming, are responsibilities shared by—

(A) the Department of Agriculture;

(B) the Forest Service;

(C) the Department of the Interior, including—

(i) the National Park Service; and

(ii) the United States Fish and Wildlife Service;

(D) the Game and Fish Commission of the State of Wyoming;

(E) Teton County, Wyoming;

(F) the town of Jackson, Wyoming;

(G) the Jackson Chamber of Commerce; and

(H) the Jackson Hole Historical Society; and

(2) it is desirable to locate the administrative offices of several of the agencies and entities specified in paragraph (1) on 1 site to—

(A) facilitate communication between the agencies and entities;

(B) reduce costs to the Federal, State, and local governments; and

(C) better serve the public.

(b) PURPOSES.—The purposes of this Act are to—

(1) authorize the Federal agencies specified in subsection (a) to—

(A) develop and maintain the Project in Jackson, Wyoming, in cooperation with the other agencies and entities specified in subsection (a); and

(B) provide resources and enter into such agreements as are necessary for the planning, design, construction, operation, maintenance, and fixture modifications of all elements of the Project;

(2) direct the Secretary to convey to the town of Jackson, Wyoming, certain parcels of federally owned land located in Teton County, Wyoming, in exchange for construction of facilities for the Bridger-Teton National Forest by the town of Jackson;

(3) direct the Secretary to convey to the Game and Fish Commission of the State of Wyoming certain parcels of federally owned land in the town of Jackson, Wyoming, in exchange for approximately 1.35 acres of land, also located in the town of Jackson, to be used in the construction of the Project; and

(4) relinquish certain reversionary interests of the United States in order to facilitate the transactions described in paragraphs (1) through (4).

SEC. 3. DEFINITIONS.

In this Act:

(1) COMMISSION.—The term "Commission" means the Game and Fish Commission of the State of Wyoming.

(2) CONSTRUCTION COST.—The term "construction cost" means any cost that is—

(A) associated with building improvements to Federal standards and guidelines; and

(B) open to a competitive bidding process approved by the Secretary.

(3) FEDERAL PARCEL.—The term "Federal parcel" means the parcel of land, and all appurtenances to the land, comprising approximately 15.3 acres, depicted as "Bridger-Teton National Forest" on the Map.

(4) MAP.—The term "Map" means the map entitled "Multi-Agency Campus Project Site", dated March 31, 1999, and on file in the offices of—

(A) the Bridger-Teton National Forest, in the State of Wyoming; and

(B) the Chief of the Forest Service.

(5) MASTER PLAN.—The term "master plan" means the document entitled "Conceptual Master Plan", dated July 14, 1998, and on file at the offices of—

(A) the Bridger-Teton National Forest, in the State of Wyoming; and

(B) the Chief of the Forest Service.

(6) PROJECT.—The term "Project" means the proposed project for construction of a multi-agency campus, to be carried out by the town of Jackson in cooperation with the other agencies and entities described in section 2(a)(1), to provide, in accordance with the master plan—

(A) administrative facilities for various agencies and entities; and

(B) interpretive, educational, and other facilities for visitors to the greater Yellowstone area.

(7) SECRETARY.—The term "Secretary" means the Secretary of Agriculture (including a designee of the Secretary).

(8) STATE PARCEL.—The term "State parcel" means the parcel of land comprising approximately 3 acres, depicted as "Wyoming Game and Fish" on the Map.

(9) TOWN.—The term "town" means the town of Jackson, Wyoming.

SEC. 4. MULTI-AGENCY CAMPUS PROJECT, JACKSON, WYOMING.

(a) CONSTRUCTION OFFERS FOR EXCHANGE OF PROPERTY.—

(1) IN GENERAL.—The town may offer to construct, as part of the Project, an administrative facility for the Bridger-Teton National Forest.

(2) CONVEYANCE.—If the offer described in paragraph (2) is made not later than 5 years after the date of enactment of this Act, the Secretary shall convey the Federal land described in section 5(a)(1) to the town, in exchange for the completed administrative facility described in this paragraph, in accordance with this Act.

(b) OFFER TO CONVEY STATE PARCEL.—

(1) IN GENERAL.—The Commission may offer to convey a portion of the State parcel, depicted on the Map as "Parcel Three", to the United States to be used for construction of an administrative facility for the Bridger-Teton National Forest.

(2) CONVEYANCE.—If the offer described in paragraph (2) is made not later than 5 years after the date of enactment of this Act, the Secretary shall convey, through a simultaneous conveyance, the Federal land described in section 5(a)(2) to the Commission, in exchange for the portion of the State parcel described in paragraph (2), in accordance with this Act.

SEC. 5. CONVEYANCE OF FEDERAL LAND.

(a) IN GENERAL.—In exchange for the consideration described in section 3, the Secretary shall convey—

(1) to the town, a portion of the Federal parcel, comprising approximately 9.3 acres, depicted on the Map as "Parcel Two"; and

(2) to the Commission, a portion of the Federal parcel comprising approximately 3.2 acres, depicted on the Map as "Parcel One".

(b) REVERSIONARY INTERESTS.—As additional consideration for acceptance by the United States of any offer described in section 4, the United States shall relinquish all reversionary interests in the State parcel, as set forth in the deed between the United States and the State of Wyoming, dated February 19, 1957, and recorded on October 2, 1967, in Book 14 of Deeds, Page 382, in the records of Teton County, Wyoming.

SEC. 6. EQUAL VALUE OF INTERESTS EXCHANGED.

(a) VALUATION OF LAND TO BE CONVEYED.—

(1) IN GENERAL.—The fair market and improvement values of the land to be exchanged under this Act shall be determined—

(A) by appraisals acceptable to the Secretary, utilizing nationally recognized appraisal standards; and

(B) in accordance with section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716).

(2) APPRAISAL REPORT.—Each appraisal report shall be written to Federal standards, as defined in the Uniform Appraisal Standards for Federal Land Acquisitions developed by the Interagency Land Acquisition Conference.

(3) NO EFFECT ON VALUE OF REVERSIONARY INTERESTS.—An appraisal of the State parcel shall not take into consideration any reversionary interest held by the United States in the State parcel as of the date on which the appraisal is conducted.

(b) VALUE OF FEDERAL LAND GREATER THAN CONSTRUCTION COSTS.—If the value of the Federal land to be conveyed to the town under section 5(a)(1) is greater than the construction costs to be paid by the town for the administrative facility described in section 4(a), the Secretary shall reduce the acreage of the Federal land conveyed so that the value of the Federal land conveyed to the town closely approximates the construction costs.

(c) VALUE OF FEDERAL LAND LESS THAN CONSTRUCTION COSTS.—If the value of the Federal land to be conveyed to the town under section 5(a)(1) is less than the construction costs to be paid by the town for the administrative facility described in section 4(a), the Secretary may convey to the town additional Federal land administered by the Secretary for national forest administrative site purposes in Teton County, Wyoming, so that the total value of the Federal land conveyed to the town closely approximates the construction costs.

(d) VALUE OF FEDERAL LAND EQUAL TO VALUE OF STATE PARCEL.—

(1) IN GENERAL.—The value of any Federal land conveyed to the Commission under section 5(a)(2) shall be equal to the value of the State parcel conveyed to the United States under section 4(b).

(2) BOUNDARIES.—The boundaries of the Federal land and the State parcel may be adjusted to equalize values.

(e) PAYMENT OF CASH EQUALIZATION.—Notwithstanding subsections (b) through (d), the values of Federal land and the State parcel may be equalized by payment of cash to the Secretary, the Commission, or the town, as appropriate, in accordance with section

206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)), if the values cannot be equalized by adjusting the size of parcels to be conveyed or by conveying additional land, without compromising the design of the Project.

SEC. 7. ADDITIONAL PROVISIONS.

(a) CONSTRUCTION OF FEDERAL FACILITIES.—The construction of facilities on Federal land within the boundaries of the Project shall be—

(1) supervised and managed by the town; and

(2) carried out to standards and specifications approved by the Secretary.

(b) ACCESS.—The town (including contractors and subcontractors of the town) shall have access to the Federal land until completion of construction for all purposes related to construction of facilities under this Act.

(c) ADMINISTRATION OF LAND ACQUIRED BY UNITED STATES.—Land acquired by the United States under this Act shall be governed by all laws applicable to the administration of national forest sites.

(d) WETLAND.—

(1) IN GENERAL.—There shall be no construction of any facility after the date of conveyance of Federal land under this Act within any portion of the Federal parcel delineated on the map as "wetlands".

(2) DEEDS AND CONVEYANCE DOCUMENTS.—A deed or other conveyance document executed by the Secretary in carrying out this Act shall contain such reservations as are necessary to preclude development of wetland on any portion of the Federal parcel.

By Mr. LEAHY (for himself and Mr. KOHL):

S. 1375. A bill to amend the Immigration and Nationality Act to provide that aliens who commit act of torture abroad are inadmissible and removable and to establish within the Criminal Division of the Department of Justice an Office of Special Investigations having responsibilities under that Act with respect to all alien participants in act of genocide and torture abroad; to the Committee on the Judiciary.

THE ANTI-ATROCITY ALIEN DEPORTATION ACT

Mr. LEAHY. Mr. President, the recent events in Kosovo have been a graphic reminder that crimes against humanity did not end with the Second World War. Our treatment of those persecuted by the Nazis has long been regarded as a travesty. Blatant American anti-Semitism led to post-war immigration quotas that virtually shut out Jews coming from concentration camps while embracing German sympathizers.

In contrast to this country's dismal record in accepting Jewish refugees following the last world war, the United States has tried harder and done better in recent years to provide refuge to those persons fleeing homelands that have been ravaged by violence. For example, over the past five years, approximately 83,247 Bosnian refugees have been admitted to this country. During the latest hostilities in Kosovo, the Clinton Administration provided leadership to other nations by pledging to take in as many as 20,000 Kosovar refugees.

Unfortunately, criminals who wielded machetes and guns against innocent civilians in countries like Haiti, Yugoslavia and Rwanda have been able to gain entry to the United States through the same doors that we have opened to deserving refugees. We need to lock that door to those war criminals who seek a safe haven in the United States. And to those war criminals who are already here, we should promptly show them the door out.

Our country has long provided the template and moral leadership for dealing with Nazi war criminals. The Justice Department has a specialized unit, the Offfice of Special Investigations (OSI), which was created to hunt down, prosecute and remove Nazi war criminals who had slipped into the United States among their victims under the Displaced Persons Act. Since the OSI's inception in 1979, 61 Nazi persecutors have been stripped of U.S. citizenship, 49 such individuals have been removed from the United States, and more than 150 have been denied entry.

OSI was created almost 35 years after the end of World War II and it remains authorized only to track Nazi war criminals. Little is being done about the new generation of international war criminals living among us, and these delays are costly. As any prosecutor—or, in my case, former prosecutor—knows instinctively, such delays make documentary and testimonial evidence more difficult to obtain. Stale cases are the hardest to make.

We should not repeat the mistake of waiting decades before tracking down war criminals and human rights abusers who have settled in this country. War criminals should find no sanctuary in loopholes in our current immigration policies and enforcement. No war criminal should ever come to believe that he is going to find safe harbor in the United States.

Too often, once war criminals slip through the immigration nets, they remain in the United States, unpunished for their crimes. In Vermont, news reports indicate that a Bosnian-Muslim man suspected of participating in ethnic cleansing during the Serbian war now is in Burlington. He has been identified by many people, including his own relatives, as a member of a Serbian paramilitary group responsible for the torture, rape, and murder of countless innocent people. We see the possibility that refugees now may encounter their persecutors thousands of miles away from their homeland, walking the streets of America.

This is not an isolated occurrence. The center for Justice and Accountability, a San Francisco human rights group, has identified approximately sixty suspected human rights violators now living in the United States. We have unwittingly sheltered the oppressors along with the oppressed for too long. We should not let this situation continue. We waited too long after the last world war to focus prosecutorial resources and attention on Nazi war criminals who entered this country on false pretenses. We should not repeat that mistake for other aliens who engaged in human rights abuses before coming to the United States. We need to focus the attention of our law enforcement investigators to prosecute and deport those who have committed atrocities abroad and who now enjoy safe harbor in the United States.

Despite U.S. ratification of the United Nations' "Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment," current immigration law provides that those who participated in Nazi war crimes and genocide are inadmissible to and are removable from the United States, yet those who have committed the criminal act of torture are not. This leads to cases like that of Kelbessa Negewo, a member of the military dictatorship ruling Ethiopia in the 1970s, who has been found guilty of torture in a private civil action by an American court but who remains in the United States nonetheless because the Immigration and Naturalization Act does not provide explicit authority to investigate, denaturalize or remove him. The Leahy "Anti-Atrocity Alien Deportation Act" would close this loophole and make those who commit torture abroad inadmissible to and deportable from our country.

The "Anti-Atrocity Alien Deportation Act," which I introduce today with Senator KOHL, would amend the Immigration and Nationality Act to expand the grounds for inadmissibility and deportation to cover aliens who have engaged in acts of torture abroad. "Torture" is already defined in the Federal criminal code, 18 U.S.C. §2340, in a law passed as part of the implementing legislation for the "Convention Against Torture." Under this Convention, the United States has an affirmative duty to prosecute torturers within its boundaries regardless of their respective nationalities. 18 U.S.C. §2340A (1994).

This legislation would also provide statutory authorization for OSI, which currently owes its existence to an Attorney General order, and would expand its jurisdiction to authorize investigations, prosecutions, and removal of any alien who participated in torture and genocide abroad—not just Nazis. The success of OSI is hunting Nazi war criminals demonstrates the effectiveness of centralized resources and expertise in these cases. OSI has worked, and it is time to update its mission.

The knowledge of the people, politics and pathologies of particular regimes engaged in genocide and human rights abuses is often necessary for effective prosecutions of these cases and may best be accomplished by the concentrated efforts of a single office, rather than in piecemeal litigation around the country or in offices that have more diverse missions.

Unquestionably, the need to bring Nazi war criminals to justice remains a matter of great importance. Funds would not be derived from the OSI's current mission. Additional resources are authorized in the bill for OSI's expanded duties.

I have for many years sought to advance the search for war criminals who have clandestinely immigrated to our country. In 1996, the moving testimony of esteemed individuals like Rabbi Marvin Hier (the dean and founder of the Simon Wisenthal Center) led me to work closely on the drafting of the Nazi War Crimes Disclosure Act. More recently, I helped to ensure that the OSI would be able to further its efforts in investigating and denaturalizing Nazi war criminals with a budget increase of two million dollars for 1999, and I am attempting to do the same for the Year 2000.

I have also supported a strong and effective War Crimes Tribunal—with the necessary funds and authority to fully apprehend and prosecute war criminals. Expanding the mission of OSI, combined with a vigorous War Crimes Tribunal, represents a full-scale, two-prong assault on war criminals, wherever they may hide.

We must honor and respect the unique experiences of those who were victims in the darkest moment in world history. The Anti-Defamation League has expressed its support for my bill. We may help honor the memories of the victims of the Holocaust by pursuing all war criminals who enter our country. By so doing, the United States can provide moral leadership and show that we will not tolerate perpetrators of genocide and torture, least of all here.

In sum, the Anti-Atrocity Alien Deportation Act would:

Bar admission into the United States and authorize the deportation of aliens who have engaged in acts of torture abroad.

Provide statutory authorization for and expand the jurisdiction of the Office of Special Investigations (so-called "Nazi war criminal hunters") with the Department of Justice to investigate, prosecute and remove any alien who participated in torture and genocide abroad—not just Nazis; and

Authorize additional funding to ensure that OSI has adequate resources to fulfill its current mission of hunting Nazi war criminals.

I ask unanimous consent that the text of the bill and a sectional analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti-Atrocity Alien Deportation Act".

SEC. 2. INADMISSIBILITY AND REMOVABILITY OF ALIENS WHO HAVE COMMITTED ACTS OF TORTURE ABROAD.

(a) INADMISSIBILITY.—Section 212(a)(3)(E) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(E)) is amended by adding at the end the following:

"(iii) COMMISSION OF ACTS OF TORTURE.—Any alien who, outside the United States, has committed any act of torture, as defined in section 2340 of title 18, United States Code, is inadmissible.".

(b) REMOVABILITY.—Section 237(a)(4)(D) of that Act (8 U.S.C. 1227(a)(4)(D)) is amended by striking "clause (i) or (ii)" and inserting "clause (i), (ii), or (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to offenses committed before, on, or after the date of enactment of this Act.

SEC. 3. ESTABLISHMENT OF THE OFFICE OF SPECIAL INVESTIGATIONS.

(a) AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.—Section 103 of the Immigration and Nationality Act (8 U.S.C. 1103) is amended by adding at the end the following:

"(g) The Attorney General shall establish within the Criminal Division of the Department of Justice an Office of Special Investigations with the authority of investigating, and, where appropriate, taking legal action to remove, denaturalize, or prosecute any alien found to be in violation of clause (i), (ii), or (iii) of section 212(a)(3)(E).".

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the Department of Justice for the fiscal year 2000 such sums as may be necessary to carry out the additional duties established under section 103(g) of the Immigration and Nationality Act (as added by this Act) in order to ensure that the Office of Special Investigations fulfills its continuing obligations regarding Nazi war criminals.

(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

SECTIONAL ANALYSIS OF LEAHY ANTI-ATROCITY ALIEN DEPORTATION ACT

Summary: This bill would make two significant changes in our country's enforcement capability against those who have committed atrocities abroad and then entered the United States. First, the bill would amend the Immigration and Nationality Act to expand the grounds for inadmissibility and deportation to cover aliens who have engaged in acts of torture, as defined in 18 U.S.C. §2340, abroad. Second, the bill would direct the Attorney General to establish the Office of Special Investigations (OSI) within the Criminal Division and expand the current OSI's authority to investigate, prosecute, and remove any alien who participated in torture and genocide abroad, not just Nazi war criminals.

Sec. 1. Short Title. The Act may be cited as the "Anti-Atrocity Alien Deportation Act."

Sec. 2. Admissibility and Removability of Aliens Who Have Committed Acts of Torture Abroad. Currently, the Immigration and Nationality Act provides that (i) participants in Nazi persecutions during the time period from March 23, 1933 to May 8, 1945, and (ii) aliens who engaged in genocide, are inadmissable to the United States and deportable. *See* 8 U.S.C. §1182(a)(3)(E)(i) and §1227(a)(4)(D). The bill would amend these sections of the Immigration and Nationality Act by expanding the grounds for inadmissibility and deportation to cover aliens who have engaged in acts of torture abroad. The United Nations' "Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment" entered into force with respect to the United States on November 20, 1994. This Convention, and the implementing legislation, the Torture Victims Protection Act, 18 U.S.C. §§2340 *et seq.*, includes the definition of "torture" incorporated in the bill and imposed an affirmative duty on the United States to prosecute tortures within its jurisdiction.

Sec. 3. Establishment of the Office of Special Investigations. Attorney General Civiletti established OSI in 1979 within the Criminal Division of the Department of Justice, consolidating within it all "investigative and litigation activities involving individuals, who prior to and during World War II, under the supervision of or in association with the Nazi government of Germany, its allies, and other affiliatated [sic] governments, are alleged to have ordered, incited, assisted, or otherwise participated in the persecution of any person because of race, religion, national origin, or political opinion." (Att'y Gen. Order No. 851-79). The OSI's mission continues to be limited by that Attorney General Order.

This section would amend the Immigration and Nationality Act, 8 U.S.C. §1103, by directing the Attorney General to establish an Office of Special Investigations within the Department of Justice with authorization to investigate, remove, denaturalize, or prosecute any alien who has participated in torture or genocide abroad. This would expand OSI's current authorized mission. Additional funds are authorized for these expanded duties to ensure that OSI fulfills its continuing obligations regarding Nazi war criminals.

By Mr. HOLLINGS:

S. 1376. A bill to amend the Internal Revenue Code of 1986 to impose a value added tax and to use the receipts from the tax to reduce Federal debt and to ensure the solvency of the Social Security System; to the Committee on Finance.

DEFICIT AND DEBT REDUCTION AND SOCIAL SECURITY SOLVENCY ACT OF 1999

• Mr. HOLLINGS. Mr. President, this charade has gone far enough. The economy gives indications of overheating causing the Federal Reserve to increase interest rates, and now both the President and the Congress are in a foot race to cut taxes to make sure the economy catches fire. Rather than a surplus, the President's OMB Mid-Session Review on page 42 projects an increase in the debt each year for five years, and on page 43, by computation, an increase in the debt of $1.883.4 trillion over fifteen years. Some suggest cutting spending; others downsizing the government. The Democrats did both in 1993 and lost the Congress in 1994. Now, neither Republicans nor Democrats will vote to make substantial cuts and what's really needed is a tax increase. When Lyndon Johnson last balanced the budget the national debt was less than $1 trillion and interest costs of $16 billion. Now, CBO projects a deficit this year of $5.6 trillion with interest costs of $356 billion. We have increased spending since President Johnson's time $340 billion each year for nothing. A fiscal cancer. To excise this fiscal cancer, to put government on a pay-as-you-go basis, spending cuts and a tax increase will be necessary. A value added tax of 5 percent dedicated to eliminating the debt and stabilizing Social Security is in order. It would promote a very much needed paradigm of saving. More than that, it would eliminate a substantial disadvantage in international trade. The deficit in the balance of trade nears $300 billion this year. Every industrial country except the United States has a VAT which is rebated at the port of departure. Articles produced in Europe enter the United States market with a 15 percent rebated advantage, and from Korea 25 percent. All this talk of surpluses and tax cuts misleads the American public. What we really should be doing in good times is paying down the National Debt. This bill that I am introducing today will do the trick.●

By Mr. BENNETT:

S. 1377. A bill to amend the Central Utah Project Completion Act regarding the use of funds for water development for the Bonneville Unit, and for other purposes; to the Committee on Energy and Natural Resources.

CENTRAL UTAH PROJECT COMPLETION AMENDMENT OF 1999

Mr. BENNETT. Mr. President, I am pleased to introduce legislation which amends the Central Utah Project Completion Act. This is a simple bill and I hope my colleagues will support it.

My father was elected to the Senate in 1950 and it was during that time that legislation was passed that created the Central Utah Project. During his 24 years in the Senate, my father fought to win the initial authorizations as well as provide the annual appropriations for the various projects. Were it not for the foresight of planners in the 1950s, Utah would be grappling with severe water shortages for both agricultural and municipal purposes today.

In 1992, the Central Utah Project was reauthorized with the passage of the Central Utah Project Completion Act of 1992 (CUPCA). As part of the 1992 Act, CUPCA provided strict authorization levels for each project and program. Seven years after the passage of the reauthorization bill, planning has neared completion on these projects. During that time, we have learned several things. First, we are pleased that the District and the Bureau have saved money on other projects authorized under CUPCA. At the same time, many of us were surprised how successful the water conservation activities have been. They have been so successful that it appears we are on track to reach the authorized funding in the near future. We have also learned that the acquisition of water rights and instream flows are inadequate in other areas.

Recognizing that there are shortfalls in some areas and significant savings achieved in other areas, this legislation simply amends the current law to permit the use of savings achieved in certain areas to be spent on other projects and programs where needed. By doing so, we can ensure that the projects can be completed in a timely and cost-effective manner.

By passing this legislation we can continue the progress made in completing the Central Utah Project. I hope my colleagues will support this bill and I look forward to working with the members of the Energy Committee to bring it to the floor for consideration.

By Mr. VOINOVICH (for himself and Mrs. LINCOLN):

S. 1378. A bill to amend chapter 35 of title 44, United States Code, for the purposes of facilitating compliance by small businesses with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, and for other purposes; to the Committee on Governmental Affairs.

THE SMALL BUSINESS PAPERWORK REDUCTION ACT

Mr. VOINOVICH. Mr. President, I rise today to introduce the Small Business Paperwork Reduction Act, legislation that will give small businesses across the nation the time they need to correct first-time paperwork violations before federal fines are assessed When enacted, the provisions of this law would apply as long as the violations do not cause serious harm or threaten public health or safety. I am pleased to be joined in this effort by my colleague from Arkansas, Senator BLANCHE LAMBERT-LINCOLN.

To own one's business is, for many, the epitome of the American dream, knowing that you are your own boss and that you alone are responsible for the success of your business. It's what motivates thousands of individuals each week to take that initial leap of faith and it is their effort and their perseverance to succeed that constitute the economic and entrepreneurial backbone of this country.

Small business owners are reponsible for the employment of millions of individuals, providing the roots for families to settle in small towns and large cities all across America. Through their payroll contributions and their tax base, small businesses—whether it's a shoe store in Cleveland, Ohio or a diner in Arkadelphia, Arkansas—make up the final nucleus of many a community.

However, even with their many contributions, small business owners face a number of obstacles to success. One of the larger obstacles they face is the daunting task of meeting federal paperwork requirements. Small business owners spend an inordinate amount of their time filling out various forms to comply with a myriad of government requirements. In fact, small business owners spend about $229 billion per year on compliance costs and some 6.7 billion hours are used annually to fill out the expected paperwork.

In addition, according to the National Federation of Independent Business (NFIB), small business owners are subjected to 63% of the nation's regulatory burden, and the paperwork regulations they are subjected to cost more than $2,000 per employee.

I believe whatever we can do to relieve the burden on the small business men and women of our nation will help increase productivity, save money and create more jobs. Obviously, to obtain these benefits necessitates a review of our paperwork requirements on our nation's small businesses.

When Congress passed the Paperwork Reduction Act of 1995, many small business owners believed they would finally obtain relief from the blizzard of paper to which they are subjected. Unfortunately, it has done too little to stem the tide of Federal paperwork requirements. In 1996, the Act was supposed to reduce the amount of paper by 10%. Instead, it was only a 2.6% * * *.

When Congress passed the Paperwork Reduction Act of 1995, many small business owners believed they would finally obtain relief from the blizzard of paper to which they are subjected. Unfortunately, it has done too little to stem the tide of federal paperwork requirements. In 1996, the Act was supposed to reduce the amount of paper by 10%. Instead, it was only 2.6% reduction. In 1997, the Act was supposed to provide another 10% reduction in the amount of paper. Instead, there was a 2.3% increase. In 1998, the Act was supposed to provide another 5% reduction in the amount of paper. Instead, there was another 1% increase.

In addition, under the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996, federal agencies were required to submit plans to Congress by March of 1998 for waiving and/or reducing fines as deemed appropriate for small business. However, a large majority of federal agencies, including at least half-a-dozen cabinet departments, did not even submit their plans by the March 1998 deadline. In addition, of the plans submitted, most are settlement policies, which force small businesses into negotiations to reduce or eliminate penalties rather than to help small businesses comply with paperwork reductions.

Mr. President, even with all the forms that they are required to fill out, and all the time it takes to complete them, small business owners want to comply with the laws of our nation. Their biggest concern, though, is the Sword of Damocles that hangs over them should they send in an incorrect form, or worse, not send one in at all. In the latter instance, it is almost always because they didn't know that they were supposed to fill out any paperwork, and unfortunately, it is such situations that generally bring about hefty fines for small business owners.

Clearly, we have an opportunity to help these business owners, and, in turn, help continue the growth of our strong U.S. economy, maintain stable and productive jobs and create new jobs and opportunities.

The legislation that Senator LINCOLN and I are introducing, the Small Business Paperwork Reduction Act, is a companion bill to H.R. 391, which passed the House on February 11, 1999 by a vote of 274–151. Like the House-passed bill, our legislation will give small business owners a "grace period" to make amends for first-time paperwork violations before fines are assessed. The only exceptions would be for violations that cause harm, affect internal revenue laws or involve criminal activity. If a violation threatens public health or safety, each affected agency of jurisdiction would have the discretion to levy a fine as usual, or provide a 24-hour window to correct the infraction.

In addition, our bill would establish a multi-agency task force to study how to streamline reporting requirements for small business; establish a point of contact at each federal agency that small businesses could contact regarding paperwork requirements; and require an annual comprehensive list of all federal paperwork requirements for small business to be placed on the Internet.

So there is no confusion—our bill does not give small business owners carte blanche to skip their record keeping and reporting requirements. Thus, firefighters will not be threatened with injury on the job because a business doesn't have records of the toxic substances it has on its premises, or an elderly patient in a nursing home will be secure in the knowledge that their medical records will be maintained.

As I stated earlier, the men and women of America who own small businesses do not embark on a course of flagrantly violating the laws of our nation. If they did, they would soon be out of business and probably in jail. They just want an opportunity to make up what they didn't do or correct what they've done wrong.

Mr. President, compliance through cooperation should be the way our federal agencies do business, however, in many instances, federal agencies are all too eager to "fine first, ask questions later." This legislation will give our nation's small business owners the time they need to correct small, non-threatening paperwork mistakes without having to pay a penalty that could jeopardize their very business.

Our legislation is a sensible approach that has the support of the National Federation of Independent Business (NFIB), the voice of small business owners across the country, who have written to me in support of this legislation. I urge my colleagues to co-sponsor our bill and I encourage the Senate to act expeditiously.

I ask unanimous consent that the letter from the NFIB in support of this legislation be inserted into the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,
Washington, DC, July 15, 1999.

Hon. GEORGE VOINOVICH,
U.S. Senate, Washington, DC.

DEAR SENATOR VOINOVICH: On behalf of the 600,000 members of the National Federation of Independent Business (NFIB), I want to thank you and Senator Lincoln for your leadership in introducing the Small Business Paperwork Reduction Act Amendments of 1999.

The federal paperwork burden consistently ranks among the top small business concerns in the NFIB "Small Business Problems and Priorities" survey. In fact, the burden of regulatory compliance is as much as 50 percent more for small businesses than their larger counterparts. In addition, it is estimated that paperwork alone accounts for one-third of regulatory compliance costs. Small businesses spent approximately 7 billion hours filling out federal paperwork in 1998, with the total paperwork burden estimated at $229 billion. It is clear that the burden of government paperwork hinders the ability of small businesses to grow and create new jobs.

The Voinovich-Lincoln bill will provide small businesses with a penalty waiver for a first-time paperwork violation, provided that it does not threaten public health, safety or the environment. This waiver is only applicable if the business owner corrects the violation in a reasonable time period. The bill would also establish a task force of agency representatives to study streamlining reporting requirements for small businesses.

We believe that this incremental and responsible bill can be signed into law this year. A similar bill was passed by a bipartisan majority in the House, laying the groundwork for Senate action. We look forward to working with you for Senate passage and enactment of this bill.

Sincerely,

DAN DANNER,
Vice President, Federal Public Policy.

Mrs. LINCOLN. Would my colleague from Ohio kindly answer a few questions regarding this bill?

Mr. VOINOVICH. I would be happy to discuss the bill with my distinguished colleague.

Mrs. LINCOLN. Thank you. I have heard some concerns voiced about this bill, namely how it could impact nursing homes and fire fighters. I hope you can clarify for me how regulations applicable to these groups would be impacted by the Small Business Paperwork Reduction Act, if at all.

Mr. VOINOVICH. Certainly, I would be happy to clear up the misconceptions that this bill might endanger firefighters and nursing home patients.

Some have claimed that this bill would encourage fraud or abuse of elderly nursing home patients by allowing a penalty waiver for those who violate rules regulating their care. Still others have claimed that the bill would threaten the lives of firefighters by allowing a waiver for businesses that violate rules regulating hazardous substances in the workplace. Neither of these claims is substantiated.

Like the Senator from Arkansas, I care very much about the health and safety of all Americans and would not dream of putting seniors or firefighters in obvious jeopardy. Clearly, this is not the kind of negligent misbehavior this bill aims to reward with a civil penalty waiver for a first-time paperwork violation. And this is not the kind of violation covered by this bill.

Mrs. LINCOLN. How can my colleague be certain that this kind of tragedy is not protected from civil penalty under this bill?

Mr. VOINOVICH. Allow me to explain. Nursing homes that do not keep proper medical and treatment records for their patients are clearly endangering human health and safety. Small businesses that do not keep the required records of hazardous chemicals are also endangering human health and safety. As such, neither is covered by this bill.

Mrs. LINCOLN. So what my colleague is saying is that any violation that causes actual danger to human health and safety is exempted from coverage by this bill.

Mr. VOINOVICH. This bill goes even further than that. The language states that any violation that has "the potential to cause serious harm to the public interest" is exempt from this bill and cannot receive a penalty waiver. Where there is a potential to cause serious harm to the public, the agencies will be able to impose, in addition to all of their other remedies, an appropriate civil fine.

Mrs. LINCOLN. As the Senator from Ohio knows, he and I are working together on another piece of legislation that would protect the powers of states and impose accountability for Federal preemption of state and local laws. Does this bill preempt state laws?

Mr. VOINOVICH. My colleague raises a good point. This bill does not preempt state laws regarding collection of information. What it does say is that states my not impose a civil penalty on small businesses for a first-time violation under Federal laws that the State may administer.

Again—I want to make clear—this bill does not preempt state laws. Instead it provides consistency that a small business will not be fined under Federal laws whether the laws are being carried out by Federal or State government.

Mrs. LINCOLN. I thank my colleague for these clarifications. I am pleased to hear that this bill will help reduce the paperwork burden from our nation's small businesses while protecting the health and safety of our nursing home and firefighter communities, and I look forward to working with him to pass this bill.

By Mr. DOMENICI:

S. 1379. A bill to amend the Internal Revenue Code of 1986 to provide broad based tax relief for all taxpaying families, to mitigate the marriage penalty, to expand retirement savings, to phase out gift and estate taxes, and for other purposes; to the Committee on Finance.

Mr. DOMENICI. Mr. President, I am going to send to the desk a tax reduction bill. Everybody has ideas around here. I thought I would work with some people who think like I think and put together what I choose to call the Share the Surplus Tax Reduction and Simplification Act. It uses up the $780 billion over 10 years. I am introducing it tonight, and tomorrow I will speak on it. I hope some Senators will look at it from the standpoint of a balanced approach to moving toward some simplification and, at the same time, doing some of the things that will be fair, equitable, and good for our economy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Share the Surplus Tax Reduction and Simplification Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TAX RELIEF

Sec. 11. Broad based tax relief for all taxpaying families.
Sec. 12. Marriage penalty mitigation and tax burden reduction.

TITLE II—SAVING AND INVESTMENT PROVISIONS

Sec. 21. Dividend and interest tax relief.
Sec. 22. Long-term capital gains deduction for individuals.
Sec. 23. Increase in contribution limits for tràditional IRAs.

TITLE III—BUSINESS INVESTMENT PROVISIONS

Sec. 31. Repeal of alternative minimum tax on corporations.
Sec. 32. Increase in limit for expensing certain business assets.

TITLE IV—ESTATE AND GIFT TAX RELIEF

Sec. 41. Phaseout of estate and gift taxes.

TITLE V—RESEARCH CREDIT EXTENSION AND MODIFICATION

Sec. 51. Purpose.
Sec. 52. Permanent extension of research credit.
Sec. 53. Improved alternative incremental credit.
Sec. 54. Modifications to credit for basic research.
Sec. 55. Credit for expenses attributable to certain collaborative research consortia.
Sec. 56. Improvement to credit for small businesses and research partnerships.

TITLE VI—ENERGY INDEPENDENCE

Sec. 61. Purposes.
Sec. 62. Tax credit for marginal domestic oil and natural gas well production.
Sec. 63. 10-year carryback for unused minimum tax credit.
Sec. 64. 10-year net operating loss carryback for losses attributable to oil servicing companies and mineral interests of oil and gas producers.
Sec. 65. Waiver of limitations.
Sec. 66. Election to expense geological and geophysical expenditures and delay rental payments.

TITLE VII—REVENUE PROVISION

Sec. 71. 4-year averaging for conversion of traditional IRA to Roth IRA.

TITLE I—TAX RELIEF

SEC. 11. BROAD BASED TAX RELIEF FOR ALL TAXPAYING FAMILIES.

(a) PURPOSE.—The purpose of this section is to cut taxes for 120,000,000 taxpaying families by lowering the 15 percent tax rate.

(b) IN GENERAL.—Section 1 of the Internal Revenue Code of 1986 (relating to tax imposed) is amended—

(1) by striking "15%" each place it appears in the tables in subsections (a) through (e) and inserting "The applicable rate", and

(2) by adding at the end the following:

"(i) APPLICABLE RATE.—For purposes of this section, the applicable rate for any taxable year shall be determined in accordance with the following table:

"In the case of any taxable year beginning in—	The applicable rate is:
	Percent
2002	14.9
2003	14.8
2004	14.7
2005	14.1
2006 and thereafter	13.5."

(b) CONFORMING AMENDMENTS.—

(1) Section 1(f)(2) of the Internal Revenue Code of 1986 is amended—

(A) by inserting "except as provided in subsection (i)," before "by not changing" in subparagraph (B), and

(B) by inserting "and the adjustment in rates under subsection (i)" after "rate brackets" in subparagraph (C).

(2) Section 1(g)(7)(B)(ii)(II) of such Code is amended by striking "15 percent" and inserting "the applicable rate".

(3) Section 3402(p)(2) of such Code is amended by striking "15 percent" and inserting "the applicable rate in effect under section 1(i) for the taxable year".

(c) NEW TABLES.—Not later than 15 days after the date of enactment of this Act, the Secretary of the Treasury—

(1) shall prescribe tables for taxable years beginning in 2002 which shall reflect the amendments made by this section and which shall apply in lieu of the tables prescribed under sections 1(f)(1) and 3(a) of the Internal Revenue Code of 1986 for such taxable years, and

(2) shall modify the withholding tables and procedures for such taxable years under section 3402(a)(1) of such Code to take effect as if the reduction in the rate of tax under section 1 of such Code (as amended by this section) was attributable to such a reduction effective on such date of enactment.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 12. MARRIAGE PENALTY MITIGATION AND TAX BURDEN REDUCTION.

(a) PURPOSE.—The purposes of this section are to return 7,000,000 taxpaying families to the 15 percent tax bracket and to cut taxes for 35,000,000 taxpaying families who will benefit from a tax cut of up to $1,300 per family by eliminating or mitigating the marriage penalty for many middle class taxpaying families.

(b) IN GENERAL.—Section 1(f) of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D),

(B) by inserting after subparagraph (A) the following:

"(B) in the case of the tables contained in subsections (a), (b), (c), and (d), by increasing the maximum taxable income level for the lowest rate bracket and the minimum taxable income level for the 28 percent rate bracket otherwise determined under subparagraph (A) for taxable years beginning in any calendar year after 2001, by the applicable dollar amount for such calendar year.", and

(C) by striking "subparagraph (A)" in subparagraph (C) (as so redesignated) and inserting "subparagraphs (A) and (B)", and

(2) by adding at the end the following:

"(8) APPLICABLE DOLLAR AMOUNT.—For purposes of paragraph (2)(B), the applicable dollar amount for any calendar year shall be determined as follows:

"(A) JOINT RETURNS AND SURVIVING SPOUSES.—In the case of the table contained in subsection (a)—

"Calendar year:	Applicable Dollar Amount:
2002	$2,000
2003	$4,000
2004	$6,000
2005	$8,000
2006 and thereafter	$10,000.

"(B) OTHER TABLES.—In the case of the table contained in subsection (b), (c), or (d)—

"Calendar year:	Applicable Dollar Amount:
2002	$1,000
2003	$2,000
2004	$3,000
2005	$4,000
2006 and thereafter	$5,000.".

SEC. 13. REPEAL OF ALTERNATIVE MINIMUM TAX ON INDIVIDUALS.

(a) PURPOSES.—The purposes of this section are—

(1) to simplify the tax code so that millions of Americans will no longer be required to calculate their income taxes under 2 systems; and

(2) to recognize that tax credits should not be denied to individuals who are eligible for such credit.

(b) In General.—Subsection (a) of section 55 of the Internal Revenue Code of 1986 is amended by adding at the end the following new flush sentence:

"For purposes of this title, the tentative minimum tax on any taxpayer other than a corporation for any taxable year beginning after December 31, 2009, shall be zero."

(c) Reduction of Tax on Individuals Prior to Repeal.—Section 55 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(f) Phaseout of Tax on Individuals.—

"(1) In general.—The tax imposed by this section on a taxpayer other than a corporation for any taxable year beginning after December 31, 2004, and before January 1, 2010, shall be the applicable percentage of the tax which would be imposed but for this subsection.

"(2) Applicable percentage.—For purposes of paragraph (1), the applicable percentage shall be determined in accordance with the following table:

"For taxable years beginning in calendar year—	**The applicable percentage is—**
2005	80
2006	70
2007	60
2008 or 2009	50."

(d) Nonrefundable Personal Credits Fully Allowed Against Regular Tax Liability.—

(1) In general.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on amount of tax) is amended to read as follows:

"(a) Limitation Based on Amount of Tax.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the taxpayer's regular tax liability for the taxable year."

(2) Child credit.—Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(e) Limitation on Use of Credit for Prior Year Minimum Tax Liability.—Subsection (c) of section 53 of the Internal Revenue Code of 1986 is amended to read as follows:

"(c) Limitation.—

"(1) In general.—Except as otherwise provided in this subsection, the credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) the regular tax liability of the taxpayer for such taxable year reduced by the sum of the credits allowable under subparts A, B, D, E, and F of this part, over

"(B) the tentative minimum tax for the taxable year.

"(2) Taxable years beginning after 2009.—In the case of any taxable year beginning after 2009, the credit allowable under subsection (a) to a taxpayer other than a corporation for any taxable year shall not exceed 90 percent of the excess (if any) of—

"(A) regular tax liability of the taxpayer for such taxable year, over

"(B) the sum of the credits allowable under subparts A, B, D, E, and F of this part."

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

TITLE II—SAVING AND INVESTMENT PROVISIONS

SEC. 21. DIVIDEND AND INTEREST TAX RELIEF.

(a) Purposes.—The purposes of this section are—

(1) to provide an incremental step toward taxing income that is consumed rather than income that is earned and saved;

(2) to simplify the tax code by eliminating 67,000,000 hours spent on tax preparation;

(3) to eliminate all income tax on savings for more than 30,000,000 middle class families;

(4) to reduce income taxes on savings for 37,000,000 individuals; and

(5) to allow a $10,000 nest egg to grow tax-free and let individuals experience the miracle of compound interest.

(b) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to amounts specifically excluded from gross income) is amended by inserting after section 115 the following new section:

"SEC. 116. PARTIAL EXCLUSION OF DIVIDENDS AND INTEREST RECEIVED BY INDIVIDUALS.

"(a) Exclusion From Gross Income.—Gross income does not include the sum of the amounts received during the taxable year by an individual as—

"(1) dividends from domestic corporations, or

"(2) interest.

"(b) Limitations.—

"(1) Maximum amount.—The aggregate amount excluded under subsection (a) for any taxable year shall not exceed $250 ($500 in the case of a joint return).

"(2) Certain dividends excluded.—Subsection (a)(1) shall not apply to any dividend from a corporation which, for the taxable year of the corporation in which the distribution is made, or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organization) or section 521 (relating to farmers' cooperative associations).

"(c) Interest.—For purposes of this section, the term 'interest' means—

"(1) interest on deposits with a bank (as defined in section 581),

"(2) amounts (whether or not designated as interest) paid in respect of deposits, investment certificates, or withdrawable or repurchasable shares, by—

"(A) a mutual savings bank, cooperative bank, domestic building and loan association, industrial loan association or bank, or credit union, or

"(B) any other savings or thrift institution which is chartered and supervised under Federal or State law,

the deposits or accounts in which are insured under Federal or State law or which are protected and guaranteed under State law,

"(3) interest on—

"(A) evidences of indebtedness (including bonds, debentures, notes, and certificates) issued by a domestic corporation in registered form, and

"(B) to the extent provided in regulations prescribed by the Secretary, other evidences of indebtedness issued by a domestic corporation of a type offered by corporations to the public,

"(4) interest on obligations of the United States, a State, or a political subdivision of a State (not excluded from gross income of the taxpayer under any other provision of law), and

"(5) interest attributable to participation shares in a trust established and maintained by a corporation established pursuant to Federal law.

"(d) Special Rules.—For purposes of this section—

"(1) Distributions from regulated investment companies and real estate investment trusts.—Subsection (a) shall apply with respect to distributions by—

"(A) regulated investment companies to the extent provided in section 854(c), and

"(B) real estate investment trusts to the extent provided in section 857(c).

"(2) Distributions by a trust.—For purposes of subsection (a), the amount of dividends and interest properly allocable to a beneficiary under section 652 or 662 shall be deemed to have been received by the beneficiary ratably on the same date that the dividends and interest were received by the estate or trust.

"(3) Certain nonresident aliens ineligible for exclusion.—In the case of a nonresident alien individual, subsection (a) shall apply only—

"(A) in determining the tax imposed for the taxable year pursuant to section 871(b)(1) and only in respect of dividends and interest which are effectively connected with the conduct of a trade or business within the United States, or

"(B) in determining the tax imposed for the taxable year pursuant to section 877(b).".

(c) Conforming Amendments.—

(1) The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 115 the following:

"Sec. 116. Partial exclusion of dividends and interest received by individuals.".

(2) Paragraph (2) of section 265(a) of such Code is amended by inserting before the period at the end the following: ", or to purchase or carry obligations or shares, or to make deposits, to the extent the interest thereon is excludable from gross income under section 116".

(3) Subsection (c) of section 584 of such Code is amended by adding at the end the following new flush sentence:

"The proportionate share of each participant in the amount of dividends or interest received by the common trust fund and to which section 116 applies shall be considered for purposes of such section as having been received by such participant.".

(4) Subsection (a) of section 643 of such Code is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following:

"(7) Dividends or interest.—There shall be included the amount of any dividends or interest excluded from gross income pursuant to section 116.".

(5) Section 854 of such Code is amended by adding at the end the following:

"(c) Treatment Under Section 116.—

"(1) In general.—For purposes of section 116, in the case of any dividend (other than a dividend described in subsection (a)) received from a regulated investment company which meets the requirements of section 852 for the taxable year in which it paid the dividend—

"(A) the entire amount of such dividend shall be treated as a dividend if the sum of the aggregate dividends and the aggregate interest received by such company during the taxable year equals or exceeds 75 percent of its gross income, or

"(B) if subparagraph (A) does not apply, there shall be taken into account under section 116 only the portion of such dividend which bears the same ratio to the amount of such dividend as the sum of the aggregate dividends received and aggregate interest received bears to gross income.

For purposes of the preceding sentence, gross income and aggregate interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year as does not exceed aggregate interest received for the taxable year.

"(2) Notice to shareholders.—The amount of any distribution by a regulated investment company which may be taken into account as a dividend for purposes of the exclusion under section 116 shall not exceed the amount so designated by the company in a written notice to its shareholders mailed not later than 60 days after the close of its taxable year.

"(3) Definitions.—For purposes of this subsection—

"(A) Gross income.—The term 'gross income' does not include gain from the sale or other disposition of stock or securities.

"(B) Aggregate dividends.—The term 'aggregate dividends' includes only dividends received from domestic corporations other than dividends described in section 116(b)(2). In determining the amount of any dividend for purposes of this subparagraph, the rules provided in section 116(d)(1) (relating to certain distributions) shall apply.

"(C) Interest.—The term 'interest' has the meaning given such term by section 116(c).".

(6) Subsection (c) of section 857 of such Code is amended to read as follows:

"(c) Limitations Applicable to Dividends Received From Real Estate Investment Trusts.—

"(1) In general.—For purposes of section 116 (relating to an exclusion for dividends and interest received by individuals) and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

"(2) Treatment as interest.—For purposes of section 116, in the case of a dividend (other than a capital gain dividend, as defined in subsection (b)(3)(C)) received from a real estate investment trust which meets the requirements of this part for the taxable year in which it paid the dividend—

"(A) such dividend shall be treated as interest if the aggregate interest received by the real estate investment trust for the taxable year equals or exceeds 75 percent of its gross income, or

"(B) if subparagraph (A) does not apply, the portion of such dividend which bears the same ratio to the amount of such dividend as the aggregate interest received bears to gross income shall be treated as interest.

"(3) Adjustments to gross income and aggregate interest received.—For purposes of paragraph (2)—

"(A) gross income does not include the net capital gain,

"(B) gross income and aggregate interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year (other than for interest on mortgages on real property owned by the real estate investment trust) as does not exceed aggregate interest received by the taxable year, and

"(C) gross income shall be reduced by the sum of the taxes imposed by paragraphs (4), (5), and (6) of section 857(b).

"(4) Interest.—The term 'interest' has the meaning given such term by section 116(c).

"(5) Notice to shareholders.—The amount of any distribution by a real estate investment trust which may be taken into account as interest for purposes of the exclusion under section 116 shall not exceed the amount so designated by the trust in a written notice to its shareholders mailed not later than 60 days after the close of its taxable year.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 22. LONG-TERM CAPITAL GAINS DEDUCTION FOR INDIVIDUALS.

(a) Purposes.—The purposes of this section are—

(1) to provide an incremental step toward shifting the Internal Revenue Code away from taxing savings and investment,

(2) to lower the cost of capital so that prosperity, better paying jobs, and innovation will continue in the United States,

(3) to eliminate capital gain taxes for 10,000,000 families, 75 percent of whom have annual incomes of $75,000 or less, and

(4) to simplify the tax code and thereby eliminate 70,000,000 hours of tax preparation.

(b) General Rule.—Part I of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to treatment of capital gains) is amended by redesignating section 1202 as section 1203 and by inserting after section 1201 the following:

"SEC. 1202. CAPITAL GAINS DEDUCTION FOR INDIVIDUALS.

"(a) In General.—In the case of an individual, there shall be allowed as a deduction for the taxable year an amount equal to the lesser of—

"(1) the net capital gain of the taxpayer for the taxable year, or

"(2) $5,000.

"(b) Sales Between Related Parties.—Gains from sales and exchanges to any related person (within the meaning of section 267(b) or 707(b)(1)) shall not be taken into account in determining net capital gain.

"(c) Special Rule for Section 1250 Property.—Solely for purposes of this section, in applying section 1250 to any disposition of section 1250 property, all depreciation adjustments in respect of the property shall be treated as additional depreciation.

"(d) Section Not To Apply to Certain Taxpayers.—No deduction shall be allowed under this section to—

"(1) an individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins,

"(2) a married individual (within the meaning of section 7703) filing a separate return for the taxable year, or

"(3) an estate or trust.

"(e) Special Rule for Pass-Thru Entities.—

"(1) In general.—In applying this section with respect to any pass-thru entity, the determination of when the sale or exchange occurs shall be made at the entity level.

"(2) Pass-thru entity defined.—For purposes of paragraph (1), the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) an estate or trust, and

"(F) a common trust fund.".

(c) Coordination With Maximum Capital Gains Rate.—Paragraph (3) of section 1(h) of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended to read as follows:

"(3) Coordination with other provisions.—For purposes of this subsection, the amount of the net capital gain shall be reduced (but not below zero) by the sum of—

"(A) the amount of the net capital gain taken into account under section 1202(a) for the taxable year, plus

"(B) the amount which the taxpayer elects to take into account as investment income for the taxable year under section 163(d)(4)(B)(iii).".

(d) Deduction Allowable in Computing Adjusted Gross Income.—Subsection (a) of section 62 of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (17) the following:

"(18) Long-term capital gains.—The deduction allowed by section 1202.".

(e) Treatment of Collectibles.—

(1) In general.—Section 1222 of the Internal Revenue Code of 1986 (relating to other terms relating to capital gains and losses) is amended by inserting after paragraph (11) the following:

"(12) Special rule for collectibles.—

"(A) In general.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) Treatment of certain sales of interest in partnership, etc.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) Collectible.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof).".

(2) Charitable deduction not affected.—

(A) Paragraph (1) of section 170(e) of such Code is amended by adding at the end the following: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles).".

(B) Clause (iv) of section 170(b)(1)(C) of such Code is amended by inserting before the period at the end the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(f) Conforming Amendments.—

(1) Section 57(a)(7) of the Internal Revenue Code of 1986 is amended by striking "1202" and inserting "1203".

(2) Clause (iii) of section 163(d)(4)(B) of such Code is amended to read as follows:

"(iii) the sum of—

"(I) the portion of the net capital gain referred to in clause (ii)(II) (or, if lesser, the net capital gain referred to in clause (ii)(I)) taken into account under section 1202, reduced by the amount of the deduction allowed with respect to such gain under section 1202, plus

"(II) so much of the gain described in subclause (I) which is not taken into account under section 1202 and which the taxpayer elects to take into account under this clause.".

(3) Subparagraph (B) of section 172(d)(2) of such Code is amended to read as follows:

"(B) the deduction under section 1202 and the exclusion under section 1203 shall not be allowed.".

(4) Section 642(c)(4) of such Code is amended by striking "1202" and inserting "1203".

(5) Section 643(a)(3) of such Code is amended by striking "1202" and inserting "1203".

(6) Paragraph (4) of section 691(c) of such Code is amended inserting "1203," after "1202,".

(7) The second sentence of section 871(a)(2) of such Code is amended by inserting "or 1203" after "section 1202".

(8) The last sentence of section 1044(d) of such Code is amended by striking "1202" and inserting "1203".

(9) Paragraph (1) of section 1402(i) of such Code is amended by inserting ", and the deduction provided by section 1202 and the exclusion provided by section 1203 shall not apply" before the period at the end.

(10) Section 121 of such Code is amended by adding at the end the following:

"(h) Cross Reference.—

"For treatment of eligible gain not excluded under subsection (a), see section 1202.".

(11) Section 1203 of such Code, as redesignated by subsection (a), is amended by adding at the end the following:

"(l) Cross Reference.—

"For treatment of eligible gain not excluded under subsection (a), see section 1202.".

(12) The table of sections for part I of subchapter P of chapter 1 of such Code is amended by striking the item relating to section 1202 and by inserting after the item relating to section 1201 the following:

"Sec. 1202. Capital gains deduction.
"Sec. 1203. 50-percent exclusion for gain from certain small business stock.".

(g) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) Collectibles.—The amendments made by subsection (d) shall apply to sales and exchanges after December 31, 2000.

SEC. 23. INCREASE IN CONTRIBUTION LIMITS FOR TRADITIONAL IRAS.

(a) Purposes.—The purposes of this section are—

(1) to increase the savings rate for all Americans by reforming the tax system to favorably treat income that is invested for retirement, and

(2) to provide targeted incentives to middle class families to increase their retirement savings in a traditional IRA by $1,000 per working member of the family per taxable year.

(b) Increase in Contribution Limit.—Paragraph (1)(A) of section 219(b) of the Internal Revenue Code of 1986 (relating to maximum amount of deduction) is amended by striking "$2,000" and inserting "$3,000".

(c) Inflation Adjustment.—Section 219 of the Internal Revenue Code of 1986 (relating to deduction for retirement savings) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following:

"(h) Cost-of-Living Adjustment.—

"(1) Deductible amounts.—In the case of any taxable year beginning in a calendar year after 2009, the $3,000 amount under subsection (b)(1)(A) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2008' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) Rounding rules.—If any amount after adjustment under paragraph (1) is not a multiple of $100, such amount shall be rounded to the next lower multiple of $100.".

(d) Conforming Amendments.—

(1) Section 408(a)(1) of the Internal Revenue Code of 1986 is amended by striking "in excess of $2,000 on behalf of any individual" and inserting "on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)".

(2) Section 408(b)(2)(B) of such Code is amended by striking "$2,000" and inserting "the dollar amount in effect under section 219(b)(1)(A)".

(3) Section 408(b) of such Code is amended by striking "$2,000" in the matter following paragraph (4) and inserting "the dollar amount in effect under section 219(b)(1)(A)".

(4) Section 408(j) of such Code is amended by striking "$2,000".

(5) Section 408(p)(8) of such Code is amended by striking "$2,000" and inserting "the dollar amount in effect under section 219(b)(1)(A)".

(6) Section 408A(c)(2)(A) of such Code is amended to read as follows:

"(A) $2,000, over".

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

TITLE III—BUSINESS INVESTMENT PROVISIONS

SEC. 31. REPEAL OF ALTERNATIVE MINIMUM TAX ON CORPORATIONS.

(a) Purpose.—The purpose of this section is to eliminate one of the most misguided, anti-growth, anti-investment tax schemes ever devised.

(b) In General.—The last sentence of section 55(a) of the Internal Revenue Code of 1986, as amended by section 13, is amended by striking "on any taxpayer other than a corporation".

(c) Repeal of 90 Percent Limitation on Foreign Tax Credit.—

(1) In general.—Section 59(a) of the Internal Revenue Code of 1986 (relating to alternative minimum tax foreign tax credit) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Conforming amendment.—Section 53(d)(1)(B)(i)(II) of such Code is amended by striking "and if section 59(a)(2) did not apply".

(d) Limitation on Use of Credit for Prior Year Minimum Tax Liability.—

(1) In general.—Subsection (c) of section 53 of the Internal Revenue Code of 1986, as amended by section 13, is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) Corporations for taxable years beginning after 2004.—In the case of corporation for any taxable year beginning after 2004 and before 2010, the limitation under paragraph (1) shall be increased by the applicable percentage (determined in accordance with the following table) of the tentative minimum tax for the taxable year.

"For taxable years beginning in calendar year—	**The applicable percentage is—**
2005	20
2006	30
2007	40
2008 or 2009	50.

In no event shall the limitation determined under this paragraph be greater than the sum of the tax imposed by section 55 and the regular tax reduced by the sum of the credits allowed under subparts A, B, D, E, and F of this part."

(2) Conforming amendments.—

(A) Section 55(e) of such Code is amended by striking paragraph (5).

(B) Paragraph (3) of section 53(c) of such Code, as redesignated by paragraph (1), is amended by striking "to a taxpayer other than a corporation".

(e) Effective Date.—

(1) In general.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to taxable years beginning after December 31, 2004.

(2) Repeal of 90 percent limitation on foreign tax credit.—The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 2003.

(3) Subsection (d)(2)(A).—The amendment made by subsection (d)(2)(A) shall apply to taxable years beginning after December 31, 2009.

SEC. 32. INCREASE IN LIMIT FOR ELECTION TO EXPENSE CERTAIN BUSINESS ASSETS.

(a) In General.—Section 179(b)(1) of the Internal Revenue Code of 1986 (relating to dollar limitation) is amended by striking the last item in the table and inserting the following new items:

"2003 or 2004	25,000
"2005 or thereafter	250,000."

(b) Index.—Section 179(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(5) Inflation adjustment.—In the case of a taxable year beginning after 2005, the $25,000 amount under paragraph (1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2004' for 'calendar year 1992' in subparagraph (B) thereof."

(c) Increase in Limitation on Cost of Property Placed in Service.—Section 179(b)(2) of the Internal Revenue Code of 1986 (relating to reduction in limitation) is amended by striking "$200,000" and inserting "$4,000,000".

TITLE IV—ESTATE AND GIFT TAX RELIEF

SEC. 41. PHASEOUT OF ESTATE AND GIFT TAXES.

(a) Purpose.—The purpose of this section is to begin phasing out the confiscatory gift and estate tax by reducing the rate of tax.

(b) Repeal of Estate and Gift Taxes.—Subtitle B of the Internal Revenue Code of 1986 (relating to estate and gift taxes) is repealed effective with respect to estates of decedents dying, and gifts made, after December 31, 2009.

(c) Phaseout of Tax.—Subsection (c) of section 2001 of the Internal Revenue Code of 1986 (relating to imposition and rate of tax) is amended by adding at the end the following:

"(3) Phaseout of tax.—In the case of estates of decedents dying, and gifts made, during any calendar year after 1999 and before 2010—

"(A) In general.—The tentative tax under this subsection shall be determined by using a table prescribed by the Secretary (in lieu of using the table contained in paragraph (1)) which is the same as such table; except that—

"(i) each of the rates of tax shall be reduced (but not below zero) by the number of percentage points determined under subparagraph (B), and

"(ii) the amounts setting forth the tax shall be adjusted to the extent necessary to reflect the adjustments under clause (i).

"(B) Percentage points of reduction.—

"For calendar year:	**The number of percentage points is:**
2001	1

“For calendar year:	The number of percentage points is:
2002	2
2003	3
2004	4
2005	5
2006	7
2007	9
2008	11
2009	15.

"(C) COORDINATION WITH PARAGRAPH (2).—Paragraph (2) shall be applied by reducing the 55 percent percentage contained therein by the number of percentage points determined for such calendar year under subparagraph (B).

"(D) COORDINATION WITH CREDIT FOR STATE DEATH TAXES.—Rules similar to the rules of subparagraph (A) shall apply to the table contained in section 2011(b) except that the number of percentage points referred to in subparagraph (A)(i) shall be determined under the following table:

“For calendar year:	The number of percentage points is:
2001	1
2002	2
2003	3
2004	4
2005	5
2006	7
2007	9
2008	11
2009	15.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2000.

TITLE V—RESEARCH CREDIT EXTENSION AND MODIFICATION

SEC. 51. PURPOSE.

The purpose of this title is to make the research credit permanent and make certain modifications to the credit.

SEC. 52. PERMANENT EXTENSION OF RESEARCH CREDIT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Section 45C(b)(1) of the Internal Revenue Code of 1986 is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2000.

SEC. 53. IMPROVED ALTERNATIVE INCREMENTAL CREDIT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities), as amended by section 52, is amended by adding at the end the following:

"(h) ELECTION OF ALTERNATIVE INCREMENTAL CREDIT.—

"(1) IN GENERAL.—At the election of the taxpayer, the credit under subsection (a)(1) shall be determined under this section by taking into account the modifications provided by this subsection.

"(2) DETERMINATION OF BASE AMOUNT.—

"(A) IN GENERAL.—In computing the base amount under subsection (c)—

"(i) notwithstanding subsection (c)(3), the fixed-base percentage shall be equal to 80 percent of the percentage which the aggregate qualified research expenses of the taxpayer for the base period is of the aggregate gross receipts of the taxpayer for the base period, and

"(ii) the minimum base amount under subsection (c)(2) shall not apply.

"(B) START-UP AND SMALL TAXPAYERS.—In computing the base amount under subsection (c), the gross receipts of a taxpayer for any taxable year in the base period shall be treated as at least equal to $1,000,000.

"(C) BASE PERIOD.—For purposes of this subsection, the base period is the 8-taxable year period preceding the taxable year (or, if shorter, the period the taxpayer (and any predecessor) has been in existence).

"(3) ELECTION.—An election under this subsection shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary.".

(b) CONFORMING AMENDMENT.—Section 41(c) of the Internal Revenue Code of 1986 is amended by striking paragraph (4) and by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 54. MODIFICATIONS TO CREDIT FOR BASIC RESEARCH.

(a) ELIMINATION OF INCREMENTAL REQUIREMENT.—

(1) IN GENERAL.—Paragraph (1) of section 41(e) of the Internal Revenue Code of 1986 (relating to credit allowable with respect to certain payments to qualified organizations for basic research) is amended to read as follows:

"(1) IN GENERAL.—The amount of basic research payments taken into account under subsection (a)(2) shall be determined in accordance with this subsection.".

(2) CONFORMING AMENDMENTS.—

(A) Section 41(a)(2) of the Internal Revenue Code of 1986 is amended by striking "determined under subsection (e)(1)(A)" and inserting "for the taxable year".

(B) Section 41(e) of such Code is amended by striking paragraphs (3), (4), and (5) and by redesignating paragraphs (6) and (7) as paragraphs (3) and (4), respectively.

(C) Section 41(e)(4) of such Code, as redesignated by subparagraph (B), is amended by striking subparagraph (B) and by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively.

(D) Clause (i) of section 170(e)(4)(B) of such Code is amended by striking "section 41(e)(6)" and inserting "section 41(e)(3)".

(b) BASIC RESEARCH.—

(1) SPECIFIC COMMERCIAL OBJECTIVE.—Section 41(e)(4) of the Internal Revenue Code of 1986 (relating to definitions and special rules), as redesignated by subsection (a)(2)(B), is amended by adding at the end the following:

"(E) SPECIFIC COMMERCIAL OBJECTIVE.—For purposes of subparagraph (A), research shall not be treated as having a specific commercial objective if the results of such research are to be published in a timely manner as to be available to the general public prior to their use for a commercial purpose.".

(2) EXCLUSIONS FROM BASIC RESEARCH.—Clause (ii) of section 41(e)(4)(A) of such Code (relating to definitions and special rules), as redesignated by subsection (a), is amended to read as follows:

"(ii) basic research in the arts and humanities.".

(c) EXPANSION OF CREDIT TO RESEARCH DONE AT FEDERAL LABORATORIES.—Section 41(e)(3) of the Internal Revenue Code of 1986, as redesignated by subsection (a), is amended by adding at the end the following new subparagraph:

"(E) FEDERAL LABORATORIES.—Any organization which is a Federal laboratory (as defined in section 4(6) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703(6)).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 55. CREDIT FOR EXPENSES ATTRIBUTABLE TO CERTAIN COLLABORATIVE RESEARCH CONSORTIA.

(a) CREDIT FOR EXPENSES ATTRIBUTABLE TO CERTAIN COLLABORATIVE RESEARCH CONSORTIA.—Subsection (a) of section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking "and" at the end of paragraph (1), striking the period at the end of paragraph (2) and inserting ", and", and by adding at the end the following:

"(3) 20 percent of the amounts paid or incurred by the taxpayer in carrying on any trade or business of the taxpayer during the taxable year (including as contributions) to a qualified research consortium.".

(b) QUALIFIED RESEARCH CONSORTIUM DEFINED.—Subsection (f) of section 41 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(6) QUALIFIED RESEARCH CONSORTIUM.—The term 'qualified research consortium' means any organization—

"(A) which is—

"(i) described in section 501(c)(3) and is exempt from tax under section 501(a) and is organized and operated primarily to conduct scientific or engineering research, or

"(ii) organized and operated primarily to conduct scientific or engineering research in the public interest (within the meaning of section 501(c)(3)),

"(B) which is not a private foundation,

"(C) to which at least 5 unrelated persons paid or incurred during the calendar year in which the taxable year of the organization begins amounts (including as contributions) to such organization for scientific or engineering research, and

"(D) to which no single person paid or incurred (including as contributions) during such calendar year an amount equal to more than 50 percent of the total amounts received by such organization during such calendar year for scientific or engineering research.

All persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as related persons for purposes of subparagraph (C) and as a single person for purposes of subparagraph (D).".

(c) CONFORMING AMENDMENT.—Paragraph (3) of section 41(b) of the Internal Revenue Code of 1986 is amended by striking subparagraph (C).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 56. IMPROVEMENT TO CREDIT FOR SMALL BUSINESSES AND RESEARCH PARTNERSHIPS.

(a) ASSISTANCE TO SMALL AND START-UP BUSINESSES.—The Secretary of the Treasury or the Secretary's delegate shall take such actions as are appropriate to—

(1) provide assistance to small and start-up businesses in complying with the requirements of section 41 of the Internal Revenue Code of 1986, and

(2) reduce the costs of such compliance.

(b) REPEAL OF LIMITATION ON CONTRACT RESEARCH EXPENSES PAID TO SMALL BUSINESSES, UNIVERSITIES, AND FEDERAL LABORATORIES.—Section 41(b)(3) of the Internal Revenue Code of 1986, as amended by section 55(c), is amended by adding at the end the following:

"(C) Amounts paid to eligible small businesses, universities, and federal laboratories.—

"(i) In general.—In the case of amounts paid by the taxpayer to an eligible small business, an institution of higher education (as defined in section 3304(f)), or an organization which is a Federal laboratory (as defined in subsection (e)(3)(E)), subparagraph (A) shall be applied by substituting '100 percent' for '65 percent'.

"(ii) Eligible small business.—For purposes of this subparagraph, the term 'eligible small business' means a small business with respect to which the taxpayer does not own (within the meaning of section 318) 50 percent or more of—

"(I) in the case of a corporation, the outstanding stock of the corporation (either by vote or value), and

"(II) in the case of a small business which is not a corporation, the capital and profits interests of the small business.

"(iii) Small business.—For purposes of this subparagraph—

"(I) In general.—The term 'small business' means, with respect to any calendar year, any person if the annual average number of employees employed by such person during either of the 2 preceding calendar years was 500 or fewer. For purposes of the preceding sentence, a preceding calendar year may be taken into account only if the person was in existence throughout the year.

"(II) Startups, controlled groups, and predecessors.—Rules similar to the rules of subparagraphs (B) and (D) of section 220(c)(4) shall apply for purposes of this clause.".

(c) Credit For Patent Filing Fees.—Section 41(a) of the Internal Revenue Code of 1986, as amended by section 55(a), is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end the following:

"(4) 20 percent of the patent filing fees paid or incurred by a small business (as defined in subsection (b)(3)(C)(iii)) to the United States or to any foreign government in carrying on any trade or business.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

TITLE VI—ENERGY INDEPENDENCE

SEC. 61. PURPOSES.

The purposes of this title are—

(1) to prevent the abandonment of marginal oil and gas wells owned and operated by independent oil and gas producers, which are responsible for half of the United States' domestic production, and

(2) to transform earned tax credits and other benefits into working capital for the cash-strapped domestic oil and gas producers and service companies.

SEC. 62. TAX CREDIT FOR MARGINAL DOMESTIC OIL AND NATURAL GAS WELL PRODUCTION.

(a) Credit for Producing Oil and Gas From Marginal Wells.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business credits) is amended by adding at the end the following:

"SEC. 45D. CREDIT FOR PRODUCING OIL AND GAS FROM MARGINAL WELLS.

"(a) General Rule.—For purposes of section 38, the marginal well production credit for any taxable year is an amount equal to the product of—

"(1) the credit amount, and

"(2) the qualified crude oil production and the qualified natural gas production which is attributable to the taxpayer.

"(b) Credit Amount.—For purposes of this section—

"(1) In general.—The credit amount is—

"(A) $3 per barrel of qualified crude oil production, and

"(B) 50 cents per 1,000 cubic feet of qualified natural gas production.

"(2) Reduction as oil and gas prices increase.—

"(A) In general.—The $3 and 50 cents amounts under paragraph (1) shall each be reduced (but not below zero) by an amount which bears the same ratio to such amount (determined without regard to this paragraph) as—

"(i) the excess (if any) of the applicable reference price over $14 ($1.56 for qualified natural gas production), bears to

"(ii) $3 ($0.33 for qualified natural gas production).

The applicable reference price for a taxable year is the reference price for the calendar year preceding the calendar year in which the taxable year begins.

"(B) Inflation adjustment.—In the case of any taxable year beginning in a calendar year after 2000, each of the dollar amounts contained in subparagraph (A) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 43(b)(3)(B) by substituting '1999' for '1990').

"(C) Reference price.—For purposes of this paragraph, the term 'reference price' means, with respect to any calendar year—

"(i) in the case of qualified crude oil production, the reference price determined under section 29(d)(2)(C), and

"(ii) in the case of qualified natural gas production, the Secretary's estimate of the annual average wellhead price per 1,000 cubic feet for all domestic natural gas.

"(c) Qualified Crude Oil and Natural Gas Production.—For purposes of this section—

"(1) In general.—The terms 'qualified crude oil production' and 'qualified natural gas production' mean domestic crude oil or natural gas which is produced from a marginal well.

"(2) Limitation on amount of production which may qualify.—

"(A) In general.—Crude oil or natural gas produced during any taxable year from any well shall not be treated as qualified crude oil production or qualified natural gas production to the extent production from the well during the taxable year exceeds 1,095 barrels or barrel equivalents.

"(B) Proportionate reductions.—

"(i) Short taxable years.—In the case of a short taxable year, the limitations under this paragraph shall be proportionately reduced to reflect the ratio which the number of days in such taxable year bears to 365.

"(ii) Wells not in production entire year.—In the case of a well which is not capable of production during each day of a taxable year, the limitations under this paragraph applicable to the well shall be proportionately reduced to reflect the ratio which the number of days of production bears to the total number of days in the taxable year.

"(3) Definitions.—

"(A) Marginal well.—The term 'marginal well' means a domestic well—

"(i) the production from which during the taxable year is treated as marginal production under section 613A(c)(6), or

"(ii) which, during the taxable year—

"(I) has average daily production of not more than 25 barrel equivalents, and

"(II) produces water at a rate not less than 95 percent of total well effluent.

"(B) Crude oil, etc.—The terms 'crude oil', 'natural gas', 'domestic', and 'barrel' have the meanings given such terms by section 613A(e).

"(C) Barrel equivalent.—The term 'barrel equivalent' means, with respect to natural gas, a conversion ratio of 6,000 cubic feet of natural gas to 1 barrel of crude oil.

"(d) Other Rules.—

"(1) Production attributable to the taxpayer.—In the case of a marginal well in which there is more than one owner of operating interests in the well and the crude oil or natural gas production exceeds the limitation under subsection (c)(2), qualifying crude oil production or qualifying natural gas production attributable to the taxpayer shall be determined on the basis of the ratio which taxpayer's revenue interest in the production bears to the aggregate of the revenue interests of all operating interest owners in the production.

"(2) Operating interest required.—Any credit under this section may be claimed only on production which is attributable to the holder of an operating interest.

"(3) Production from nonconventional sources excluded.—In the case of production from a marginal well which is eligible for the credit allowed under section 29 for the taxable year, no credit shall be allowable under this section unless the taxpayer elects not to claim the credit under section 29 with respect to the well.".

(b) Credit Treated as Business Credit.—Section 38(b) of the Internal Revenue Code of 1986 is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following:

"(13) the marginal oil and gas well production credit determined under section 45D(a).".

(c) Credit Allowed Against Regular and Minimum Tax.—

(1) In general.—Subsection (c) of section 38 of the Internal Revenue Code of 1986 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following:

"(3) Special rules for marginal oil and gas well production credit.—

"(A) In general.—In the case of the marginal oil and gas well production credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and

"(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the marginal oil and gas well production credit).

"(B) Marginal oil and gas well production credit.—For purposes of this subsection, the term 'marginal oil and gas well production credit' means the credit allowable under subsection (a) by reason of section 45D(a).".

(2) Conforming amendment.—Subclause (II) of section 38(c)(2)(A)(ii) of such Code is amended by inserting "or the marginal oil and gas well production credit" after "employment credit".

(d) CARRYBACK.—Subsection (a) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits generally) is amended by adding at the end the following:

"(3) 10-YEAR CARRYBACK FOR MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—In the case of the marginal oil and gas well production credit—

"(A) this section shall be applied separately from the business credit (other than the marginal oil and gas well production credit),

"(B) paragraph (1) shall be applied by substituting '10 taxable years' for '1 taxable years' in subparagraph (A) thereof, and

"(C) paragraph (2) shall be applied—

"(i) by substituting '31 taxable years' for '21 taxable years' in subparagraph (A) thereof, and

"(ii) by substituting '30 taxable years' for '20 taxable years' in subparagraph (B) thereof.".

(e) COORDINATION WITH SECTION 29.—Section 29(a) of the Internal Revenue Code of 1986 is amended by striking "There" and inserting "At the election of the taxpayer, there".

(f) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"45D. Credit for producing oil and gas from marginal wells.".

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to production after December 31, 2000.

SEC. 63. 10-YEAR CARRYBACK FOR UNUSED MINIMUM TAX CREDIT.

(a) IN GENERAL.—Section 53(c) of the Internal Revenue Code of 1986 (relating to limitation) is amended by adding at the end the following:

"(2) SPECIAL RULE FOR TAXPAYERS WITH UNUSED ENERGY MINIMUM TAX CREDITS.—

"(A) IN GENERAL.—If, during the 10-taxable year period ending with the current taxable year, a taxpayer has an unused energy minimum tax credit for any taxable year in such period (determined without regard to the application of this paragraph to the current taxable year)—

"(i) paragraph (1) shall not apply to each of the taxable years in such period for which the taxpayer has an unused energy minimum tax credit (as so determined), and

"(ii) the credit allowable under subsection (a) for each of such taxable years shall be equal to the excess (if any) of—

"(I) the sum of the regular tax liability and the net minimum tax for such taxable year, over

"(II) the sum of the credits allowable under subparts A, B, D, E, and F of this part.

"(B) ENERGY MINIMUM TAX CREDIT.—For purposes of this paragraph, the term 'energy minimum tax credit' means the minimum tax credit which would be computed with respect to any taxable year if the adjusted net minimum tax were computed by only taking into account items attributable to—

"(i) the taxpayer's mineral interests in oil and gas property, and

"(ii) the taxpayer's active conduct of a trade or business of providing tools, products, personnel, and technical solutions on a contractual basis to persons engaged in oil and gas exploration and production.".

(b) CONFORMING AMENDMENTS.—Section 53(c) of the Internal Revenue Code of 1986 (as in effect before the amendment made by subsection (a)) is amended—

(1) by striking "The" and inserting:

"(1) IN GENERAL.—Except as provided in paragraph (2), the ", and

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000, and to any taxable year beginning on or before such date to the extent necessary to apply section 53(c)(2) of the Internal Revenue Code of 1986 (as added by subsection (a)).

SEC. 64. 10-YEAR NET OPERATING LOSS CARRYBACK FOR LOSSES ATTRIBUTABLE TO OIL SERVICING COMPANIES AND MINERAL INTERESTS OF OIL AND GAS PRODUCERS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following:

"(H) LOSSES ON OPERATING MINERAL INTERESTS OF OIL AND GAS PRODUCERS AND OILFIELD SERVICING COMPANIES.—In the case of a taxpayer which has an eligible oil and gas loss (as defined in subsection (j)) for a taxable year, such eligible oil and gas loss shall be a net operating loss carryback to each of the 10 taxable years preceding the taxable year of such loss.".

(b) ELIGIBLE OIL AND GAS LOSS.—Section 172 of the Internal Revenue Code of 1986 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following:

"(j) ELIGIBLE OIL AND GAS LOSS.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible oil and gas loss' means the lesser of—

"(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to—

"(i) mineral interests in oil and gas wells, and

"(ii) the active conduct of a trade or business of providing tools, products, personnel, and technical solutions on a contractual basis to persons engaged in oil and gas exploration and production,

are taken into account, and

"(B) the amount of the net operating loss for such taxable year.

"(2) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), an eligible oil and gas loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

"(3) ELECTION.—Any taxpayer entitled to a 10-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to net operating losses for taxable years beginning after December 31, 1999, and to any taxable year beginning on or before such date to the extent necessary to apply section 172(b)(1)(H) of the Internal Revenue Code of 1986 (as added by subsection (a)).

SEC. 65. WAIVER OF LIMITATIONS.

If refund or credit of any overpayment of tax resulting from the application of the amendments made by sections 63 and 64 is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SEC. 66. ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES AND DELAY RENTAL PAYMENTS.

(a) PURPOSE.—The purpose of this section is to recognize that geological and geophysical expenditures and delay rentals are ordinary and necessary business expenses that should be deducted in the year the expense is incurred.

(b) ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.—

(1) IN GENERAL.—Section 263 of the Internal Revenue Code of 1986 (relating to capital expenditures) is amended by adding at the end the following:

"(j) GEOLOGICAL AND GEOPHYSICAL EXPENDITURES FOR DOMESTIC OIL AND GAS WELLS.—Notwithstanding subsection (a), a taxpayer may elect to treat geological and geophysical expenses incurred in connection with the exploration for, or development of, oil or gas within the United States (as defined in section 638) as expenses which are not chargeable to capital account. Any expenses so treated shall be allowed as a deduction in the taxable year in which paid or incurred.".

(2) CONFORMING AMENDMENT.—Section 263A(c)(3) of such Code is amended by inserting "263(j)," after "263(i),".

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall apply to expenses paid or incurred after December 31, 2000.

(B) TRANSITION RULE.—In the case of any expenses described in section 263(j) of the Internal Revenue Code of 1986, as added by this subsection, which were paid or incurred on or before December 31, 2000, the taxpayer may elect, at such time and in such manner as the Secretary of the Treasury may prescribe, to amortize the unamortized portion of such expenses over the 36-month period beginning with the month of January, 2001. For purposes of this subparagraph, the unamortized portion of any expense is the amount remaining unamortized as of the first day of the 36-month period.

(c) ELECTION TO EXPENSE DELAY RENTAL PAYMENTS.—

(1) IN GENERAL.—Section 263 of the Internal Revenue Code of 1986 (relating to capital expenditures), as amended by subsection (b)(1), is amended by adding at the end the following:

"(k) DELAY RENTAL PAYMENTS FOR DOMESTIC OIL AND GAS WELLS.—

"(1) IN GENERAL.—Notwithstanding subsection (a), a taxpayer may elect to treat delay rental payments incurred in connection with the development of oil or gas within the United States (as defined in section 638) as payments which are not chargeable to capital account. Any payments so treated shall be allowed as a deduction in the taxable year in which paid or incurred.

"(2) DELAY RENTAL PAYMENTS.—For purposes of paragraph (1), the term 'delay rental payment' means an amount paid for the privilege of deferring development of an oil or gas well.".

(2) CONFORMING AMENDMENT.—Section 263A(c)(3) of the Internal Revenue Code of 1986, as amended by subsection (b)(2), is amended by inserting "263(k)," after "263(j),".

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall apply to payments made or incurred after December 31, 2000.

(B) TRANSITION RULE.—In the case of any payments described in section 263(k) of the Internal Revenue Code of 1986, as added by this subsection, which were made or incurred on or before December 31, 2000, the taxpayer may elect, at such time and in such manner as the Secretary of the Treasury may prescribe, to amortize the unamortized portion of such payments over the 36-month period beginning with the month of January, 2001. For purposes of this subparagraph, the unamortized portion of any payment is the amount remaining unamortized as of the first day of the 36-month period.

TITLE VII—REVENUE PROVISION

SEC. 71. 4-YEAR AVERAGING FOR CONVERSION OF TRADITIONAL IRA TO ROTH IRA.

(a) IN GENERAL.—Section 408A(d)(3)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "January 1, 1999," and inserting "January 1, 2004,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions made after December 31, 2000.

ADDITIONAL COSPONSORS

S. 253

At the request of Mr. MURKOWSKI, the name of the Senator from Idaho (Mr. CRAIG) was withdrawn as a cosponsor of S. 253, a bill to provide for the reorganization of the Ninth Circuit Court of Appeals, and for other purposes.

S. 309

At the request of Mr. MCCAIN, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 309, a bill to amend the Internal Revenue Code of 1986 to provide that a member of the uniformed services shall be treated as using a principal residence while away from home on qualified official extended duty in determining the exclusion of gain from the sale of such residence.

S. 409

At the request of Mr. KENNEDY, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 409, a bill to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 514

At the request of Mr. COCHRAN, the names of the Senator from Maryland (Mr. SARBANES) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 514, a bill to improve the National Writing Project.

S. 632

At the request of Mr. DEWINE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 632, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 800

At the request of Mr. BURNS, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 800, a bill to promote and enhance public safety through the use of 9–1–1 as the universal emergency assistance number, further deployment of wireless 9–1–1 service, support of States in upgrading 9–1–1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous, and reliable networks for personal wireless services, and for other purposes.

S. 820

At the request of Mr. BREAUX, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 820, a bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

S. 872

At the request of Mr. VOINOVICH, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 872, a bill to impose certain limits on the receipt of out-of-State municipal solid waste, to authorize State and local controls over the flow of municipal solid waste, and for other purposes.

S. 882

At the request of Mr. MURKOWSKI, the names of the Senator from Mississippi (Mr. COCHRAN), and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of S. 882, a bill to strengthen provisions in the Energy Policy Act of 1992 and the Federal Nonnuclear Energy Research and Development Act of 1974 with respect to potential Climate Change.

S. 984

At the request of Ms. COLLINS, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 984, a bill to amend the Internal Revenue Code of 1986 to modify the tax credit for electricity produced from certain renewable resources.

S. 1029

At the request of Mr. COCHRAN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1029, a bill to amend title III of the Elementary and Secondary Education Act of 1965 to provide for digital education partnerships.

S. 1038

At the request of Mr. GRASSLEY, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1038, a bill to amend the Internal Revenue Code of 1986 to exempt small issue bonds for agriculture from the State volume cap.

S. 1053

At the request of Mr. BOND, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 1053, a bill to amend the Clean Air Act to incorporate certain provisions of the transportation conformity regulations, as in effect on March 1, 1999.

S. 1070

At the request of Mr. BOND, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1139

At the request of Mr. REID, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1139, a bill to amend title 49, United States Code, relating to civil penalties for unruly passengers of air carriers and to provide for the protection of employees providing air safety information, and for other purposes.

S. 1193

At the request of Mr. LAUTENBERG, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1193, a bill to improve the safety of animals transported on aircraft, and for other purposes.

S. 1196

At the request of Mr. COVERDELL, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1196, a bill to improve the quality, timeliness, and credibility of forensic science services for criminal justice purposes.

S. 1266

At the request of Mr. GORTON, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1266, a bill to allow a State to combine certain funds to improve the academic achievement of all its students.

S. 1318

At the request of Mr. JEFFORDS, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1318, a bill to authorize the Secretary of Housing and Urban Development to award grants to States to supplement State and local assistance for the preservation and promotion of affordable housing opportunities for low-income families.

S. 1345

At the request of Mr. LAUTENBERG, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1345, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

SENATE CONCURRENT RESOLUTION 9

At the request of Ms. SNOWE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

SENATE RESOLUTION 128

At the request of Mr. COCHRAN, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of Senate Resolution 128, a resolution designating March 2000, as "Arts Education Month."

SENATE RESOLUTION 141—TO CONGRATULATE THE UNITED STATES WOMEN'S SOCCER TEAM ON WINNING THE 1999 WOMEN'S WORLD CUP CHAMPIONSHIP

Ms. SNOWE (for herself, Mr. REID, Mrs. MURRAY, Ms. MIKULSKI, Ms. COLLINS, Ms. LANDRIEU, Mrs. FEINSTEIN, Mrs. BOXER, Mrs. HUTCHISON, Mrs. LINCOLN, and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 141

Whereas the Americans blanked Germany in the second half of the quarter finals, before winning 3 to 2, shut out Brazil in the semifinals, 2 to 0, and then stymied China for 120 minutes Saturday, July 10, 1999;

Whereas the Americans, after playing the final match through heat, exhaustion, and tension throughout regulation play and two sudden-death 15-minute overtime periods, out-shot China 5–4 on penalty kicks;

Whereas the Team has brought excitement and pride to the United States with its outstanding play and selfless teamwork throughout the entire World Cup tournament;

Whereas the Americans inspired young women throughout the country to participate in soccer and other competitive sports that can enhance self-esteem and physical fitness;

Whereas the Team has helped to highlight the importance and positive results of title IX of the Education Amendments of 1972 (20 U.S.C. 1681), a law enacted to eliminate sex discrimination in education in the United States and to expand sports participation by girls and women;

Whereas the Team became the first team representing a country hosting the Women's World Cup tournament to win the tournament;

Whereas the popularity of the Team is evidenced by the facts that more fans watched the United States defeat Denmark in the World Cup opener held at Giants Stadium in New Jersey on June 19, 1999, than have ever watched a Giants or Jets National Football League game at that stadium, and over 90,000 people attended the final match in Pasadena, California, the largest attendance ever for a sporting event in which the only competitors were women;

Whereas the United States becomes the first women's team to simultaneously reign as both Olympic and World Cup champions;

Whereas five Americans, forward Mia Hamm, midfielder Michelle Akers, goalkeeper Briana Scurry, and defenders Brandi Chastain and Carla Overbeck, were chosen for the elite 1999 Women's World Cup All-Star team;

Whereas all the members of the 1999 U.S. women's World Cup team—defenders Brandi Chastain, Christie Pearce, Lorrie Fair, Joy Fawcett, Carla Overbeck, and Kate Sobrero; forwards Danielle Fotopoulos, Mia Hamm, Shannon MacMillian, Cindy Parlow, Kristine Lilly, and Tiffeny Milbrett; goalkeepers Tracy Ducar, Briana Scurry, and Saskia Webber; and midfielders Michelle Akers, Julie Foudy, Tiffany Roberts, Tisha Venturini, and Sara Whalen and coach Tony DiCicco—both on the playing field and on the practice field, demonstrated their devotion to the team and played an important part in the team's success; and

Whereas the Americans will now set their sights on defending their Olympic title in Sydney 2000: Now, therefore, be it

Resolved, That the Senate congratulates the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship.

Mrs. MURRAY. Mr. President, I am very pleased to join Senators SNOWE and REID as a cosponsor of the resolution congratulating the U.S. Women's Soccer Team on their wonderful performance in the 1999 World Cup tournament. Through hard work and dedication, they have achieved the ultimate goal and placed first in the world. This is truly a feat that will inspire women throughout our country to strive to their highest aspirations.

The U.S. Women's Soccer Team will surely have an impact on America's already rising numbers of young women and girls playing sports. They have created a wave of excitement and pride throughout the country, in men and women, boys and girls. All of the women who participated in the World Cup tournament are inspirations throughout the world, to women in their own countries and to women worldwide. Many young women share the dreams the women on the U.S. Women's Soccer Team had. The fact that they were able to accomplish their dreams is an inspiration to all of us. Their win shows that if girls truly believe in themselves and their abilities, their dreams too can come true.

This U.S. Women's Soccer Team also embodies the success of Title IX, a law enacted in 1972 to eliminate sexual discrimination in American education and expand sports participation by girls and women. Without Title IX, it is possible that such a success would never have occurred. It is possible that these women would never have had the chance to play soccer. It is possible that their talent would never have been realized. Title IX gave them a chance. The success of Title IX was made especially vivid in our team's victory.

Young women need positive role models as they are growing up. The U.S. Women's Soccer Team embodies such positive role models. They are women who do not work just for themselves but rather for each other and for their team. Their success shows that women can achieve anything they sincerely put their hearts and minds into. The U.S. Women's Soccer Team has proven to young women that they can prevail not only in athletics, but in anything and everything through hard work and dedication. Such role models are invaluable.

So, yes, the 1999 U.S. Women's Soccer Team joins the ranks of the landmark role models. They will go down in history as the first U.S. women's soccer team to win the World Cup. They will be remembered in the same light as other women who have had a tremendous impact on our society. Their success will not be forgotten, but will live on in its inspiration of many young women and girls throughout our country and world.

I am honored to recognize the U.S. Women's Soccer Team for its glorious victory. These talented, strong, and committed women have done a wonderful job and set a very positive example for all people, but especially for girls and women of all ages.

SENATE RESOLUTION 142—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON SMALL BUSINESS

Mr. BOND, from the Committee on Small Business, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 142

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $1,330,794, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period of October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $567,472, of which amount (1) not to exceed $10,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $5,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services or (7) for payment of franked mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000 through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 143—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

Mr. WARNER, from the Committee on Armed Services, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 143

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $3,796,030, of which amount (1) not to exceed $75,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,568,418, of which amount (1) not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $5,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 144—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. HATCH, from the Committee on the Judiciary, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 144

Resolved, That, in carrying out its powers, duties and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $4,845,263.00 of which amount (1) not to exceed $60,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946.)

(b) For the period of October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $2,068,258.00 of which amount (1) not to exceed $60,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000.00 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946.)

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of Stationery, U.S. Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 145—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 145

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $3,823,318, of which amount (1) not to exceed $14,572 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $15,600 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,631,426, of which amount (1) not to exceed $14,572 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $15,600 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations".

SENATE RESOLUTION 146—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. CHAFEE, from the Committee on Environment and Public Works, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 146

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or nonreimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $2,688,097, of which amount (1) not to exceed $8,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,146,192, of which amount (1) not to exceed $3,333 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $833 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the appropriations account for "Expenses of Inquiries and Investigations".

SENATE RESOLUTION 147—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIR

Mr. GRAMM from the Committee on Banking, Housing, and Urban Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 147

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorize from October 1. 1999 through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period of October 1, 1999, through September 30, 2000, under this resolution shall not exceed $3,160,739 of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $850 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period of October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,348,349 of which amount (1) not to exceed $8,333 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $354 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United Stats Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 148—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. HELMS, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 148

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations, is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $3,158,449, of which amount (1) not to exceed $45,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,347,981, of which amount (1) not to exceed $45,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 149—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE BUDGET

Mr. DOMENICI, from the Committee on the Judiciary, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 149

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or nonreimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $3,449,315, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,472,442, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the appropriations account for "Expenses of Inquiries and Investigations".

SENATE RESOLUTION 150—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON FINANCE

Mr. ROTH, from the Committee on Finance, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 150

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable, basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $3,762,517, of which amount not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $1,604,978, of which amount not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than September 30, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 151—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

Mr. SPECTER, from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 151

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $1,246,174, of which amount (1) not to exceed $50,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(I) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $5,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $531,794, of which amount (1) not to exceed $21,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(I) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,100 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendation for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be requried for (1) the disbursement of salaries of employees paid at an annual rate, or (2) the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment stationery supplies purchased through the Keeper of Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 152—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. MCCONNELL, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 152

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $1,647,719, of which amount (1) not to exceed $50,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $703,526, of which amount (1) not to exceed $21,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 4. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through

September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 153—URGING THE PARLIAMENT OF KUWAIT WHEN IT SITS ON JULY 17 TO GRANT WOMEN THE RIGHT TO HOLD OFFICE AND THE RIGHT TO VOTE

Mr. WELLSTONE submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 153

Whereas, His Highness, Sheikh Jaber al-Sabah, the Amir of Kuwait, issued a decree in May granting Kuwaiti women the right to vote and to hold office in 2003;

Whereas, Amiri decrees in Kuwait must be approved by the fifty member Kuwaiti national Parliament;

Whereas, the Kuwaiti people elected a new Parliament on July 3;

Whereas, the new Parliament will convene on July 17 and consider legislation to grant women the right to hold office and the right to vote;

Whereas, the United States of America embraces democratic principles and the importance of women's rights;

Whereas, the United States is strongly committed to advancing the political rights of women, and democratic principles throughout the Middle East; Now therefore, be it

Resolved by the Senate, that the Congress—

(1) comments His Highness, Sheikh Jaber al-Sabah, for issuing his decree granting suffrage and the right to hold office to Kuwaiti women,

(2) commends the women of Kuwait for their great strides and continuing struggle toward political equality; and

(3) calls on the Kuwaiti Parliament to affirm women's suffrage and the right to hold office of women in Kuwait.

• Mr. WELLSTONE. Mr. President, I rise to submit a resolution that urges the Parliament of Kuwait, sometime during its upcoming session, to grant women the right to hold office and the right to vote. Real progress has been made in support of the democratic ideal of fuller participation for women in the political process there. The women of Kuwait enjoy many social and economic benefits, but have historically lacked one fundamental right: the right of political participation in their own country's emerging democracy.

I am proud to commend the Amir of Kuwait, His Highness, Sheikh Jaber al-Sabah, for his historic decision to issue a decree on May 16 to grant Kuwait women the right to vote and to hold office starting in 2003. Today in Kuwait, women lack the right to vote and to hold public office. All of this could change in the coming weeks when a newly-elected Parliament will vote to confirm or reject the Amir's decision.

Mr. President, the decision of the Amir, though it will be granted great weight by the Parliament, is not final. Such royal decrees must be confirmed by a parliamentary vote. Recently, the Amir dismissed Parliament in Kuwait for inactivity and on July 3 Kuwait voted for new leaders. Now the men Parliament will vote on whether to confirm the right to vote and to hold office for Kuwaiti women in the coming weeks.

I am also proud to say that a woman named Fatima al-Abdali, a courageous and passionate champion for women's rights in Kuwait, recently became one of the first women to announce that she is running for office in 2003. She is now one of at least seven women there who have announced that they will run for office for the first time. She has spent the last decade of her life fighting for the right to hold office and to vote. Her efforts have finally paid off with the Amir's recognition, as he has remarked, of "the role played by Kuwaiti women in building and developing Kuwait society."

This is a truly historic moment in the Middle East.

It is only fitting, Mr. President, that Americans should be moved by the struggle of Kuwaiti women. The United States has been defined by great struggles for basic political rights: for the freedoms embodied in the Declaration of Independence and the Emancipation Proclamation; the freedom central to the major civil rights legislation of this century, and to the struggle of women in our own country to achieve the right to vote and the right to hold public office. Sojourner Truth and Susan B. Anthony were great heroines of this nation. They fought the fight in this country that is currently being waged in Kuwait. In memory of these crusaders for justice, I stand in strong support of Kuwaiti women. I know I speak for my home state of Minnesota and the entire country when I support the struggle being waged by the women of Kuwait.

Some people in the region are arguing that under Islamic tradition women should not have such political rights. Contrary to this opinion, many experts believe that Islam does not prohibit the right for women to vote and to hold public office. In fact, Islamic history is filled with prominent female figures.

Women in Kuwait are making great strides in business, government, education, and the media. A woman is the Rector of Kuwait University. The Under Secretary for Higher Education is a woman. A woman is the head of the Kuwait news agency.

Now we are seeing women move forward and make significant political strides as well. Armed with this Amiri decree, the women in Kuwait are becoming prepared to seize the opportunity they have fought for. They are announcing campaigns for office in 2003. I ask that the members of the new Parliament not turn their backs on history and vote against the Amiri decree allowing voting rights and the right to hold office.

I join the with leaders from across the world, including Egypt, Iran, Pakistan, and Indonesia in my admiration and respect for the importance of this development. I hope Kuwait's new Parliament will have the courage to take the historic step of affirming this decree.•

SENATE RESOLUTION 154—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. THOMPSON, from the Committee on Governmental Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 154

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate; (2) to employ personnel; and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration to use, on a reimbursable or nonreimbursable basis, the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $5,026,582, of which amount (1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended; and (2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $2,144,819, of which amount (1) not to exceed $75,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

INVESTIGATIONS

SEC. 6. (1) IN GENERAL.—The committee, or any duly authorized subcommittee of the committee, is authorized to study or investigate

(a) the efficiency and economy of operations of all branches of the Government, including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(b) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(c) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(d) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(e) the efficiency and economy of operations of all branches and functions of the Government with particular reference to

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge and talents;

(iii) the adequacy of present intergovernmental relations between the United States and international organizations principally concerned with national security of which the United States is a memeber; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(f) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(g) the efficiency and economy of all branches and functions of Government with particular references to the operations and management of Federal regulatory policies and programs.

(2) EXTENT OF INQUIRIES.—In carrying out the duties provided in paragraph (1), the inquiries of this committee or any subcommittee of the committee shall not be construed to be limited to the records, functions, and operations of any particular branch of the Government and may extend to the records and activities of any persons, corporation, or other entity.

(3) SPECIAL COMMITTEE AUTHORITY.—For the purposes of this subsection, the committee, or any duly authorized subcommittee of the committee, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, is authorized, in its, his, or their discretion,

(a) to require by subpoena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents;

(b) to hold hearings;

(c) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate;

(d) to administer oaths; and

(e) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Committee and the Permanent Subcommittee on Investigations, by deposition in accordance with the Committee Rules of Procedure.

(4) AUTHORITY OF OTHER COMMITTEES.—Nothing in this subsection shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946.

(5) SUBPOENA AUTHORITY.—All subpoenas and related legal processes of the committee and its subcommittees authorized under S. Res. 49, agreed to February 24, 1999 (106th Congress) are authorized to continue.

SENATE RESOLUTION 155—AUTHORIZING EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING

Mr. GRASSLEY, from the Special Committee on Aging, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 155

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Special Committee on Aging is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion—

(1) to make expenditures from the contingent fund of the Senate,

(2) to employ personnel, and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or nonreimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $1,459,827, of which amount not to exceed $50,000 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(b) For the period October 1, 2000, through February 28, 2001, expenses of the committee under this resolution shall not exceed $622,709, of which amount not to exceed $50,000 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required—

(1) for the disbursement of salaries of employees paid at an annual rate,

(2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate,

(3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate,

(4) for payments to the Postmaster, United States Senate,

(5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate,

(6) for the payment of Senate Recording and Photographic Services, or

(7) for the payment of franked and mass mail costs by the Office of the Sergeant at Arms and Doorkeeper, United States Senate.

Sec. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations.".

AMENDMENTS SUBMITTED

PATIENTS' BILL OF RIGHTS ACT OF 1999

GREGG AMENDMENT NO. 1250

Mr. GREGG proposed an amendment to amendment No. 1243 proposed by Ms. Collins to the bill (S. 1344) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed oare plans and other health coverage; as follows:

At the end of the amendment add the following:

SEC. . PROTECTING PATIENTS AND ACCELERATING THEIR TREATMENT AND CARE.

(a) Findings.—The Senate makes the following findings with respect to the expansion of medical malpractice liability lawsuits in Senate bill 6 (106th Congress):

(1) The expansion of liability in S. 6 (106th Congress) would not benefit patients and will not improve health care quality.

(2) Expanding the scope of medical malpractice liability to health plans and employers will force higher costs on American families and their employers as a result of increased litigation, attorneys' fees, administrative costs, the costs of defensive coverage determinations, liability insurance premium increases, and unlimited jury verdicts.

(3) Legal liability for health plans and employers is the largest expansion of medical malpractice in history and the most expensive provision of S. 6 (106th Congress), and would increase costs "on average, about 1.4 percent of the premiums of all employer-sponsored plans," according to the Congressional Budget Office.

(4) The expansion of medical malpractice lawsuits would force employers to drop health coverage altogether, rather than take the risk of jeopardizing the solvency of their companies over lawsuits involving health claims.

(5) Seven out of 10 employers in the United States have less than 10 employees, and only 26 percent of employees in these small businesses have health insurance. Such businesses already struggle to provide this coverage, and would be devastated by one lawsuit, and thus, would be discouraged from offering health insurance altogether.

(6) According to a Chamber of Commerce survey in July of 1998, 57 percent of small employers would be likely to drop coverage if exposed to increased lawsuits. Other studies have indicated that for every 1 percent real increase in premiums, small business sponsorship of health insurance drops by 2.6 percent.

(7) There are currently 43,000,000 Americans who are uninsured, and the expansion of medical malpractice lawsuits for health plans and employers would result in millions of additional Americans losing their health insurance coverage and being unable to provide health insurance for their families.

(8) Exposing health plans and employers to greater liability would increase defensive medicine and the delivery of unnecessary services that do not benefit patients, and result in decisions being based not on best practice protocols but on the latest jury verdicts and court decisions.

(9) In order to minimize their liability risk and the liability risk for the actions of providers, health plans and employers would constrict their provider networks, and micro manage hospitals and doctors. This result is the opposite of the very goal sought by S. 6 (106th Congress).

(10) The expansion of medical malpractice liability also would reduce consumer choice because it would drive from the marketplace many of the innovative and hybrid care delivery systems that are popular today with American families.

(11) The provisions of S. 6 (106th Congress) that greatly increase medical malpractice lawsuits against private health programs and employers are an ineffective means of compensating for injury or loss given that patients ultimately receive less than one-half of the total award and the rest goes to trial lawyers and court costs.

(12) Medical malpractice claims will not help patients get timely access to the care that they need because such claims take years to resolve and the payout is usually made over multiple years. Trial lawyers usually receive their fees up front and which can be between one-third and one-half of any total award.

(13) Expanding liability lawsuits is inconsistent with the recommendations of President Clinton's Advisory Commission on Consumer Protection and Quality in the Health Care Industry, which specifically rejected expanded lawsuits for health plans and employers because they believed it would have serious consequences on the entire health industry.

(14) At the State level, legislatures in 24 States have rejected the expansion of medical malpractice lawsuits against health plans and employers, and instead 26 States have adopted external grievance and appeals laws to protect patients.

(15) At a time when the tort system of the United States has been criticized as inefficient, expensive and of little benefit to the injured, S. 6 (106th Congress) would be bad medicine for American families, workers and employers, driving up premiums and rewarding more lawyers than patients.

(b) Sense of the Senate.—It is the Sense of the Senate that—

(1) Americans families want and deserve quality health care;

(2) patients need health care before they are harmed rather than compensation provided long after an injury has occurred;

(3) the expansion of medical malpractice liability lawsuits would divert precious resources away from patient care and into the pockets of trial lawyers;

(4) health care reform should not result in higher costs for health insurance and fewer insured Americans; and

(5) providing a fast, fair, efficient, and independent grievances and appeals process will improve quality of care, patient access to care, and is the key to an efficient and innovative health care system in the 21st Century.

(c) Nullification of Provision.—Notwithstanding any other provision of this Act, Section 302 of this Act shall be null, void, and have no effect.

WYDEN (AND OTHERS) AMENDMENT NO. 1251

Mr. WYDEN (for himself, Mr. Reed, Mr. Harkin, Mr. Wellstone, and Mr. Bingaman) proposed an amendment to amendment No. 1232 proposed by Mr. Daschle to the bill, S. 1344, supra; as follows:

At the appropriate place, insert the following:

SEC. . PROTECTING THE RELATIONSHIP BETWEEN HEALTH CARE PROFESSIONALS AND THEIR PATIENTS.

(a) ERISA.—Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 101(a)(2) of this Act, is amended by adding at the end the following:

"SEC. 730A. PROHIBITION OF INTERFERENCE WITH CERTAIN MEDICAL COMMUNICATIONS.

"(a) Prohibition.—

"(1) General rule.—The provisions of any contract or agreement, or the operation of any contract or agreement, between a group health plan, or a health insurance issuer in connection with group health insurance coverage, (including any partnership, association, or other organization that enters into or administers such a contract or agreement) and a health care provider (or group of health care providers) shall not prohibit or restrict the provider from engaging in medical communications with the provider's patient.

"(2) Nullification.—Any contract provision or agreement that restricts or prohibits medical communications in violation of paragraph (1) shall be null and void.

"(b) Rules of Construction.—Nothing in this section shall be construed—

"(1) to prohibit the enforcement, as part of a contract or agreement to which a health care provider is a party, of any mutually agreed upon terms and conditions, including terms and conditions requiring a health care provider to participate in, and cooperate with, all programs, policies, and procedures developed or operated by a group health plan, or a health insurance issuer in connection with group health insurance coverage, to assure, review, or improve the quality and effective utilization of health care services (if such utilization is according to guidelines or protocols that are based on clinical or scientific evidence and the professional judgment of the provider) but only if the guidelines or protocols under such utilization do not prohibit or restrict medical communications between providers and their patients; or

“(2) to permit a health care provider to misrepresent the scope of benefits covered under the group health plan or health insurance coverage or to otherwise require a group health plan or health insurance issuer to reimburse providers for benefits not covered under the plan or coverage.

“(c) Medical Communication Defined.—In this section:

“(1) In general.—The term ‘medical communication’ means any communication made by a health care provider with a patient of the health care provider (or the guardian or legal representative of such patient) with respect to—

“(A) the patient's health status, medical care, or treatment options;

“(B) any utilization review requirements that may affect treatment options for the patient; or

“(C) any financial incentives that may affect the treatment of the patient.

“(2) Misrepresentation.—The term ‘medical communication’ does not include a communication by a health care provider with a patient of the health care provider (or the guardian or legal representative of such patient) if the communication involves a knowing or willful misrepresentation by such provider.

“SEC. 730B. PROHIBITION AGAINST TRANSFER OF INDEMNIFICATION OR IMPROPER INCENTIVE ARRANGEMENTS.

“(a) Prohibition of Transfer of Indemnification.—

“(1) In general.—No contract or agreement between a group health plan or health insurance issuer (or any agent acting on behalf of such a plan or issuer) and a health care provider shall contain any provision purporting to transfer to the health care provider by indemnification or otherwise any liability relating to activities, actions, or omissions of the plan, issuer, or agent (as opposed to the provider).

“(2) Nullification.—Any contract or agreement provision described in paragraph (1) shall be null and void.

“(b) Prohibition of Improper Physician Incentive Plans.—

“(1) In general.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, may not operate any physician incentive plan (as defined in subparagraph (B) of section 1876(i)(8) of the Social Security Act) unless the requirements described in subparagraph (A) of such section are met with respect to such a plan.

“(2) Application.—For purposes of carrying out paragraph (1), any reference in section 1876(i)(8) of the Social Security Act to the Secretary, an eligible organization, or an individual enrolled with the organization shall be treated as a reference to the applicable authority or a group health plan, or a health insurance issuer in connection with group health insurance coverage, respectively, and a participant or beneficiary with the plan or enrollee with the issuer respectively.

“(c) Prohibition of Contingent Compensation Arrangements in Utilization Review Programs.—A utilization review program maintained by a group health plan, or a health insurance issuer in connection with group health insurance coverage, shall not, with respect to utilization review activities, permit or provide compensation or anything of value to its employees, agents, or contractors in a manner that—

“(1) provides incentives, direct or indirect, for such persons to make inappropriate review decisions, or

“(2) is based, directly or indirectly, on the quantity or type of adverse determinations rendered.

“(d) Prohibition of Conflicts.—A program described in subsection (c) shall not permit a health care professional who provides health care services to an individual to perform utilization review activities in connection with the health care services being provided to the individual.

“SEC. 730C. ADDITIONAL RULES REGARDING PARTICIPATION OF HEALTH CARE PROFESSIONALS.

“(a) Procedures.—Insofar as a group health plan, or a health insurance issuer in connection with group health insurance coverage, provides benefits through participating health care professionals, the plan or issuer shall establish reasonable procedures relating to the participation (under an agreement between a professional and the plan or issuer) of such professionals under the plan or coverage. Such procedures shall include—

“(1) providing notice of the rules regarding participation;

“(2) providing written notice of participation decisions that are adverse to professionals; and

“(3) providing a process within the plan or issuer for appealing such adverse decisions, including the presentation of information and views of the professional regarding such decision.

“(b) Consultation in Medical Policies.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, shall consult with participating physicians (if any) regarding the plan's or issuer's medical policy, quality, and medical management procedures.

“SEC. 730D. PROTECTION FOR PATIENT ADVOCACY.

“(a) Protection for Use of Utilization Review and Grievance Process.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, may not retaliate against a participant, beneficiary, enrollee, or health care provider based on the participant's, beneficiary's, enrollee's, or provider's use of, or participation in, a utilization review process or a grievance process of the plan or issuer (including an internal or external review or appeal process) under this part.

“(b) Protection for Quality Advocacy by Health Care Professionals.—

“(1) In general.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, may not retaliate or discriminate against a protected health care professional because the professional in good faith—

“(A) discloses information relating to the care, services, or conditions affecting one or more participants or beneficiaries of the plan or enrollees under health insurance coverage to an appropriate public regulatory agency, an appropriate private accreditation body, or appropriate management personnel of the plan or issuer; or

“(B) initiates, cooperates, or otherwise participates in an investigation or proceeding by such an agency with respect to such care, services, or conditions.

If an institutional health care provider is a participating provider with such a plan or issuer or otherwise receives payments for benefits provided by such a plan or issuer, the provisions of the previous sentence shall apply to the provider in relation to care, services, or conditions affecting one or more patients within an institutional health care provider in the same manner as they apply to the plan or issuer in relation to care, services, or conditions provided to one or more participants, beneficiaries or enrollees; and for purposes of applying this sentence, any reference to a plan or issuer is deemed a reference to the institutional health care provider.

“(2) Good faith action.—For purposes of paragraph (1), a protected health care professional is considered to be acting in good faith with respect to disclosure of information or participation if, with respect to the information disclosed as part of the action—

“(A) the disclosure is made on the basis of personal knowledge and is consistent with that degree of learning and skill ordinarily possessed by health care professionals with the same licensure or certification and the same experience;

“(B) the professional reasonably believes the information to be true;

“(C) the information evidences either a violation of a law, rule, or regulation, of an applicable accreditation standard, or of a generally recognized professional or clinical standard or that a patient is in imminent hazard of loss of life or serious injury; and

“(D) subject to subparagraphs (B) and (C) of paragraph (3), the professional has followed reasonable internal procedures of the plan or issuer or institutional health care provider established for the purpose of addressing quality concerns before making the disclosure.

“(3) Exception and special rule.—

“(A) General exception.—Paragraph (1) does not protect disclosures that would violate Federal or State law or diminish or impair the rights of any person to the continued protection of confidentiality of communications provided by such law.

“(B) Notice of internal procedures.—Subparagraph (D) of paragraph (2) shall not apply unless the internal procedures involved are reasonably expected to be known to the health care professional involved. For purposes of this subparagraph, a health care professional is reasonably expected to know of internal procedures if those procedures have been made available to the professional through distribution or posting.

“(C) Internal procedure exception.—Subparagraph (D) of paragraph (2) also shall not apply if—

“(i) the disclosure relates to an imminent hazard of loss of life or serious injury to a patient;

“(ii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

“(iii) the disclosure is in response to an inquiry made in an investigation or proceeding of an appropriate public regulatory agency and the information disclosed is limited to the scope of the investigation or proceeding.

“(4) Additional considerations.—It shall not be a violation of paragraph (1) to take an adverse action against a protected health care professional if the plan or issuer or provider taking the adverse action involved demonstrates that it would have taken the same adverse action even in the absence of the activities protected under such paragraph.

“(5) Notice.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, and institutional health care provider shall post a notice, to be provided or approved by the Secretary of Labor, setting forth excerpts from, or summaries of, the pertinent provisions of this subsection and information pertaining to enforcement of such provisions.

“(6) CONSTRUCTIONS.—

“(A) DETERMINATIONS OF COVERAGE.—Nothing in this subsection shall be construed to prohibit a plan or issuer from making a determination not to pay for a particular medical treatment or service or the services of a type of health care professional.

“(B) ENFORCEMENT OF PEER REVIEW PROTOCOLS AND INTERNAL PROCEDURES.—Nothing in this subsection shall be construed to prohibit a plan or issuer or provider from establishing and enforcing reasonable peer review or utilization review protocols or determining whether a protected health care professional has complied with those protocols or from establishing and enforcing internal procedures for the purpose of addressing quality concerns.

“(C) RELATION TO OTHER RIGHTS.—Nothing in this subsection shall be construed to abridge rights of participants, beneficiaries, enrollees and protected health care professionals under other applicable Federal or State laws.

“(7) PROTECTED HEALTH CARE PROFESSIONAL DEFINED.—For purposes of this subsection, the term ‘protected health care professional’ means an individual who is a licensed or certified health care professional and who—

“(A) with respect to a group health plan or health insurance issuer, is an employee of the plan or issuer or has a contract with the plan or issuer for provision of services for which benefits are available under the plan or coverage; or

“(B) with respect to an institutional health care provider, is an employee of the provider or has a contract or other arrangement with the provider respecting the provision of health care services.

“SEC. 730E. PROCESS FOR SELECTION OF PROVIDERS.

“(a) IN GENERAL.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, shall, if it provides benefits through participating health care professionals, have a written process for the selection of participating health care professionals, including minimum professional requirements.

“(b) VERIFICATION OF BACKGROUND.—Such process shall include verification of a health care provider's license and a history of suspension or revocation.

“(c) RESTRICTION.—Such process shall not use a high-risk patient base or location of a provider in an area with residents with poorer health status as a basis for excluding providers from participation.

“(d) NONDISCRIMINATION BASED ON LICENSURE.—

“(1) IN GENERAL.—Such process shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification.

“(2) CONSTRUCTION.—Paragraph (1) shall not be construed—

“(A) as requiring the coverage under a plan or coverage of particular benefits or services or to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan's or issuer's participants, beneficiaries, or enrollees or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan issuer; or

“(B) to override any State licensure or scope-of-practice law.

“(e) GENERAL NONDISCRIMINATION.—

“(1) IN GENERAL.—Subject to paragraph (2), such process shall not discriminate with respect to selection of a health care professional to be a participating health care provider, or with respect to the terms and conditions of such participation, based on the professional's race, color, religion, sex, national origin, age, sexual orientation, or disability (consistent with the Americans with Disabilities Act of 1990).

“(2) RULES.—The appropriate Secretary may establish such definitions, rules, and exceptions as may be appropriate to carry out paragraph (1), taking into account comparable definitions, rules, and exceptions in effect under employment-based nondiscrimination laws and regulations that relate to each of the particular bases for discrimination described in such paragraph.

“SEC. 730F. OFFERING OF CHOICE OF COVERAGE OPTIONS UNDER GROUP HEALTH PLANS.

“(a) REQUIREMENT.—

‘(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan, or a health insurance issuer in connection with group health insurance coverage, provides benefits only through participating health care providers, the plan or issuer shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan or coverage and at such other times as the plan or issuer offers the participant a choice of coverage options.

“(2) EXCEPTION.—Paragraph (1) shall not apply with respect to a participant in a group health plan, or enrollee under health insurance coverage, if the plan or issuer offers the participant or enrollee—

“(A) a choice of health insurance coverage; and

“(B) one or more coverage options that do not provide benefits only through participating health care providers.

“(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term ‘point-of-service coverage’ means, with respect to benefits covered under a group health plan, or health insurance coverage, coverage of such benefits when provided by a nonparticipating health care provider. Such coverage need not include coverage of providers that the plan or issuer excludes because of fraud, quality, or similar reasons.

“(c) CONSTRUCTION.—Nothing in this section shall be construed—

“(1) as requiring coverage for benefits for a particular type of health care provider;

“(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options; or

“(3) as preventing a group health plan or health insurance issuer from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option.

“(d) NO REQUIREMENT FOR GUARANTEED AVAILABILITY.—If a health insurance issuer offers group health insurance coverage that includes point-of-service coverage with respect to an employer solely in order to meet the requirement of subsection (a), nothing in section 2711(a)(1)(A) of the Public Health Service Act shall be construed as requiring the offering of such coverage with respect to another employer.

“(e) APPLICATION OF SECTION.—This section and sections 730A, 730B, 730C, 730D, and 730E shall supersede any provision of this subpart that conflicts with a provision of this section or section 730A, 730B, 730C, 730D, or 730E.

“(f) PLAN SATISFACTION OF CERTAIN REQUIREMENTS.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any provision of this subchapter, the group health plan shall not be liable for such violation unless the plan caused such violation.

“(g) APPLICABILITY.—The provisions of this section and sections 730A, 730B, 730C, 730D, and 730E shall apply to group health plans and health insurance issuers as if included in—

“(1) subpart 2 of part A of title XXVII of the Public Health Service Act;

“(2) the first subpart 3 of part B of title XXVII of the Public Health Service Act (relating to other requirements); and

“(3) subchapter B of chapter 100 of the Internal Revenue Code of 1986.

“(h) NONAPPLICATION OF CERTAIN PROVISION.—Only for purposes of applying the requirements of this section and sections 730A, 730B, 730C, 730D, and 730E under section 714 of the Employee Retirement Income Security Act of 1974 (as added by section 301 of this Act), sections 2707 and 2753 of the Public Health Service Act (as added by sections 201 and 202 of this Act), and section 9813 of the Internal Revenue Code of 1986 (as added by section 401 of this Act)—

“(1) section 2721(b)(2) of the Public Health Service Act and section 9831(a)(1) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section and sections 730A, 730B, 730C, 730D, and 730E; and

“(2) with respect to limited scope dental benefits, subparagraph (A) of section 733(c)(2) of the Employee Retirement Income Security Act of 1974, subparagraph (A) of section 2791(c)(2) of the Public Health Service Act, and subparagraph (A) of section 9832(c)(2) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section and sections 730A, 730B, 730C, 730D, and 730E.

“(i) LIMITATION ON ACTIONS.—

“(1) IN GENERAL.—Except as provided for in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of any provision in this section.

“(2) PERMISSIBLE ACTIONS.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of this section to the individual circumstances of that participant or beneficiary; except that—

“(A) such an action may not be brought or maintained as a class action; and

“(B) in such an action relief may only provide for the provision of (or payment for) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

“(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.”.

(b) NO IMPACT ON SOCIAL SECURITY TRUST FUND.—

(1) IN GENERAL.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) TRANSFERS.—

(A) Estimate of Secretary.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(B) Transfer of funds.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such section.

(c) Effective Date.—The provisions of this section shall apply to group health plans for plan years beginning after, and to health insurance issuers for coverage offered or sold after, October 1, 2000.".

SEC. . HEALTH INSURANCE OMBUDSMEN.

(a) In General.—Each State that obtains a grant under subsection (c) shall provide for creation and operation of a Health Insurance Ombudsman through a contract with a not-for-profit organization that operates independent of group health plans and health insurance issuers. Such Ombudsman shall be responsible for at least the following:

(1) To assist consumers in the State in choosing among health insurance coverage or among coverage options offered within group health plans.

(2) To provide counseling and assistance to enrollees dissatisfied with their treatment by health insurance issuers and group health plans in regard to such coverage or plans and with respect to grievances and appeals regarding determinations under such coverage or plans.

(b) Federal Role.—In the case of any State that does not provide for such an Ombudsman under subsection (a), the Secretary of Health and Human Services shall provide for the creation and operation of a Health Insurance Ombudsman through a contract with a not-for-profit organization that operates independent of group health plans and health insurance issuers and that is responsible for carrying out with respect to that State the functions otherwise provided under subsection (a) by a Health Insurance Ombudsman.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Health and Human Services such amounts as may be necessary to provide for grants to States for contracts for Health Insurance Ombudsmen under subsection (a) or contracts for such Ombudsmen under subsection (b).

(d) Construction.—Nothing in this section shall be construed to prevent the use of other forms of enrollee assistance.

(e) Definitions.—The definitions in section 2791 of the Public Health Services Act (42 U.S.C. 300gg-91) shall apply to this section.

SEC. . INFORMATION REQUIREMENTS.

(a) Information From Group Health Plans.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) Information from group health plans.—

"(A) Provision of information by group health plans.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) Provision of information by employers and employee organizations.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) Information elements.—The information elements described in this subparagraph are the following:

"(i) Elements concerning the individual.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) Elements concerning the family member with current or former employment status.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) Plan elements.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) Elements concerning the employer.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) Use of identifiers.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) Penalty for noncompliance.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a)."

(b) Effective Date.—The amendment made by subsection (a) shall take effect 180 days after the date of the enactment of this Act.

SEC. . MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) Repeal of Installment Method for Accrual Basis Taxpayers.—

(1) In general.—Subsection (a) of section 453 (relating to installment method) is amended to read as follows:

"(a) Use of Installment Method.—

"(1) In general.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

"(2) Accrual method taxpayer.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2)."

(2) Conforming amendments.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking "(a)" each place it appears and inserting "(a)(1)".

(b) Modification of Pledge Rules.—Paragraph (4) of section 453A(d) (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: "A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation."

(c) Effective Date.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

ASHCROFT (AND OTHERS) AMENDMENT NO. 1252

Mr. FRIST (for Mr. Ashcroft (for himself, Mr. Kyl, Mr. Mack, Mr. Frist, Mr. Sessions, Ms. Collins, Mr. Crapo, Mr. Abraham, Mr. Jeffords, Mr. Enzi, Mr. DeWine, Mr. Grassley, Mr. Hatch, and Mr. Helms) proposed an amendment to amendment No. 1251 proposed by Mr. Wyden to the bill, S. 1344, supra; as follows:

Strike section 121 of the amendment, and insert the following:

SEC. . AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) In General.—Section 503 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1133) is amended to read as follows:

"SEC. 503. CLAIMS PROCEDURE, COVERAGE DETERMINATION, GRIEVANCES AND APPEALS.

"(a) Claims Procedure.—In accordance with regulations of the Secretary, every employee benefit plan shall—

"(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant; and

"(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

“(b) Coverage Determinations Under Group Health Plans.—

“(1) Procedures.—

“(A) In general.—A group health plan or health insurance issuer conducting utilization review shall ensure that procedures are in place for—

“(i) making determinations regarding whether a participant or beneficiary is eligible to receive a payment or coverage for health services under the plan or coverage involved and any cost-sharing amount that the participant or beneficiary is required to pay with respect to such service;

“(ii) notifying a covered participant or beneficiary (or the authorized representative of such participant or beneficiary) and the treating health care professionals involved regarding determinations made under the plan or issuer and any additional payments that the participant or beneficiary may be required to make with respect to such service; and

“(iii) responding to requests, either written or oral, for coverage determinations or for internal appeals from a participant or beneficiary (or the authorized representative of such participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary.

“(B) Oral requests.—With respect to an oral request described in subparagraph (A)(iii), a group health plan or health insurance issuer may require that the requesting individual provide written evidence of such request.

“(2) Timeline for making determinations.—

“(A) Routine determination.—A group health plan or a health insurance issuer shall maintain procedures to ensure that prior authorization determinations concerning the provision of non-emergency items or services are made within 30 days from the date on which the request for a determination is submitted, except that such period may be extended where certain circumstances exist that are determined by the Secretary to be beyond control of the plan or issuer.

“(B) Expedited determination.—

“(i) In general.—A prior authorization determination under this subsection shall be made within 72 hours, in accordance with the medical exigencies of the case, after a request is received by the plan or issuer under clause (ii) or (iii).

“(ii) Request by participant or beneficiary.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

“(iii) Documentation by health care professional.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies, that a determination under the procedures described in subparagraph (A) could seriously jeopardize the life or health of the participant or beneficiary.

“(C) Concurrent determinations.—A plan or issuer shall maintain procedures to certify or deny coverage of an extended stay or additional services.

“(D) Retrospective determination.—A plan or issuer shall maintain procedures to ensure that, with respect to the retrospective review of a determination made under paragraph (1), the determination shall be made within 30 working days of the date on which the plan or issuer receives necessary information.

“(3) Notice of determinations.—

“(A) Routine determination.—With respect to a coverage determination of a plan or issuer under paragraph (2)(A), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and, consistent with the medical exigencies of the case, to the treating health care professional involved not later than 2 working days after the date on which the determination is made.

“(B) Expedited determination.—With respect to a coverage determination of a plan or issuer under paragraph (2)(B), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary), and consistent with the medical exigencies of the case, to the treating health care professional involved within the 72 hour period described in paragraph (2)(B).

“(C) Concurrent reviews.—With respect to the determination under a plan or issuer under paragraph (2)(C) to certify or deny coverage of an extended stay or additional services, the plan or issuer shall issue notice of such determination to the treating health care professional and to the participant or beneficiary involved (or the authorized representative of the participant or beneficiary) within 1 working day of the determination.

“(D) Retrospective reviews.—With respect to the retrospective review under a plan or issuer of a determination made under paragraph (2)(D), the plan or issuer shall issue written notice of an approval or disapproval of a determination under this subparagraph to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and health care provider involved within 5 working days of the date on which such determination is made.

“(E) Requirements of notice of adverse coverage determinations.—A written notice of an adverse coverage determination under this subsection, or of an expedited adverse coverage determination under paragraph (2)(B), shall be provided to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and treating health care professional (if any) involved and shall include—

“(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

“(ii) the procedures for obtaining additional information concerning the determination; and

“(iii) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (d).

“(c) Grievances.—A group health plan or a health insurance issuer shall have written procedures for addressing grievances between the plan or issuer offering health insurance coverage in connection with a group health plan and a participant or beneficiary. Determinations under such procedures shall be non-appealable.

“(d) Internal Appeal of Coverage Determinations.—

“(1) Right to appeal.—

“(A) In general.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary), may appeal any adverse coverage determination under subsection (b) under the procedures described in this subsection.

“(B) Time for appeal.—A plan or issuer shall ensure that a participant or beneficiary has a period of not less than 180 days beginning on the date of an adverse coverage determination under subsection (b) in which to appeal such determination under this subsection.

“(C) Failure to act.—The failure of a plan or issuer to issue a determination under subsection (b) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to internal review under this subsection.

“(2) Records.—A group health plan and a health insurance issuer shall maintain written records, for at least 6 years, with respect to any appeal under this subsection for purposes of internal quality assurance and improvement. Nothing in the preceding sentence shall be construed as preventing a plan and issuer from entering into an agreement under which the issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

“(3) Routine determinations.—A group health plan or a health insurance issuer shall complete the consideration of an appeal of an adverse routine determination under this subsection not later than 30 working days after the date on which a request for such appeal is received.

“(4) Expedited determination.—

“(A) In general.—An expedited determination with respect to an appeal under this subsection shall be made in accordance with the medical exigencies of the case, but in no case more than 72 hours after the request for such appeal is received by the plan or issuer under subparagraph (B) or (C).

“(B) Request by participant or beneficiary.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

“(C) Documentation by health care professional.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies of the case that a determination under the procedures described in paragraph (2) could seriously jeopardize the life or health of the participant or beneficiary.

“(5) Conduct of review.—A review of an adverse coverage determination under this subsection shall be conducted by an individual with appropriate expertise who was not directly involved in the initial determination.

“(6) Lack of medical necessity.—A review of an appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, shall be made only by a physician with appropriate expertise, including age-appropriate expertise, who was not involved in the initial determination.

“(7) Notice.—

“(A) In general.—Written notice of a determination made under an internal review process shall be issued to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the treating health care professional not later than 2 working days after the completion of the review (or within the 72-hour period referred to in paragraph (4) if applicable).

“(B) Adverse coverage determinations.—With respect to an adverse coverage determination made under this subsection, the notice described in subparagraph (A) shall include—

“(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

“(ii) the procedures for obtaining additional information concerning the determination; and

“(iii) notification of the right to an independent external review under subsection (e) and instructions on how to initiate such a review.

“(e) Independent External Review.—

“(1) Access to review.—

“(A) In general.—A group health plan or a health insurance issuer offering health insurance coverage in connection with a group health plan shall have written procedures to permit a participant or beneficiary (or the authorized representative of the participant or beneficiary) access to an independent external review with respect to an adverse coverage determination concerning a particular item or service (including a circumstance treated as an adverse coverage determination under subparagraph (B)) where—

“(i) the particular item or service involved—

“(I)(aa) would be a covered benefit, when medically necessary and appropriate under the terms and conditions of the plan, and the item or service has been determined not to be medically necessary and appropriate under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

“(bb)(AA) the amount of such item or service involved exceeds a significant financial threshold; or

“(BB) there is a significant risk of placing the life or health of the participant or beneficiary in jeopardy; or

“(II) would be a covered benefit, when not considered experimental or investigational under the terms and conditions of the plan, and the item or service has been determined to be experimental or investigational under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

“(ii) the participant or beneficiary has completed the internal appeals process under subsection (d) with respect to such determination.

“(B) Failure to act.—The failure of a plan or issuer to issue a coverage determination under subsection (d)(6) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to independent external review under this subsection.

“(2) Initiation of the independent external review process.—

“(A) Filing of request.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) who desires to have an independent external review conducted under this subsection shall file a written request for such a review with the plan or issuer involved not later than 30 working days after the receipt of a final denial of a claim under subsection (d). Any such request shall include the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary) for the release of medical information and records to independent external reviewers regarding the participant or beneficiary.

“(B) Timeframe for selection of appeals entity.—Not later than 5 working days after the receipt of a request under subparagraph (A), or earlier in accordance with the medical exigencies of the case, the plan or issuer involved shall—

“(i) select an external appeals entity under paragraph (3)(A) that shall be responsible for designating an independent external reviewer under paragraph (3)(B); and

“(ii) provide notice of such selection to the participant or beneficiary (which shall include the name and address of the entity).

“(C) Provision of information.—Not later than 5 working days after the plan or issuer provides the notice required under subparagraph (B)(ii), or earlier in accordance with the medical exigencies of the case, the plan, issuer, participant, beneficiary or physician (of the participant or beneficiary) involved shall forward necessary information (including, only in the case of a plan or issuer, medical records, any relevant review criteria, the clinical rationale consistent with the terms and conditions of the contract between the plan or issuer and the participant or beneficiary for the coverage denial, and evidence of the coverage of the participant or beneficiary) to the qualified external appeals entity designated under paragraph (3)(A).

“(D) Follow-up written notification.—The plan or issuer involved shall send a follow-up written notification, in a timely manner, to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the plan administrator, indicating that an independent external review has been initiated.

“(3) Conduct of independent external review.—

“(A) Designation of external appeals entity by plan or issuer.—

“(i) In general.—A plan or issuer that receives a request for an independent external review under paragraph (2)(A) shall designate a qualified entity described in clause (ii), in a manner designed to ensure that the entity so designated will make a decision in an unbiased manner, to serve as the external appeals entity.

“(ii) Qualified entities.—A qualified entity shall be—

“(I) an independent external review entity licensed or credentialed by a State;

“(II) a State agency established for the purpose of conducting independent external reviews;

“(III) any entity under contract with the Federal Government to provide independent external review services;

“(IV) any entity accredited as an independent external review entity by an accrediting body recognized by the Secretary for such purpose; or

“(V) any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

“(B) Designation of independent external reviewer by external appeals entity.—The external appeals entity designated under subparagraph (A) shall, not later than 30 days after the date on which such entity is designated under subparagraph (A), or earlier in accordance with the medical exigencies of the case, designate one or more individuals to serve as independent external reviewers with respect to a request received under paragraph (2)(A). Such reviewers shall be independent medical experts who shall—

“(i) be appropriately credentialed or licensed in any State to deliver health care services;

“(ii) not have any material, professional, familial, or financial affiliation with the case under review, the participant or beneficiary involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer of any drug, device, procedure, or other therapy proposed for the participant or beneficiary whose treatment is under review;

“(iii) have expertise (including age-appropriate expertise) in the diagnosis or treatment under review and be a physician of the same specialty, when reasonably available, as the physician treating the participant or beneficiary or recommending or prescribing the treatment in question;

“(iv) receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the independent external review that is not contingent on the decision rendered by the reviewer; and

“(v) not be held liable for decisions regarding medical determinations (but may be held liable for actions that are arbitrary and capricious).

“(4) Standard of review.—

“(A) In general.—An independent external reviewer shall—

“(i) make an independent determination based on the valid, relevant, scientific and clinical evidence to determine the medical necessity, appropriateness, experimental or investigational nature of the proposed treatment; and

“(ii) take into consideration appropriate and available information, including any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer; timely evidence or information submitted by the plan, issuer, patient or patient's physician; the patient's medical record; expert consensus including both generally accepted medical practice and recognized best practice; medical literature as defined in section 556(5) of the Federal Food, Drug, and Cosmetic Act; the following standard reference compendia: The American Hospital Formulary Service-Drug Information, the American Dental Association Accepted Dental Therapeutics, and the United States Pharmacopoeia-Drug Information; and findings, studies, or research conducted by or under the auspices of Federal Government agencies and nationally recognized Federal research institutes including the Agency for Healthcare Research and Quality, National Institutes of Health, National Academy of Sciences, Health Care Financing Administration, and any national board recognized by the National Institutes of Health for the purposes of evaluating the medical value of health services.

“(B) Notice.—The plan or issuer involved shall ensure that the participant or beneficiary receives notice, within 30 days after the determination of the independent medical expert, regarding the actions of the plan or issuer with respect to the determination of such expert under the independent external review.

"(5) TIMEFRAME FOR REVIEW.—

"(A) IN GENERAL.—The independent external reviewer shall complete a review of an adverse coverage determination in accordance with the medical exigencies of the case.

"(B) EXPEDITED REVIEW.—Notwithstanding subparagraph (A), a review described in such subparagraph shall be completed not later than 72 hours after the later of—

"(i) the date on which such reviewer is designated; or

"(ii) the date on which all information necessary to completing such review is received;

if the completion of such review in a period of time in excess of 72 hours would seriously jeopardize the life or health of the participant or beneficiary.

"(C) LIMITATION.—Notwithstanding subparagraph (A), and except as provided in subparagraph (B), a review described in subparagraph (A) shall be completed not later than 30 working days after the later of—

"(i) the date on which such reviewer is designated; or

"(ii) the date on which all information necessary to completing such review is received.

"(6) BINDING DETERMINATION AND ACCESS TO CARE.—

"(A) IN GENERAL.—The determination of an independent external reviewer under this subsection shall be binding upon the plan or issuer if the provisions of this subsection or the procedures implemented under such provisions were complied with by the independent external reviewer.

"(B) TIMETABLE FOR COMMENCEMENT OF CARE.—Where an independent external reviewer determines that the participant or beneficiary is entitled to coverage of the items or services that were the subject of the review, the reviewer shall establish a timeframe, in accordance with the medical exigencies of the case, during which the plan or issuer shall begin providing for the coverage of such items or services.

"(C) FAILURE TO COMPLY.—If a plan or issuer fails to comply with the timeframe established under subparagraph (B) with respect to a participant or beneficiary, the participant or beneficiary may obtain the items or services involved (in a manner consistent with the determination of the independent external reviewer) from any provider regardless of whether such provider is a participating provider under the plan or coverage.

"(D) REIMBURSEMENT.—

"(i) IN GENERAL.—Where a participant or beneficiary obtains items or services in accordance with subparagraph (C), the plan or issuer involved shall provide for reimbursement of the costs of such items of services. Such reimbursement shall be made to the treating provider or to the participant or beneficiary (in the case of a participant or beneficiary who pays for the costs of such items or services).

"(ii) AMOUNT.—The plan or issuer shall fully reimburse a provider, participant or beneficiary under clause (i) for the total costs of the items or services provided (regardless of any plan limitations that may apply to the coverage of such items of services) so long as—

"(I) the items or services would have been covered under the terms of the plan or coverage if provided by the plan or issuer; and

"(II) the items or services were provided in a manner consistent with the determination of the independent external reviewer.

"(E) FAILURE TO REIMBURSE.—Where a plan or issuer fails to provide reimbursement to a provider, participant or beneficiary in accordance with this paragraph, the provider, participant or beneficiary may commence a civil action (or utilize other remedies available under law) to recover only the amount of any such reimbursement that is unpaid and any necessary legal costs or expenses (including attorneys' fees) incurred in recovering such reimbursement.

"(7) STUDY.—Not later than 2 years after the date of enactment of this section, the General Accounting Office shall conduct a study of a statistically appropriate sample of completed independent external reviews. Such study shall include an assessment of the process involved during an independent external review and the basis of decisionmaking by the independent external reviewer. The results of such study shall be submitted to the appropriate committees of Congress.

"(8) EFFECT ON CERTAIN PROVISIONS.—Nothing in this section shall be construed as affecting or modifying section 514 of this Act with respect to a group health plan.

"(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan administrator or plan fiduciary or health plan medical director from requesting an independent external review by an independent external reviewer without first completing the internal review process.

"(g) DEFINITIONS.—In this section:

"(1) ADVERSE COVERAGE DETERMINATION.—The term 'adverse coverage determination' means a coverage determination under the plan which results in a denial of coverage or reimbursement.

"(2) COVERAGE DETERMINATION.—The term 'coverage determination' means with respect to items and services for which coverage may be provided under a health plan, a determination of whether or not such items and services are covered or reimbursable under the coverage and terms of the contract.

"(3) GRIEVANCE.—The term 'grievance' means any complaint made by a participant or beneficiary that does not involve a coverage determination.

"(4) GROUP HEALTH PLAN.—The term 'group health plan' shall have the meaning given such term in section 733(a). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

"(5) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term in section 733(b)(1). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

"(6) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 733(b)(2).

"(7) PRIOR AUTHORIZATION DETERMINATION.—The term 'prior authorization determination' means a coverage determination prior to the provision of the items and services as a condition of coverage of the items and services under the coverage.

"(8) TREATING HEALTH CARE PROFESSIONAL.—The term 'treating health care professional' with respect to a group health plan, health insurance issuer or provider sponsored organization means a physician (medical doctor or doctor of osteopathy) or other health care practitioner who is acting within the scope of his or her State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the participant or beneficiary.

"(9) UTILIZATION REVIEW.—The term 'utilization review' with respect to a group health plan or health insurance coverage means a set of formal techniques designed to monitor the use of, or evaluate the clinical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning or retrospective review."

(b) ENFORCEMENT.—Section 502(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)) is amended by adding at the end the following:

"(8) The Secretary may assess a civil penalty against any plan of up to $10,000 for the plan's failure or refusal to comply with any timeline applicable under section 503(e) or any determination under such section, except that in any case in which treatment was not commenced by the plan in accordance with the determination of an independent external reviewer, the Secretary shall assess a civil penalty of $10,000 against the plan and the plan shall pay such penalty to the participant or beneficiary involved.".

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by striking the item relating to section 503 and inserting the following new item:

"Sec. 503. Claims procedures, coverage determination, grievances and appeals.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning on or after 1 year after the date of enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

SEC. ___. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CANCER CLINICAL TRIALS.

(a) COVERAGE.—

(1) IN GENERAL.—If a group health plan (other than a fully insured group health plan) provides coverage to a qualified individual (as defined in subsection (b)), the plan—

(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);

(B) subject to subsections (b), (c), and (d) may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

(C) may not discriminate against the individual on the basis of the participant's or beneficiaries participation in such trial.

(2) EXCLUSION OF CERTAIN COSTS.—For purposes of paragraph (1)(B), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.

(3) USE OF IN-NETWORK PROVIDERS.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of subsection (a), the term "qualified individual" means an individual who is a participant or beneficiary in a group health plan and who meets the following conditions:

(1)(A) The individual has been diagnosed with cancer for which no standard treatment is effective.

(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

(C) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.

(2) Either—

(A) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or

(B) the participant or beneficiary provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

(c) PAYMENT.—

(1) IN GENERAL.—Under this section a group health plan (other than a fully insured group health plan) shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for costs of items and services that are reasonably expected to be paid for by the sponsors of an approved clinical trial.

(2) STANDARDS FOR DETERMINING ROUTINE PATIENT COSTS ASSOCIATED WITH CLINICAL TRIAL PARTICIPATION.—

(A) IN GENERAL.—The Secretary shall establish, on an expedited basis and using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, United States Code, standards relating to the coverage of routine patient costs for individuals participating in clinical trials that group health plans must meet under this section.

(B) FACTORS.—In establishing routine patient cost standards under subparagraph (A), the Secretary shall consult with interested parties and take into account —

(i) quality of patient care;

(ii) routine patient care costs versus costs associated with the conduct of clinical trials, including unanticipated patient care costs as a result of participation in clinical trials; and

(iii) previous and on-going studies relating to patient care costs associated with participation in clinical trials.

(C) PUBLICATION OF NOTICE.—In carrying out the rulemaking process under this paragraph, the Secretary, after consultation with organizations representing cancer patients, health care practitioners, medical researchers, employers, group health plans, manufacturers of drugs, biologics and medical devices, medical economists, hospitals, and other interested parties, shall publish notice provided for under section 564(a) of title 5, United States Code, by not later than 45 days after the date of the enactment of this section.

(D) TARGET DATE FOR PUBLICATION OF RULE.—As part of the notice under subparagraph (C), and for purposes of this paragraph, the "target date for publication" (referred to in section 564(a)(5) of such title 5) shall be June 30, 2000.

(E) ABBREVIATED PERIOD FOR SUBMISSION OF COMMENTS.—In applying section 564(c) of such title 5 under this paragraph, "15 days" shall be substituted for "30 days".

(F) APPOINTMENT OF NEGOTIATED RULEMAKING COMMITTEE AND FACILITATOR.—The Secretary shall provide for—

(i) the appointment of a negotiated rulemaking committee under section 565(a) of such title 5 by not later than 30 days after the end of the comment period provided for under section 564(c) of such title 5 (as shortened under subparagraph (E)), and

(ii) the nomination of a facilitator under section 566(c) of such title 5 by not later than 10 days after the date of appointment of the committee.

(G) PRELIMINARY COMMITTEE REPORT.—The negotiated rulemaking committee appointed under subparagraph (F) shall report to the Secretary, by not later than March 29, 2000, regarding the committee's progress on achieving a consensus with regard to the rulemaking proceeding and whether such consensus is likely to occur before 1 month before the target date for publication of the rule. If the committee reports that the committee has failed to make significant progress towards such consensus or is unlikely to reach such consensus by the target date, the Secretary may terminate such process and provide for the publication of a rule under this paragraph through such other methods as the Secretary may provide.

(H) FINAL COMMITTEE REPORT.—If the committee is not terminated under subparagraph (G), the rulemaking committee shall submit a report containing a proposed rule by not later than 1 month before the target date of publication.

(I) FINAL EFFECT.—The Secretary shall publish a rule under this paragraph in the Federal Register by not later than the target date of publication.

(J) PUBLICATION OF RULE AFTER PUBLIC COMMENT.—The Secretary shall provide for consideration of such comments and republication of such rule by not later than 1 year after the target date of publication.

(K) EFFECTIVE DATE.—The provisions of this paragraph shall apply to group health plans (other than a fully insured group health plan) for plan years beginning on or after January 1, 2001.

(3) PAYMENT RATE.—In the case of covered items and services provided by—

(A) a participating provider, the payment rate shall be at the agreed upon rate, or

(B) a nonparticipating provider, the payment rate shall be at the rate the plan would normally pay for comparable services under subparagraph (A).

(d) APPROVED CLINICAL TRIAL DEFINED.—

(1) IN GENERAL.—In this section, the term "approved clinical trial" means a cancer clinical research study or cancer clinical investigation approved and funded (which may include funding through in-kind contributions) by one or more of the following:

(A) The National Institutes of Health.

(B) A cooperative group or center of the National Institutes of Health.

(C) Either of the following if the conditions described in paragraph (2) are met:

(i) The Department of Veterans Affairs.

(ii) The Department of Defense.

(2) CONDITIONS FOR DEPARTMENTS.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the Secretary determines—

(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health, and

(B) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.

(e) CONSTRUCTION.—Nothing in this section shall be construed to limit a plan's coverage with respect to clinical trials.

(f) PLAN SATISFACTION OF CERTAIN REQUIREMENTS; RESPONSIBILITIES OF FIDUCIARIES.—

(1) IN GENERAL.—For purposes of this section, insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the requirements of this section with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer.

(2) CONSTRUCTION.—Nothing in this section shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

(g) STUDY AND REPORT.—

(1) STUDY.—The Secretary shall study the impact on group health plans for covering routine patient care costs for individuals who are entitled to benefits under this section and who are enrolled in an approved cancer clinical trial program.

(2) REPORT TO CONGRESS.—Not later than January 1, 2005, the Secretary shall submit a report to Congress that contains an assessment of—

(A) any incremental cost to group health plans resulting from the provisions of this section;

(B) a projection of expenditures to such plans resulting from this section; and

(C) any impact on premiums resulting from this section.

(h) APPLICATION OF PROVISIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act (or an amendment made by this Act), the provisions of this section shall only apply to group health plans (other than fully insured group health plans).

(2) FULLY INSURED GROUP HEALTH PLAN.—In this section, the term "fully insured group health plan" means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.

SEC. . OFFERING OF CHOICE OF COVERAGE OPTIONS.

(a) REQUIREMENT.—

(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan (other than a fully insured group health plan) provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.

(2) EXCEPTION IN CASE OF LACK OF AVAILABILITY.—Paragraph (1) shall not apply with respect to a group health plan (other than a fully insured group health plan) if care relating to the point-of-service coverage would not be available and accessible to the participant with reasonable promptness (consistent with section 1301(b)(4) of the Public Health Service Act (42 U.S.C. 300e(b)(4))).

(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term "point-of-service coverage" means, with respect to benefits covered under a group health plan (other than a fully insured group health plan), coverage of such benefits when provided by a nonparticipating health care professional.

(c) SMALL EMPLOYER EXEMPTION.—

(1) IN GENERAL.—This section shall not apply to any group health plan (other than a

fully insured group health plan) of a small employer.

(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term "small employer" means, in connection with a group health plan (other than a fully insured group health plan) with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 712(c)(1) of the Employee Retirement Income Security Act of 1974 shall apply in determining employer size.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

(1) as requiring coverage for benefits for a particular type of health care professional;

(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;

(3) as preventing a group health plan (other than a fully insured group health plan) from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or

(4) to require that a group health plan (other than a fully insured group health plan) include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.

(e) APPLICATION OF PROVISIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act (or an amendment made by this Act), the provisions of this section shall only apply to group health plans (other than fully insured group health plans).

(2) FULLY INSURED GROUP HEALTH PLAN.—In this section, the term "fully insured group health plan" means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.

SEC. ___. CONTINUITY OF CARE.

(a) IN GENERAL.—

(1) TERMINATION OF PROVIDER.—If a contract between a group health plan (other than a fully insured group health plan) and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such group health plan, and an individual who is a participant or beneficiary in the plan is undergoing a course of treatment from the provider at the time of such termination, the plan shall—

(A) notify the individual on a timely basis of such termination;

(B) provide the individual with an opportunity to notify the plan of a need for transitional care; and

(C) in the case of termination described in paragraph (2), (3), or (4) of subsection (b), and subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider's consent during a transitional period (as provided under subsection (b)).

(2) TERMINATED.—In this section, the term "terminated" includes, with respect to a contract, the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.

(3) CONTRACTS.—For purposes of this section, the term "contract between a group health plan (other than a fully insured group health plan) and a health care provider" shall include a contract between such a plan and an organized network of providers.

(b) TRANSITIONAL PERIOD.—

(1) GENERAL RULE.—Except as provided in paragraph (3), the transitional period under this subsection shall permit the participant or beneficiary to extend the coverage involved for up to 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

(2) INSTITUTIONAL CARE.—Subject to paragraph (1), the transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

(3) PREGNANCY.—Notwithstanding paragraph (1), if—

(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and

(B) the provider was treating the pregnancy before the date of the termination;

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

(4) TERMINAL ILLNESS.—Subject to paragraph (1), if—

(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) prior to a provider's termination of participation; and

(B) the provider was treating the terminal illness before the date of termination;

the transitional period under this subsection shall be for care directly related to the treatment of the terminal illness and shall extend for the remainder of the individual's life for such care.

(c) PERMISSIBLE TERMS AND CONDITIONS.—A group health plan (other than a fully insured group health plan) may condition coverage of continued treatment by a provider under subsection (a)(1)(C) upon the provider agreeing to the following terms and conditions:

(1) The provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

(2) The provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.

(3) The provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

(e) DEFINITION.—In this section, the term "health care provider" or "provider" means—

(1) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

(2) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

(f) APPLICATION OF PROVISIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act (or an amendment made by this Act), the provisions of this section shall only apply to group health plans (other than fully insured group health plans).

(2) FULLY INSURED GROUP HEALTH PLAN.—In this section, the term "fully insured group health plan" means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.

(g) COMPREHENSIVE STUDY OF COST, QUALITY AND COORDINATION OF COVERAGE FOR PATIENTS AT THE END OF LIFE.—

(1) STUDY BY THE MEDICARE PAYMENT ADVISORY COMMISSION.—The Medicare Payment Advisory Commission shall conduct a study of the costs and patterns of care for persons with serious and complex conditions and the possibilities of improving upon that care to the degree it is triggered by the current category of terminally ill as such term is used for purposes of section 1861(dd) of the Social Security Act (relating to hospice benefits) or of utilizing care in other payment settings in Medicare.

(2) AGENCY FOR HEALTH CARE POLICY AND RESEARCH.—The Agency for Health Care Policy and Research shall conduct studies of the possible thresholds for major conditions causing serious and complex illness, their administrative parameters and feasibility, and their impact upon costs and quality.

(3) HEALTH CARE FINANCING ADMINISTRATION.—The Health Care Financing Administration shall conduct studies of the merits of applying similar thresholds in Medicare+Choice programs, including adapting risk adjustment methods to account for this category.

(4) INITIAL REPORT.—

(A) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Medicare Payment Advisory Commission and the Agency for Health Care Policy and Research shall each prepare and submit to the Committee on Health, Education, Labor and Pensions of the Senate a report concerning the results of the studies conducted under paragraphs (1) and (2), respectively.

(B) COPY TO SECRETARY.—Concurrent with the submission of the reports under subparagraph (A), the Medicare Payment Advisory Commission and the Agency for health Care Policy and Research shall transmit a copy of the reports under such subparagraph to the Secretary.

(5) Final Report.—

(A) Contract with Institute of Medicine.—Not later than 1 year after the submission of the reports under paragraph (4), the Secretary of Health and Human Services shall contract with the Institute of Medicine to conduct a study of the practices and their effects arising from the utilization of the category "serious and complex" illness.

(B) Report.—Not later than 1 year after the date of the execution of the contract referred to in subparagraph (A), the Institute of Medicine shall prepare and submit to the Committee on Health, Education, Labor and Pensions of the Senate a report concerning the study conducted pursuant to such contract.

(6) Funding.—From funds appropriated to the Department of Health and Human Services, the Secretary of Health and Human Services shall make available such funds as the Secretary determines is necessary to carry out this subsection.

SEC. . PROHIBITING DISCRIMINATION AGAINST PROVIDERS.

(a) In General.—A group health plan (other than a fully insured group health plan) shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification. This subsection shall not be construed as requiring the coverage under a plan of particular benefits or services or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants and beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan.

(b) No Requirement for any Willing Provider.—Nothing in this section shall be construed as requiring a group health plan that offers network coverage to include for participation every willing provider or health professional who meets the terms and conditions of the plan.

(c) Application of Provisions.—

(1) In general.—Notwithstanding any other provision of this Act (or an amendment made by this Act), the provisions of this section shall only apply to group health plans (other than fully insured group health plans).

(2) Fully insured group health plan.—In this section, the term "fully insured group health plan" means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.

KERREY (AND OTHERS) AMENDMENT NO. 1253

Mr. KERREY (for himself, Ms. Mikulski, Mr. Schumer, Mr. Graham, Mr. Kennedy, Mrs. Murray, Mr. Daschle, Mr. Durbin, Mr. Rockefeller, and Mr. Torricelli) proposed an amendment to amendment No. 1251 proposed by Mr. Wyden to the bill, S. 1344, supra; as follows:

At the appropriate place insert the following:

SEC. . CONTINUITY OF CARE.

(a) ERISA.—Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 101(a)(2) of this Act, is amended by adding at the end the following:

"SEC. 730A. CONTINUITY OF CARE.

"(a) In General.—

"(1) Termination of provider.—If a contract between a group health plan, or a health insurance issuer in connection with group health insurance coverage, and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in a group health plan or health insurance coverage, and an individual who is a participant, beneficiary or enrollee in the plan or coverage is undergoing a course of treatment from the provider at the time of such termination, the plan or issuer shall—

"(A) notify the individual on a timely basis of such termination, and

"(B) subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider during a transitional period (provided under subsection (b)).

"(2) Treatment of termination of contract with health insurance issuer.—If a contract for the provision of health insurance coverage between a group health plan and a health insurance issuer is terminated and, as a result of such termination, coverage of services of a health care provider is terminated with respect to an individual, the provisions of paragraph (1) (and the succeeding provisions of this section) shall apply under the plan in the same manner as if there had been a contract between the plan and the provider that had been terminated, but only with respect to benefits that are covered under the plan after the contract termination.

"(3) Termination.—In this section, the term 'terminated' includes, with respect to a contract, the expiration or nonrenewal of the contract, but does not include a termination of the contract by the plan or issuer for failure to meet applicable quality standards or for fraud.

"(b) Transitional Period.—

"(1) In general.—Except as provided in paragraphs (2) through (4), the transitional period under this subsection shall extend for at least 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

"(2) Institutional care.—The transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

"(3) Pregnancy.—If—

"(A) a participant, beneficiary or enrollee has entered the second trimester of pregnancy at the time of a provider's termination of participation, and

"(B) the provider was treating the pregnancy before date of the termination,

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

"(4) Terminal illness.—If—

"(A) a participant, beneficiary or enrollee was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) at the time of a provider's termination of participation, and

"(B) the provider was treating the terminal illness before the date of termination,

the transitional period under this subsection shall extend for the remainder of the individual's life for care directly related to the treatment of the terminal illness.

"(c) Permissible Terms and Conditions.—A group health plan, or a health insurance issuer in connection with group health insurance coverage, may condition coverage of continued treatment by a provider under subsection (a)(1)(B) upon the provider agreeing to the following terms and conditions:

"(1) The provider agrees to accept reimbursement from the plan or issuer and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

"(2) The provider agrees to adhere to the quality assurance standards of the plan or issuer responsible for payment under paragraph (1) and to provide to such plan or issuer necessary medical information related to the care provided.

"(3) The provider agrees otherwise to adhere to such plan's or issuer's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan or issuer.

"(d) Construction.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

"(e) Application of Section.—This section shall supersede the provisions of section 726 and section 726 shall have no effect.

"(f) Review.—Failure to meet the requirements of this section shall constitute an appealable decision under this Act.

"(g) Plan Satisfaction of Certain Requirements.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any provision of this subchapter, the group health plan shall not be liable for such violation unless the plan caused such violation.

"(h) Applicability.—The provisions of this section shall apply to group health plans and health insurance issuers as if included in—

"(1) subpart 2 of part A of title XXVII of the Public Health Service Act;

"(2) the first subpart 3 of part B of title XXVII of the Public Health Service Act (relating to other requirements); and

"(3) subchapter B of chapter 100 of the Internal Revenue Code of 1986.

"(i) Nonapplication of Certain Provision.—Only for purposes of applying the requirements of this section under section 714 of the Employee Retirement Income Security Act of 1974 (as added by section 301 of this Act), sections 2707 and 2753 of the Public Health Service Act (as added by sections 201 and 202 of this Act), and section 9813 of the Internal Revenue Code of 1986 (as added by section 401 of this Act)—

"(1) section 2721(b)(2) of the Public Health Service Act and section 9831(a)(1) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section; and

"(2) with respect to limited scope dental benefits, subparagraph (A) of section 733(c)(2) of the Employee Retirement Income Security Act of 1974, subparagraph (A) of section 2791(c)(2) of the Public Health Service Act, and subparagraph (A) of section 9832(c)(2) of the Internal Revenue Code of 1986 shall not apply to the provisions of this section.

"(j) LIMITATION ON ACTIONS.—

"(1) IN GENERAL.—Except as provided for in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of any provision in this section.

"(2) PERMISSIBLE ACTIONS.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) of section 502 by a participant or beneficiary seeking relief based on the application of this section to the individual circumstances of that participant or beneficiary; except that—

"(A) such an action may not be brought or maintained as a class action; and

"(B) in such an action relief may only provide for the provision of (or payment for) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.

"(k) EFFECTIVE DATE.—The provisions of this section shall apply to group health plans for plan years beginning after, and to health insurance issuers for coverage offered or sold after, October 1, 2000.".

(b) INFORMATION REQUIREMENTS.—

(1) INFORMATION FROM GROUP HEALTH PLANS.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end the following:

"(7) INFORMATION FROM GROUP HEALTH PLANS.—

"(A) PROVISION OF INFORMATION BY GROUP HEALTH PLANS.—The administrator of a group health plan subject to the requirements of paragraph (1) shall provide to the Secretary such of the information elements described in subparagraph (C) as the Secretary specifies, and in such manner and at such times as the Secretary may specify (but not more frequently than 4 times per year), with respect to each individual covered under the plan who is entitled to any benefits under this title.

"(B) PROVISION OF INFORMATION BY EMPLOYERS AND EMPLOYEE ORGANIZATIONS.—An employer (or employee organization) that maintains or participates in a group health plan subject to the requirements of paragraph (1) shall provide to the administrator of the plan such of the information elements required to be provided under subparagraph (A), and in such manner and at such times as the Secretary may specify, at a frequency consistent with that required under subparagraph (A) with respect to each individual described in subparagraph (A) who is covered under the plan by reason of employment with that employer or membership in the organization.

"(C) INFORMATION ELEMENTS.—The information elements described in this subparagraph are the following:

"(i) ELEMENTS CONCERNING THE INDIVIDUAL.—

"(I) The individual's name.

"(II) The individual's date of birth.

"(III) The individual's sex.

"(IV) The individual's social security insurance number.

"(V) The number assigned by the Secretary to the individual for claims under this title.

"(VI) The family relationship of the individual to the person who has or had current or employment status with the employer.

"(ii) ELEMENTS CONCERNING THE FAMILY MEMBER WITH CURRENT OR FORMER EMPLOYMENT STATUS.—

"(I) The name of the person in the individual's family who has current or former employment status with the employer.

"(II) That person's social security insurance number.

"(III) The number or other identifier assigned by the plan to that person.

"(IV) The periods of coverage for that person under the plan.

"(V) The employment status of that person (current or former) during those periods of coverage.

"(VI) The classes (of that person's family members) covered under the plan.

"(iii) PLAN ELEMENTS.—

"(I) The items and services covered under the plan.

"(II) The name and address to which claims under the plan are to be sent.

"(iv) ELEMENTS CONCERNING THE EMPLOYER.—

"(I) The employer's name.

"(II) The employer's address.

"(III) The employer identification number of the employer.

"(D) USE OF IDENTIFIERS.—The administrator of a group health plan shall utilize a unique identifier for the plan in providing information under subparagraph (A) and in other transactions, as may be specified by the Secretary, related to the provisions of this subsection. The Secretary may provide to the administrator the unique identifier described in the preceding sentence.

"(E) PENALTY FOR NONCOMPLIANCE.—Any entity that knowingly and willfully fails to comply with a requirement imposed by the previous subparagraphs shall be subject to a civil money penalty not to exceed $1,000 for each incident of such failure. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as those provisions apply to a penalty or proceeding under section 1128A(a).".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect 180 days after the date of the enactment of this Act.

(c) LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.—

(1) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers."

(2) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of such Act (defining disqualified benefit) is amended by adding at the end the following new paragraph:

"(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

"(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

"(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

LOTT (AND NICKLES) AMENDMENT NO. 1254

Mr. LOTT (for himself and Mr. NICKLES) proposed an amendment to amendment No. 1232 proposed by Mr. DASCHLE to the bill, S. 1344, supra; as follows:

Strike all after the enacting clause, and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Patients' Bill of Rights Plus Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PATIENTS' BILL OF RIGHTS

Subtitle A—Right to Advice and Care

Sec. 101. Patient right to medical advice and care.

"SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

"Sec. 721. Patient access to emergency medical care.
"Sec. 722. Offering of choice of coverage options.
"Sec. 723. Patient access to obstetric and gynecological care.
"Sec. 724. Patient access to pediatric care.
"Sec. 725. Timely access to specialists.
"Sec. 726. Continuity of care.
"Sec. 727. Protection of patient-provider communications.
"Sec. 728. Patient's right to prescription drugs.
"Sec. 729. Self-payment for behavioral health care services.
"Sec. 730. Coverage for individuals participating in approved cancer clinical trials.
"Sec. 730A. Prohibiting discrimination against providers.
"Sec. 730B. Generally applicable provision.

Sec. 102. Conforming amendment to the Internal Revenue Code of 1986.

"Sec. 9821. Patient access to emergency medical care.
"Sec. 9822. Offering of choice of coverage options.
"Sec. 9823. Patient access to obstetric and gynecological care.
"Sec. 9824. Patient access to pediatric care.
"Sec. 9825. Timely access to specialists.
"Sec. 9826. Continuity of care.

"Sec. 9827. Protection of patient-provider communications.
"Sec. 9828. Patient's right to prescription drugs.
"Sec. 9829. Self-payment for behavioral health care services.
"Sec. 9830. Coverage for individuals participating in approved cancer clinical trials.
"Sec. 9830A. Prohibiting discrimination against providers.
"Sec. 9830B. Generally applicable provision.
Sec. 103. Effective date and related rules.

Subtitle B—Right to Information About Plans and Providers

Sec. 111. Information about plans.
Sec. 112. Information about providers.

Subtitle C—Right to Hold Health Plans Accountable

Sec. 121. Amendment to Employee Retirement Income Security Act of 1974.

TITLE II—WOMEN'S HEALTH AND CANCER RIGHTS

Sec. 201. Women's health and cancer rights.

TITLE III—GENETIC INFORMATION AND SERVICES

Sec. 301. Short title.
Sec. 302. Amendments to Employee Retirement Income Security Act of 1974.
Sec. 303. Amendments to the Public Health Service Act.
Sec. 304. Amendments to the Internal Revenue Code of 1986.

TITLE IV—HEALTHCARE RESEARCH AND QUALITY

Sec. 401. Short title.
Sec. 402. Amendment to the Public Health Service Act.

"TITLE IX—AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"Sec. 901. Mission and duties.
"Sec. 902. General authorities.

"PART B—HEALTHCARE IMPROVEMENT RESEARCH

"Sec. 911. Healthcare outcome improvement research.
"Sec. 912. Private-public partnerships to improve organization and delivery.
"Sec. 913. Information on quality and cost of care.
"Sec. 914. Information systems for healthcare improvement.
"Sec. 915. Research supporting primary care and access in underserved areas.
"Sec. 916. Clinical practice and technology innovation.
"Sec. 917. Coordination of Federal government quality improvement efforts.

"PART C—GENERAL PROVISIONS

"Sec. 921. Advisory Council for Healthcare Research and Quality.
"Sec. 922. Peer review with respect to grants and contracts.
"Sec. 923. Certain provisions with respect to development, collection, and dissemination of data.
"Sec. 924. Dissemination of information.
"Sec. 925. Additional provisions with respect to grants and contracts.
"Sec. 926. Certain administrative authorities.
"Sec. 927. Funding.
"Sec. 928. Definitions.
Sec. 403. References.

TITLE V—ENHANCED ACCESS TO HEALTH INSURANCE COVERAGE

Sec. 501. Full deduction of health insurance costs for self-employed individuals.
Sec. 502. Full availability of medical savings accounts.
Sec. 503. Permitting contribution towards medical savings account through Federal employees health benefits program (FEHBP).
Sec. 504. Carryover of unused benefits from cafeteria plans, flexible spending arrangements, and health flexible spending accounts.

TITLE VI—PROVISIONS RELATING TO LONG-TERM CARE INSURANCE

Sec. 601. Inclusion of qualified long-term care insurance contracts in cafeteria plans, flexible spending arrangements, and health flexible spending accounts.
Sec. 602. Deduction for premiums for long-term care insurance.
Sec. 603. Study of long-term care needs in the 21st century.

TITLE VII—INDIVIDUAL RETIREMENT PLANS

Sec. 701. Modification of income limits on contributions and rollovers to Roth IRAs.

TITLE VIII—REVENUE PROVISIONS

Sec. 801. Modification to foreign tax credit carryback and carryover periods.
Sec. 802. Limitation on use of non-accrual experience method of accounting.
Sec. 803. Returns relating to cancellations of indebtedness by organizations lending money.
Sec. 804. Extension of Internal Revenue Service user fees.
Sec. 805. Property subject to a liability treated in same manner as assumption of liability.
Sec. 806. Charitable split-dollar life insurance, annuity, and endowment contracts.
Sec. 807. Transfer of excess defined benefit plan assets for retiree health benefits.
Sec. 808. Limitations on welfare benefit funds of 10 or more employer plans.
Sec. 809. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 810. Inclusion of certain vaccines against streptococcus pneumoniae to list of taxable vaccines.

TITLE IX—MISCELLANEOUS PROVISIONS

Sec. 901. Medicare competitive pricing demonstration project.

TITLE I—PATIENTS' BILL OF RIGHTS

Subtitle A—Right to Advice and Care

SEC. 101. PATIENT RIGHT TO MEDICAL ADVICE AND CARE.

(a) IN GENERAL.—Part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.) is amended—

(1) by redesignating subpart C as subpart D; and

(2) by inserting after subpart B the following:

"Subpart C—Patient Right to Medical Advice and Care

"SEC. 721. PATIENT ACCESS TO EMERGENCY MEDICAL CARE.

"(a) COVERAGE OF EMERGENCY CARE.—

"(1) IN GENERAL.—To the extent that the group health plan (other than a fully insured group health plan) provides coverage for benefits consisting of emergency medical care (as defined in subsection (c)) or emergency ambulance services, except for items or services specifically excluded—

"(A) the plan shall provide coverage for benefits, without requiring preauthorization, for emergency medical screening examinations or emergency ambulance services, to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations or emergency ambulance services to be necessary to determine whether emergency medical care (as so defined) is necessary; and

"(B) the plan shall provide coverage for benefits, without requiring preauthorization, for additional emergency medical care to stabilize an emergency medical condition following an emergency medical screening examination (if determined necessary under subparagraph (A)), pursuant to the definition of stabilize under section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).

"(2) REIMBURSEMENT FOR CARE TO MAINTAIN MEDICAL STABILITY.—

"(A) IN GENERAL.—In the case of services provided to a participant or beneficiary by a nonparticipating provider in order to maintain the medical stability of the participant or beneficiary, the group health plan involved shall provide for reimbursement with respect to such services if—

"(i) coverage for services of the type furnished is available under the group health plan;

"(ii) the services were provided for care related to an emergency medical condition and in an emergency department in order to maintain the medical stability of the participant or beneficiary; and

"(iii) the nonparticipating provider contacted the plan regarding approval for such services.

"(B) FAILURE TO RESPOND.—If a group health plan fails to respond within 1 hours of being contacted in accordance with subparagraph (A)(iii), then the plan shall be liable for the cost of services provided by the nonparticipating provider in order to maintain the stability of the participant or beneficiary.

"(C) LIMITATION.—The liability of a group health plan to provide reimbursement under subparagraph (A) shall terminate when the plan has contacted the nonparticipating provider to arrange for discharge or transfer.

"(D) LIABILITY OF PARTICIPANT.—A participant or beneficiary shall not be liable for the costs of services to which subparagraph (A) in an amount that exceeds the amount of liability that would be incurred if the services were provided by a participating health care provider with prior authorization by the plan.

"(b) IN-NETWORK UNIFORM COSTS-SHARING AND OUT-OF-NETWORK CARE.—

"(1) IN-NETWORK UNIFORM COST-SHARING.—Nothing in this section shall be construed as preventing a group health plan (other than a fully insured group health plan) from imposing any form of cost-sharing applicable to any participant or beneficiary (including coinsurance, copayments, deductibles, and any other charges) in relation to coverage for benefits described in subsection (a), if such form of cost-sharing is uniformly applied under such plan, with respect to similarly situated participants and beneficiaries, to all benefits consisting of emergency medical care (as defined in subsection (c)) provided to such similarly situated participants and beneficiaries under the plan, and such cost-sharing is disclosed in accordance with section 714.

"(2) OUT-OF-NETWORK CARE.—If a group health plan (other than a fully insured group health plan) provides any benefits with respect to emergency medical care (as defined in subsection (c)), the plan shall cover emergency medical care under the plan in a manner so that, if such care is provided to a participant or beneficiary by a nonparticipating health care provider, the participant or beneficiary is not liable for amounts that exceed any form of cost-sharing (including co-insurance, co-payments, deductibles, and any other charges) that would be incurred if the services were provided by a participating provider.

"(c) DEFINITION OF EMERGENCY MEDICAL CARE.—In this section:

"(1) IN GENERAL.—The term 'emergency medical care' means, with respect to a participant or beneficiary under a group health plan (other than a fully insured group health plan), covered inpatient and outpatient services that—

"(A) are furnished by any provider, including a nonparticipating provider, that is qualified to furnish such services; and

"(B) are needed to evaluate or stabilize (as such term is defined in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)) an emergency medical condition (as defined in paragraph (2)).

"(2) EMERGENCY MEDICAL CONDITION.—The term 'emergency medical condition' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

"(A) placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

"(B) serious impairment to bodily functions, or

"(C) serious dysfunction of any bodily organ or part.

"SEC. 722. OFFERING OF CHOICE OF COVERAGE OPTIONS.

"(a) REQUIREMENT.—

"(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan (other than a fully insured group health plan) provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.

"(2) EXCEPTION IN CASE OF LACK OF AVAILABILITY.—Paragraph (1) shall not apply with respect to a group health plan (other than a fully insured group health plan) if care relating to the point-of-service coverage would not be available and accessible to the participant with reasonable promptness (consistent with section 1301(b)(4) of the Public Health Service Act (42 U.S.C. 300e(b)(4))).

"(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term 'point-of-service coverage' means, with respect to benefits covered under a group health plan (other than a fully insured group health plan), coverage of such benefits when provided by a nonparticipating health care professional.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan (other than a fully insured group health plan) of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan (other than a fully insured group health plan) with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 712(c)(1) shall apply in determining employer size.

"(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as requiring coverage for benefits for a particular type of health care professional;

"(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;

"(3) as preventing a group health plan (other than a fully insured group health plan) from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or

"(4) to require that a group health plan (other than a fully insured group health plan) include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.

"SEC. 723. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.

"(a) GENERAL RIGHTS.—

"(1) WAIVER OF PLAN REFERRAL REQUIREMENT.—If a group health plan described in subsection (b) requires a referral to obtain coverage for specialty care, the plan shall waive the referral requirement in the case of a female participant or beneficiary who seeks coverage for obstetrical care and related follow-up obstetrical care or routine gynecological care (such as preventive gynecological care).

"(2) RELATED ROUTINE CARE.—With respect to a participant or beneficiary described in paragraph (1), a group health plan described in subsection (b) shall treat the ordering of other routine care that is related to routine gynecologic care, by a physician who specializes in obstetrics and gynecology as the authorization of the primary care provider for such other care.

"(b) APPLICATION OF SECTION.—A group health plan described in this subsection is a group health plan (other than a fully insured group health plan), that—

"(1) provides coverage for obstetric care (such as pregnancy-related services) or routine gynecologic care (such as preventive women's health examinations); and

"(2) requires the designation by a participant or beneficiary of a participating primary care provider who is not a physician who specializes in obstetrics or gynecology.

"(c) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of obstetric or gynecologic care described in subsection (a);

"(2) to preclude the plan from requiring that the physician who specializes in obstetrics or gynecology notify the designated primary care provider or the plan of treatment decisions;

"(3) to preclude a group health plan from allowing health care professionals other than physicians to provide routine obstetric or routine gynecologic care; or

"(4) to preclude a group health plan from permitting a physician who specializes in obstetrics and gynecology from being a primary care provider under the plan.

"SEC. 724. PATIENT ACCESS TO PEDIATRIC CARE.

"(a) IN GENERAL.—In the case of a group health plan (other than a fully insured group health plan) that provides coverage for routine pediatric care and that requires the designation by a participant or beneficiary of a participating primary care provider, if the designated primary care provider is not a physician who specializes in pediatrics—

"(1) the plan may not require authorization or referral by the primary care provider in order for a participant or beneficiary to obtain coverage for routine pediatric care; and

"(2) the plan shall treat the ordering of other routine care related to routine pediatric care by such a specialist as having been authorized by the designated primary care provider.

"(b) RULES OF CONSTRUCTION.—Nothing in subsection (a) shall be construed—

"(1) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of any pediatric care provided to, or ordered for, a participant or beneficiary;

"(2) to preclude a group health plan from requiring that a specialist described in subsection (a) notify the designated primary care provider or the plan of treatment decisions; or

"(3) to preclude a group health plan from allowing health care professionals other than physicians to provide routine pediatric care.

"SEC. 725. TIMELY ACCESS TO SPECIALISTS.

"(a) TIMELY ACCESS.—

"(1) IN GENERAL.—A group health plan (other than a fully insured group health plan) shall ensure that participants and beneficiaries have timely, in accordance with the medical exigencies of the case, access to primary and specialty health care professionals who are appropriate to the condition of the participant or beneficiary, when such care is covered under the plan. Such access may be provided through contractual arrangements with specialized providers outside of the network of the plan.

"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed—

"(A) to require the coverage under a group health plan of particular benefits or services or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants or beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan; or

"(B) to override any State licensure or scope-of-practice law.

"(b) TREATMENT PLANS.—

"(1) IN GENERAL.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring that specialty care be provided pursuant to a treatment plan so long as the treatment plan is—

“(A) developed by the specialist, in consultation with the case manager or primary care provider, and the participant or beneficiary;

“(B) approved by the plan in a timely manner in accordance with the medical exigencies of the case; and

“(C) in accordance with the applicable quality assurance and utilization review standards of the plan.

“(2) Notification.—Nothing in paragraph (1) shall be construed as prohibiting a plan from requiring the specialist to provide the case manager or primary care provider with regular updates on the specialty care provided, as well as all other necessary medical information.

“(c) Referrals.—Nothing in this section shall be construed to prohibit a plan from requiring an authorization by the case manager or primary care provider of the participant or beneficiary in order to obtain coverage for specialty services so long as such authorization is for an adequate number of referrals.

“(d) Specialty Care Defined.—For purposes of this subsection, the term ‘specialty care’ means, with respect to a condition, care and treatment provided by a health care practitioner, facility, or center (such as a center of excellence) that has adequate expertise (including age-appropriate expertise) through appropriate training and experience.

“SEC. 726. CONTINUITY OF CARE.

“(a) In General.—

“(1) Termination of provider.—If a contract between a group health plan (other than a fully insured group health plan) and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such group health plan, and an individual who is a participant or beneficiary in the plan is undergoing a course of treatment from the provider at the time of such termination, the plan shall—

“(A) notify the individual on a timely basis of such termination;

“(B) provide the individual with an opportunity to notify the plan of a need for transitional care; and

“(C) in the case of termination described in paragraph (2), (3), or (4) of subsection (b), and subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider's consent during a transitional period (as provided under subsection (b)).

“(2) Terminated.—In this section, the term ‘terminated’ includes, with respect to a contract, the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.

“(3) Contracts.—For purposes of this section, the term ‘contract between a group health plan (other than a fully insured group health plan) and a health care provider’ shall include a contract between such a plan and an organized network of providers.

“(b) Transitional Period.—

“(1) General rule.—Except as provided in paragraph (3), the transitional period under this subsection shall permit the participant or beneficiary to extend the coverage involved for up to 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

“(2) Institutional care.—Subject to paragraph (1), the transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

“(3) Pregnancy.—Notwithstanding paragraph (1), if—

“(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and

“(B) the provider was treating the pregnancy before the date of the termination;

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

“(4) Terminal illness.—Notwithstanding paragraph (1), if—

“(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) prior to a provider's termination of participation; and

“(B) the provider was treating the terminal illness before the date of termination; the transitional period under this subsection shall be for care directly related to the treatment of the terminal illness and shall extend for the remainder of the individual's life for such care.

“(c) Permissible Terms and Conditions.—A group health plan (other than a fully insured group health plan) may condition coverage of continued treatment by a provider under subsection (a)(1)(C) upon the provider agreeing to the following terms and conditions:

“(1) The provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

“(2) The provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.

“(3) The provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.

“(d) Rule of Construction.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

“(e) Definition.—In this section, the term ‘health care provider’ or ‘provider’ means—

“(1) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

“(2) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

“(f) Comprehensive Study of Cost, Quality and Coordination of Coverage for Patients at the End of Life.—

“(1) Study by the medicare payment advisory commission.—The Medicare Payment Advisory Commission shall conduct a study of the costs and patterns of care for persons with serious and complex conditions and the possibilities of improving upon that care to the degree it is triggered by the current category of terminally ill as such term is used for purposes of section 1861(dd) of the Social Security Act (relating to hospice benefits) or of utilizing care in other payment settings in Medicare.

“(2) Agency for health care policy and research.—The Agency for Health Care Policy and Research shall conduct studies of the possible thresholds for major conditions causing serious and complex illness, their administrative parameters and feasibility, and their impact upon costs and quality.

“(3) Health care financing administration.—The Health Care Financing Administration shall conduct studies of the merits of applying similar thresholds in Medicare+Choice programs, including adapting risk adjustment methods to account for this category.

“(4) Initial report.—

“(A) In general.—Not later than 12 months after the date of enactment of this section, the Medicare Payment Advisory Commission and the Agency for Health Care Policy and Research shall each prepare and submit to the Committee on Health, Education, Labor and Pensions of the Senate a report concerning the results of the studies conducted under paragraphs (1) and (2), respectively.

“(B) Copy to secretary.—Concurrent with the submission of the reports under subparagraph (A), the Medicare Payment Advisory Commission and the Agency for health Care Policy and Research shall transmit a copy of the reports under such subparagraph to the Secretary.

“(5) Final report.—

“(A) Contract with institute of medicine.—Not later than 1 year after the submission of the reports under paragraph (4), the Secretary of Health and Human Services shall contract with the Institute of Medicine to conduct a study of the practices and their effects arising from the utilization of the category “serious and complex” illness.

“(B) Report.—Not later than 1 year after the date of the execution of the contract referred to in subparagraph (A), the Institute of Medicine shall prepare and submit to the Committee on Health, Education, Labor and Pensions of the Senate a report concerning the study conducted pursuant to such contract.

“(6) Funding.—From funds appropriated to the Department of Health and Human Services, the Secretary of Health and Human Services shall make available such funds as the Secretary determines is necessary to carry out this subsection.

“SEC. 727. PROTECTION OF PATIENT-PROVIDER COMMUNICATIONS.

“(a) In General.—Subject to subsection (b), a group health plan (other than a fully insured group health plan and in relation to a participant or beneficiary) shall not prohibit or otherwise restrict a health care professional from advising such a participant or beneficiary who is a patient of the professional about the health status of the participant or beneficiary or medical care or treatment for the condition or disease of the participant or beneficiary, regardless of whether coverage for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.

"(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan (other than a fully insured group health plan) to provide specific benefits under the terms of such plan.

"SEC. 728. PATIENT'S RIGHT TO PRESCRIPTION DRUGS.

"To the extent that a group health plan (other than a fully insured group health plan) provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan shall—

"(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary; and

"(2) in accordance with the applicable quality assurance and utilization review standards of the plan, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate.

"SEC. 729. SELF-PAYMENT FOR BEHAVIORAL HEALTH CARE SERVICES.

"(a) IN GENERAL.—A group health plan (other than a fully insured group health plan) may not—

"(1) prohibit or otherwise discourage a participant or beneficiary from self-paying for behavioral health care services once the plan has denied coverage for such services; or

"(2) terminate a health care provider because such provider permits participants or beneficiaries to self-pay for behavioral health care services—

"(A) that are not otherwise covered under the plan; or

"(B) for which the group health plan provides limited coverage, to the extent that the group health plan denies coverage of the services.

"(b) RULE OF CONSTRUCTION.—Nothing in subsection (a)(2)(B) shall be construed as prohibiting a group health plan from terminating a contract with a health care provider for failure to meet applicable quality standards or for fraud.

"SEC. 730. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CANCER CLINICAL TRIALS.

"(a) COVERAGE.—

"(1) IN GENERAL.—If a group health plan (other than a fully insured group health plan) provides coverage to a qualified individual (as defined in subsection (b)), the plan—

"(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);

"(B) subject to subsections (b), (c), and (d) may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

"(C) may not discriminate against the individual on the basis of the participant's or beneficiaries participation in such trial.

"(2) EXCLUSION OF CERTAIN COSTS.—For purposes of paragraph (1)(B), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.

"(3) USE OF IN-NETWORK PROVIDERS.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

"(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of subsection (a), the term "qualified individual" means an individual who is a participant or beneficiary in a group health plan and who meets the following conditions:

"(1)(A) The individual has been diagnosed with cancer for which no standard treatment is effective.

"(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

"(C) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.

"(2) Either—

"(A) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or

"(B) the participant or beneficiary provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

"(c) PAYMENT.—

"(1) IN GENERAL.—Under this section a group health plan (other than a fully insured group health plan) shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for costs of items and services that are reasonably expected to be paid for by the sponsors of an approved clinical trial.

"(2) STANDARDS FOR DETERMINING ROUTINE PATIENT COSTS ASSOCIATED WITH CLINICAL TRIAL PARTICIPATION.—

"(A) IN GENERAL.—The Secretary shall establish, on an expedited basis and using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, United States Code, standards relating to the coverage of routine patient costs for individuals participating in clinical trials that group health plans must meet under this section.

"(B) FACTORS.—In establishing routine patient cost standards under subparagraph (A), the Secretary shall consult with interested parties and take into account —

"(i) quality of patient care;

"(ii) routine patient care costs versus costs associated with the conduct of clinical trials, including unanticipated patient care costs as a result of participation in clinical trials; and

"(iii) previous and on-going studies relating to patient care costs associated with participation in clinical trials.

"(C) PUBLICATION OF NOTICE.—In carrying out the rulemaking process under this paragraph, the Secretary, after consultation with organizations representing cancer patients, health care practitioners, medical researchers, employers, group health plans, manufacturers of drugs, biologics and medical devices, medical economists, hospitals, and other interested parties, shall publish notice provided for under section 564(a) of title 5, United States Code, by not later than 45 days after the date of the enactment of this section.

"(D) TARGET DATE FOR PUBLICATION OF RULE.—As part of the notice under subparagraph (C), and for purposes of this paragraph, the 'target date for publication' (referred to in section 564(a)(5) of such title 5) shall be June 30, 2000.

"(E) ABBREVIATED PERIOD FOR SUBMISSION OF COMMENTS.—In applying section 564(c) of such title 5 under this paragraph, '15 days' shall be substituted for '30 days'.

"(F) APPOINTMENT OF NEGOTIATED RULEMAKING COMMITTEE AND FACILITATOR.—The Secretary shall provide for—

"(i) the appointment of a negotiated rulemaking committee under section 565(a) of such title 5 by not later than 30 days after the end of the comment period provided for under section 564(c) of such title 5 (as shortened under subparagraph (E)), and

"(ii) the nomination of a facilitator under section 566(c) of such title 5 by not later than 10 days after the date of appointment of the committee.

"(G) PRELIMINARY COMMITTEE REPORT.—The negotiated rulemaking committee appointed under subparagraph (F) shall report to the Secretary, by not later than March 29, 2000, regarding the committee's progress on achieving a consensus with regard to the rulemaking proceeding and whether such consensus is likely to occur before 1 month before the target date for publication of the rule. If the committee reports that the committee has failed to make significant progress towards such consensus or is unlikely to reach such consensus by the target date, the Secretary may terminate such process and provide for the publication of a rule under this paragraph through such other methods as the Secretary may provide.

"(H) FINAL COMMITTEE REPORT.—If the committee is not terminated under subparagraph (G), the rulemaking committee shall submit a report containing a proposed rule by not later than 1 month before the target date of publication.

"(I) FINAL EFFECT.—The Secretary shall publish a rule under this paragraph in the Federal Register by not later than the target date of publication.

"(J) PUBLICATION OF RULE AFTER PUBLIC COMMENT.—The Secretary shall provide for consideration of such comments and republication of such rule by not later than 1 year after the target date of publication.

"(K) EFFECTIVE DATE.—The provisions of this paragraph shall apply to group health plans (other than a fully insured group health plan) for plan years beginning on or after January 1, 2001.

"(3) PAYMENT RATE.—In the case of covered items and services provided by—

"(A) a participating provider, the payment rate shall be at the agreed upon rate, or

"(B) a nonparticipating provider, the payment rate shall be at the rate the plan would normally pay for comparable services under subparagraph (A).

"(d) APPROVED CLINICAL TRIAL DEFINED.—

"(1) IN GENERAL.—In this section, the term 'approved clinical trial' means a cancer clinical research study or cancer clinical investigation approved and funded (which may include funding through in-kind contributions) by one or more of the following:

"(A) The National Institutes of Health.

"(B) A cooperative group or center of the National Institutes of Health.

"(C) Either of the following if the conditions described in paragraph (2) are met:

"(i) The Department of Veterans Affairs.

"(ii) The Department of Defense.

"(2) CONDITIONS FOR DEPARTMENTS.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the Secretary determines—

``(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health, and

``(B) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.

``(e) CONSTRUCTION.—Nothing in this section shall be construed to limit a plan's coverage with respect to clinical trials.

``(f) PLAN SATISFACTION OF CERTAIN REQUIREMENTS; RESPONSIBILITIES OF FIDUCIARIES.—

``(1) IN GENERAL.—For purposes of this section, insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the requirements of this section with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer.

``(2) CONSTRUCTION.—Nothing in this section shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

``(g) STUDY AND REPORT.—

``(1) STUDY.—The Secretary shall study the impact on group health plans for covering routine patient care costs for individuals who are entitled to benefits under this section and who are enrolled in an approved cancer clinical trial program.

``(2) REPORT TO CONGRESS.—Not later than January 1, 2005, the Secretary shall submit a report to Congress that contains an assessment of—

``(A) any incremental cost to group health plans resulting from the provisions of this section;

``(B) a projection of expenditures to such plans resulting from this section; and

``(C) any impact on premiums resulting from this section.

“SEC. 730A. PROHIBITING DISCRIMINATION AGAINST PROVIDERS.

``(a) IN GENERAL.—A group health plan (other than a fully insured group health plan) shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification. This subsection shall not be construed as requiring the coverage under a plan of particular benefits or services or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants and beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan.

``(b) NO REQUIREMENT FOR ANY WILLING PROVIDER.—Nothing in this section shall be construed as requiring a group health plan that offers network coverage to include for participation every willing provider or health professional who meets the terms and conditions of the plan.

“SEC. 730B. GENERALLY APPLICABLE PROVISION.

``In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of this subpart shall apply separately with respect to each coverage option.''.

(b) RULE WITH RESPECT TO CERTAIN PLANS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, health insurance issuers may offer, and eligible individuals may purchase, high deductible health plans described in section 220(c)(2)(A) of the Internal Revenue Code of 1986. Effective for the 4-year period beginning on the date of the enactment of this Act, such health plans shall not be required to provide payment for any health care items or services that are exempt from the plan's deductible.

(2) EXISTING STATE LAWS.—A State law relating to payment for health care items and services in effect on the date of enactment of this Act that is preempted under paragraph (1), shall not apply to high deductible health plans after the expiration of the 4-year period described in such paragraph unless the State reenacts such law after such period.

(c) DEFINITION.—Section 733(a) of the Employee Retirement Income Security Act of 1974 (42 U.S.C. 1191(a)) is amended by adding at the end the following:

``(3) FULLY INSURED GROUP HEALTH PLAN.—The term 'fully insured group health plan' means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.''.

(d) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended—

(1) in the item relating to subpart C, by striking ``Subpart C'' and inserting ``Subpart D''; and

(2) by adding at the end of the items relating to subpart B of part 7 of subtitle B of title I of such Act the following new items:

``SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

``Sec. 721. Patient access to emergency medical care.
``Sec. 722. Offering of choice of coverage options.
``Sec. 723. Patient access to obstetric and gynecological care.
``Sec. 724. Patient access to pediatric care.
``Sec. 725. Timely access to specialists.
``Sec. 726. Continuity of care.
``Sec. 727. Protection of patient-provider communications.
``Sec. 728. Patient's right to prescription drugs.
``Sec. 729. Self-payment for behavioral health care services.
``Sec. 730. Coverage for individuals participating in approved cancer clinical trials.
``Sec. 730A. Prohibiting discrimination against providers.
``Sec. 730B. Generally applicable provision.

SEC. 102. CONFORMING AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—Chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subchapter C as subchapter D; and

(2) by inserting after subchapter B the following:

“Subchapter C—Patient Right to Medical Advice and Care

``Sec. 9821. Patient access to emergency medical care.
``Sec. 9822. Offering of choice of coverage options.
``Sec. 9823. Patient access to obstetric and gynecological care.
``Sec. 9824. Patient access to pediatric care.
``Sec. 9825. Timely access to specialists.
``Sec. 9826. Continuity of care.
``Sec. 9827. Protection of patient-provider communications.
``Sec. 9828. Patient's right to prescription drugs.
``Sec. 9829. Self-payment for behavioral health care services.
``Sec. 9830. Coverage for individuals participating in approved cancer clinical trials.
``Sec. 9830A. Prohibiting discrimination against providers.
``Sec. 9830B. Generally applicable provision.

“SEC. 9821. PATIENT ACCESS TO EMERGENCY MEDICAL CARE.

``(a) COVERAGE OF EMERGENCY CARE.—

``(1) IN GENERAL.—To the extent that the group health plan (other than a fully insured group health plan) provides coverage for benefits consisting of emergency medical care (as defined in subsection (c)) or emergency ambulance services, except for items or services specifically excluded—

``(A) the plan shall provide coverage for benefits, without requiring preauthorization, for emergency medical screening examinations or emergency ambulance services, to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations or emergency ambulance services to be necessary to determine whether emergency medical care (as so defined) is necessary; and

``(B) the plan shall provide coverage for benefits, without requiring preauthorization, for additional emergency medical care to stabilize an emergency medical condition following an emergency medical screening examination (if determined necessary under subparagraph (A)), pursuant to the definition of stabilize under section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).

``(2) REIMBURSEMENT FOR CARE TO MAINTAIN MEDICAL STABILITY.—

``(A) IN GENERAL.—In the case of services provided to a participant or beneficiary by a nonparticipating provider in order to maintain the medical stability of the participant or beneficiary, the group health plan involved shall provide for reimbursement with respect to such services if—

``(i) coverage for services of the type furnished is available under the group health plan;

``(ii) the services were provided for care related to an emergency medical condition and in an emergency department in order to maintain the medical stability of the participant or beneficiary; and

``(iii) the nonparticipating provider contacted the plan regarding approval for such services.

``(B) FAILURE TO RESPOND.—If a group health plan fails to respond within 1 hours of being contacted in accordance with subparagraph (A)(iii), then the plan shall be liable for the cost of services provided by the nonparticipating provider in order to maintain the stability of the participant or beneficiary.

``(C) LIMITATION.—The liability of a group health plan to provide reimbursement under subparagraph (A) shall terminate when the plan has contacted the nonparticipating provider to arrange for discharge or transfer.

``(D) LIABILITY OF PARTICIPANT.—A participant or beneficiary shall not be liable for the costs of services to which subparagraph (A) in an amount that exceeds the amount of liability that would be incurred if the services were provided by a participating health care provider with prior authorization by the plan.

``(b) IN-NETWORK UNIFORM COSTS-SHARING AND OUT-OF-NETWORK CARE.—

``(1) IN-NETWORK UNIFORM COST-SHARING.—Nothing in this section shall be construed as preventing a group health plan (other than a fully insured group health plan) from imposing any form of cost-sharing applicable to any participant or beneficiary (including co-insurance, copayments, deductibles, and any other charges) in relation to coverage for benefits described in subsection (a), if such form of cost-sharing is uniformly applied under such plan, with respect to similarly situated participants and beneficiaries, to all benefits consisting of emergency medical care (as defined in subsection (c)) provided to such similarly situated participants and beneficiaries under the plan, and such cost-sharing is disclosed in accordance with section 9814.

"(2) OUT-OF-NETWORK CARE.—If a group health plan (other than a fully insured group health plan) provides any benefits with respect to emergency medical care (as defined in subsection (c)), the plan shall cover emergency medical care under the plan in a manner so that, if such care is provided to a participant or beneficiary by a nonparticipating health care provider, the participant or beneficiary is not liable for amounts that exceed any form of cost-sharing (including co-insurance, co-payments, deductibles, and any other charges) that would be incurred if the services were provided by a participating provider.

"(c) DEFINITION OF EMERGENCY MEDICAL CARE.—In this section:

"(1) IN GENERAL.—The term 'emergency medical care' means, with respect to a participant or beneficiary under a group health plan (other than a fully insured group health plan), covered inpatient and outpatient services that—

"(A) are furnished by any provider, including a nonparticipating provider, that is qualified to furnish such services; and

"(B) are needed to evaluate or stabilize (as such term is defined in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)) an emergency medical condition (as defined in paragraph (2)).

"(2) EMERGENCY MEDICAL CONDITION.—The term 'emergency medical condition' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

"(A) placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

"(B) serious impairment to bodily functions, or

"(C) serious dysfunction of any bodily organ or part.

"SEC. 9822. OFFERING OF CHOICE OF COVERAGE OPTIONS.

"(a) REQUIREMENT.—

"(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan (other than a fully insured group health plan) provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.

"(2) EXCEPTION IN CASE OF LACK OF AVAILABILITY.—Paragraph (1) shall not apply with respect to a group health plan (other than a fully insured group health plan) if care relating to the point-of-service coverage would not be available and accessible to the participant with reasonable promptness (consistent with section 1301(b)(4) of the Public Health Service Act (42 U.S.C. 300e(b)(4))).

"(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term 'point-of-service coverage' means, with respect to benefits covered under a group health plan (other than a fully insured group health plan), coverage of such benefits when provided by a nonparticipating health care professional.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan (other than a fully insured group health plan) of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan (other than a fully insured group health plan) with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 4980D(d)(2) shall apply in determining employer size.

"(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as requiring coverage for benefits for a particular type of health care professional;

"(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;

"(3) as preventing a group health plan (other than a fully insured group health plan) from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or

"(4) to require that a group health plan (other than a fully insured group health plan) include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.

"SEC. 9823. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.

"(a) GENERAL RIGHTS.—

"(1) WAIVER OF PLAN REFERRAL REQUIREMENT.—If a group health plan described in subsection (b) requires a referral to obtain coverage for specialty care, the plan shall waive the referral requirement in the case of a female participant or beneficiary who seeks coverage for obstetrical care and related follow-up obstetrical care or routine gynecological care (such as preventive gynecological care).

"(2) RELATED ROUTINE CARE.—With respect to a participant or beneficiary described in paragraph (1), a group health plan described in subsection (b) shall treat the ordering of other routine care that is related to routine gynecologic care, by a physician who specializes in obstetrics and gynecology as the authorization of the primary care provider for such other care.

"(b) APPLICATION OF SECTION.—A group health plan described in this subsection is a group health plan (other than a fully insured group health plan), that—

"(1) provides coverage for obstetric care (such as pregnancy-related services) or routine gynecologic care (such as preventive women's health examinations); and

"(2) requires the designation by a participant or beneficiary of a participating primary care provider who is not a physician who specializes in obstetrics or gynecology.

"(c) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of obstetric or gynecologic care described in subsection (a);

"(2) to preclude the plan from requiring that the physician who specializes in obstetrics or gynecology notify the designated primary care provider or the plan of treatment decisions;

"(3) to preclude a group health plan from allowing health care professionals other than physicians to provide routine obstetric or routine gynecologic care; or

"(4) to preclude a group health plan from permitting a physician who specializes in obstetrics and gynecology from being a primary care provider under the plan.

"SEC. 9824. PATIENT ACCESS TO PEDIATRIC CARE.

"(a) IN GENERAL.—In the case of a group health plan (other than a fully insured group health plan) that provides coverage for routine pediatric care and that requires the designation by a participant or beneficiary of a participating primary care provider, if the designated primary care provider is not a physician who specializes in pediatrics—

"(1) the plan may not require authorization or referral by the primary care provider in order for a participant or beneficiary to obtain coverage for routine pediatric care; and

"(2) the plan shall treat the ordering of other routine care related to routine pediatric care by such a specialist as having been authorized by the designated primary care provider.

"(b) RULES OF CONSTRUCTION.—Nothing in subsection (a) shall be construed—

"(1) as waiving any coverage requirement relating to medical necessity or appropriateness with respect to the coverage of any pediatric care provided to, or ordered for, a participant or beneficiary;

"(2) to preclude a group health plan from requiring that a specialist described in subsection (a) notify the designated primary care provider or the plan of treatment decisions; or

"(3) to preclude a group health plan from allowing health care professionals other than physicians to provide routine pediatric care.

"SEC. 9825. TIMELY ACCESS TO SPECIALISTS.

"(a) TIMELY ACCESS.—

"(1) IN GENERAL.—A group health plan (other than a fully insured group health plan) shall ensure that participants and beneficiaries have timely, in accordance with the medical exigencies of the case, access to primary and specialty health care professionals who are appropriate to the condition of the participant or beneficiary, when such care is covered under the plan. Such access may be provided through contractual arrangements with specialized providers outside of the network of the plan.

"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed—

"(A) to require the coverage under a group health plan of particular benefits or services or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants or beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan; or

"(B) to override any State licensure or scope-of-practice law.

"(b) Treatment Plans.—

"(1) In general.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring that specialty care be provided pursuant to a treatment plan so long as the treatment plan is—

"(A) developed by the specialist, in consultation with the case manager or primary care provider, and the participant or beneficiary;

"(B) approved by the plan in a timely manner in accordance with the medical exigencies of the case; and

"(C) in accordance with the applicable quality assurance and utilization review standards of the plan.

"(2) Notification.—Nothing in paragraph (1) shall be construed as prohibiting a plan from requiring the specialist to provide the case manager or primary care provider with regular updates on the specialty care provided, as well as all other necessary medical information.

"(c) Referrals.—Nothing in this section shall be construed to prohibit a plan from requiring an authorization by the case manager or primary care provider of the participant or beneficiary in order to obtain coverage for specialty services so long as such authorization is for an adequate number of referrals.

"(d) Specialty Care Defined.—For purposes of this subsection, the term 'specialty care' means, with respect to a condition, care and treatment provided by a health care practitioner, facility, or center (such as a center of excellence) that has adequate expertise (including age-appropriate expertise) through appropriate training and experience.

"SEC. 9826. CONTINUITY OF CARE.

"(a) In General.—

"(1) Termination of provider.—If a contract between a group health plan (other than a fully insured group health plan) and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such group health plan, and an individual who is a participant or beneficiary in the plan is undergoing a course of treatment from the provider at the time of such termination, the plan shall—

"(A) notify the individual on a timely basis of such termination;

"(B) provide the individual with an opportunity to notify the plan of a need for transitional care; and

"(C) in the case of termination described in paragraph (2), (3), or (4) of subsection (b), and subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider's consent during a transitional period (as provided under subsection (b)).

"(2) Terminated.—In this section, the term 'terminated' includes, with respect to a contract, the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.

"(3) Contracts.—For purposes of this section, the term 'contract between a group health plan (other than a fully insured group health plan) and a health care provider' shall include a contract between such a plan and an organized network of providers.

"(b) Transitional Period.—

"(1) General rule.—Except as provided in paragraph (3), the transitional period under this subsection shall permit the participant or beneficiary to extend the coverage involved for up to 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

"(2) Institutional care.—Subject to paragraph (1), the transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

"(3) Pregnancy.—Notwithstanding paragraph (1), if—

"(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and

"(B) the provider was treating the pregnancy before the date of the termination;

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

"(4) Terminal illness.—Notwithstanding paragraph (1), if—

"(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) prior to a provider's termination of participation; and

"(B) the provider was treating the terminal illness before the date of termination;

the transitional period under this subsection shall be for care directly related to the treatment of the terminal illness and shall extend for the remainder of the individual's life for such care.

"(c) Permissible Terms and Conditions.—A group health plan (other than a fully insured group health plan) may condition coverage of continued treatment by a provider under subsection (a)(1)(C) upon the provider agreeing to the following terms and conditions:

"(1) The provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

"(2) The provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.

"(3) The provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.

"(d) Rule of Construction.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

"(e) Definition.—In this section, the term 'health care provider' or 'provider' means—

"(1) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

"(2) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

"(f) Comprehensive Study of Cost, Quality and Coordination of Coverage for Patients at the End of Life.—

"(1) Study by the medicare payment advisory commission.—The Medicare Payment Advisory Commission shall conduct a study of the costs and patterns of care for persons with serious and complex conditions and the possibilities of improving upon that care to the degree it is triggered by the current category of terminally ill as such term is used for purposes of section 1861(dd) of the Social Security Act (relating to hospice benefits) or of utilizing care in other payment settings in Medicare.

"(2) Agency for health care policy and research.—The Agency for Health Care Policy and Research shall conduct studies of the possible thresholds for major conditions causing serious and complex illness, their administrative parameters and feasibility, and their impact upon costs and quality.

"(3) Health care financing administration.—The Health Care Financing Administration shall conduct studies of the merits of applying similar thresholds in Medicare+Choice programs, including adapting risk adjustment methods to account for this category.

"(4) Initial report.—

"(A) In general.—Not later than 12 months after the date of enactment of this section, the Medicare Payment Advisory Commission and the Agency for Health Care Policy and Research shall each prepare and submit to the Committee on Health, Education, Labor and Pensions of the Senate a report concerning the results of the studies conducted under paragraphs (1) and (2), respectively.

"(B) Copy to secretary.—Concurrent with the submission of the reports under subparagraph (A), the Medicare Payment Advisory Commission and the Agency for health Care Policy and Research shall transmit a copy of the reports under such subparagraph to the Secretary.

"(5) Final report.—

"(A) Contract with institute of medicine.—Not later than 1 year after the submission of the reports under paragraph (4), the Secretary of Health and Human Services shall contract with the Institute of Medicine to conduct a study of the practices and their effects arising from the utilization of the category "serious and complex" illness.

"(B) Report.—Not later than 1 year after the date of the execution of the contract referred to in subparagraph (A), the Institute of Medicine shall prepare and submit to the Committee on Health, Education, Labor and Pensions of the Senate a report concerning the study conducted pursuant to such contract.

"(6) Funding.—From funds appropriated to the Department of Health and Human Services, the Secretary of Health and Human Services shall make available such funds as the Secretary determines is necessary to carry out this subsection.

“SEC. 9827. PROTECTION OF PATIENT-PROVIDER COMMUNICATIONS.

“(a) In General.—Subject to subsection (b), a group health plan (other than a fully insured group health plan and in relation to a participant or beneficiary) shall not prohibit or otherwise restrict a health care professional from advising such a participant or beneficiary who is a patient of the professional about the health status of the participant or beneficiary or medical care or treatment for the condition or disease of the participant or beneficiary, regardless of whether coverage for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.

“(b) Rule of Construction.—Nothing in this section shall be construed as requiring a group health plan (other than a fully insured group health plan) to provide specific benefits under the terms of such plan.

“SEC. 9828. PATIENT'S RIGHT TO PRESCRIPTION DRUGS.

“To the extent that a group health plan (other than a fully insured group health plan) provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan shall—

“(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary; and

“(2) in accordance with the applicable quality assurance and utilization review standards of the plan, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate.

“SEC. 9829. SELF-PAYMENT FOR BEHAVIORAL HEALTH CARE SERVICES.

“(a) In General.—A group health plan (other than a fully insured group health plan) may not—

“(1) prohibit or otherwise discourage a participant or beneficiary from self-paying for behavioral health care services once the plan has denied coverage for such services; or

“(2) terminate a health care provider because such provider permits participants or beneficiaries to self-pay for behavioral health care services—

“(A) that are not otherwise covered under the plan; or

“(B) for which the group health plan provides limited coverage, to the extent that the group health plan denies coverage of the services.

“(b) Rule of Construction.—Nothing in subsection (a)(2)(B) shall be construed as prohibiting a group health plan from terminating a contract with a health care provider for failure to meet applicable quality standards or for fraud.

“SEC. 9830. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CANCER CLINICAL TRIALS.

“(a) Coverage.—

“(1) In general.—If a group health plan (other than a fully insured group health plan) provides coverage to a qualified individual (as defined in subsection (b)), the plan—

“(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);

“(B) subject to subsections (b), (c), and (d) may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

“(C) may not discriminate against the individual on the basis of the participant's or beneficiaries participation in such trial.

“(2) Exclusion of certain costs.—For purposes of paragraph (1)(B), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.

“(3) Use of in-network providers.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

“(b) Qualified Individual Defined.—For purposes of subsection (a), the term “qualified individual” means an individual who is a participant or beneficiary in a group health plan and who meets the following conditions:

“(1)(A) The individual has been diagnosed with cancer for which no standard treatment is effective.

“(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

“(C) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.

“(2) Either—

“(A) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or

“(B) the participant or beneficiary provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

“(c) Payment.—

“(1) In general.—Under this section a group health plan (other than a fully insured group health plan) shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for costs of items and services that are reasonably expected to be paid for by the sponsors of an approved clinical trial.

“(2) Standards for determining routine patient costs associated with clinical trial participation.—

“(A) In general.—The Secretary shall establish, on an expedited basis and using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, United States Code, standards relating to the coverage of routine patient costs for individuals participating in clinical trials that group health plans must meet under this section.

“(B) Factors.—In establishing routine patient cost standards under subparagraph (A), the Secretary shall consult with interested parties and take into account —

“(i) quality of patient care;

“(ii) routine patient care costs versus costs associated with the conduct of clinical trials, including unanticipated patient care costs as a result of participation in clinical trials; and

“(iii) previous and on-going studies relating to patient care costs associated with participation in clinical trials.

“(C) Publication of notice.—In carrying out the rulemaking process under this paragraph, the Secretary, after consultation with organizations representing cancer patients, health care practitioners, medical researchers, employers, group health plans, manufacturers of drugs, biologics and medical devices, medical economists, hospitals, and other interested parties, shall publish notice provided for under section 564(a) of title 5, United States Code, by not later than 45 days after the date of the enactment of this section.

“(D) Target date for publication of rule.—As part of the notice under subparagraph (C), and for purposes of this paragraph, the ‘target date for publication’ (referred to in section 564(a)(5) of such title 5) shall be June 30, 2000.

“(E) Abbreviated period for submission of comments.—In applying section 564(c) of such title 5 under this paragraph, ‘15 days’ shall be substituted for ‘30 days’.

“(F) Appointment of negotiated rulemaking committee and facilitator.—The Secretary shall provide for—

“(i) the appointment of a negotiated rulemaking committee under section 565(a) of such title 5 by not later than 30 days after the end of the comment period provided for under section 564(c) of such title 5 (as shortened under subparagraph (E)), and

“(ii) the nomination of a facilitator under section 566(c) of such title 5 by not later than 10 days after the date of appointment of the committee.

“(G) Preliminary committee report.—The negotiated rulemaking committee appointed under subparagraph (F) shall report to the Secretary, by not later than March 29, 2000, regarding the committee's progress on achieving a consensus with regard to the rulemaking proceeding and whether such consensus is likely to occur before 1 month before the target date for publication of the rule. If the committee reports that the committee has failed to make significant progress towards such consensus or is unlikely to reach such consensus by the target date, the Secretary may terminate such process and provide for the publication of a rule under this paragraph through such other methods as the Secretary may provide.

“(H) Final committee report.—If the committee is not terminated under subparagraph (G), the rulemaking committee shall submit a report containing a proposed rule by not later than 1 month before the target date of publication.

“(I) Final effect.—The Secretary shall publish a rule under this paragraph in the Federal Register by not later than the target date of publication.

“(J) Publication of rule after public comment.—The Secretary shall provide for consideration of such comments and republication of such rule by not later than 1 year after the target date of publication.

“(K) Effective date.—The provisions of this paragraph shall apply to group health plans (other than a fully insured group health plan) for plan years beginning on or after January 1, 2001.

“(3) Payment rate.—In the case of covered items and services provided by—

“(A) a participating provider, the payment rate shall be at the agreed upon rate, or

“(B) a nonparticipating provider, the payment rate shall be at the rate the plan would normally pay for comparable services under subparagraph (A).

“(d) Approved Clinical Trial Defined.—

“(1) In general.—In this section, the term ‘approved clinical trial’ means a cancer clinical research study or cancer clinical investigation approved and funded (which may include funding through in-kind contributions) by one or more of the following:

“(A) The National Institutes of Health.

“(B) A cooperative group or center of the National Institutes of Health.

“(C) Either of the following if the conditions described in paragraph (2) are met:

“(i) The Department of Veterans Affairs.

“(ii) The Department of Defense.

“(2) Conditions for departments.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the Secretary determines—

“(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health, and

“(B) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.

“(e) Construction.—Nothing in this section shall be construed to limit a plan's coverage with respect to clinical trials.

“(f) Plan Satisfaction of Certain Requirements; Responsibilities of Fiduciaries.—

“(1) In general.—For purposes of this section, insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the requirements of this section with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer.

“(2) Construction.—Nothing in this section shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B of title I of the Employee Retirement Income Security Act of 1974.

“(g) Study and Report.—

“(1) Study.—The Secretary shall study the impact on group health plans for covering routine patient care costs for individuals who are entitled to benefits under this section and who are enrolled in an approved cancer clinical trial program.

“(2) Report to congress.—Not later than January 1, 2005, the Secretary shall submit a report to Congress that contains an assessment of—

“(A) any incremental cost to group health plans resulting from the provisions of this section;

“(B) a projection of expenditures to such plans resulting from this section; and

“(C) any impact on premiums resulting from this section.

“SEC. 9830A. PROHIBITING DISCRIMINATION AGAINST PROVIDERS.

“(a) In General.—A group health plan (other than a fully insured group health plan) shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification. This subsection shall not be construed as requiring the coverage under a plan of particular benefits or services or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants and beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan.

“(b) No Requirement for any Willing Provider.—Nothing in this section shall be construed as requiring a group health plan that offers network coverage to include for participation every willing provider or health professional who meets the terms and conditions of the plan.

“SEC. 9830B. GENERALLY APPLICABLE PROVISION.

“In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of this subchapter shall apply separately with respect to each coverage option.”.

(b) Definition.—Section 9832(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(4) Fully insured group health plan.—The term ‘fully insured group health plan’ means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.”.

(c) Conforming Amendment.—Chapter 98 of the Internal Revenue Code of 1986 is amended in the table of subchapters in the item relating to subchapter C, by striking “Subchapter C” and inserting “Subchapter D”.

SEC. 103. EFFECTIVE DATE AND RELATED RULES.

(a) In General.—The amendments made by this subtitle shall apply with respect to plan years beginning on or after January 1 of the second calendar year following the date of the enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

(b) Limitation on Enforcement Actions.—No enforcement action shall be taken, pursuant to the amendments made by this subtitle, against a group health plan with respect to a violation of a requirement imposed by such amendments before the date of issuance of regulations issued in connection with such requirement, if the plan has sought to comply in good faith with such requirement.

Subtitle B—Right to Information About Plans and Providers

SEC. 111. INFORMATION ABOUT PLANS.

(a) Employee Retirement Income Security Act of 1974.—

(1) In general.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following:

“SEC. 714. HEALTH PLAN COMPARATIVE INFORMATION.

“(a) Requirement.—

“(1) In general.—A group health plan, and a health insurance issuer that provides coverage in connection with group health insurance coverage, shall, not later than 12 months after the date of enactment of this section, and at least annually thereafter, provide for the disclosure, in a clear and accurate form to each participant and each beneficiary who does not reside at the same address as the participant, or upon request, to an individual eligible for coverage under the plan, of the information described in subsection (b).

“(2) Rule of construction.—Nothing in this section shall be construed to prevent a plan or issuer from entering into any agreement under which the issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

“(3) Provision of information.—Information shall be provided to participants and beneficiaries under this section at the address maintained by the plan or issuer with respect to such participants or beneficiaries.

“(b) Required Information.—The informational materials to be distributed under this section shall include for each package option available under a group health plan the following:

“(1) A description of the covered items and services under each such plan and any in- and out-of-network features of each such plan, including a summary description of the specific exclusions from coverage under the plan.

“(2) A description of any cost-sharing, including premiums, deductibles, coinsurance, and copayment amounts, for which the participant or beneficiary will be responsible, including any annual or lifetime limits on benefits, for each such plan.

“(3) A description of any optional supplemental benefits offered by each such plan and the terms and conditions (including premiums or cost-sharing) for such supplemental coverage.

“(4) A description of any restrictions on payments for services furnished to a participant or beneficiary by a health care professional that is not a participating professional and the liability of the participant or beneficiary for additional payments for these services.

“(5) A description of the service area of each such plan, including the provision of any out-of-area coverage.

“(6) A description of the extent to which participants and beneficiaries may select the primary care provider of their choice, including providers both within the network and outside the network of each such plan (if the plan permits out-of-network services).

“(7) A description of the procedures for advance directives and organ donation decisions if the plan maintains such procedures.

“(8) A description of the requirements and procedures to be used to obtain preauthorization for health services (including telephone numbers and mailing addresses), including referrals for specialty care.

“(9) A description of the definition of medical necessity used in making coverage determinations by each such plan.

“(10) A summary of the rules and methods for appealing coverage decisions and filing grievances (including telephone numbers and mailing addresses), as well as other available remedies.

“(11) A summary description of any provisions for obtaining off-formulary medications if the plan utilizes a defined formulary for providing specific prescription medications.

“(12) A summary of the rules for access to emergency room care. Also, any available educational material regarding proper use of emergency services.

“(13) A description of whether or not coverage is provided for experimental treatments, investigational treatments, or clinical trials and the circumstances under which access to such treatments or trials is made available.

“(14) A description of the specific preventative services covered under the plan if such services are covered.

“(15) A statement regarding—

“(A) the manner in which a participant or beneficiary may access an obstetrician, gynecologist, or pediatrician in accordance with section 723 or 724; and

“(B) the manner in which a participant or beneficiary obtains continuity of care as provided for in section 726.

“(16) A statement that the following information, and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request:

“(A) The names, addresses, telephone numbers, and State licensure status of the plan's participating health care professionals and participating health care facilities, and, if available, the education, training, specialty qualifications or certifications of such professionals.

"(B) A summary description of the methods used for compensating participating health care professionals, such as capitation, fee-for-service, salary, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(C) A summary description of the methods used for compensating health care facilities, including per diem, fee-for-service, capitation, bundled payments, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(D) A summary description of the procedures used for utilization review.

"(E) The list of the specific prescription medications included in the formulary of the plan, if the plan uses a defined formulary.

"(F) A description of the specific exclusions from coverage under the plan.

"(G) Any available information related to the availability of translation or interpretation services for non-English speakers and people with communication disabilities, including the availability of audio tapes or information in Braille.

"(H) Any information that is made public by accrediting organizations in the process of accreditation if the plan is accredited, or any additional quality indicators that the plan makes available.

"(c) Manner of Distribution.—The information described in this section shall be distributed in an accessible format that is understandable to an average plan participant or beneficiary.

"(d) Rule of Construction.—Nothing in this section may be construed to prohibit a group health plan, or health insurance issuer in connection with group health insurance coverage, from distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants and beneficiaries or upon request potential participants and beneficiaries in the selection of a health plan or from providing information under subsection (b)(15) as part of the required information.

"(e) Conforming Regulations.—The Secretary shall issue regulations to coordinate the requirements on group health plans and health insurance issuers under this section with the requirements imposed under part 1, to reduce duplication with respect to any information that is required to be provided under any such requirements.

"(f) Health Care Professional.—In this section, the term 'health care professional' means a physician (as defined in section 1861(r) of the Social Security Act) or other health care professional if coverage for the professional's services is provided under the health plan involved for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.".

(2) Conforming amendments.—

(A) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711," and inserting "sections 711 and 714".

(B) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 713, the following:

"Sec. 714. Health plan comparative information.".

(b) Internal Revenue Code of 1986.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Health plan comparative information."; and

(2) by inserting after section 9812 the following:

"SEC. 9813. HEALTH PLAN COMPARATIVE INFORMATION.

"(a) Requirement.—

"(1) In general.—A group health plan shall, not later than 12 months after the date of enactment of this section, and at least annually thereafter, provide for the disclosure, in a clear and accurate form to each participant and each beneficiary who does not reside at the same address as the participant, or upon request to an individual eligible for coverage under the plan, of the information described in subsection (b).

"(2) Rules of construction.—Nothing in this section shall be construed to prevent a plan from entering into any agreement under which a health insurance issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

"(3) Provision of information.—Information shall be provided to participants and beneficiaries under this section at the address maintained by the plan with respect to such participants or beneficiaries.

"(b) Required Information.—The informational materials to be distributed under this section shall include for each package option available under a group health plan the following:

"(1) A description of the covered items and services under each such plan and any in- and out-of-network features of each such plan, including a summary description of the specific exclusions from coverage under the plan.

"(2) A description of any cost-sharing, including premiums, deductibles, coinsurance, and copayment amounts, for which the participant or beneficiary will be responsible, including any annual or lifetime limits on benefits, for each such plan.

"(3) A description of any optional supplemental benefits offered by each such plan and the terms and conditions (including premiums or cost-sharing) for such supplemental coverage.

"(4) A description of any restrictions on payments for services furnished to a participant or beneficiary by a health care professional that is not a participating professional and the liability of the participant or beneficiary for additional payments for these services.

"(5) A description of the service area of each such plan, including the provision of any out-of-area coverage.

"(6) A description of the extent to which participants and beneficiaries may select the primary care provider of their choice, including providers both within the network and outside the network of each such plan (if the plan permits out-of-network services).

"(7) A description of the procedures for advance directives and organ donation decisions if the plan maintains such procedures.

"(8) A description of the requirements and procedures to be used to obtain preauthorization for health services (including telephone numbers and mailing addresses), including referrals for specialty care.

"(9) A description of the definition of medical necessity used in making coverage determinations by each such plan.

"(10) A summary of the rules and methods for appealing coverage decisions and filing grievances (including telephone numbers and mailing addresses), as well as other available remedies.

"(11) A summary description of any provisions for obtaining off-formulary medications if the plan utilizes a defined formulary for providing specific prescription medications.

"(12) A summary of the rules for access to emergency room care. Also, any available educational material regarding proper use of emergency services.

"(13) A description of whether or not coverage is provided for experimental treatments, investigational treatments, or clinical trials and the circumstances under which access to such treatments or trials is made available.

"(14) A description of the specific preventative services covered under the plan if such services are covered.

"(15) A statement regarding—

"(A) the manner in which a participant or beneficiary may access an obstetrician, gynecologist, or pediatrician in accordance with section 723 or 724; and

"(B) the manner in which a participant or beneficiary obtains continuity of care as provided for in section 726.

"(16) A statement that the following information, and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request:

"(A) The names, addresses, telephone numbers, and State licensure status of the plan's participating health care professionals and participating health care facilities, and, if available, the education, training, specialty qualifications or certifications of such professionals.

"(B) A summary description of the methods used for compensating participating health care professionals, such as capitation, fee-for-service, salary, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(C) A summary description of the methods used for compensating health care facilities, including per diem, fee-for-service, capitation, bundled payments, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(D) A summary description of the procedures used for utilization review.

"(E) The list of the specific prescription medications included in the formulary of the plan, if the plan uses a defined formulary.

"(F) A description of the specific exclusions from coverage under the plan.

"(G) Any available information related to the availability of translation or interpretation services for non-English speakers and people with communication disabilities, including the availability of audio tapes or information in Braille.

"(H) Any information that is made public by accrediting organizations in the process of accreditation if the plan is accredited, or any additional quality indicators that the plan makes available.

"(c) MANNER OF DISTRIBUTION.—The information described in this section shall be distributed in an accessible format that is understandable to an average plan participant or beneficiary.

"(d) RULE OF CONSTRUCTION.—Nothing in this section may be construed to prohibit a group health plan from distributing any other additional information determined by the plan to be important or necessary in assisting participants and beneficiaries or upon request potential participants and beneficiaries in the selection of a health plan or from providing information under subsection (b)(15) as part of the required information.

"(e) HEALTH CARE PROFESSIONAL.—In this section, the term 'health care professional' means a physician (as defined in section 1861(r) of the Social Security Act) or other health care professional if coverage for the professional's services is provided under the health plan involved for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.".

SEC. 112. INFORMATION ABOUT PROVIDERS.

(a) STUDY.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the conduct of a study, and the submission to the Secretary of a report, that includes—

(1) an analysis of information concerning health care professionals that is currently available to patients, consumers, States, and professional societies, nationally and on a State-by-State basis, including patient preferences with respect to information about such professionals and their competencies;

(2) an evaluation of the legal and other barriers to the sharing of information concerning health care professionals; and

(3) recommendations for the disclosure of information on health care professionals, including the competencies and professional qualifications of such practitioners, to better facilitate patient choice, quality improvement, and market competition.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall forward to the appropriate committees of Congress a copy of the report and study conducted under subsection (a).

Subtitle C—Right to Hold Health Plans Accountable

SEC. 121. AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Section 503 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1133) is amended to read as follows:

"SEC. 503. CLAIMS PROCEDURE, COVERAGE DETERMINATION, GRIEVANCES AND APPEALS.

"(a) CLAIMS PROCEDURE.—In accordance with regulations of the Secretary, every employee benefit plan shall—

"(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant; and

"(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

"(b) COVERAGE DETERMINATIONS UNDER GROUP HEALTH PLANS.—

"(1) PROCEDURES.—

"(A) IN GENERAL.—A group health plan or health insurance issuer conducting utilization review shall ensure that procedures are in place for—

"(i) making determinations regarding whether a participant or beneficiary is eligible to receive a payment or coverage for health services under the plan or coverage involved and any cost-sharing amount that the participant or beneficiary is required to pay with respect to such service;

"(ii) notifying a covered participant or beneficiary (or the authorized representative of such participant or beneficiary) and the treating health care professionals involved regarding determinations made under the plan or issuer and any additional payments that the participant or beneficiary may be required to make with respect to such service; and

"(iii) responding to requests, either written or oral, for coverage determinations or for internal appeals from a participant or beneficiary (or the authorized representative of such participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary.

"(B) ORAL REQUESTS.—With respect to an oral request described in subparagraph (A)(iii), a group health plan or health insurance issuer may require that the requesting individual provide written evidence of such request.

"(2) TIMELINE FOR MAKING DETERMINATIONS.—

"(A) ROUTINE DETERMINATION.—A group health plan or a health insurance issuer shall maintain procedures to ensure that prior authorization determinations concerning the provision of non-emergency items or services are made within 30 days from the date on which the request for a determination is submitted, except that such period may be extended where certain circumstances exist that are determined by the Secretary to be beyond control of the plan or issuer.

"(B) EXPEDITED DETERMINATION.—

"(i) IN GENERAL.—A prior authorization determination under this subsection shall be made within 72 hours, in accordance with the medical exigencies of the case, after a request is received by the plan or issuer under clause (ii) or (iii).

"(ii) REQUEST BY PARTICIPANT OR BENEFICIARY.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

"(iii) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies, that a determination under the procedures described in subparagraph (A) could seriously jeopardize the life or health of the participant or beneficiary.

"(C) CONCURRENT DETERMINATIONS.—A plan or issuer shall maintain procedures to certify or deny coverage of an extended stay or additional services.

"(D) RETROSPECTIVE DETERMINATION.—A plan or issuer shall maintain procedures to ensure that, with respect to the retrospective review of a determination made under paragraph (1), the determination shall be made within 30 working days of the date on which the plan or issuer receives necessary information.

"(3) NOTICE OF DETERMINATIONS.—

"(A) ROUTINE DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(A), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and, consistent with the medical exigencies of the case, to the treating health care professional involved not later than 2 working days after the date on which the determination is made.

"(B) EXPEDITED DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(B), the plan or issuer shall issue notice of such determination to the participant or beneficiary (or the authorized representative of the participant or beneficiary), and consistent with the medical exigencies of the case, to the treating health care professional involved within the 72 hour period described in paragraph (2)(B).

"(C) CONCURRENT REVIEWS.—With respect to the determination under a plan or issuer under paragraph (2)(C) to certify or deny coverage of an extended stay or additional services, the plan or issuer shall issue notice of such determination to the treating health care professional and to the participant or beneficiary involved (or the authorized representative of the participant or beneficiary) within 1 working day of the determination.

"(D) RETROSPECTIVE REVIEWS.—With respect to the retrospective review under a plan or issuer of a determination made under paragraph (2)(D), the plan or issuer shall issue written notice of an approval or disapproval of a determination under this subparagraph to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and health care provider involved within 5 working days of the date on which such determination is made.

"(E) REQUIREMENTS OF NOTICE OF ADVERSE COVERAGE DETERMINATIONS.—A written notice of an adverse coverage determination under this subsection, or of an expedited adverse coverage determination under paragraph (2)(B), shall be provided to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and treating health care professional (if any) involved and shall include—

"(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

"(ii) the procedures for obtaining additional information concerning the determination; and

"(iii) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (d).

"(c) GRIEVANCES.—A group health plan or a health insurance issuer shall have written procedures for addressing grievances between the plan or issuer offering health insurance coverage in connection with a group health plan and a participant or beneficiary.

Determinations under such procedures shall be non-appealable.

"(d) INTERNAL APPEAL OF COVERAGE DETERMINATIONS.—

"(1) RIGHT TO APPEAL.—

"(A) IN GENERAL.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) or the treating health care professional with the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary), may appeal any adverse coverage determination under subsection (b) under the procedures described in this subsection.

"(B) TIME FOR APPEAL.—A plan or issuer shall ensure that a participant or beneficiary has a period of not less than 180 days beginning on the date of an adverse coverage determination under subsection (b) in which to appeal such determination under this subsection.

"(C) FAILURE TO ACT.—The failure of a plan or issuer to issue a determination under subsection (b) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to internal review under this subsection.

"(2) RECORDS.—A group health plan and a health insurance issuer shall maintain written records, for at least 6 years, with respect to any appeal under this subsection for purposes of internal quality assurance and improvement. Nothing in the preceding sentence shall be construed as preventing a plan and issuer from entering into an agreement under which the issuer agrees to assume responsibility for compliance with the requirements of this section and the plan is released from liability for such compliance.

"(3) ROUTINE DETERMINATIONS.—A group health plan or a health insurance issuer shall complete the consideration of an appeal of an adverse routine determination under this subsection not later than 30 working days after the date on which a request for such appeal is received.

"(4) EXPEDITED DETERMINATION.—

"(A) IN GENERAL.—An expedited determination with respect to an appeal under this subsection shall be made in accordance with the medical exigencies of the case, but in no case more than 72 hours after the request for such appeal is received by the plan or issuer under subparagraph (B) or (C).

"(B) REQUEST BY PARTICIPANT OR BENEFICIARY.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of a participant or beneficiary if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the participant or beneficiary.

"(C) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has reasonably documented, based on the medical exigencies of the case that a determination under the procedures described in paragraph (2) could seriously jeopardize the life or health of the participant or beneficiary.

"(5) CONDUCT OF REVIEW.—A review of an adverse coverage determination under this subsection shall be conducted by an individual with appropriate expertise who was not directly involved in the initial determination.

"(6) LACK OF MEDICAL NECESSITY.—A review of an appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, shall be made only by a physician with appropriate expertise, including age-appropriate expertise, who was not involved in the initial determination.

"(7) NOTICE.—

"(A) IN GENERAL.—Written notice of a determination made under an internal review process shall be issued to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the treating health care professional not later than 2 working days after the completion of the review (or within the 72-hour period referred to in paragraph (4) if applicable).

"(B) ADVERSE COVERAGE DETERMINATIONS.—With respect to an adverse coverage determination made under this subsection, the notice described in subparagraph (A) shall include—

"(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average participant or beneficiary;

"(ii) the procedures for obtaining additional information concerning the determination; and

"(iii) notification of the right to an independent external review under subsection (e) and instructions on how to initiate such a review.

"(e) INDEPENDENT EXTERNAL REVIEW.—

"(1) ACCESS TO REVIEW.—

"(A) IN GENERAL.—A group health plan or a health insurance issuer offering health insurance coverage in connection with a group health plan shall have written procedures to permit a participant or beneficiary (or the authorized representative of the participant or beneficiary) access to an independent external review with respect to an adverse coverage determination concerning a particular item or service (including a circumstance treated as an adverse coverage determination under subparagraph (B)) where—

"(i) the particular item or service involved—

"(I)(aa) would be a covered benefit, when medically necessary and appropriate under the terms and conditions of the plan, and the item or service has been determined not to be medically necessary and appropriate under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

"(bb)(AA) the amount of such item or service involved exceeds a significant financial threshold; or

"(BB) there is a significant risk of placing the life or health of the participant or beneficiary in jeopardy; or

"(II) would be a covered benefit, when not considered experimental or investigational under the terms and conditions of the plan, and the item or service has been determined to be experimental or investigational under the internal appeals process required under subsection (d) or there has been a failure to issue a coverage determination as described in subparagraph (B); and

"(ii) the participant or beneficiary has completed the internal appeals process under subsection (d) with respect to such determination.

"(B) FAILURE TO ACT.—The failure of a plan or issuer to issue a coverage determination under subsection (d)(6) within the applicable timeline established for such a determination under such subsection shall be treated as an adverse coverage determination for purposes of proceeding to independent external review under this subsection.

"(2) INITIATION OF THE INDEPENDENT EXTERNAL REVIEW PROCESS.—

"(A) FILING OF REQUEST.—A participant or beneficiary (or the authorized representative of the participant or beneficiary) who desires to have an independent external review conducted under this subsection shall file a written request for such a review with the plan or issuer involved not later than 30 working days after the receipt of a final denial of a claim under subsection (d). Any such request shall include the consent of the participant or beneficiary (or the authorized representative of the participant or beneficiary) for the release of medical information and records to independent external reviewers regarding the participant or beneficiary.

"(B) TIMEFRAME FOR SELECTION OF APPEALS ENTITY.—Not later than 5 working days after the receipt of a request under subparagraph (A), or earlier in accordance with the medical exigencies of the case, the plan or issuer involved shall—

"(i) select an external appeals entity under paragraph (3)(A) that shall be responsible for designating an independent external reviewer under paragraph (3)(B); and

"(ii) provide notice of such selection to the participant or beneficiary (which shall include the name and address of the entity).

"(C) PROVISION OF INFORMATION.—Not later than 5 working days after the plan or issuer provides the notice required under subparagraph (B)(ii), or earlier in accordance with the medical exigencies of the case, the plan, issuer, participant, beneficiary or physician (of the participant or beneficiary) involved shall forward necessary information (including, only in the case of a plan or issuer, medical records, any relevant review criteria, the clinical rationale consistent with the terms and conditions of the contract between the plan or issuer and the participant or beneficiary for the coverage denial, and evidence of the coverage of the participant or beneficiary) to the qualified external appeals entity designated under paragraph (3)(A).

"(D) FOLLOW-UP WRITTEN NOTIFICATION.—The plan or issuer involved shall send a follow-up written notification, in a timely manner, to the participant or beneficiary (or the authorized representative of the participant or beneficiary) and the plan administrator, indicating that an independent external review has been initiated.

"(3) CONDUCT OF INDEPENDENT EXTERNAL REVIEW.—

"(A) DESIGNATION OF EXTERNAL APPEALS ENTITY BY PLAN OR ISSUER.—

"(i) IN GENERAL.—A plan or issuer that receives a request for an independent external review under paragraph (2)(A) shall designate a qualified entity described in clause (ii), in a manner designed to ensure that the entity so designated will make a decision in an unbiased manner, to serve as the external appeals entity.

"(ii) QUALIFIED ENTITIES.—A qualified entity shall be—

"(I) an independent external review entity licensed or credentialed by a State;

"(II) a State agency established for the purpose of conducting independent external reviews;

"(III) any entity under contract with the Federal Government to provide independent external review services;

"(IV) any entity accredited as an independent external review entity by an accrediting body recognized by the Secretary for such purpose; or

"(V) any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

"(B) DESIGNATION OF INDEPENDENT EXTERNAL REVIEWER BY EXTERNAL APPEALS ENTITY.—The external appeals entity designated under subparagraph (A) shall, not later than 30 days after the date on which such entity is designated under subparagraph (A), or earlier in accordance with the medical exigencies of the case, designate one or more individuals to serve as independent external reviewers with respect to a request received under paragraph (2)(A). Such reviewers shall be independent medical experts who shall—

"(i) be appropriately credentialed or licensed in any State to deliver health care services;

"(ii) not have any material, professional, familial, or financial affiliation with the case under review, the participant or beneficiary involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer of any drug, device, procedure, or other therapy proposed for the participant or beneficiary whose treatment is under review;

"(iii) have expertise (including age-appropriate expertise) in the diagnosis or treatment under review and be a physician of the same specialty, when reasonably available, as the physician treating the participant or beneficiary or recommending or prescribing the treatment in question;

"(iv) receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the independent external review that is not contingent on the decision rendered by the reviewer; and

"(v) not be held liable for decisions regarding medical determinations (but may be held liable for actions that are arbitrary and capricious).

"(4) STANDARD OF REVIEW.—

"(A) IN GENERAL.—An independent external reviewer shall—

"(i) make an independent determination based on the valid, relevant, scientific and clinical evidence to determine the medical necessity, appropriateness, experimental or investigational nature of the proposed treatment; and

"(ii) take into consideration appropriate and available information, including any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer; timely evidence or information submitted by the plan, issuer, patient or patient's physician; the patient's medical record; expert consensus including both generally accepted medical practice and recognized best practice; medical literature as defined in section 556(5) of the Federal Food, Drug, and Cosmetic Act; the following standard reference compendia: The American Hospital Formulary Service-Drug Information, the American Dental Association Accepted Dental Therapeutics, and the United States Pharmacopoeia-Drug Information; and findings, studies, or research conducted by or under the auspices of Federal Government agencies and nationally recognized Federal research institutes including the Agency for Healthcare Research and Quality, National Institutes of Health, National Academy of Sciences, Health Care Financing Administration, and any national board recognized by the National Institutes of Health for the purposes of evaluating the medical value of health services.

"(B) NOTICE.—The plan or issuer involved shall ensure that the participant or beneficiary receives notice, within 30 days after the determination of the independent medical expert, regarding the actions of the plan or issuer with respect to the determination of such expert under the independent external review.

"(5) TIMEFRAME FOR REVIEW.—

"(A) IN GENERAL.—The independent external reviewer shall complete a review of an adverse coverage determination in accordance with the medical exigencies of the case.

"(B) EXPEDITED REVIEW.—Notwithstanding subparagraph (A), a review described in such subparagraph shall be completed not later than 72 hours after the later of—

"(i) the date on which such reviewer is designated; or

"(ii) the date on which all information necessary to completing such review is received;

if the completion of such review in a period of time in excess of 72 hours would seriously jeopardize the life or health of the participant or beneficiary.

"(C) LIMITATION.—Notwithstanding subparagraph (A), and except as provided in subparagraph (B), a review described in subparagraph (A) shall be completed not later than 30 working days after the later of—

"(i) the date on which such reviewer is designated; or

"(ii) the date on which all information necessary to completing such review is received.

"(6) BINDING DETERMINATION AND ACCESS TO CARE.—

"(A) IN GENERAL.—The determination of an independent external reviewer under this subsection shall be binding upon the plan or issuer if the provisions of this subsection or the procedures implemented under such provisions were complied with by the independent external reviewer.

"(B) TIMETABLE FOR COMMENCEMENT OF CARE.—Where an independent external reviewer determines that the participant or beneficiary is entitled to coverage of the items or services that were the subject of the review, the reviewer shall establish a timeframe, in accordance with the medical exigencies of the case, during which the plan or issuer shall comply with the decision of the reviewer with respect to the coverage of such items or services under the terms and conditions of the plan.

"(C) FAILURE TO COMPLY.—If a plan or issuer fails to comply with the timeframe established under subparagraph (B) with respect to a participant or beneficiary, where such failure to comply is caused by the plan or issuer, the participant or beneficiary may obtain the items or services involved (in a manner consistent with the determination of the independent external reviewer) from any provider regardless of whether such provider is a participating provider under the plan or coverage.

"(D) REIMBURSEMENT.—

"(i) IN GENERAL.—Where a participant or beneficiary obtains items or services in accordance with subparagraph (C), the plan or issuer involved shall provide for reimbursement of the costs of such items of services. Such reimbursement shall be made to the treating provider or to the participant or beneficiary (in the case of a participant or beneficiary who pays for the costs of such items or services).

"(ii) AMOUNT.—The plan or issuer shall fully reimburse a provider, participant or beneficiary under clause (i) for the total costs of the items or services provided (regardless of any plan limitations that may apply to the coverage of such items of services) so long as—

"(I) the items or services would have been covered under the terms of the plan or coverage if provided by the plan or issuer; and

"(II) the items or services were provided in a manner consistent with the determination of the independent external reviewer.

"(E) FAILURE TO REIMBURSE.—Where a plan or issuer fails to provide reimbursement to a provider, participant or beneficiary in accordance with this paragraph, the provider, participant or beneficiary may commence a civil action (or utilize other remedies available under law) to recover only the amount of any such reimbursement that is unpaid and any necessary legal costs or expenses (including attorneys' fees) incurred in recovering such reimbursement.

"(7) STUDY.—Not later than 2 years after the date of enactment of this section, the General Accounting Office shall conduct a study of a statistically appropriate sample of completed independent external reviews. Such study shall include an assessment of the process involved during an independent external review and the basis of decisionmaking by the independent external reviewer. The results of such study shall be submitted to the appropriate committees of Congress.

"(8) EFFECT ON CERTAIN PROVISIONS.—Nothing in this section shall be construed as affecting or modifying section 514 of this Act with respect to a group health plan.

"(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan administrator or plan fiduciary or health plan medical director from requesting an independent external review by an independent external reviewer without first completing the internal review process.

"(g) DEFINITIONS.—In this section:

"(1) ADVERSE COVERAGE DETERMINATION.—The term 'adverse coverage determination' means a coverage determination under the plan which results in a denial of coverage or reimbursement.

"(2) COVERAGE DETERMINATION.—The term 'coverage determination' means with respect to items and services for which coverage may be provided under a health plan, a determination of whether or not such items and services are covered or reimbursable under the coverage and terms of the contract.

"(3) GRIEVANCE.—The term 'grievance' means any complaint made by a participant or beneficiary that does not involve a coverage determination.

"(4) GROUP HEALTH PLAN.—The term 'group health plan' shall have the meaning given such term in section 733(a). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

"(5) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term in section 733(b)(1). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

"(6) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 733(b)(2).

"(7) PRIOR AUTHORIZATION DETERMINATION.—The term 'prior authorization determination' means a coverage determination prior to the provision of the items and services as a condition of coverage of the items and services under the coverage.

"(8) TREATING HEALTH CARE PROFESSIONAL.—The term 'treating health care professional' with respect to a group health plan, health insurance issuer or provider sponsored organization means a physician (medical doctor or doctor of osteopathy) or other health care practitioner who is acting within the scope of his or her State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the participant or beneficiary.

"(9) UTILIZATION REVIEW.—The term 'utilization review' with respect to a group health plan or health insurance coverage means a set of formal techniques designed to monitor the use of, or evaluate the clinical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning or retrospective review."

(b) ENFORCEMENT.—Section 502(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)) is amended by adding at the end the following:

"(8) The Secretary may assess a civil penalty against any plan of up to $10,000 for the plan's failure or refusal to comply with any timeline applicable under section 503(e) or any determination under such section, except that in any case in which treatment was not commenced by the plan in accordance with the determination of an independent external reviewer, the Secretary shall assess a civil penalty of $10,000 against the plan and the plan shall pay such penalty to the participant or beneficiary involved.".

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by striking the item relating to section 503 and inserting the following new item:

"Sec. 503. Claims procedures, coverage determination, grievances and appeals.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning on or after 1 year after the date of enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

TITLE II—WOMEN'S HEALTH AND CANCER RIGHTS

SEC. 201. WOMEN'S HEALTH AND CANCER RIGHTS.

(a) SHORT TITLE.—This section may be cited as the "Women's Health and Cancer Rights Act of 1999".

(b) FINDINGS.—Congress finds that—

(1) the offering and operation of health plans affect commerce among the States;

(2) health care providers located in a State serve patients who reside in the State and patients who reside in other States; and

(3) in order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States.

(c) AMENDMENTS TO ERISA.—

(1) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by section 111(a), is further amended by adding at the end the following:

"SEC. 715. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

"(A) a mastectomy;

"(B) a lumpectomy; or

"(C) a lymph node dissection for the treatment of breast cancer.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

"(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 2000;

whichever is earlier.

"(d) SECONDARY CONSULTATIONS.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

"(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

"(e) PROHIBITION ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not—

"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (d).".

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 714 the following new item:

"Sec. 715. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".

(d) AMENDMENTS TO PHSA RELATING TO THE GROUP MARKET.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.) is amended by adding at the end the following new section:

"SEC. 2707. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

"(A) a mastectomy;

"(B) a lumpectomy; or

"(C) a lymph node dissection for the treatment of breast cancer.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

"(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

“(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

“(2) as part of any yearly informational packet sent to the participant or beneficiary; or

“(3) not later than January 1, 2000;

whichever is earlier.

“(d) SECONDARY CONSULTATIONS.—

“(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

“(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

“(e) PROHIBITION ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not—

“(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

“(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

“(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (d).”.

(e) AMENDMENTS TO PHSA RELATING TO THE INDIVIDUAL MARKET.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–51 et seq.) (relating to other requirements) (42 U.S.C. 300gg-51 et seq.) is amended—

(1) by redesignating such subpart as subpart 2; and

(2) by adding at the end the following:

“SEC. 2753. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND SECONDARY CONSULTATIONS.

“The provisions of section 2707 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.”.

(f) AMENDMENTS TO THE IRC.—

(1) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 111(b), is further amended by inserting after section 9813 the following:

“SEC. 9814. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

“(a) INPATIENT CARE.—

“(1) IN GENERAL.—A group health plan that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

“(A) a mastectomy;

“(B) a lumpectomy; or

“(C) a lymph node dissection for the treatment of breast cancer.

“(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

“(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

“(c) NOTICE.—A group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan and shall be transmitted—

“(1) in the next mailing made by the plan to the participant or beneficiary;

“(2) as part of any yearly informational packet sent to the participant or beneficiary; or

“(3) not later than January 1, 2000;

whichever is earlier.

“(d) SECONDARY CONSULTATIONS.—

“(1) IN GENERAL.—A group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

“(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

“(e) PROHIBITION ON PENALTIES.—A group health plan may not—

“(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

“(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

“(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan involved under subsection (d).”.

(2) CLERICAL AMENDMENT.—The table of contents for chapter 100 of such Code is amended by inserting after the item relating to section 9813 the following new item:

“Sec. 9814. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.”.

TITLE III—GENETIC INFORMATION AND SERVICES

SEC. 301. SHORT TITLE.

This title may be cited as the “Genetic Information Nondiscrimination in Health Insurance Act of 1999”.

SEC. 302. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION OR GENETIC SERVICES.—

(1) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 702(a)(1)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(a)(1)(F)) is amended by inserting before the period the following: “(including information about a request for or receipt of genetic services)”.

(2) NO DISCRIMINATION IN GROUP PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by sections 111(a) and 201, is further amended by adding at the end the following:

“SEC. 716. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

“A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".

(3) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 702(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(b)) is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 716.".

(B) TABLE OF CONTENTS.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974, as amended by sections 111(a) and 201, is further amended by inserting after the item relating to section 715 the following new item:

"Sec. 716. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 702 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182) is amended by adding at the end the following:

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—

"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—

"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(c) DEFINITIONS.—Section 733(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(d)) is amended by adding at the end the following:

"(5) FAMILY MEMBER.—The term 'family member' means with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(6) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(7) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(8) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(9) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning 1 year after the date of the enactment of this Act.

SEC. 303. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.

(a) AMENDMENTS RELATING TO THE GROUP MARKET.—

(1) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION IN THE GROUP MARKET.—

(A) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 2702(a)(1)(F) of the Public Health Service Act (42 U.S.C. 300gg-1(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(B) NO DISCRIMINATION IN PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart 2 of part A of title XXVII of the Public Health Service Act, as amended by section 201, is further amended by adding at the end the following new section:

"SEC. 2708. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION IN THE GROUP MARKET.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".

(C) CONFORMING AMENDMENT.—Section 2702(b) of the Public Health Service Act (42 U.S.C. 300gg-1(b)) is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 2708.".

(D) LIMITATION ON COLLECTION AND DISCLOSURE OF PREDICTIVE GENETIC INFORMATION.—Section 2702 of the Public Health Service Act (42 U.S.C. 300gg-1) is amended by adding at the end the following:

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) Notice of confidentiality practices and description of safeguards.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) Confidentiality with Respect to Predictive Genetic Information.—

"(1) Notice of confidentiality practices.—

"(A) Preparation of written notice.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) Model notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) Establishment of safeguards.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(2) Definitions.—Section 2791(d) of the Public Health Service Act (42 U.S.C. 300gg-91(d)) is amended by adding at the end the following:

"(15) Family member.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(16) Genetic information.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(17) Genetic services.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(18) Predictive genetic information.—

"(A) In general.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) Exceptions.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(19) Genetic test.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(b) Amendment Relating to the Individual Market.—Subpart 2 of part B of title XXVII of the Public Health Service Act, as amended by section 201, is further amended by adding at the end the following new section:

"SEC. 2754. PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"(a) Prohibition on Predictive Genetic Information as a Condition of Eligibility.—A health insurance issuer offering health insurance coverage in the individual market may not use predictive genetic information as a condition of eligibility of an individual to enroll in individual health insurance coverage (including information about a request for or receipt of genetic services).

"(b) Prohibition on Predictive Genetic Information in Setting Premium Rates.—A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium rates for individuals on the basis of predictive genetic information concerning such an individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(c) Collection of Predictive Genetic Information.—

"(1) Limitation on requesting or requiring predictive genetic information.—Except as provided in paragraph (2), a health insurance issuer offering health insurance coverage in the individual market shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) Information needed for diagnosis, treatment, or payment.—

"(A) In general.—Notwithstanding paragraph (1), a health insurance issuer offering health insurance coverage in the individual market that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) Notice of confidentiality practices and description of safeguards.—As a part of a request under subparagraph (A), the health insurance issuer offering health insurance coverage in the individual market shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) Confidentiality with Respect to Predictive Genetic Information.—

"(1) Notice of confidentiality practices.—

"(A) Preparation of written notice.—A health insurance issuer offering health insurance coverage in the individual market shall post or provide, in writing and in a clear and conspicuous manner, notice of the issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) Model notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) Establishment of safeguards.—A health insurance issuer offering health insurance coverage in the individual market shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such issuer.".

(c) Effective Date.—The amendments made by this section shall apply with respect to—

(1) group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after 1 year after the date of enactment of this Act; and

(2) health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after 1 year after the date of enactment of this Act.

SEC. 304. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) Prohibition of Health Discrimination on the Basis of Genetic Information or Genetic Services.—

(1) No enrollment restriction for genetic services.—Section 9802(a)(1)(F) of the Internal Revenue Code of 1986 is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(2) No discrimination in group premiums based on predictive genetic information.—

(A) In general.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by sections 111(b) and 201, is further amended by adding at the end the following:

"SEC. 9815. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"A group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).".

(B) CONFORMING AMENDMENT.—Section 9802(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or the receipt of genetic services), see section 9815.".

(C) AMENDMENT TO TABLE OF SECTIONS.—The table of sections for subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by sections 111(b) and 201, is further amended by adding at the end the following:

"Sec. 9816. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 9802 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(d) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES; DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (e), of such predictive genetic information.

"(e) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—

"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—

"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan.".

(c) DEFINITIONS.—Section 9832(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(6) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(7) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(8) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(9) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(10) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning after 1 year after the date of the enactment of this Act.

TITLE IV—HEALTHCARE RESEARCH AND QUALITY

SEC. 401. SHORT TITLE.

This title may be cited as the "Healthcare Research and Quality Act of 1999".

SEC. 402. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.

Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended to read as follows:

"TITLE IX—AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"SEC. 901. MISSION AND DUTIES.

"(a) IN GENERAL.—There is established within the Public Health Service an agency to be known as the Agency for Healthcare Research and Quality. In carrying out this subsection, the Secretary shall redesignate the Agency for Health Care Policy and Research as the Agency for Healthcare Research and Quality.

"(b) MISSION.—The purpose of the Agency is to enhance the quality, appropriateness, and effectiveness of healthcare services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical and health system practices, including the prevention of diseases and other health conditions. The Agency shall promote healthcare quality improvement by—

"(1) conducting and supporting research that develops and presents scientific evidence regarding all aspects of healthcare, including—

"(A) the development and assessment of methods for enhancing patient participation in their own care and for facilitating shared patient-physician decision-making;

"(B) the outcomes, effectiveness, and cost-effectiveness of healthcare practices, including preventive measures and long-term care;

"(C) existing and innovative technologies;

"(D) the costs and utilization of, and access to healthcare;

"(E) the ways in which healthcare services are organized, delivered, and financed and the interaction and impact of these factors on the quality of patient care;

"(F) methods for measuring quality and strategies for improving quality; and

"(G) ways in which patients, consumers, purchasers, and practitioners acquire new information about best practices and health benefits, the determinants and impact of their use of this information;

"(2) synthesizing and disseminating available scientific evidence for use by patients, consumers, practitioners, providers, purchasers, policy makers, and educators; and

"(3) advancing private and public efforts to improve healthcare quality.

"(c) REQUIREMENTS WITH RESPECT TO RURAL AREAS AND PRIORITY POPULATIONS.—In carrying out subsection (b), the Director shall undertake and support research, demonstration projects, and evaluations with respect to the delivery of health services—

"(1) in rural areas (including frontier areas);

"(2) for low-income groups, and minority groups;

"(3) for children;

"(4) for elderly; and

"(5) for people with special healthcare needs, including disabilities, chronic care and end-of-life healthcare.

"(d) APPOINTMENT OF DIRECTOR.—There shall be at the head of the Agency an official to be known as the Director for Healthcare Research and Quality. The Director shall be appointed by the Secretary. The Secretary, acting through the Director, shall carry out the authorities and duties established in this title.

“SEC. 902. GENERAL AUTHORITIES.

“(a) In General.—In carrying out section 901(b), the Director shall support demonstration projects, conduct and support research, evaluations, training, research networks, multi-disciplinary centers, technical assistance, and the dissemination of information, on healthcare, and on systems for the delivery of such care, including activities with respect to—

“(1) the quality, effectiveness, efficiency, appropriateness and value of healthcare services;

“(2) quality measurement and improvement;

“(3) the outcomes, cost, cost-effectiveness, and use of healthcare services and access to such services;

“(4) clinical practice, including primary care and practice-oriented research;

“(5) healthcare technologies, facilities, and equipment;

“(6) healthcare costs, productivity, organization, and market forces;

“(7) health promotion and disease prevention, including clinical preventive services;

“(8) health statistics, surveys, database development, and epidemiology; and

“(9) medical liability.

“(b) Health Services Training Grants.—

“(1) In general.—The Director may provide training grants in the field of health services research related to activities authorized under subsection (a), to include pre- and post-doctoral fellowships and training programs, young investigator awards, and other programs and activities as appropriate. In carrying out this subsection, the Director shall make use of funds made available under section 487 as well as other appropriated funds.

“(2) Requirements.—In developing priorities for the allocation of training funds under this subsection, the Director shall take into consideration shortages in the number of trained researchers addressing the priority populations.

“(c) Multidisciplinary Centers.—The Director may provide financial assistance to assist in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services research, demonstration projects, evaluations, training, and policy analysis with respect to the matters referred to in subsection (a).

“(d) Relation to Certain Authorities Regarding Social Security.—Activities authorized in this section shall be appropriately coordinated with experiments, demonstration projects, and other related activities authorized by the Social Security Act and the Social Security Amendments of 1967. Activities under subsection (a)(2) of this section that affect the programs under titles XVIII, XIX and XXI of the Social Security Act shall be carried out consistent with section 1142 of such Act.

“(e) Disclaimer.—The Agency shall not mandate national standards of clinical practice or quality healthcare standards. Recommendations resulting from projects funded and published by the Agency shall include a corresponding disclaimer.

“(f) Rule of Construction.—Nothing in this section shall be construed to imply that the Agency's role is to mandate a national standard or specific approach to quality measurement and reporting. In research and quality improvement activities, the Agency shall consider a wide range of choices, providers, healthcare delivery systems, and individual preferences.

“PART B—HEALTHCARE IMPROVEMENT RESEARCH

“SEC. 911. HEALTHCARE OUTCOME IMPROVEMENT RESEARCH.

“(a) Evidence Rating Systems.—In collaboration with experts from the public and private sector, the Agency shall identify and disseminate methods or systems that it uses to assess healthcare research results, particularly methods or systems that it uses to rate the strength of the scientific evidence behind healthcare practice, recommendations in the research literature, and technology assessments. The Agency shall make methods and systems for evidence rating widely available. Agency publications containing healthcare recommendations shall indicate the level of substantiating evidence using such methods or systems.

“(b) Healthcare Improvement Research Centers and Provider-Based Research Networks.—In order to address the full continuum of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Agency shall employ research strategies and mechanisms that will link research directly with clinical practice in geographically diverse locations throughout the United States, including—

“(1) Healthcare Improvement Research Centers that combine demonstrated multidisciplinary expertise in outcomes or quality improvement research with linkages to relevant sites of care;

“(2) Provider-based Research Networks, including plan, facility, or delivery system sites of care (especially primary care), that can evaluate and promote quality improvement; and

“(3) other innovative mechanisms or strategies to link research with clinical practice.

“SEC. 912. PRIVATE-PUBLIC PARTNERSHIPS TO IMPROVE ORGANIZATION AND DELIVERY.

“(a) Support for Efforts To Develop Information on Quality.—

“(1) Scientific and technical support.—In its role as the principal agency for healthcare research and quality, the Agency may provide scientific and technical support for private and public efforts to improve healthcare quality, including the activities of accrediting organizations.

“(2) Role of the agency.—With respect to paragraph (1), the role of the Agency shall include—

“(A) the identification and assessment of methods for the evaluation of the health of—

“(i) enrollees in health plans by type of plan, provider, and provider arrangements; and

“(ii) other populations, including those receiving long-term care services;

“(B) the ongoing development, testing, and dissemination of quality measures, including measures of health and functional outcomes;

“(C) the compilation and dissemination of healthcare quality measures developed in the private and public sector;

“(D) assistance in the development of improved healthcare information systems;

“(E) the development of survey tools for the purpose of measuring participant and beneficiary assessments of their healthcare; and

“(F) identifying and disseminating information on mechanisms for the integration of information on quality into purchaser and consumer decision-making processes.

“(b) Centers for Education and Research on Therapeutics.—

“(1) In general.—The Secretary, acting through the Director and in consultation with the Commissioner of Food and Drugs, shall establish a program for the purpose of making one or more grants for the establishment and operation of one or more centers to carry out the activities specified in paragraph (2).

“(2) Required activities.—The activities referred to in this paragraph are the following:

“(A) The conduct of state-of-the-art clinical, laboratory, or health services research for the following purposes:

“(i) To increase awareness of—

“(I) new uses of drugs, biological products, and devices;

“(II) ways to improve the effective use of drugs, biological products, and devices; and

“(III) risks of new uses and risks of combinations of drugs and biological products.

“(ii) To provide objective clinical information to the following individuals and entities:

“(I) Healthcare practitioners and other providers of healthcare goods or services.

“(II) Pharmacists, pharmacy benefit managers and purchasers.

“(III) Health maintenance organizations and other managed healthcare organizations.

“(IV) Healthcare insurers and governmental agencies.

“(V) Patients and consumers.

“(iii) To improve the quality of healthcare while reducing the cost of Healthcare through—

“(I) an increase in the appropriate use of drugs, biological products, or devices; and

“(II) the prevention of adverse effects of drugs, biological products, and devices and the consequences of such effects, such as unnecessary hospitalizations.

“(B) The conduct of research on the comparative effectiveness, cost-effectiveness, and safety of drugs, biological products, and devices.

“(C) Such other activities as the Secretary determines to be appropriate, except that grant funds may not be used by the Secretary in conducting regulatory review of new drugs.

“(c) Reducing Errors in Medicine.—The Director shall conduct and support research and build private-public partnerships to—

“(1) identify the causes of preventable healthcare errors and patient injury in healthcare delivery;

“(2) develop, demonstrate, and evaluate strategies for reducing errors and improving patient safety; and

“(3) promote the implementation of effective strategies throughout the healthcare industry.

“SEC. 913. INFORMATION ON QUALITY AND COST OF CARE.

“(a) In General.—In carrying out 902(a), the Director shall—

“(1) conduct a survey to collect data on a nationally representative sample of the population on the cost, use and, for fiscal year 2001 and subsequent fiscal years, quality of healthcare, including the types of healthcare services Americans use, their access to healthcare services, frequency of use, how much is paid for the services used, the source of those payments, the types and costs of private health insurance, access, satisfaction, and quality of care for the general population including rural residents and for the populations identified in section 901(c); and

"(2) develop databases and tools that provide information to States on the quality, access, and use of healthcare services provided to their residents.

"(b) QUALITY AND OUTCOMES INFORMATION.—

"(1) IN GENERAL.—Beginning in fiscal year 2001, the Director shall ensure that the survey conducted under subsection (a)(1) will—

"(A) identify determinants of health outcomes and functional status, and their relationships to healthcare access and use, determine the ways and extent to which the priority populations enumerated in section 901(c) differ from the general population with respect to such variables, measure changes over time with respect to such variable, and monitor the overall national impact of changes in Federal and State policy on healthcare;

"(B) provide information on the quality of care and patient outcomes for frequently occurring clinical conditions for a nationally representative sample of the population including rural residents; and

"(C) provide reliable national estimates for children and persons with special healthcare needs through the use of supplements or periodic expansions of the survey.

In expanding the Medical Expenditure Panel Survey, as in existence on the date of enactment of this title, in fiscal year 2001 to collect information on the quality of care, the Director shall take into account any outcomes measurements generally collected by private sector accreditation organizations.

"(2) ANNUAL REPORT.—Beginning in fiscal year 2003, the Secretary, acting through the Director, shall submit to Congress an annual report on national trends in the quality of healthcare provided to the American people.

"SEC. 914. INFORMATION SYSTEMS FOR HEALTHCARE IMPROVEMENT.

"(a) IN GENERAL.—In order to foster a range of innovative approaches to the management and communication of health information, the Agency shall support research, evaluations and initiatives to advance—

"(1) the use of information systems for the study of healthcare quality, including the generation of both individual provider and plan-level comparative performance data;

"(2) training for healthcare practitioners and researchers in the use of information systems;

"(3) the creation of effective linkages between various sources of health information, including the development of information networks;

"(4) the delivery and coordination of evidence-based healthcare services, including the use of real-time healthcare decision-support programs;

"(5) the utility and comparability of health information data and medical vocabularies by addressing issues related to the content, structure, definitions and coding of such information and data in consultation with appropriate Federal, State and private entities;

"(6) the use of computer-based health records in all settings for the development of personal health records for individual health assessment and maintenance, and for monitoring public health and outcomes of care within populations; and

"(7) the protection of individually identifiable information in health services research and healthcare quality improvement.

"(b) DEMONSTRATION.—The Agency shall support demonstrations into the use of new information tools aimed at improving shared decision-making between patients and their care-givers.

"SEC. 915. RESEARCH SUPPORTING PRIMARY CARE AND ACCESS IN UNDERSERVED AREAS.

"(a) PREVENTIVE SERVICES TASK FORCE.—

"(1) ESTABLISHMENT AND PURPOSE.—The Director may periodically convene a Preventive Services Task Force to be composed of individuals with appropriate expertise. Such a task force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations for the healthcare community, and updating previous clinical preventive recommendations.

"(2) ROLE OF AGENCY.—The Agency shall provide ongoing administrative, research, and technical support for the operations of the Preventive Services Task Force, including coordinating and supporting the dissemination of the recommendations of the Task Force.

"(3) OPERATION.—In carrying out its responsibilities under paragraph (1), the Task Force is not subject to the provisions of Appendix 2 of title 5, United States Code.

"(b) PRIMARY CARE RESEARCH.—

"(1) IN GENERAL.—There is established within the Agency a Center for Primary Care Research (referred to in this subsection as the 'Center') that shall serve as the principal source of funding for primary care practice research in the Department of Health and Human Services. For purposes of this paragraph, primary care research focuses on the first contact when illness or health concerns arise, the diagnosis, treatment or referral to specialty care, preventive care, and the relationship between the clinician and the patient in the context of the family and community.

"(2) RESEARCH.—In carrying out this section, the Center shall conduct and support research concerning—

"(A) the nature and characteristics of primary care practice;

"(B) the management of commonly occurring clinical problems;

"(C) the management of undifferentiated clinical problems; and

"(D) the continuity and coordination of health services.

"SEC. 916. CLINICAL PRACTICE AND TECHNOLOGY INNOVATION.

"(a) IN GENERAL.—The Director shall promote innovation in evidence-based clinical practice and healthcare technologies by—

"(1) conducting and supporting research on the development, diffusion, and use of healthcare technology;

"(2) developing, evaluating, and disseminating methodologies for assessments of healthcare practices and healthcare technologies;

"(3) conducting intramural and supporting extramural assessments of existing and new healthcare practices and technologies;

"(4) promoting education, training, and providing technical assistance in the use of healthcare practice and healthcare technology assessment methodologies and results; and

"(5) working with the National Library of Medicine and the public and private sector to develop an electronic clearinghouse of currently available assessments and those in progress.

"(b) SPECIFICATION OF PROCESS.—

"(1) IN GENERAL.—Not later than December 31, 2000, the Director shall develop and publish a description of the methodology used by the Agency and its contractors in conducting practice and technology assessment.

"(2) CONSULTATIONS.—In carrying out this subsection, the Director shall cooperate and consult with the Assistant Secretary for Health, the Administrator of the Health Care Financing Administration, the Director of the National Institutes of Health, the Commissioner of Food and Drugs, and the heads of any other interested Federal department or agency, and shall seek input, where appropriate, from professional societies and other private and public entities.

"(3) METHODOLOGY.—The Director, in developing assessment methodology, shall consider—

"(A) safety, efficacy, and effectiveness;

"(B) legal, social, and ethical implications;

"(C) costs, benefits, and cost-effectiveness;

"(D) comparisons to alternate technologies and practices; and

"(E) requirements of Food and Drug Administration approval to avoid duplication.

"(c) SPECIFIC ASSESSMENTS.—

"(1) IN GENERAL.—The Director shall conduct or support specific assessments of healthcare technologies and practices.

"(2) REQUESTS FOR ASSESSMENTS.—The Director is authorized to conduct or support assessments, on a reimbursable basis, for the Health Care Financing Administration, the Department of Defense, the Department of Veterans Affairs, the Office of Personnel Management, and other public or private entities.

"(3) GRANTS AND CONTRACTS.—In addition to conducting assessments, the Director may make grants to, or enter into cooperative agreements or contracts with, entities described in paragraph (4) for the purpose of conducting assessments of experimental, emerging, existing, or potentially outmoded healthcare technologies, and for related activities.

"(4) ELIGIBLE ENTITIES.—An entity described in this paragraph is an entity that is determined to be appropriate by the Director, including academic medical centers, research institutions and organizations, professional organizations, third party payers, governmental agencies, and consortia of appropriate research entities established for the purpose of conducting technology assessments.

"SEC. 917. COORDINATION OF FEDERAL GOVERNMENT QUALITY IMPROVEMENT EFFORTS.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—To avoid duplication and ensure that Federal resources are used efficiently and effectively, the Secretary, acting through the Director, shall coordinate all research, evaluations, and demonstrations related to health services research, quality measurement and quality improvement activities undertaken and supported by the Federal Government.

"(2) SPECIFIC ACTIVITIES.—The Director, in collaboration with the appropriate Federal officials representing all concerned executive agencies and departments, shall develop and manage a process to—

"(A) improve interagency coordination, priority setting, and the use and sharing of research findings and data pertaining to Federal quality improvement programs, technology assessment, and health services research;

"(B) strengthen the research information infrastructure, including databases, pertaining to Federal health services research and healthcare quality improvement initiatives;

"(C) set specific goals for participating agencies and departments to further health services research and healthcare quality improvement; and

‘‘(D) strengthen the management of Federal healthcare quality improvement programs.

‘‘(b) STUDY BY THE INSTITUTE OF MEDICINE.—

‘‘(1) IN GENERAL.—To provide Congress, the Department of Health and Human Services, and other relevant departments with an independent, external review of their quality oversight, quality improvement and quality research programs, the Secretary shall enter into a contract with the Institute of Medicine—

‘‘(A) to describe and evaluate current quality improvement, quality research and quality monitoring processes through—

‘‘(i) an overview of pertinent health services research activities and quality improvement efforts conducted by all Federal programs, with particular attention paid to those under titles XVIII, XIX, and XXI of the Social Security Act; and

‘‘(ii) a summary of the partnerships that the Department of Health and Human Services has pursued with private accreditation, quality measurement and improvement organizations; and

‘‘(B) to identify options and make recommendations to improve the efficiency and effectiveness of quality improvement programs through—

‘‘(i) the improved coordination of activities across the medicare, medicaid and child health insurance programs under titles XVIII, XIX and XXI of the Social Security Act and health services research programs;

‘‘(ii) the strengthening of patient choice and participation by incorporating state-of-the-art quality monitoring tools and making information on quality available; and

‘‘(iii) the enhancement of the most effective programs, consolidation as appropriate, and elimination of duplicative activities within various federal agencies.

‘‘(2) REQUIREMENTS.—

‘‘(A) IN GENERAL.—The Secretary shall enter into a contract with the Institute of Medicine for the preparation—

‘‘(i) not later than 12 months after the date of enactment of this title, of a report providing an overview of the quality improvement programs of the Department of Health and Human Services for the medicare, medicaid, and CHIP programs under titles XVIII, XIX, and XXI of the Social Security Act; and

‘‘(ii) not later than 24 months after the date of enactment of this title, of a final report containing recommendations.

‘‘(B) REPORTS.—The Secretary shall submit the reports described in subparagraph (A) to the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means and the Committee on Commerce of the House of Representatives.

‘‘PART C—GENERAL PROVISIONS

‘‘SEC. 921. ADVISORY COUNCIL FOR HEALTHCARE RESEARCH AND QUALITY.

‘‘(a) ESTABLISHMENT.—There is established an advisory council to be known as the Advisory Council for Healthcare Research and Quality.

‘‘(b) DUTIES.—

‘‘(1) IN GENERAL.—The Advisory Council shall advise the Secretary and the Director with respect to activities proposed or undertaken to carry out the purpose of the Agency under section 901(b).

‘‘(2) CERTAIN RECOMMENDATIONS.—Activities of the Advisory Council under paragraph (1) shall include making recommendations to the Director regarding—

‘‘(A) priorities regarding healthcare research, especially studies related to quality, outcomes, cost and the utilization of, and access to, healthcare services;

‘‘(B) the field of healthcare research and related disciplines, especially issues related to training needs, and dissemination of information pertaining to healthcare quality; and

‘‘(C) the appropriate role of the Agency in each of these areas in light of private sector activity and identification of opportunities for public-private sector partnerships.

‘‘(c) MEMBERSHIP.—

‘‘(1) IN GENERAL.—The Advisory Council shall, in accordance with this subsection, be composed of appointed members and ex officio members. All members of the Advisory Council shall be voting members other than the individuals designated under paragraph (3)(B) as ex officio members.

‘‘(2) APPOINTED MEMBERS.—The Secretary shall appoint to the Advisory Council 21 appropriately qualified individuals. At least 17 members of the Advisory Council shall be representatives of the public who are not officers or employees of the United States. The Secretary shall ensure that the appointed members of the Council, as a group, are representative of professions and entities concerned with, or affected by, activities under this title and under section 1142 of the Social Security Act. Of such members—

‘‘(A) 4 shall be individuals distinguished in the conduct of research, demonstration projects, and evaluations with respect to healthcare;

‘‘(B) 4 shall be individuals distinguished in the practice of medicine of which at least 1 shall be a primary care practitioner;

‘‘(C) 3 shall be individuals distinguished in the other health professions;

‘‘(D) 4 shall be individuals either representing the private healthcare sector, including health plans, providers, and purchasers or individuals distinguished as administrators of healthcare delivery systems;

‘‘(E) 4 shall be individuals distinguished in the fields of healthcare quality improvement, economics, information systems, law, ethics, business, or public policy, including at least 1 individual specializing in rural aspects in 1 or more of these fields; and

‘‘(F) 2 shall be individuals representing the interests of patients and consumers of healthcare.

‘‘(3) EX OFFICIO MEMBERS.—The Secretary shall designate as ex officio members of the Advisory Council—

‘‘(A) the Assistant Secretary for Health, the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Care Financing Administration, the Assistant Secretary of Defense (Health Affairs), and the Under Secretary for Health of the Department of Veterans Affairs; and

‘‘(B) such other Federal officials as the Secretary may consider appropriate.

‘‘(d) TERMS.—Members of the Advisory Council appointed under subsection (c)(2) shall serve for a term of 3 years. A member of the Council appointed under such subsection may continue to serve after the expiration of the term of the members until a successor is appointed.

‘‘(e) VACANCIES.—If a member of the Advisory Council appointed under subsection (c)(2) does not serve the full term applicable under subsection (d), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

‘‘(f) CHAIR.—The Director shall, from among the members of the Advisory Council appointed under subsection (c)(2), designate an individual to serve as the chair of the Advisory Council.

‘‘(g) MEETINGS.—The Advisory Council shall meet not less than once during each discrete 4-month period and shall otherwise meet at the call of the Director or the chair.

‘‘(h) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

‘‘(1) APPOINTED MEMBERS.—Members of the Advisory Council appointed under subsection (c)(2) shall receive compensation for each day (including travel time) engaged in carrying out the duties of the Advisory Council unless declined by the member. Such compensation may not be in an amount in excess of the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which such member is engaged in the performance of the duties of the Advisory Council.

‘‘(2) EX OFFICIO MEMBERS.—Officials designated under subsection (c)(3) as ex officio members of the Advisory Council may not receive compensation for service on the Advisory Council in addition to the compensation otherwise received for duties carried out as officers of the United States.

‘‘(i) STAFF.—The Director shall provide to the Advisory Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

‘‘SEC. 922. PEER REVIEW WITH RESPECT TO GRANTS AND CONTRACTS.

‘‘(a) REQUIREMENT OF REVIEW.—

‘‘(1) IN GENERAL.—Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this title.

‘‘(2) REPORTS TO DIRECTOR.—Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its finding and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

‘‘(b) APPROVAL AS PRECONDITION OF AWARDS.—The Director may not approve an application described in subsection (a)(1) unless the application is recommended for approval by a peer review group established under subsection (c).

‘‘(c) ESTABLISHMENT OF PEER REVIEW GROUPS.—

‘‘(1) IN GENERAL.—The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subchapter III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

‘‘(2) MEMBERSHIP.—The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for these duties carried out as such officers and employees.

‘‘(3) DURATION.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section may continue in existence until otherwise provided by law.

“(4) QUALIFICATIONS.—Members of any peer-review group shall, at a minimum, meet the following requirements:

“(A) Such members shall agree in writing to treat information received, pursuant to their work for the group, as confidential information, except that this subparagraph shall not apply to public records and public information.

“(B) Such members shall agree in writing to recuse themselves from participation in the peer-review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in a directly affected organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer-review.

“(d) AUTHORITY FOR PROCEDURAL ADJUSTMENTS IN CERTAIN CASES.—In the case of applications for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented or provider-based research, and for such other purposes as the Director may determine to be appropriate.

“(e) REGULATIONS.—The Director shall issue regulations for the conduct of peer review under this section.

“SEC. 923. CERTAIN PROVISIONS WITH RESPECT TO DEVELOPMENT, COLLECTION, AND DISSEMINATION OF DATA.

“(a) STANDARDS WITH RESPECT TO UTILITY OF DATA.—

“(1) IN GENERAL.—To ensure the utility, accuracy, and sufficiency of data collected by or for the Agency for the purpose described in section 901(b), the Director shall establish standard methods for developing and collecting such data, taking into consideration—

“(A) other Federal health data collection standards; and

“(B) the differences between types of healthcare plans, delivery systems, healthcare providers, and provider arrangements.

“(2) RELATIONSHIP WITH OTHER DEPARTMENT PROGRAMS.—In any case where standards under paragraph (1) may affect the administration of other programs carried out by the Department of Health and Human Services, including the programs under title XVIII, XIX or XXI of the Social Security Act, or may affect health information that is subject to a standard developed under part C of title XI of the Social Security Act, they shall be in the form of recommendations to the Secretary for such program.

“(b) STATISTICS AND ANALYSES.—The Director shall—

“(1) take appropriate action to ensure that statistics and analyses developed under this title are of high quality, timely, and duly comprehensive, and that the statistics are specific, standardized, and adequately analyzed and indexed; and

“(2) publish, make available, and disseminate such statistics and analyses on as wide a basis as is practicable.

“(c) AUTHORITY REGARDING CERTAIN REQUESTS.—Upon request of a public or private entity, the Director may conduct or support research or analyses otherwise authorized by this title pursuant to arrangements under which such entity will pay the cost of the services provided. Amounts received by the Director under such arrangements shall be available to the Director for obligation until expended.

“SEC. 924. DISSEMINATION OF INFORMATION.

“(a) IN GENERAL.—The Director shall—

“(1) without regard to section 501 of title 44, United States Code, promptly publish, make available, and otherwise disseminate, in a form understandable and on as broad a basis as practicable so as to maximize its use, the results of research, demonstration projects, and evaluations conducted or supported under this title;

“(2) ensure that information disseminated by the Agency is science-based and objective and undertakes consultation as necessary to assess the appropriateness and usefulness of the presentation of information that is targeted to specific audiences;

“(3) promptly make available to the public data developed in such research, demonstration projects, and evaluations;

“(4) provide, in collaboration with the National Library of Medicine where appropriate, indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on research, demonstration projects, and evaluations with respect to healthcare to public and private entities and individuals engaged in the improvement of healthcare delivery and the general public, and undertake programs to develop new or improved methods for making such information available; and

“(5) as appropriate, provide technical assistance to State and local government and health agencies and conduct liaison activities to such agencies to foster dissemination.

“(b) PROHIBITION AGAINST RESTRICTIONS.—Except as provided in subsection (c), the Director may not restrict the publication or dissemination of data from, or the results of, projects conducted or supported under this title.

“(c) LIMITATION ON USE OF CERTAIN INFORMATION.—No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Director) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined under regulations of the Director) to its publication or release in other form.

“(d) PENALTY.—Any person who violates subsection (c) shall be subject to a civil monetary penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1128A of the Social Security Act are imposed and collected.

“SEC. 925. ADDITIONAL PROVISIONS WITH RESPECT TO GRANTS AND CONTRACTS.

“(a) FINANCIAL CONFLICTS OF INTEREST.—With respect to projects for which awards of grants, cooperative agreements, or contracts are authorized to be made under this title, the Director shall by regulation define—

“(1) the specific circumstances that constitute financial interests in such projects that will, or may be reasonably expected to, create a bias in favor of obtaining results in the projects that are consistent with such interests; and

“(2) the actions that will be taken by the Director in response to any such interests identified by the Director.

“(b) REQUIREMENT OF APPLICATION.—The Director may not, with respect to any program under this title authorizing the provision of grants, cooperative agreements, or contracts, provide any such financial assistance unless an application for the assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out the program in involved.

“(c) PROVISION OF SUPPLIES AND SERVICES IN LIEU OF FUNDS.—

“(1) IN GENERAL.—Upon the request of an entity receiving a grant, cooperative agreement, or contract under this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the entity in carrying out the project involved and, for such purpose, may detail to the entity any officer or employee of the Department of Health and Human Services.

“(2) CORRESPONDING REDUCTION IN FUNDS.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of the financial assistance involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Director. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

“(d) APPLICABILITY OF CERTAIN PROVISIONS WITH RESPECT TO CONTRACTS.—Contracts may be entered into under this part without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

“SEC. 926. CERTAIN ADMINISTRATIVE AUTHORITIES.

“(a) DEPUTY DIRECTOR AND OTHER OFFICERS AND EMPLOYEES.—

“(1) DEPUTY DIRECTOR.—The Director may appoint a deputy director for the Agency.

“(2) OTHER OFFICERS AND EMPLOYEES.—The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

“(b) FACILITIES.—The Secretary, in carrying out this title—

“(1) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Director of General Services, buildings or portions of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed 10 years; and

“(2) may acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary.

“(c) PROVISION OF FINANCIAL ASSISTANCE.—The Director, in carrying out this title, may make grants to public and nonprofit entities and individuals, and may enter into cooperative agreements or contracts with public and private entities and individuals.

“(d) UTILIZATION OF CERTAIN PERSONNEL AND RESOURCES.—

“(1) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—The Director, in carrying out this title, may utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, and provide technical assistance and advice.

"(2) Other agencies.—The Director, in carrying out this title, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

"(e) Consultants.—The Secretary, in carrying out this title, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, United States Code, the assistance and advice of consultants from the United States or abroad.

"(f) Experts.—

"(1) In general.—The Secretary may, in carrying out this title, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, United States Code, except that the limitation in such section on the duration of service shall not apply.

"(2) Travel expenses.—

"(A) In general.—Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(C) of title 5, United States Code.

"(B) Limitation.—Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(g) Voluntary and Uncompensated Services.—The Director, in carrying out this title, may accept voluntary and uncompensated services.

"SEC. 927. FUNDING.

"(a) Intent.—To ensure that the United States's investment in biomedical research is rapidly translated into improvements in the quality of patient care, there must be a corresponding investment in research on the most effective clinical and organizational strategies for use of these findings in daily practice. The authorization levels in subsection (b) provide for a proportionate increase in healthcare research as the United States investment in biomedical research increases.

"(b) Authorization of Appropriations.—For the purpose of carrying out this title, there are authorized to be appropriated $250,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 through 2006.

"(c) Evaluations.—In addition to amounts available pursuant to subsection (b) for carrying out this title, there shall be made available for such purpose, from the amounts made available pursuant to section 241 (relating to evaluations), an amount equal to 40 percent of the maximum amount authorized in such section 241 to be made available for a fiscal year.

"SEC. 928. DEFINITIONS.

"In this title:

"(1) Advisory council.—The term 'Advisory Council' means the Advisory Council on Healthcare Research and Quality established under section 921.

"(2) Agency.—The term 'Agency' means the Agency for Healthcare Research and Quality.

"(3) Director.—The term 'Director' means the Director for the Agency for Healthcare Research and Quality.".

SEC. 403. REFERENCES.

Effective upon the date of enactment of this Act, any reference in law to the "Agency for Health Care Policy and Research" shall be deemed to be a reference to the "Agency for Healthcare Research and Quality".

TITLE V—ENHANCED ACCESS TO HEALTH INSURANCE COVERAGE

SEC. 501. FULL DEDUCTION OF HEALTH INSURANCE COSTS FOR SELF-EMPLOYED INDIVIDUALS.

(a) In General.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to allowance of deductions) is amended,to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and his dependents."

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 502. FULL AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) Availability Not Limited To Accounts for Employees of Small Employers and Self-Employed Individuals.—

(1) In general.—Section 220(c)(1)(A) of the Internal Revenue Code of 1986 (relating to eligible individual) is amended to read as follows:

"(A) In general.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) Conforming amendments.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraphs (C) and (D).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(b) Removal of Limitation on Number of Taxpayers Having Medical Savings Accounts.—

(1) In general.—Section 220 of the Internal Revenue Code of 1986 (relating to medical savings accounts) is amended by striking subsections (i) and (j).

(2) Medicare+choice.—Section 138 of such Code (relating to Medicare+Choice MSA) is amended by striking subsection (f).

(c) Reduction in High Deductible Plan Minimum Annual Deductible.—

(1) In general.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "$1,500" and inserting "$1,000", and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) Conforming amendment.—Subsection (g) of section 220 of such Code is amended—

(A) by striking "1998" and inserting "1999"; and

(B) by striking "1997" and inserting "1998".

(d) Increase in Contribution Limit to 100 Percent of Annual Deductible.—

(1) In general.—Section 220(b)(2) of the Internal Revenue Code of 1986 (relating to monthly limitation) is amended to read as follows:

"(2) Monthly limitation.—The monthly limitation for any month is the amount equal to $\frac{1}{12}$ of the annual deductible of the high deductible health plan of the individual."

(2) Conforming amendment.—Section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(e) Limitation on Additional Tax on Distributions Not Used for Qualified Medical Expenses.—Section 220(f)(4) of the Internal Revenue Code of 1986 (relating to additional tax on distributions not used for qualified medical expenses) is amended by adding at the end the following:

"(D) Exception in case of sufficient account balance.—Subparagraph (A) shall not apply to any payment or distribution in any taxable year, but only to the extent such payment or distribution does not reduce the fair market value of the assets of the medical savings account to an amount less than the annual deductible for the high deductible health plan of the account holder (determined as of January 1 of the calendar year in which the taxable year begins).".

(f) Treatment of Network-Based Managed Care Plans.—Section 220(c)(2)(B) of the Internal Revenue Code of 1986 (relating to special rules for high deductible health plans) is amended by adding at the end the following:

"(iii) Treatment of network-based managed care plans.—A plan that provides health care services through a network of contracted or affiliated health care providers, if the benefits provided when services are obtained through network providers meet the requirements of subparagraph (A), shall not fail to be treated as a high deductible health plan by reason of providing benefits for services rendered by providers who are not members of the network, so long as the annual deductible and annual limit on out-of-pocket expenses applicable to services received from non-network providers are not lower than those applicable to services received from the network providers.".

(g) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 503. PERMITTING CONTRIBUTION TOWARDS MEDICAL SAVINGS ACCOUNT THROUGH FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM (FEHBP).

(a) Authority To Contract for Catastrophic Plans.—Section 8902 of title 5, United States Code, is amended by adding at the end the following:

"(p)(1) The Office shall contract under this chapter for a catastrophic plan with any qualified carrier that—

"(A) offers such a plan; and

"(B) as of the date of enactment of the Patients' Bill of Rights Plus Act, offers a health benefits plan under this chapter.

"(2) The Office may contract under this chapter for a catastrophic plan with any qualified carrier that—

"(A) offers such a plan; but

"(B) does not satisfy the requirement under paragraph (1)(B).".

(b) GOVERNMENT CONTRIBUTION TO MEDICAL SAVINGS ACCOUNT.—

(1) IN GENERAL.—Section 8906 of title 5, United States Code, is amended by adding at the end the following:

"(j)(1) In the case of an employee or annuitant who is enrolled in a catastrophic plan described by section 8903(5), there shall be a Government contribution under this subsection to a medical savings account established or maintained for the benefit of the individual. The contribution under this subsection shall be in addition to the Government contribution under subsection (b).

"(2) The amount of the Government contribution under this subsection with respect to an individual is equal to the amount by which—

"(A) the maximum contribution allowed under subsection (b)(1) with respect to any employee or annuitant, exceeds

"(B) the amount of the Government contribution actually made with respect to the individual under subsection (b) for coverage under the catastrophic plan.

"(3) The Government contributions under this subsection shall be paid into a medical savings account (designated by the individual involved) in a manner that is specified by the Office and consistent with the timing of contributions under subsection (b).

"(4) Subsections (f) and (g) shall apply to contributions under this section in the same manner as they apply to contributions under subsection (b).

"(5) For the purpose of this subsection, the term 'medical savings account' has the meaning given such term by section 220(d) of the Internal Revenue Code of 1986.".

(2) ALLOWING PAYMENT OF FULL AMOUNT OF CHARGE FOR CATASTROPHIC PLAN.—Section 8906(b)(2) of such title is amended by inserting "(or 100 percent of the subscription charge in the case of a catastrophic plan)" after "75 percent of the subscription charge".

(c) OFFERING OF CATASTROPHIC PLANS.—

(1) IN GENERAL.—Section 8903 of title 5, United States Code, is amended by adding at the end the following:

"(5) CATASTROPHIC PLANS.—(A) One or more plans described in paragraph (1), (2), or (3), but which provide benefits of the types referred to by paragraph (5) of section 8904(a), instead of the types referred to in paragraphs (1), (2), and (3) of such section.

"(B) Nothing in this section shall be considered—

"(i) to prevent a carrier from simultaneously offering a plan described by subparagraph (A) and a plan described by paragraph (1) or (2);

"(ii) to require that a catastrophic plan offer two levels of benefits; or

"(iii) to allow, in any contract year, for—

"(I) more than one plan to be offered which satisfies both subparagraph (A) and paragraph (1) (subject to clause (ii)); and

"(II) more than one plan which satisfies both subparagraph (A) and paragraph (2) (subject to clause (ii)).".

(2) TYPES OF BENEFITS.—Section 8904(a) of such title is amended by inserting after paragraph (4) the following new paragraph:

"(5) CATASTROPHIC PLANS.—Benefits of the types named under paragraph (1) or (2) of this subsection or both, except that the plan shall meet the annual deductible and annual out-of-pocket expenses requirements under section 220(c)(2) of the Internal Revenue Code of 1986.".

(3) DETERMINING LEVEL OF GOVERNMENT CONTRIBUTIONS.—Section 8906(b) of such title is amended by adding at the end the following: "Subscription charges for medical savings accounts shall be deemed to be the amount of Government contributions made under subsection (j)(2).".

(d) CONFORMING AMENDMENTS.—

(1) ADDITIONAL HEALTH BENEFITS PLANS.—Section 8903a of title 5, United States Code, is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following:

"(d) The plans under this section may include one or more plans, otherwise allowable under this section, that satisfy the requirements of clauses (i) and (ii) of section 8903(5)(A).".

(2) REFERENCE.—Section 8909(d) of title 5, United States Code, is amended by striking "8903a(d)" and inserting "8903a(e)".

(e) REFERENCES.—Section 8903 of title 5, United States Code, is amended by adding at the end (as a flush left sentence) the following:

"The Office shall prescribe regulations under which the requirements of section 8902(c), 8902(n), 8909(e), and any other provision of this chapter that applies with respect to a plan described by paragraph (1), (2), (3), or (4) of this section shall apply with respect to the corresponding plan under paragraph (5) of this section. Similar regulations shall be prescribed with respect to any plan under section 8903a(d).".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to contract terms beginning on or after January 1, 2000.

SEC. 504. CARRYOVER OF UNUSED BENEFITS FROM CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND HEALTH FLEXIBLE SPENDING ACCOUNTS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j) and by inserting after subsection (g) the following new subsection:

"(h) ALLOWANCE OF CARRYOVERS OF UNUSED BENEFITS TO LATER TAXABLE YEARS.—

"(1) IN GENERAL.—For purposes of this title—

"(A) notwithstanding subsection (d)(2), a plan or other arrangement shall not fail to be treated as a cafeteria plan or flexible spending or similar arrangement, and

"(B) no amount shall be required to be included in gross income by reason of this section or any other provision of this chapter, solely because under such plan or other arrangement any nontaxable benefit which is unused as of the close of a taxable year may be carried forward to 1 or more succeeding taxable years.

"(2) LIMITATION.—Paragraph (1) shall not apply to amounts carried from a plan to the extent such amounts exceed $500 (applied on an annual basis). For purposes of this paragraph, all plans and arrangements maintained by an employer or any related person shall be treated as 1 plan.

"(3) ALLOWANCE OF ROLLOVER.—

"(A) IN GENERAL.—In the case of any unused benefit described in paragraph (1) which consists of amounts in a health flexible spending account or dependent care flexible spending account, the plan or arrangement shall provide that a participant may elect, in lieu of such carryover, to have such amounts distributed to the participant.

"(B) AMOUNTS NOT INCLUDED IN INCOME.—Any distribution under subparagraph (A) shall not be included in gross income to the extent that such amount is transferred in a trustee-to-trustee transfer, or is contributed within 60 days of the date of the distribution, to—

"(i) a qualified cash or deferred arrangement described in section 401(k),

"(ii) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b),

"(iii) an eligible deferred compensation plan described in section 457, or

"(iv) a medical savings account (within the meaning of section 220).

Any amount rolled over under this subparagraph shall be treated as a rollover contribution for the taxable year from which the unused amount would otherwise be carried.

"(C) TREATMENT OF ROLLOVER.—Any amount rolled over under subparagraph (B) shall be treated as an eligible rollover under section 220, 401(k), 403(b), or 457, whichever is applicable, and shall be taken into account in applying any limitation (or participation requirement) on employer or employee contributions under such section or any other provision of this chapter for the taxable year of the rollover.

"(4) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 1999, the $500 amount under paragraph (2) shall be adjusted at the same time and in the same manner as under section 415(d)(2), except that the base period taken into account shall be the calendar quarter beginning October 1, 1998, and any increase which is not a multiple of $50 shall be rounded to the next lowest multiple of $50."

"(5) APPLICABILITY.—This subsection shall apply to taxable years beginning after December 31, 1999."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

TITLE VI—PROVISIONS RELATING TO LONG-TERM CARE INSURANCE

SEC. 601. INCLUSION OF QUALIFIED LONG-TERM CARE INSURANCE CONTRACTS IN CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND HEALTH FLEXIBLE SPENDING ACCOUNTS.

(a) IN GENERAL.—Section 125(f) of the Internal Revenue Code of 1986 (defining qualified benefits) is amended by striking the last sentence and inserting the following: "Such term includes any qualified long-term care insurance contract."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 602. DEDUCTION FOR PREMIUMS FOR LONG-TERM CARE INSURANCE.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following:

"SEC. 222. PREMIUMS FOR LONG-TERM CARE INSURANCE.

"(a) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a deduction an amount equal to 100 percent of the amount paid during the taxable year for any coverage for qualified long-term care services (as defined in section 7702B(c)) or any qualified long-term care insurance contract (as defined in section 7702B(b)) which constitutes medical care for the taxpayer, his spouse, and dependents.

"(b) LIMITATIONS.—

"(1) DEDUCTION NOT AVAILABLE TO INDIVIDUALS ELIGIBLE FOR EMPLOYER-SUBSIDIZED COVERAGE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), subsection (a) shall not apply to any taxpayer for any calendar month for which the taxpayer is eligible to participate in any plan which includes coverage for qualified long-term care services (as so defined) or is a qualified long-term care insurance contract (as so defined) maintained by any employer (or former employer) of the taxpayer or of the spouse of the taxpayer.

"(B) CONTINUATION COVERAGE.—Coverage shall not be treated as subsidized for purposes of this paragraph if—

"(i) such coverage is continuation coverage (within the meaning of section 4980B(f)) required to be provided by the employer, and

"(ii) the taxpayer or the taxpayer's spouse is required to pay a premium for such coverage in an amount not less than 100 percent of the applicable premium (within the meaning of section 4980B(f)(4)) for the period of such coverage.

"(2) LIMITATION ON LONG-TERM CARE PREMIUMS.—In the case of a qualified long-term care insurance contract (as so defined), only eligible long-term care premiums (as defined in section 213(d)(10)) shall be taken into account under subsection (a)(2).

"(c) SPECIAL RULES.—For purposes of this section—

"(1) COORDINATION WITH MEDICAL DEDUCTION, ETC.—Any amount paid by a taxpayer for insurance to which subsection (a) applies shall not be taken into account in computing the amount allowable to the taxpayer as a deduction under section 213(a).

"(2) DEDUCTION NOT ALLOWED FOR SELF-EMPLOYMENT TAX PURPOSES.—The deduction allowable by reason of this section shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2."

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 62 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (17) the following:

"(18) LONG-TERM CARE INSURANCE COSTS OF CERTAIN INDIVIDUALS.—The deduction allowed by section 222."

(2) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the last item and inserting the following:

"Sec. 222. Premiums for long-term care insurance.
"Sec. 223. Cross reference."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 603. STUDY OF LONG-TERM CARE NEEDS IN THE 21ST CENTURY.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall provide, in accordance with this section, for a study in order to determine—

(1) future demand for long-term health care services (including institutional and home and community-based services) in the United States in order to meet the needs in the 21st century; and

(2) long-term options to finance the provision of such services.

(b) DETAILS.—The study conducted under subsection (a) shall include the following:

(1) An identification of the relevant demographic characteristics affecting demand for long-term health care services, at least through the year 2030.

(2) The viability and capacity of community-based and other long-term health care services under different federal programs, including through the medicare and medicaid programs, grants to States, housing services, and changes in tax policy.

(3) How to improve the quality of long-term health care services.

(4) The integration of long-term health care services for individuals between different classes of health care providers (such as hospitals, nursing facilities, and home care agencies) and different Federal programs (such as the medicare and medicaid programs).

(5) The possibility of expanding private sector initiatives, including long-term care insurance, to meet the need to finance such services.

(6) An examination of the effect of enactment of the Health Insurance Portability and Accountability Act of 1996 on the provision and financing of long-term health care services, including on portability and affordability of private long-term care insurance, the impact of insurance options on low-income older Americans, and the options for eligibility to improve access to such insurance.

(7) The financial impact of the provision of long-term health care services on caregivers and other family members.

(c) REPORT AND RECOMMENDATIONS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall provide for a report on the study under this section.

(2) RECOMMENDATIONS.—The report under paragraph (1) shall include findings and recommendations regarding each of the following:

(A) The most effective and efficient manner that the Federal government may use its resources to educate the public on planning for needs for long-term health care services.

(B) The public, private, and joint public-private strategies for meeting identified needs for long-term health care services.

(C) The role of States and local communities in the financing of long-term health care services.

(3) INCLUSION OF COST ESTIMATES.—The report under paragraph (1) shall include cost estimates of the various options for which recommendations are made.

(d) CONDUCT OF STUDY.—

(1) USE OF INSTITUTE OF MEDICINE.—The Secretary of Health and Human Services shall seek to enter into an appropriate arrangement with the Institute of Medicine of the National Academy of Sciences to conduct the study under this section. If such an arrangement cannot be made, the Secretary may provide for the conduct of the study by any other qualified non-governmental entity.

(2) CONSULTATION.—The study should be conducted under this section in consultation with experts from a wide-range of groups from the public and private sectors.

TITLE VII—INDIVIDUAL RETIREMENT PLANS

SEC. 701. MODIFICATION OF INCOME LIMITS ON CONTRIBUTIONS AND ROLLOVERS TO ROTH IRAS.

(a) INCREASE IN AGI LIMIT FOR ROLLOVER CONTRIBUTIONS.—Clause (i) of section 408A(c)(3)(A) of the Internal Revenue Code of 1986 (relating to rollover from IRA), as redesignated by subsection (a), is amended by striking "$100,000" and inserting "$1,000,000".

(b) CONFORMING AMENDMENTS.—

(1)(A) Subparagraph (B) of section 408A(c)(3) of the Internal Revenue Code of 1986, as redesignated by subsection (a), is amended to read as follows:

"(B) DEFINITION OF ADJUSTED GROSS INCOME.—For purposes of subparagraph (A), adjusted gross income shall be determined—

"(i) after application of sections 86 and 469, and

"(ii) without regard to sections 135, 137, 221, and 911, the deduction allowable under section 219, or any amount included in gross income under subsection (d)(3)."

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to taxable years beginning after December 31, 1999.

(2)(A) Subparagraph (B) of section 408A(c)(3) of such Code, as amended by paragraph (1), is amended to read as follows:

"(B) DEFINITION OF ADJUSTED GROSS INCOME.—For purposes of subparagraph (A), adjusted gross income shall be determined—

"(i) after application of sections 86 and 469, and

"(ii) without regard to sections 135, 137, 221, and 911, the deduction allowable under section 219, or any amount included in gross income under subsection (d)(3) or by reason of a required distribution under a provision described in paragraph (5)."

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to taxable years beginning after December 31, 2004.

(c) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to taxable years beginning after December 31, 1999.

TITLE VIII—REVENUE PROVISIONS

SEC. 801. MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.

(a) IN GENERAL.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(1) by striking "in the second preceding taxable year,", and

(2) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 2001.

SEC. 802. LIMITATION ON USE OF NON-ACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting "in fields described in paragraph (2)(A)" after "services by such person", and

(2) by inserting "CERTAIN PERSONAL" before "SERVICES" in the heading.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 803. RETURNS RELATING TO CANCELLATIONS OF INDEBTEDNESS BY ORGANIZATIONS LENDING MONEY.

(a) In General.—Paragraph (2) of section 6050P(c) of the Internal Revenue Code of 1986 (relating to definitions and special rules) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by inserting after subparagraph (C) the following new subparagraph:

"(D) any organization a significant trade or business of which is the lending of money."

(b) Effective Date.—The amendment made by subsection (a) shall apply to discharges of indebtedness after December 31, 1999.

SEC. 804. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

(a) In General.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

"SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

"(a) General Rule.—The Secretary shall establish a program requiring the payment of user fees for—

"(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

"(2) other similar requests.

"(b) Program Criteria.—

"(1) In general.—The fees charged under the program required by subsection (a)—

"(A) shall vary according to categories (or subcategories) established by the Secretary,

"(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

"(C) shall be payable in advance.

"(2) Exemptions, etc.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

"(3) Average fee requirement.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

"Category	Average Fee
Employee plan ruling and opinion ..	$250
Exempt organization ruling	$350
Employee plan determination	$300
Exempt organization determination.	$275
Chief counsel ruling	$200.

"(c) Termination.—No fee shall be imposed under this section with respect to requests made after September 30, 2009."

(b) Conforming Amendments.—

(1) The table of sections for chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 7527. Internal Revenue Service user fees."

(2) Section 10511 of the Revenue Act of 1987 is repealed.

(c) Effective Date.—The amendments made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 805. PROPERTY SUBJECT TO A LIABILITY TREATED IN SAME MANNER AS ASSUMPTION OF LIABILITY.

(a) Repeal of Property Subject to a Liability Test.—

(1) Section 357.—Section 357(a)(2) of the Internal Revenue Code of 1986 (relating to assumption of liability) is amended by striking ", or acquires from the taxpayer property subject to a liability".

(2) Section 358.—Section 358(d)(1) of such Code (relating to assumption of liability) is amended by striking "or acquired from the taxpayer property subject to a liability".

(3) Section 368.—

(A) Section 368(a)(1)(C) of such Code is amended by striking ", or the fact that property acquired is subject to a liability,".

(B) The last sentence of section 368(a)(2)(B) of such Code is amended by striking ", and the amount of any liability to which any property acquired from the acquiring corporation is subject,".

(b) Clarification of Assumption of Liability.—

(1) In general.—Section 357 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(d) Determination of Amount of Liability Assumed.—

"(1) In general.—For purposes of this section, section 358(d), section 362(d), section 368(a)(1)(C), and section 368(a)(2)(B), except as provided in regulations—

"(A) a recourse liability (or portion thereof) shall be treated as having been assumed if, as determined on the basis of all facts and circumstances, the transferee has agreed to, and is expected to, satisfy such liability (or portion), whether or not the transferor has been relieved of such liability, and

"(B) except to the extent provided in paragraph (2), a nonrecourse liability shall be treated as having been assumed by the transferee of any asset subject to such liability.

"(2) Exception for nonrecourse liability.—The amount of the nonrecourse liability treated as described in paragraph (1)(B) shall be reduced by the lesser of—

"(A) the amount of such liability which an owner of other assets not transferred to the transferee and also subject to such liability has agreed with the transferee to, and is expected to, satisfy, or

"(B) the fair market value of such other assets (determined without regard to section 7701(g)).

"(3) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and section 362(d). The Secretary may also prescribe regulations which provide that the manner in which a liability is treated as assumed under this subsection is applied, where appropriate, elsewhere in this title."

(2) Limitation on basis increase attributable to assumption of liability.—Section 362 of such Code is amended by adding at the end the following new subsection:

"(d) Limitation on Basis Increase Attributable to Assumption of Liability.—

"(1) In general.—In no event shall the basis of any property be increased under subsection (a) or (b) above the fair market value of such property (determined without regard to section 7701(g)) by reason of any gain recognized to the transferor as a result of the assumption of a liability.

"(2) Treatment of gain not subject to tax.—Except as provided in regulations, if—

"(A) gain is recognized to the transferor as a result of an assumption of a nonrecourse liability by a transferee which is also secured by assets not transferred to such transferee, and

"(B) no person is subject to tax under this title on such gain,

then, for purposes of determining basis under subsections (a) and (b), the amount of gain recognized by the transferor as a result of the assumption of the liability shall be determined as if the liability assumed by the transferee equaled such transferee's ratable portion of such liability determined on the basis of the relative fair market values (determined without regard to section 7701(g)) of all of the assets subject to such liability."

(c) Application to Provisions Other Than Subchapter C.—

(1) Section 584.—Section 584(h)(3) of the Internal Revenue Code of 1986 is amended—

(A) by striking ", and the fact that any property transferred by the common trust fund is subject to a liability," in subparagraph (A), and

(B) by striking clause (ii) of subparagraph (B) and inserting:

"(ii) Assumed liabilities.—For purposes of clause (i), the term 'assumed liabilities' means any liability of the common trust fund assumed by any regulated investment company in connection with the transfer referred to in paragraph (1)(A).

"(C) Assumption.—For purposes of this paragraph, in determining the amount of any liability assumed, the rules of section 357(d) shall apply."

(2) Section 1031.—The last sentence of section 1031(d) of such Code is amended—

(A) by striking "assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability" and inserting "assumed (as determined under section 357(d)) a liability of the taxpayer", and

(B) by striking "or acquisition (in the amount of the liability)".

(d) Conforming Amendments.—

(1) Section 351(h)(1) of the Internal Revenue Code of 1986 is amended by striking ", or acquires property subject to a liability,".

(2) Section 357 of such Code is amended by striking "or acquisition" each place it appears in subsection (a) or (b).

(3) Section 357(b)(1) of such Code is amended by striking "or acquired".

(4) Section 357(c)(1) of such Code is amended by striking ", plus the amount of the liabilities to which the property is subject,".

(5) Section 357(c)(3) of such Code is amended by striking "or to which the property transferred is subject".

(6) Section 358(d)(1) of such Code is amended by striking "or acquisition (in the amount of the liability)".

(e) Effective Date.—The amendments made by this section shall apply to transfers after October 19, 1998.

SEC. 806. CHARITABLE SPLIT-DOLLAR LIFE INSURANCE, ANNUITY, AND ENDOWMENT CONTRACTS.

(a) In General.—Subsection (f) of section 170 of the Internal Revenue Code of 1986 (relating to disallowance of deduction in certain cases and special rules) is amended by adding at the end the following new paragraph:

"(10) Split-dollar life insurance, annuity, and endowment contracts.—

"(A) In general.—Nothing in this section or in section 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 shall be construed to allow a deduction, and no deduction shall be allowed, for any transfer to or for the use of an organization described in subsection (c) if in connection with such transfer—

"(i) the organization directly or indirectly pays, or has previously paid, any premium on any personal benefit contract with respect to the transferor, or

"(ii) there is an understanding or expectation that any person will directly or indirectly pay any premium on any personal benefit contract with respect to the transferor.

"(B) Personal benefit contract.—For purposes of subparagraph (A), the term 'personal benefit contract' means, with respect to the transferor, any life insurance, annuity, or endowment contract if any direct or indirect beneficiary under such contract is the transferor, any member of the transferor's family, or any other person (other than an organization described in subsection (c)) designated by the transferor.

"(C) Application to charitable remainder trusts.—In the case of a transfer to a trust referred to in subparagraph (E), references in subparagraphs (A) and (F) to an organization described in subsection (c) shall be treated as a reference to such trust.

"(D) Exception for certain annuity contracts.—If, in connection with a transfer to or for the use of an organization described in subsection (c), such organization incurs an obligation to pay a charitable gift annuity (as defined in section 501(m)) and such organization purchases any annuity contract to fund such obligation, persons receiving payments under the charitable gift annuity shall not be treated for purposes of subparagraph (B) as indirect beneficiaries under such contract if—

"(i) such organization possesses all of the incidents of ownership under such contract,

"(ii) such organization is entitled to all the payments under such contract, and

"(iii) the timing and amount of payments under such contract are substantially the same as the timing and amount of payments to each such person under such obligation (as such obligation is in effect at the time of such transfer).

"(E) Exception for certain contracts held by charitable remainder trusts.—A person shall not be treated for purposes of subparagraph (B) as an indirect beneficiary under any life insurance, annuity, or endowment contract held by a charitable remainder annuity trust or a charitable remainder unitrust (as defined in section 664(d)) solely by reason of being entitled to any payment referred to in paragraph (1)(A) or (2)(A) of section 664(d) if—

"(i) such trust possesses all of the incidents of ownership under such contract, and

"(ii) such trust is entitled to all the payments under such contract.

"(F) Excise tax on premiums paid.—

"(i) In general.—There is hereby imposed on any organization described in subsection (c) an excise tax equal to the premiums paid by such organization on any life insurance, annuity, or endowment contract if the payment of premiums on such contract is in connection with a transfer for which a deduction is not allowable under subparagraph (A), determined without regard to when such transfer is made.

"(ii) Payments by other persons.—For purposes of clause (i), payments made by any other person pursuant to an understanding or expectation referred to in subparagraph (A) shall be treated as made by the organization.

"(iii) Reporting.—Any organization on which tax is imposed by clause (i) with respect to any premium shall file an annual return which includes—

"(I) the amount of such premiums paid during the year and the name and TIN of each beneficiary under the contract to which the premium relates, and

"(II) such other information as the Secretary may require.

The penalties applicable to returns required under section 6033 shall apply to returns required under this clause. Returns required under this clause shall be furnished at such time and in such manner as the Secretary shall by forms or regulations require.

"(iv) Certain rules to apply.—The tax imposed by this subparagraph shall be treated as imposed by chapter 42 for purposes of this title other than subchapter B of chapter 42.

"(G) Special rule where state requires specification of charitable gift annuitant in contract.—In the case of an obligation to pay a charitable gift annuity referred to in subparagraph (D) which is entered into under the laws of a State which requires, in order for the charitable gift annuity to be exempt from insurance regulation by such State, that each beneficiary under the charitable gift annuity be named as a beneficiary under an annuity contract issued by an insurance company authorized to transact business in such State, the requirements of clauses (i) and (ii) of subparagraph (D) shall be treated as met if—

"(i) such State law requirement was in effect on February 8, 1999,

"(ii) each such beneficiary under the charitable gift annuity is a bona fide resident of such State at the time the obligation to pay a charitable gift annuity is entered into, and

"(iii) the only persons entitled to payments under such contract are persons entitled to payments as beneficiaries under such obligation on the date such obligation is entered into.

"(H) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations to prevent the avoidance of such purposes."

(b) Effective Date.—

(1) In general.—Except as otherwise provided in this section, the amendment made by this section shall apply to transfers made after February 8, 1999.

(2) Excise tax.—Except as provided in paragraph (3) of this subsection, section 170(f)(10)(F) of the Internal Revenue Code of 1986 (as added by this section) shall apply to premiums paid after the date of the enactment of this Act.

(3) Reporting.—Clause (iii) of such section 170(f)(10)(F) shall apply to premiums paid after February 8, 1999 (determined as if the tax imposed by such section applies to premiums paid after such date).

SEC. 807. TRANSFER OF EXCESS DEFINED BENEFIT PLAN ASSETS FOR RETIREE HEALTH BENEFITS.

(a) Extension.—

(1) In general.—Section 420(b)(5) of the Internal Revenue Code of 1986 (relating to expiration) is amended by striking "in any taxable year beginning after December 31, 2000" and inserting "made after September 30, 2009".

(2) Conforming amendments.—

(A) Section 101(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)(3)) is amended by striking "1995" and inserting "2001".

(B) Section 403(c)(1) of such Act (29 U.S.C. 1103(c)(1)) is amended by striking "1995" and inserting "2001".

(C) Paragraph (13) of section 408(b) of such Act (29 U.S.C. 1108(b)(13)) is amended—

(i) by striking "in a taxable year beginning before January 1, 2001" and inserting "made before October 1, 2009", and

(ii) by striking "1995" and inserting "2001".

(b) Application of Minimum Cost Requirements.—

(1) In general.—Section 420(c)(3) of the Internal Revenue Code of 1986 is amended to read as follows:

"(3) Minimum cost requirements.—

"(A) In general.—The requirements of this paragraph are met if each group health plan or arrangement under which applicable health benefits are provided provides that the applicable employer cost for each taxable year during the cost maintenance period shall not be less than the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the qualified transfer.

"(B) Applicable employer cost.—For purposes of this paragraph, the term 'applicable employer cost' means, with respect to any taxable year, the amount determined by dividing—

"(i) the qualified current retiree health liabilities of the employer for such taxable year determined—

"(I) without regard to any reduction under subsection (e)(1)(B), and

"(II) in the case of a taxable year in which there was no qualified transfer, in the same manner as if there had been such a transfer at the end of the taxable year, by

"(ii) the number of individuals to whom coverage for applicable health benefits was provided during such taxable year.

"(C) Election to compute cost separately.—An employer may elect to have this paragraph applied separately with respect to individuals eligible for benefits under title XVIII of the Social Security Act at any time during the taxable year and with respect to individuals not so eligible.

"(D) Cost maintenance period.—For purposes of this paragraph, the term 'cost maintenance period' means the period of 5 taxable years beginning with the taxable year in which the qualified transfer occurs. If a taxable year is in 2 or more overlapping cost maintenance periods, this paragraph shall be applied by taking into account the highest applicable employer cost required to be provided under subparagraph (A) for such taxable year."

(2) Conforming amendments.—

(A) Section 420(b)(1)(C)(iii) of such Code is amended by striking "benefits" and inserting "cost".

(B) Section 420(e)(1)(D) of such Code is amended by striking "and shall not be subject to the minimum benefit requirements of subsection (c)(3)" and inserting "or in calculating applicable employer cost under subsection (c)(3)(B)".

(c) Effective Date.—The amendments made by this section shall apply to qualified transfers occurring after December 31, 2000, and before October 1, 2009.

SEC. 808. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) Benefits to Which Exception Applies.—Section 419A(f)(6)(A) of the Internal Revenue Code of 1986 (relating to exception for 10 or more employer plans) is amended to read as follows:

"(A) In general.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

"(i) Medical benefits.

"(ii) Disability benefits.

"(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers.''

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) of the Internal Revenue Code of 1986 (defining disqualified benefit) is amended by adding at the end the following new paragraph:

“(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

“(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

“(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 809. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

“(a) USE OF INSTALLMENT METHOD.—

“(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

“(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).”

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) of such Code are each amended by striking “(a)” each place it appears and inserting “(a)(1)”.

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of the Internal Revenue Code of 1986 (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: “A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 810. INCLUSION OF CERTAIN VACCINES AGAINST STREPTOCOCCUS PNEUMONIAE TO LIST OF TAXABLE VACCINES.

(a) IN GENERAL.—Section 4132(a)(1) of the Internal Revenue Code of 1986 (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

“(L) Any conjugate vaccine against streptococcus pneumoniae.”

(b) EFFECTIVE DATE.—

(1) SALES.—The amendment made by this section shall apply to vaccine sales beginning on the day after the date on which the Centers for Disease Control makes a final recommendation for routine administration to children of any conjugate vaccine against streptococcus pneumoniae.

(2) DELIVERIES.—For purposes of paragraph (1), in the case of sales on or before the date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. MEDICARE COMPETITIVE PRICING DEMONSTRATION PROJECT.

(a) FINDING.—The Senate finds that implementing competitive pricing in the medicare program under title XVIII of the Social Security Act is an important goal.

(b) PROHIBITION ON IMPLEMENTATION OF PROJECT IN CERTAIN AREAS.—Notwithstanding subsection (b) of section 4011 of the Balanced Budget Act of 1997 (Public Law 105–33)), the Secretary of Health and Human Services may not implement the Medicare Competitive Pricing Demonstration Project (operated by the Secretary of Health and Human Services pursuant to such section) in Kansas City, Missouri or Kansas City, Kansas, or in any area in Arizona.

(c) MORATORIUM ON IMPLEMENTATION OF PROJECT IN ANY AREA UNTIL JANUARY, 1, 2001.—Notwithstanding any provision of section 4011 of the Balanced Budget Act of 1997 (Public Law 105–33)), the Secretary of Health and Human Services may not implement the Medicare Competitive Pricing Demonstration Project in any area before January 1, 2001.

(d) STUDY AND REPORT TO CONGRESS.—

(1) STUDY.—The Secretary of Health and Human Services, in conjunction with the Competitive Pricing Advisory Committee, shall conduct a study on the different approaches of implementing the Medicare Competitive Pricing Demonstration Project on a voluntary basis.

(2) REPORT.—Not later than June 30, 2000, the Secretary of Health and Human Services shall submit a report to Congress which shall contain a detailed description of the study conducted under paragraph (1), together with the recommendations of the Secretary and the Competitive Pricing Advisory Committee regarding the implementation of the Medicare Competitive Pricing Demonstration Project.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Wednesday, July 21, 1999, at 9:30 a.m. to conduct a hearing on S. 985, the Intergovernmental Gaming Agreement Act of 1999. The hearing will be held in room 106, Dirksen Senate Office Building.

Please direct any inquiries to committee staff at 202/224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the informaiton of the Senate and the public that a full committee hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 22, 1999, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to consider the nominations of Curt Hebert to be a Member of the Federal Energy Regulatory Commission, and Earl E. DeVaney to be Inspector General of the Department of the Interior.

For further information, please contact David Dye of the Committee staff.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources, The purpose of this hearing is to receive testimony on S. 710, to authorize a feasibility study on the preservation of certain Civil War battlefields along the Vicksburg Campaign Trail; S. 905, to establish the Lackawanna Valley Heritage Area: S. 1093, to establish the Galisteo Basin Archaeological Protection Sites, to provide for the protection of archaeological sites in the Galisteo Basin of New Mexico, and for other purposes; S. 1117, to establish the Corinth Unit of Shiloh National Military Park, in the vicinity of the city of Corinth, Mississippi, and in the State of Tennessee, and for other purposes; S. 1324, to expand the boundaries of Gettysburg National Military Park to include Wills House, and for other purposes; and S. 1349, to direct the Secretary of the Interior to conduct special resources studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System.

The hearing will take place on Thursday. July 29, 1999 at 2:15 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole or Shawn Taylor of the committee staff.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate

Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, July 15, 1999, immediately following the committee executive session at 9:30 a.m. on NTSB reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, July 15, 1999 at 9:30 a.m. on pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 15, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to receive testimony on S. 161, the Power Marketing Administration Reform Act of 1999; S. 282, the Transition to Competition in the Electric Industry Act; S. 516, the Electric Utility Restructuring Empowerment and Competitiveness Act of 1999; S. 1047, the Comprehensive Electricity Competition Act; S. 1273, a bill to amend the Federal Power Act to facilitate the transition to more competitive and efficient electric power markets, and for other purposes; and S. 1284, a bill to amend the Federal Power Act to ensure that no state may establish, maintain or enforce on behalf of any electric utility an exclusive right to sell electric energy or otherwise unduly discriminate against any customer who seeks to purchase electric energy in interstate commerce from any supplier.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENT AFFAIRS

Mr. GREGG. Mr. President, I ask unanimous consent that the Government Affairs Committee be permitted to meet on Thursday, July 15, 1999 at 5:00 p.m. for a business meeting to consider pending Committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, July 15, 1999 at 3:30 p.m. to approve the Committee's budget for the 106th Congress. The meeting will be held in room 485, Russell Senate Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for an executive business meeting, during the session of the Senate on Thursday, July 15, 1999, in S216 of the Capitol.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, July 15, 1999 at 9:30 a.m. to mark-up a Committee funding resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate on Thursday, July 15, 1999, to consider the Committee's budget and to markup pending legislation. The meeting will begin at 9:00 a.m. in room 428A of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INTELLIGENCE

Mr. GREGG. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 15, 1999 at 2:00 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

Mr. GREGG. Mr. President, I ask unanimous consent that the Special Committee on the Year 2000 Technology Problem be permitted to meet on July 15, 1999 at 9:30 a.m. for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ECONOMIC POLICY, AND INTERNATIONAL TRADE AND FINANCE

Mr. GREGG. Mr. President, I ask unanimous consent that the subcommittees on economic policy, and International Trade and Finance of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, July 15, 1999, to conduct a hearing on "Official Dollarization in Latin America."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE HIGH-TECH AGENDA

• Mr. ABRAHAM. Mr. President, I rise to address the importance of the high-tech industry for working families in America, and in my state in particular, and to set out what I believe should be the high-tech agenda for this body in the coming months.

Employment in our high-technology sector is vast and growing. According to the American Electronics Association, about 4,825,000 Americans were employed in the high-tech sector during 1998. That reflects a net increase of 852,000 jobs since 1990. And these jobs pay very well. The average high-tech worker in 1997 made over $53,000 per year—a 19% increase over the levels of 1990.

My state of Michigan is playing an important part in the expansion of high-tech industry in America. Ann Arbor has among the largest concentrations of high-technology firms and employees in the nation. The University of Michigan is a leader in this field, and we have integrated cutting edge technology throughout our manufacturing and services sectors.

As of 1997, 96,000 Michiganians were employed in high-tech jobs. The total payroll for these Michigan workers reaches $4.5 billion annually, and the average employee makes an impressive $46,761 per year.

High-tech is of critical importance to my state. In addition to those who are directly employed in this sector, thousands of others depend on the health of our high-tech industry for their livelihood. Just as an example, 21 percent of Michigan's total exports consist of high-tech goods. Clearly, whether in international trade, automobile manufacturing, mining, financial services, or communications, Michigan's workers depend on a healthy high-tech industry in our state.

And the same goes for America, Mr. President. The internet is transforming the way we do business. Electronic or "E" commerce between businesses has grown to an estimated $64.8 billion for 1999. 10 million customers shopped for some product using the internet in 1998 alone. International Data Corporation estimates that $31 billion in products will be sold over the Internet in 1999. And 5.3 million households will have access to financial transactions like banking and stock trading by the end of 1999.

All this means that our economy, and its ability to provide high paying jobs for American workers, is increasingly wrapped up in high-tech. Indeed, our nation's competitive edge in the global marketplace rests squarely on our expertise in the high-tech sector. We must maintain a healthy high-tech sector if we are to maintain a healthy, growing economy.

This is not special pleading for one industry, Mr. President. It is a simple recognition of the fact that computer technology is an integral part of numerous industries important to the workers of this country. That being the case, it is in my view critical that we secure the health and vitality of the high-tech sector through policies that encourage investment and competition. In my view it also is critical that we empower more Americans to take part in the economic improvements made possible by high-tech through proper training and education.

Entrepreneurs and workers have made our high-tech sector a success already. That means that Washington's first duty is to do no harm. The federal government must maintain a hands-off policy, refusing to lay extra taxes and regulations on the people creating jobs and wealth through technology.

But in one area in particular decisive action is required. We have all heard, Mr. President, about the impending year 2000 or "Y2K" computer problem. Because most computers have been programmed to recognize only the last two digits of a given year, for example assuming the number 69 to refer to 1969, the year 2000 will bring with it many potential problems. Computers that have not been re-programmed to register the new century may assume, come next January 1, that we have entered the year 1900. The results may be minor, or they may include computer malfunctions affecting manufacturing, transportation, water supplies and even medical care.

Clearly such a result would be in no one's interest. Whether large or small, and whether producers or users of computer systems, all businesses have a stake in making the computer transition to the 21st century as smooth as possible. But, as in so many other areas of our lives, progress in dealing with the Y2K problem is being slowed because companies are afraid that acting at this time will simply expose them to big-budget lawsuits. After all, why get involved in a situation that might expose you to expensive litigation?

It was to help prevent these problems that I joined a number of my colleagues to sponsor legislation providing incentives for solving technical issues before failures occur, and by encouraging effective resolution of Y2K problems when they do occur.

This legislation, which the administration has finally signed into law, contains several provisions that would encourage parties to avoid litigation in dealing with the Y2K problem. In addition, Mr. President, this legislation contains provisions to prevent unwarranted, profit-seeking lawsuits from exacerbating any Y2K problem, provisions making sure that only real damages are compensated and only truly responsible parties are made defendants in any Y2K lawsuit.

Quick action is needed, in my view, to prevent the Y2K problem from becoming a disaster. It is a matter of simple common sense that we establish rational legal rules to encourage cooperation and repair rather than conflict and lawsuits in dealing with Y2K. Indeed, for my part, Mr. President, I have made no secret of my desire to apply common sense rules, encouraging cooperation rather than conflict, to our legal system as a whole. I would view our response to the Y2K problem as really an extension of the idea of common sense legal reform to the high-tech arena.

High-technology related commerce, and commerce over the internet in particular, is subject to the same dangers as other forms of commerce. And that means government must make certain that the basic protections needed to make commerce possible are applied to the high-tech sector. In particular, we should keep in mind that commerce is possible only if all parties can be assured that their property will be respected and protected from theft.

I have introduced the Anticybersquatting Consumer Protection Act to combat a new form of fraud that is increasing dangers and costs for people doing business on the internet. The culprit is "cybersquatting," a practice whereby individuals reserve internet domain names similar or identical to companies' trademark names. Some of these sites broadcast pornographic images. Others advertise merchandise and services unrelated to the trademarked name. Still others have been purchased solely for the purpose of forcing the trademark owners to purchase them at highly inflated prices. All of them pollute the internet, undermine consumer confidence and dilute the value of valid trademarks.

Trademark law is based on the recognition that companies and individuals build a property right in brand names because of the reasonable expectations they raise among consumers. If you order a Compaq or a DEC computer, that should mean that you get a computer made by Compaq or DEC, not one built by a fly-by-night company pirating the name. The same goes for trademarks on the Internet. And if it doesn't, if anyone can just come along and take over a brand name, then commerce will suffer. If anyone who wants to steal your product can do so with impunity, then you won't be in business for long. If anyone who wants to steal company trademarks for use on the internet can do so with impunity, then the internet itself will lose its value as a marketplace and people will stop using it for e-commerce. It's really as simple as that.

We must, in my view, extend the basic property rights protections so central to the purpose of government, to the realm of e-commerce.

I have argued, Mr. President, that we must extend the basic, structural rules and protections of commerce to the high-tech arena. To be successful this effort requires recognition of the need for reasoned innovation. If they are to continue fulfilling their vital function of protecting commerce, pre-existing rules must be modified at times to meet the challenges of new technologies. Nowhere is this more true than in the instance of electronic signatures.

Secure electronic authentication methods, or electronic signatures," can allow organizations to enter into contracts without having to drive across town or fly thousands of miles for personal meetings—or wait for papers to make several trips through the mail. They can allow individuals to positively identify the person with whom they are transacting business and to ensure that shared information has not been tampered with.

Electronic signatures are highly controlled and are far more secure than manual signatures. They cannot be forged in the same, relatively easy way as manual signatures. Electronic signatures are verifiable and become invalid if any of the data in the electronic document is altered or deleted. They can make e-commerce the safest as well as the most convenient commerce available.

We made great strides in this Congress toward expanding the use of electronic signatures with the Abraham Government Paperwork Elimination Act. That legislation requires federal agencies to make versions of their forms available online and to allow people to submit those forms with electronic signatures instead of handwritten ones. It also set up a process by which commercially developed electronic signatures can be used in submitting forms to the government, and federal documents could be stored electronically.

By providing individuals and companies with the option of electronic filing and storage, this legislation will reduce the paperwork burden imposed by government on the American people and the American economy. It also will spur electronic innovation. But more must be done, particularly in the area of electronic signatures, to establish a uniform framework within which innovation can be pursued.

More than 40 states have adopted rules governing the use of electronic signatures. But no two states have adopted the same approach. This means that, at present, the greatest barrier to the use of electronic signatures is the lack of a consistent and predictable national framework of rules. Individuals and organizations are not willing to rely on electronic signatures when they cannot be sure that they will be held valid.

I have joined with my colleagues, Senators McCain and Wyden, to author the Millennium Digital Commerce Act. This legislation, which was recently passed out of the Senate Commerce Committee, will ensure that individuals and organizations in different states are held to their agreements and obligations even if their respective states have different rules concerning electronically signed documents. It provides that electronic records produced in executing a digital contract shall not be denied legal effect solely because they were entered into over the Internet or any other computer network. This will provide uniform treatment of electronic signatures in all the states until such time as they enact uniform legislation on their own.

Our bill also lets the parties who enter into a contract determine, through that contract, what technologies and business methods they will use to execute it. This will give those involved in the transaction the power to decide for themselves how to allocate liability and fees as well as registration and certification requirements. In essence, this legislation empowers individuals and companies involved in e-commerce to decide for themselves whether and how to use the new technology of electronic signatures. It will encourage further growth in this area by extending the power of the contracting parties to define the terms of their own agreements.

And another piece of legislation, the Electronic Securities Transaction Act will remove a specific barrier in the law that is slowing the growth of online commerce in the area of securities trading. As the law now stands, Mr. President, anyone wishing to do business with an online trading company must request or download application materials and physically sign them, then wait for some form of surface mail system to deliver the forms before conducting any trading. Such rules cause unneeded delays and will be eliminated by this legislation.

Control over their agreements is crucial to allowing companies and individuals to conduct commerce in and through the means of high-technology. But we must do more to ensure the continued growth of high-tech commerce. Perhaps most important, we must make certain that companies involved in high-tech can find properly trained people to work for them.

During the last session of Congress I sponsored the American Competitiveness Act. This legislation, since signed into law, provides for a limited increase in the number of highly skilled foreign-born workers who can come to this country on temporary worker visas. It also provides for scholarships to students who elect to study in areas important for the high-tech industry, including computers, math and science.

In my view we should build on the American Competitiveness Act by extending training and educational assistance to the millions of elementary and secondary school children who can and should become the high-tech workers of tomorrow.

It is projected that 60 percent of all jobs will require high-tech computer skills by the year 2000. But 32 percent of our public schools have only one classroom with access to the Internet. The Educational Testing Service reports that, on average, in 1997 there was only one multi-media computer for every 24 students in America. That makes the line to use a school computer five times longer than the Education Department says it should be.

Not only do our classrooms have too few computers, the few computers they do have are so old and outdated that they cannot run the most basic of today's software programs and cannot even access the Internet. One of the more common computers in our schools today is the Apple IIc, a model so archaic it is now on display at the Smithsonian.

The federal government recently attempted to rectify this situation, with little success. The 21st Century Classrooms Act of 1997 allows businesses to take a deduction for donating computer technology, equipment and software. Unfortunately, that deduction was small and businesses had difficulty qualifying for it. Thus the Detwiler Foundation, a leading clearinghouse for computer-to-school donations, reports that they have not witnessed the anticipated increase in donation activity" since its enactment.

I strongly believe that we must change that. That is why I have joined with Senator RON WYDEN (D-Ore.) to offer the New Millennium Classrooms Act. This legislation will increase the amount of computer technology donated to schools, helping our kids prepare for the high-tech jobs of the future.

The earlier tax deduction failed to produce donations because it was too narrowly drawn. It allowed only a limited deduction (one half the fair market value of the computer). It also applied this deduction only to computers less than two years old. And only the original user of the computer could donate it to the school.

Under the New Millennium Classrooms Act, however, businesses will be able to choose either the old deduction or a tax credit of up to 30 percent of the computer's fair market value, whichever reduces their taxes most. Businesses donating computers to schools located in empowerment zones, enterprise communities and Indian reservations would be eligible for a 50 percent tax credit because they are bringing computers to those who need them most.

In addition, the New Millennium Classrooms Act would eliminate the two year age limit. After all, many computers more than two years old today have Pentium-chip technology and can run programs advanced enough to be extremely useful in the classroom. Finally, the new legislation would let companies that lease computers to other users donate those computers once they are handed in.

These provisions will expand the availability of useful computers to our schools. They will allow our classrooms to become real places of high-tech learning, preparing our children for the challenges of the future and providing our economy with the skilled workers we need to keep us prosperous and moving ahead. They are an important part of an overall high-tech agenda that emphasizes expanding opportunities for all Americans.

Of course we must do more. We must extend the Research and Development tax credit so important to high-tech innovation. We must extend the 3 year moratorium on any taxing of the internet. We must update our encryption laws so that American companies can compete overseas and provide consumers with state-of-the-art protection for their e-commerce. We must increase high-speed internet access. I will work to support each and every one of these reforms.

Mr. President, these are some of the legislative initiatives a number of my colleagues and I are working on to ensure the future of high-tech growth in this country. It is an important agenda because high-tech is an important sector of our economy. I hope members of both houses of Congress and the Administration will recognize the need to support this agenda so that American workers can continue to prosper.•

TRIBUTE TO COACH GLENN DANIEL

• Mr. SHELBY. Mr. President, I rise today to pay tribute to Coach Glenn Daniel, a dedicated man and an inspirational leader to the many football teams which he has led. The state of Alabama has been blessed with a very rich football heritage. The thought of the sport conjures images of Bear Bryant leading his famed University of Alabama teams to glory on the gridiron. Between interstate colleges and high school rivalries, there is no argument that the State's roots are firmly entrenched in the game of football.

It is from these roots that I pay tribute to the most successful coach in the history of Alabama high school football, Coach Glenn Daniel. With a lifetime record of 302 wins, 167 loses and 16 ties, Coach Daniel has stood the test of time and climbed countless obstacles in his relentless assault on the record books. Coach Daniel's 50-year career, spanning six decades, serves as a inspiration to the young people he coaches and as an example of the internal fortitude and a strength of character which few possess. He is truly the standard bearer for a high school coaching legend and the definition of a man dedicated to the sport of football.

Born on December 2, 1925, in Montgomery, Coach Daniel attended Albert G. Parrish High School in rustic Selma, Alabama. He earned a Bachelor's Degree in Education at Livingston University (now the University of West Alabama) and a Master's Degree from the University of Alabama in 1956.

It was in 1947 that Glenn Daniel began his coaching career at the rural Alabama school of Pine Hill High. He was able to successfully resuscitate a football program which had been discontinued for several years due to World War II. Within 5 years of beginning his tenure at Pine Hill, he had established a perennial football powerhouse at the school. During this time, Coach Daniel lead his team to an undefeated season, while outscoring opponents 232–32 and receiving a Birmingham News regional championship.

Following his tenure at Pine Hill, Coach Daniel moved on to coach at Luverne High School in Luverne, Alabama. While coaching at the school for 38 years, Coach Daniel's teams finished with an astonishing 34 winning seasons. In 11 of his last 12 years, his team earned a spot in the state playoffs, including three semi-finals appearances. His remarkable 1991 team reached the ultimate promise land, winning the state 3A championship, the first in Luverne High School's history. Coach Daniel retired in 1993 and did not coach during the 1993 and 1994 seasons. However, he returned as an assistant coach for the 1995 season as Defensive Coordinator and helped his team earn a state championship in 1997.

Coach Daniel was named Alabama's Coach of the Year in 1981, 1987, and 1991 by various major newspapers in the state. In a coach's poll conducted in 1985, he was ranked by his peers as one of the ten best coaches in the state. In addition to these accolades, Coach Daniel served as head coach of the Alabama team in the annual Alabama/Mississippi All-Star Football Classic in 1992, and was named as Alumni Coach of the Year in 1992 by the University of West Alabama. In a fitting honor to cap his distinguished career, Coach Daniel was chosen as a member of the inaugural class of inductees into the Alabama High School Sports Hall of Fame in 1991. Mr. President, if a coaching career has ever proven deserving of these many distinctions, it is Coach Glenn Daniel.•

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider Executive Calendar No. 164 on today's Executive Calendar.

I further ask unanimous consent the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination appear in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

DEPARTMENT OF COMMERCE

Johnnie E. Frazier, of Maryland, to be Inspector General, Department of Commerce.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

FEDERAL FINANCIAL ASSISTANCE MANAGEMENT IMPROVEMENT ACT OF 1999

Mr. JEFFORDS. I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 199, S. 468.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 468) to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 468

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Financial Assistance Management Improvement Act of 1999".

SEC. 2. FINDINGS.

[The**]** Congress finds that—

(1) there are over 600 different Federal financial assistance programs to implement domestic policy;

(2) while the assistance described in paragraph (1) has been directed at critical problems, some Federal administrative requirements may be duplicative, burdensome or conflicting, thus impeding cost-effective delivery of services at the local level;

(3) the Nation's State, local, and tribal governments and private, nonprofit organizations are dealing with increasingly complex problems which require the delivery and coordination of many kinds of services; and

(4) streamlining and simplification of Federal financial assistance administrative procedures and reporting requirements will improve the delivery of services to the public.

SEC. 3. PURPOSES.

The purposes of this Act are to—

(1) improve the effectiveness and performance of Federal financial assistance programs;

(2) simplify Federal financial assistance application and reporting requirements;

(3) improve the delivery of services to the public; and

(4) facilitate greater coordination among those responsible for delivering such services.

SEC. 4. DEFINITIONS.

In this Act:

(1) DIRECTOR.—The term "Director" means the Director of the Office of Management and Budget.

(2) FEDERAL AGENCY.—The term "Federal agency" means any agency as defined under section 551(1) of title 5, United States Code.

(3) FEDERAL FINANCIAL ASSISTANCE.—The term "Federal financial assistance" has the same meaning as defined in section 7501(a)(5) of title 31, United States Code, under which Federal financial assistance is provided, directly or indirectly, to a non-Federal entity.

(4) LOCAL GOVERNMENT.—The term "local government" means a political subdivision of a State that is a unit of general local government (as defined under section 7501(a)(11) of title 31, United States Code);.

(5) NON-FEDERAL ENTITY.—The term "non-Federal entity" means a State, local government, or nonprofit organization.

(6) NONPROFIT ORGANIZATION.—The term "nonprofit organization" means any corporation, trust, association, cooperative, or other organization that—

(A) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(B) is not organized primarily for profit; and

(C) uses net proceeds to maintain, improve, or expand the operations of the organization.

(7) STATE.—The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and any instrumentality thereof, any multi-State, regional, or interstate entity which has governmental functions, and any Indian Tribal Government.

(8) TRIBAL GOVERNMENT.—The term "tribal government" means an Indian tribe, as that term is defined in section 7501(a)(9) of title 31, United States Code.

(9) UNIFORM ADMINISTRATIVE RULE.—The term "uniform administrative rule" means a Government-wide uniform rule for any generally applicable requirement established to achieve national policy objectives that applies to multiple Federal financial assistance programs across Federal agencies.

SEC. 5. DUTIES OF FEDERAL AGENCIES.

(a) IN GENERAL.—**[**NOT**]** *Except as provided under subsection (b), not* later than **[**18**]** *36* months after the date of enactment of this Act, each Federal agency shall develop and implement, *including promulgation of rules and amendments to existing collections of information*, a plan that—

(1) streamlines and simplifies the application, administrative, and reporting procedures for Federal financial assistance programs administered by the agency;

(2) demonstrates active participation in the interagency process under section 6(a)(2);

(3) demonstrates appropriate agency use, or plans for use, of the common application and reporting system developed under section 6(a)(1);

(4) designates a lead agency official for carrying out the responsibilities of the agency under this Act;

(5) allows applicants to electronically apply for, and report on the use of, funds from the Federal financial assistance program administered by the agency;

(6) ensures recipients of Federal financial assistance provide timely, complete, and high quality information in response to Federal reporting requirements; and

(7) *in cooperation with recipients of Federal financial assistance*, establishes specific annual goals and objectives to further the purposes of this Act and measure annual performance in achieving those goals and objectives, which may be done as part of the agency's annual planning responsibilities under the Government Performance and Results Act of 1993 (Public Law 103-62; 107 Stat. 285).

(b) EXTENSION.—[If one or more agencies are unable to comply with the requirements of subsection (a), the Director shall report to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives the reasons for noncompliance. After consultation with such committees, the Director may extend the period for plan development and implementation for each noncompliant agency for up to 12 months.] *If an agency is unable to comply with the requirements of subsection (a)(5), the Director may extend the period for the agency to develop and implement a plan that allows applicants to electronically apply for, and report on the use of, funds from Federal financial assistance programs administered by the agency to October 31, 2003.*

(c) COMMENT AND CONSULTATION ON AGENCY PLANS.—

(1) COMMENT.—Each agency shall publish the plan developed under subsection (a) in the Federal Register and shall receive public comment of the plan through the Federal Register and other means (including electronic means). To the maximum extent practicable, each Federal agency shall hold public forums on the plan.

(2) CONSULTATION.—The lead official designated under subsection (a)(4) shall consult with representatives of non-Federal entities during development and implementation of the plan. Consultation with representatives of State, local, and tribal governments shall be in accordance with section 204 of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1534).

(d) SUBMISSION OF PLAN.—Each Federal agency shall submit the plan developed under subsection (a) to the Director and Congress and report annually thereafter on the implementation of the plan and performance of the agency in meeting the goals and objectives specified under subsection (a)(7). Such report may be included as part of any of the general management reports required under law.

SEC. 6. DUTIES OF THE DIRECTOR.

(a) IN GENERAL.—The Director, in consultation with agency heads, and representatives of non-Federal entities, shall direct, coordinate, and assist Federal agencies in establishing—

(1) a common application and reporting system, including—

(A) a common application or set of common applications, wherein a non-Federal entity can apply for Federal financial assistance from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies;

(B) a common system, including electronic processes, wherein a non-Federal entity can apply for, manage, and report on the use of funding from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies; and

(C) uniform administrative rules for Federal financial assistance programs across different Federal agencies; and

(2) an interagency process for addressing—

(A) ways to streamline and simplify Federal financial assistance administrative procedures and reporting requirements for non-Federal entities;

(B) improved interagency and intergovernmental coordination of information collection and sharing of data pertaining to Federal financial assistance programs, including appropriate information sharing consistent with section 552a of title 5, United States Code; and

(C) improvements in the timeliness, completeness, and quality of information received by Federal agencies from recipients of Federal financial assistance.

(b) LEAD AGENCY AND WORKING GROUPS.—The Director may designate a lead agency to assist the Director in carrying out the responsibilities under this section. The Director may use interagency working groups to assist in carrying out such responsibilities.

(c) REVIEW OF PLANS AND REPORTS.—Upon the request of the Director, agencies shall submit to the Director, for the Director's review, information and other reporting regarding agency implementation of this Act.

(d) EXEMPTIONS.—The Director may exempt any Federal agency or Federal financial assistance program from the requirements of this Act if the Director determines that the Federal agency does not have a significant number of Federal financial assistance programs. The Director shall maintain a list of exempted agencies which shall be available to the public through the Office of Management and Budget's Internet site.

(e) REPORT ON RECOMMENDED CHANGES IN LAW.—Not later than 18 months after the date of the enactment of this Act, the Director shall submit to Congress a report containing recommendations for changes in law to improve the effectiveness, performance, and coordination of Federal financial assistance programs.

(f) DEADLINE.—All actions required under this section shall be carried out not later than 18 months after the date of enactment of this Act.

SEC. 7. EVALUATION.

(a) IN GENERAL.—[The Director (or the lead agency designated under section 6(b)) shall contract with the National Academy of Public Administration to] *The General Accounting Office shall* evaluate the effectiveness of this Act. Not later than [4] *6* years after the date of enactment of this Act, the evaluation shall be submitted to the lead agency, the Director, and Congress. The evaluation shall be performed with input from State, local, and tribal governments, and nonprofit organizations.

(b) CONTENTS.—The evaluation under subsection (a) shall—

(1) assess the effectiveness of this Act in meeting the purposes of this Act and make specific recommendations to further the implementation of this Act;

(2) evaluate actual performance of each agency in achieving the goals and objectives stated in agency plans; and

(3) assess the level of coordination among the Director, Federal agencies, State, local, and tribal governments, and nonprofit organizations in implementing this Act.

SEC. 8. COLLECTION OF INFORMATION.

Nothing in this Act shall be construed to prevent the Director or any Federal agency from gathering, or to exempt any recipient of Federal financial assistance from providing, information that is required for review of the financial integrity or quality of services of an activity assisted by a Federal financial assistance program.

SEC. 9. JUDICIAL REVIEW.

There shall be no judicial review of compliance or noncompliance with any of the provisions of this Act. No provision of this Act shall be construed to create any right or benefit, substantive or procedural, enforceable by any administrative or judicial action.

SEC. 10. STATUTORY REQUIREMENTS.

Nothing in this Act shall be construed as a means to deviate from the statutory requirements relating to applicable Federal financial assistance programs.

SEC. 11. EFFECTIVE DATE AND SUNSET.

This Act shall take effect on the date of enactment of this Act and shall cease to be effective [5] *8* years after such date of enactment.

Mr. JEFFORDS. Mr. President, I ask unanimous consent the committee amendments be agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The bill (S. 468) was read the third time and passed.

CORRECTING ERRORS IN THE AUTHORIZATIONS OF CERTAIN PROGRAMS ADMINISTERED BY THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Mr. JEFFORDS. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of H.R. 2035, which is at the desk.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2035) to correct errors in the authorizations of certain programs administered by the National Highway Traffic Safety Administration.

The Senate proceeded to consider the bill.

Mr. JEFFORDS. I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2035) was ordered to a third reading, was read the third time, and passed.

ORDERS FOR FRIDAY JULY 16, 1999

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 a.m. on Friday, July 16. I further ask consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day.

I further ask consent that following the cloture vote, the Senate proceed to a period of morning business with Senators speaking up to 5 minutes each with the following exceptions:

Senator COVERDELL or his designee in control of the first hour and Senator BREAUX or his designee in control of the second hour, Senator DOMENICI for 10 minutes, Senator BAUCUS for 10 minutes, Senator HARKIN for 15 minutes, and Senator LEVIN for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. JEFFORDS. For the information of all Senators, the Senate will convene at 9:30 a.m. Under the previous order, the Senate will debate the Social Security lockbox legislation for 1 hour with a vote to occur at approximately 10:30 a.m. For the information of all Senators, that vote will be the only rollcall vote during Friday's session of the Senate. Following the vote, Senator COVERDELL will be recognized to begin a period of morning business.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. JEFFORDS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:02 p.m., adjourned until Friday, July 16, 1999, at 9:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate July 15, 1999:

DEPARTMENT OF COMMERCE

JOHNNIE E. FRAZIER, OF MARYLAND, TO BE INSPECTOR GENERAL, DEPARTMENT OF COMMERCE.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Thursday, July 15, 1999*

The House met at 10 a.m.

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

We affirm in the ancient Psalm of David "The Lord is my shepherd, I shall not want." Oh gracious God, as You are the shepherd of our souls and are with us in all the concerns of life, we ask Your blessing on all who are sick or infirm and who desire to find wholeness and health. Either for ourselves or those who are near and dear to us, we pray that Your healing power will visit all those in need and that our hearts and minds will be open to Your redeeming love. May Your strong arm, O God, give fortitude and strength and assure us always of that peace that passes all human understanding. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GIBBONS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Colorado (Mr. SCHAFFER) come forward and lead the House in the Pledge of Allegiance.

Mr. SCHAFFER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

> H.R. 2465. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2465) "An Act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon and appoints Mr. BURNS, Mrs. HUTCHISON, Mr. CRAIG, Mr. KYL, Mr. STEVENS, Mrs. MURRAY, Mr. REID, Mr. INOUYE, and Mr. BYRD, to be the conferees on the part of the Senate.

The message also announced that the Senate has passed a bill of the following title in which concurrence of the House is requested.

> S. 604. An act to direct the Secretary of Agriculture to complete a land exchange with Georgia Power Company.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will receive 15 one-minute speeches on each side.

TRIBUTE TO AIR FORCE SERGEANTS ASSOCIATION

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today I rise with great honor to pay tribute to the Air Force Sergeants Association, a private, not-for-profit organization that diligently represents this Nation's active and retired enlisted men and women of the United States Air Force and their families.

I would like to commend the Air Force Sergeants Association for their extraordinary efforts informing Congress on key personnel and readiness issues and also for promoting programs and policies which recognize the sacrifices of our "Sierra Hotel" Air Force enlisted members.

This year, from August 29 through September 3, the Air Force Sergeants Association will convene its annual international convention at the Silver Legacy and Eldorado Hotels in Reno, Nevada. As an Air Force veteran, who knows firsthand the outstanding contributions of our enlisted force, I will be proud and honored to celebrate this occasion with them.

Mr. Speaker, for 38 years, the Air Force Sergeants Association has been an outspoken advocate for Air Force enlisted members, and I thank them for their wonderful efforts. I also want to thank the enlisted men and women from every service who truly are the backbone and soul of our fighting forces.

REPUBLICANS DOING WRONG IS WORSE THAN DOING NOTHING

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Mr. Speaker, the willingness of House Republicans to jeopardize our economic prosperity, to jeopardize Medicare and Social Security is truly shocking.

Last night, the Republicans on the House Committee on Ways and Means approved a tax bill that is really based on the following principles: First, they will never pay down the over $5 trillion of national debt and will continue to saddle American taxpayers with hundreds of millions of dollars of interest payments each year, the second largest item in the Federal budget.

Second, they will continue taking money that Americans have paid into the Social Security Trust Fund to use for other nonSocial Security purposes.

House Republicans have made an art form this year of doing nothing in this House. But there is one thing worse, and that is doing wrong, doing wrong by Social Security, doing wrong by Medicare, and doing wrong that will interfere with our economic expansion.

Let us say no to this outrageous tax bill that the Republicans are promoting on America.

APA SAYS PRESENCE OF FATHERS IN FAMILIES IS NOT ESSENTIAL

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the APA has done it again. An article published in the current journal of the American Psychology Association reports that the presence of fathers in families is "not essential" and that fathers actually "may be detrimental to the child and the mother."

Can you believe this absurdity? Dads are dangerous. So I say to dads, do not bother about running home to play ball or read with your child. According to these psychologists, you will not be missed.

This report is on the heels of the national outrage the APA caused when they published another report stating sexual abuse does not harm children. First, praising pedophilia, now dumbing down dads.

Mr. Speaker, two decades of research support the fact that children who are raised without fathers are at greater risk than children raised with fathers and mothers. In fact, studies of over 25,000 children found that kids who grow up without a father are twice as likely to drop out of school, they are two and a half times as likely to become teen moms, and also the likelihood that a young male will engage in criminal activity doubles.

These studies and hundreds of others uphold that dads do make a difference. When will the APA ever learn?

NEW SURPLUS AND FISCAL DISCIPLINE

(Mr. LUCAS of Kentucky asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUCAS of Kentucky. Mr. Speaker, the people sent us here to do a job. They sent us here to preserve Social Security and Medicare. We must save Social Security and Medicare first before squandering any of the Social Security surplus or any other government surplus.

Paying down the Federal debt is truly the greatest gift we can give to our children and our grandchildren. Paying down the Federal debt means lower interest rates for a working family, more capital available for small businesses, and a brighter future for our children.

Let us not get carried away with this budget surplus feeding frenzy. Let us remain disciplined, focused, and fiscally conservative. The time to fix the roof is now, while the sun is shining.

WHAT A DIFFERENCE A REPUBLICAN CONGRESS MAKES

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, what a difference a Republican Congress makes. For 40 years, Congress debated ways to expand government, promising more benefits in exchange for a bit less freedom.

Few, if any, candidates ran on tax increases, but somehow taxes kept getting higher and higher.

Welfare assistance was so broke that even those on welfare knew that the system was seriously wrong, counterproductive, and harmful. Yet, nothing was done.

Then the American people said enough and elected Republicans to the majority in 1994 for the first time in 40 years.

Now we are debating ways to cut taxes, not raise them. Perhaps the most significant achievement is the historic welfare reform bill signed into law in 1996. For millions and millions of families who have moved from welfare to work, they now have hopes for a brighter future, a seemingly impossible dream when despair filled their days and nights. The children in those families now have productive and fulfilling lives to look forward to.

What a difference the Republican Congress makes.

HOW MANY AMERICANS MUST BE VICTIMIZED BEFORE BORDERS ARE SECURE?

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, two Texas women were beaten to death in their own home. They were two of nine victims supposedly killed by the infamous railroad killer from Mexico. The border is wide open. From narcotics to terrorists, the border is wide open.

Tell me, Mr. Speaker, how many more Americans must be murdered in their own home? How many more Americans must die of drug overdoses? How many more Americans must be victimized and live in fear of terrorists? Tell me, Mr. Speaker, how many more Americans must be abused before Congress secures our border? Beam me up.

I yield back a massive problem that can and will not be solved.

TRIBUTE TO VIKKI BUCKLEY

(Mr. SCHAFFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAFFER. Mr. Speaker, I rise today to recognize the life and contributions of Vikki Buckley, Colorado's Secretary of State, who passed away yesterday after suffering an apparent heart attack on Tuesday.

Quoting a friend of hers, "Vikki's no longer in the hands of doctors. She's now in the arms of God."

Vikki proudly proclaimed herself to not be a hyphenated American. She held the distinction of being the first black Secretary of State and the first female black candidate elected as a Republican for a statewide constitutional office.

She is an outspoken conservative. Vikki served as the States chief election official and traveled around the State and country speaking out on various issues of importance to her.

Most recently, she gave the opening remarks at the National Rifle Association's annual meeting in Denver. Her speech has been acknowledged nationwide as among the most insightful concerning the heart of humanity and preserving the entire Constitution of the United States, including the second amendment.

I for one got to know Vikki quite well. In 1994, I was a statewide candidate Republican nominee for Lieutenant Governor, and I spent almost the whole year on the campaign trail with Vikki. She is one who cares passionately about her country. She is an inspiration to all who knew her. She was deeply devoted to her family.

Although she is gone and away from us now, her inspiration and memory will inspire Americans for generations to come. I pray that God receives her openly into his heavenly kingdom and that her soul and all of the souls of those who have departed in faith rest in peace.

REPUBLICAN TAX CUT PLAN IS FISCALLY IRRESPONSIBLE

(Mr. MENENDEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, the Republican tax cut plan of a trillion dollars is fiscally irresponsible and will leave a legacy of debt and deficit for the next generation of taxpayers, and that is why they only show us charts for the first 5 years of their tax cut plan. They do not show us the last 5 years where the tax cuts will explode and leave us with an enormous gap in the budget.

Their tax cut plan will create higher deficits and, therefore, create higher interest rates for American families and businesses.

That is not a value we Democrats share. Democrats believe that we have to pay down the national debt, and Republicans want a massive tax cut. Democrats value the contribution of seniors who have helped build families and community and who should be able to retire with dignity and health security. That is why we want to pay the debt, extend the life for Social Security and Medicare.

Republicans want to go on a wild tax cut spree that leaves nothing for Medicare, nothing for Social Security, and nothing for our prescription drug program. That is fiscal irresponsibility we cannot have. It is a value we do not share.

DEMOCRATS AND REPUBLICANS DIFFER ON TAX PHILOSOPHIES

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, a lot of people say there is not much difference between Democrats and Republicans. But when it comes to taxes, it is clear that there are two quite different philosophies at work which guide the thinking of each side.

Democrats believe that the tax system is primarily a way to redistribute wealth; that is to say, take what belongs to one person and give it to someone else.

□ 1015

Republicans, on the other hand, believe that the tax system is merely what is necessary to raise revenues for the constitutionally required functions of the Federal Government, which is principally to provide the common defense.

Democrats believe that a system that redistributes wealth is more fair than a system whereby people are entitled to the fruits of their labors to the maximum extent possible.

Democrats speak constantly of the fact that the wealthy, never defined, do not need a tax cut. Of course, by that logic a rich person does not need to be paid for any work that he performs. But they fail to recognize that the money earned by the wealthy or the middle class or whomever belongs to them. After all, they earned it.

REPUBLICANS THROW IN THE TOWEL ON SAVING SOCIAL SECURITY, MEDICARE AND PAYING DOWN DEBT

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, yesterday was a sad day for our Nation, a sad day because the Republicans threw in the towel. They gave up and they capitulated.

Rather than make the tough choices to save Social Security, to save Medicare, and to pay down a $5 trillion debt, Republicans simply gave up and did what they thought was the easy thing to do, provide for an irresponsible tax cut that forecloses the financial future for many, many, many Americans who must rely on Social Security, who must rely on Medicare, and to the next generation that is hoping to have low interest rates, hoping to have a good economy so they can buy a house and form families and raise their children.

But, no, rather than pay down the debt, the Republicans would rather risk high interest rates for the whole Nation and for small businesses. We tried this once in 1980. It has taken us 20 years, I repeat, it has taken us 20 years to dig out of that debt that the Republicans gave us in 1980.

Now, for the first time in history, we have an opportunity to save Social Security, to save Medicare and to pay down the debt. But the Republicans have given up and thrown in the towel. How little courage they have.

REPUBLICANS BELIEVE IN TAX CUTS

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, there are a lot of Americans who believe that there is not much difference between Democrats and Republicans. Well, there certainly is here in the U.S. House of Representatives.

For example, let us consider taxes. The Democrats, under President Clinton, passed the largest increase in U.S. history back in 1993. The liberals have not stopped praising that tax increase ever since. The liberals are actually happy to raise taxes because that means more revenues for big government and more money to spend on their special interests.

Republicans believe that the government is too big and that Washington politicians have too much power. Republicans passed tax cuts last time and it is our goal to pass additional tax cuts this year. Let us get rid of the unfair marriage penalty, for example. Let us get rid of the death tax. Let us reduce taxes on all Americans.

The difference between Democrats and Republicans here in the House: The Democrats believe that the bureaucrats here in Washington know best how to spend taxpayers' money. Republicans think that the American people are smart enough to know how to spend their own money.

WHEN WE PAY DOWN THE DEBT, AMERICANS GET A REAL BONUS

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, every summer, particularly in election years, Republicans run down to the well and they give us their usual, a big tax break, as though that were the answer to all the problems. They insult the intelligence of many American people.

First, as usual, when we look behind the rhetoric, what we see is a tax break that basically benefits the very wealthy. But this year it is even worse because this is a fiscally irresponsible tax break that undermines our economy and creates higher deficits.

We on the Democratic side of the aisle have an alternative. We believe, number one, we need long-term solutions, not short-sighted and short-thinking solutions. We need solutions that, number one, protect Social Security. We need solutions that, number two, can pay down the debt.

When we pay down the debt the American people get a real bonus, they get lower interest rates, which helps them with buying houses and buying cars. That is what really matters. We need to pay down the debt, help families, help small businesses.

And, third, we need to strengthen Medicare. Now, we will not hear the Republicans say a thing about Medicare. We can strengthen Medicare and provide a prescription drug benefit for our senior citizens. That is the long-term solution, not the short-sighted solution the Republicans are offering.

REPUBLICANS WANT TO GIVE BACK MONEY TO TAXPAYERS; DEMOCRATS WANT TO SPEND IT

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, the liberal Democrats, the liberal editorial pages, the President, they are all singing off the same sheet of music with remarkable harmony these last few days. They have called the Republican tax cut proposal "risky." I am not surprised.

But for Republicans, what is far riskier is keeping the Federal budget surplus in Washington, D.C. "Trust us," these liberal politicians will say. "We won't spend it." "Really," they say, "we will use it for debt reduction. Trust us, we won't spend it. Trust us, we won't spend it."

Now, I really do not know what to say to people who think that politicians in Washington can be trusted not to spend this pot of money. If the choice is between giving the money back to the people who earned it or spending it, the Democrats will spend it. Republicans will not spend it. They want to give it back to the people who earned it. It is their money in the first place.

DEMOCRATS WANT TO PAY OFF THE DEBT

(Mr. RANGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, it is interesting that the last Speaker would say that if the money from the so-called surplus is left in Washington that Americans should not trust us because "we" would spend it. The last I heard, the Republicans were the "we". The Republicans are in the majority.

If the Republicans are so fractionalized, if they are so disorganized that basically they are saying we should take the surplus and get it out of here as quick as we can and stop us before we hurt the Nation any further, then I understand the argument.

But if it is that no matter what economist we might listen to, no matter what American we might talk to, the whole idea of the surplus is that the President says that we are close to $4 trillion, we now have the ability to pay off some of that debt, and we should do that. And that is what we are talking about on our side.

BIPARTISAN WORKING GROUP TO TAKE COMPREHENSIVE LOOK INTO YOUTH VIOLENCE

(Mr. WAMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAMP. Mr. Speaker, I am not a fan of these 1-minute speeches. Usually I do not do this. As we can all see, it devolves sometimes into a partisan food fight.

I come today to praise a bipartisan approach to the number one domestic issue, in my opinion, and that is youth violence. At the initiative of the Speaker of the House, working with the gentleman from Missouri (Mr. GEPHARDT), the minority leader, they have appointed a bipartisan working group, 10 Republicans, 10 Democrats, cochaired by the gentlewoman from Washington (Ms. DUNN) and the gentleman from Texas (Mr. FROST), and I am the vice chairman of this group.

For the next 2 months we will look in a bipartisan way at a comprehensive approach to youth violence. Guns, school security, breakdown of the family, influence of the mass media, a comprehensive approach to do what we can in the Congress to address this critical issue in a bipartisan way.

We need more approaches like this one where we can work together, because we are all serving the same people.

COLLABORATIVE EFFORTS BY ALL LAW ENFORCEMENT AGENCIES PRODUCE RESULTS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, the suspect for the heinous railroad killings has been caught. Resendez-Ramirez turned himself in to the INS installation in El Paso.

Let me applaud the collaboration of the Federal Bureau of Investigation, with Don Clark leading the effort in Houston, Texas, along with U.S. Marshal Contreras, the Texas Rangers, and, of course, the INS. Collaboration among law enforcement agencies is extremely important.

It is extremely important to recognize that while this alleged perpetrator and killer will probably be indicted for murder, he is not representative of the hard-working, taxpaying immigrants who live in our communities.

Mr. Speaker, I wanted to acknowledge the importance of collaboration between our law enforcement entities and to encourage the continuation of such collaboration which will, hopefully, correct the initial problem that allowed this gentleman, this person, to get away after crossing the border. We must fight illegal immigration but we must recognize the value of those hard-working immigrants.

I want to applaud again the collaborative work of our law enforcement agencies for a job well done.

FAIRNESS IN TAX CODE SHOULD BE ADDRESSED AS WELL AS TAX CUTS

(Mr. BAIRD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAIRD. Mr. Speaker, like my colleagues, I want to insist that as we look towards tax changes and towards the budget, we set first and foremost the priority of paying down the debt and of protecting Social Security and Medicare.

But, Mr. Speaker, if we are going to address tax cuts, there is one which we should address first and foremost, and that has to do with restoring fairness to the tax code. Currently, a small number of States subsidize the rest of the Federal Government. Those States in which we have sales tax but no income tax pay higher taxes than those in other States with an income tax. The reason is that those with sales taxes are not allowed to deduct their sales tax from their Federal income tax returns. Some of the States include Washington State, my own, Tennessee, Nevada, Texas, and Florida.

Mr. Speaker, hard-working men and women and their families deserve the same tax break in those States as in the rest of the country. And if we are going to make changes to the tax code, let us begin by restoring fairness, by allowing a simple change to the code and allowing people to deduct either their State income tax or the amount they pay in State sales tax from their Federal tax return.

REPUBLICANS AND DEMOCRATS DIFFER IN CORE BELIEFS

(Mr. FOSSELLA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOSSELLA. Mr. Speaker, today we are hearing the debate as to what we are going to do with the projected taxpayers' surplus. As Americans follow this debate, I think they should just be concerned with where we are going in our core principles.

In the way I view it, we have one side that agrees with personal freedom and the other side that wants more government control; one that says lower taxes, another that says we need higher taxes; limited government versus big government; economic growth versus bureaucratic growth here in Washington; more jobs across America or more red tape that will only stifle growth, stifle inhibition, stifle creativity and decrease the number of jobs.

So as we debate the taxpayers' surplus that the Americans have generated each and every day, let us remind ourselves of what the core principles are: Do we believe in the American people; do we believe in the American spirit; do we believe in economic growth? Or do we believe that total faith on how to spend the taxpayers' money should be made here in Washington?

WE SHOULD CONTINUE DOWN THE PATH OF FISCAL RESPONSIBILITY

(Mr. LEVIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, I am glad I am coming right after that last 1-minute. It is pure nonsense.

This $864 billion bill that was reported out of the Committee on Ways and Means last night is fiscally irresponsible. It sacrifices the future of Social Security and also of Medicare on the altar of that kind of political hype from the Republicans.

Let me read from a Republican, his comment, the gentleman from Delaware. "I am not exactly sure in all of this," and I quote, "how Medicare is going to be solved. And there is no consideration for debt retirement; virtually no consideration for emergency spending. This is all very problematical. The size of it creates some real problems." And then he goes on to say that it is a political statement.

It is indeed a political statement. It gambles with the future of Social Security and it gambles with the future of Medicare. Look, that is not conservatism, it is fiscal radicalism. We need to continue on the path of fiscal responsibility.

H.R. 2439, PREVENTING EXHAUSTION OF TELEPHONE NUMBERS AND SAVING MONEY

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, for all Americans who are struggling with new telephone area codes, I have introduced a bill, H.R. 2439, to prevent the exhaustion of telephone numbers and save the economy about $150 billion in emergency remedial measures.

If the rate at which new telephone area codes are being introduced continues, we may run out of area codes as soon as the year 2007. If that occurs, we would be forced to add one more digit to all U.S. phone numbers. The FCC and other reliable sources estimates that the cost to the economy of adding an extra digit to all telephone numbers and reprogramming all computer networks and databases to recognize the expanded numbering format could be as high as $150 billion, which is about the same cost as fixing the Y2K bug.

□ 1030

But unlike the Y2K problem, the coming crisis in telephone number allocation is entirely preventable. My bill requires the telephone company to stop wasting potential telephone numbers. It promotes competition by ensuring that consumers can take their telephone numbers with them if they choose to switch carriers. It restores the ability of consumers to dial only seven digits and reach anyone in their area code. And it will save the economy $150 billion in unproductive emergency and preventable remedial action.

AMERICA SCREAMS OUT FOR US TO PROTECT OUR YOUTH

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, it is troubling, and there is a difference between the two parties. The Democrats want to try to solve Social Security, improve Medicare, and try to secure our youth from guns.

Each day in America 14 kids age 19 and under are killed by guns. In 1996, almost 5,000 juveniles were killed with a firearm. In 1997, 84 percent of the murder victims age 13 to 19 were killed with guns.

Mr. Speaker, 59 percent of the students in grades six through twelve know where to get guns if they want one. And it seems that no one cares about how many they get. Two-thirds of these students say they can acquire a firearm within 24 hours.

It is time, Mr. Speaker, that we address this issue and get on with the concerns of the American people. Kids and guns do not mix, yet Republicans refuse to consider common sense gun safety measures that would only serve to protect kids. It is time for us to do it, Mr. Speaker. America screams out for us to protect our youth.

NO REASON FOR DEMOCRATS TO VOTE DOWN GUN CONTROL BILL

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I would like to follow up the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) on the gun issue.

Many of us felt that it was important to close the loophole at gun shows. The question and the argument centered around the question—Is 24 hours reasonable to have a criminal history check?

I am from Michigan. In Michigan we have required a criminal history check to purchase a hand gun for the last 50 years. So the reasonableness of keeping guns out of the hands of felons is something I think most of us should agree on.

To close the loophole, at gun shows where individuals that are not licensed gun dealers sell guns to other individuals at the show, a law change is necessary. The suggestion that came from the Democratic side of the aisle to require 24 hours for a criminal history check.

I called the FBI. They reported that with the current 3 days, sometimes they miss that an individual has committed a felony. But what happens is the FBI immediately call the ATF, the local law enforcement, because they have committed two felonies. Once in their certification and once taking possession of a gun. They immediately go after them. They prosecute them. They confiscate the gun.

There was no reason for the Democrats to have voted down this gun control bill that would have closed this gun show loop-hole.

REPUBLICAN TRILLION-DOLLAR TAX BILL IS A DISGRACE

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, the Republican trillion-dollar tax bill is a disgrace. It is the height of irresponsibility. It is a trillion-dollar giveaway to the special interests and the high-rollers.

The Republican plan does nothing to protect Social Security. The Republican plan does nothing to strengthen Medicare. The Republican tax scheme does nothing to reduce our national debt.

We are at a crossroads in America. We have an historic opportunity to preserve and protect Social Security, to strengthen Medicare, and to pay down this awful national debt. We should not, we cannot, and we must not let this historic opportunity pass us by.

We have balanced our national budget. We have put our economic house in order. The Republican tax scheme is irresponsible. It does not address our needs, and it will lead us down the road to economic disaster. The Republican plan is a dangerous and dark step backwards. It should be and it must be defeated, Mr. Speaker.

REPUBLICANS BELIEVE AMERICANS CAN BEST DECIDE HOW TO SPEND THEIR MONEY

(Mr. HAYES asked and was given permission to address the House for 1 minute.)

Mr. HAYES. Mr. Speaker, I rise today to simply say, my colleague is wrong. My colleague is questioning the motives of his friends and mine on the other side of the aisle.

We simply say this is the American people's money. They deserve to have it back. It is a very simple story. It is not about motives. It is about the fact that it is their money, they should have it back. It is not where it goes. It is whose it is. It is the American people's money. We have taken it from them.

We firmly believe on our side of the aisle that the American people can best decide how to spend their money, not the Government, not a group of bureaucrats in Washington.

HMO REFORM

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, I rise this morning to ask my colleagues to stop lollygagging around and to pass meaningful HMO reform as quickly as possible.

Hundreds of Medicare beneficiaries have been dumped by their Medicare HMOs in Texas. Three healthcare plans that I know of, and there could easily be more, have decided not to renew their contracts with the Healthcare Financing Administration.

This is why Medicare HMO reform is needed ASAP. Congress needs to step up to the plate and enact legislation that ensures quality healthcare coverage for all our Nation's elderly. We need to make sure that treatment decisions are made by doctors, like my brother, not insurance company bureaucrats. Plus, we need to hold HMOs accountable for healthcare decisions that people or their doctors disagree with. We must keep Medicare HMOs at the forefront of this Congressional agenda.

LET US NOT GO OVERBOARD WITH IRRATIONAL TAX CUTS

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Mr. Speaker, our message today is really directed at the majority. We are asking them not to shoot themselves in the foot, not to let this wonderful economy be dissipated by policies that are contrary to the public interest, tax cut policies that are counterproductive at best and severely damaging to our economy at worst.

We know that we are enjoying the finest economy that this country has ever experienced. And it can be a sustainable economy. We have had a decade of unprecedented profits and productivity with low inflation and high employment.

The only thing that could kill that prosperity now is a tax cut that was too deep, that was irrational, that gave relatively small amounts of benefit to a lot of people who need them the least. The fact is that too deep a tax cut will arrest the kind of controlled inflation and low unemployment that we are now experiencing. An $800-billion tax cut is too deep.

We can responsibly target our tax cuts and achieve more at ⅓ the revenue cost. We can keep this economy going. We can keep inflation low. Do not give Mr. Greenspan reason to increase interest rates. We have got a good thing going. Let us keep it going. Do not go overboard with an irrational tax cut.

THE JOURNAL

The SPEAKER pro tempore (Mr. HEFLEY). Pursuant to clause 8 of rule XX, the pending business is the question of agreeing to the Speaker's approval of the journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HAYES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 346, nays 53, answered "present" 2, not voting 33, as follows:

[Roll No. 297]

YEAS—346

Abercrombie
Ackerman
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crowley
Cubin
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E.B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
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Meehan
Meeks (NY)
Menendez
Metcalf
Mica
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Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pascrell
Paul
Payne
Pease
Pelosi
Peterson (PA)
Petri
Pickering
Pitts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Upton
Velazquez
Vento
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

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Bilirakis
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Clyburn
Costello
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DeFazio
Fattah
Filner
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Gibbons
Gillmor
Gutknecht
Hill (MT)
Hilleary
Hilliard
Hinchey
Hulshof
Hutchinson
Kucinich
LaFalce
LoBiondo
McGovern
McKinney
Moran (KS)
Neal
Oberstar
Pallone
Pastor
Peterson (MN)
Phelps
Pickett
Pombo
Ramstad
Rogan
Sabo
Schaffer
Slaughter
Strickland
Sweeney
Tanner
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (CO)
Udall (NM)
Visclosky
Waters
Weller
Wu

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Tancredo

NOT VOTING—33

Archer
Baldwin
Brown (CA)
Burr
Capuano
Chenoweth
Cummings
Delahunt
Dingell
Dixon
English
Frost
Gutierrez
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Johnson (CT)
Jones (OH)
Kasich
Kennedy
Latham
Lewis (CA)
McDermott
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Meek (FL)
Miller, George
Porter
Regula
Rivers
Rush
Ryun (KS)
Stabenow
Thurman
Watts (OK)
Weldon (PA)

□ 1101

Mr. PHELPS changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

RELIGIOUS LIBERTY PROTECTION ACT OF 1999

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 245 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 245

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 1691) to protect religious liberty. The bill shall be considered as read for amendment. The amendment recommended by the Committee on the Judiciary now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary; (2) a further amendment printed in the Congressional Record pursuant to clause 8 of rule XVIII, if offered by Representative Conyers of Michigan or his designee, which shall be considered as read and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. HEFLEY). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Yesterday, the Committee on Rules met and granted the structured rule for H.R. 1691, the Religious Liberty Protection Act.

The rule provides for 1 hour of debate to be equally divided between the chairman and ranking minority member of the Committee on the Judiciary.

The rule waives all points of order against consideration of the bill.

The rule makes in order an amendment in the nature of a substitute if printed in the CONGRESSIONAL RECORD and if offered by the gentleman from Michigan (Mr. CONYERS) or his designee, debatable for 1 hour, equally divided between the proponent and an opponent.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, this is a fair rule which will permit a thorough discussion of all the relevant issues. In fact, the Committee on the Judiciary considered one amendment during its markup of H.R. 1691, and that amendment is made in order under this rule.

Prior to 1990, Mr. Speaker, the Supreme Court vigorously protected our first amendment freedoms. A State or local government could not impede religious expression unless its laws were narrowly tailored to protect a compelling government interest. In 1990, this all changed. In the case of Employment Division v. Smith, the Supreme Court ruled that churches are subject to all generally applicable and civil laws as long as the laws were not enacted in a blatant attempt to suppress religious expression.

The potential impact of the Smith case is frightening. Now police can arrest a Catholic priest for serving communion to minors in violation of a State's drinking laws. Local officials can force an elderly lady to rent her apartment to an unwed or homosexual couple in violation of her Christian beliefs. Our law enforcement officials can conduct an autopsy on an Orthodox Jewish victim in violation of the family's religious beliefs.

Mr. Speaker, this is wrong, and it has to be changed. The Religious Liberty Protection Act would essentially overturn the Smith decision and return religious expression to its rightful place.

Under H.R. 1691, State and local officials must narrowly draft their commerce regulations so they do not penalize religion. In addition, under the bill anyone who receives Federal grant moneys cannot then turn around and discriminate against religion, and State and local governments cannot adopt land use laws that treat religious organizations differently than secular organizations. There are legitimate health and safety reasons for local governments to make zoning decisions, but religious discrimination is not one of them.

I urge my colleagues to support this rule and to support the underlying legislation.

Again I repeat:

The Committee on the Judiciary considered only one amendment during its markup of H.R. 1691, and that amendment is made in order under this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume, and I want to thank my colleague, the gentlewoman from North Carolina (Mrs. MYRICK), for yielding me the time.

Mr. Speaker, this is a structured rule. It will allow for consideration of H.R. 1691, which is called the Religious Liberty Protection Act. As my colleague from North Carolina has explained, this rule provides 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. The rule permits only one amendment which may be offered by the ranking minority member of the Committee on the Judiciary or his designee.

The bill restricts States or local governments from passing laws that impose a substantial burden on an individual's rights to practice his or her religion. The bill attempts to reverse the effects of a Supreme Court decision which made it easier for States to interfere with religious freedom. This bill balances the right of individuals to practice their religion against the need of the States to regulate the conduct of their citizens. The bill attempts to give the right to practice religion the same kind of protected status as the right of free speech.

I want to call attention to the enormous support this bill has received from the religious community. It is supported by more than 70 religious and civil liberty groups including Protestant, Catholic, Jewish and Muslim groups. I do not think I have ever seen one piece of legislation unite so many different religious organizations as this bill has done.

America was founded by people who wanted to practice their religion free from government interference, and I am pleased to be a cosponsor of this bill because I think it will protect the basic American right, freedom of religion.

Mr. Speaker, the bill has broad bipartisan support and was adopted in an open committee process. I urge adoption of the rule and the bill.

Mrs. MYRICK. Mr. Speaker, I yield 3½ minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I rise in support of this rule but in opposition to the bill.

Mr. Speaker, as a legislature of enumerated powers, Congress may enact laws only for constitutionally authorized purposes. Despite citing the general welfare and commerce clause, the purpose of H.R. 1691 is obviously to "protect religious liberty." However, Congress has been granted no power to protect religious liberty. Rather, the first amendment is a limitation on congressional power. The first amendment of the United States Constitution provides that Congress shall make no law prohibiting the free exercise of religion, yet H.R. 1691 specifically prohibits the free exercise of religion because it authorizes a government to substantially burden a person's free exercise if the government demonstrates some nondescript, compelling interest to do so.

The U.S. Constitution vests all legislative powers in Congress and requires Congress to define government policy and select the means by which that policy is to be implemented. Congress, in allowing religious free exercise to be infringed using the least restrictive means whenever government pleads a compelling interest without defining either what constitutes least restrictive or compelling interest delegates, to the courts legislative powers to make these policy choices constitutionally reserved to the elected body.

Nowhere does H.R. 1691 purport to enforce the provisions of the fourteenth amendment as applied to the States. Rather, its design imposes a national uniform standard of religious liberty protected beyond that allowed under the United States Constitution, thereby intruding upon the powers of the State to establish their own policies governing protection of religious liberty as preserved under the tenth amendment. The interstate commerce clause was never intended to be used to set such standards for the entire Nation.

Admittedly, instances of State government infringement of religious exercise can be found in various forms and in various States, most of which, however, occur in government-operated schools, prisons and so-called government enterprises and as a consequence of Federal Government programs. Nevertheless, it is reasonable to believe that religious liberty will be somehow better protected by enacting national terms of infringement, a national infringement standard which is ill-defined by a Federal legislature and further defined by Federal courts, both of which are remote from those whose rights are likely to be infringed.

If one admires the Federal government's handling of the abortion question, one will have to wait with even greater anticipation to witness the Federal government's handiwork with respect to religious liberty.

To the extent governments continue to expand the breadth and depth of their reach into those functions formally assumed by private entities, governments will continue to be caught in a hopeless paradox where intolerance of religious exercise in government facilities is argued to constitute establishment and, similarly, restrictions of religious exercise constitute infringement.

Mr. Speaker, our Nation does not need an unconstitutional Federal standard of religious freedom. We need instead for government, including the courts, to respect its existing constitutional limitations so we can have true religious liberty.

Mr. MOAKLEY. Mr. Speaker, I yield 7 minutes to the gentleman from Texas (Mr. EDWARDS).

□ 1115

Mr. EDWARDS. Mr. Speaker, I rise in support of this rule and this bill, the Religious Liberty Protection Act. The first 16 words of the Bill of Rights were carefully chosen by our Founding Fathers to protect the religious freedom of all Americans. The words are these: "Congress shall pass no law respecting an establishment of religion or prohibiting the free exercise thereof."

For over 200 years those words and the principles they represent have given Americans a land of unprecedented religious freedom and tolerance. The establishment clause was intended to prohibit government from forcing religion upon citizens. The free exercise clause was designed to keep government from limiting any citizen's rights to exercise his or her own religious faith.

In recent weeks, I have been greatly concerned about congressional efforts that I felt would undermine the establishment clause and consequently tear down the wall of separation between church and State. Our Nation's religious community has been seriously divided on these issues. However, the legislation today does not focus on the establishment clause. Rather, it focuses on the importance of the free exercise clause of the First Amendment.

I would suggest that the freedom to exercise one's religious beliefs is the foundation for all other freedoms we cherish as Americans. Without freedom of religion, the freedom of speech, press, and association lose much of their value.

It is a commitment to the free exercise of religion that has united over 70 religious and civil rights organizations in support of this bill. It is the free exercise of religion that has united religious groups in support of this legislation that have been badly divided on so many other religious measures recently before this House.

I will greatly respect Members of this House who cannot support this legislation today because I believe religious votes should be a matter of conscience, not of party. However, I am gratified to see so many diverse religious organizations coming together on this particular issue. Organizations from the Anti-Defamation League to the Christian Coalition, numerous organizations such as the American Jewish Committee, the American Congress, the Methodist church, the Southern Baptist Convention, groups that have very seldom come together in recent days, have come together in the support of the free exercise of individual American's religious rights.

Mr. Speaker, the point I make in listing some of these organizations in support of this is not to say any Member must or should support this bill because of these religious groups' endorsement. My point is that this legislation was put together on a broad-based nonpartisan basis. Its intent was to protect religion, not to deal in partisan issues. The common bond of these diverse religious groups on this issue measure is that they all believe that government should have to show a compelling reason to limit any citizen's religious rights. I agree with those groups.

More importantly, I believe the Founding Fathers intentionally began the First Amendment with the protection of religious rights because they recognized the fundamental role of religious freedom in our society.

Now, I have been interested to see that some local and State officials have argued recently that this legislation might inconvenience them. Let me say that I agree. In fact, if they will reread the Bill of Rights, the Bill of Rights was written precisely to inconvenience governments. The Bill of Rights was written to make it inconvenient to step on the religious rights of citizens in this country.

For that reason, I think this is a measure that should pass for the very precise reason that it does inconvenience local and State governments in their efforts as mentioned by the gentlewoman from North Carolina (Mrs. MYRICK) in her speech, their efforts to limit the rights of Americans in their religious exercise.

Others, Mr. Speaker, might argue in good faith that this bill will be used by some religious groups to defend discrimination based on sexual orientation. I can only say that it is neither my intent as a primary cosponsor of this bill nor the intent of the religious groups with whom I have met to design a bill for that purpose. Our intent is rather to build into the statutes a shield against government regulations that would limit religious freedom. Our intent, in the words of Rabbi David Sapperstein, is to clarify, quote, "A universal, uniform standard of religious freedom."

This legislation protects the right of government entities to limit religious actions if there is a compelling interest to do so. Court cases have clearly established, for example, that protecting against race and gender discrimination are compelling State interests, as are safety and health protections in the laws.

In the real world I recognize there are sometimes direct conflicts between one citizen's right and another citizen's right. That is why we have the judicial system, a system that can look at those issues on a case-by-case basis. I believe the judicial system, rather than the legislative system, is the best way to determine those specific cases.

Consequently, personally I believe it would be a mistake for Congress in this bill to try to define who does and who does not have protected religious rights or to exclude certain circumstances from free exercise protections under this bill. Whether intended or not, and I do not think it is intended, such an action could in some cases relegate religious rights to a secondary status, something I do not think our Founding Fathers intended when they chose the first words of the first amendment to protect religious liberty.

To my Democratic colleagues who will vote for the Nadler amendment, I respect your decision. No one in this House has been a stronger defender of religious liberty and civil rights in Congress than the gentleman from New York (Mr. NADLER), and I respect his genuine concerns about possible conflicts between religious rights and other rights.

However, if the gentleman's amendment fails, I would hope that Members who supported his amendment would vote for final passage of this bill. The need to protect religious freedom and to do it today is real. It is important. This bill can still be modified in the Senate, in the conference committee, and Members can make their final decision on passage at that time. But the principle of protecting religious freedom in my opinion is too important to delay.

Mr. Speaker, no bill is perfect. I do not suggest this bill meets that impossible standard. But I believe the Religious Liberty Protection Act deserves our support because it protects the fundamental principle that government must have compelling reason to limit the religious rights of individual citizens. I can find few reasons more compelling to support any legislation before this House.

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I rise in support of this rule and of the legislation and certainly in support of the remarks just made by the gentleman from Texas (Mr. EDWARDS) that were so well said in this area.

This is clearly an area that needs protection. It is an area where local governments constantly in recent years have fought in the face of what we consider to be First Amendment rights. A small church in Florida was ordered to stop its feeding ministry for feeding the homeless.

In Greenville, South Carolina, home Bible study was banned in communities that could still have at the exact same locations Tupperware parties. When local ordinances ban Bible study but allow Tupperware parties there is some significant violation of the First Amendment there.

A family in Michigan was tried under criminal statutes because they educated their children at home for religious reasons and did not have certification. In Philadelphia, Pennsylvania, Christian day care centers were threatened with closure if they did not change their hiring practices which barred them from hiring non-Christians, but these were Christian day care centers.

In Douglas County, Colorado, officials tried to limit the operational hours of churches. A local community college required a loyalty oath that made it impossible for Jehovah witnesses whose faith instructs against taking those oaths to go to work at that facility. Certain fire and police stations promulgate a blanket of no beards rules which interferes with, among other groups, Muslim firefighters.

Mr. Speaker, these infringements on religious liberty are significant. They are not pervasive yet, but they are certainly prevalent. This bill allows churches in places like Rolling Hills Estates, California, to build in an area that was zoned commercial where the churches are told they cannot build if they want to, but adult businesses and adult massage parlors can be built in this same area of that community.

The RLPA would allow an orthodox Jewish community to build their houses of worship within walking distance of their neighborhoods. It would allow prison ministries, which have had such a great impact all over the country, to continue to do efforts and prison programming that are currently threatened. This would also deal with the question of land-use regulation that so affects religious practice in communities today.

Mr. Speaker, I would like to enter into the RECORD, as I conclude my comments in support of this rule, I would like to enter into the RECORD a list that is even more inclusive than the list that was just referred to by the gentleman from Texas of religious groups that really cover a broad, broad spectrum of religious activity and association in this country who are in favor of H.R. 1691, and I am sure would also encourage the passage of this rule so we can get on to this important debate.

ORGANIZATIONS AND SUPPORTERS OF R.L.P.A.

Agudath Israel of America
The Alepha Institute
American Baptist Churches USA
American Center for Law and Justice
American Conference on Religious Movements
American Ethical Union, Washington Ethical Action Office
American Humanist Association
American Jewish Committee
American Jewish Congress
American Muslim Council
Americans for Democratic Action
Americans for Religious Liberty
Americans United for Separation of Church & State
Anit-Defamation League
Association of Christian Schools International
Association on American Indian Affairs
Baptist Joint Committee on Public Affairs
B'nai B'rith
Campus Crusade for Christ
Catholic League for Religious and Civil Rights
Central Conference of American Rabbis
Christian Church (Disciples of Christ)
Christian Coalition
Christian Legal Society
Christian Science Committee on Publication
Church of the Brethren
Church of Jesus Christ of Latter-day Saints
Church of Scientology International
Coalition for Christian Colleges and Universities
Council of Jewish Federations
Council on Religious Freedom
Council on Spiritual Practices
Criminal Justice Policy Foundation
Episcopal Church
Ethics & Religious Liberty Commission of the Southern Baptist Convention
Evangelical Lutheran Church in America
Family Research Council
Focus on the Family
Friends Committee on National Legislation
General Conference of Seven-day Adventists
Guru Gobind Singh Foundation
Hadassah, the Women's Zionist Organization of American, Inc.
Interfaith Religious Liberty Foundation
International Association of Jewish Lawyers and Jurists
International Institute for Religious Freedom
Japanese American Citizens League
Jerry Falwell's Liberty Alliance
Jewish Council for Public Affairs
The Jewish Policy Center
The Jewish Reconstructionist Federation
Justice Fellowship
Kay Coles James
Liberty Counsel
Mennonite Central Committee U.S.
Muslim Prison Foundation
Muslim Public Affairs Council
Mystic Temple of Light, Inc.
NA'AMATUSA
National Association for the Advancement of Colored People
National Association of Evangelicals
National Campaign for a Peace Tax Fund
National Committee for Public Education and Religious Liberty
National Council of Churches of Christ in the USA
National Council of Jewish Women
National Council on Islamic Affairs
National Jewish Coalition
National Jewish Commission on Law and Public Affairs
National Native American Prisoner's Rights Advocacy Coalition
National Sikh Center
Native American Church of North America
Native American Rights Fund
Native American Spirit Correction Project
Navajo Nation Corrections Project
North American Council For Muslim Women
Pacific Justice Institute
People For the American Way Action Fund
Peyote Way Church of God
Presbyterian Church (USA), Washington Office
Prison Fellowship Ministries
Rabbinical Council of America
Religious Liberty Foundation
Rutherford Institute
Sacred Sites Inter-faith Alliance
Soka-Gakkai International—USA
Union of American Hebrew Congregations
Union of Orthodox Jewish Congregations of America
Unitarian Universalist Association of Congregations
United Church of Christ, Office for Church in Society
United Methodist Church, Board of Church & Society
United States Catholic Conference
United Synagogue of Conservative Judaism
Women of Reform Judaism, Federation of Temple Sisterhood

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. MYRICK) for yielding me this time.

Mr. Speaker, I rise in support of the rule on H.R. 1691 and also for the subsequent legislation. What this legislation attempts to do is put some common sense in the murky waters of the First Amendment regarding the separation of church and state. And we can say, well it ought to be crystal clear. But that water is murky, and it will remain murky.

Mr. Speaker, a couple of examples: we all remember the debate several years ago about nursing homes that receive Medicare not being able to have in their advertising in the Yellow Pages religious symbols if they have a religious, faith-based organization that supports the nursing home. If they want to use a cross in the Yellow Pages, that is a violation.

The prayer-in-school issue, and this does not really affect these directly, but I am trying to prove a point about the murky water. Should kids be allowed to pray in school, nondenomination school prayer? There have been lots of cases on this, but let us look at the case of Littleton, Colorado. If a teacher were huddled in the classroom while gun shots were outside the door and in a room safely with kids and that teacher said, "Can we bow our heads and say a prayer," as the shots were fired outside the door, they are not allowed to do that.

Mr. Speaker, the point is there is murky water in the question of religion, prayer, and the role of the State. And what this does in a narrowly defined area, and that area which was really opened up by the Employment Division versus Smith decision in 1990, it simply tries to put some common sense into it by saying that the local laws, the laws of the State cannot interfere with religious beliefs.

I think it is a very small step. It is a very carefully balanced bill. It is crafted. It is not, in terms of public prayer, a significant public religion-type bill at all. This again is just a very slight adjustment and it tries to put common sense in it.

Mr. Speaker, I urge my colleagues to support this. It is bipartisan and I hope that we can move it and get back to some of the other issues that are before Congress.

Mrs. MYRICK. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Florida (Mr. CANADY), the subcommittee chairman.

Mr. CANADY of Florida. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. MYRICK) for yielding me this time. And I thank all the members of the Committee on Rules for their bipartisan support for the rule that is before the House now. I would particularly like to also thank the gentleman from Texas (Mr. EDWARDS) for his leading role in sponsoring this legislation.

Mr. Speaker, I want to respond very briefly to a point that the gentleman from Texas (Mr. PAUL), my good friend, raised concerning our government being a government of enumerated powers. I certainly agree with him on that point and this bill is by no means inconsistent with the principle that we are a government of enumerated powers.

Indeed, this bill is carefully drafted with that principle in mind and is carefully based on specific enumerated powers of the Congress which are set forth in the United States Constitution.

□ 1130

In using the enumerated powers that are in this bill, we are following well-established tradition with respect to the use of those same powers to protect civil rights other than the free exercise of religion.

We use the commerce clause in this bill to protect the free exercise of religion. That same power is used in the 1964 Civil Rights Act to protect against discrimination in employment and public accommodations.

We use the spending clause in this bill to protect against the infringement of religious freedom. That same power is used once again in the 1964 Civil Rights Act under title VI of that Act to prevent discrimination in programs at the State and local level, which receive Federal funds.

We also use section 5 of the 14th amendment, which was used previously in the civil rights context to protect voting rights. So we are following in a well-established tradition of protecting civil rights using enumerated powers of the Congress under our Constitution.

This bill is carefully crafted. I want to thank the Members of the Committee on Rules for bringing forward a rule which allows for the consideration of this bill, and I urge all Members to support the rule and to support the bill on final passage, without amendment.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. CONYERS), the ranking member of the committee.

Mr CONYERS. Mr. Speaker, I want to thank the distinguished gentleman from Massachusetts (Mr. MOAKLEY), the ranking member of Committee on Rules, for granting me the time.

Religious freedom has been one of the cornerstones of American democracy, of course, since our founding. Like the Members of this body, I believe all of them, I am committed to preserving religious freedom.

So we have before us soon today, first of all, we have a rule which I am in support of, but the bill, well-intentioned as it is, may cause far more harm than good. Because, instead of limiting religious discrimination, it will allow for an increase in other forms of discrimination. Instead of enhancing constitutional protections, it may very well run afoul of the Constitution itself.

I would like to take a moment or two to explain this. A letter came to me from the American Civil Liberties Union that started out working with a coalition supporting this bill. It was multiracial, multireligious. But now the Religious Liberty Protection Act is being opposed by the Civil Liberties organization because it does not include explicit language ensuring that the language will not undermine the enforcement of civil rights laws.

The Congress should not break from its long-standing practice, they say, of refraining from undermining or preempting State civil rights laws that are more protective of civil rights sometimes than even Federal law.

So the opposition by the Civil Liberties organization is, unless this bill is corrected and amended to protect civil rights laws, and I think the substitute of the gentleman from New York (Mr. NADLER) would accomplish this, we would have a very serious problem.

The Civil Liberties Union goes on to say that,

> We are no longer a part of the coalition supporting the Religious Liberty Protection Act because we could not ignore the potentially severe consequences that it may have on State and local civil rights laws. And although we believe that courts should find civil rights laws compelling and uniform enforcement of these laws the least restrictive means, we know that at least several courts have already rejected that position.
>
> We have found that landlords across the country have been using State religious liberty claims to challenge the application of State and local civil rights laws protecting persons against marital status discrimination.
>
> Now, none of these claims involve owner-occupied housing. All of the landlords owned many investment properties that were outside of the State laws exemptions for small landlords. These landlords are companies. And they all sought to turn the shield of religious exercise protection into a sword against civil rights prospective tenants.

So, Mr. Speaker, we want to consider an alternative, an improvement, if possible, to this measure. Without this improvement, I think this is a serious regression in both religious liberty and in civil rights protections as well.

Remember, if you will, that a measure that will lead to an increase in discrimination, because whenever a party is sued for discrimination, this bill will allow in effect, the religious liberty defense, it will in effect allow a defendant to say, I have discriminated because my religion allowed me to do it. My religion made me do it.

This is a right no other citizen or government can assert. So the bill is so sweeping that this new defense will not only apply to religious institutions themselves but to companies and corporations as well.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I am very pleased to hear all of the speakers today say they are in support of the rule. This is a fair rule, and I urge all of my colleagues to do the same.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. CANADY of Florida. Mr. Speaker, pursuant to House Resolution 245, I call up the bill (H.R. 1691) to protect religious liberty, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Pursuant to House Resolution 245, the bill is considered read for amendment.

The text of H.R. 1691 is as follows:

H.R. 1691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Religious Liberty Protection Act of 1999".

SEC. 2. PROTECTION OF RELIGIOUS EXERCISE.

(a) GENERAL RULE.—Except as provided in subsection (b), a government shall not substantially burden a person's religious exercise—

(1) in a program or activity, operated by a government, that receives Federal financial assistance; or

(2) in any case in which the substantial burden on the person's religious exercise affects, or in which a removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes;

even if the burden results from a rule of general applicability.

(b) EXCEPTION.—A government may substantially burden a person's religious exercise if the government demonstrates that application of the burden to the person—

(1) is in furtherance of a compelling governmental interest; and

(2) is the least restrictive means of furthering that compelling governmental interest.

(c) Remedies of the United States.—Nothing in this section shall be construed to authorize the United States to deny or withhold Federal financial assistance as a remedy for a violation of this Act. However, nothing in this subsection shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or the United States or any agency, officer, or employee thereof under other law, including section 4(d) of this Act, to institute or intervene in any action or proceeding.

SEC. 3. ENFORCEMENT OF CONSTITUTIONAL RIGHTS.

(a) Procedure.—If a claimant produces prima facie evidence to support a claim alleging a violation of the Free Exercise Clause or a violation of a provision of this Act enforcing that clause, the government shall bear the burden of persuasion on any element of the claim; however, the claimant shall bear the burden of persuasion on whether the challenged government practice, law, or regulation burdens or substantially burdens the claimant's exercise of religion.

(b) Land Use Regulation.—

(1) Limitation on land use regulation.—

(A) Where, in applying or implementing any land use regulation or exemption, or system of land use regulations or exemptions, a government has the authority to make individualized assessments of the proposed uses to which real property would be put, the government may not impose a substantial burden on a person's religious exercise, unless the government demonstrates that application of the burden to the person is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that compelling governmental interest.

(B) No government shall impose or implement a land use regulation in a manner that does not treat religious assemblies or institutions on equal terms with nonreligious assemblies or institutions.

(C) No government shall impose or implement a land use regulation that discriminates against any assembly or institution on the basis of religion or religious denomination.

(D) No government with zoning authority shall unreasonably exclude from the jurisdiction over which it has authority, or unreasonably limit within that jurisdiction, assemblies or institutions principally devoted to religious exercise.

(2) Full faith and credit.—Adjudication of a claim of a violation of the Free Exercise Clause or this subsection in a non-Federal forum shall be entitled to full faith and credit in a Federal court only if the claimant had a full and fair adjudication of that claim in the non-Federal forum.

(3) Nonpreemption.—Nothing in this subsection shall preempt State law that is equally or more protective of religious exercise.

SEC. 4. JUDICIAL RELIEF.

(a) Cause of Action.—A person may assert a violation of this Act as a claim or defense in a judicial proceeding and obtain appropriate relief against a government. Standing to assert a claim or defense under this section shall be governed by the general rules of standing under article III of the Constitution.

(b) Attorneys' Fees.—Section 722(b) of the Revised Statutes (42 U.S.C. 1988(b)) is amended—

(1) by inserting "the Religious Liberty Protection Act of 1998," after "Religious Freedom Restoration Act of 1993,"; and

(2) by striking the comma that follows a comma.

(c) Prisoners.—Any litigation under this Act in which the claimant is a prisoner shall be subject to the Prison Litigation Reform Act of 1995 (including provisions of law amended by that Act).

(d) Authority of United States to Enforce This Act.—The United States may sue for injunctive or declaratory relief to enforce compliance with this Act.

SEC. 5. RULES OF CONSTRUCTION.

(a) Religious Belief Unaffected.—Nothing in this Act shall be construed to authorize any government to burden any religious belief.

(b) Religious Exercise Not Regulated.—Nothing in this Act shall create any basis for restricting or burdening religious exercise or for claims against a religious organization, including any religiously affiliated school or university, not acting under color of law.

(c) Claims to Funding Unaffected.—Nothing in this Act shall create or preclude a right of any religious organization to receive funding or other assistance from a government, or of any person to receive government funding for a religious activity, but this Act may require government to incur expenses in its own operations to avoid imposing a burden or a substantial burden on religious exercise.

(d) Other Authority To Impose Conditions on Funding Unaffected.—Nothing in this Act shall—

(1) authorize a government to regulate or affect, directly or indirectly, the activities or policies of a person other than a government as a condition of receiving funding or other assistance; or

(2) restrict any authority that may exist under other law to so regulate or affect, except as provided in this Act.

(e) Governmental Discretion in Alleviating Burdens on Religious Exercise.—A government may avoid the preemptive force of any provision of this Act by changing the policy that results in the substantial burden on religious exercise, by retaining the policy and exempting the burdened religious exercise, by providing exemptions from the policy for applications that substantially burden religious exercise, or by any other means that eliminates the substantial burden.

(f) Effect on Other Law.—In a claim under section 2(a)(2) of this Act, proof that a substantial burden on a person's religious exercise, or removal of that burden, affects or would affect commerce, shall not establish any inference or presumption that Congress intends that any religious exercise is, or is not, subject to any other law.

(g) Broad Construction.—This Act should be construed in favor of a broad protection of religious exercise, to the maximum extent permitted by its terms and the Constitution.

(h) Severability.—If any provision of this Act or of an amendment made by this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provision to any other person or circumstance shall not be affected.

SEC. 6. ESTABLISHMENT CLAUSE UNAFFECTED.

Nothing in this Act shall be construed to affect, interpret, or in any way address that portion of the first amendment to the Constitution prohibiting laws respecting an establishment of religion (referred to in this section as the "Establishment Clause").

Granting government funding, benefits, or exemptions, to the extent permissible under the Establishment Clause, shall not constitute a violation of this Act. As used in this section, the term "granting", used with respect to government funding, benefits, or exemptions, does not include the denial of government funding, benefits, or exemptions.

SEC. 7. AMENDMENTS TO RELIGIOUS FREEDOM RESTORATION ACT.

(a) Definitions.—Section 5 of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–2) is amended—

(1) in paragraph (1), by striking "a State, or subdivision of a State" and inserting "a covered entity or a subdivision of such an entity";

(2) in paragraph (2), by striking "term" and all that follows through "includes" and inserting "term 'covered entity' means"; and

(3) in paragraph (4), by striking all after "means," and inserting "conduct that constitutes the exercise of religion under the first amendment to the Constitution; however, such conduct need not be compelled by, or central to, a system of religious belief; the use, building, or converting of real property for religious exercise shall itself be considered religious exercise of the person or entities that use or intend to use the property for religious exercise.".

(b) Conforming Amendment.—Section 6(a) of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–3(a)) is amended by striking "and State".

SEC. 8. DEFINITIONS.

As used in this Act—

(1) the term "religious exercise" means conduct that constitutes the exercise of religion under the first amendment to the Constitution; however, such conduct need not be compelled by, or central to, a system of religious belief; the use, building, or converting of real property for religious exercise shall itself be considered religious exercise of the person or entities that use or intend to use the property for religious exercise;

(2) the term "Free Exercise Clause" means that portion of the first amendment to the Constitution that proscribes laws prohibiting the free exercise of religion and includes the application of that proscription under the 14th amendment to the Constitution;

(3) the term "land use regulation" means a law or decision by a government that limits or restricts a private person's uses or development of land, or of structures affixed to land, where the law or decision applies to one or more particular parcels of land or to land within one or more designated geographical zones, and where the private person has an ownership, leasehold, easement, servitude, or other property interest in the regulated land, or a contract or option to acquire such an interest;

(4) the term "program or activity" means a program or activity as defined in paragraph (1) or (2) of section 606 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–4a);

(5) the term "demonstrates" means meets the burdens of going forward with the evidence and of persuasion; and

(6) the term "government"—

(A) means—

(i) a State, county, municipality, or other governmental entity created under the authority of a State;

(ii) any branch, department, agency, instrumentality, subdivision, or official of an entity listed in clause (i); and

(iii) any other person acting under color of State law; and

(B) for the purposes of sections 3(a) and 5, includes the United States, a branch, department, agency, instrumentality or official of the United States, and any person acting under color of Federal law.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 1691, as amended, is as follows:

H.R. 1691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Religious Liberty Protection Act of 1999".

SEC. 2. PROTECTION OF RELIGIOUS EXERCISE.

(a) GENERAL RULE.—Except as provided in subsection (b), a government shall not substantially burden a person's religious exercise—

(1) in a program or activity, operated by a government, that receives Federal financial assistance; or

(2) in any case in which the substantial burden on the person's religious exercise affects, or in which a removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes; even if the burden results from a rule of general applicability.

(b) EXCEPTION.—A government may substantially burden a person's religious exercise if the government demonstrates that application of the burden to the person—

(1) is in furtherance of a compelling governmental interest; and

(2) is the least restrictive means of furthering that compelling governmental interest.

(c) REMEDIES OF THE UNITED STATES.—Nothing in this section shall be construed to authorize the United States to deny or withhold Federal financial assistance as a remedy for a violation of this Act. However, nothing in this subsection shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or the United States or any agency, officer, or employee thereof under other law, including section 4(d) of this Act, to institute or intervene in any action or proceeding.

SEC. 3. ENFORCEMENT OF CONSTITUTIONAL RIGHTS.

(a) PROCEDURE.—If a claimant produces prima facie evidence to support a claim alleging a violation of the Free Exercise Clause or a violation of a provision of this Act enforcing that clause, the government shall bear the burden of persuasion on any element of the claim; however, the claimant shall bear the burden of persuasion on whether the challenged government practice, law, or regulation burdens or substantially burdens the claimant's exercise of religion.

(b) LAND USE REGULATION.—

(1) LIMITATION ON LAND USE REGULATION.—

(A) Where, in applying or implementing any land use regulation or exemption, or system of land use regulations or exemptions, a government has the authority to make individualized assessments of the proposed uses to which real property would be put, the government may not impose a substantial burden on a person's religious exercise, unless the government demonstrates that application of the burden to the person is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that compelling governmental interest.

(B) No government shall impose or implement a land use regulation in a manner that does not treat religious assemblies or institutions on equal terms with nonreligious assemblies or institutions.

(C) No government shall impose or implement a land use regulation that discriminates against any assembly or institution on the basis of religion or religious denomination.

(D) No government with zoning authority shall unreasonably exclude from the jurisdiction over which it has authority, or unreasonably limit within that jurisdiction, assemblies or institutions principally devoted to religious exercise.

(2) FULL FAITH AND CREDIT.—Adjudication of a claim of a violation of the Free Exercise Clause or this subsection in a non-Federal forum shall be entitled to full faith and credit in a Federal court only if the claimant had a full and fair adjudication of that claim in the non-Federal forum.

(3) NONPREEMPTION.—Nothing in this subsection shall preempt State law that is equally or more protective of religious exercise.

SEC. 4. JUDICIAL RELIEF.

(a) CAUSE OF ACTION.—A person may assert a violation of this Act as a claim or defense in a judicial proceeding and obtain appropriate relief against a government. Standing to assert a claim or defense under this section shall be governed by the general rules of standing under article III of the Constitution.

(b) ATTORNEYS' FEES.—Section 722(b) of the Revised Statutes (42 U.S.C. 1988(b)) is amended—

(1) by inserting "the Religious Liberty Protection Act of 1998," after "Religious Freedom Restoration Act of 1993,"; and

(2) by striking the comma that follows a comma.

(c) PRISONERS.—Any litigation under this Act in which the claimant is a prisoner shall be subject to the Prison Litigation Reform Act of 1995 (including provisions of law amended by that Act).

(d) AUTHORITY OF UNITED STATES TO ENFORCE THIS ACT.—The United States may sue for injunctive or declaratory relief to enforce compliance with this Act.

SEC. 5. RULES OF CONSTRUCTION.

(a) RELIGIOUS BELIEF UNAFFECTED.—Nothing in this Act shall be construed to authorize any government to burden any religious belief.

(b) RELIGIOUS EXERCISE NOT REGULATED.—Nothing in this Act shall create any basis for restricting or burdening religious exercise or for claims against a religious organization, including any religiously affiliated school or university, not acting under color of law.

(c) CLAIMS TO FUNDING UNAFFECTED.—Nothing in this Act shall create or preclude a right of any religious organization to receive funding or other assistance from a government, or of any person to receive government funding for a religious activity, but this Act may require government to incur expenses in its own operations to avoid imposing a burden or a substantial burden on religious exercise.

(d) OTHER AUTHORITY TO IMPOSE CONDITIONS ON FUNDING UNAFFECTED.—Nothing in this Act shall—

(1) authorize a government to regulate or affect, directly or indirectly, the activities or policies of a person other than a government as a condition of receiving funding or other assistance; or

(2) restrict any authority that may exist under other law to so regulate or affect, except as provided in this Act.

(e) GOVERNMENTAL DISCRETION IN ALLEVIATING BURDENS ON RELIGIOUS EXERCISE.—A government may avoid the preemptive force of any provision of this Act by changing the policy that results in the substantial burden on religious exercise, by retaining the policy and exempting the burdened religious exercise, by providing exemptions from the policy for applications that substantially burden religious exercise, or by any other means that eliminates the substantial burden.

(f) EFFECT ON OTHER LAW.—In a claim under section 2(a)(2) of this Act, proof that a substantial burden on a person's religious exercise, or removal of that burden, affects or would affect commerce, shall not establish any inference or presumption that Congress intends that any religious exercise is, or is not, subject to any other law.

(g) BROAD CONSTRUCTION.—This Act should be construed in favor of a broad protection of religious exercise, to the maximum extent permitted by its terms and the Constitution.

(h) SEVERABILITY.—If any provision of this Act or of an amendment made by this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provision to any other person or circumstance shall not be affected.

SEC. 6. ESTABLISHMENT CLAUSE UNAFFECTED.

Nothing in this Act shall be construed to affect, interpret, or in any way address that portion of the first amendment to the Constitution prohibiting laws respecting an establishment of religion (referred to in this section as the "Establishment Clause"). Granting government funding, benefits, or exemptions, to the extent permissible under the Establishment Clause, shall not constitute a violation of this Act. As used in this section, the term "granting", used with respect to government funding, benefits, or exemptions, does not include the denial of government funding, benefits, or exemptions.

SEC. 7. AMENDMENTS TO RELIGIOUS FREEDOM RESTORATION ACT.

(a) DEFINITIONS.—Section 5 of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–2) is amended—

(1) in paragraph (1), by striking "a State, or subdivision of a State" and inserting "a covered entity or a subdivision of such an entity";

(2) in paragraph (2), by striking "term" and all that follows through "includes" and inserting "term 'covered entity' means"; and

(3) in paragraph (4), by striking all after "means," and inserting "any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution.".

(b) CONFORMING AMENDMENT.—Section 6(a) of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–3(a)) is amended by striking "and State".

SEC. 8. DEFINITIONS.

As used in this Act—

(1) the term "religious exercise" means any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution;

(2) the term "Free Exercise Clause" means that portion of the first amendment to the Constitution that proscribes laws prohibiting the free exercise of religion and includes the application of that proscription under the 14th amendment to the Constitution;

(3) the term "land use regulation" means a law or decision by a government that limits or restricts a private person's uses or development of land, or of structures affixed to land, where the law or decision applies to one or more particular parcels of land or to land within one or more designated geographical zones, and where the private person has an ownership, leasehold,

easement, servitude, or other property interest in the regulated land, or a contract or option to acquire such an interest;

(4) the term "program or activity" means a program or activity as defined in paragraph (1) or (2) of section 606 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–4a);

(5) the term "demonstrates" means meets the burdens of going forward with the evidence and of persuasion; and

(6) the term "government"—

(A) means—

(i) a State, county, municipality, or other governmental entity created under the authority of a State;

(ii) any branch, department, agency, instrumentality, subdivision, or official of an entity listed in clause (i); and

(iii) any other person acting under color of State law; and

(B) for the purposes of sections 3(a) and 5, includes the United States, a branch, department, agency, instrumentality or official of the United States, and any person acting under color of Federal law.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in the CONGRESSIONAL RECORD if offered by the gentleman from Michigan (Mr. CONYERS) or his designee, which shall be considered read and debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Florida (Mr. CANADY) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. CANADY).

Mr. CANADY of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1691, the Religious Liberty Protection Act, is legislation designed to ensure that the free exercise of religion is not trampled on by the insensitive and heedless actions of government. It is supported by a broad coalition of more than 70 religious and civil rights groups, ranging from the Christian Coalition and Campus Crusade for Christ to the National Council of Churches and People for the American Way.

This legislation has been introduced and is now being considered by the House because the Supreme Court has taken, as Professor Douglas Laycock has aptly described it, "the cramped view that one has a right to believe a religion, and a right not to be discriminated against because of one's religion, but no right to practice one's religion."

The purpose of this bill is to use the constitutional authority of the Congress to help ensure that people do have a right, respected by government at all levels, to practice their religion. The supporters of the bill recognize that the free exercise of religion has been a hallmark of the American system of constitutional government and that Congress has a responsibility to protect the free exercise of religion to the maximum extent practicable.

In considering the need for this legislation, it is important to understand that, at least in some respects, protection for religious liberty in America does remain strong. The Supreme Court has recognized that governmental actions which target religion for adverse treatment run afoul of the protections afforded by the first amendment of our Constitution.

As Justice Kennedy, writing in 1993 for the Court in the City of Hialeah case, stated: "Legislators may not devise mechanisms, overt or disguised, designed to persecute or oppress a religion or its practices." Protection against such religious persecution or oppression clearly is a core purpose of the first amendment proscription of laws prohibiting the free exercise of religion.

But we are here today because in another important respect the religious practice of Americans have been denied protection by the Supreme Court of the United States. Let it be clearly understood that we are not here to change the scope of the protections afforded by the free exercise provision of the first amendment. That is not the purpose of the Religious Liberty Protection Act.

Instead, the purpose of this legislation is to use the recognized powers of the Congress under the Constitution to fill a gap in the protections available to people of faith in America who, in fact, face substantial burdens imposed by government on their religious practices.

We do not seek to alter the protections the Supreme Court has determined to be required by the first amendment but to provide separate and additional protections.

Mr. Speaker, I will not now rehearse the detailed history of the judicial and legislative actions that have brought us to this day, but a brief word about that background is necessary to put today's debate in proper context.

In 1990, the Supreme Court in Employment Division v. Smith held that governmental actions under neutral laws of general applicability, which is laws that do not target religion for adverse treatment, are not ordinarily subject to challenge under the free exercise clause, even if they result in substantial burdens on religious practice.

Prior to the Smith decision, the Court had for many years recognized, as the Court said in 1972 in Wisconsin v. Yoder, that a "regulation neutral on its face may, in its application, nonetheless offend the constitutional requirement for government neutrality if it unduly burdens the free exercise of religion."

Yoder was a case that dealt with the adverse impact of a compulsory school attendance law on the religious practices of the Amish. It did not involve circumstances in which government had targeted religion for adverse treatment.

In Yoder, the Court explained that "the essence of all that has been said and written on the subject is that only those interests of the highest order and those not otherwise served can overbalance legitimate claims to a free exercise of religion."

The shorthand description of the standard applied in Yoder and similar cases is the compelling interest/least restrictive means test.

In response to widespread public concern regarding the impact of the Smith decision, the Congress in 1993 passed the Religious Freedom Restoration Act, frequently referred to as RFRA. This legislation sought to require application of the compelling interest/least restrictive means test to governmental actions that substantially burden religious exercise.

RFRA was based in part on the power of Congress under section 5 of the 14th amendment to enforce, by appropriate legislation, the provisions of the 14th amendment with respect to the States. The provisions of the first amendment are applied to the States by virtue of the 14th amendment.

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The Supreme Court in 1997 in the City of Boerne versus Flores case held that Congress had gone beyond its proper powers under Section 5 of the 14th Amendment in enacting RFRA.

The Religious Liberty Protection Act, which is before the House today, approaches the issue of protecting free exercise in a way that will not be subject to the same challenge that succeeded in the Boerne case.

The heart of the bill, which is now before the House, is in Section 2, where the general rule is established that government may not substantially burden a person's religious exercise even if the burden results from a rule of general applicability, unless the government demonstrates that application of the burden is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that interest. As I have noted, the same test was adopted by Congress in the Religious Freedom Restoration Act, and a similar compelling interest test was applied by the Supreme Court for many years until it was abandoned by the court in 1990.

As set forth in Section 2, this general rule is applicable in two distinct contexts. First, it applies where a person's religious exercise is burdened "in a program or activity operated by the government that receives Federal financial assistance." This provision closely tracks title VI of the Civil Rights Act of 1964, which prohibits discrimination on the ground of race, color, or national origin under "any program or activity receiving Federal financial assistance."

Second, the general rule under Section 2 is applicable where the burden on a person's religious exercise affects interstate commerce, or where the removal of the burden would affect interstate commerce. As with the provision on Federal financial assistance, this provision follows in the tradition of the civil rights laws. It uses the commerce power to protect the civil right of religious exercise as the Civil Rights Act of 1964 uses the commerce power to protect against discrimination in employment and public accommodations.

The provisions of the bill requiring application of the compelling interest/least restrictive means test are based on the conviction that government should accommodate the religious exercise of individuals and groups unless there are compelling reasons not to do so.

Application of this test will not mean that a religious claimant will necessarily win against the government. And that is a very important point to understand. Indeed, in a great many cases the government will be able to establish that it has acted on the basis of a compelling interest using the least restrictive means, and thus justify the burden it has imposed on the free exercise of religion.

Under the test provided for in the bill, however, the religious claimant will not automatically lose because the burden on the free exercise of religion is imposed by a neutral law of general applicability. The mere absence of an intention to persecute the religious claimant will not be sufficient to justify the governmental action.

Section 3 of the bill contains additional safeguards for religious exercise. The provisions in Section 3 are remedial measures designed to prevent the violation of the Free Exercise Clause of the Constitution as that provision of the Constitution has been interpreted by the Supreme Court. In this Section, Congress acts within the scope of the enforcement power under Section 5 of the 14th Amendment as interpreted by the Supreme Court.

Subsection (a) of Section 3 provides that once a claimant makes a prima facie case of a free exercise violation and shows a substantial burden, the burden of persuasion will shift to the government.

Subsection (b) establishes certain limitations on land-use regulations. These provisions are necessary to effectively remedy the pervasive pattern, a pattern well documented in the hearings of the Subcommittee on the Constitution of the Committee on the Judiciary, of discriminatory and abusive treatment suffered by religious individuals and organizations in the land-use context.

These limitations include a provision requiring application of the compelling interest/least restrictive means test "when the government has the authority to make individualized assessments of the proposed uses to which real property will be put." This provision follows the principle articulated by the Supreme Court in the Smith case that "where the State has in place a system of individualized determinations or individual exemptions, it may not refuse to extend that system to cases of 'religious hardship' without compelling reason."

Under Subsection (b), land-use regulations must treat religious assemblies or institutions on equal terms with nonreligious assemblies or institutions and must not "discriminate against any assembly or institution on the basis of religion or religious denomination." In addition, a zoning authority may not "unreasonably limit" or "unreasonably exclude" assemblies or institutions principally devoted to religious exercise.

I would like to make a comment about the impact of this bill on local land use. The impact of this bill on local land use, I believe, will be the same as the impact that was intended by the Religious Freedom Restoration Act. So there is no real difference between the purpose of this bill with respect to land use and the Religious Freedom Restoration Act, which the Congress passed with an overwhelming vote of support.

It is important to understand that we should not casually interfere with local land-use decisions, but I believe that where fundamental rights are at stake, the Federal Government does have an important role to play. And based on the record of abuse that we have seen in this particular context, I believe that the actions that we would take under this bill to protect the free exercise of religion in the local land-use context are very well justified.

I would point out that those particularly who are committed to using Federal power to protect property rights against infringement at the local land-use level should certainly be no less willing to use Federal power to protect against local actions which infringe on the free exercise of religion.

Finally, in summarizing the bill, let me point out that the bill amends the Religious Freedom Restoration Act of 1993 to conform with the holding of the Supreme Court in the Boerne case. This provision of the bill recognizes the legal reality that after Boerne the courts will apply RFRA solely to the Federal Government and not to the States.

Now, I have discussed the legal concepts involved in this legislation, but I should also mention some examples of the types of cases where the enforcement of neutral rules of general application may be challenged under the bill. We have heard some reference to such examples already, but let me cite to the Members of the House a catalogue of cases that Professor Michael McConnell has gathered. These are cases which were decided under RFRA before the Boerne decision.

While RFRA was on the books, successful claimants included a Washington, D.C. church whose practice of feeding a hot breakfast to homeless men and women reportedly violated zoning laws; a Jehovah's Witness who was denied employment for refusing to take a loyalty oath; the Catholic University of America, which was sued for gender discrimination by a canon-law professor denied tenure; a religious school resisting a requirement that it hire a teacher of a different religion; a Catholic prisoner who was refused permission to wear a crucifix; and a church that was required to disgorge tithes contributed by a congregant who later declared bankruptcy.

The same sorts of cases would be affected by this legislation.

Mr. Speaker, the goal of protecting the ability of Americans freely to practice their religion according to the dictates of conscience is deeply rooted in our experience as a people. James Madison wrote of his "particular pleasure" concerning support for "the immunity of religion from civil jurisdiction in every case where it does not trespass on private rights or the public peace."

As Professor McConnell has written: "Accommodations of religion in the years up to the framing of the First Amendment were frequent and well-known. For the most part, the largely Protestant population of the States as of 1789 entertained few religious tenets in conflict with the civil law; but where there were conflicts, accommodations were a frequent solution."

The best known example of accommodation from that period is the exemption from military conscription granted by the Continental Congress to members of the peace churches. In the midst of our great struggle for independence as a Nation, the Continental Congress passed a resolution to grant the exemption from conscription, observing that "as there are some people, who, from religious principles, cannot bear arms in any case, this Congress intends no violence to their consciences."

The purpose of avoiding governmental action that does violence to the consciences of individuals is based on the understanding that there are claims on the individual which are prior to the claims of government.

This understanding finds expression in Madison's Memorial and Remonstrance Against Religious Assessments. Madison there wrote: "It is the duty of every man to render to the Creator such homage, and such only, as he believes to be acceptable to him. This duty is precedent in order of time and degree of obligation, to the claims of civil society. Every man who becomes a member of any particular Civil Society, must do it with a saving of his allegiance to the Universal Sovereign."

In the Christian tradition, the principle of prior allegiance is eloquently summed up in the words recorded in the Book of Acts of Peter and the other apostles who, when ordered to cease their preaching, responded by saying, "We must obey God rather than men."

A government based on the idea of liberty must not turn a deaf ear to such claims of conscience. The government of a people who love freedom must not heedlessly enforce requirements that do violence to the consciences of those who seek only to "render to the Creator such homage" as they believe to be acceptable to him. So long as they do "not trespass on private rights or the public peace," Americans should be free to practice their religion without interference from the heavy hand of government.

That is the sole purpose of the Religious Liberty Protection Act. Let this House today show that we respect the rights of conscience and honor the principles of liberty, just as the Continental Congress did more than two centuries ago. I urge the Members of the House to support this bill, to reject the substitute amendment which would weaken the bill, and move forward with the goal of protecting religious liberty for all Americans.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. NADLER), who has worked very diligently on this measure.

Mr. NADLER. Mr. Speaker, the bill we have before us today is a good and important bill, and I worked with the gentleman from Florida (Mr. CANADY) and others prior to its original introduction.

I want to associate myself with the remarks of the gentleman from Florida, and I agree with every word he said about the necessity for this bill and about its drafting. Unfortunately, this bill needs to be amended to ensure that while it acts as a shield to protect the fundamental religious rights of all Americans, as it is intended to do, it cannot also be used as a sword to do violence to the rights of others.

I will be offering an amendment in the nature of a substitute later today which will consist of the exact language of this bill but will also add a provision that would ensure that the appropriate balance between competing rights is struck.

With that change, I would hope that every Member of this House would support this important legislation. And I hope that if my amendment is adopted, my colleagues will do so. Without the amendment, unfortunately, the bill carries with it a fatal flaw threatening to undermine existing civil rights protections. And I would urge my colleagues in that case to vote against the bill in order to increase the odds that the bill will be properly amended either in this House or in the Senate.

This is a very difficult stand for me to take. As many of my colleagues know, I worked very hard for passage of the original Religious Freedom Restoration Act, or RFRA, in 1993. Since the Supreme Court decision declaring RFRA unconstitutional, I have worked hard to undo the damage the Supreme Court has repeatedly inflicted on our first freedom.

Corrective legislation of this sort has been, since the Supreme Court's infamous decision in Employment Division versus Smith 9 years ago one of my top priorities. So I want my colleagues to know it is with great sorrow I contemplate the possibility that I might have to vote against the legislation which addresses a problem that is very dear to my heart.

Religious freedom is in peril because of the rulings set down by the court in Smith. Under that rule, facially neutral, generally applicable laws, having the incidental effect of burdening religion, are no longer deemed violations of the First Amendment.

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This is unacceptable.

The Committee on the Judiciary, in its hearings on this legislation, received more than ample evidence that religion has suffered under the court's new rule and that, by following the invitation of Justice Scalia for the political branches to deal with conflicts between law and faith, religious liberty has not fared very well at all.

This bill attempts to restore the protection of free exercise of religion which the Supreme Court has deprived us, but it does so at the cost of creating a real threat to the enforcement of State and local civil rights laws prohibiting discrimination on the basis of gender, marital status, disability, sexual orientation, having or not having children, or any other innate characteristic.

The bill as drafted would enable the CEO of a large corporation to say, "my religion prohibits me from letting my corporation hire a divorced person or a disabled person or a mother who should be at home with her children and not at work or a gay or lesbian person. And my religion prohibits me from letting my hotel rent a room to any such people. And never mind the State's civil rights laws that prohibit that kind of discrimination."

If this bill passes in its current form, many courts will say that the States do not have a compelling interest in enforcing their laws against these kinds of discrimination, and that discrimination will go on despite the laws because of this bill.

It is not right, Mr. Speaker, to abrogate the civil rights of many Americans in order to protect the religious liberty of other Americans; and it is not necessary to do so.

Thankfully, we do not face such a stark choice between religious liberty and civil rights. We can protect the religious liberty of all Americans without threatening the civil rights of any Americans. And that is what my amendment in the nature of a substitute will do.

So I will urge my colleagues to support the Nadler civil rights substitute, which I will describe later when I introduce it in greater detail, and, if it is adopted, to support what will then be an excellent and very important bill.

But if the amendment is not adopted, I will unhappily urge my colleagues to vote against the bill in its current form in order to increase the likelihood that the bill will be properly amended either in the House or in the Senate.

Mr. CONYERS. Mr. Speaker, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Speaker, I merely wanted to commend the gentleman on his statement. It is a very courageous statement, and it is also a very well thought out statement from a constitutional point of view. I thank him very much for his contribution.

Mr. NADLER. Mr. Speaker, reclaiming my time, I appreciate the comments of the distinguished ranking member of the committee.

Mr. Speaker, I will address this issue further when we get to the substitute.

At this time, let me simply reiterate, the bill, except for its effect on civil rights laws, its potential effect, is a necessary and important bill. I hope we can amend it to get rid of this one but, unfortunately, fatal flaw so that we can really protect the rights of the religious liberties of all Americans without threatening the civil rights of any Americans.

Mr. CANADY of Florida. Mr. Speaker, I yield 3½ minutes to the gentleman from Arkansas (Mr. HUTCHINSON), a member of the Committee on the Judiciary.

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding me the time.

I want to first respond to the gentleman from New York (Mr. NADLER), who has done an outstanding job of raising concerns about this bill. But this bill has been heard in subcommittee and in full committee, and those concerns have been addressed by the constitutional scholars, and I believe that it is not going to be the problems that have been addressed and expressed by the gentleman from New York.

This bill has broad bipartisan support, and I think that that is important as we move through this process.

I want to congratulate the chairman of the Subcommittee on the Constitution, the gentleman from Florida (Mr. CANADY), who has done such an outstanding job in studying and providing leadership on this issue. He certainly has earned the justified expression in this Congress that he is a constitutional scholar.

If we look at the history as to how we got here today, Congress enacted the Religious Freedom Restoration Act in 1993 to enforce the constitutional guarantees of free exercise of religion.

The Act codified a balancing test that had been applied by the court in 1990. Under this test, the government could restrict a person's free exercise of religion only if it demonstrated this amount of action is necessary to further a compelling governmental interest and it is the least restrictive means of achieving that governmental interest.

Unfortunately, on June 25 of 1997, in the Burn decision, the Supreme Court struck down the law as it applied to the State but left open the opportunity for Congress to accomplish the same protections but in a different way.

For the last 2 years, the Committee on the Judiciary Subcommittee on the Constitution has been setting legislative record holding hearings, listening to constitutional scholars, and we learned clearly that the law is necessary to protect the religious freedoms promised by the Constitution.

The legislation before us today strikes a good balance between providing much-needed protection while not exceeding the limitations on Federal power set forth in the Constitution.

The development of this legislation is an example of how legislation should be developed in Congress. We pass legislation. The Supreme Court addresses it. We come back. We try to do it and answer the concerns of the Supreme Court. We hold the hearings. We listen to the constitutional scholars. It has been done in the right way under the Constitution, the right legislative process. And we have learned why it is necessary.

It is necessary to make sure that a small church is able to continue its ministry to the homeless. It is necessary to make sure that home churches may continue to meet. It is necessary to make sure that prisoners are able to participate in Holy Communion. It is necessary to make sure that people of faith are not discriminated against in government employment. It is necessary to make sure that localities do not limit the number of students who may attend a religious school. It is necessary to make sure that Jewish boys are not prohibited from wearing yarmulkes at school. And it is necessary to make sure that communications between clergy and church members are protected.

My constituents feel strongly about this legislation, and I am pleased to be able to represent them today in support of the Religious Liberty Protection Act. I urge my colleagues to support this bill, as well.

Mr. CONYERS. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, we are confronted with a very unusual situation here that, unless we put the legislation that we handled in 1993, which was passed by a voice vote, and of course many Members now present were not in the Congress nor on the Committee on the Judiciary at that time, into perspective, we may miss what is attempted to be done here.

The court rendered part of that law invalid. They rendered the part that deals with State and local civil rights laws invalid, that it did not apply to them.

What this measure is doing is coming back and getting the other part of it. And so, this is part of a one-two punch in which we are now doing something incredible if we look at it in the broader context.

We have already put restrictions on Federal civil rights laws as a result of the 1993 case, and now we are coming back to get the part that escaped the court's criticism. That is why the leading civil rights litigation organization in the United States, the NAACP Legal Defense and Educational Fund, has, as of yesterday, sent me a strong letter explaining why they cannot support this measure.

In addition, the American Civil Liberties Union, probably the second-most active litigating organization, has also indicated their strong reservations about this measure in its present form.

I would just give my colleagues a part of the reasoning of Director Counsel General Elaine Jones of LDF's letter to me that indicates why they urged Members not to succumb to this bill, as enticing as it may be, without some correction.

Defendants in discrimination cases brought under State or local fair housing, employment laws may seek to avoid liability by claiming protection under the Religious Liberty Protection Act. This would require individuals proceeding under such State and local antidiscrimination laws to prove that the law they wish to utilize is a least restrictive means of furthering a compelling governmental interest. This requirement would significantly increase the litigation time and expense of pursuing even ordinary antidiscrimination actions and as a result could even preclude some plaintiffs from pursuing their claims.

And so, we are now being asked to submit to part two of the original law that limits the Federal civil rights jurisdiction and now we have come back in this rather clever and innocent-sounding defense of religious liberties to now put the hindrance, the binders, on local and State civil rights laws.

Although I am committed to preserving religious freedom in this nation, I cannot support the Religious Liberty Protection Act as it is presently drafted.

My principal concern is that the legislation creates a brand new right for so-called "religious practitioners" and no other group or government enjoys—the right to discriminate. The right is so sweeping it will apply not only to religious institutions, but to large corporations.

I know that the bill's supporters say we should not worry about race and gender discrimination, because those interests have previously been found by the courts to be protected under the so-called "compelling interest test set forth in the bill. Forgive me for being a little bit skeptical of this claim, particularly given the current conservative makeup of so many courts.

Even if the supporters' predictions prove true, civil rights plaintiffs will be subject to vastly enhanced litigation costs. We have enough barriers to civil rights suits without adding these new obstacles. This is why the NAACP Legal Defense and Education Fund is so strongly opposed to the bill.

But it is beyond race and gender that the most significant civil rights concerns exist. This is because anti-discrimination laws based on sexual orientation, marital status, and disability have not been found by the courts to be based on a "compelling" government interest.

This means that under the bill, businesses will be free to discriminate against gay and lesbian employees, and large landlords will be able to justify their refusal to rent to single parents or gays and lesbians. In my view, we have fought too hard in the civil rights arena over the years to give back these gains.

I am also concerned that the bill raises serious constitutional problems. Among the many problems are the bill's tenuous relationship to Congress' interstate commerce and spending power authority, and its micro management of the federal judiciary and the state and local authorities. Given the recent trend of Supreme Court decisions on commerce, federalism and separation of powers, it is difficult to see this bill passing constitutional muster. Unfortunately, when the bill was struck down, it will serve as yet another precedent blocking Congress' path to protecting other civil rights which have a far stronger tie to our commerce and spending powers. In other words, we are sending the Court the weakest possible bill from a constitutional perspective and are inviting an adverse precedent.

I seriously question whether another federal law which is so antagonistic towards civil rights holds the key to protecting religious liberty in this country. This country has more religion and a greater variety of religious expression than any nation on earth. We have done so by maintaining the delicate balance between the First Amendment's religious liberty clause and its establishment clause, as interpreted by an independent judiciary.

It is doubtful the "Religious Liberty Protection Act" can improve on the scheme for protecting religious liberty designed by our founding fathers. I urge a "no" vote.

NAACP LEGAL DEFENSE,
AND EDUCATION FUND, INC,
Washington, DC, July 14, 1999.

Congressman JOHN CONYERS, Jr.,
Rayburn Office Building,
Washington, DC.

DEAR CONGRESSMAN CONYERS: The NAACP Legal Defense and Educational Fund, Inc. ("LDF"), urges you to oppose final passage of H.R. 1691, The Religious Liberty Protection Act of 1999 ("RLPA"). LDF litigates civil rights cases throughout the country on behalf of African Americans and other minorities in an effort to preserve equity, fairness and justice in educaiton, employment, housing, health care, environment, criminal justice, and voting rights. RLPA poses a potential threat to this type of litigation as RLPA may be used in a manner to limit African Americans and other minorities' rights to seek protection from discrimination under state and local antidiscrimination laws.

Defendants in discrimination cases brought under state or local fair housing, employment, etc., laws may seek to avoid liability by claiming protection udner RLPA. This would require individuals and groups proceeding under such state and local antidiscrimination laws to prove that the law they wish to utilize is a least restrictive means of furthering a compelling governmental interest. This requirement would significantly increase the litigation time and expense of pursuing even workday antidiscrimination actions and as a result could hinder or preclude some plaintiffs from pursuing their claims.

Even if the courts ultimately rule, as they should, that the various state and local antidiscrimination statutes are least restrictive means to further compelling governmental interests, the uncertainty of whether statutes will withstand a RLPA defense may dissuade plaintiffs from seeking redress under antidiscrimination statutes. Of course, if any court were to determine that a particular antidiscrimination statute were not a least restrictive means of furthering a compelling governmental interest, a successful RLPA defense would completely bar a plaintiff from proceeding under that statute. In either event, RLPA will create an additional burden for plaintiffs attempting to vindicate their civil rights.

For these reasons, LDF asks that you oppose RLPA, which may be used as a mechanism to limit African Americans and other minorities from proceeding under the state and local laws that prohibit discrimination in a wide range of areas.

Sincerely,

ELAINE R. JONES,
Director-Counsel.
REED COLFAX,
Assistant Counsel.

EXAMPLES OF UNINTENDED AND ADVERSE CONSEQUENCES FROM ENACTMENT OF H.R. 1691, THE "RELIGIOUS LIBERTY PROTECTION ACT"

1. *Knives in schools.* Pursuant to its policy prohibiting the possession of knives on school property, the school district forbade Sikh elementary school children to wear kirpans—seven-inch, ceremonial knives that are required by their religion. Relying on the "Religious Freedom Restoration Act," the Sikhs filed suit and moved for a preliminary injunction barring the district from applying its no-knives policy to ban the possession of kirpans at school. The court required the school district to permit the children to wear the knives if the knives were basted in their scabbards. See Cheema v. Thompson, 36F.3d 1102 (9th Cir. 1994).

2. *Sexual abuse.* In Arizona, a Warlock recently defended his alleged sexual abuse of a 13-year-old girl as part of the Wiccan religion. The open question is what is the least restrictive means of dealing with religious conduct that results in sexual abuse or statutory rape. Although the state may have a compelling interest in preventing sexual abuse or statutory rape, conviction and incarceration may not be the least restrictive means of dealing with such individuals.

3. *Refusal to pay child support.* A member of the Northeast Kingdom Community Church—which requires members to eschew all their personal possessions and work for the benefit of the Community and forbids members to support estranged spouses or children who live outside the community—was found in contempt of court for failure to comply with an order to pay child support. He alleged that both the finding of contempt and the underlying support order violated his religious rights. The court vacated the judgment of contempt and remanded the case for a hearing as to the least restrictive means to enforce the defendant's support obligation. See Hunt v. Hunt, 162 Vt. 423 (1994).

4. *Faith healing resulting in the death of a child.* The son of a believer in the Christian Science Religion died at age 11 from juvenile-onset diabetes following three days of Christian Science care. A medical professional could have easily diagnosed the child's diabetes from the various symptoms he displayed in the weeks and days leading up to his death (particularly breath with a fruity aroma). Although juvenile-onset diabetes is usually responsive to insulin, even up to within two hours of death, the Christian Science individuals who cared for the child during his last days failed to seek medical care for him—pursuant to a central tenet of the Christian Science religion. The mother argued that a wrongful death suit brought by the child's father was not the least restrictive means of serving the state's interest in the health of the child. Rather, the state could have required the mother to report the child's illness to the authorities when death seemed imminent. The court held that the constitutional right to the free exercise of religion does not extend to conduct that threatens a child's life. See Lundman v. McKown, 530 N.W.2d 807 (Minn. App. 1995).

5. *Refusal to cooperate with discovery request.* A wrongful death suit alleged that the Church of Scientology is responsible for the death of an individual who died of a blood clot in her left lung after spending 17 days in the care of church staffers. The church is attempting to block discovery by contending that releasing the decedent's files would violate the church's "sacred religious belief" that the files remain confidential and that they be retained by the church for use in a parishioner's future lives. The court ruled that the decedent's estate had the right to see her files. Upon the passage of the Florida religious freedom restoration act, the court is now reconsidering its previous ruling. See Thomas C. Tobin, Scientologists Fight to Keep Files Secret, St. Petersburg Times, Aug. 6, 1998, at 4B.

6. *Conjugal visits in prison.* A Roman Catholic argued that a prison regulation prohibiting condemned inmates from receiving conjugal visits violates his first amendment right to free exercise of religion. The court rejected this argument because the prisoner failed to show that the prison regulation prohibiting conjugal visits for condemned inmates is not rationally related to a valid penological interest. See Noguera v. Rowland, 940 F.2d 1535 (9th Cir. 1991). Under RFRA and RLRA, the prison would have to show that its policy regulating conjugal visits was the least restrictive means of achieving compelling penological interests.

7. *Jewelry in prison.* Wisconsin severely restricted the wearing of jewelry by jail and prison inmates. The prison regulation forbade the possession of "items which because of shape or configuration are apt to cause a laceration if applied to the skin with force," and the state refuses to make an exception for religious jewelry, such as crucifixes, which (unless made of cloth) fall within the ban. Inmates brought a suit against the relevant officials to enjoin, as a violation of RFRA, the defendant's refusal to make such an exception. The court held that, because prison security is a compelling state interest, if particular types of religious jewelry (or religious jewelry of any type in the hands of prisoners reasonably believed prone to use it for purposes of weaponry, barter, or gang insignia), pose a genuine threat to prison security, the state can ban them. Second-guessing the prison authorities, the court ruled that the jewelry in that case could not be banned. See Sasnett v. Sullivan, 91 F.3d 1018 (7th Cir. 1996).

8. *Class action against prison's grooming policy.* Inmates confined by the State of South Carolina, including Muslims, Rastafarians, and Native Americans, filed a class action challenging a South Carolina grooming policy that required all male inmates to keep their hair short and their faces shaven. The inmates claimed that the Grooming Policy forced them to compromise their religious beliefs and practices, and therefore violated their rights guaranteed by the Free Exercise Clause of the First Amendment. Following invalidation of RFRA, the court held that the Grooming Policy is an eminently rational means of achieving the compelling governmental and prenological interests of maintaining order, discipline, and safety in prison and did not violate the inmates' free exercise rights. See Hines v. Taylor, 1998 U.S. App. LEXIS 13362 (4th Cir. 1998).

9. *Landmaking.* St. Bartholomew's Church owned a Community House in which the church conducted many of its religious and community outreach activities. New York's Landmarks Preservation Commission denied the Church's requested to level the historic Community House and replace it with an office tower, which would both house the Church's religious activities and significantly enhance the Church's revenues through commercial rents. The Second Circuit found that whether the Church's religious activity was "substantially burdened" by New York's action turned on whether the Church "had been denied the ability to practice [its] religion or coerced in the nature of those practices," the court found that New York's action did not punish any religious activity. See St. Bartholomew's Church v. City of New York, 914 F.2d 348 (2d Cir. 1990). Interestingly many of the cases file under RFRA turned on whether there was a "substantial burden" and determined that there was no such burden. In other words, RFRA (and RLPA) open the doors to the courthouse in many cases where the religion cannot meet the threshold inquiry.

10. *Polygamy and abuse.* A battered and bruised teenager fled from an isolated ranch that is used by a Utah polygamist sect as a reeducation camp for recalcitrant women and children. The husband of the girl was charged with incest and unlawful sexual conduct stemming from the sexual relations he allegedly had with her, his fifteenth wife. See Tom Kenwoorthy, Spotlight on Utah Polygamy; Teenager's Escape from Sect Revives Scrutiny of Practice. *The Washington Post*, Aug. 9, 1998, at A3. RLPA would offer the father a defense against statutory rape and polygamy.

11. *Refusal to provide social security numbers to DMV.* California residents contended that social security numbers are the "mark of the beast" in the biblical Book of Revelation and refused to give the DMV their numbers for applications of their driver's licensees. The court held that, because sincere religious

convictions were involved, the DMV must use an alternate identification for those individuals. See John Dart, Judge Upholds Objections to Identifications, *L.A. Times*. October 25, 1997, at B1. In 1986, the Supreme Court rejected a similar request in Bowen v. Roy, 476 U.S. 693 (1986). RLPA would require a result much more in line with the California ruling than the Supreme Court's ruling.

12. *Historic preservation*. A Roman Church holds one service per week asked permission to demolish the entirety of the church,. which is located in the historic preservation district, for the purpose of expanding. When the City Council refused permission to demolish the church in its entirety, the church filed suit under the Religious Freedom Restoration Act, claiming that the city's historic preservation law could not be applied to a church. The Supreme Court held that RFRA is unconstitutional. Boerne v. Flores, 117 Ct. 2157 (1997). RLPA invites churches and religious individuals to thwart and ignore all land use laws, including historic and cultural preservation laws.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska).

The Chair advises that the gentleman from Florida (Mr. CANADY) has 10 minutes remaining. The gentleman from Michigan (Mr. CONYERS) has 20 minutes remaining.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Speaker, I believe that the present Smith standard gravely threatens as a practical matter the mission of churches at their most fundamental level, whether it is with regard to proselytizing or to the erection of houses of worship within communities.

I commend the gentleman from Florida (Mr. CANADY) for drafting this bill, which has not been easy to do. I think he has crafted a piece of legislation which we should all support.

The Religious Liberty Protection Act addresses the serious situation caused by that "Employment Division v. Smith" decision by restoring the general rule that State or local officials may not burden a religious exercise without demonstrating a compelling governmental interest.

The legislation before us protects religious institutions by giving them their day in court if they can show that their religious freedom has suffered at the hands of a State or local government.

There is a long list of cases in which the religion freedom of Americans has been, in my opinion, unconstitutionally abridged since the 1990 Smith decision. Many of these infringements touch core religious teachings and beliefs.

Let me just briefly cite three examples. As a result of these so-called neutral laws of general applicability, a Catholic hospital has been denied State accreditation based on its refusal to instruct its residents on the performance of abortion in accordance with their strong religious objections.

In New York, a religious mission for the homeless operated by the late Mother Teresa's order has been shut down because it was located on the second floor of a building without an elevator, thus violating a local building code.

In Missouri, for example, a city there passed an ordinance prohibiting all door-to-door contacting and religious proselytizing on certain days of the week and indeed severely limiting the hours of such contact on the remaining days.

These are just a few of the numerous examples of how religious freedom has been and continues to be infringed across the country.

Mr. Speaker, religious liberty is a fundamental right of all Americans and must not be trampled on by insensitive bureaucracy or bad policy. Having only to show a rational basis for such policy is no protection at all.

These incidents are increasing, and that is why we need to adopt the measure before us today, which will stay the hand of government from heedlessly enacting laws that substantially burden the free exercise of religion.

I urge my colleagues, Mr. Speaker, to join me in supporting this much-needed legislation.

Mr. CONYERS. Mr. Speaker, I yield 6 minutes to the gentleman from North Carolina (Mr. WATT). I believe he is the ranking member on the subcommittee.

Mr. WATT of North Carolina. Mr. Speaker, I thank my colleague for yielding me the time.

Mr. Speaker, I want to start by complimenting all the parties to this debate and on both sides.

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We have been at this for a good while in the subcommittee, in the full committee and now on the floor. While I rise in opposition to this bill, I would note that many of my colleagues of all political persuasions and many of my friends of all political persuasions are supporting this bill which should give Members and the public some indication of how difficult an issue this is. My opposition to the bill is based on several different factors.

First of all, I believe this bill is of uncertain constitutionality. The earlier religious protection law that the Supreme Court struck down as having constitutional problems is addressed in this bill by tying this particular bill to the commerce clause. In effect, it gives us the jurisdiction to do what we are doing under this bill by virtue of a connection to the commerce clause. The problem with that is that it seems to me that that benefits larger, more established religions who tend to operate in interstate commerce at the expense of more localized private religious groups who tend to not operate in interstate commerce. The irony of this is that many of the people who are advocating that the commerce clause should cover this kind of activity and action are the very same people that are saying that the Federal Government should stay out of a number of different things and that the commerce clause does not cover these things and give the Federal courts and the Federal Government jurisdiction over these matters. I think on the commerce clause issue, while it is an ingenious way to bootstrap our way into hoping that the Supreme Court will not strike this down, I think it has its limitations and problems.

Second, this bill is of uncertain interaction with other civil rights bills and civil rights laws. I am sure that people are going to be advocating on both sides of this, either that it overrules civil rights laws or that it does not overrule civil rights laws. The truth of the matter is that we do not know. But I am personally and on behalf of my constituents not prepared to take a gamble with this. I do not think we can simply pass a law that could be interpreted to place religion over race or religion over other civil rights and give religion a more important place in our jurisprudence than we give to other civil rights laws. I simply do not believe we can do that. I think the gentleman from New York's amendment would address that, but I have not seen any inclination yet on the part of the supporters of this bill to be supportive of the gentleman from New York's amendment. I want to come back to that briefly at the end of my discussions.

The third reason that I have concerns about this bill is that it will give the Federal Government substantially more control and involvement in local zoning and land use decisions. This is something that we have historically reserved to local and State governments. Yet many of the very people who have said that this is something that is sacrosanct, that should be decided at the local levels, the advocates of States rights, so to speak, are some of the people who are advocating that we now put a national standard in this bill having to do with land use decisions. I think that is a problem.

Finally, I want to address the people who continue to say, especially like my good friend the gentleman from Texas (Mr. EDWARDS) who says, "We're going to fix the concerns that we have about this bill, about civil rights and other civil rights issues, in conference," that this consideration of this bill has been going on for a long, long time. There has been no inclination to address that problem. That is why the gentleman from New York, who was one of the original cosponsors of this bill, is now on the floor of the United States House offering an amendment to address the problem. That problem needs to be addressed now. Otherwise, this bill should not warrant our support.

I encourage my colleagues to oppose this bill in its current form.

Mr. CONYERS. Mr. Speaker, I yield myself 1 minute. I want to underscore a point made by the gentleman from North Carolina with reference to the commerce clause, because that has not been brought up and discussed in the fullness that he has done it. The bill is using now the commerce clause to seek to have a cover of constitutionality to protect religious liberty.

In order to invoke that clause, it seems to me that we will now have to equate religion with interstate commercial activity, something I am not prepared to do this afternoon. And if we equate religion with interstate commerce, does it not open the door to further regulation of religion through the commerce power? And there I think these problems that the gentleman from North Carolina does not want to take a chance on finding out what a conservative court is going to do kicks in here and it makes this reference between a bill that was held partially unconstitutional and an attempt to remedy the other half of it through this measure that is before us now.

Mr. Speaker, I am pleased to yield 3½ minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the ranking member for yielding me this time.

There are a number of concerns that are raised by this bill. I want to focus on what is central to me, and I am hoping that the House will take some direction here from Governor Bush of Texas. He appears to be growing in popularity on the other side, and I am sorry they are rejecting his wisdom in this one case.

When a bill like this was presented in Texas, an amendment was offered which exempted all legislation aimed at protecting the civil rights of individuals. What the law in Texas says is, yes, we will protect people's rights to exercise their religion, but where we have as a legislature and a governor decided that certain rights of individuals and groups are important and that certain classes of people should be protected against discrimination, we will not allow you to use religion as a license for this discrimination.

Now, that was signed into law by Governor George Bush, and I thought it made a lot of sense. We are not trying to go as far as Governor Bush. The gentleman from New York has a very thoughtful amendment which allows people to invoke religion as a means of ignoring civil rights laws. It allows, in fact, people to use their religion as a license to discriminate in a number of cases that would not be allowed in Texas. I think that is a very reasonable accommodation the gentleman has offered. He has said you do not give it to corporations, et cetera. If the amendment offered by the gentleman from New York does not pass, what we will have is a law which will say, "All you need do is invoke your religion and you can defeat many civil rights laws."

Now, interestingly it says, "Unless the courts find that that particular civil rights law protects a fundamental right." I am interested that people who describe themselves as conservative opponents of judicial activism want to so empower the judiciary, because what this bill will do absent the amendment by the gentleman from New York, is to say to the court, "You now have the power to decide." There are civil rights laws at the State level. Various States have passed laws protecting different groups of people, based on religion, based on marital status, based on whether or not you have children, based on sexual orientation. We the Congress will say to you the Federal courts, "Pick and choose among those. You decide which of those will have to give way to this Federal statute and which do not," rather than have the Federal Government decide, or emulate Texas and say, "In general the religious right will win unless it is an antidiscrimination law."

And remember, under our constitutional system, we do not want to subject individuals to some kind of inquisition when they invoke religion. So people who wish to invoke religion, people who want to go to Federal court and say, "Hey Federal judge, let me ignore this law that this State passed," under this law the Federal courts will be empowered to let people pick and choose and they simply will have to say, "My religion doesn't allow it." We certainly do not want a situation where that religion is subjected to some kind of examination.

So what you will do is to tell the States that no matter what they may have decided through their own local democratic processes about protecting groups, we the Congress will empower Federal courts to pick and choose among them and say "no" to some and "yes" to others. I do not think that is appropriate.

While the amendment from the gentleman from New York, because he has been very accommodating in this, does not completely rule that possibility out, it substantially diminishes it and it is the one thing that will save this bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, let me thank the ranking member and chairman of this committee. Let me also acknowledge the leadership and work of the gentleman from New York (Mr. NADLER) of some 10 or 12 years on this issue. I think that our presence here today should hopefully connote to those who may be listening, this is an enormously important debate, and as I was reminded when we debated the flag amendment, let us not have it break down in partisan discourse but recognize that there is probably no more important right amongst others, if you will, than the free exercise of religion. And the first amendment gives us that.

And so this legislation, Mr. Speaker, is in fact needed to provide protections that have been dangerously eroded by the Supreme Court in its 1990 Employment Division v. Smith decision. We have heard the Smith decision being mentioned quite frequently because it has been the one that has upset the apple cart in terms of recognizing the importance of individuals having the personal and private right of exercising their religion. Congress attempted to remedy this by enacting on a bipartisan basis the Religious Freedom Restoration Act which the court struck down in part in its 1997 City of Boerne v. Flores decision.

H.R. 1691, the Religious Liberty Protection Act, seeks to restore the application of strict scrutiny in those cases in which facially neutral, generally applicable laws have the incidental effect of substantially burdening the free exercise of religion. I believe that the government should not have the ability to substantially burden a right that is enshrined in constitutional premise unless it is able to demonstrate that it has used the least restrictive means of achieving a compelling State interest, such as Thomas v. Review Board.

I believe that this legislation is necessary because in the wake of the aformentioned Supreme Court decisions, religious groups in general and religious minorities in particular are no longer guaranteed the religious liberty protections of the Constitution and are more vulnerable to the danger of governmental restrictions on religious freedom.

□ 1230

There are numerous examples that we can find, for example, where it was partially struck down, of churches being ejected from certain neighborhoods, church soup kitchens and welfare programs being closed and prisoners having been denied basic rights to worship.

But, Mr. Speaker, I started out by saying this is an enormously important constitutional right. Why can we not have the compromise and collaboration and respect for the various interests that are here today not denying the right to the free exercise of religion but at the same time acknowledging that we do not want to deny the civil rights of those who are under-represented who may be most challenged, and I say this in the backdrop of the wonderfully positive legislative initiative of the State of Texas, my State, a legislative initiative proposed and fostered by State Representative Scott Hochberg of Texas and signed into law by Governor George Bush. That legislative initiative recognized generally the importance, the high importance, of the free exercise of religion, but at the same time it provided, if my colleagues will, the particular provision that recognized the civil rights of individuals, that they should not be pounced upon and they should not be denied because of the constitutional right of the free exercise of religion.

My question to my colleagues:

Can we do less in the United States Congress? Can we in fostering a bill that is to enhance rights not ensure that we protect the rights of others who simply want to ensure that they in a more vulnerable position not be denied civil rights?

I would hope that my colleagues will support the Nadler amendment from an individual who has made it very clear that he is one of the strongest proponents of the free exercise of religion, does not come to this floor in any way to attempt to undermine this legislative initiative but in keeping with the spirit of those in Texas and who I represent. My fear is that passing of this legislation without respecting the civil rights has some concerns that we should acknowledge. I hope my colleagues will see in their wisdom the importance of joining with the leadership of the Governor of the State of Texas, George Bush, on this issue and to provide for the civil rights of others as we move toward the complete free exercise of religion.

Mr. Speaker, I reserve the balance of my time.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I rise today in support of H.R. 1691, the Religious Liberties Protection Act of 1999. This legislation was introduced by my friend, the gentleman from Florida (Mr. CANADY), and it is an important step in preserving the freedom that the Constitution affords religions in America.

A little over 10 years ago, 200 of our Nation's leaders from all sectors signed the Williamsburg Charter. It affirmed that, "Religious liberty in a democracy is a right that may not be submitted to vote and depends on the outcome of no election. A society is only as just and as free as it is respectful of this right, especially toward the beliefs of the smallest minorities and the least popular religious communities."

The provisions included in the Williamsburg Charter reflect our national commitment to respect and accommodate the philosophies, practices and needs of the many diverse religions in this Nation, even when doing so is inconvenient or annoying.

But the realization of these principles is not always simple. The growth of government on every level, combined with government's inherent tendency to over-regulate, requires occasional legislative clarification. Given the complexities, there is no practical way to measure whether anti-religious motivation plays a factor in such matters as cities' planning and zoning decisions.

In Senate hearings on this subject there was testimony that, "Since the Smith decision, governments throughout the U.S. have run roughshod over religious conviction. In time, every religion in America will suffer. Must a Catholic church get permission from a landmarks commission before it can relocate its altar? Can Orthodox Jewish basketball players be excluded from inter-scholastic competition because their religious beliefs require them to wear yarmulkes? Are certain evangelical denominations going to be forced to ordain female ministers?"

I believe that a balance can be struck, but we do not have that balance today.

It is somewhat ironic that under current first amendment principles a city can totally zone out a church that desires to construct an edifice for its members and the surrounding community, but it cannot zone out of its community a sexually oriented adult bookstore.

Religious freedom should never depend upon the amount of religious sensitivity in a particular community or on the willingness of local governments to craft appropriate exemptions for religious practices. I urge my colleagues to support the Religious Liberties Protection Act with a yes vote.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, I reluctantly rise in opposition to this bill drafted by my good friend and colleague and classmate, the gentleman from Florida (Mr. CANADY).

The first amendment is quite clear. It says, Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. And yet, if we look at the words of the proposed statute, it says, a government may substantially burden a person's religious exercise if the government demonstrates that application of the burden of the person is in furtherance of a compelling interest or is the least restrictive means of doing so.

So, the first thing we have here is Congress making a statement that is in direct contradiction to the firm mandatory words of the United States Constitution. That bothers me for several reasons. One of those is that the attempt to protect religious liberties under the Religious Liberty Protection Act hinges on the spending clause of the Constitution and also upon the commerce clause of the Constitution, and we thus ask ourselves this question:

If a religious liberty case comes up that is not hinged to the commerce clause or the spending clause, what protection do the people have? Is it pregnant with omissions, that the courts may end up saying the liberties set forth in the statutes simply do not apply to the people?

The third problem I have with it is the fact that Justice Thomas back in 1994 after the Smith decision wrote a dissent in a case coming out of Alaska where the Supreme Court denied certiorari.

What bothers me about the Alaska case or the Alaskan statute, which is the equivalent of the statute we are trying to pass today, is that the asserted government interests, the asserted government compelling interests, are effusive. In other words, Justice Thomas wrote,

> The decision of the Alaskan Supreme Court drains the word "compelling" of any meaning and seriously undermines the protection of the exercise of religion that Congress so emphatically mandated in RFRA.

In other words, the very liberties we are trying to ensure we can end up taking away.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, I would like to address several questions: First, the question of is this bill constitutional. Obviously, legal scholars on this floor and elsewhere throughout the country may disagree, but for the RECORD I would like to read and then insert the full letter, a letter of July 14 to the Speaker of the House, the Honorable J. DENNIS HASTERT from Jon P. Jennings, Acting Assistant Attorney General. He says that, quote,

The Department of Justice has concluded that the Religious Liberty Protection Act, as currently drafted, is constitutional under governing Supreme Court precedence.

The letter in its entirety is as follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, July 14, 1999.

Hon. J. DENNIS HASTERT,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I am writing with respect to H.R. 1691, the Religious Liberty Protection Act of 1999 ("RLPA"), as reported by the House of Representatives Committee on the Judiciary. We understand that RLPA may be considered shortly by the House of Representatives. We also understand that some Members may be concerned about the constitutionality of the legislation. This letter is addressed solely to the question of RLPA's constitutionality. We understand that the Administration is planning to convey further views on the legislation, apart from the constitutional questions.

Over the past two years, the Department of Justice has worked diligently with supporters of RLPA to amend prior versions of the bill so as to address serious constitutional concerns. Moreover, we have reviewed carefully the testimony of several legal scholars who have questioned the constitutionality of the bill. We agree that RLPA raises important and difficult constitutional questions—particularly with respect to recent and evolving federalism doctrines—and that there may be ways to amend the bill further to make it even less susceptible to constitutional challenge. Nevertheless, the Department of Justice has concluded that RLPA as currently drafted is constitutional under governing Supreme Court precedents.

Thank you for the opportunity to present our views. The Office of Management and Budget has advised us that from the perspective of the Administration's program, there is no objection to submission of this report.

Sincerely,

JON P. JENNINGS,
Acting Assistant Attorney General.

The second question I would like to address, Mr. Speaker, is: Who are some of the people that support this bill, recognizing that good people of good-faith will be on both sides of this issue. Let me first read in a statement from the administration dated July 14, as well.

"The administration strongly supports H.R. 1691, the Religious Liberty Protection Act, which would protect the religious liberty of all Americans. RLPA would, in many cases, forbid State and local governments from imposing a substantial burden on the exercise of religion, unless they could demonstrate that imposition of such a burden is the least restrictive means of advancing a compelling governmental interest."

For the RECORD let me mention some other religious groups, diverse religious groups, supporting this legislation:

The American Jewish Committee,
The American Jewish Congress,
The Anti Defamation League,
The Association of American Indian Affairs,
The Baptist Joint Committee on Public Affairs,
B'nai Brith,
The Christian Coalition,
The Christian Science Committee on Publication,
The Church of Jesus Christ of Latter Day Saints,
The Episcopal Church,
The Ethics and Religious Liberty Commission of the Southern Baptist Convention,
The Family Research Council,
The General Conference of Seventh Day Adventists,
Hadassah,
NAACP,
National Council of Churches of Christ,
Presbyterian Church U.S.A.,
Religious Action Center of Reform Judaism,
United Church of Christ,
United Methodist Church,
The U.S. Catholic Conference,

as well as many other organizations.

I ask no one to vote for this because of anyone's endorsement. I just point out that this is a bill supported on a broad-based basis.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 14, 1999.

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies)

[H.R. 1691—Religious Liberty Protection Act of 1999 (Canady (R) Florida and 39 cosponsors)]

The Administration strongly supports H.R. 1691, the Religious Liberty Protection Act (RLPA), which would protect the religious liberty of all Americans. RLPA would, in many cases, forbid state and local governments from imposing a substantial burden on the exercise of religion, unless they could demonstrate that imposition of such a burden is the least restrictive means of advancing a compelling governmental interest. This statutory prohibition would, in the cases in which it applies, embody the test that was applied by the Supreme Court as a matter of Constitutional law prior to 1990 and that is applied now to the Federal Government under the Religious Freedom Restoration Act (RFRA). RLPA will, in large measure, restore the principles of RFRA, which was enacted with broad Congressional support in 1993. It is necessary for Congress to enact RLPA since the Supreme Court invalidated the application of RFRA to state and local governments RLPA is carefully crafted to address the Court's constitutional rulings. The Department of Justice has reviewed H.R. 1691 and has concluded that, while RLPA raises important and difficult Constitutional questions, nevertheless it is constitutional under governing Supreme Court precedents. The Administration looks forward to working with Congress to ensure that any remaining concerns about the bill, including clarification of civil rights protections, are addressed and that it can be enacted into law as quickly as possible.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I am very concerned that this legislation has the potential of establishing a dual track. Certainly none of us want to be in a position where government is discriminating against the free exercise of religion, but, by the same token, as we have community after community across the country struggling to be able to maintain their liveability, to try and deal with issues of quality of life, to provide a broad exemption to a religious institution, to be able to violate the rules of the game that other people play by in terms of environmental protection, in terms of land use and transportation is ill advised. This is why we have a broad coalition of groups that deal with land use, with transportation, with the environment who are rising their voices in opposition led by the National Trust for Historic Preservation.

We have heard here that there are areas where somehow there is discrimination against churches and their exercise of building and development activities, but this legislation would provide a requirement that in all instances government that has the authority to make individualized assessment, the action requires the State of local government to demonstrate the reasons for the land use are compelling and that the regulation is the least restrictive means supplied to each affected individual furthering that interest.

This is something as a local official I can tell my colleagues the requirements economically, legally and practically to establish that burden unlike we would do for anybody else is unjustified and unnecessary. I find it frustrating that the Federal Government runs roughshod over local neighborhoods and communities where we have things like the local post office that does not obey local land use laws and zoning codes. To carve out another broad exemption under this act, that would have, I think, serious unintended consequences.

Regardless of the outcome of today's vote in this legislation, I hope there is a careful look at section 3(b)1(a) and people make sure that they assure that we are protecting the rights of our neighborhoods for liveability and environmental protection.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BEREUTER) for the purpose of a colloquy.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding me this time.

I am an urban planner by training. I have prepared lots of zoning ordinances for municipalities and counties, a certified planner by the American Planning Association, and on my own initiative I wanted a clarification from the gentleman. I thank him for yielding for a colloquy, and I have two questions.

Will anything in the bill prevent local government from precluding religious uses in a particular category of zoning such as an industrial zone?

Mr. CANADY of Florida. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Florida.

Mr. CANADY of Florida. Not ordinarily. But it would under certain circumstances, such as if the exclusion from the zone does not leave reasonable opportunity to locate within the jurisdiction or if like uses are not precluded from the particular category of zoning or if the preclusion is based on the religious nature of the use. This question is governed by section 3(b)1(b), (c) and (d).

I would also say the communities that provide reasonable locations for churches have nothing to fear from this legislation, but sometimes exclusion from particular zones is in fact a device for excluding from the whole community. We have heard about cases where property was spot zoned industrial after the church bought it.

□ 1245

Some cities exclude churches from commercial zones, knowing that it is impractical to locate a church in a built-up residential zone. The intention and effect is to exclude all new churches. We believe that is not appropriate.

Mr. BEREUTER. I agree with the gentleman that the examples given are abuses of the local zoning law.

My second question will be this: Will anything in the bill prevent local government from requiring compliance with conditions authorized by statute for a conditional or special use permit for religious facilities or other traffic-generating uses in certain zoning categories?

Mr. CANADY of Florida. If the compliance requirement substantially burdens religious exercise and is not the least restrictive means of furthering the local government's compelling interest, then a religious facility would have a claim that could be successful.

This is governed by section 3(B)1)A). An example would be an orthodox Jewish temple forced to comply with parking space requirements. With the orthodox temple, no one drives a car in any case.

Another example is if the condition for a special use permit is that the use "serve the general welfare," or such other vague standards that can be used to exclude whomever the board chooses to exclude.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for his colloquy. I think that is reassuring, particularly in light of the comments of the gentleman from Oregon.

Ms. JACKSON-LEE of Texas. Mr. Speaker, it is my pleasure to yield 1 minute to the distinguished gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I just have a few questions. I am very worried about this bill. Just 2 weeks ago when we had the gun debate on violence, this Congress passed, if Members can believe it, posting Ten Commandments, and this was our response to Columbine, post the Ten Commandments. It did not say which version of the Ten Commandments, the Catholic, Protestant, or Jewish version, it just said Ten Commandments.

This is really getting me nervous, this notion that we are going to give religions preference in their religious tenets over our own civil rights.

Let us make no mistake about it, the right wing of the Republican party is against gays and lesbians. They want to discriminate against people who are homosexuals. Let us just be right in front on what this debate is about.

So they feel that if one has in their religion a belief that gays and lesbians would be damned by God, then you should be able to discriminate against them. But what this also does is it discriminates against all kinds of other people.

Just imagine that fellow who killed all those people out in Chicago last week. He was part of this Church of the Creator. Is that kind of religion protected under this religious freedom? Is that going to take precedence over our civil rights in this country?

I think we are all children in the eyes of God, and no religion should practice hate or intolerance of any kind. That is why I am going to vote against this bill when it comes up for a vote.

Mr. CANADY of Florida. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to respond briefly to the comments the gentleman just made. It is unfortunate that the gentleman has misconstrued the purpose of this bill.

This bill does not touch on the establishment clause issues that have from time to time divided the Members of this House. This is a bill that has broad bipartisan support. It has broad support in the religious community.

When we can bring a bill forward that has the support of both the Christian Coalition and People for the American Way, major Jewish organizations and the National Council of Churches, I think this is an opportunity for the House to stand up for principles that we can all agree to to protect religious liberty.

I would urge the Members of the House to do just that by adopting this bill.

Mr. UDALL of New Mexico. Mr. Speaker, today I rise in support of the Religious Liberty Protection Act.

Religious freedom is the foundation on which our nation was built. Every American, be they Catholic or Protestant, Jewish or Muslim, Buddhist, Sikh or of any other faith community, has the Constitutional right to practice their religious tradition without fear of government intervention or retribution.

Unfortunately, Mr. Speaker, as we've heard throughout this debate, too many people of faith in this country, particularly those in religious minorities, often find themselves facing rigid government policies that burden their religious practices.

This bill, Mr. Speaker, would prevent government restrictions against religious practices, unless there is a compelling government interest, and that policy is the least restrictive method of achieving that interest.

It is an important step, Mr. Speaker, to protect and strengthen those religious liberties for which our forefathers sacrificed so much to give us.

Now I understand, Mr. Speaker, that there are those who are concerned that this legislation would allow for some to hide behind the cloak of religious freedom in order to legally discriminate against others.

Mr. Speaker, I too share this concern. There is the danger that this legislation might be construed by some courts to elevate religious claims above other civil rights.

While we can be reassured by some recent court rulings that show government has a compelling interest in preventing racial or gender discrimination, there are other groups that do not have this same type of Constitutional protection.

It is incumbent upon us, Mr. Speaker, to take all steps necessary to make sure that we do not permit religiously motivated conduct to "trump" other civil rights claims. We should take steps to strengthen the civil rights of all individuals, with special attention to those populations that are at particular risk of discrimination.

I am disappointed, Mr. Speaker, that the House failed to pass the amendment introduced by Mr. NADLER of New York. I believe that this amendment would have addressed the concerns that many have voiced.

I urge my colleagues, therefore, to support future measures in this body to protect the civil rights of those minority segments of our population that do not enjoy Constitutional protection.

And I urge our colleagues in the other body to further clarify and resolve these issues as the legislation moves through the Senate.

Mr. PACKARD. Mr. Speaker, I would like to express my support for H.R. 1691, the Religious Liberty Protection Act. The intent of this bill is to protect practices from unnecessary government interference.

Religious freedom is one of the most important freedoms in our Constitution. The framers placed the right to free worship as our first Constitutional right. As stated by the father of our Constitution, Thomas Jefferson, "The constitutional freedom of religion is the most inalienable and sacred of all human rights." Despite this fact, over the past few decades, the Supreme Court has continued to weaken our right to practice faith freely.

The Religious Liberty Protection Act will reinforce our Constitutional right to practice individual faith by requiring judges to use strict scrutiny when reviewing a government burden on religious practices, unless it is to protect the health or safety of the public. This bill is simply common sense legislation. Protecting the freedom of religion should be one of the highest priorities for our nation and this Congress.

Mr. Speaker, I encourage my colleagues to support the Religious Liberty Protection Act.

Mr. HOSTETTLER. Mr. Speaker, I rise to oppose H.R. 1691.

I would like to say that I am pleased to be submitting these remarks, but I am not.

I know that the drafters and supporters of the Religious Liberty Protection Act (RLPA) share many of my beliefs about faith, government, and the Constitution, and it is not often that I find myself in disagreement with their views.

But on one major RLPA issue, my conscience convicts me that in trying to right what many perceive to be wrong, Congress today is taking a major constitutional step in a dangerous direction—a constitutional step that I cannot in good faith support.

It is a constitutional step that I believe may well undermine the protections for religious freedom under which Americans have prospered for over two hundred years.

Today, because of a disagreement with the Supreme Court of the United States, and in keeping in line with the myth of the Court's supremacy over the other branches of government, we are seeking to change the nature of our right to the free exercise of religion.

We are seeking to re-write our liberty.

Because the Supreme Court has boxed Congress in, Congress is choosing to fight for the moment, Congress is trying to find any basis, whatsoever, to strike a blow for religious liberty.

But we must not move in haste.

Such haste may lead to unintended consequences.

For as this legislation is drafted, one issue we are going to address, what is really being raised as an issue, is whether the constitutional right to the free exercise of religion will be a fundamental right protected by the First and Fourteenth Amendments, or merely an element of interstate commerce, which is not a right at all.

This is not insignificant.

By relegating religious liberty to Congress' power to regulate commerce, as the RLPA does, Congress may be opening the future to the end of liberty as we have been privileged to know it.

Yes, some are burdened by the Supreme Court's treatment of the free exercise clause and the Fourteenth Amendment.

I am not unsympathetic to believers who are suffering for their faith.

But we must also consider the future ramifications of our actions.

This future may well entail debates focused not on the fundamental right to the free exercise of religion, but on something that is not a right at all.

That something is Congress' simple power to, and I quote from the Constitution: "regulate commerce with foreign nations, and among the several states, and with the Indian tribes."

In form, the argument today is not new.

It is a form of the age-old question of whether the end justifies the means.

While one might struggle with whether the end justifies the means, we must not ignore that the end will always, in some manner, reflect the means.

This is especially true when we are determining the constitutional basis for our actions.

We must today pause and ask ourselves, will our children and grandchildren, even to the fourth generation, look back at this day and say: There was the beginning of the end. There was the day when Congress—though well intentioned—cheapened our liberties. There was the day when Congress ceded the moral and intellectual argument that there is a fundamental right, independent of incidental affects on commerce, independent of what a particular congress might define as commerce, a right which our founders' cherished so much that they set it forth separately in our Bill of Rights.

No, I do not relish being here today opposing my friends.

But what we are doing today is wrong and I cannot simply turn my head.

It does not matter that Congress has used the commerce clause in unprincipled ways in the past.

It does not matter that we have been unable to come to an agreement as to how to proceed in light of the Court's rulings.

Truth is truth.

The free exercise of religion is a right, not because of any possible connection to commerce, but because it is a right given by our Creator.

Our founders wisely sought to give special protection to these rights.

Today, I fear that we are ignoring this wisdom for merely short term, but by no means permanent, gratification.

I hope that my fears will not be realized.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). All time for general debate has expired.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. NADLER

Mr. NADLER. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. NADLER:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Religious Liberty Protection Act of 1999".

SEC. 2. PROTECTION OF RELIGIOUS EXERCISE.

(a) GENERAL RULE.—Except as provided in subsection (b), a government shall not substantially burden a person's religious exercise—

(1) in a program or activity, operated by a government, that receives Federal financial assistance; or

(2) in any case in which the substantial burden on the person's religious exercise affects, or in which a removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes;

even if the burden results from a rule of general applicability.

(b) EXCEPTION:—A government may substantially burden a person's religious exercise if the government demonstrates that application of the burden to the person—

(1) is in furtherance of a compelling governmental interest; and

(2) is the least restrictive means of furthering that compelling governmental interest.

(c) REMEDIES OF THE UNITED STATES.—Nothing in this section shall be construed to authorize the United States to deny or withhold Federal financial assistance as a remedy for a violation of this Act. However, nothing in this subsection shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or the United States or any agency, officer, or employee thereof under other law, including section 4(d) of this Act, to institute or intervene in any action or proceeding.

SEC. 3. ENFORCEMENT OF CONSTITUTIONAL RIGHTS.

(a) PROCEDURE.—If a claimant produces prima facie evidence to support a claim alleging a violation of the Free Exercise Clause or a violation of a provision of this Act enforcing that clause, the government shall bear the burden of persuasion on any element of the claim; however, the claimant shall bear the burden of persuasion on whether the challenged government practice, law, or regulation burdens or substantially burdens the claimant's exercise of religion.

(b) LAND USE REGULATION.—

(1) LIMITATION ON LAND USE REGULATION.—

(A) Where, in applying or implementing any land use regulation or exemption, or system of land use regulations or exemptions, a government has the authority to make individualized assessments of the proposed uses to which real property would be put, the government may not impose a substantial burden on a person's religious exercise, unless the government demonstrates that application of the burden to the person is in furtherance of a compelling governmental interest and is the least restrictive means of furthering that compelling governmental interest.

(B) No government shall impose or implement a land use regulation in a manner that does not treat religious assemblies or institutions on equal terms with nonreligious assemblies or institutions.

(C) No government shall impose or implement a land use regulation that discriminates against any assembly or institution on the basis of religion or religious denomination.

(D) No government with zoning authority shall unreasonably exclude from the jurisdiction over which it has authority, or unreasonably limit within that jurisdiction, assemblies or institutions principally devoted to religious exercise.

(2) FULL FAITH AND CREDIT.—Adjudication of a claim of a violation of the Free Exercise Clause or this subsection in a non-Federal forum shall be entitled to full faith and credit in a Federal court only if the claimant had a full and fair adjudication of that claim in the non-Federal forum.

(3) NONPREEMPTION.—Nothing in this subsection shall preempt State law that is equally or more protective of religious exercise.

SEC. 4. JUDICIAL RELIEF.

(a) CAUSE OF ACTION.—A person may assert a violation of this Act as a claim or defense in a judicial proceeding and obtain appropriate relief against a government. Standing to assert a claim or defense under this section shall be governed by the general rules of standing under article III of the Constitution.

(b) ATTORNEYS' FEES.—Section 722(b) of the Revised Statutes (42 U.S.C. 1988(b)) is amended—

(1) by inserting "the Religious Liberty Protection Act of 1998," after "Religious Freedom Restoration Act of 1993,"; and

(2) by striking the comma that follows a comma.

(c) PRISONERS.—Any litigation under this Act in which the claimant is a prisoner shall be subject to the Prison Litigation Reform Act of 1995 (including provisions of law amended by that Act).

(d) AUTHORITY OF UNITED STATES TO ENFORCE THIS ACT.—The United States may sue for injunctive or declaratory relief to enforce compliance with this Act.

(e) PERSONS WHO MAY RAISE A CLAIM OR DEFENSE.—A person who may raise a claim or defense under subsection (a) is—

(1) an owner of a dwelling described in section 803(b) of the Fair Housing Act (42 U.S.C. 3603(b)), with respect to a prohibition relating to discrimination in housing;

(2) with respect to a prohibition against discrimination in employment—

(A) a religious corporation, association, educational institution (as described in 42 U.S.C. 2000e-2(e)), or society, with respect to the employment of individuals who perform duties such as spreading or teaching faith, other instructional functions, performing or assisting in devotional services, or activities relating to the internal governance of such corporation, association, educational institution, or society in the carrying on of its activities; or

(B) an entity employing 5 or fewer individuals; or

(3) any other person, with respect to an assertion of any other claim or defense relating to a law other than a law—

(A) prohibiting discrimination in housing and employment, except as described in paragraphs (1) and (2); or

(B) prohibiting discrimination in a public accommodation.

SEC. 5. RULES OF CONSTRUCTION.

(a) RELIGIOUS BELIEF UNAFFECTED.—Nothing in this Act shall be construed to authorize any government to burden any religious belief.

(b) RELIGIOUS EXERCISE NOT REGULATED.—Nothing in this Act shall create any basis for restricting or burdening religious exercise or for claims against a religious organization, including any religiously affiliated school or university, not acting under color of law.

(c) CLAIMS TO FUNDING UNAFFECTED.—Nothing in this Act shall create or preclude a right of any religious organization to receive funding or other assistance from a government, or of any person to receive government funding for a religious activity, but this Act may require government to incur expenses in its own operations to avoid imposing a burden or a substantial burden on religious exercise.

(d) OTHER AUTHORITY TO IMPOSE CONDITIONS ON FUNDING UNAFFECTED.—Nothing in this Act shall—

(1) authorize a government to regulate or affect, directly or indirectly, the activities or policies of a person other than a government as a condition of receiving funding or other assistance; or

(2) restrict any authority that may exist under other law to so regulate or affect, except as provided in this Act.

(e) GOVERNMENTAL DISCRETION IN ALLEVIATING BURDENS ON RELIGIOUS EXERCISE.—A government may avoid the preemptive force of any provision of this Act by changing the policy that results in the substantial burden on religious exercise, by retaining the policy and exempting the burdened religious exercise, by providing exemptions from the policy for applications that substantially burden religious exercise, or by any other means that eliminates the substantial burden.

(f) EFFECT ON OTHER LAW.—In a claim under section 2(a)(2) of this Act, proof that a substantial burden on a person's religious exercise, or removal of that burden, affects or would affect commerce, shall not establish any inference or presumption that Congress intends that any religious exercise is, or is not, subject to any other law.

(g) BROAD CONSTRUCTION.—This Act should be construed in favor of a broad protection of religious exercise, to the maximum extent permitted by its terms and the Constitution.

(h) SEVERABILITY.—If any provision of this Act or of an amendment made by this Act, or any application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provision to any other person or circumstance shall not be affected.

SEC. 6. ESTABLISHMENT CLAUSE UNAFFECTED.

Nothing in this Act shall be construed to affect, interpret, or in any way address that portion of the first amendment to the Constitution prohibiting laws respecting an establishment of religion (referred to in this section as the "Establishment Clause"). Granting government funding, benefits, or exemptions, to the extent permissible under the Establishment Clause, shall not constitute a violation of this Act. As used in this section, the term "granting", used with respect to government funding, benefits, or exemptions, does not include the denial of government funding, benefits, or exemptions.

SEC. 7. AMENDMENTS TO RELIGIOUS FREEDOM RESTORATION ACT.

(a) DEFINITIONS.—Section 5 of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–2) is amended—

(1) in paragraph (1), by striking "a State, or subdivision of a State" and inserting "a covered entity or a subdivision of such an entity";

(2) in paragraph (2), by striking "term" and all that follows through "includes" and inserting "term 'covered entity' means"; and

(3) in paragraph (4), by striking all after "means," and inserting "any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution.".

(b) CONFORMING AMENDMENT.—Section 6(a) of the Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb–3(a)) is amended by striking "and State".

SEC. 8. DEFINITIONS.

As used in this Act—

(1) the term "religious exercise" means any exercise of religion, whether or not compelled by, or central to, a system of religious belief, and includes (A) the use, building, or conversion of real property by a person or entity intending that property for religious exercise; and (B) any conduct protected as exercise of religion under the first amendment to the Constitution;

(2) the term "Free Exercise Clause" means that portion of the first amendment to the Constitution that proscribes laws prohibiting the free exercise of religion and includes the application of that proscription under the 14th amendment to the Constitution;

(3) the term "land use regulation" means a law or decision by a government that limits or restricts a private person's uses or development of land, or of structures affixed to land, where the law or decision applies to one or more particular parcels of land or to land within one or more designated geographical zones, and where the private person has an ownership, leasehold, easement, servitude, or other property interest in the regulated land, or a contract or option to acquire such an interest;

(4) the term "program or activity" means a program or activity as defined in paragraph (1) or (2) of section 606 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–4a);

(5) the term "demonstrates" means meets the burdens of going forward with the evidence and of persuasion; and

(6) the term "government"—

(A) means—

(i) a State, county, municipality, or other governmental entity created under the authority of a State;

(ii) any branch, department, agency, instrumentality, subdivision, or official of an entity listed in clause (i); and

(iii) any other person acting under color of State law; and

(B) for the purposes of sections 3(a) and 5, includes the United States, a branch, department, agency, instrumentality or official of the United States, and any person acting under color of Federal law.

The SPEAKER pro tempore. Pursuant to House Resolution 245, the gentleman from New York (Mr. NADLER) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the amendment in the nature of a substitute. I will not repeat the arguments I made during the general debate as to why the underlying legislation is very necessary. I think the vast majority of the Members of this House agree with that proposition.

The real question is whether it is appropriate to ensure that this legislation, once enacted, while providing an effective shield for the religious rights of all Americans, will not be used as a sword against the civil rights of other Americans. I believe the amendment in the nature of a substitute strikes that balance, and does so without doing violence to the underlying purpose of the bill.

Members who support this legislation need not be concerned that the substitute will nullify its protections in any way. It is no secret there is substantial concern that establishing a standard that says a State and local law cannot be enforced in any case where someone raises a religious claim, unless the State can show a compelling interest in enforcing its law in the specific case, causes concerns about whether religious claims will prevail against State and local civil rights laws.

The Committee on the Judiciary has received testimony from some supporters of this bill who have testified very forthrightly that they have and will continue to bring free exercise litigation in an effort to undermine some civil rights protections.

While those religious beliefs may be sincere and entitled to a fair hearing, I think it is necessary to strike an appropriate balance without broad carve-outs and without politicizing the process, if that is possible.

The amendment recognizes that religious rights are rights that belong to individuals and to religious assemblies and institutions. General Motors does not have sincerely held religious beliefs, by its nature. My amendment protects individual and religious institutions.

In order to protect civil rights laws against the person who would say, "My religion prohibits me from letting my corporation hire a divorced person or a disabled person, or a mother who should be at home with her children, or a gay or a lesbian person, and it prohibits me from letting my hotel rent a room to such people," never mind the

State civil rights laws that prohibit this kind of discrimination, in order to protect civil rights laws against that sort of religious claim, the amendment places some limits on who may raise a claim under this bill against the application of a State or local law.

Any person would have standing, any person would have standing under this amendment to raise any claim with respect to any issue, with the following narrow exceptions: A claim against the housing discrimination law could be raised only by a small landlord who was exempted by the terms of the Fair Housing Act; a claim against an employment discrimination law could be raised only by a small business with five or fewer employees, in accord with the general practice of exempting very small businesses from employment discrimination laws or by a church or other religious institution or religious school exercising its right to decide whom to employ based on its religious beliefs.

With these exceptions, businesses of any size could bring any free exercise claims. This is important for the mom and pop store that has difficulties with Sunday closing laws, or with laws allowing malls requiring stores to remain open 7 days a week, as well as for large firms that, for example, produce kosher meat or other products.

The amendment recognizes that in protecting any rights, we are always balancing other peoples' rights. The courts do it, we do it, and there is no way around it. I think this amendment accomplishes that end.

I can tell the Members that a great deal of work and consultation, both with members of the religious coalition which is supporting this bill and with other civil rights groups, has gone into developing this language. It provides a basis to enact a bill that will pass and that will protect people who are in need of protection.

I know there are those who will object that this amendment is a carve-out, a set of exceptions to a general religious protection principle that will set a precedent for many more exceptions and could lead to gutting of the bill, to rendering our first freedom a hollow shell. I disagree.

In the first instance, this bill already has a carve-out that breaks the absolute, the principle of indivisibility that we must never have carve-outs. This bill limits the right of prison inmates to raise otherwise valid claims under the bill by specifically referencing the Prison Litigation Reform Act.

So we already have a carve-out in the bill. This is simply a second carve-out. The question is not should we have a carve-out, but is it important, worthwhile, and valid? I submit that to protect civil rights laws from possible claims under this bill, it is a valid protection.

Secondly, it is not a carve-out in the sense that, for instance, the prison carve-out is, where it simply says, this shall not apply by reference, or this shall not apply to this or that law. It is a limitation, a narrow limitation on standing which would be very difficult to extend further and which should not be extended any further.

I believe that without good faith compromise by people with vastly different beliefs, it would be difficult to get this bill through the Senate, through the House, and through the President. That was our experience with RFRA, and nothing has changed.

This amendment provides an opportunity to find the consensus we need to protect the rights of all Americans. If we could not draft this amendment, Mr. Speaker, if we had a stark choice in which we said we can either protect the free exercise of religious rights of people from the damage the Supreme Court has done to it at the expense of the civil rights of other Americans, or we can protect the civil rights of Americans but not their religious rights, that would be a terrible choice, indeed.

This amendment offers us a way to do both, protect the religious liberties we need to protect, as the gentleman from Florida (Mr. CANADY) and others have so eloquently expressed, but to do so without violating or posing a threat to civil rights of Americans.

We ought to do it in the proper way without posing a threat to the civil rights of Americans. I therefore urge my colleagues to adopt this substitute amendment and, reluctantly, if the substitute is not adopted, I will urge my colleagues to vote against the bill so that we can have, further in the process, better odds of getting this amendment or something like this into the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CANADY of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do rise in opposition to the amendment in the nature of a substitute offered by my colleague, the gentleman from New York (Mr. NADLER). I at the outset would like to say that I know that the gentleman from New York (Mr. NADLER) is passionately committed to the protection of religious liberty in this country, and I believe that he has a sincere desire to deal with this issue in a responsible manner.

But I am concerned that in his efforts to develop language that will be acceptable to groups such as the ACLU, who have asserted concerns about this bill, concerns that I might add are based not on any current problems with the bill but on sheer speculation, he has varied from the principle that truly animates this bill.

In his efforts to address the concerns that a few groups have raised on the far left, he has denigrated, unintentionally, I will concede, unintentionally denigrated protection for religious liberty. Therefore, I would urge all Members to vote against the substitute that the gentleman has offered.

Again, Mr. Speaker, I want to express my utmost respect for the gentleman from New York. I know that he is passionately committed on this issue. I simply think that he has made a particular compromise here with the principle underlying this bill that we should not make, and that the House should reject this amendment for that reason.

Mr. Speaker, H.R. 1691 is designed to provide the fundamental civil right of all Americans to practice their religion with a high level of protection, consistent with other fundamental rights. The Nadler amendment would subordinate religious liberty to all other civil rights, perpetuating the second class status for religious liberty that the court in effect created in the Smith case.

I do not think that is the gentleman's intent, but that is the actual effect of what his amendment does. We cannot get away from it. That is what it will do. That is not something that this Congress should countenance.

□ 1300

Like the Religious Freedom Restoration Act, the Religious Liberty Protection Act is intended to provide a uniform standard of review for religious liberty claims. H.R. 1961 employs the "compelling interest/least restrictive means" test for all Americans who seek relief from substantial burdens on their religious exercise.

Under the amendment offered by the gentleman from New York, only a preferred category of plaintiffs are granted this protection. The gentleman can describe it as a "carve in" or a "carve out," but the fact is some people are not going to get the protection that the bill would otherwise afford them.

While H.R. 1691 would restore the strong legal protection for religious freedom that was taken away by the Supreme Court in the Smith case, the Nadler amendment in effect perpetuates the weaker standard by intentionally excluding certain types of religious liberty claims from strict scrutiny review.

One reason the gentleman has expressed for the limitation on claims to businesses of five or fewer employees is to preclude General Motors from filing a religious liberty claim as a ruse to discriminate against people. With all due respect to the gentleman from New York, I think that no one who has seriously looked at this law could conclude that General Motors would have any claim under the Religious Liberty Protection Act. The argument that General Motors would have such a claim ignores the requirement of the bill that a claimant prove that his religious liberty has been substantially burdened by the government.

I do not think that General Motors or Exxon Corporation or any other such large corporation that the gentleman wants to bring forward as an example could come within a mile of showing that anything that was done would substantially infringe on their religious beliefs. They do not have a religious belief. They do not have a religious practice. It is not in the nature of such large corporations to have such religious beliefs or practices. So I think that that argument about Exxon and General Motors is, quite frankly, a bit of a red herring.

The gentleman from New York admits that his amendment does not track Title VII's exemptions from civil rights laws for religious institutions. He does not explain why he thinks that Congress ought to, in this bill, provide less protection for religious institutions than it has provided for so many years under Title VII. The Nadler amendment would restrict claims to the employment of people "spreading or teaching the faith . . . performing . . . in devotional services or" involved "in the internal governance" of the institution.

Title VII on the other hand states its provisions barring discrimination in employment "shall not apply . . . to a religious corporation, association, educational institution or society with respect to the employment of individuals of a particular religion . . . to perform work connected with the carrying on by [a religious institution] of its activities.

Federal courts have recognized that this special provision for religious institutions is a broad one and permits those entities, churches, synagogues, schools, which are covered by it to discriminate on the basis of religion "in the hiring of all of their employees."

Mr. Speaker, if the Nadler amendment passes, Congress will have departed from the long-standing protection that it has afforded churches, synagogues, parochial schools and all other religious institutions for decades by embodying in Federal law for the first time a narrower protection for the religious liberty of religious institutions. There is no good reason to depart from the policy of protection for religious organizations established in Title VII.

I think it is worth noting that the groups that urge adoption of this amendment did not find similar fault with the Religious Freedom Restoration Act. And I know that is not something that the proponents of this amendment want to hear about. That was then and this is now. But all the arguments related to civil rights that have been advanced today were equally applicable to the Religious Freedom Restoration Act.

On a general point about civil rights, the President and the administration have expressed their strong support for this legislation. I cannot speak for the President, but I have read the letter that was sent. Strong support is expressed.

The President was a strong proponent of the Religious Freedom Restoration Act, and I know he views that legislative accomplishment as something that was very significant. I think it is strange a bit to claim that this bill, which is strongly supported by the administration, poses such a great threat to civil rights. It just does not stand up to serious consideration. That sort of argument just does not.

With all due respect to the gentleman from New York, I must suggest that I do not believe the President would express his strong support for a bill that would have the impact that some others have suggested it would have.

Mr. Speaker, we go back to RFRA, the ACLU-supported RFRA. Now they have changed their minds. What triggered this objection? I think what all of this is about, if we get right down to the facts of what is motivating this, was a 9th Circuit case in which a small religious landlord challenging a housing law was granted an exemption from compliance. This should not be a cause for alarm. It is clear from the case law that under strict scrutiny sometimes religious landlords win their claims for exemption, sometimes they do not depending upon the facts of the case.

H.R. 1691 will continue in this tradition weighing and balancing competing interests based on real facts before the Court. Religious interests will not always prevail, nor will those of the government. But the Nadler amendment would determine in advance that the interest of the Government will always prevail in certain cases. This is not what this Congress intended when it passed RFRA unanimously here in the House and is not the type of law I believe the American citizens want their Congress to enact.

Let me finally say that H.R. 1691 remedies the Smith case's tragic outcome which resulted in only politically influential people being able to obtain meaningful protection of their religious freedom against a neutral law of general applicability.

The Nadler amendment, on the other hand, exemplifies the problem created in the Smith case by legislatively doling out protection only to politically influential classes of claimants, or perhaps more accurately denying protection to politically not influential classes of claimants. Now, that is not the way we should be operating when we are dealing with religious liberty. Religious liberty should not be put in a second-class status to other civil rights. That is just not right.

Now, we are not saying in this bill that religious freedom always takes precedent over everything else. That is not what the bill does, and the gentleman knows that, and anyone who has read the bill knows that. But those of us who oppose this amendment are simply saying that it is not right to establish as a matter of Federal policy in this bill that protection for the free exercise of religion, protection for the civil right of the exercise of religion is in second-class status behind other civil rights.

So on that basis I would urge the Members of the House to reject the amendment offered by the gentleman from New York (Mr. NADLER) and move forward to the passage of this bill which has such broad support from the religious community. As we have noted earlier, it is truly remarkable that such a diverse group of religious organizations have joined together in support of any legislation. It is an unusual circumstance when we can come to the floor with such broad support. We have that broad support in the religious community. We have the support of the administration.

Mr. Speaker, I would like to thank the Department of Justice for the work that they have done in helping us craft this legislation and addressing various concerns that had existed. They were very helpful in making suggestions which I think have strengthened the bill; and I, as the chief sponsor of this legislation, want to express my gratitude to the Attorney General for the assistance that was provided.

We need to get on with this job. This is a problem that we have been struggling with since 1990, nearly a decade. Congress tried to address the problem back in 1993 during my first term as a Member of Congress. The effort we have made then has proved to not be successful in the way that we intended it. We have come back to the drawing board, and we have an approach here which we think will do the job within the constraints that the Supreme Court has imposed on us.

Mr. Speaker, the House should listen to the voice of the religious community. The House should reject this weakening amendment and pass this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield 2½ minutes to the gentleman from New York (Mr. WEINER), a member of the committee.

Mr. WEINER. Mr. Speaker, as a member of the Committee on the Judiciary I have found a comfortable place standing somewhere between the gentleman from Florida (Mr. CANADY) and the gentleman from New York (Mr. NADLER), and on this issue I believe I am there again. I want to commend the gentleman from Florida for drafting an excellent bill, one that I am proud to cosponsor. And I also am proud to support the amendment offered by the gentleman from New York, which I believe makes a good bill a little bit better.

In 1963, the Supreme Court issued an important decision in Sherbert vs. Verner. In that case a South Carolina woman was denied unemployment compensation. Her denial was not based on any lack of interest in working but because she refused to work on Saturdays. South Carolina tried to argue that this woman had refused an employment opportunity. This, however, was not the case. Ms. Sherbert observed the Sabbath and she did no work from sundown Friday to sundown Saturday. The same is true for so many of my constituents.

Her religious beliefs demanded that she decline employment opportunities that involved Saturday work, but her State saw fit to deny her unemployment compensation. Her case was litigated all the way to the Supreme Court, and there the Court held that the State's refusal violated the free exercise clause because its denial of unemployment compensation forced Mrs. Sherbert to choose between religious adherence and unemployment compensation benefits.

The Court rightly ruled that South Carolina's interest in denying benefits was neither compelling nor was it narrowly tailored. Unfortunately, since that time the Supreme Court has retreated from that position and there have been several other examples that have emerged.

The bill that the gentleman from Florida (Mr. CANADY) and I and others have sponsored seeks to reverse that. And I believe that the gentleman from New York (Mr. NADLER) has said in his arguments on the floor that he supports that concept. It is something that all of us agree on. The gentleman from Florida has argued, and I agree, that this is not a bill that is intended to be an attack on civil liberties. What the Nadler amendment seeks to do is make that clear. Make it clear that in our efforts to restore religious liberties we are not taking a hatchet to civil liberties. I would not have sponsored the bill if I thought that that was the case.

Mr. Speaker, I think that what the Nadler language does is make it very clear that while we are going to have conflicts between religious rights and between civil liberties with or without H.R. 1691, what this amendment makes clear is where we stand, and that is we are not trying to take from one group of rights to serve another group. The Nadler amendment strengthens what is already a very good and a strong bill. It allows us to all vote for strong civil liberties and strong religious liberties.

Mr. Speaker, I urge my colleagues to support H.R. 1691, and I urge support for the amendment offered by the gentleman from New York.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. HYDE), chairman of the House Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I would like to ask the gentleman from New York (Mr. NADLER) to listen to what I say and tell me if I am wrong. I want to make sure I understand the impact of his amendment.

It seems to me that what the gentleman is seeking to do is to carve out, lift from under the umbrella of this bill civil rights. And among the civil rights that he interprets are what are sometimes known as gay rights, that is the right of homosexuals to practice their homosexuality. And, therefore, that becomes a preferred right and the free exercise of religion becomes subordinate to that. Mr. Speaker, I would ask the gentleman if I am correct.

Mr. NADLER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. NADLER. Mr. Speaker, no, the gentleman from Illinois is not correct. The amendment makes no mention of gay rights or any other particular right, establishes no preferred status for anything.

The amendment limits standing as to who may bring a claim under this bill. And it says anybody may bring a claim, except with respect to housing discrimination small landlords only may bring a claim. With respect to hiring discrimination, small businesspeople or churches and religious institutions only may bring a claim. Who benefits from that depends on State and local law. That could be anybody. In other words, who can bring a claim against a State or local law.

Mr. HYDE. Mr. Speaker, reclaiming my time, it seems to me that absent the gentleman's amendment, the bill itself restores the compelling-interest standard which obtained before the SMITH case and that the question of which civil right trumps the free exercise of religion can be left to the States on a case-by-case basis.

□ 1315

Therefore, the amendment of the gentleman from New York (Mr. NADLER) is really not needed.

Mr. NADLER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. Surely. I yield to the gentleman from New York.

Mr. NADLER. Mr. Speaker, I think the gentleman from Illinois has got it backwards. The bill without the amendment does not lead to the decision of the States, what trumps what. Any State law would be trumped if the court finds that the State does not have a compelling State interest. If the court finds it has a compelling State interest, it is not trumped.

This amendment in effect takes out from that question and gives more effect to the State law in the limited cases of housing and employment discrimination with a carve-out from that provision for churches, small landlords, and small businesspeople.

Mr. HYDE. Mr. Speaker, it just seems to me the gentleman from New York is unduly complicating what is essentially not a complicated proposition. The civil rights that may or may not be jeopardized and any conflict with the free exercise of religion can be protected and will be protected on a case-by-case basis without the complexity of the gentleman's amendment.

So I just take this time to congratulate the gentleman from Florida (Mr. CANADY) for a very important bill and his persistence in getting it to this point. I support it without the Nadler amendment.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank the gentleman from New York (Mr. NADLER) for yielding me this time and for his leadership on this very, very important issue.

Certainly we all support the spirit of the Religious Liberty Protection Act, and I also commend the maker of H.R. 1691 for bringing it to the floor.

In its current form, however, the bill could undermine existing civil rights laws. We do need the Religious Liberty Protection Act. But, as I say, it could also, in its present form, undermine ongoing efforts to extend much-needed legal protections to currently unprotected and deserving individuals who suffer discrimination.

While the Religious Liberty Protection Act was designed to protect an individual's exercise of religion from the overreach of government, law, and regulation, I believe this act would itself overreach and could undermine laws that prohibit discrimination on the basis of disability, marital status, and parental status.

If this law passes without the Nadler amendment, individuals with disabilities, unmarried cohabitating couples, and single mothers could face more legal discrimination.

We would all, I think, oppose a measure that would allow an individual to use his or her religious exercise rights as a basis for legal claim to circumvent civil rights laws. I do not think there is any argument about that.

We would, none of us, ever permit this rationale to be used to permit discrimination on any basis of race against African Americans or Asian Americans. Yet, discrimination clearly and harshly continues against other individuals and groups. If the issue were race, we would not be having this debate. We would all stipulate that that discrimination should not take place.

This same principle should apply to these populations that could be adversely affected. That is why the Consortium for Citizens with Disabilities, the National Organization for Women, the Human Rights Campaign, and I might add, Mr. Speaker, the American Association of Pediatricians seek a civil rights solution to this bill. The amendment of the gentleman from New York (Mr. NADLER) offers that.

I think that we must support the underlying bill, if and only if the Nadler amendment passes. I thank the gentleman for his leadership on this legislation.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The gentleman from Florida (Mr. CANADY) has 15 minutes remaining. The gentleman from New York (Mr. NADLER) has 18 minutes remaining.

Mr. CANADY of Florida. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I thank the gentleman from Florida (Mr. CANADY) for yielding me this time. I also appreciate the comments that have been made by the gentleman from New York (Mr. NADLER) and by the gentlewoman from California (Ms. PELOSI) about the importance of this legislation, the reasons we need to move forward with it. Their commitments in the past in this area have been significant.

I would just like to say today that I think really what we are talking about here is the status of this right of religious liberty. When the gentleman from New York (Mr. NADLER) mentioned earlier his amendment would allow us to show what trumps what, I think that is exactly why I wanted to speak on this topic today, because I think we need to be careful that we do not create a second-class status for religious rights where those rights are automatically secondary to other rights. We should not be deciding that those rights are trumped by other rights. That is not what we are about here.

This legislation, as it is written, gives the fundamental civil right of all Americans to practice their religion a high level of protection. It is consistent with the other fundamental rights that we give in the Constitution and in our laws.

This legislation is consistent with title VII's long-standing exemptions for employees of religious institutions. There is nothing in this legislation that continues that.

This legislation establishes a process where we weigh and balance competing interests based on the real facts before the court. Religious interests, as defined here, would not always prevail, but they would not automatically be secondary. The facts that support those rights have equal standing in court with other rights equally protected by the Constitution.

I believe, and those of us in this body universally believe, that this is a government based on enumerated powers. Those powers are enumerated in the Constitution. Those enumerated powers are evidenced in this legislation.

This Act relies on three congressional powers: the power to spend, the power to regulate interstate commerce, the power to reach certain conduct under section 5 of the 14th amendment.

First of all, the Religious Liberty Protection Act protects individuals participating in federally assisted programs from burdens imposed by a government as a condition of participating, that those people could not be exempted from these programs because of their religious beliefs.

For example, an individual cannot be excluded from or discriminated against in a federally assisted program because of his or her religious dress or the holidays that they observe unless one can prove there is a compelling interest that that particular religious activity somehow makes it impossible to do that job.

Secondly, this Act protects religious exercise in the affecting of commerce. Some of our friends say we should not use the commerce clause here to determine whether or not a church can be built. Well, clearly, if one builds a church, if one adds on it a facility, one affects tens of thousands, sometimes hundreds of thousands, occasionally millions of dollars of commerce.

Using the commerce clause to protect religious liberty is appropriate and obvious. Because the commerce clause has sometimes been used in onerous ways does not mean we should shy away from using it for good or that we should shy away from using it to protect this freedom, to protect religious freedom.

Third, this legislation makes the use of the power of Congress to enforce the rights under section 5 of the 14th amendment consistent with recent court decisions, particularly the Supreme Court's decision in Boerne v. Flores.

What this does, it attempts to simplify litigation of free exercise violations as defined by the Supreme Court. These litigations do not need to be cumbersome. They do not need to be needlessly burdensome. Certainly no right in these litigations needs to be secondary to other rights in these litigations.

Evidence shows that individuals who have determinations in land use regulation that work against them, frequently we see that as a burden for religious activities. We see that particularly as it relates to minority faiths, and this bill reaches out and protects those minority faiths. We know that from the evidence of the very broad base of groups that are supporting this legislation today.

Again, I would like to close by simply saying that this legislation levels the playing field for a critical first amendment right. It does not allow the creation of a secondary right.

I think the Nadler substitute, while well intentioned, and I really admire what the gentleman from New York (Mr. NADLER) has done in these areas in the past, while this amendment is well intentioned, I think it does have the potential and the likelihood, and, in fact, what I think it does is relegate religious freedom and religious liberty and religious practice and religious rights to a secondary position. I think we need to have those rights as protected as any other right. Those decisions can be made by the court.

I support the bill and oppose the amendment, but I do so with deference to the sponsor of the amendment.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank him for his strong leadership on so many issues. I rise in support of the Nadler amendment.

The Religious Liberty Protection Act is a well-intentioned bill with a noble purpose. No State or local government should be able to restrict legitimate religious practices such as the wearing of a yarmulke or a crucifix or the celebration of certain religious holidays. But if we are not careful, then this well-intentioned bill may be used to weaken our Nation's civil rights laws.

Without the Nadler amendment, this bill could threaten the rights of single mothers, gays and lesbians, the disabled, and even perhaps members of certain religious groups.

Unfortunately, the Supreme Court retreated from Sherbert in 1990, and since then the courts and the Congress have engaged in a decade-long dialog over how to properly guarantee that all of our citizens are able to freely exercise their religious beliefs. This is not an academic debate being conducted in ivory towers and judicial chambers. Rather, this is a real-world issue of deep concern to my constituents and to Americans everywhere.

For example:

The Jewish principle of kavod hamet mandates that a dead body is not left alone from the moment of death until burial. For this reason, autopsies, in all but the most serious situations, are forbidden. Following the Supreme Court's ruling in 1990, courts in both Michigan and Rhode Island forced Jewish families of accident victims to endure intrusive government autopsies of family members, even though the autopsies directly violated Jewish law.

In Los Angeles, a court declined to protect the rights of fifty elderly Jews to meet for prayer in the Hancock Park area, because Hancock Park had no place of worship and the City did not want to create precedent for one.

In Tennessee, a Mormon church was denied a permit to use property which had formerly been used as a church. The city of Forest Hills, Tennessee decided it would not be in the best interests of the city to grant the church a construction permit and a local judge upheld the decision.

This bill could be used to deny housing or employment or otherwise discriminate against individuals based on their race, sexual orientation, disability, or marital status.

Mr. Speaker, there is no justification for discrimination. Our Nation has made enormous strides in the past 30 years toward offering equal opportunities for all, regardless of race, gender, religion, or sexual orientation.

We must not undo that progress under the guise of protecting religious freedom. But we also need to protect religious freedom. I urge my colleagues to support the Nadler amendment.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. DEUTSCH).

Mr. DEUTSCH. Mr. Speaker, I rise today in support of the Nadler substitute. In the 103rd Congress, I was an original cosponsor of the Religious Freedom Restoration Act. I would take second place to no one in this Chamber in terms of a concern about religious liberty protection. I take that very, very seriously. I understand the intent of this legislation as well.

But I think all of us who have looked at this legislation realize that the legislation will have an incredibly unfortunate consequence and that would be to allow the overturning of anti-discrimination statutes in the United States of America, statutes which are really at a fundamental core of the American experience.

There are well-intentioned, good arguments on both sides of this legislation. I think we come to this in one of our really better moments as an institution. But I really ask and I really plead with my colleagues who are contemplating not supporting the Nadler amendment to really spend the time to understand specifically what the effect of this legislation would do.

It will in fact, and I do not think there is an argument about this at all, it would in fact change protection that exists under present law against discrimination, whether Federal, whether State, whether county or local discrimination statute.

□ 1330

It would force them into courts. And I think all of us understand that there will be many cases, and we do not know the exact percentage of those cases, that the standards of compelling State interest will not be met.

And that really is the issue in front of us, that in terms of actual discrimination that is protected against today, if this legislation were to pass those protections would not exist and, in fact, that discrimination would occur.

And in the balancing that we are trying to do, it would not, under any circumstance with the Nadler substitute, deal with some of the parade of horribles that I support the protections of that the gentleman from Florida (Mr. CANADY) mentioned previously in terms of religious schools, dictating hiring practices of churches.

I urge my colleagues, I implore my colleagues to support the Nadler substitute.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in support of this legislation, and I think it is really important for us, when we are discussing discrimination and discussing how to treat each other decently in the society, to come to an honest analysis about whose ox is being gored in this society and whose toes are being stepped upon.

I think there is a wide consensus in our society today that people who live less traditional lives, let us say, or have different types of values, sexual values, et cetera, have a right to their privacy and a right to their personal lives and a right to live as they see fit in their own lives. But, frankly, in the last 10 years, what I have seen, which is very disturbing to me, is that people with more traditional views, especially more traditional Christian views, although I think that this is true of Muslims and Jewish people, who are deeply involved in their religious traditions as well, that those people are being told they cannot make determinations for themselves and for their lives and for their families that are consistent with their religious values.

I see the greatest victim of discrimination in our society today as being these people, these Christians, these Jews, these Muslims, who have more traditional religious values. If someone wants to have certain sexual activities, and this is what they desire and they do so in their privacy, there are very few people today who want the government to intrude in that.

But there seem to be a lot of people trying to force their way into the lives of others. For example, the Catholics cannot have a parade. They attempted to have a parade in New York, and people whose social lives and social values are totally in conflict with what Catholics believe feel that they can force their way into a Catholic parade, which is, to me, violating those Catholics' right to have their own beliefs.

We have the Boy Scouts of America, which is a private organization, and they have certain moral standards that they believe in. Now, who is under attack? Who is under attack here? The Boy Scouts of America are spending millions of dollars just to maintain what they consider to be their moral standards.

No one is out forcing their way into the homes of other people who want to live in their privacy and want to live decent lives with their own values in terms of whether or not they are in agreement with some of these more traditional values, but the ones with the traditional values are under attack all the time.

I think this piece of legislation is going to try to swing the pendulum back. Certainly 25 and 30 years ago there was great discrimination in our country against certain nonconformists, one might say, of people who had different than the traditional values. Today, that pendulum has swung so far in the opposite direction that people with more traditional values are under attack, and we need to protect their rights as well.

So this, I think, is a balance and I support the legislation.

Mr. NADLER. Mr. Speaker, I yield myself 15 seconds.

The views expressed by my friend from California are very interesting views. I would simply point out two things.

Number one, this bill does and is intended to protect religious freedom for traditional Christians and Jews and for untraditional people, for wiccans, witches, or whatever their religious views. And, secondly, this has nothing whatsoever to do with this amendment. It does with the bill, but not with this amendment.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WEXLER).

Mr. WEXLER. Mr. Speaker, I rise in support of the Nadler amendment, strong support, and in doing so acknowledge and recognize that H.R. 1691 and the sponsor, the gentleman from Florida (Mr. CANADY), seek to address very important wrongs that are occurring in the United States today. There are, in fact, numerous examples of planning and zoning decisions have are being made for the either inherent or obvious purpose of denying individuals or groups their religious freedom.

In my own community in South Florida, oftentimes there are autopsies that are conducted in violation or contrary to people's religious beliefs, when there is little or no State purpose for doing so. And the State acts either out of insensitivity or just out of lack of knowledge for people's religious beliefs. And I believe the purpose of this bill would be to correct those violations, and that I support and compliment.

But in doing so, there also is a flip side. The flip side is that in protecting one group's religious freedom, which is noble and certainly applaudable, we are, to some degree, and we can argue to what degree that is, but to some degree jeopardizing the rights of others.

And while the gentleman from California (Mr. ROHRABACHER) may suggest that people are trying to force themselves on maybe more traditional people in this country, I do not see it that way. What these so-called less traditional people are trying to do is work. They are trying to live in an apartment. And if that is forcing themselves on someone, well then, that is exactly why we need the Nadler amendment. Although, although, what the Nadler amendment seeks to do is both protect religious freedom and protect civil rights.

This bill, as it is currently drafted, puts us in an untenable situation, civil rights versus religious liberty. Support the Nadler bill.

Mr. NADLER. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The gentleman from New York (Mr. NADLER) has 12 minutes remaining, and the gentleman from Florida (Mr. CANADY) has 7 minutes remaining.

Mr. NADLER. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the Nadler amendment points out the problem of the underlying bill, and that is that without this amendment it may sabotage the enforcement of laws of general application, like civil rights laws, child protection laws and others. We should not subject vigorous enforcement of civil rights laws to individual beliefs.

We know that there are some in our society, and we have seen on Web sites the Church of the Creator, where some have strongly held beliefs about race, and we should not make civil rights laws optional. Without this amendment, those people who just do not believe in civil rights can require a showing of a compelling State interest and least restrictive means to complicate the enforcement of civil rights laws by declaring that the compliance with the civil rights laws might violate their beliefs.

Mr. Speaker, I would hope that we would not subject our civil rights laws it took us too long to enact and so long to enforce to this kind of situation. I would hope that we would adopt the Nadler amendment so these civil rights laws could be enforced.

Mr. CANADY of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. EDWARDS) for the purpose of a colloquy.

Mr. EDWARDS. Mr. Speaker, I would like to engage the chief sponsor of this legislation in a colloquy in order to address concerns that the bill advantages or disadvantages any group or ideological perspective.

Could the gentleman from Florida please explain how the compelling-interest standard works in this legislation?

Mr. CANADY of Florida. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS. I yield to the gentleman from Florida.

Mr. CANADY of Florida. Mr. Speaker, the compelling-interest standard is fair, but rigorous, not only for the government but also for religious claimants. The standard neither allows religious interests to always prevail, nor those of the government, even when its interests are compelling.

The standard weighs and then balances competing interests, first considering the burden on the claimant's interest and then evaluating the government's interest in disallowing an exemption to the law or regulation and the available alternatives for achieving the government's goals. The Religious Liberty Protection Act, like the Religious Freedom Restoration Act, does not define the various elements of the standard.

The legislation imposes a standard of review, not an outcome, and the cases are litigated on the real facts before the courts. Thus, it is difficult in some hypothetical cases to predict with certainty which interests will prevail.

Mr. EDWARDS. Reclaiming my time, Mr. Speaker, I would further ask if it is correct that the point of this legislation is that by adopting the compelling-interest standard Congress is acknowledging that courts will consider and weigh important interests behind these laws; and that because each religious claimant's situation is unique, it is appropriately left to the courts to weigh the competing interests; and that because the legislation is not designed to resolve any specific case or set of facts, it is neutral and does not directly address a specific outcome.

Mr. CANADY of Florida. That is correct.

Mr. EDWARDS. I thank the gentleman for this clarification.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I rise in support of the Nadler amendment and want to encourage my colleagues to support the amendment.

The thing that is really interesting about the debate on the Nadler amendment is how everybody seems to be claiming to be on the same side. The proponents of the underlying bill say, "Oh, no, we are not trying to trump civil rights laws." The gentleman from New York (Mr. NADLER) says, "Oh, no, we are not trying to trump religious use protection." And then we have people really claiming to be achieving the same objective, protecting religious freedom and protecting civil rights laws.

The problem is those same people started out together, and they have been together all along during this process. The gentleman from New York has been trying to get the proponents of the bill to accept his amendment from the very beginning. He has gone through different iterations of it, revisions of it, and here we are on the floor of the House with everybody still saying they support the same objective: "We do not want to undo civil right laws," they say, "but we are not going to support the Nadler amendment to make that clear."

Well, there is a third version. There is the NAACP Legal Defense Fund saying that the amendment of the gentleman from New York does not go far enough. I happen to agree with the Legal Defense Fund in its assessment, but I will tell my colleagues what I am prepared to do. Since everybody says they would like to work this out in the conference committee, and everybody is trying to achieve the same objective, I have decided that I will support the Nadler amendment and I will vote for the bill if the Nadler amendment is adopted and we can continue to work on this in conference.

The problem that I have is the people who keep telling me this is going to work itself out in conference are the people who have not given one inch, one word throughout the whole discussion of this process. We need to adopt this amendment and pass the bill; or, if we reject the amendment, we need to vote against the bill.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I was interested to hear the colloquy between the gentleman from Texas (Mr. EDWARDS) and the gentleman from Florida (Mr. CANADY). It reinforces the central point. This bill is a Federal act that says to Federal judges, "Go forth and pick and choose amongst State laws."

This empowers Federal judges to decide what is the compelling interest according to the State and what is not.

□ 1345

And if a State has said they are going to protect them if they are unmarried and seek with their child to get housing, it will be up to the Federal judge to decide whether that State law beats a religious objection; if they are gay or lesbian, it will be up to the Federal judge to decide whether the State law in Connecticut or Wisconsin or Minnesota or California is overridden; if they are an unmarried couple seeking to live together, it will be up to the Federal Government to judge whether or not they can rent an apartment from a corporation, the stockholders of which said it is their religious objection.

The gentleman from California (Mr. ROHRABACHER) cited the Boy Scouts and the March. Let us be very clear. Neither one of those has the remotest thing to do with this bill. Both of those entities, the people having the parade and the Boy Scouts, are already protected under the law. Nothing in the law would add to that protection. But, on the other hand, nothing in the Nadler amendment would detract one iota.

The gentleman from New York (Mr. NADLER) says this: If they seek to live somewhere in a non-owner-occupied building or a very large apartment building, or if you seek a job with an employer with more than five people, if they can do the job, if they can pay the rent, their personal habits, whether they are married or not, whether they are gay or not, whether they have some particular affliction or not that might offend someone's religion will not keep them off of the work rolls, it will not keep them out of that house.

We do not impinge on anybody's individual religious practice. Nobody goes into anybody's home. No one is involved here, under the Nadler amendment, with the ability to interfere.

We are saying that they should not say where a State has said they wish to protect them based on their sexual orientation or their marital status or the fact that they have children. They should not allow Federal judges selectively to overrule those because those Federal judges do not find the State's policy a compelling interest.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The gentleman from Florida (Mr. CANADY) has 5½ minutes remaining. The gentleman from New York (Mr. NADLER) has 7 minutes remaining.

Mr. CANADY of Florida. Mr. Speaker, I yield 2½ minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, first of all, I would like to commend the gentleman from Florida (Mr. CANADY) for his excellent work in defending our Constitution and the first freedom enumerated there.

In fact, we all know from our history that our forefathers came to this country for religious liberty. And it was not a coincidence that when they drafted our Constitution the very first right that they enumerated was the right to religious liberty. And this right has been unquestioned in our country until 1990.

Of all things, in 1990, the Supreme Court of the United States, in a 5-4 decision, questioned the right of every citizen to our right to full expression of our religious freedoms and beliefs. There was a long-standing principle that the State had to have a compelling reason to interfere with that right, and they did away with that.

I am happy to say that this Congress, in 1993, with only three dissenting votes, passed legislation again saying that the Government has to have a compelling reason to interfere with our religious liberties. President Clinton signed that legislation.

Unfortunately, the Supreme Court came back and basically said, we cannot do that; it is unconstitutional for the Congress to try to protect our freedom of religion. Thank goodness they had not done 'that with some of our other freedoms.

So we are here today again. And I will say to my colleagues that, as a Congress, all three branches of government have an obligation and a duty to protect our constitutional rights and our freedom. It is not the sole responsibility of the Supreme Court, particularly in this case where the Supreme Court has shirked that responsibility and has actually taken away a freedom guaranteed in our Constitution.

I would hope that every Member of this body, with not three dissenting votes but unanimously, would say to this country and the people we represent, their religious freedoms will not be violated. If they are a prisoner and they want to confess to their priest, we will not monitor that confessional; we will not prohibit them from talking to their priest; we will not prohibit a church here in Washington, D.C., to feed the homeless; we will not prohibit Jewish prisoners from wearing a yarmulke.

It is time to end this abuse. It is time to pass this bill.

Mr. NADLER. Mr. Speaker, it is now my privilege to yield 1½ minutes to the gentleman from Michigan (Mr. CONYERS), the distinguished ranking member of the Committee on the Judiciary.

Mr. CONYERS. Mr. Speaker, I thank the gentleman for yielding me the time.

My colleagues, as the bill presently stands, whenever a parties brings suit claiming discrimination, the defendant will be able to claim that this is inconsistent with their religious beliefs.

We are creating a huge disparity here. The Nadler amendment responds to the problem, thank goodness, by specifying that the bill's protections only apply to individuals, religious institutions, and small businesses.

So the amendment will be particularly helpful with regard to laws prohibiting discrimination based on marital status, disability, sexual orientation, where there has not been found by the court a compelling interest test.

That is why the NAACP Legal Defense Fund and the American Civil Liberties Union have recently broken from this loose coalition because they realize what we would be doing if we allowed this bill to go through without this very important amendment.

We do not want to turn a shield into a sword. At our hearings, the Christian Legal Society acknowledged that they planned a widespread campaign to use the Religion Freedom Protection Act to undermine State laws protecting people with different orientations.

Please support the Nadler substitute.

Mr. NADLER. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON LEE of Texas. Mr. Speaker, I thank the gentleman from New York for yielding me the time.

Mr. Speaker, I started out this debate earlier today acknowledging that we have more in common than we have in disagreement.

Today I rise and stand on behalf of the Sabbath keepers, on behalf of those who wear yarmulkes, on behalf of churches who feed the homeless, because I am standing in support of the Nadler amendment, particularly emphasizing the fact that the free exercise of religion is a prominent and important right and why can we not do it together, raising the concern that we should not discriminate against those in businesses and governments with respect to their employment, participation in the rental market, their right to observe the Sabbath, to wear religion articles, and to follow the other teachings of their faith, including those relating to family life, the education of children, and the conduct of their religious institutions. The Nadler amendment stands for this.

But at the same time, as we did in my State of Texas, the Nadler amendment respects unmarried couples and single parents, lesbians and gays, maybe even racial and ethnic groups who differ in their acceptance in this community.

Mr. Speaker, I am a believer in the free exercise of religion. But my ancestors, unfortunately, came as slaves. We had to be educated about the democracy, if you will, late in life and the free exercise of religion. I would hope we would not go along the lines of the free exercise of religion and civil rights.

I offer in testimony, Mr. Speaker, the words of Scott Hochberg, the proponent of the legislation in Texas, where, in a bipartisan manner, this same legislation was passed and George Bush signed it. And what it offered to say is that he supports a strong religion liberty but he wanted to ensure that the Texas civil rights were not violated. They worked together in Texas.

I will close by simply saying, let us work together and vote for the amendment.

Mr. Speaker, today, we discuss what I believe is sorely needed legislation to restore the legal protections for the free exercise of religion. These legal protections have been dangerously eroded by the Supreme Court in its 1990 Employment Division v. Smith decision.

Congress attempted to remedy this by enacting on a bipartisan basis, the Religious Freedom Restoration Act, which the Court struck down in part in its 1997 City of Boerne v. Flores decision.

H.R. 1691, the Religious Liberty Protection Act ("RLPA") seeks to restore the application of strict scrutiny in those cases in which facially neutral, generally applicable laws have the incidental effect of substantially burdening the free exercise of religion. I believe that the government should not have the ability to substantially burden a right that is enshrined in Constitution unless it is able to demonstrate that it has used "the least restrictive means of achieving a compelling state interest." (Thomas v. Review Board, Indiana Employment Security Commission, 450 U.S. 707, 718 (1981)).

I am concerned that this legislation if left unamended could have deleterious affects on the enforcement of State and local civil rights laws. Many Americans, including unmarried couples, single parents, persons with different lifestyles, maybe even racial and ethnic minorities with different religious beliefs.

The amendment offered in the nature of a substitute by Mr. NADLER of New York would address these concerns. This amendment would appropriately strike a balance between the free exercise sincerely held religious beliefs and the enforcement of hard-won civil rights.

The amendment, crafted in consultation with both religious and civil rights groups clarifies the fact that religious liberty is an individual right expressed by individuals and through religious associations, educational institutions and house of worship. It also makes clear that the right to raise a claim under RLPA applies to that individual. A non-religious corporate entities could not use a RLPA for a claim or defense to attack civil rights laws.

Individuals, under this amendment, could still raise a claim based on their sincerely held religious beliefs which are substantially burdened by the government, whether in the conduct of their businesses, their employment by governments, their participation in the rental market, their right to observe the sabbath or to wear religious articles and to follow the other teachings of their faith, including those relating to family life, the education of children and the conduct of their religious institutions.

I urge my colleagues to join with me in supporting the Nadler amendment as it is a positive step forward in protecting the rights of all Americans and finally restores the legal protections for religious freedom for the average American citizens that have been threatened for nearly a decade.

TESTIMONY OF TEXAS STATE REPRESENTATIVE SCOTT HOCHBERG, SENATE JUDICIARY COMMITTEE—JUNE 23, 1999

Mr. Chairman and Members of the Committee;

I appreciate the opportunity to share some thoughts with you today.

Two weeks ago, Governor George W. Bush signed the Texas Religious Freedom Restoration Act (Texas RFRA) into law, I as privileged to work the Gov. Bush as the House author of this important bill. And I'm proud of this bill, because I believe it strengthens religious freedom in Texas without weakening other fundamental individual rights.

Long before I ever heard of the Smith case or the federal RFRA, I knew how hard it was for individuals to assert their first amendment religious freedoms against the bureaucracy. I've fought battles with our prison system over allowing Jewish prisoners to practice their faith. And I found I had to pass a law before I could be sure that judges would not repeat the incident that occurred in a Houston courtroom, where an Orthodox Jewish man was required to remove his skullcap, in direct conflict with his religious practices, before he could testify.

So when the American Jewish Committee and the Anti-Defamation League, on whose local boards I serve, put the state Religious Freedom Restoration Act on their legislative agendas, I was eager to become the lead sponsor. And I was certainly encouraged by the early and strong support of Gov. Bush, who announced just before the opening of our legislative session that Texas RFRA would be one of his legislative priorities as well.

Of course you know that no bill is a simple bill. Early on, I saw that the model RFRA language left open a possibility that the act could be used to get around Texas' civil rights laws. That concern was first raised to me by the AJC, and then later the ADL, the two groups that had initially brought me the legislation, and two groups with long histories of defending civil rights internationally.

Clearly, the intended purpose of this bill was not to weaken civil rights laws. When Gov. Bush talked about the need for RFRA, he cited examples, including the skullcap situation, where RFRA could be used to help protect a person's religious practice from government interference. None of the examples were about giving any individual the right to deny another person's equal protection rights.

The Texas Constitution is very clear about the primacy of civil rights. The third and fourth sections of our Bill of Rights guarantee equal protection under the law. The next three sections protect religion and guarantee freedom of worship. So, clearly, our framers saw these fundamental rights as being on the same plane.

I wanted to pass a strong RFRA in Texas, but not one that would rewrite Texas civil rights laws. So I added language clarifying that the act neither expanded nor reduced a person's civil rights under any other law. That language drew no objection initially.

But later, some RFRA coalition members argued that to completely move civil rights out from under RFRA might imply that even a religious organization could not use religion as a criteria in hiring—an exemption that is included in our state labor code as well as in federal law.

So coalition members helped craft language to apply RFRA to the special circumstances of religious organizations, while continuing to leave the task of balancing religious and equal protection rights to the courts. That language was unanimously adopted in a bipartisan amendment on the House floor, and remained intact in the bill as it was signed by Gov. Bush.

The RFRA coalition in Texas endorsed the civil rights language and strongly supported the bill, from the Texas Freedom network on the left to the Liberty Legal Institute on the right. I must tell you, however, that one or two conservative groups in this very broad coalition objected and went so far as to ask Gov. Bush to veto the bill. He chose not to do so. Those particular groups said that they had hoped to use RFRA to do exactly what others had feared—to seek to override, in court, various civil rights laws that they had not been able to override legislatively.

I urge you to adopt a strong law to reinforce what we have done in Texas. But in so doing, I would also ask that you follow the wisdom of our governor and our legislature and include language to protect state civil rights laws.

I offer whatever assistance I can be to help develop and refine the language of this bill so that those goals are met.

This is too important a bill to be lost as a result of a fear of weakening civil rights. But likewise, national and state civil rights policies are too important to be weakened as an unintended by-product of a bill with the noble purpose of strengthening religious rights.

Thank you again for your consideration, your time and your hard work.

Mr. NADLER. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from New York (Mr. NADLER) has 4 minutes remaining. The gentleman from Florida (Mr. CANADY) has 3 minutes remaining.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, everything that has been said in support of the bill, as my colleagues know, I agree with. I support this bill. I think it is an important bill. I helped draft it. But it has a terrible flaw, and we must pass this amendment. The bill should be used as a shield for religious liberty but not as a sword against civil rights laws. And that is the problem and the need for this amendment. This amendment will prevent it from being used as such a sword against civil rights laws.

My distinguished colleague, the gentleman from Florida (Mr. CANADY), who has done yeoman's work on behalf of religious liberties and who I really respect on this, he says that the amendment would subordinate religious liberty. It does not subordinate religious liberty in any way.

In fact, the bill, by establishing the compelling interest standard, establishes religious freedom as preeminent over other rights. Rarely can a State show a compelling as opposed to a legitimate interest. We could, if we wanted to, adopt the Supreme Court test of balancing the competing interests by the legitimate interest tests, and that would be an even playing field. But we are not doing that.

We are, and I agree with this, establishing a compelling State interest test which establishes religious liberty as compelling over other interests. And I think that is proper to do so. We should afford religion a preferred status, but we are also entitled to fine-tune that balance if we think the courts, pursuant to that mandate of establishing religious freedom as a preferred status, will not do it quite right.

What this amendment does is to create a somewhat different balance in the area of civil rights. Because some recent court decisions have found that States had no compelling State interest in a case involving, for example, a State law against housing discrimination in a multiple dwelling. The State did not have a compelling interest to enforce its antidiscrimination law in a multiple dwelling.

The courts sometimes make mistakes. We want to exercise our rights in this amendment to tell the courts a little more finely how to balance it in the civil rights area. We are telling them to use the compelling State interest test to establish religion as preeminent in every other case. In civil rights, we are saying, be a little different than that.

Finally, let me say that the religious groups that are supporting this bill, I have spoken with most of them, not all of them, and most of them have told me that they agree, they can live with the amendment, it gives them no practical problems, it protects all their legitimate interests. They only disagree with it because of what the gentleman from Florida (Mr. CANADY) said before, the principle of indivisibility, that there should be one standard.

Mr. Speaker, let me simply say, sometimes we have to balance competing rights. We should adopt this amendment so that we do not have to say we will protect religious liberty at the expense of civil rights or civil rights at the expense of religious liberty. We can and should do both. With this amendment, we can and should pass the bill. And without the amendment, I would hope that we would not pass the bill today so that we can get a little more leverage to fine-tune the bill with something like this amendment before we finally pass it, as indeed we eventually must.

So I urge my colleagues to support this amendment.

□ 1400

Mr. CANADY of Florida. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to encourage the Members to focus on what is actually taking place and the actual consequence of the amendment that the gentleman has offered. It would establish as a matter of congressional policy that religious liberty would have a second-class status. I do not think that is really what the gentleman wants to do, I acknowledge that, but that is the effect of the language of his amendment.

Let me point out that there are folks who have some of the same views on a whole range of civil rights issues, including issues related to homosexual rights, that the gentleman from New York has who have expressed their support for this bill without the gentleman's amendment. Members of Congress have received a letter just this week from groups such as the Friends Committee on National Legislation, the American Humanist Association, the Evangelical Lutheran Church in America, the Board of Church & Society of the United Methodist Church, People for the American Way, the Presbyterian Church (USA), Washington Office, where they say and they recognize some of the concerns that the gentleman has expressed but where they conclude, and I quote them, "We believe that in every situation in which free exercise conflicts with government interest, application of the Religious Liberty Protection Act standard is appropriate." They go on to say, "A no-exemptions, no-amendment Religious Liberty Protection Act provides the strongest possible protection of free exercise for all persons."

I would suggest that some who have listened to the concerns expressed by the gentleman from New York and others pay attention to the view of these religious and civil rights groups. I would suggest that Members consider the broad coalition of groups that are supportive of this legislation. I do not have time to list them all. I will try to list a few in the few seconds that I have remaining:

The American Jewish Committee, Americans United for Separation of Church & State, the Anti-Defamation League, the Baptist Joint Committee on Public Affairs, Campus Crusade for Christ, the Catholic League for Religious and Civil Rights, the Christian Coalition, the Christian Legal Society, Christian Science Committee on Publication, the Church of the Brethren, the Church of Jesus Christ of Latter-Day Saints.

I will skip toward the end of the alphabet here. The Union of American Hebrew Congregations, the Union of Orthodox Jewish Congregations of America, the United Methodist Church, Board of Church & Society; the United States Catholic Conference, the United Synagogue of Conservative Judaism; Women of Reform Judaism, Federation of Temple Sisterhoods. Those are just a few of the more than 70 religious and civil rights organizations that support the Religious Liberty Protection Act.

I would urge all Members of this House to join together in a bipartisan effort to protect America's first freedom by passing this bill, this important bill, without the weakening amendment offered by the gentleman from New York. His amendment would do harm to this bill and needs to be rejected. We need to move forward with the passage of this legislation.

ORGANIZATION SUPPORTING H.R. 1691, "RELIGIOUS LIBERTY PROTECTION ACT OF 1999"

A

Agudath Israel of America
The Aleph Institute
American Baptist Churches, USA
American Center for Law and Justice
American Conference on Religious Movements
American Ethical Union, Washington
American Humanist Association
American Jewish Committee
American Jewish Congress
American Muslim Council
Americans for Democratic Action
Americans for Religious Liberty
Americans United for Separation of Church & State
Anti-Defamation League
Association on American Indian Affairs
Association of Christian Schools International

B

Baptist Joint Committee on Public Affairs
B'nai B'rith

C

Campus Crusade for Christ
Catholic League for Religious and Civil Rights
Central Conference of American Rabbis
Christian Church (Disciples of Christ)
Christian Coalition
Christian Legal Society
Christian Science Committee on Publication
Church of the Brethren
Church of Jesus Christ of Latter-Day Saints
Church of Scientology International
Coalition for Christian Colleges and Universities
Council of Jewish Federations
Council on Religious Freedom
Council on Spiritual Practices
Criminal Justice Policy Foundation

E

Episcopal Church
Ethics, and Religious Liberty Commission of the Southern Baptist Convention
Evangelical Lutheran Church in America

F

Jerry Fawell's Liberty Alliance
Family Research Council
Focus on the Family
Friends Committee on National Legislation

G

General Conference of Seventh-Day Adventists
Guru Gobind Singh Foundation

H

Hadassah, the Women's Zionist Organization of American, Inc.

I

Interfaith Religious Liberty Foundation
International Association of Jewish Lawyers and Jurists
International Institute for Religious Freedom

J

Kay Coles James
Japanese American Citizens League
Jewish Council for Public Affairs
The Jewish Policy Center
The Jewish Reconstructionist Federation
Justice Fellowship

L

Liberty Counsel

M

Mennonite Central Committee U.S.
Muslim Prison Foundation
Muslim Public Affairs Council
Mystic Temple of Light, Inc.

N

NA' AMAT USA
National Association for the Advancement of Colored People
National Association of Evangelicals
National Campaign for a Peace Tax Fund
National Committee for Public Education and Religious Liberty
National Council of Churches of Christ in the USA
National Council of Jewish Women
National Council on Islamic Affairs
National Jewish Coalition
National Jewish Commission on Law and Public Affairs
National Native American Prisoner's Rights Advocacy Coalition
National Sikh Center
Native American Church of North America
Native American Rights Fund
Native American Spirit Correction Project
Navajo Nation Corrections Project
North American Council for Muslim Women

P

Pacific Justice Institute
People for the American Way Action Fund
Peyote Way Church of God
Presbyterian Church (USA), Washington Office
Prison Fellowship Ministries

R

Rabbinical Council of America
Religious Liberty Foundation
Rutherford Institute

S

Sacred Sites Inter-faith Alliance

Soka-Gakkai International-USA

U

Union of American Hebrew Congregations

Union of Orthodox Jewish Congregations of America

Unitarian Universalist Association of Congregations

United Church of Christ, Office for Church in Society

United Methodist Church, Board of Church & Society

United States Catholic Conference

United Synagogue of Conservative Judaism

W

Women of Reform Judaism, Federation of Temple Sisterhoods

Mr. POMEROY. Mr. Speaker, I rise in support of the Nadler amendment to H.R. 1691. This amendment will safeguard religious liberty, while also protecting other critical civil rights.

This Nation was founded on the conviction that all individuals have the right to the free and full expression of religion. The First Amendment to the Constitution has protected that right for over 200 years. Unfortunately, no court can be completely free of human error when interpreting the Constitution. Beginning with the 1990 Supreme Court decision in *Oregon Dept. Of Human Resources* v. *Smith*, religious expression has been subject to substantial and unnecessary restriction by governmental policies. Therefore, it is both necessary and appropriate for Congress to pass this legislation.

As drafted, however, H.R. 1691 could have the unintended consequence of eroding critical civil rights and undermining state and local statutes. Several states and municipalities have passed laws prohibiting discrimination in housing and employment due to marital status, pregnancy status, or disability. Unless amended, H.R. 1691 could undermine state laws and allow discrimination. A widowed mother or disabled individual should not be deprived equal access to housing or employment under the guide of ensuring religious liberty.

Mr. Speaker, I believe that the Nadler amendment prevents the preemption of state and local statutes, while affording religious expression the highest level of constitutional protection. I urge my colleagues to vote in favor of this crucial provision.

Mrs. MORELLA. Mr. Speaker, I rise in support of the Nadler amendment to the Religious Liberty Protection Act.

This amendment is exactly the same as the bill itself, except for some additional language which will clarify that the bill is not to be used as a blank check to override state and local civil rights laws.

The amendment tracks language in the Civil Rights Act and the Fair Housing Act. Small businesses and small landlords are exempted from compliance. At the same time, the amendment will prevent large commercial enterprises from avoiding compliance with laws affecting housing, employment, and public accommodation.

Basically, the amendment will assure that a landlord renting an apartment in his home may do so according to religious belief, while preventing the same landlord from discriminating on the basis of his or her religious beliefs in the rental of units in a large apartment building.

The Nadler amendment makes clear our intent to strengthen individual religious liberty without overriding state and local anti-discrimination laws. Support the Nadler amendment.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Pursuant to House Resolution 245, the previous question is ordered on the bill, as amended, and on the further amendment by the gentleman from New York (Mr. NADLER).

The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. NADLER).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. NADLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 190, nays 234, not voting 10, as follows:

[Roll No. 298]

YEAS—190

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Coyne
Crowley
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Forbes
Ford
Frank (MA)
Gejdenson
Gephardt
Gilman
Gonzalez
Greenwood
Gutierrez
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Larson
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Stabenow
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NAYS—234

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Biggert
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Clement
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Kasich
King (NY)
Kingston
Knollenberg
Kuykendall
LaHood
Largent
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Baldwin
Brown (CA)
Chenoweth
Frost
Gilchrest
Latham
McDermott
McNulty
Rivers
Thurman

☐ 1425

Mr. COSTELLO and Mr. SWEENEY changed their vote from "yea" to "nay."

Mrs. JONES of Ohio changed her vote from "nay" to "yea."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 306, noes 118, not voting 10, as follows:

[Roll No. 299]

AYES—306

Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barton
Bateman
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Clayton
Clement
Coble
Coburn
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crowley
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
LaFalce
LaHood
Lampson
Largent
Larson
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek (FL)
Menendez
Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sawyer
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sweeney
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOES—118

Abercrombie
Ackerman
Baird
Barr
Barrett (WI)
Bartlett
Bass
Becerra
Berman
Blagojevich
Blumenauer
Boucher
Brady (PA)
Brown (OH)
Campbell
Capuano
Carson
Clay
Clyburn
Collins
Conyers
Coyne
Crane
Cummings
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doggett
Engel
Eshoo
Evans
Farr
Fattah
Filner
Forbes
Frank (MA)
Gejdenson
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Hostettler
Jackson (IL)
Johnson, E.B.
Jones (OH)
Kennedy
Kilpatrick
Kolbe
Kucinich
Kuykendall
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Maloney (NY)
Manzullo
Markey
Matsui
McGovern
McKinney
Meehan
Meeks (NY)
Metcalf
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Nadler
Neal
Oberstar
Olver
Owens
Pastor
Paul
Payne
Pelosi
Pickett
Pombo
Rangel
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Scarborough
Schaffer
Schakowsky
Scott
Serrano
Sherman
Smith (WA)
Snyder
Stark
Sununu
Tancredo
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Velazquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wu

NOT VOTING—10

Baldwin
Brown (CA)
Chenoweth
Frost
Gilchrest
Latham
McDermott
McNulty
Rivers
Thurman

□ 1442

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CANADY of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1691, the bill just passed.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR THE CONSIDERATION OF H.R. 2490, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 246 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 246

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 or rule XCI are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The chairman of the Committee of the whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto of final passage without intervening motion except on emotion to recommit with or without instructions.

□ 1445

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. Mr. Speaker, during consideration of this amendment, all time is yielded for the purpose of debate only.

Mr. Speaker, the legislation before us is an open rule providing for the consideration of H.R. 2490, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President and certain independent agencies for fiscal year ending September 30, 2000, and for other purposes.

This open rule provides for 1 hour of general debate equally divided between the chairman and the ranking minority member of the Committee on Appropriations.

The rule waives all points of order against consideration of the bill. It waives House rules prohibiting consideration of unauthorized or legislative provisions in an appropriations bill. The rule accords priority in recognition to Members who have their amendments preprinted in the CONGRESSIONAL RECORD.

The Chairman of the Committee of the Whole may postpone votes and reduce the voting time on a postponed vote to 5 minutes so long as it follows a regular 15-minute vote. Finally, the rule provides one motion to recommit with or without instructions.

H. Res. 246 presents this appropriations bill for House consideration under the normal processes by which appropriations bills may come to the floor. It is an open rule that permits Members to offer any amendments they wish, provided they are germane.

Mr. Speaker, the underlying legislation makes the appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain other independent agencies. This is very important legislation. Nearly 90 percent of the activities funded under this bill are devoted to the salaries and expenses of approximately 163,000 employees who are responsible for administering programs such as drug interdiction, collection of revenues, presidential protection, violent crimes reduction, and Federal financial management.

Through a judicious bipartisan process of hearings and testimony, the Committee on Appropriations arrived at the funding levels contained in the legislation. The funding levels are consistent with this Congress' policy of fiscal discipline, yet provide sufficient funding for agencies within the bill's jurisdiction to carry out their statutory responsibility.

Specifically, this legislation allows increased funding to provide for more diligent enforcement of gun control laws, making it more difficult for convicted felons to obtain weapons. This legislation also appropriates funds necessary to carry out IRS reforms that were passed by the last Congress and stand to benefit all taxpayers across America.

The road to the House floor for this legislation has been very bipartisan indeed. In fact, it passed the Subcommittee on Treasury, Postal Service, and General Government with a unanimous vote under the stewardship of the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER), ranking member.

In his testimony before the Committee on Rules yesterday, the gentleman from Maryland was excessively gracious in his praise for the gentleman from Arizona (Chairman KOLBE) and the bipartisan manner in which this legislation was crafted.

The rule, like the underlying legislation, deserves strong bipartisan support. Again, it is an open rule that permits any Member with germane amendments to have them considered by the floor.

Mr. Speaker, I urge my colleagues to continue this bipartisan effort in this legislation and to make sure that we support this fair rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me the customary half-hour.

Mr. Speaker, I rise in support of this open rule providing for the consideration of the Treasury-Postal appropriations bill. However, I am very disappointed with the substantial cuts that this bill makes. This bill came out of the subcommittee as a good bipartisan effort, but unfortunately the full committee markup changed all that.

Mr. Speaker, during the markup, my colleagues slashed $239 million from this bill and, Mr. Speaker, those cuts will not be without repercussions. I am concerned that these drastic cuts will make it hard for some of our important agencies to function. Agencies that provide for 30 percent of our Federal law enforcement, including stopping the flow of drugs across our borders, enforcing gun and tobacco laws, enforcing United States customs laws and counterterrorism efforts. These are not small issues, Mr. Speaker, and we cannot afford to undercut them.

The agencies funded by this bill perform an invaluable service, and I hope that there will be a chance to restore their funding. Otherwise, Mr. Speaker, I am concerned that they will have a hard time functioning under these very drastic cuts.

I am also disappointed that the Committee on Rules did not make in order the amendment offered by the gentleman from Florida (Mr. WEXLER) to limit handgun purchases to one per month, or the amendment offered by the gentleman from Pennsylvania (Mr. HOEFFEL) to study the use of antique firearms used in crimes. These two amendments are excellent initiatives towards reasonable gun safety. I am sorry my Republican colleagues refused to consider them.

But, Mr. Speaker, I do hope that the rule passes.

Mr. Speaker, I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield 3 minutes to the gentleman from Tucson, Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I will not use that time; however, I appreciate the gentleman from Texas (Mr. Sessions) yielding it to me.

Mr. Speaker, I just wanted to say I am very pleased with the rule that we have before us today which brings this appropriations bill for Treasury-Postal and General Government to the floor. It is a rule that I do not think anybody could possibly object to. It is an open rule, allows any striking amendment or any amendment dealing with appropriations matters to be offered.

The rule protects those items which are already in the bill, as we normally do, from being stricken on a point of order. And, quite frankly, a number of the agencies that this subcommittee funds are not authorized agencies because authorizing committees have not been able to get legislation to the floor for year after year after year to authorize those agencies. So this legislation, this resolution does exactly what it ought to do on an appropriation bill, allow it to be considered as an appropriation matter.

Any amendment dealing with appropriations may be offered and what is in the bill will be protected, and it does not include the offering of extraneous legislative matters that have not previously been considered in the subcommittee or the committee.

Mr. Speaker, this is a good resolution. This is a good rule. It deserves the support of every Member in the body, and I hope that when we come to the question of the previous question, Members will support the previous question and they will vote "aye" on passage of this rule so that we can move on today to consideration of this important legislation.

Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me this time, and I urge adoption of this rule.

Mr. SESSIONS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. HOYER), ranking member of the committee.

Mr. HOYER. Mr. Speaker, I thank the distinguished gentleman from Massachusetts (Mr. MOAKLEY), ranking member, soon to be chairman of the Committee on Rules, for yielding me this time.

I also want to thank the gentleman from Texas (Mr. SESSIONS) for noting my comments with respect to the gentleman from Arizona (Chairman KOLBE). In the first instance, Mr. Speaker, I want to rise and again repeat, as I will when we get to the debate on the bill, my appreciation of the handling of this bill by the gentleman from Arizona. He has been extremely cooperative and bipartisan and open in his handling of this bill. And, as I said earlier, I appreciate the gentleman from Texas bringing those remarks of mine to the Committee on Rules to the attention of the body, because I believe them very sincerely. The gentleman from Arizona is not only chairman of the subcommittee on which I serve, but also my good friend and an outstanding representative.

Mr. Speaker, I also want to speak on this rule. There are times, of course, when we rise and oppose rules because we do not believe they are fair. In this instance, however, I rise in strong support of the rule. I think the Committee on Rules has issued a rule which is fair to both sides. I am sure in its protection of certain provisions of the bill and items within the bill that have not been technically authorized, that is appropriation accounts that have not had authorizing bills passed, that there would obviously be individuals who might want to object and they might object to the rule for that reason. But the Committee on Rules has been fair in treating both sides equally.

Mr. Speaker, I want to thank the gentleman from California (Chairman DREIER) and the gentleman from Texas (Mr. SESSIONS) and the other members of the Committee on Rules for passing a rule that I think provides for a fair and free and open debate on this bill. Therefore, I am going to urge my colleagues on this side of the aisle to strongly support the rule.

Mr. Speaker, I would observe that when we come to debate on the bill itself, as I did in the Committee on Rules, I will express reservation about the cuts that have been recommended by the committee. I think those cuts are unfortunate, and I think they will have an adverse impact. But as we know, this is not the final step on the process of passing and adopting this bill. Therefore, we will have other opportunities.

Mr. Speaker, I yield to the distinguished gentleman from Kentucky (Mr. LUCAS), my colleague who is coming into the Chamber.

Mr. LUCAS of Kentucky. Mr. Speaker, it is my intention to ask for the yeas and nays on the previous question when the question is called because it is my understanding that if the previous question is defeated, then an amendment will be in order to preclude a COLA adjustment in Members' pay. I support doing that.

Mr. HOYER. Mr. Speaker, reclaiming my time, I appreciate the gentleman from Kentucky. He has discussed this matter with me. I understand his view. And while he and I disagree on this issue, I certainly respect his right and his appropriate action in bringing this matter to the attention of the House.

Mr. Speaker, I rise in strong support of the rule, strong support of the previous question, and thank the gentleman for Texas for yielding me this time.

Mr. SESSIONS. Mr. Speaker, I yield 3 minutes to the gentleman from Lexington, Kentucky (Mr. FLETCHER).

Mr. FLETCHER. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me this time.

Mr. Speaker, although I have utmost respect for the Committee on Rules and the work they do, I rise to express my opposition to the previous question to the rule on the Treasury-Postal appropriations bill. As the rule is currently written, the amendment offered by the gentleman from Alabama (Mr. RILEY) to disallow the Members' COLA is not included. If the previous question is defeated, Members will have an opportunity to change the rule to allow a vote against the COLA.

Mr. Speaker, it is my intention, if the previous question is defeated, to offer an amendment to the rule that would disallow the Members' COLA. For that reason I intend to vote against the previous question and urge my colleagues to do the same.

The proposed amendment is as follows:

At the end of the resolution, insert the following:

SEC. 2. Notwithstanding any other provision of this resolution, it shall be in order to consider the amendment contained in section 3 of the resolution. The amendment may be offered only at the appropriate place in the reading of the bill, shall be considered as read, shall not be subject to amendment or demand for a division of the question in the House or in the Committee of the Whole. All points of order against the amendment are waived.

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC.   . Section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) is amended to read as follows:

"SEC. 601. (a) Until adjusted under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351 and following) or other provision of law, the annual rate of pay for—

"(1) each Senator, Member of the House of Representatives, and Delegate to the House of Representatives, and the Resident Commissioner from Puerto Rico,

"(2) the President pro tempore of the Senate, the majority leader and the minority leader of the Senate, and the majority leader and the minority leader of the House of Representatives, and

"(3) the Speaker of the House of Representatives,

shall be the rate payable for such position as of the date of enactment of the Treasury and General Government Appropriations Act, 2000.".

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Surfside, Texas (Mr. PAUL).

□ 1500

Mr. PAUL. Mr. Speaker, I rise with some bit of ambivalence with this rule, but I will support the rule. I was concerned about a special issue with the Post Office and was hoping that we could address this in detail, and that has to do with the regulations that I consider very onerous and very maliciously placed on private mailboxes, the Commercial Receiving Agencies. I was very hopeful that we could deal with that. But it appears we will have another chance to do that at a later date.

I have a House joint resolution under the Congressional Review Act, H.J. Res. 55. If that were to pass, we could rescind all those regulations. Currently, it is my understanding that these regulations have been put on hold. They will not go into effect soon. But the problem still exists, and I see it as a serious problem.

First, let me talk about the Post Office. The Post Office is a true monopoly. In the free market, there are no true monopolies. Only government can allow a true monopoly.

We do have enough freedom in this country to some degree to offer competition to even this monopoly of the Post Office. By doing this, the private post offices have been set up to give additional service and privacy to many of our citizens, and they are well used.

But now the Post Office sees this as a competition because they are providing services that the Post Office cannot or will not provide. So instead of dealing with this, either providing legalized competition in the Post Office or providing these same services, instead, the Post Office has issued these onerous regulations to attack these customers.

They are forcing these private mailbox operators to develop profiles on every customer, have double identification, and then make this information available to the public and to the Post Office for no good reason.

When I first got involved in this, I did not know which constituencies would be interested in this issue. But one thing that I have discovered is that many of those women who need privacy will use private post offices to avoid the husband or some other individual who may be stalking them. They have been writing to me with a great deal of concern about what these regulations will do.

Also, it is a great cost to these operators as well as to all the customers. The Post Office would mandate that a special address be placed on each piece of mail, indicating that they are receiving mail at one of these private post offices. This costs a lot of money. There will be a lot of mail returned. If these regulations had gone into effect this week, as had been planned, a lot of mail, to the tune of hundreds of thousands of pieces, if not millions, would have been returned to the senders, and they would not have been permitted to be delivered.

I think this is tragic. I think it has to be dealt with. I am disappointed that we cannot do much with it today, but I know there is a growing support in this country and in this Chamber for doing something about this problem.

We as a Congress have the ability, and the authority, to undo regulations. For too long, we have allowed our regulatory bodies to write law, and we do nothing about it. Since 1994, we have had this authority, but we never use it. This is a perfect example of a time that we ought to come in and protect the people, try to neutralize this government monopoly and help these people who deserve this type of protection and privacy.

Mr. Speaker, I yield to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I want to say to the gentleman from Texas that I think he raises the question that is a good question; and it should be raised, should be looked at.

It will not come as a surprise to him that we do not agree on all the aspects of what he has said, but he certainly raises an issue that ought to be focused on. I know in talking to the gentleman from Arizona (Chairman KOLBE) that he shares that concern. I want to assure the gentleman that both the gentleman from Arizona (Mr. KOLBE) and myself will be looking at this.

Furthermore, as the gentleman may know, the Postal Department has made very substantial changes to its initially sponsored resolution through the efforts of the organizations that the gentleman from Texas talked to and himself and others who raised these issues with the department, so that they are moving to ensure greater privacy and protection to the individuals of which the gentleman spoke.

The gentleman from Texas raises a legitimate issue. I certainly intend to, along with the gentleman from Arizona (Mr. KOLBE), look at that further. I thank the gentleman for his comments.

Mr. PAUL. Mr. Speaker, I appreciate the comments of the gentleman from Maryland.

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume.

In furtherance of this discussion, as has been discussed by the gentleman from Texas (Mr. PAUL) and the gentleman from Maryland (Mr. HOYER), I would like to also say to the gentleman from Texas (Mr. PAUL) and to the gentleman from Kansas (Mr. TIAHRT) that I would like to thank them for bringing this issue up.

The gentleman from Indiana (Chairman BURTON) and the gentleman from Arizona (Chairman KOLBE) have also been a part of working with the Postmaster General, General Henderson, on reasonable changes as a result of the marketplace.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore (Mr. PEASE) announced that the ayes appeared to have it.

Mr. FLETCHER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 276, nays 147, not voting 12, as follows:

[Roll No. 300]

YEAS—276

Abercrombie
Andrews
Archer
Armey
Bachus
Ballenger
Barr
Barrett (WI)
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capuano
Cardin
Castle
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cooksey
Cox
Coyne
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Ehlers
Ehrlich
Engel
Eshoo
Everett
Ewing
Farr
Fattah
Filner
Foley
Forbes
Ford
Fowler
Frank (MA)
Ganske
Gejdenson
Gekas
Gephardt
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Goss
Graham
Granger
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hefley
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Houghton
Hoyer
Hunter
Hyde
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Johnson, Sam
Jones (OH)
Kanjorski
Kennedy
Kilpatrick
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
Lampson
Lantos
Largent
Larson
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lowey
Lucas (OK)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pastor
Payne
Pease
Pelosi
Pickering
Pickett
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Regula
Reyes
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roybal-Allard
Rush
Ryun (KS)
Sabo
Sawyer
Saxton
Schakowsky
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Spence
Spratt
Stark
Stenholm
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Towns
Upton
Velazquez
Vento
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Wicker
Wolf
Woolsey
Young (AK)
Young (FL)

NAYS—147

Aderholt
Allen
Baird
Baker
Baldacci
Barcia
Barrett (NE)
Bartlett
Becerra
Berkley
Berry
Boswell
Brady (TX)
Brown (OH)
Bryant
Burr
Capps
Carson
Chabot
Chambliss
Coble
Cook
Costello
Cramer
Danner
DeFazio
DeMint
Deutsch
Doggett
Duncan
Dunn
Edwards
Emerson
English
Etheridge
Evans
Fletcher
Fossella
Franks (NJ)
Frelinghuysen
Gallegly
Gibbons
Goode
Gordon
Green (WI)
Hall (TX)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinojosa
Hoeffel
Holt
Hooley
Hostettler
Hulshof
Hutchinson
Inslee
Jenkins
Johnson (CT)
Jones (NC)
Kaptur
Kasich
Kelly
Kildee
Kind (WI)
Kucinich
LaHood
Lazio
LoBiondo
Lofgren
Lucas (KY)
Luther
Maloney (CT)
Manzullo
Mascara
McGovern
McIntyre
McKinney
Meehan
Mica
Minge
Moore
Moran (KS)
Nethercutt
Norwood
Ose
Pascrell
Paul
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pomeroy
Portman
Price (NC)
Ramstad
Reynolds
Riley
Rodriguez
Rogan
Rothman
Roukema
Royce
Ryan (WI)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Scarborough
Schaffer
Sensenbrenner
Sherman
Sherwood
Shimkus
Shows
Smith (WA)
Souder
Stabenow
Stearns
Strickland
Stump
Talent
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thune
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Visclosky

Vitter
Walden
Wamp
Weller
Weygand
Whitfield
Wilson
Wise
Wu

NOT VOTING—12

Ackerman
Baldwin
Brown (CA)
Chenoweth
Frost
Gilchrest
Latham
McDermott
McNulty
Rivers
Thurman
Wynn

☐ 1526

Messrs. SANDERS, GALLEGLY, DEUTSCH, JENKINS, DEFAZIO, TALENT, STEARNS, BARCIA and BECERRA changed their vote from "yea" to "nay."

Messrs. CLAY, CALVERT, MARTINEZ, METCALF, and COX changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. Pease). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore. Pursuant to House Resolution 246 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2490.

☐ 1528

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) each will control 30 minutes.

☐ 1530

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am very pleased to be on the floor this afternoon to present to my colleagues H.R. 2490, the Treasury and General Government Appropriations Act for Fiscal Year 2000.

As this bill has been reported by the full committee, it provides $13.5 billion in discretionary budget authority for the agencies that come under the jurisdiction of this subcommittee. The level of funding is the same. I want to repeat that, this is the same level of funding as the amount appropriated in FY 1999.

The bill presented here today is strong on law enforcement, tough on drugs, supportive of efforts to restructure and reform the way IRS does business, and increases Federal resources to enforce our current gun laws.

All of this is accomplished in a fiscally responsible manner. That has been a tall order for our subcommittee to fill. With the help of my colleagues on the subcommittee and the committee, we have accomplished what I think is a very daunting task.

I want to take this opportunity to thank everybody for their help on this bill, all the Members, particularly my ranking member the gentleman from Maryland (Mr. HOYER) and his staff, Scott Nance and Pat Scheulter, who have done an outstanding job to help us get to where we are today.

I might add, I think this bill comes to the floor in a very bipartisan fashion. We have differences, as the gentleman from Maryland (Mr. HOYER) will explain, but we come to the floor in a very bipartisan fashion because we have worked well together on this. I salute my colleague the gentleman from Maryland (Mr. HOYER), the ranking member, for the work that he has done and his assistance in getting us to this point.

I believe that, in its current form, this is an excellent bill and, remarkably, it is a clean bill. There are not controversial legislative riders on this bill. Believe it or not, this bill is an appropriations bill, pure and simple. It is my hope that it will remain that way not only on the floor here today but also as we move through conference with the Senate.

My colleagues know that the allocation required us to make some tough choices to put this bill together. This allocation is based on budget caps, which, may I remind everybody, both parties in both chambers and the President of the United States support.

In order to keep pace with inflation, the subcommittee needed nearly $600 million in new money. But clearly the allocation we received did not give us that. So in order to support the base operations of the agencies which we fund, we were required to look elsewhere for our savings.

We found these savings. We found these savings by postponing construction of new courthouses, by extending the time that was needed to complete some of our projects.

However, let me make it clear that the funding levels that are contained in this bill will adversely affect no programs. In fact, we were able to increase critical efforts to keep guns out of the hands of children, to make sure that the IRS treats taxpayers fairly.

In addition, I want to remind my colleagues that this bill supports approximately 30 percent of all the Federal law enforcement operations, the personnel that are in the Bureau of Alcohol, Tobacco and Firearms, those in the Customs Service, the Secret Service, and the Office of National Drug Control Policy.

In total, the bill before us provides $4.4 billion for these efforts, the same as the President's request, and about $185 million above the current year. We target all of these resources to supporting efforts that enforce and implement laws currently on our books, laws that seek to prevent guns from getting in the hands of criminals and youths, laws that seek to prevent illegal drugs from coming across our borders, and laws that seek to protect our Nation's leaders and the financial systems of this country.

I know that many Members in this body feel that the Federal Government is too big, that it is bloated and it is inefficient. I, for one, agree completely that we need to be able to transfer more power and more money out of Washington and back to our States and our local communities. But we should not do this in a haphazard and irresponsible fashion.

I cannot support amendments which make additional funding reductions to this bill. We are already $840 million below what the status quo would be with inflation alone. Further reductions would allow our infrastructure to deteriorate. It would cause us to delay the IRS reforms that we all voted for so willingly last year. It would rob our law enforcement agencies of the resources they desperately need. It would negatively impact our ability to protect our borders.

I have had the privilege of chairing this subcommittee for 3 years. I believe that we have applied a fiscally conservative philosophy to this bill, one which I certainly share. I think we have steadily chipped away at inefficiencies that we find in Government, at least in the agencies that are included within the jurisdiction of this bill.

The bill that is before us today continues to do this, but I think it does so in a responsible and a well thought out way. We have spent the past 6 months carefully scrubbing the appropriations requests we received from the administration, from OMB, and from each of these agencies that come under our jurisdiction.

The funding levels that are recommended in this bill reflect what I believe is the best judgment of the Subcommittee and the Full Committee on Appropriations, their judgment about the funding levels that are necessary to sustain the operations of agencies that are under our jurisdiction.

So I urge, no, in fact I would implore my colleagues not to make other radical cuts to the beneficial programs that this bill supports.

Finally, Mr. Chairman, I would urge my colleagues to withhold amendments that would ultimately jeopardize our sending this bill to the President in a timely manner. Let us get on with the business of appropriating. Let us get on with moving this bill forward.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 2000 (H.R. 2490)
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF THE TREASURY					
Departmental Offices	123.151	134,630	134,206	+11,055	-424
Salaries and expenses:					
Counterdrug (emergency funding)	1,500			-1,500	
Y2K conversion (emergency funding)	1,238			-1,238	
Y2K conversion (emergency funding)	1,890			-1,890	
Automation enhancement:					
Y2K conversion (emergency funding)	37,403			-37,403	
Y2K conversion (emergency funding)	2,762			-2,762	
Y2K conversion (emergency funding)	12,500			-12,500	
Y2K conversion (emergency funding)	6,731			-6,731	
Department-wide systems and capital investments programs	28,690	53,561	31,017	+2,327	-22,544
Office of Inspector General	30,678	32,017	30,716	+38	-1,301
Inspector General for Tax Administration		112,207	112,207	+112,207	
Treasury Buildings and Annex Repair and Restoration	27,000	23,000	23,000	-4,000	
(Delay in obligation)	(-27,000)			(+27,000)	
Financial Crimes Enforcement Network	24.000	28,418	29,656	+5,656	+1,238
Violent Crime Reduction Programs:					
Bureau of Alcohol, Tobacco and Firearms	3,000	3,000	26,800	+23,800	+23,800
Financial Crimes Enforcement Network	1,400	1,263		-1,400	-1,263
Interagency crime and drug enforcement	24,000	49,716	27,000	+3,000	-22,716
United States Secret Service	22,628	3,196	4,200	-18,428	+1,004
ONDCP	1,000			-1,000	
Gang Resistance Education and Training: Grants	13,000	10,000	10,000	-3,000	
United States Customs Service	65,472	64,952	64,000	-1,472	-952
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	1,500			-1,500	
Total, Violent Crime Reduction Programs	132,000	132,127	132,000		-127
Federal Law Enforcement Training Center:					
Salaries and Expenses	71,923	86,846	82,827	+10,904	-4,019
Antiterrorism (emergency funding)	3,548			-3,548	
Acquisition, Construction, Improvements, & Related Expenses	34,760	21,000	24,310	-10,450	+3,310
Total, Federal Law Enforcement Training Center	110.231	107,846	107.137	-3,094	-709
Interagency Law Enforcement:					
Interagency crime and drug enforcement	51,900	26,184	48,900	-3,000	+22,716
Financial Management Service	196,490	202,670	201,320	+4,830	-1,350
Y2K conversion (emergency funding)	6,000			-6,000	
Federal Financing Bank (debt liquidation)	(3,317,960)			(-3,317,960)	
Bureau of Alcohol, Tobacco and Firearms:					
Salaries and Expenses	546,074	584,859	567,059	+20,985	-17,800
(Delay in obligation)	(-2,206)			(+2,206)	
Rescission	-4,500			+4,500	
Y2K conversion (emergency funding)	2,665			-2,665	
Y2K conversion (emergency funding)	5,000			-5,000	
Y2K conversion (emergency funding)	3,530			-3,530	
Laboratory facilities and headquarters		15,000			-15,000
Total, Bureau of Alcohol, Tobacco and Firearms	552,769	599,859	567,059	+14,290	-32,800
United States Customs Service:					
Salaries and Expenses	1,642,565	1,720,370	1,708,089	+65,524	-12,281
(Delay in obligation)	(-9,500)			(+9,500)	
Counterdrug (emergency funding)	106,300			-106,300	
Y2K conversion (emergency funding)	10,200			-10,200	
Y2K conversion (emergency funding)	1,701			-1,701	
Subtotal	1,760,766	1,720,370	1,708,089	-52,677	-12,281
Operation, Maintenance and Procurement, Air and Marine Interdiction Programs	113,688	109,413	109,413	-4,275	
Counterdrug (emergency funding)	162,700			-162,700	
Subtotal	276,388	109,413	109,413	-166,975	
Customs Services at Small Airports (to be derived from fees collected)	2,000	2,000	2,000		
Offsetting receipts		-2,000	-2,000	-2,000	
Harbor Maintenance Fee Collection	3,000			-3,000	
Customs facilities, construction, improvements and related expenses (Counterdrug emergency funding)	7,000			-7,000	
Total, United States Customs Service	2,049,154	1,829,783	1,817,502	-231,652	-12,281
Bureau of the Public Debt	172,100	177,819	176.919	+4,819	-900
Y2K conversion (emergency funding)	1,000			-1,000	
Payment of government losses in shipment		1,000	1,000	+1,000	
Internal Revenue Service:					
Processing, Assistance, and Management	3,086,208	3,312,535	3,270,098	+183,890	-42,437
(Delay in obligation)	(-130,000)			(+130,000)	
Tax Law Enforcement	3,164,189	3,336,838	3,301,136	+136,947	-35,702
Earned Income Tax Credit Compliance Initiative	143,000	144,000	144,000	+1,000	
Information Systems	1,265,456	1,455,401	1,394,540	+129,084	-60,861
Y2K conversion (emergency funding)	483,000			-483,000	
Y2K conversion (emergency funding)	22,312			-22,312	
Information technology investments	211,000			-211,000	
(Delay in obligation)	(-211,000)			(+211,000)	
Net total, Internal Revenue Service	8,375,165	8,248,774	8,109,774	-265,391	-139,000

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 2000 (H.R. 2490)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
United States Secret Service:					
Salaries and Expenses	600,302	661,312	662,312	+62,010	+1,000
(Delay in obligation)	(-5,000)			(+5,000)	
Antiterrorism (emergency funding)	80,808			-80,808	
Y2K conversion (emergency funding)	3,000			-3,000	
Y2K conversion (emergency funding)	695			-695	
Acquisition, Construction, Improvement, & Related Expenses	8,068	4,923	4,923	-3,145	
Total, United States Secret Service	692,873	666,235	667,235	-25,638	+1,000
Net total, title I, Department of the Treasury	12,637,225	12,376,130	12,189,648	-447,577	-186,482
Appropriations	(11,678,242)	(12,376,130)	(12,189,648)	(+511,406)	(-186,482)
Rescissions	(-4,500)			(+4,500)	
Emergency funding	(963,483)			(-963,483)	
TITLE II - POSTAL SERVICE					
Payments to the Postal Service					
Payments to the Postal Service Fund	100,195	93,436	29,000	-71,195	-64,436
(Delay in obligation)	(-71,195)			(+71,195)	
Advance appropriations, FY 2001			64,436	+64,436	+64,436
Total	100,195	93,436	93,436	-6,759	
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT					
Compensation of the President and the White House Office:					
Compensation of the President	250	250	250		
Salaries and Expenses	52,344	52,444	52,444	+100	
Executive Residence at the White House:					
Operating Expenses	8,691	9,260	9,260	+569	
White House Repair and Restoration		810	810	+810	
Special Assistance to the President and the Official Residence of the Vice President:					
Salaries and Expenses	3,512	3,617	3,617	+105	
Operating expenses	334	345	345	+11	
Council of Economic Advisers	3,666	3,840	3,840	+174	
Office of Policy Development	4,032	4,032	4,032		
National Security Council	6,806	6,997	7,000	+194	+3
Office of Administration	28,350	39,198	39,448	+11,098	+250
Y2K conversion (emergency funding)	12,200			-12,200	
Y2K conversion (emergency funding)	7,666			-7,666	
Y2K conversion (emergency funding)	9,925			-9,925	
Office of Management and Budget	60,617	63,495	63,495	+2,878	
Office of National Drug Control Policy	48,042	43,133	52,221	+4,179	+9,088
Counterdrug (emergency funding)	1,200			-1,200	
Unanticipated Needs	1,000	1,000	1,000		
Emergency funding	30,000			-30,000	
Rescission	-10,000			+10,000	
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	184,977	185,777	192,000	+7,023	+6,223
Special forfeiture fund	214,500	225,300	225,000	+10,500	-300
Counterdrug (emergency funding)	2,000			-2,000	
Total, title III, Executive Office of the President and Funds Appropriated to the President	670,112	639,498	654,762	-15,350	+15,264
Appropriations	(607,121)	(639,498)	(654,762)	(+47,641)	(+15,264)
Emergency funding	(62,991)			(-62,991)	
TITLE IV - INDEPENDENT AGENCIES					
Committee for Purchase from People Who Are Blind or Severely Disabled	2,464	2,674	2,674	+210	
Federal Election Commission	36,500	38,516	38,152	+1,652	-364
Counterdrug (emergency funding)	243			-243	
Federal Labor Relations Authority	22,586	23,828	23,828	+1,242	
General Services Administration:					
Federal Buildings Fund:					
Appropriation	450,018			-450,018	
Limitations on availability of revenue:					
Construction and acquisition of facilities	(492,190)	(102,194)	(8,000)	(-484,190)	(-94,194)
Repairs and alterations	(668,031)	(664,869)	(559,869)	(-108,162)	(-105,000)
(Delay in obligation)	(-161,500)			(+161,500)	
Installment acquisition payments	(215,764)	(205,668)	(205,668)	(-10,096)	
Rental of space	(2,583,261)	(2,782,186)	(2,782,186)	(+198,925)	
(Delay in obligation)	(-15,000)			(+15,000)	
Building Operations	(1,554,772)	(1,590,183)	(1,590,183)	(+35,411)	
(Delay in obligation)	(-68,000)			(+68,000)	
Repayment of Debt	(91,000)	(100,000)	(100,000)	(+9,000)	
Total, Federal Buildings Fund	450,018			-450,018	
(Limitations)	(5,605,018)	(5,445,100)	(5,245,906)	(-359,112)	(-199,194)

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 2000 (H.R. 2490)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
Policy and Operations	109,594	122,158	110,448	+854	-11,710
Y2K conversion (emergency funding)	12,701			-12,701	
Y2K conversion (emergency funding)	4,800			-4,800	
Y2K conversion (emergency funding)	5,002			-5,002	
Y2K conversion (emergency funding)	18,796			-18,796	
Y2K conversion (emergency funding)	7,108			-7,108	
Office of Inspector General	32,000	33,917	33,317	+1,317	-600
Allowances and Office Staff for Former Presidents	2,241	2,241	2,241		
Supplemental general provision (P.L. 106-31)	1,700			-1,700	
Total, General Services Administration	643,960	158,316	146,006	-497,954	-12,310
Merit Systems Protection Board:					
Salaries and Expenses	25,805	27,586	27,586	+1,781	
Y2K conversion (emergency funding)	66			-66	
(Limitation on administrative expenses)	(2,430)	(2,430)	(2,430)		
Morris K. Udall scholarship and excellence in national environmental policy foundation		3,000	1,000	+1,000	-2,000
Environmental Dispute Resolution Fund	4,250	1,250	1,250	-3,000	
National Archives and Records Administration:					
Operating expenses	224,614	186,452	180,398	-44,216	-6,054
(Delay in obligation)	(-7,861)			(+7,861)	
Y2K conversion (emergency funding)	6,662			-6,662	
Reduction of debt	-4,012	-5,598	-5,598	-1,586	
Repairs and Restoration	11,325	13,518	13,518	+2,193	
National Historical Publications and Records Commission:					
Grants program	10,000	6,000	6,000	-4,000	
(Delay in obligation)	(-4,000)			(+4,000)	
Rescission			-4,000	-4,000	-4,000
Records Center Revolving Fund		22,000	22,000	+22,000	
Total, National Archives & Records Administration	248,589	222,372	212,318	-36,271	-10,054
Office of Government Ethics	8,492	9,114	9,114	+622	
Office of Personnel Management:					
Salaries and Expenses	85,350	91,584	90,584	+5,234	-1,000
Y2K conversion (emergency funding)	2,428			-2,428	
(Limitation on administrative expenses)	(91,236)	(95,486)	(95,486)	(+4,250)	
Office of Inspector General	960	960	960		
(Limitation on administrative expenses)	(9,145)	(9,645)	(9,645)	(+500)	
Government Payment for Annuitants, Employees Health Benefits	4,654,146	5,105,482	5,105,482	+451,336	
Government Payment for Annuitants, Employee Life Insurance	34,576	36,207	36,207	+1,631	
Payment to Civil Service Retirement and Disability Fund	8,703,180	9,120,872	9,120,872	+417,692	
Total, Office of Personnel Management	13,480,640	14,355,105	14,354,105	+873,465	-1,000
Office of Special Counsel	8,720	9,740	9,740	+1,020	
Y2K conversion (emergency funding)	100			-100	
United States Tax Court	32,765	36,489	36,489	+3,724	
Total, title IV, Independent Agencies	14,515,180	14,887,990	14,862,262	+347,082	-25,728
Appropriations	(14,457,274)	(14,887,990)	(14,866,262)	(+408,988)	(-21,728)
Rescissions			(-4,000)	(-4,000)	(-4,000)
Emergency funding	(57,906)			(-57,906)	
Grand total	27,922,712	27,997,054	27,800,108	-122,604	-196,946
Appropriations	(26,852,832)	(27,997,054)	(27,739,672)	(+886,840)	(-257,382)
Rescissions	(-14,500)		(-4,000)	(+10,500)	(-4,000)
Advance appropriations, FY 2001			(64,436)	(+64,436)	(+64,436)
Emergency funding	(1,084,380)			(-1,084,380)	
(Limitations)	(5,707,829)	(5,552,661)	(5,353,467)	(-354,362)	(-199,194)
CONGRESSIONAL BUDGET RECAP					
Scorekeeping adjustments:					
Bureau of The Public Debt (Permanent)	138,000	142,000	142,000	+4,000	
Federal Reserve Bank reimbursement fund	126,000	128,000	128,000	+2,000	
Trust fund budget authority	102,000	106,000	106,000	+4,000	
US Mint revolving fund	15,000	11,000	11,000	-4,000	
Sallie Mae	1,000	1,000	1,000		
Federal buildings fund	-30,000	4,000	-195,000	-165,000	-199,000
Postal service advance appropriation	-71,195	71,195	71,195	+142,390	
General provision (sec. 408)	5,000			-5,000	
Ethics Reform Act adjustment	-2,000			+2,000	
Emergency funding	-1,084,380			+1,084,380	
Advance appropriations			-64,436	-64,436	-64,436
Total, scorekeeping adjustments	-800,575	463,195	199,759	+1,000,334	263,436
Total mandatory and discretionary	27,122,137	28,460,249	27,999,867	+877,730	-460,382
Mandatory	13,656,152	14,533,811	14,533,811	+877,659	
Discretionary	13,465,985	13,926,438	13,466,056	+71	-460,382

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to begin by complimenting once again the gentleman from Arizona (Chairman KOLBE) for the excellent job he and his staff have done with the bill this year. I thank them for their diligent work on this bill and for their spirit of bipartisan cooperation.

Within the 302(b) allocation level that had been provided for this subcommittee, $13.6 billion in discretionary budget authority, the gentleman from Arizona (Chairman KOLBE) produced a very good bill that he presented to the subcommittee.

Even though we were not able to fund courthouse construction within the constraints of this allocation, which I think is a significant and important shortcoming of this bill, this bill deserved bipartisan support as it came out of subcommittee. And indeed it came out of subcommittee, I would remind my colleagues, unanimously.

This bill, as the chairman has said, funds the Department of the Treasury at $12.19 billion, $18.6 million below the request of the President. Included within this amount is $3.433 billion for the Treasury. Five important law enforcement agencies, as the chairman has pointed out, over 40 percent of law enforcement in the Federal Government falls within this bill.

This bill also funds antidrug activities, including $46.9 million for the Office of National Drug Control Policy. This important office has the lead role in coordinating all of this Government's efforts in the war against drugs. Within this money, $192 million is for the very successful high intensity drug trafficking areas; $19.5 million is for ONDCP's national youth and antidrug media campaign; and $30 million is for the third year of the very popular and widely supported Drug-Free Communities Act.

Mr. Chairman, I remain disappointed that this bill contains almost no construction funds. We have the responsibility in this appropriations bill to fund most of the construction of Federal buildings for the entire Government. But this year there is no attempt to fund any of the Federal courthouses on the Judiciary's 5-year plan.

Let me make it clear to the Members. The chairman, with the committee's support, last year funded courthouses but not those that were requested by Members but those that were agreed to by the Judiciary as the most critically needed in this Nation to assure the timely administration of justice.

This bill eliminates requested construction funds furthermore of $32 million to buy five border stations. They are needed, as the chairman knows. $4.3 million is eliminated for the project to replace the U.S. Mission to the United Nations in New York City, badly in need of replacement. $55.9 million was deleted from the President's budget to fund the long overdue consolidation of the FDA, and $15 million for a secure location for the currently vulnerable ATF Headquarters building.

Very frankly, Mr. Chairman, these deletions are very unfortunate and, in my opinion, penny wise and pound foolish.

I understand, however, why this bill does not include funding for these important construction projects. It is because this is the third year of the Balanced Budget Agreement and the very stringent budget caps have not been raised.

The 302(b) allocation is only 1.8 percent over the 1999 level. I want to repeat that, Mr. Chairman, for Members of the House and, very frankly, for all those listening. This bill represents only a 1.8-percent increase over last year's funding. That is for all salary increases and expenses of utilities and other related expenses that are required both of families and of the Government. This is clearly not enough to cover basic pay and inflationary increases.

So, in fact, we have an effective cut. So by eliminating requested construction projects and not adding back courthouse construction, which this committee did in the 1999 budget, the chairman has managed to almost fully fund the remainder of the requested amount in this bill.

In summary, Mr. Chairman, I believe the chairman did an outstanding job within an allocation that was simply too low because it was based on unrealistic budget caps.

Mr. Chairman, I very sincerely regret that the bill before this House today is a bill I cannot support. Why? I have said that the bill that came out of subcommittee was unanimously supported, strongly supported by me, again, realizing that it was deficient in the areas that I have talked about but realizing, as well, that the chairman and the committee had done the best it could given the fiscal constraints with which it was confronted.

However, not because the Committee on Appropriations thought it fiscally appropriate to do so, not because the Committee on Appropriations believed that there was waste within any of the numbers provided in the subcommittee's reported bill, not because the majority of the Committee on Appropriations members felt that we ought to cut this bill, but because, very frankly, Mr. Chairman, a relatively small group in this House has decided that we are going to make cuts notwithstanding the needs of this Nation.

□ 1545

The unilateral actions of the House majority leadership in cutting the funding of this bill by $240 million below the 302(b) allocation has hindered this bill.

Let me make an aside, Mr. Chairman. The 302(b) allocation comes about as a result of the budget resolution passed by this House and the Senate. Let me repeat that. The 302(b) allocation that this bill was reported on out of the subcommittee was consistent with the allocations made pursuant to the budget passed by this House and the United States Senate. It was not overbudget. It was not over the 302(b) allocation.

I believe that the almost quarter of a billion dollar cut in this bill has rendered it unsupportable. This reduction passed the Committee on Appropriations on a straight party-line vote, 33-26.

Mr. Chairman, you chaired a retreat. It was a retreat on civility. It was a retreat with the objective of trying to bring us together and make us a more unified, cooperative body, looking at things that were in the best interest of this Nation, not what was in the best interest of party. Very frankly, the subcommittee did this. Very frankly, the Committee on Appropriations would have supported that. But there continues to be a group who does not want to work in a bipartisan fashion, who does not want to bring us together but wants to drive us apart, who wants to, in my opinion, for either political or philosophical reasons, create differences where they ought not to be.

I regret that I rise in opposition to the bill as it stands now. We were told that this reduction is necessary to relieve pressure on other appropriations bills that follow. However, this $240 million will not begin to solve the more than $30 billion shortfall in the 302(b) allocation of other appropriations bills.

What really is happening here is that the leadership is undercutting the committee process to satisfy a few of the members of their conference. This is the fourth appropriations bill to be cut based not on the judgment of the Committee on Appropriations but on the judgment of the leadership.

The worst part of this reduction is the damage it does to core government functions. Funding for the IRS is reduced by $135 million. The General Services Administration repairs and alterations is reduced by $100 million, and the Treasury Department's efforts to automate human resources management are cut by $5 million. These cuts are troubling and extremely ill-advised.

After scores of hearings, days and days of deliberation, the subcommittee made a judgment that the appropriate numbers were $135 million more in IRS, $100 million more in GSA and $5 million more in the human resources management of the Treasury Department.

Mr. Chairman, I know that you voted for the legislation that resulted from

e "Vision for a New IRS." Very
nkly, Mr. Chairman, you will re-
mber, perhaps, that I was one of
r people when the IRS reform bill
s considered on the floor to vote
o." Mr. Chairman, I do not expect
u to remember what I had to say, as
npelling as it was, in the debate that
y, but I got up on the floor and I
d, "I am voting no, and very frank-
if you're going to be for IRS reform,
u've got to be for IRS reform at ap-
propriations time and at tax-writing
ne." What I meant by that is that we
eded to give it the appropriate re-
rces.

The gentleman from Ohio (Mr.
RTMAN) of this body and BOB KERREY
the other body were critically im-
rtant in passing this legislation. In
e report that they issued, they said
s:

The Commission recommends that
ngress provide the IRS certainty in
operational budget in the near fu-
e. We recommend that the IRS
lget for tax law enforcement and
cessing, assistance, and manage-
nt be maintained at current levels
unding for the next 3 years."

Vhy did they say that? They said it
ause if we are going to have reform
IRS, we need to fund the resources
provide the taxpayer services that
t bill contemplated. In the cuts that
front us today, we are not doing
t.

ast year, the House voted over-
elmingly for that reform bill. That
followed recommendations of the
nmission that studied the IRS which
ted concerning budgets that, and I
ote, the IRS should receive stable
ding for the 3 years. Furthermore,
y said a stable budget will allow the
S leadership to plan and implement
rations which will improve tax-
er service and compliance.

Ir. Chairman, in a recent letter, IRS
nmissioner Rossotti stated the fol-
ing concerning the fiscal year 2000
uested level:

This level is the absolute bare min-
m necessary to meet the congres-
nal demand to reform IRS."

Ir. Chairman, as you may know, Mr.
ssotti is a Republican. I do not mean
is a partisan. He is a registered Re-
lican and he is a businessman who
an 8,000-person firm in the private
tor, had offices worldwide, and was
ed by Secretary Rubin to come in
manage this department. He is not a
lawyer as most of his predecessors
e, he is a manager, a business man-
r, asked to make this agency run ef-
ently, effectively and cognizant of
needs of its customers, the tax-
ers of this country. He is doing so.
e says further, "Without these
ds, the reform effort mandated by
restructuring act will be in jeop-
y and could in fact fail."

is not enough to pass legislation
ch says we are going to reform the

IRS. It is, as this report indicated, necessary to fund it at stable levels. We have not done so.

Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. COYNE) and in doing so I would like to observe that he is one of the senior members, as the chairman knows, of the Committee on Ways and Means but more importantly for the purposes of this bill was a member of the IRS reform task force and was intimately involved in the recommendations that that task force made.

Mr. COYNE. Mr. Chairman, I rise today to object to the cut which the Committee on Appropriations has made in funding for the Internal Revenue Service.

While it may be politically popular to cut funding for the IRS, the consequences of this action would be profoundly counterproductive and irresponsible. Do we really want to delay IRS reform or implementation of the new taxpayer protections that were enacted just last year? I do not think so. But that is the effect of this misguided cut that we are contemplating here today.

Do we really want to deny the IRS the resources it needs to modernize its equipment and prepare for the year 2000 bug that we hear so much about? I really do not think so, but this is what might happen if we deny the IRS the resources it needs to make the Y2K conversion in a timely fashion.

Mr. Chairman, this feel-good IRS cut may not feel so good next year. I urge Members to vote against this inadequate bill and send it back to the Committee on Appropriations to be fixed.

Mr. Chairman, I rise today to object to the last-minute $135 million cut which the Appropriations Committee has made in funding for the Internal Revenue Service.

While it may be a politically popular move for some to cut funding for the IRS next year, the consequences of this action would be profoundly counterproductive, unwise, and irresponsible. My Republican colleagues know this and are trying to figure out, behind the scenes, how to undo the damage this bill would do to millions of taxpayers.

Why was the IRS originally given a slight increase in funding for the next year? $75 million dollars was to be used for implementing the IRS Restructuring and Reform Act of 1998, which was passed by the Congress less than a year ago. The remaining $50 million was to be used for modernizing IRS equipment and completing the agency's Y2K conversion.

The IRS reform bill that Congress passed last year was intended to make the IRS more taxpayer-friendly, allow the IRS to hire experts and top managers, reorganize the agency, and provide taxpayers with more than 70 new taxpayers rights in dealing with the agency.

The IRS is currently in the midst of its hiring and reorganization efforts. A significant number of the taxpayer rights provisions have not yet been fully implemented. For example, IRS action to provide innocent spouse relief, allow taxpayers installment agreements, and process claims for abatement of penalty and interest all require employee training, new forms and guidance, and IRS employee interaction with taxpayers. Do we really want to delay IRS action on these statutory mandates—and on implementation of these taxpayer protections? I don't think so, but that is the effect that this misguided cut would have.

Similarly, do we really want to deny the IRS the resources it needs to modernize its equipment and prepare for the year 2000 bug? Are taxpayers really better off if an IRS computer malfunctions? Do we want to risk the possibility that millions of Americans would have to spend hours or days straightening out their tax records? I really don't think so, but that is what might happen if we deny the IRS the resources it needs to make the Y2K conversion in a timely fashion.

IRS Commissioner Rossotti stated the urgency of the situation quite clearly in a letter to Representative Steny Hoyer, Ranking Member of the Treasury-Postal Appropriations Subcommittee, earlier this month. Commissioner Rossotti wrote, "I want to reemphasize how critical this [IRS] budget is to the success of the restructuring and reform act of 1998, passed almost unanimously a year ago. This landmark, bipartisan legislation established 71 new taxpayer rights provisions and mandated an entirely new direction for the IRS. Implementing these provisions is a huge job that requires a great deal of additional staff time and technology change . . . the Administration's IRS budget request for FY 2000 is essentially level with last year's. This level is the absolute bare minimum necessary to meet the congressional demand to reform the IRS. Without these funds, the reform effort mandated by the restructuring act will be in jeopardy, and could, in fact, fail due to financial constraints."

Treasury Secretary Summers added that implementing the improvements of the 1998 IRS reform act ". . . is of the highest priority in the department. The budget follows through on commitments made to the American people to reform the IRS and give the taxpayers the service they deserve and expect. We are at an important crossroad on implementation and we must ensure that the IRS is provided adequate funding to see these changes through to completion . . . I urge the Congress . . . to ensure that the final appropriation reflects the same commitment to supporting IRS reform that has been shown in the past."

Mr. Chairman, this feel-good IRS cut may not feel so good next year. I urge Members with any sense of responsibility for IRS reform to vote against this inadequate bill and send it back to the Appropriations Committee to be fixed. The Treasury-Postal Appropriations Subcommittee, as well as the President, recommended $8.2 billion for the IRS next year with good reason.

Mr. KOLBE. Mr. Chairman, I am very pleased to yield 4 minutes to the distinguished gentleman from Ohio (Mr. PORTMAN) who has been so instrumental in helping bring about the IRS reforms and restructuring and is the individual who has worked very hard on this and understands what this restructuring is all about.

Mr. PORTMAN. Mr. Chairman, I thank the gentleman very much for yielding me this time. I want to start by commending the gentleman from Maryland and the gentleman from Arizona for putting together a very good bill. Overall, this is legislation that will help move our country forward in a number of ways.

I want to mention particularly the antidrug efforts. The funding of the Antidrug Media Campaign and the Drug Free Communities Act are both measures that I think will make a tremendous difference in terms of our fight against substance abuse by reducing demand in our communities.

I do, though, need to speak briefly about the IRS provisions in the legislation. It was just about a year ago when we passed what was historic IRS restructuring and reform legislation, the most dramatic reform in fact of the IRS in over 45 years. The Clinton administration initially opposed the effort but ultimately they, too, agreed that IRS reform was overdue and ultimately the legislation passed with overwhelming support in both the House and the Senate. Now with this 1-year anniversary coming up just a week from today, it is time for us as a Congress to put our money where our mouth is.

The measure before us today, as Members probably know, cuts about $135 million of funding for the IRS. The funding level proposed in the bill, I think, will jeopardize the implementation of the very law we passed with so much bipartisan support and fanfare just last year. It sounds good on the surface to cut the IRS but it actually hurts taxpayer service.

Let us take a look at how it would affect taxpayers. First, it jeopardizes the implementation of the very important customer service improvements which are mandated by the legislation we passed last year, including a dramatic taxpayer-friendly reorganization of the whole IRS that will improve customer service for every taxpayer, including the very popular telefile program that lets taxpayers file their tax returns much more easily through the telephone.

Second, it will endanger the needed computer modernization effort. Every Member of this House has heard horror stories, I know I have, from our constituents who have received erroneous computer notices where the left hand of the IRS does not know what the right hand is doing. I have been very critical of the IRS as have other Members. The effort here was to come up with computer modernization efforts and resources that would help us to deal with these problems. We need to invest in improved IRS technology if we are serious about protecting our constituents from the kind of computer problems we have all seen.

We also need to expand access to taxpayer-friendly electronic filing. Right now there is a 22 percent error rate on paper filing, compared to less than a 1 percent error rate on electronic filing. That is why in the legislation we passed, again just last year, we mandated that the IRS work hard on electronic filing and in fact we set a goal of 80 percent electronic filing for the IRS by 2007. That is going to be difficult to meet unless they have the resources to do it. Again, it is taxpayer-friendly.

On a similar note, finally, the funding cut will jeopardize, I think, the IRS's abilities to complete its Y2K preparations for this year. While the thought of IRS computers crashing may bring glee to the hearts of many, think about the consequences. Think about no refund checks. Think about erroneous IRS notices sent to innocent taxpayers who think they have paid their taxes in a timely way and in an appropriate way. Think about the unnecessary audits that might result. This is no way to bring our tax system, Mr. Chairman, into the 21st century.

I am a strong believer in fiscal discipline. I am proud to cast my vote for fiscal responsibility even when it is not popular because I think holding the line on Federal spending for the sake of our children and grandchildren is the right thing to do. But here, with regard to the IRS, I think we need to follow up with our efforts from last year. We are making good progress in reforming the IRS. Commissioner Rossotti, I believe, is doing a superb job, but we need to give him the tools to get that job done.

Mr. Chairman, I would conclude by again congratulating the gentleman from Arizona on the overall legislation. This bill is a very strong bill and I would hope with the IRS that in conference we can restore some of these reductions.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Before the gentleman from Ohio (Mr. PORTMAN) leaves the floor, I want to again make the comment that he has done some extraordinary work, positive work, helpful work on this entire issue. He is of course from the authorizing committee, the Committee on Ways and Means, a senior member of the Committee on Ways and Means. I appreciate his remarks. Because this is not a partisan issue. The service of our taxpayers is not a partisan issue.

The IRS reform effort, which as I pointed out I voted against the first time because I had concerns about it and, as I said, we needed to do it at budget time and we needed to do it at tax-writing time or no matter how good our people were, they could not implement it. He has reiterated and made more strongly, I think, that point, but the purpose of my rising is to thank him for the leadership that he has exercised on this issue and his continuing shepherding of this effort so that it can be successful. I thank him for his efforts.

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Mr. Chairman, let me now reiterate the concerns that we have on this IRS cut. As I mentioned, Mr. Rossotti was hired in an unusual way. That is to say he was hired as a manager, not as a tax policymaker, to make this system run well. He has sent a letter today, and I would like to read excerpts of that. I quoted a previous letter, but he says this in a letter to me and to the chairman on July 15:

A funding reduction of $135 million would severely restrict, if not completely impair, IRS' ability to deliver on restructuring and reform act mandated by Congress in 1998.

Went on to say that it would undermine customer service.

Says further that it would undermine the funding of efforts to implement congressionally mandated reform requirements.

Also says that it will jeopardize the congressionally mandated goal of 80 percent electronic filing.

And the last two points he makes is that this cut would impair the creation of operating units to help specialized groups of taxpayers, including small business and ordinary wage earners.

Lastly, he says this cut would delay implementation of important taxpayer rights initiatives, the point being again that if we ask the IRS to accomplish these objectives it is incumbent upon us to fund their ability to do so. I regret that that has not happened and, as I say, as a result, as strongly as I support the product from the subcommittee, I will not be able to support final passage of this particular bill.

Mr. Chairman, I reserve the balance of my time.

Mr. KOLBE. Mr. Chairman, I yield 5 minutes to the distinguished gentlewoman from Maryland (Mrs. MORELLA), who has not only a lot of Federal employees in her district but has done yeoman's work on issues dealing with Federal employees.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding this time to me, and I rise in support of this legislation.

I want to very deeply thank the gentleman from Arizona (Mr. KOLBE) for his leadership and his very hard work on this very important bill. I also want to extend accolades to my partner from Maryland who is the ranking member, the gentleman from Maryland (Mr. HOYER); and since thanks are so important I want to thank the gentleman from New York (Mr. FORBES) and the gentleman from California (Mr. DREIER) for ensuring that this legislation contains two particular provisions that are of great importance to Federal employees and their families, many of whom, as I mentioned, I have the honor of representing.

The legislation incorporates the provisions of my bill, H.R. 206, the Federal mployee Child Care Affordability Act. his important and yet simple legisla- on would allow Federal agencies to se funds from their salary and expense ccounts to help low income Federal mployees pay for child care. This leg- slation gives Federal agencies the ame flexibility as that enjoyed by the epartment of Defense to tailor their hild care programs to meet the par- cular needs of their employees.

So by empowering agencies to work s partners with employees to meet heir child care needs, which are ever important, Congress truly will be ncouraging family friendly Federal orkplaces and indeed higher produc- vity.

I am also encouraged that this legis- tion codifies the victory that we won uring the debate 1 year ago today on he Fiscal Year 1999 Treasury, Postal, nd General Appropriations Act which rovided for contraceptive coverage in he Federal Employees Health Benefits rogram. Contraceptives help couples an wanted pregnancies and reduce he need for abortions.

During that debate, I spoke in favor the amendment that was offered by he gentlewoman from New York (Mrs. OWEY) to improve Federal employees' surance coverage of basic health care r women and their families. The mendment of the gentlewoman from ew York (Mrs. LOWEY) required all ut five religious-based plans partici- ating in the Federal Employees ealth Benefit Plan to cover all five ethods of prescription contracep- ves: The pill, diaphragm, IUDs, orplant and Depo-Provera. This bill efore us today ensures that we will ontinue treating prescription contra- eptives the same as all other covered rugs in order to achieve parity be- veen the benefits that are offered to ale participants in the FEHBP plans nd to those that are offered to Federal articipants.

And this bill before us, it may not be erfect because it continues the ban on portion coverage under the FEHBP rogram. Therefore, I am going to sup- ort an amendment that will be offered ter by the gentlewoman from Con- ecticut (Ms. DELAURO) that is gender quitable, to allow any health insur- nce plan participating in FEHPB to ffer coverage for abortions just as vo-thirds of the fee for service plans and 70 percent of HMOs currently rovide in the private sector. Again, at is equity.

Despite this concern, I do believe at this legislation before us today is ery important. I believe that it re- ects a sensible compromise among ultiple interests; and, once again, I ant to thank the gentleman from Ari- na (Mr. KOLBE) for his yeomanship this particular bill and thank the nking member for his work on this ll.

Mr. HOYER. Mr. Chairman, will the ntlewoman yield?

Mrs. MORELLA. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I want to commend the gentlewoman for her statement, which was excellent. She is a pleasure to work with on issues relating not only to our region but particularly to Federal employees. She is always a very strong advocate of our Federal employees and treating them with fairness.

I also want to commend her. She did not mention it, but I wanted to call attention to it earlier; I do not think the gentlewoman was on the floor. I regretted the fact that we deleted the $55 million for the FDA facility which is to be located in Montgomery County. The gentlewoman has been a leader on this effort, and I know that she will work with me, with the chairman, that it is in the Senate bill, and I am hopeful that the chairman and the committee will in conference include that language, and the gentlewoman may want to comment on that.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman from Maryland (Mr. HOYER) for his laudatory comments. I do want to thank the gentleman from Arizona for his comments, and it is true. I know he has been an advocate for Federal employees.

And the gentleman and I and others date way back when it came to consolidation of the Food and Drug Administration, which is located in probably 24 diverse spots, some of our laboratories that really are in terrible need of repair, dilapidated, and yet state-of-the-art work is required of them in what they do. And so I recognize the fact that it is not in this House bill, but it is in the Senate bill, and that is what conferences are for. And so I will join my colleagues in hoping that the conferees will see fit to get the construction moving in the White Oak area, and I thank you for your comments on that.

Again, I thank the gentleman from Arizona (Mr. KOLBE), and I am going to be voting for this bill.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. HOEFFEL), who I understand wants to enter into a colloquy with the chairman and myself.

Mr. HOEFFEL. Mr. Chairman, I thank the gentleman from Maryland for yielding this time to me, and I thank the ranking member for leadership on this bill and his assistance to me.

Mr. Speaker, will the chairman of the committee yield for a colloquy?

I rise today on an issue of great importance to my district, which is a lack of information regarding antique firearms' use in crime. I first became aware of this problem after a 48-hour hostage standoff in Norristown, Pennsylvania, which is part of my district.

Mr. Chairman, I am seeking to require the Department of the Treasury to collect statistics and conduct a study on the use of antique firearms in crime and to report its findings to the Congress within 180 days. Very few or no statistics exist on the use of antique firearms in crime, and no Federal agency is responsible for tracking those statistics. This study would begin to fill the information void left by this lack of jurisdiction. I wonder if the gentleman could accommodate my concern.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. HOEFFEL. I yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman from Pennsylvania for raising this issue. I would certainly be happy to work with the gentleman to accommodate his concerns by working with him regarding a study of this matter and language to be incorporated in the conference report for H.R. 2490, and I hope that might satisfy the gentleman's concerns.

Mr. HOEFFEL. Yes, it certainly will, Mr. Chairman. I thank you very much for your leadership on this and your cooperation and that of your staff, and this will certainly help to address a problem of great concern in my district.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just add to the response of the Chairman, I think the gentleman from Pennsylvania has raised an issue where there is a void of information on the use of relic guns and commission of crime. I think a study would be very useful. I am pleased that the chairman will work with the gentleman from Pennsylvania and myself in including such language in the conference report, and I look forward to that occurring.

Mr. Chairman, I do not believe that we have any further speakers on my side. I understand a member is coming, a member of the subcommittee who would like to speak, so while she is on her way let me make a comment, Mr. Chairman.

The C-SPAN, of course, covers these proceedings, and they see the Members, and the Members work hard. My experience as a legislator over many years has been that the overwhelming 98 percent of the legislators are extraordinarily conscientious and hard-working, but none of us could do our job effectively without some extraordinarily able and committed staff. The chairman in his opening remarks mentioned the staff, and I would like to again thank them for their efforts.

The chief clerk of our committee, Michele Mrdeza, works extraordinarily hard, is very knowledgeable about the bill's provisions and works extraordinarily hard during the course of the year to oversee the implementation of the provisions in our bill. She is assisted very ably by Bob Schmidt, by

Jeff Ashford, by Tammy Hughes, by a very close friend of mine, Clif Morehead, and by Kevin Messner.

On our side of the aisle: Pat Schlueter, who works extraordinarily hard as well; and Scott Nance, a member of my staff as Kevin is a member of Mr. Kolbe's staff; and I want to thank them for their efforts. We could not do this job effectively without their help and without their caring and without the very long hours that they put in day after day, night after night, to make sure this bill comes to the floor in a credible fashion.

Mr. Chairman, let me make perhaps a few other comments while we are waiting. The legislation before us does, in fact, provide for Treasury law enforcement, critically important, important with respect to Customs, to make sure that what is coming into our country comes in properly, that the proper duties are paid, that the items that are excluded from importation do not come in and that smuggling does not occur. They obviously work hand in hand with others, with INS, with DEA, with Water Patrol in carrying out the efforts to make sure that our borders are secure.

In addition, the Bureau of Alcohol, Tobacco and Firearms headed by John Magaw is an extraordinary agency which has, as I have said in times past, dealt with some of the most dangerous and demented criminals in America, those who want to use weapons of, if not mass destruction, wide destruction such as the bombing of the Oklahoma office building that killed so many of our Federal workers and public citizens. It is appropriate that we fund ATF at levels that gives them the opportunity to do the job that we have given them.

And then I would, before yielding to the gentlewoman from California (Ms. ROYBAL-ALLARD), mention the Secret Service, one of the premier law enforcement agencies in our Nation. Most of us view the Secret Service as a protective agency. They do that function. They protect our President, they protect our Vice President, their families, and they protect, of course, visitors to our shore, foreign leaders.

But they also carry out very, very critically important law enforcement responsibilities, not the least of which is the protection of our currency. The American dollar, as we know, Mr. Chairman, is the standard throughout the world for value and for monetary systems. If it were not for the Secret Service and their protection of the integrity of that currency, the international monetary situation would not be nearly as good as it is.

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Mr. Chairman, I am very pleased to yield such time as she may consume to my good friend, the gentlewoman from California (Ms. ROYBAL-ALLARD), one of the leaders on our subcommittee, and, I might say, for those of us who have been here for some time, the distinguished daughter of a distinguished member, Ed Roybal, who chaired this subcommittee and who, through the years, taught me the ropes.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in reluctant opposition to H.R. 2490, the Treasury, Postal Service, and General Government appropriations bill for fiscal year 2000.

This is my first year as a member of the Committee on Appropriations, and as a member of the Subcommittee on Treasury, Postal Service, and General Government, I had high hopes of supporting this bill throughout the legislative process. The bill reported out of our subcommittee was a sound one, unanimously supported by the subcommittee members. It maintained current services for the important agencies within the jurisdiction of the bill.

Unfortunately, during consideration by the full Committee on Appropriations, nearly $240 million was cut from the bill at the direction of the Republican leadership. Responding to a small minority of the Republican party which sought to control the budget process this year, this cut was passed by the Committee on Appropriations on a party line vote. This cut would prevent us from going forward with reforms of the Internal Revenue Service passed just last year.

By cutting $100 million from GSA's repair account, we adopt a policy that will only end up costing the American taxpayer much more in the long run for increased repair costs made necessary by deferred maintenance. This reduction in GSA's budget is in addition to the fact that no funding is provided in the bill this year for new courthouse planning and construction.

This lack of funding affects my district very directly because the proposed new Federal courthouse in downtown Los Angeles is first on the priority list. In fact, the Los Angeles courthouse was officially out of space in 1995, and the current facility has life-threatening security deficiencies, according to the U.S. Marshall's Service.

Finally, I was also extremely disappointed that the full committee voted to strike a provision that the gentleman from Virginia (Mr. WOLF) and I included at subcommittee giving the Office of National Drug Control Policy the authority to address underage drinking in their youth antidrug media campaign.

Research has shown that alcohol is an important gateway drug leading to the use of other illegal drugs. Young people who drink are 22 times more likely to smoke marijuana and 50 times more likely to use cocaine than those who do not drink.

Conducting an antidrug media campaign that does not address the linkage seriously hampers its overall effectiveness, and I will continue to work with the gentleman from Arizona (Chairman KOLBE) and others to include this important message in our antidrug strategy.

In short, this was originally a good bill, but pressure from the Republican right wing has turned it into a bad bill. I urge my colleagues to oppose this bill, to send the message that we need to fund our agencies adequately.

I sincerely hope that we will come to our senses later in the legislative process and make this bill the bipartisan product that it once was and still can become.

Mr. PRICE of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say once again that I think this is a good bill. I hope it will be supported by Members. I would join with the gentleman from Maryland (Mr. HOYER) in my thanks to the staff on both sides of the aisle who have done such a good job to get us to this point. They are the unsung heroes of this legislation. I thank them, those that are around me and those on the other side, for the fine job they have done.

Mr. THUNE. Mr. Chairman, I rise today to address concerns I have with H.R. 2490, the Treasury, Postal Service, and General Government Appropriations Act for Fiscal Year 2000.

While I appreciate the hard work of my colleagues on this bill, I object to the process that allows for a pay raise without a vote of the members. The term cost-of-living adjustment may sound more appealing than the term pay raise. Despite the difference of means, the end is the same. And I object to the end at issue here, which is an increase in congressional pay. I am disappointed that the only opportunity I have to oppose the cost-of-living adjustment is on a procedural vote.

South Dakota farmers and ranchers are experiencing historically low commodity prices. Social Security recipients are being asked to live with a 2.7 percent cost-of-living adjustment, but Members of Congress are prepared to accept a 3.4 percent, $4,600 pay raise.

Three years ago, I took a pledge not to accept any pay raise Congress may vote for itself. I took that pledge because I believed Members of Congress were not under-compensated for the work they were doing. I believed then and I believe now that a pay raise for Congress is inappropriate. I therefore will continue to contribute any raise I receive as a Member of this body to a non-profit organization. Any adjustments in congressional pay should be based upon merit, reflecting the demands of the job as well as contemporary economic conditions.

Traditionally, this bill has been the vehicle for addressing the automatic cost-of-living adjustment for Members. Although I will support the Committee's efforts to craft a sound bill, I am disappointed the process used today prevented a vote on whether to bring this bill to the floor for consideration in its current form. To me, it would have been wholly appropriate to have included a provision denying Members of Congress an automatic pay increase. For these reasons, I voice my disappointment and vote against the previous question on the rule.

Mr. HILL of Montana. Mr. Chairman, I rise in strong opposition to the COLA increase for Members of Congress permitted by the FY00 Treasury Postal Appropriations bill. On September 30, 1997, I voted against a similar bill which contained a $3,100 annual pay raise for Members of Congress.

At that time, I believed that is was wrong for me to accept a pay raise until the Congress balanced the federal budget. Two years later even though we have now balanced the budget, I still do not believe that Members of Congress should have an automatic pay raise. I think that we should have an up or down vote on all pay changes.

Leadership of both parties have sought to avoid such an up or down vote. Since I have been blocked from such a vote, I voted against the motion for the previous question to permit a rule to be offered allowing such an up and down vote.

Because that motion passed, I then voted against the rule on a voice vote because it did not permit such an up or down vote. Failure to allow an up or down vote on this issue only serves to increase cynicism towards the political process and confirms the feelings of many voters that their representatives are out of touch. This process needs to be reformed. Members of Congress should be on record with the citizens of their districts as to whether they believe an increase to our salary is justified.

Mr. MORAN of Kansas. Mr. Chairman, I rise in opposition to this procedural motion which precludes consideration of a cost of living increase for Members of Congress. Failure to allow an up or down vote on this issue only serves to increase cynicism towards the political process and confirms the feelings of many voters that their representatives are out of touch. This process needs to be reformed. Members of Congress should be on record with the citizens of their districts as to whether they believe an increase in their salary is justified. Given the opportunity, I would vote "no."

I believe that fiscal discipline must start with elected officials. At a time when farmers and ranchers are struggling, our domestic oil and gas industry is collapsing and rural hospitals and other health care providers are curtailing services, there is no place for a Congressional cost of living increase, especially one born in a cloud of secrecy.

Mr. HAYES. Mr. Chairman, I rise in opposition to the pending motion and hope that my colleagues will join me voting down the previous question.

It is my understanding that under current law a Cost-of-Living-Adjustment (COLA) is enacted annually. Mr. Chairman, unfortunately, the rule crafted for the Treasury-Postal Appropriations bill does not allow for members to vote up or down on this automatic COLA. This concerns me—I had hoped for an opportunity to vote against any sort of congressional pay raise for members of Congress. Consequently, Mr. Speaker, I can't support this rule and will vote against this motion.

Over the Independence Day recess, I visited farmers and manufacturers across the 8th District of North Carolina. These are hard-working, decent people, Mr. Chairman. During my stops, I was troubled by numerous stories of fleeting jobs.

While our nation's economy continues to grow, many rural Americans are struggling in their local economies. In the 8th District alone, double-digit unemployment is common. In our smaller, more remote communities economic development is virtually stagnant. Mr. Chairman, with so many of my constituents and rural Americans across the country struggling to make ends meet, it seems to me inappropriate to support a congressional pay raise. I urge my colleagues to join me in voting against this motion.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in reluctant opposition to, H.R. 2490, the Treasury, Postal Service and General Government Appropriations Bill for fiscal year 2000.

This is my first year as a member of the Appropriations Committee, and as a member of the Treasury, Postal Service and General Government Subcommittee, and I have enjoyed working with Chairman JIM KOLBE, Ranking Democrat STENY HOYER and other members of the subcommittee. Chairman KOLBE put together a solid schedule of budget hearings, including a special hearing on ONDCP's anti-drug media campaign and a special hearing on integrity issues affecting the Customs Service. I also accompanied Chairman KOLBE on two "field trips" to see facilities the Secret Service and the Bureau of Alcohol, Tobacco and Firearms at work, and I came away with a much fuller understanding of the vital work these agencies perform on a day-to-day basis.

I had high hopes of supporting this bill throughout the legislative process. Certainly, the bill reported out of our subcommittee had much to commend it, including several provisions added at my request. It was a sound, bipartisan bill, unanimously supported by all members of the Treasury, Postal Service, and General Government Subcommittee. Chairman KOLBE and Ranking Democrat HOYER had worked in a bipartisan fashion to craft a bill that stayed within a tight 302(b) allocation of $13,562,000,000, while essentially maintaining current services for the important agencies and functions within the jurisdiction of the bill. These vital agencies include the Internal Revenue Service, the Secret Service, the Bureau of Alcohol, Tobacco and Firearms, and the Customs Service, as well as the Executive Office of the President and numerous executive agencies.

I would specifically like to thank the Chairman for including report language addressing a serious issue regarding the Customs Service. During a special committee hearing, I raised questions about a portion of a report that had been prepared by the Treasury Department regarding the integrity of the Customs Service. I was particularly concerned about a portion of the report which said:

> Most serious, however, is the belief that inspectors who are hired locally, particularly along the Southwest border and assigned to the local ports of entry, could be at greater risk of being compromised by family members and friends who may exploit their relationships to facilitate criminal activities. Although they could not offer any solid evidence, Senior Customs officials expressed ‘a real apprehension over the possibility that individuals were attempting to infiltrate Customs by seeking jobs as inspectors for the sole purpose of engaging in corrupt and criminal behavior.

At my request, the Committee included language taking strong exception to any implication that individuals of Hispanic background are particularly susceptible to corruption and laying out the Committee's expectation that the Customs Service should address unsubstantiated bias by senior Customs officials as it implements its anti-corruption strategy.

Additionally, I am grateful that the bill includes report language directing the General Services Administration to provide necessary funding for the renovation of a federal building located in my district in Downtown Los Angeles in its fiscal year 2001 budget submission. this project is absolutely critical for the safety of the 2,000 workers and 4,000 to 5,000 public visitors who occupy this building on an given day. The building, which currently houses branches of the Immigration and Naturalization Service, the Internal Revenue Service and other agencies, was originally built in 1963, and is in grave need of safety enhancements such as a building-wide fire alarm system, seismic strengthening, safety upgrades to the elevators and stairwells, as well as modifications to meet Americans with Disabilities Act requirements.

So I believe the bill had considerable merit as reported by the subcommittee, and that Chairman KOLBE and Ranking Democrat HOYER had crafted the best bill possible under tight budget constraints.

Unfortunately, during consideration by the Full Appropriations Committee, nearly $240 million was cut from the bill at the direction of the Republican leadership. Responding to a small minority of the Republication party who have sought to control the budget process this year, this cut was passed by the Appropriations Committee on a straight party-line vote, 33 to 26. While we were told that this reduction is necessary to relieve pressure on other appropriation bills, $240 million is merely a drop in the bucket of what is actually needed to make our other appropriation bills passable. However, $240 million is a very severe cut to our bill, which was already stretched to the limit.

A significant amount of this cut—$135 million—would come from the Internal Revenue Service. Just last year Congress passed the IRS Reform and Restructuring Act, which required the IRS to reorganize, and make significant changes to protect taxpayer rights and improve services. The cut of $135 million will completely jeopardize IRS's ability to follow through on these important reforms.

This cut also includes a $50 million reduction in IRS's funding for its Year 2000 conversion. If the IRS fails to complete its Y2K conversion on time, they will be unable to process returns and provide tax refunds to our nation's taxpayers during the 2000 tax season.

Another $100 million has been cut from the General Services Administration's Repair and Alterations account with the Federal Buildings Fund. This reduction will severely impair GSA's ability to provide adequate physical security and make the many needed repairs at over 8,400 federal buildings throughout the country. I think we all recognize this as penny-wise and pound-foolish policy. Reducing funding now for GSA's Repairs and Alterations will only end up costing the American taxpayer much more in the long run for increased repair costs made necessary by deferred maintenance.

This reduction in GSA's budget is in addition to the fact that no funding is provided in the bill this year for new courthouse planning and construction. The lack of funding for the courthouse construction program is particularly distressing given the fact that other federal law enforcement spending has increased significantly over recent years, putting significant stress on the courts. With no funding for modern court facilities, the ability for the Justice Department and our federal judges to deal efficiently with their caseloads is made increasingly difficult. In addition, according the GSA, delaying funding of new courthouse projects increases costs by an average of 3 to 4% annually—meaning that the federal government will have to pay significantly more for the same projects in years to come.

I am personally very concerned about this lack of funding, as the proposed new federal courthouse in downtown Los Angeles, located in my district, is the first on a priority list agreed to by GSA and the Administrative Office of the U.S. Courts for FY 2000. A new courthouse is desperately needed because the existing facility, built over 60 years ago, lacks the necessary courtroom space to accommodate its rapidly increasing workload. In fact, the Los Angeles courthouse was officially "out of space" in 1995. This lack of space has created delays, inefficiencies, and a huge backlog of cases. Accordingly to the Judicial Conference of the U.S., the current facility has "critical security concerns," including "life-threatening" security deficiencies, which have been documented by the U.S. Marshalls Service. For example, prisoners facing trial must be transported to various courtrooms from secure detention facilities at remote locations. This process is expensive and difficult for the U.S. Marshalls Service, and it is potentially threatening to visitors in crowded corridors, including, in some cases, witnesses at the same trials. The U.S. Attorneys office must also cope with assembling the elements of a successful prosecution with staff and resources scattered at locations throughout the Los Angeles area.

I believe these cuts adopted by the full Appropriations Committee place in jeopardy the ability of the important agencies within our bill to fulfill their vital missions. For that reason, I must reluctantly oppose the bill in its present form.

Finally, I was also extremely disappointed that the full committee voted to strike a provision that Congressman FRANK WOLF and I had included at subcommittee giving the Office of National Drug Control Policy the authority to address underage drinking in their youth Anti-Drug Media Campaign. This provision was critical because, according to General McCaffrey, the Director of ONDCP, he lacks the legal authority to address alcohol in the media campaign. Even more important is that research has shown that alcohol is an important "gateway drug," leading to the use of other, illegal drugs. In fact, General McCaffrey has stated that alcohol "is the biggest drug abuse problem for our adolescents and it is linked to the use of other illegal drugs." For example, more than 67% of kids who start drinking before age 15 end us using illicit drugs. Additionally, ONDCP's own data shows that young people who drink are 22 times more likely to smoke marijuana and 50 times more likely to use cocaine than those who don't drink.

Conducting an anti-drug media campaign that does not address this linkage seriously hampers the effectiveness of the $1 billion, taxpayer funded effort. Until we incorporate this message into our anti-drug campaign, parents and children will be deprived of the basic fact that underage drinking, while dangerous in and of itself, may also lead kids to a lifetime of illicit drug dependence.

In short, this was originally a good bill. But pressure from the Republican right wing has turned it into a bad bill. The IRS and our important law enforcement agencies like the Secret Service and the BATF are on the brink of being unable to fulfill the responsibilities we have given them. Further, we have adopted a penny-wise, pound-foolish policy for the General Services Administration, both in terms of vital new construction as well as on-going maintenance and repairs for the huge inventory of federal buildings where our constituents do their business every day.

I urge my colleagues to oppose this bill to send the message that we need to fund our agencies adequately, and I sincerely hope that we will come to our senses later in the legislative process and make this bill the bi-partisan product that it once was and still can become.

Mrs. MALONEY of New York. Mr. Chairman, I rise in reluctant opposition to the Treasury-Postal appropriations bill.

I agree with what many of my colleagues have said about the cuts in this bill, and for that reason I cannot support it.

Still, it is difficult for me to oppose this bill because it was essentially a good bill before it reached the full committee. And as a strong advocate for cleaner elections and vigorous enforcement of election laws, I am particularly pleased by the provisions in this bill dealing with the Federal Election Commission.

The Federal Election Commission, in the words of a former Member of this body, is the "one agency that Congress loves to hate."

For too long, Congress has failed to give the FEC the resources and tools it needs to do its job.

So, I am very pleased that the committee has elected this year to fund the FEC at a level that is nearly equal to the agency's budget request. For the first time in years, the committee has decided to give the FEC the money it needs to enforce the law.

But not only does this bill fully fund the FEC, it also contains several provisions that will help the agency operate more efficiently.

This bill will mandate electronic filing by campaign committees that reach a certain threshold set by the agency. In addition, it creates a system of "administrative fines"—much like traffic tickets, which will let the agency deal with minor violations of the law in an expeditious manner. Finally, it will permit campaign committees to file with the FEC on an election-cycle basis, as opposed to the current system which requires calendar-year reporting.

These are all common-sense, bipartisan reforms that will give the FEC more time to investigate serious violations of the law. All of these reforms were recommended by an audit conducted by the independent firm of PricewaterhouseCoopers and are supported by the FEC itself.

Mr. Speaker, a strong FEC is critical to the integrity of our electoral process. Our election laws are meaningless if we are not willing to give the FEC the tools and the resources it needs to enforce them.

While I continue to believe that we must do more to clean up our elections—and I call on the leadership to bring campaign finance reform legislation to the floor as soon as possible—I do applaud the committee for taking this one small step that will enable the FEC to operate more efficiently.

I thank the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) for their leadership on this issue.

Mr. KOLBE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

During consideration of the bill for amendment, the chair will accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered as read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment, may reduce to a minimum of 5 minutes the time for voting on any postponed question immediately following another vote, provided the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, $134,206,000.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $31,017,000, to remain available until expended: *Provided*, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems.

AMENDMENT OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. VELÁZQUEZ:

Page 3, line 9, insert before the period at the end the following:

: *Provided*, That, of the total amount provided under this heading, $3,000,000 shall be for grants authorized in part 2 of subchapter III of chapter 53 of title 31, United States Code (relating to money laundering and related financial crimes)

Ms. VELÁZQUEZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. VELÁZQUEZ. Mr. Chairman, the Velázquez-Bachus amendment designates $3 million within the funds appropriated for the Treasury Department for fiscal year 2000 to provide grants to State and local law enforcement agencies and prosecutors to investigate and prosecute money laundering and related financial crimes.

I would like the record to reflect also that the most influential Members of the House with respect to anti-money laundering policies support this amendment, including the gentleman from Iowa (Chairman LEACH), the ranking member, the gentleman from New York (Mr. LAFALCE), the gentlewoman from New Jersey (Mrs. ROUKEMA), and my cosponsor, the gentleman from Alabama (Mr. BACHUS).

This grant program is authorized by legislation that I sponsored in the 105th Congress, the Money Laundering and Financial Strategy Act of 1998. I am offering this amendment for the same reason the gentleman from Alabama (Mr. BACHUS) and I have worked for years to get a money laundering strategy bill through Congress, because money laundering is one of the most destructive criminal elements that face our country.

About 5 years ago I began working with law enforcement officials in my district to address the growing problem of money laundering in the neighborhoods I represent and throughout New York City. These neighborhoods are home to many hard-working low-income families. The tragedy is that they are also home to hundreds of money wire services that transfer up to $1.3 billion in illegal drug proceeds to South America.

The success of drug dealers, arms dealers, and organized crime organizations is based upon their ability to launder money. Through money laundering, drug dealers transform the monetary receipts derived from criminal activity into funds with a seemingly legal source.

For a moment, just consider the sheer size and changing nature of money laundering enterprises. In just the United States alone, estimates of the amount of drug profits moving through the financial system have been as high as $100 billion. It is staggering. Now consider the burden of local law enforcement officials. They need our help. In fact, since the passage of the Money Laundering and Financial Strategy Act, my office has received calls from local and State law enforcement officials from across the country asking how they can apply for these grants.

Let me be clear, this is not funding for another government program. This amendment provides money directly to the States and local law enforcement agencies that are waging the war on crime. There is a lot of talk in this Congress about giving the States and local governments more control and about giving Federal money back to the communities, but now Congress has failed to appropriate a mere $3 million for grants to assist our State and local officials to fight money laundering. How do we expect our local police departments and prosecutors to fight crime networks that have access to more money than some States when we cannot make a $3 million commitment?

Money laundering has devastating consequences for our communities because it provides the fuel for drug dealers, terrorists, arms dealers, and other criminals to operate and expand their operations. The dealers that sell drugs on our streets and in our schools rely on money laundering to disguise their illegal profits and continue their operations.

Dirty money can take many routes, some complex, some simple, but all increasingly inventive, the ultimate goal being to hide its source. The money can move through banks, check cashers, money transmitters, businesses, and even be sent overseas to become clean, laundered money.

The tools of the money launderer can range from complicated financial transactions carried out through webs of wire transfers and networks of shell companies to old-fashioned currency smuggling, and so the tools of law enforcement to combat money laundering must be at least as sophisticated, if not more so.

Anti-money laundering legislation and funding for programs to combat money laundering are vital law enforcement weapons in the war on drugs. That is why, we must begin to fund these grants and allow the States and local law enforcement officials to begin to even the playing field in their battle against drug dealers.

I urge the passage of the Velásquez-Bachus amendment.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition not because I disagree with what the gentlewoman from New York (Ms. VELÁZQUEZ) is trying to do. I rise in opposition not because I do not agree with the merits of the program that she discussed.

As she has told us, this is a program that I think has a lot of merit, and this program had very strong bipartisan support when we passed the Money Laundering and Financial Crimes Strategy Act of 1998, because it did permit the Treasury Department, in consultation with Justice, to develop a grant program for State and local agencies to go after money laundering activities, which we know is a very serious problem, and is really at the root, the heart of the problem with our drug trafficking. If we cannot get at the money, we cannot really stop the drug trafficking.

The Federal government alone cannot do this, it takes State and local agencies to do it, so the intent was very, very good. The problem that we have is a very simple one of budgetary constraints that are faced by this committee. Because it was a new program, we did not provide funds for this.

I just would want to mention to the committee that we have made a very substantial cut in this particular line of Treasury, more than, I think, I would like to see. The request was for $53.5 million. We initially at the subcommittee level provided $35.9 million. We have taken another $4.5 million out of there in the full committee. That reduction was part of what we did in order to bring us down to the level necessary to meet the 1999 appropriated levels.

The concern that I would have about designating $3 million out of what has been a shrinking pot here, or a shrinking piece of the pie, for the Justice Department for these operations is that we are going to cut deeply, I fear, into some of the other programs that are covered by this, which of course includes the modernization, the human resources reengineering project which is going on Treasury-wide to try to bring about a new personnel system within the department. They are continuing their Y2K conversion, their productivity enhancements, all the things we have directed them to do.

I fear that if we designate this amount of money, we are going to be cutting someplace else. It does mean a cut from someplace else because we have not changed the total amount available to the Department.

So I understand what the gentlewoman is trying to do. It is a program that I have a lot of interest in, and I think many of us sympathize with this. But I just believe that under the circumstances, it would be inappropriate for us to try to earmark this amount in this relatively small departmental appropriation. For that reason, I would oppose it.

Ms. VELÁZQUEZ. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Chairman, I would like to say to the gentleman that the Treasury Department has informed us that they would be able to find the $3 million within the existing levels for these $3 million grants.

I just would like to add that appropriation bills are about priorities. If fighting money laundering in this Nation is not a priority, then we should get our priorities in line.

□ 1630

Mr. KOLBE. Mr. Chairman, reclaiming my time, I appreciate the gentlewoman's comments. I would still argue that as we start to earmark particular amounts of departmental monies, it is going to make it that much more difficult for them to meet their other requirements and that is the only reason I oppose the amendment.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, last Congress the House authorized the Money Laundering Financial Crimes Strategy Act of 1998, of which the gentlewoman from New York, Ms. VELÁZQUEZ, was a cosponsor, along with the distinguished gentleman from Alabama (Mr. BACHUS), who will also be speaking. I do not know whether the gentlewoman from New Jersey (Mrs. ROUKEMA) was a cosponsor as well. Apparently.

I understand what the gentleman from Arizona (Mr. KOLBE) is saying, but I am rising in support of this amendment. This bill created a national strategy to fight money laundering at the local level and attack drug trafficking at its source. Let me say to the gentlewoman from New York so she understands, the gentleman from Arizona has been an extraordinarily strong supporter of the financial crimes enforcement unit that is in this bill, FinCEN, that the gentlewoman is probably familiar with. So the gentleman has been very concerned about money laundering. I know the gentleman has a concern also about the levels in the bill. He and I at least momentarily disagree, and I think we can do this at this point in time.

The bill on the floor does not include funding for these grants, and I think that is an oversight on our part. I think we should have included the money, and that is why I am supporting this amendment. Money to fund the grants was included by the President in this budget and in the Treasury Department's budget proposal, but the committee chose not to fund it.

To remedy this, the gentlewoman from New York (Ms. VELÁZQUEZ), the gentleman from Alabama (Mr. BACHUS), the gentlewoman from New Jersey (Mrs. ROUKEMA) and others have offered this amendment to earmark $3 million to the general fund of the Treasury Department to finance it.

Mr. Chairman, I have not been in touch with the Treasury Department, but the gentlewoman from New York has, and indicates that it is in their budget. They believe they can afford it and can support it in the context of their bill.

In my opinion, Mr. Chairman, we need to give local law enforcement the tools to fight these crimes which are the basis of the drug problem in our communities making money and then converting that money so that it can be used legally. The funding in the amendment would give local agency the tools to fight the root of the drug problem. It would target high-intensity drug trafficking areas.

Because of that, and because I think it is so critically important, and because I know the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee on Banking and Financial Services, and the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking and Financial Services have been strong supporters of this legislation.

And I believe that we have such a broad base of support for this legislation, I would hope that the chairman of the subcommittee would see his way clear to letting this be adopted and then seeing how we can work between now and conference.

Mr. Chairman, I rise in support of this amendment and urge my colleagues to adopt it.

Mr. BACHUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when we talk about drug trafficking, I think some of us think of it as a one-way street. We think of the drugs coming in. Drug trafficking is a two-way street. The drugs come in and the money goes out. We seize, by some estimates, as much as 30 percent of the drugs entering our country. We seize less than one-fourth of 1 percent of the money that leaves the country.

Now, we can continue to put young men in jail, catching them pushing drugs on the street; and we can continue to fill up our prisons, but we have to start doing some new things. The legislation that the gentlewoman from New York steered through this House and through the Senate was considered ground breaking at the time, and that is what the New York Police Department described it as.

Mr. Speaker, we authorize $3 million, and I would say that we cannot afford not to spend this money. Where we get it, that is a decision of the appropriators. But I can tell my colleagues that we had numerous hearings on this legislation. It is good legislation. I think it is foolhardy for us to take so much time, so much consideration, have law enforcement agents from all over this Nation testify in five different hearings, carefully construct legislation that this Congress felt very good about and which passed I think without a dissenting vote, and then not to fund it. It makes absolutely no sense.

We are talking about a threat to every one of our communities, and we are talking about addressing the flip side of this threat, the money laundering side, which has not been seriously looked at or combatted. And we now have an opportunity, through the expenditure of just a small amount of money, to move in that direction.

I want to say that I do not think we have a choice here. I do not think this is a situation where we do not have the money. I will leave my colleagues with this: a drug dealer last year was convicted of pushing drugs and the testimony revealed that he made $3 million in less than a month pushing drugs in one of our large cities. One drug dealer in one city made $3 million pushing drugs and we are talking about $3 million.

Mr. CROWLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Velázquez-Bachus amendment which would earmark $3 million of appropriated fiscal year 2000 Treasury Department funds to provide grants to States and local law enforcement agencies and prosecutors to investigate and prosecute money laundering related to financial crimes.

Mr. Chairman, money laundering activities allow drug traffickers, arms smugglers, tax cheats, and many other criminals to fund and profit from their illicit activities. In my congressional district in Queens in the neighborhood of Jackson Heights, the seriousness of the drug money laundering problem is highlighted by the widespread use of money remitters and their agents by organized narcotics traffickers to send the proceeds of drug sales back to drug source countries.

Mr. Chairman, the grant program funded by this amendment is part of an overall strategy to help provide local law enforcement officials greater access to Federal law enforcement resources in their ongoing battle against money laundering activity, and so I strongly urge all of my colleagues to support the Velázquez-Bachus amendment.

Mr. Chairman, let me just add that I know that the gentlewoman from New York (Ms. VELÁZQUEZ) has been working on this issue for a number of years, at least 7 years here in the House. And we are not talking about a great deal of money in the overall picture of the budget, but an amount of money that can go a long way to helping us curtail the drug importation and exploitation of many people in my district.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I speak in strong support of this amendment. It is very simple. If we want to fight drugs, we have got to vote for this amendment because money laundering equals the drug trade. And as has been already stated, this is a high priority by anybody's standards.

Certainly, I want to join my colleague on the Committee on Banking and Financial Services, the gentleman from Alabama (Mr. BACHUS) as he congratulated the gentlewoman from New York (Ms. VELÁZQUEZ) for the good work that she has done on money laundering. Her bill, just to remind or refresh the memories of our colleagues, the Money Laundering and Financial Strategy Act, was passed last year and it was signed into law in October of 1998, and it was passed easily with strong support. But we cannot have that bill on the ledger here without financing it and implementing it, and that is what we are saying here.

The gentlewoman from New York talked about the administration and its responsibility to formulate a comprehensive anti-money laundering strategy and, by the way, we must also stress for all our colleagues this is not a Federal program. This is to give money to local law enforcement. It is putting money back at the local level where we can do the best possible in those high-risk areas to combat that money laundering. The need is very great, and it is pressing and it is growing.

Mr. Chairman, I want to refresh the memory of both my colleagues on the Committee on Banking and Financial Services as well as others about the hearings that were held in my committee, the Subcommittee on Financial Institutions and Consumer Credit, on this subject of money laundering.

The amount of money being laundered in the United States is estimated, conservatively, I might say, to be in the hundreds of billions of dollars. Law enforcement, that is, U.S. Attorneys, Customs and even Treasury, told us at these hearings that the lifeline of the drug trade is money laundering. The lifeline of drugs is money laundering.

In addition, we were also told that approximately $30 billion in cash is being smuggled out of the U.S. on an annual basis. And it is obviously no small problem. It is growing and it is huge.

One thing is very clear from the subcommittee hearings. If the drug lords, and I want to stress this, it is very clear for anybody that is knowledgeable on this subject, if the drug lords cannot launder the proceeds from the drug sales, they are out of business. Law enforcement has made this point time and again.

Now, this amendment earmarks $3 million of Treasury Department's funds for local law enforcement to fight that money laundering. I want to stress with reference to some statement by the gentleman from Arizona (Chairman KOLBE) and his observation about the Treasury's lack of action, I also am not satisfied with the Treasury Department in the money laundering field. They are very late in issuing the national anti-money laundering strategy required by the Velázquez bill of last year. Their report was due, or strategy was due, in February of this year.

But Treasury is also late in finalizing the money services business regulations and we were promised, both in writing as well as at the hearings, a written response by June 1 to give us some idea as to when Treasury would be acting on these statutory requirements. But I want the gentleman from Arizona to know as chairman of the subcommittee that nothing yet has been received, despite repeated promises.

This amendment will make it clear to Treasury that Congress is serious about money laundering, and it will help us focus the Treasury Department on this important issue.

Mr. Chairman, I urge a strong vote for this amendment.

Mr. LAFALCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are several different types of crime, but the vast, vast preponderance of crime involves money. Money.

If we go to law enforcement officials, whether Federal, State, local, and ask them what is the best way to detect crime, they would say "follow the money." Follow the money. That is what we want to do. And that was the reason that the Congress in October of 1998 passed the Money Laundering and Financial Strategies Act of 1998, so that the Federal law enforcement officials, the State law enforcement officials, the local law enforcement officials could also do together jointly what they thought would be most effective: follow the money.

□ 1645

The difficulty is, to follow the money, we need a little bit of money. The difficulty is, in order to have a cooperative strategy involving the Federal, State, and local governments, as is called for by a section of the October, 1998, act, that section of the October, 1998, act must be funded.

The amendment of the gentlewoman from New York (Ms. VELÁZQUEZ) simply says, amongst the monies that already have been determined should be appropriated by the Subcommittee on Treasury, Postal Service, and General Government for the Treasury Department, of that amount $3 million should be designated for what local law enforcement officials think is the most important act that can be done to detect crimes involving money, that is, follow the money.

Vote for the Velázquez amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The amendment was agreed to.

Mr. FORBES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise as a member of the Subcommittee on Treasury, Postal Service, and General Government in strong support of the measure that we are now debating.

This is a responsible bill that maintains fiscal discipline, fully funds all programs and activities under its jurisdiction at current year levels while targeting resources to critical activities. This bill is a very, very important measure that continues to fund important government operations.

I want to commend the chairman and the ranking member for the efforts in which they have put this measure together. We all understand that this is done under the auspices of retaining the tight fiscal caps. Difficult decisions have been made in putting this bill together.

I want to compliment both the majority and the minority staff for the quality of this measure. It does move the process forward, and I rise in strong support.

Mr. Chairman, I rise as a Member of the Subcommittee in strong support the FY 2000 Treasury, Postal Service and General Government Appropriations Bill.

This is a responsible bill that maintains fiscal discipline, fully funds all programs and activities under its jurisdiction at current year levels while targeting resources to critical activities, such as enforcing our gun and tobacco laws, combating illegal drugs, ensuring that the Customs Services' trade automation system, a system vital to maintaining the flow of goods into and out of the United States remains functional and providing vital funds necessary to continue the implementation of the Internal Revenue Service Restructuring and Reform Act.

For example, we provide:

$12.6 million (over last year) to enforce Brady Law violations to keep convicted felons from obtaining guns; investigate illegal firearms dealers; and join forces with state and local law enforcement and prosecutors to fully investigate and prosecute offenders. Total funding is $12.6 million, the same as the President's request.

$11.2 million (over last year) to expand the Youth Crime Gun Interdiction Initiative to 10 cities (total of 37), including rapid gun tracing analysis for state and local law enforcement and 60 new ATF agents to work in task force operations with local law enforcement illegal firearm successful investigations. Total funding is $45.2 million, the same as the President's request.

$5.2 million (over last year) to implement tobacco tax compliance provisions of the 1997 budget agreement. The same as the President's request.

$10 million (over last year) for the Drug Free Communities Act. Total funding is $30 million, $8 million over the President's request.

$10 million (over last year) for ONDCP's media campaign to reduce and prevent drug use among youth. Total funding is $195 million the same as the President's request.

$108 million (over last year) to continue implementation of the IRS Restructuring and Reform Act.

$200 million for the final phase of ensuring IRS information systems are Y2K compliant.

In addition, this bill reinforces Congress' strong commitment to our nation's children by ensuring that low-income Federal employees have the resources they need to obtain safe and affordable child care.

I want to thank the Chairman and the Ranking Member for their efforts in this regard.

Mr. Chairman this is a good bill, even if it is not a perfect bill, but it is a bill that has been crafted in a bipartisan and thoughtful fashion.

I urge my colleagues to support this legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended; not to exceed $2,000,000 for official travel expenses, including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, $30,716,000.

INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended; including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; not to exceed $6,000,000 for official travel expenses; and not to exceed $500,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration, $112,207,000.

Mr. MALONEY of Connecticut. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from South Carolina (Mr. Spratt) and I have prepared an amendment to provide information to poor and elderly Americans who rely on kerosene fuel to heat their homes.

Specifically, the amendment that we would have offered would transfer money from the Treasury's general operating funds to the Internal Revenue Service's Processing, Assistance, and Management funds so that the IRS may conduct a study of the fuel.

A study is needed because the effects of dyed kerosene, particularly for individuals who heat their homes with unvented heaters, are as yet undetermined; and under the 1997 Taxpayer Relief Act, Congress is pressing home heating customers to use red-dyed kerosene fuel to heat their homes.

The 1997 tax bill established a 24 cents per gallon tax on kerosene fuel to deter fraud. Some customers, however, do not use red-dyed fuels to heat their homes because they are unsure of its safety or because area manufacturers have not yet made red-dyed fuel available to them.

Unfortunately, the two alternatives in the 1997 bill that Congress made available to those who use red-dyed fuel are not feasible for many low income and elderly people because, under the 1997 tax bill, individuals unable to buy red-dyed fuel can only purchase clear kerosene tax free by purchasing at a blocked pump or by applying for a refund through their annual tax return.

Low income and elderly Americans do not have the means to transport the kerosene from blocked pumps to their homes and, based on their income level, do not file tax returns. As a result, they must have the fuel delivered to their homes, and they end up paying the 24 cents per gallon tax.

While this situation is an unintended consequence of the bill, the individuals who are shouldering this tax burden are among our country's most vulnerable populations, and they are paying a tax that they were never meant to pay.

Congress should not push poor and elderly Americans to use dyed kerosene fuel to heat their homes when Congress has not taken the opportunity itself to ensure its safety.

Through conversations on both sides of the aisle, we understand that we will seek to address this problem through the conference committee, and we look to seeing that there is the funding necessary for a study to determine the safety of the burning of the undyed fuel, as I had indicated.

Mr. SPRATT. Mr. Chairman, will the gentleman yield?

Mr. MALONEY of Connecticut. I certainly yield to the gentleman from South Carolina.

Mr. SPRATT. Mr. Chairman, I would like to commend the gentleman from Connecticut for taking this initiative and also to say that this is an important problem for some people that have no other alternative but to use kerosene.

There was no intention to impose a 24 cents tax on them. We gave them an out, namely, to use red-dyed kerosene. But even the oil refineries do not want to market that kind of kerosene yet, because they are not sure of the consequences of using it.

I have had people call me and report to me problems where they have used red-dyed kerosenes, odors that come from the heaters. There is smoke. There is a ceramic residue. The wicks clog up. We are just waiting on a disaster to happen here.

Before Congress imposes this requirement on people, we ought to know what we are talking about, and that is all that we are asking for, a study by the IRS.

Mr. KOLBE. Mr. Chairman, will the gentleman from Connecticut yield?

Mr. MALONEY of Connecticut. I certainly yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I appreciate what both the gentleman from Connecticut (Mr. MALONEY) and the gentleman from South Carolina (Mr. SPRATT) said, and I think they have highlighted an important problem. I want to assure them that I will work with them in the conference committee to try to craft the right language that can get this study done that I think does need to be done.

Mr. SPRATT. Mr. Chairman, if the gentleman from Connecticut will yield, I thank the gentleman from Arizona (Mr. KOLBE) very much for his cooperation.

Mr. HOYER. Mr. Chairman, if the gentleman from Connecticut (Mr. MALONEY) will yield, I want to thank the gentleman from Connecticut and the gentleman from South Carolina (Mr. SPRATT) for raising this issue.

As someone who has been involved in this, I have a lot of marinas in my district on the Chesapeake Bay and the Potomac River and Patuxent River. We have the fuel, commercial and recreational fuel, and that of course is colored as well. Not, obviously, the same issue but a similar one that I have been involved in. I think that the gentlemen's initiatives on this are very well taken. I look forward to working with my colleagues to see if we can get this problem resolved. I thank the gentlemen for their efforts.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, $23,000,000, to remain available until expended.

FINANCIAL CRIMES ENFORCEMENT NETWORK;

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, $29,656,000, of which not to exceed $1,000,000 shall remain available until September 30, 2002: *Provided*, That funds appropriated in this account may be used to procure personal services contracts.

VIOLENT CRIME REDUCTION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 103–322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(1) As authorized by section 190001(e), $122,000,000; of which $26,800,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms, including $3,000,000 for administering the Gang Resistance Education and Training program; of which $4,200,000 shall be available to the United States Secret Service for forensic and related support of investigations of missing and exploited children, of which $2,200,000 shall be available as a grant for activities related to the investigations of exploited children and shall remain available until expended; of which $64,000,000 shall be available for the United States Customs Service; and of which $27,000,000 shall be available for Interagency Crime and Drug Enforcement.

(2) As authorized by section 32401, $10,000,000 to the Bureau of Alcohol, Tobacco and Firearms for disbursement through grants, cooperative agreements, or contracts to local governments for Gang Resistance Education and Training: *Provided*, That notwithstanding sections 32401 and 310001, such funds shall be allocated to State and local law enforcement and prevention organizations.

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that the bill through page 34, line 6 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The text of the remainder of the bill through page 34, line 6 is as follows:

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $9,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109, $82,827,000, of which up to $16,511,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2002: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104–32; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide training for the Gang Resistance Education and Training program to Federal and non-Federal personnel at any facility in partnership with the Bureau of Alcohol, Tobacco and Firearms: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $24,310,000, to remain available until expended.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For expenses necessary for the detection and investigation of individuals involved in organized crime drug trafficking, including cooperative efforts with State and local law enforcement, $48,900,000, of which $7,827,000 shall remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $201,320,000, of which not to exceed $10,635,000 shall remain available until September 30, 2002, for information systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms; including purchase of not to exceed 812 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $15,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and provision of laboratory assistance to State and local agencies, with or without reimbursement, $567,059,000; of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, supplies, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: *Provided*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 2000: *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority who has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government: *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service; including purchase and lease of up to 1,050 motor vehicles of which 550 are for replacement only and of which 1,030 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed $40,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service, $1,708,089,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account, and of which $3,000,000 shall be derived only from the Harbor Services Fund; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations; not to exceed $4,000,000 shall be available until expended for research; not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081; not to exceed $8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation; and not to exceed $5,000,000, shall be available until expended, for repairs to Customs facilities: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be $30,000.

OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs; including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, $109,413,000, which shall remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft that is one of a kind and has been identified as excess to Customs requirements and aircraft that has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 2000 without the prior approval of the Committees on Appropriations.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, $181,319,000, of which not to exceed $2,500 shall be available for official reception and representation expenses, and of which not to exceed $2,000,000 shall remain available until expended for systems modernization: *Provided*, That the sum appropriated herein from the General Fund for fiscal year 2000 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2000 appropriation from the General Fund estimated at $176,919,000, and in addition, $20,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101–380.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for tax returns processing; revenue accounting; tax law and account assistance to taxpayers by telephone and correspondence; programs to match information returns and tax returns; management services; rent and utilities; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $3,270,098,000, of which up to $3,700,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; issuing technical rulings; examining employee plans and exempt organizations; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; compiling statistics of income and conducting compliance research; purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $3,301,136,000, of which not to exceed $1,000,000 shall remain available until September 30, 2002, for research.

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105–33), $144,000,000, of which not to exceed $10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $1,394,540,000.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SEC. 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 777 vehicles for police-type use, of which 739 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $20,000 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year, $662,312,000: *Provided*, That up to $18,000,000 provided for protective travel shall remain available until September 30, 2001.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, $4,923,000, to remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 2000, shall be made in compliance with reprogramming guidelines.

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 2000 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 115. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the Treasury certifies that the purchase by the respective Treasury bureau is consistent with Departmental vehicle management principles: *Provided*, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 116. (a) VOLUNTARY SEPARATION INCENTIVE PAYMENTS FOR EMPLOYEES OF THE OFFICE OF THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION.—During the period from October 1, 1999 through January 1, 2003, the Treasury Inspector General for Tax Administration is authorized to offer voluntary separation incentives in order to provide the necessary flexibility to carry out the plan to establish and reorganize the Office of the Treasury Inspector General for Tax Administration (referred to in this section as the "Office").

(b) DEFINITION.—In this section, the term "employee" means an employee (as defined by 5 U.S.C. 2105) who is employed by the Office serving under an appointment without time limitation, and has been currently employed by the Office or the Internal Revenue Service or the Office of Inspector General of the Department of the Treasury for a continuous period of at least 3 years, but does not include—

(1) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system;

(2) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in paragraph (1);

(3) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(4) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(5) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(6) any employee who, during the 24-month period preceding the date of separation, has received a recruitment or relocation bonus under 5 U.S.C. 5753 or who, within the 12-month period preceding the date of separation, received a retention allowance under 5 U.S.C. 5754.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—The Treasury Inspector General for Tax Administration may pay voluntary separation incentive payments under this section to any employee to the extent necessary to organize the Office so as to perform the duties specified in the Internal Revenue Service Restructuring and Reform Act of 1998 (Public Law 105–206).

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations available for the payment of the basic pay of the employees of the Office;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under 5 U.S.C. 5595(c); or

(ii) an amount determined by the Treasury Inspector General for Tax Administration, not to exceed $25,000;

(D) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) before January 1, 2003;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under 5 U.S.C. 5595 based on any other separation.

(d) ADDITIONAL OFFICE OF THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments that it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Office shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—In paragraph (1), the term "final basic pay", with respect to an employee, means the total amount of basic pay that would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the United States Government, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based, shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the Office.

(f) EFFECT ON OFFICE OF THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION EMPLOYMENT LEVELS.—

(1) INTENDED EFFECT.—Voluntary separations under this section are not intended to necessarily reduce the total number of full-time equivalent positions in the Office.

(2) USE OF VOLUNTARY SEPARATIONS.—The Office may redeploy or use the full-time equivalent positions vacated by voluntary separations under this section to make other positions available to more critical locations or more critical occupations.

SEC. 117. None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the $1 Federal Reserve note.

SEC. 118. (a) Subsection (c) of section 5547 of title 5, United States Code, is amended by adding at the end the following:

"(3)(A) Subject to regulations prescribed by the Office of Personnel Management, if premium pay for a pay period consists (in whole or in part) of premium pay for protective services, then—

"(i) premium pay for such pay period shall be payable without regard to the limitation under paragraph (2); except that

"(ii) premium pay shall not be payable to the extent that the aggregate of the employee's basic pay and premium pay for the year would otherwise exceed the annual equivalent of the limitation that (but for clause (i)) would otherwise apply under paragraph (2).

"(B) For purposes of this paragraph—

"(i) the term 'protective services' refers to protective functions authorized by section 3056(a) of title 18 or section 37(a)(3) of title I of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2709(a)(3)); and

"(ii) the term 'premium pay' refers to premium pay under the provisions of law cited in the first sentence of subsection (a).".

(b) This section and the amendment made by this section—

(1) shall take effect on the first day of the first pay period beginning on or after the later of October 1, 1999, or the 180th day after the date of enactment of this Act; and

(2) shall apply with respect to premium pay for service performed in any pay period beginning on or after the effective date of this section.

SEC. 119. (a) VOLUNTARY SEPARATION INCENTIVE PAYMENTS FOR EMPLOYEES OF THE CHICAGO FINANCIAL CENTER OF THE FINANCIAL MANAGEMENT SERVICE.—During the period from October 1, 1999, through January 31, 2000, the Commissioner of the Financial Management Service (FMS) of the Department of the Treasury is authorized to offer voluntary separation incentives in order to provide the necessary flexibility to carry out the closure of the Chicago Financial Center (CFC) in a manner which the Commissioner shall deem most efficient, equitable to employees, and cost effective to the Government.

(b) DEFINITION.—In this section, the term "employee" means an employee (as defined by 5 U.S.C. 2105) who is employed by FMS at CFC under an appointment without time limitation, and has been so employed continuously for a period of at least 3 years, but does not include—

(1) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code,or another retirement system;

(2) an employee with a disability on the basis of which such employee is or would be eligible for disability retirement under the retirement systems referred to in paragraph (1) or another retirement system for employees of the Government;

(3) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(4) an employee who has previously received any voluntary separation incentive payment from an agency or instrumentality of the Government of the United States under any authority and has not repaid such payment;

(5) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(6) an employee who during the 24-month period preceding the date of separation has received and not repaid a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, has received and not repaid a retention allowance under section 5754 of that title.

(c) AGENCY PLAN; APPROVAL.—

(1) The Secretary, Department of the Treasury, prior to obligating any resources for voluntary separation incentive payments, shall submit to the Office of Management and Budget a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) The agency's plan under subsection (1) shall include—

(A) the specific positions and functions to be reduced or eliminated;

(B) a proposed coverage for offers of incentives;

(C) the time period during which incentives may be paid;

(D) the number and amounts of voluntary separation incentive payments to be offered; and

(E) a description of how the agency will operate without the eliminated positions and functions.

(3) The Director of the Office of Management and Budget shall review the agency's plan and approve or disapprove such plan, and may make appropriate modifications in the plan including waivers of the reduction in agency employment levels required by this Act.

(d) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) A voluntary separation incentive payment under this Act may be paid by the agency head to an employee only in accordance with the strategic plan under section (c).

(2) A voluntary incentive payment—

(A) shall be offered to agency employees on the basis of organizational unit, occupational series or level, geographic location, other nonpersonal factors, or an appropriate combination of such factors;

(B) shall be paid in a lump sum after the employee's separation;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section (without adjustment for any previous payment made); or

(ii) an amount determined by the agency head, not to exceed $25,000;

(D) may be made only in the case of an employee who voluntarily separates (whether by retirement or resignation) under the provisions of this Act;

(E) shall not be a basis for payment, and shall not be included in the computation of any other type of Government benefit;

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation; and

(G) shall be paid from appropriations or funds available for the payment of the basic pay of the employee.

(e) ELIGIBILITY FOR PAYMENTS.—Payments under this section may be made to any qualifying employee who voluntarily separates, whether by retirement or resignation, between October 1, 1999, and January 31, 2000.

(f) EFFECT ON SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with any agency or instrumentality of the Government of the United States within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to FMS.

(g) CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, FMS shall remit to the Office of Personnel Management for deposit in the Treasury to the credit of Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final annual basis pay for each employee covered under subchapter III of chapter 83 or chapter 84 of title 5 United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) For the purpose of paragraph (1), the term "final basic pay" with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(h) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this Act. For the purposes of this subsection, positions shall be counted on a full-time equivalent basis.

(2) The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this section are met.

(3) At the request of the Secretary, Department of the Treasury, the Office of Management and Budget may waive the reduction in total number of funded employee positions required by subsection (1) if it believes the agency plan required by section (c) satisfactorily demonstrates that the positions would better be used to reallocate occupations or reshape the workforce and to produce a more cost-effective result.

This title may be cited as the "Treasury Department Appropriations Act, 2000".

The CHAIRMAN. Is there any amendment to that portion of the bill?

The Clerk will read.

The Clerk read as follows:

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $93,436,000, of which $64,436,000 shall not be available for obligation until October 1, 2000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in fiscal year 2000.

This title may be cited as the "Postal Service Appropriations Act, 2000".

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law; including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President, $52,444,000: *Provided*, That $10,313,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $9,260,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114.

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: *Provided*, That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: *Provided further*, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: *Provided further*, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: *Provided further*, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit $25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: *Provided further*, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: *Provided further*, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: *Provided further*, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: *Provided further*, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: *Provided further*, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

WHITE HOUSE REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Executive Residence at the White House, $810,000, to remain available until expended for required maintenance, safety and health issues, and continued preventative maintenance.

Special Assistance to the President and the Official Residence of the Vice President

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $3,617,000.

OPERATING EXPENSES

For the care, operation, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $345,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

Council of Economic Advisers

SALARIES AND EXPENSES

For necessary expenses of the Council of Economic Advisors in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $3,840,000.

Office of Policy Development

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, $4,032,000.

National Security Council

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,997,000.

Office of Administration

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, $39,448,000, of which $8,806,000 shall be available for a capital investment plan which provides for the continued modernization of the information technology infrastructure.

Office of Management and Budget

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $63,495,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committees on Appropriations or the Committees on Veterans' Affairs or their subcommittees: *Provided further*, That the preceding proviso shall not apply to printed hearings released by the Committees on Appropriations or the Committees on Veterans' Affairs.

Office of National Drug Control Policy

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (title VII of division C of Public Law 105–277); not to exceed $8,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $52,221,000, of which $31,350,000 shall remain available until expended, consisting of $2,100,000 for policy research and evaluation, of which $1,000,000 is for the National Alliance for Model State Drug Laws, $16,000,000 for the Counterdrug Technology Assessment Center for counternarcotics research and development projects, and $13,250,000 for the continued operation of the technology transfer program: *Provided*, That the $16,000,000 for the Counterdrug Technology Assessment Center shall be available for transfer to other Federal departments or agencies: *Provided further*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

Federal Drug Control Programs

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $192,000,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than 51 percent shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of enactment of this Act: *Provided*, That up to 49 percent may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided further*, That, of this latter amount, $1,800,000 shall be used for auditing services: *Provided further*, That, hereafter, of the amount appropriated for fiscal year 2000 or any succeeding fiscal year for the High Intensity Drug Trafficking Areas Program, the funds to be obligated or expended during such fiscal year for programs addressing the treatment and prevention of drug use shall not be less than the funds obligated or expended for such programs during fiscal year 1999 without the prior approval of the Committees on Appropriations.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and other purposes, authorized by Public Law 105-277, $225,000,000, to remain available until expended: *Provided*, That such funds may be transferred to other Federal departments and agencies to carry out such activities: *Provided further*, That of the funds provided, $195,000,000 shall be to support a national media campaign, as authorized in the Drug-Free Media Campaign Act of 1998: *Provided further*, That of the funds provided, $30,000,000 shall be to continue a program of matching grants to drug-free communities, as authorized in the Drug-Free Communities Act of 1997.

Unanticipated Needs

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, as authorized by 3 U.S.C. 108, $1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 2000".

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that the bill through page 63, line 13 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The text of the remainder of the bill through page 63, line 13 is as follows:

TITLE IV—INDEPENDENT AGENCIES

Committee for Purchase From People Who are Blind or Severely Disabled

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28, $2,674,000.

Federal Election Commission

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $38,152,000, of which no less than $4,866,500 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses.

Federal Labor Relations Authority

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere, $23,828,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

General Services Administration

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

To carry out the purpose of the Federal Buildings Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), the revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $5,245,906,000, of which: (1) $8,000,000 shall remain available until expended for construction of nonprospectus construction projects; (2) $559,869,000 shall remain available until expended for repairs and alterations, which includes associated design and construction services: *Provided*, That funds made available in any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount identified for each project, except each project may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committee on Appropriations of a greater amount: *Provided further*, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2001, and remain in the Federal Buildings Fund, except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects: *Provided further*, That the General Services Administration is directed to use funds available for Repairs and Alterations to undertake the first construction phase of the project to renovate the Department of the Interior Headquarters Building located in Washington, D.C.; (3) $205,668,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) $2,782,186,000 for rental of space which shall remain available until expended; and (5) $1,590,183,000 for building operations which shall remain available until expended, of which $1,974,000 shall be available until expended for acquisition, lease, construction, and equipping of flexiplace telecommuting centers, including $150,000 for the center in Winchester, Virginia, and $200,000 for the center in Woodbridge, Virginia: *Provided further*, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 2000, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $5,245,906,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses, $110,448,000, of which $12,758,000 shall remain available until expended.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $33,317,000: *Provided*, That not to exceed $15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,241,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

General Services Administration—General Provisions

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 2000 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided*, That any proposed transfers shall be approved in advance by the Committees on Appropriations.

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2001 request for United States Courthouse construction that (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided*, That the fiscal year 2001 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under 40 U.S.C. 757 and sections 5124(b) and 5128 of Public Law 104–106, Information Technology Management Reform Act of 1996, for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

SEC. 408. Funds made available for new construction projects under the heading "Federal Buildings Fund, Limitations on Availability of Revenue" in Public Law 104–208 shall remain available until expended so long as funds for design or other funds have been obligated in whole or in part prior to September 30, 1999.

Merit Systems Protection Board

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $27,586,000 together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

Federal Payment to Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation

For payment to the Morris K. Udall Scholarship and Excellence in National Environmental Trust Fund, to be available for the purposes of Public Law 102–252, $1,000,000, to remain available until expended.

Environmental Dispute Resolution Fund

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1998, $1,250,000, to remain available until expended.

National Archives and Records Administration

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and archived Federal records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $180,398,000: *Provided*, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings.

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, $13,518,000, to remain available until expended.

RECORDS CENTER REVOLVING FUND

(a) ESTABLISHMENT OF FUND.—There is hereby established in the Treasury a revolving fund to be available for expenses and equipment necessary to provide for storage and related services for all temporary and pre-archival Federal records, which are to be stored or stored at Federal National and Regional Records Centers by agencies and other instrumentalities of the Federal government. The Fund shall be available without fiscal year limitation for expenses necessary for operation of these activities.

(b) START-UP CAPITAL.—

(1) There is appropriated $22,000,000 as initial capitalization of the Fund.

(2) In addition, the initial capital of the Fund shall include the fair and reasonable value at the Fund's inception of the inventories, equipment, receivables, and other assets, less the liabilities, transferred to the Fund. The Archivist of the United States is authorized to accept inventories, equipment, receivables and other assets from other Federal entities that were used to provide for storage and related services for temporary and pre-archival Federal records.

(c) USER CHARGES.—The Fund shall be credited with user charges received from other Federal government accounts as payment for providing personnel, storage, materials, supplies, equipment, and services as authorized by subsection (a). Such payments may be made in advance or by way of reimbursement. The rates charged will return in full the expenses of operation, including reserves for accrued annual leave, worker's compensation, depreciation of capitalized equipment and shelving, and amortization of information technology software and systems.

(d) FUNDS RETURNED TO TREASURY.—

(1) In addition to funds appropriated to and assets transferred to the Fund in subsection (b), an amount not to exceed 4 percent of the total annual income may be retained in the Fund as an operating reserve or for the replacement or acquisition of capital equipment, including shelving, and the improvement and implementation of the financial management, information technology, and other support systems of the National Archives and Records Administration.

(2) Funds in excess of the 4 percent at the close of each fiscal year shall be returned to the Treasury of the United States as miscellaneous receipts.

(e) REPORTING REQUIREMENT.—The National Archives and Records Administration shall provide quarterly reports to the Committees on Appropriations and Government Reform of the House of Representatives on the operation of the Fund.

National Historical Publications and Records Commission

GRANTS PROGRAM

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, $6,000,000, to remain available until expended: *Provided*, That of the funds appropriated under this heading in Public Law 105–277, $4,000,000 are rescinded: *Provided further*, That the Treasury and General Government Appropriations Act, 1999 (as contained in division A, section 101(h), of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277)) is amended in title IV, under the heading "National Historical Publications and Records Commission, Grants Program" by striking the proviso.

Office of Government Ethics

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses, $9,114,000.

Office of Personnel Management

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, $90,584,000; and in addition $95,486,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which $4,000,000 shall remain available until expended for the cost of automating the retirement recordkeeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B) and 8909(g) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2000, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $9,645,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $9,740,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $36,489,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 2000".

The CHAIRMAN. Are there amendments to that portion of the bill?

PARLIAMENTARY INQUIRY

Mr. HOYER. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. HOYER. Mr. Chairman, we have an amendment that will be offered and then withdrawn to title I. Now I know we are past title I.

The CHAIRMAN. Does the gentleman from Michigan (Mr. BARCIA) ask unanimous consent to return to an earlier title to offer his amendment?

Without objection, the gentleman is recognized for 5 minutes.

Mr. KOLBE. Mr. Chairman, I reserve the right to object.

Mr. HOYER. Mr. Chairman, will the gentleman yield to me under his reservation?

Mr. KOLBE. I yield under my reservation to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, the gentleman from Michigan (Mr. BARCIA) has great concern about a case I have been working with him on. I apologize. He wanted to offer the amendment, and I suggested that he offer it and then withdraw it, which he has agreed to. But he wants to raise the issue. It deals with a Customs matter in which his constituents, he believes, were mistreated. He simply wants to make that point. I have assured him that we will then work on the issue.

Mr. KOLBE. Continuing under my reservation, Mr. Chairman, I would just note that the gentleman from Michigan (Mr. BARCIA), if he intends just to discuss this, can just strike the last word and discuss the issue. My concern is, about doing this, is if somebody else comes back and says they want to come back.

Mr. HOYER. Mr. Chairman, I think the chairman raises a good point. I ask the gentleman from Michigan to withdraw his unanimous consent and move to strike the last word so we can discuss the matter.

Mr. BARCIA. Mr. Chairman, I move to strike the last word.

The gentleman from Georgia (Mr. CHAMBLISS) was to be here on the floor also, because he actually represents the individuals involved and was to have spoken with the chairman, I believe, at this point. I believe he is probably en route to the floor.

I have an amendment which the gentleman from Georgia (Mr. CHAMBLISS) was going to co-author which would increase the amount of appropriations for salaries and payroll by $150,000 to include in this appropriation bill the ability of the U.S. Customs Service to settle an egregious action which was taken by a customs official in the Chicago office at O'Hare Airport. I believe it was the constituent of the gentleman from Georgia (Mr. BISHOP) as well as the constituent of the gentleman from Georgia (Mr. CHAMBLISS) who traveled to Africa, paid the government in Africa of Cameroon some $116,000 in trophy fees for hides and horns and other animals that were taken and harvested there.

□ 1700

When the Customs official ordered this cargo destroyed, she was out of line because it was the official jurisdiction of the U.S. Fish and Wildlife Department.

And so these two individuals are going to have a very difficult time. Even if they spent the same amount of money, they could not be guaranteed to harvest those animals, and certainly the costs that are involved in their trip as well are tremendous. The fact is everything was legal. They had their sitings permits; all of the paperwork was in order and in the crates of the cargo. This individual just went out and ordered these two crates to be destroyed, and they were subsequently placed in a landfill.

Several Members of Congress contacted Customs and indicated that the cargo would still be good; that they were, in fact, preserved before shipment from Africa to the United States and before they were placed in a landfill. And we had instructed that Customs official to get a shovel and go out and attempt to relocate those two crates. It was very valuable cargo.

We have very difficult regulations with the Customs Service. In the case of negligence of an employee, the Secretary of the Treasury is authorized to reimburse up to an amount of $1,000 per individual per claim. And since the value of the cargo is $116,000, involving two individuals, it would be almost impossible to recover those costs without congressional action.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. BARCIA. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I want to commend the gentleman. The gentleman came up to me on the floor about 2 months ago, I believe, and brought this matter to my attention, and I shared his anger and outrage at the apparent treatment that has occurred here. When I say apparent, it is simply that I have not personally verified all the facts, but the gentleman from Michigan (Mr. BARCIA) and the gentleman from Georgia (Mr. CHAMBLISS) are both men of great integrity.

I know the gentleman from South Carolina (Mr. SPRATT) is also very concerned about this, as is the gentleman from Georgia (Mr. BISHOP) is also very concerned about this.

I personally have been pursuing this with Customs and with Mr. Kelly. I know that Mr. Kelly, the commissioner of Customs, is very concerned about this matter and shares the outrage of the gentleman from Michigan and the gentleman from Georgia about what apparently has occurred. They are in the process of trying to come to grips with this.

Unfortunately, the timing is not as good as it should have been; better to have met last week than next week, but my staff is pursuing a meeting, as the gentleman knows, and I hope the gentleman from Georgia (Mr. CHAMBLISS) knows, because we have been in touch with his staff, a meeting next week, with Customs and with the four gentlemen who have been so involved in this, along with myself, and hopefully either the chairman or a member of the chairman's staff so that we can continue to pursue this and get to the bottom of it.

The gentleman from Michigan and the gentleman from Georgia, the two gentlemen from Georgia, I suppose, and the gentleman from South Carolina are absolutely correct if individuals were treated in the manner that we believe they were. It was outrageous, unacceptable, and the citizens involved deserve compensation for their loss.

Mr. Chairman, the gentleman from Michigan wanted to offer an amendment which set a specific dollar value for the loss.

The CHAIRMAN. Time of the gentleman from Michigan (Mr. BARCIA) has expired.

Mr. CHAMBLISS. Mr. Chairman, I move to strike the last word.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. CHAMBLISS. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding to me.

The gentleman from Michigan had an amendment to set a specific amount of damages for the two parties that were most directly affected here. I indicated to him that I would not be able to support that at this time, simply because I do not know what the amount of damages are. Quite obviously, on the floor it is difficult to assess the amount of damages of a claim, and there are thousands of claims, of course, against the government; and if we did that on a regular basis, it would be chaotic. That does not, however, diminish in any way the absolute justice in the amendment.

I am going to be working very, very hard to try to get to the bottom of this. And I say to my friends from Michigan and Georgia that their prosecution of this matter is obviously very vigorous, very focused, but very appropriate; and I look forward to working very closely with them so we can come to the bottom of this. And whatever we assess as the damages, we will work with them towards making sure that their constituents and people with whom they are involved are made whole to the extent they can be.

Mr. CHAMBLISS. Mr. Chairman, reclaiming my time, I just want to say that I associate myself with all of the remarks of both my friend from Maryland and my friend from Michigan. This was a very egregious and intentional and, frankly, malicious act, I think, on the part of this particular employee of the Customs Service.

And I want to also say very publicly that were it not for the intervention of our friend, the gentleman from Maryland (Mr. HOYER), in this, I am not sure we would even be at the point we are today, where they have recognized the issue and recognized the problem. And I thank him for his diligent efforts on behalf of our folks back home in this regard.

We will continue to pursue this with the gentleman at this meeting next week. I hope we are able to come to some satisfactory resolution of it. Because if we are not, then I think we will be back here in this same venue the next time we are able to, to ensure that our folks are well compensated and well taken care of for a malicious intentional act on the part of this employee.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 504. None of the funds made available by this Act shall be available in fiscal year 2000 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

SEC. 505. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Buy American Act (41 U.S.C. 10a–10c).

SEC. 507. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 508. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 509. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO:

Strike section 509.

Ms. DELAURO. Mr. Chairman, I offer this amendment on behalf of myself and several of my colleagues on both sides of the aisle. It is a bipartisan measure which would strike the provision in this bill which prevents health plans which participate in the Federal Employee Health Benefits Program from providing coverage for abortion services. On a more basic level, this amendment would restore fairness to the women serving in the Federal Government.

As we all know, this bill provides funding for the Federal Employees Health Benefits Program, the network of health insurance plans for Federal employees, dedicated people who serve the public around the Nation, in Maryland and in Virginia, and our staffs right here in the House. They depend on the FEHBP for their medical care. That includes 1.2 million women of reproductive age.

Until November 1995, Federal employees could choose a health care plan which covered the full range of reproductive health services, including abortion, just like every other employee in this Nation. Now our Federal employees no longer have that right. They are unable to choose a health care plan which includes coverage of this legal, and I repeat, this legal medical procedure.

I would remind my colleagues that the right to choose has been upheld by the Supreme Court. It is protected by the United States Constitution. It is only July, but already we have been to the floor far too many times fighting to protect women's health against the personal agendas of some of our colleagues.

To my colleagues who oppose this amendment, let me stress that I respect their beliefs, but it is unfair to foist those beliefs on others who may not share the same views and who are paying for the health care plans of their choice.

Restricting access to abortion is dangerous to women's health. According to the American Medical Association, funding restrictions like the ones in this bill makes it more likely that a woman will continue a potentially life-threatening pregnancy to term or undergo abortion procedures that would endanger their health. Coverage of abortion services in Federal health plans does not mean that the government or the taxpayer is subsidizing abortion. I would bet that we will hear that argument repeated over and over again today.

When an individual agrees to work for the government, he or she receives a salary and a benefit package. The health benefit, like the salary, belongs to the employee and not the government; and employees are free to use both as they see fit. The government contributes to premiums of Federal employees, and the employees purchase private health insurance and pay the rest of the premium. Each employee has the power to choose a health plan that best fits his or her needs. If employees do not want to choose a plan with abortion coverage, they do not have to. The choice is available.

Approximately one-third of private fee-for-service plans and 30 percent of HMOs do not provide for abortion coverage, but Federal employees are left with no choice and no option if tragedy strikes.

Let me read to my colleagues a short excerpt from a letter from one family affected by this restriction. It is a woman from Alabama, and she says, "My doctor told me that my twins, which were boys, suffered from Twin-to-Twin Transfusion Syndrome. Both babies shared the same blood vessels. Because of this, the baby on top was giving his blood and water to the baby on the bottom. The smaller twin was about one month smaller in size than the larger twin. The doctor said the larger twin was growing too fast. After consulting with the doctor, my husband and I decided that the best thing to do would be to end the pregnancy. It was the hardest decision of my life."

This family thought that in fact that they were covered by their insurance. This was right after the Congress made their decision to restrict this kind of coverage. What happened to this family is unbelievable. They had to file for bankruptcy. And I will quote the last line of the letter from this woman. "Families like ours should not have to go bankrupt in order to receive appropriate medical care."

I offer this amendment on behalf of my colleagues, as I said. But let me just say that when an individual does work for the government, they ought to be allowed to take their salary and their benefit package and have the choice of what kind of coverage meets their family needs. We must allow them to have the choice in that decision. It is unfair to ask people to spend the kinds of hours that they do day in and day out, who want to be loyal public servants, and to deny them what, in fact, they are willing to pay for and what they are paying for.

By singling out abortion for exclusion from health plans that cover other reproductive health care, it is dangerous and it is desperately unfair to these employees. I urge my colleagues to give our public servants the right to choose the health care that is best for them. I urge my colleagues to support this amendment.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment and, in doing so, I want to make it clear that my position is not because of where I come from on this issue. As I think many of the Members know, I have regarded myself as pro-choice, in that I believe a woman should have the right not only to choose, but certainly in the case of coverage by a Federal health benefit should have the right to have this kind of coverage.

However, having said that, I rise in opposition to this because I believe that it goes to the very heart of this bill and the balance that I think is in this bill. If this were a freestanding bill, I would be joining with the gentlewoman from Connecticut. But it is not; it is on this piece of legislation, which has been historically a magnet for a lot of the abortion issues that we have discussed in this body.

□ 1715

The bill that we have before us today is balanced, balanced in the sense that it reflects exactly what this body and the Congress and the President of the United States signed into law last year. That is, it continues a prohibition which has existed since 1995 in the Congress against Federal health benefit funds being used to pay for an abortion.

On the other hand, it also includes a provision that was adopted last year which we have come to know as the Lowey amendment, which provides for contraceptive coverage for women who are covered under the Federal Health Benefits Plan. So there is a certain symmetry to this. We do not fund an abortion procedure, but we do say that we will fund contraceptive coverage.

In any event, it is my view that this battle, having been fought very hard in the House and the Senate last year and with the administration, that we ought to accept the bill that we have already adopted. We should leave these two provisions, both of them, in the bill. We should leave this section 509; and later, when we get to the section dealing with contraceptive coverage, we should leave that in the bill.

I hope my colleagues, regardless of where they come down on this issue, would vote as I intend to do, which is to vote to retain both of these provisions.

Mr. Chairman, legislating is the art of the possible. Legislating on appropriations bills particularly is the art of the possible. There are balances, there are compromises that have to be made. There are trade-offs which have to be made. We have to get a bill that can pass not only the House, that can pass the Senate, that can get through a conference committee, be passed again by the House and the Senate and be accepted by the President of the United States.

I believe that these provisions, both of which did that last year, got through the House, got through the Senate, were adopted in the conference, and were signed into law by the President. We should retain these provisions in the legislation.

I hope my colleagues would reject this amendment to strike section 509.

Mr. Chairman, may I ask unanimous consent that all debate on this amendment and all amendments thereto close in 45 minutes and the time to be equally divided between the two sides?

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. HOYER. Mr. Chairman, I guess that gives us 22½ minutes apiece; am I correct?

The CHAIRMAN. That is correct.

The Chair will assume that the time will be controlled by the gentlewoman from Connecticut (Ms. DELAURO) and the gentleman from Arizona (Mr. KOLBE).

Ms. DELAURO. Mr. Chairman, I yield 2¼ minutes to the gentleman from Maryland (MR. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, this is not a new issue for anybody on this floor. I join in supporting and, as a matter of fact, I cosponsored the amendment of the gentlewoman from Connecticut (Ms.

DELAURO). I would just take a brief time to reiterate why.

Some very close friends of mine have a view different than mine, and I respect their view and I hope they respect mine, with respect to the termination of a pregnancy, for important reasons.

It is my view, however, Mr. Chairman, that this issue does not deal with that directly; and the reason is this: It is my belief that a Federal employee covered by the Federal Employee Health Benefit Plan has, as a part of their compensation package, three things.

They, first of all, have their salary, the money they are paid directly. No one would get up on this floor, it seems to me, and say that we ought to take a portion of that salary and ensure that they do not spend it for x, y, or z. Surely those who say that they want to have tax cuts because they want to leave more money in the pockets of those Americans so that they can choose how to spend their money would not support that effort.

Secondly, a Federal employee has their retirement benefit. Obviously, that is a valuable part of their compensation package. It will in retirement provide them with the, in effect, income in retirement that they earned during their working years.

Thirdly, they have the Federal Employee Health Benefit Plan. We should not tell them how to spend that portion of their compensation. We ought to allow them the option to purchase such policy as they choose because it is part of their compensation and is their money, not ours. We made a deal with them. We said, if they work for us, this is what we will pay them. They ought to have the option to spend it as they see fit.

I support the amendment of the gentlewoman.

Mr. KOLBE. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in very strong opposition to this radical amendment. As all of my colleagues know, the provision that the gentlewoman seeks to strike has been included in this legislation for years and, as we all know, this is a highly controversial issue. The debate we are engaging in is not one involving the legality of abortion. It is about using taxpayer dollars to pay for abortions.

While the availability of abortion on demand is a very controversial issue in the United States, with many Americans feeling very strongly that it should not be allowed and some feeling very strongly that it should be allowed, the issue that the gentlewoman brings up this afternoon is indeed not very controversial, with the vast majority of Americans feeling very strongly that taxpayer dollars should not be used to fund abortions in the United States of America.

Now, some people may try to claim that this is just another medical procedure. And we all know seriously, Mr. Chairman, that this is not just another simple medical procedure. It is a very unique medical procedure where one of the participants in the procedure ends up dead.

The Supreme Court itself, the Supreme Court that created legalized abortion in the United States, has actually ruled on this issue. In upholding the Hyde amendment, which prohibits abortion funding in programs funded by the Labor HHS bill, the Court said: "Abortion is inherently different from other medical procedures because no other procedure involves the purposeful termination of a potential life."

Now, I, as a medical doctor, would argue that the unborn baby in the womb is not a potential life. It meets all of the medical criteria of a life, the criteria that I used to use as a practicing physician to determine whether somebody is alive or dead: a beating heart, active brain waves. Indeed, with modern ultrasound technology today, as early as 8, 9, 10 weeks we can see them moving around their arms.

Clearly a very controversial issue, and the gentlewoman brings this up now. I believe very strongly that our colleagues should reject this amendment. We should not allow taxpayer dollars to be used for this purpose.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Florida. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I understand the position of the gentleman. I ask this legitimately because the gentleman heard my argument.

Mr. WELDON of Florida. Mr. Chairman, reclaiming my time, I have to apologize to the gentleman. I was preparing my remarks, and I did not listen to his argument.

Mr. HOYER. Mr. Chairman, if the gentleman would continue to yield, what I essentially said was that the money spent on the Federal Employee Health Benefit Plan, in other words, the gentleman is saying Federal tax dollars, the money we spend toward the retirement program and the salary, are all a part of the compensation package of the employee.

Now, the salary is paid directly. I put it in my pocket. No one could refer to that as Federal tax dollars that were given to me and put in my pocket. But surely my point would be, my colleague would not tell me or anybody else tell me that I can only spend that money in this way or that way. In fact, a woman could spend her part of her salary to accomplish a legal objective with which my colleague would disagree, I understand.

My question to my colleague is, how do we differentiate that part of the compensation package, albeit it is paid directly to the insurance company, because it is put all together?

Mr. WELDON of Florida. Mr. Chairman, reclaiming my time, I appreciate the argument of the gentleman: and it is a legitimate part to bring forward in the debate.

We in the Congress established the compensation package, and I think there is clearly a difference between the two. While I do not think American taxpayers could in any way object to how they use the money that is in their pocket, many American taxpayers I believe would object very, very strongly to this benefit being included. And that is the essence of my argument.

This is a very, very controversial issue. It divides the Nation, as we all know. I feel that it is best for this particular piece of legislation that we reject the amendment and we stay with the language that exists, though I appreciate the argument of the gentleman and though I respectfully disagree.

Ms. DELAURO. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

Ms. KILPATRICK. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, as a woman that God has created, and many of us around this world, many of us feel very passionately that we have the right to choose, to choose with our God and our husband or significant other whether we will, in fact, bear children and whether we will, in fact, bring that pregnancy to term.

I rise today in support of the DeLauro amendment, and I am proud to be a cosponsor of that amendment.

1.2 million Federal employees, women of reproductive age, do have the will but not the right to use their health plan for the health benefit that they would choose if they wanted to have an abortion. 1.2 million women, many of whom work in this House of Representatives, cannot choose a health plan and use an abortion coverage.

As was mentioned by our ranking member, when we hire an employee, as employees all over the country know, they have a choice as to which plan they want to pick and which services they want to use in their health care plan.

What we are saying in this amendment is give the women of the Federal Government who work all over this country, some 1.2 million of them, that same opportunity.

Every employee in this country has a right to choose the health care plan with the full range of reproductive health services, including abortion, except Federal employees. I find that inherently wrong, as a woman, as a mother, as one who God has made to be able to reproduce.

It is unfortunate this amendment has to come before this House. This bears repeating. It is a medical procedure that is legal, an abortion.

I know, in my history as a 20-year public employee, we are not going to change people's opinion one way or the other on abortion. It is a very private, personal decision that each individual must make.

But the amendment is a good one. Let us not deny the 1.2 million Federal employees all over this country and, yes, who work for this Congress the opportunity to pick the health coverage that they want.

Mr. Chairman, let us support the DeLauro amendment. Let us support the 1.2 million women who serve our country across this country.

The CHAIRMAN. The Chair will advise all Members that the gentlewoman from Connecticut (Ms. DELAURO) is controlling time on her side and the gentleman from Arizona (Mr. KOLBE) is controlling time on his side.

Ms. DELAURO. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I thank the introducer of the amendment that I strongly support for yielding the time to me and for introducing it.

Mr. Chairman, this amendment would simply prevent discrimination against Federal employees in their health care coverage.

□ 1730

It was 4 years ago when Congress voted to deny Federal employees abortion coverage that was already provided to most of the country's workforce through their private health insurance plans. Incidentally, before that it was provided in the Federal employee plans. This decision was discriminatory and it was another example of Congress chipping away at the benefits of Federal employees and their right to choose an insurance plan that best meets their health care needs.

The coverage of abortion services in Federal health plans would not mean that abortions would be subsidized by the Federal Government as has been mentioned. The government simply contributes to the premiums of Federal employees in order to allow them to purchase health insurance. This contribution is part of the employee benefit package, just as an employee's salary or retirement benefits.

Currently, let us remember that approximately two-thirds of private fee-for-service health insurance plans and 70 percent of HMOs provide abortion coverage. When this ban was reinstated 4 years ago, 178 FEHBP plans, that means Federal Employee Health Benefit Plans, out of 345 offered abortion coverage. Women had the choice. They had the choice to decide whether to participate in a plan with or without the coverage. Thus, an employee could choose a plan with abortion coverage or not.

Congress denied Federal employees their access to abortion coverage, thereby discriminating against them and treating them differently than the vast majority of private sector employees. I frankly think it is insulting to Federal employees that they are being told that part of their own compensation package is not under their control.

Mr. Chairman, approximately 1.2 million women of reproductive age rely on FEHBP for their health coverage, 1.2 million women without access to abortion coverage. Without access, their constitutionally protected right to choose is effectively denied.

So I indeed urge my colleagues to support the DeLauro amendment and ensure that Federal employees are once again provided their legal right to choose.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Chairman, I rise in strong opposition to the DeLauro amendment. This amendment has been offered, and defeated, for the last 4 years. But our pro-choice colleagues are at it again, trying to force taxpayers to fund abortion.

According to a New York Times/CBS poll, and I quote, "Only 23 percent of those polled said the national health care plan should cover abortions, while 72 percent said that those costs should be paid for directly by the women who have them."

When an ABC News/Washington Post poll asked Americans if they agree or disagree with this statement, "The Federal Government should pay for an abortion for any woman who wants it and cannot afford to pay," 69 percent disagreed.

The Center for Gender Equality has reported that 53 percent of women favor banning abortion except for rape, incest and life of the mother exceptions. The pro-life language in the bill that the gentlewoman from Connecticut seeks to gut includes these exceptions. Obviously, if 53 percent of women favor banning abortion aside from these exceptions, then they would not want their tax dollars paying for abortion-on-demand as this amendment intends.

In a Gallup poll from May of this year, 71 percent of Americans supported some or total restrictions on abortion. Do these citizens want their hard-earned tax dollars to pay for abortion for any reason, as the DeLauro amendment calls for?

Mr. Chairman, I ask, should taxpayers, our constituents, be forced to underwrite the cost of abortions for Federal employees? I urge my colleagues to vote "no" on the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield myself 10 seconds. Taxpayers are not paying for these abortions. Federal employees who are female contract with the Federal Government. They get a salary and a benefit package. They then should have the opportunity to choose a health care package which ought to include abortion services.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, I rise to support my colleague's motion, because I believe that the approximately 1.2 million women of reproductive age who rely on FEHBP for their medical care should have the option of choosing a health plan which includes coverage for abortion. My colleagues are not surprised to hear me say this, because it is well-known that I am pro-choice. In fact, some of them may be tired of seeing me stand to speak about the right to choose and in fact I must tell them, I share that weariness. Many of us are tired of constantly battling over these issues. But I do so because I do believe that it is America's families, husbands and wives, moms and dads, who should be making decisions about abortion, not those of us who serve in the Congress. I have fought my entire tenure in Congress to allow women their right to choose, without fear, without shame.

I also believe that our approach should be not to make abortion less accessible or more difficult but less necessary. If we agree, pro-choice, pro-life, that our goal should be less abortion, then our focus must be on what we can do to further that goal.

We should increase access to contraception as we have done in this bill, and I thank the gentleman from Arizona for his important work in including that provision in this bill. If we want to make abortion less necessary, we have to send a clear signal. Americans want us to work together toward a solution, not beat each other to death about abortion.

So I believe that making abortion inaccessible is not the answer. Contraceptive methods may fail, pregnancies may go unexpectedly and tragically wrong. No matter how good the contraceptive technology and how much education we do, some women will just need abortions. And abortion must remain safe and legal. I oppose my colleagues excluding abortion, among the most common surgeries for women, from health care coverage. And I support allowing Federal employees to have the option of abortion coverage in their health plans.

Mr. Chairman, I join my colleagues in supporting the DeLauro motion to strike.

Ms. DELAURO. Mr. Chairman, I yield myself 15 seconds. In terms of polling data, 54 percent of respondents in a recent poll opposed proposals that would prevent health plans from providing coverage of abortion services for Federal employees. So there appears to be a difference in numbers that are out there. But that is not the issue. Polling data is not the issue.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentlewoman for yielding me this time and for her leadership on this issue and so many others.

I rise in strong support of the DeLauro-Morella amendment. I would like very much to be associated with the comments of my colleague on the other side of the aisle, the gentlewoman from Maryland, when she spoke of the discrimination against female Federal employees because of the action of this Congress which the DeLauro amendment would address.

I would like to put this vote in perspective. It is the 122nd vote on choice since the beginning of the 104th Congress. This Congress has acted again and again to eliminate a woman's right to choose, procedure by procedure, restriction by restriction.

Mr. Chairman, it was only 3 short years ago that I received a notice in the mail that my health insurance coverage, by law, would no longer cover abortion. It was one small notice in the mail but one giant step backward for a woman's right to choose.

A Federal employee no longer gets a choice. Federal employees cannot purchase, with their own money, insurance coverage for abortion services. This amendment would not require coverage for abortion, it would simply allow an insurance company to cover abortion.

This amendment also does not require a Federal employee to choose a health plan which offers abortion coverage because a Federal employee may choose a plan that does not cover abortion.

This amendment is about making a choice and letting the marketplace work without interference from the Federal Government. I urge a "yes" vote on the DeLauro amendment.

Mr. KOLBE. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I thank my good friend for yielding me this time.

First, Mr. Chairman, let me point out again, as was noted by the gentleman from Florida (Mr. WELDON), that the parameters of the compensation package, including the health package, are established not by the collective bargaining procedure, not by the Office of Personnel Management but by the Congress. That goes for the entire spectrum of benefits, whether it be the money, the health benefits, the retirement package—so we are right and this is the proper place to deal with this issue and to come to a conclusion on it.

I do rise in very strong opposition to the DeLauro amendment. This is not the first time we have dealt with this. For the last four appropriations bills that have been signed into law, this language has been rejected and the underlying pro-life language which proscribes funding for abortion except in cases of rape, incest or life of the mother has been put into law. This was also in effect from 1984 through 1993, and hopefully in fiscal year 2000 it will be again.

Let me remind Members, as well, that 72 percent of the money that is used towards the purchase of the health plan comes from the taxpayer, not from the premium payer. The remainder comes, about a quarter of it, from the premium payer, but almost three-fourths of the money is a direct subsidy from the United States taxpayer. This amendment would strike the Hyde amendment of the Federal Employees Health Benefits Program. Again, I hope that Members will vote against it.

Mr. Chairman, let me also point out, it is bad enough from our perspective on the pro-life side that abortion on demand is the Supreme Court-imposed policy of our land. It was not voted into policy by the Congress, nor by the States. It was imposed upon us—forced on America—by the U.S. Supreme Court in 1973. But we do not have to pay for it. That is the issue squarely before this body today.

Many of us have profound, conscientious objections to abortion. We believe it is killing. We believe it is the taking of an innocent and defenseless human life. We believe abortion exploits women, and hurts them both emotionally and physically. The pro-life language in this bill ensures that all of us who believe that abortion is killing and dangerous to women will not be complicit, will not be party to the taking of that innocent, unborn child's life.

Let me remind Members as well that more and more people in America, and the polls clearly reflect this, are coming to the inescapable conclusion that abortion methods are acts of violence against children, against little kids. Abortion, rather than the language in the bill, abortion itself is discriminatory against children who cannot defend themselves, boys and girls of all races who cannot say, "Hey, wait, what about me?" I think at a time when we know more about the unborn child's life in fetology, at a time when we have a window to the womb with ultrasound and can watch with incredible clarity an unborn child moving, sucking his or her thumb at the very earliest stages, to turn around and say that we can poke holes in that child and stab that child and kill that child, I think, is unspeakable.

I have spent my 19 years in Congress working on human rights issues. I believe this is the most egregious human rights abuse on the planet, because it is so often disguised and masqueraded as somehow being a right is abortion. It is indeed violence against babies.

I would just ask Members, remember what abortion methods are actually done. As soon as we get into the rhetoric of choice and all of the numbing rhetoric that makes us look askance rather than at the reality of abortion, then we are able to put it out of mind, put it under the table and fail to realize that dismemberment and chemical poisonings are terrible things. And that is what abortion is.

Look at dismemberment abortions—commonplace all over America. A loop-shaped knife is hooked up to a hose, into a suction device that is 20 to 30 times more powerful than the average vacuum cleaner, and then that child's body is literally hacked to death. That is violence, I say to my colleagues.

One of the Members on the pro-abortion side just threw her arm as if to say I should go jump in a lake. But this is the reality whether you like it or not.

I have viewed the "Silent Scream" produced by Dr. Bernard Nathanson, a former abortionist, who wrote in the New England Journal of Medicine, "I've come to the agonizing conclusion that I have presided over 60,000 deaths," and then he quit doing abortions. This is a man who founded NARAL, a group that is backing the DeLauro amendment. He gave up doing abortions and now supports life. One of the things that made him give it up was that he saw that abortion in America and healing are schizophrenic. In some operating rooms physicians desperately try to save unborn children, in other operating rooms they hack off their limbs and decapitate babies.

□ 1745

He produced a video called The Silent Scream and another video that followed it in which he used real-life ultrasound. He used the ultrasound and chronicled an abortionist hacking that baby to death. And, as my colleagues know, I have been in the movement, the pro-life movement, for 25 years. Until I saw that, it did not even hit me as to how hideous this process, this violence against children, really is.

So dismemberment is not a pretty thing—it doesn't get any uglier—and to pay for it on demand because the child is, quote, unwanted, and then reduced to an object that can be thrown away and be treated as junk, is inhumane.

Then look at the saline abortions. High concentrated saltwater is injected into the baby's amniotic sac. The baby swallows that water and dies a slow, excruciatingly painful, death. It takes 2 hours for the baby to die from the caustic effects of saline abortions. It is legal; it is being done. If the DeLauro amendment passes, my colleagues and I in this Chamber will have to pay for it, and that is outrageous.

And then partial-birth abortions. In recent years, finally, Members have begun to see the reality of abortion when we talked about partial-birth abortion where the baby is more than half born, legs outside the mother's womb, literally in view, plain view, and then the brain is punctured with scissors, and the brains are literally sucked out.

That is the reality. We can talk all about choice and use all the sophistry from here to kingdom come, but the reality of what the abortionist does when he plies his or her craft is the killing of innocent human life. That is violence against children. That is a human rights abuse. Someday, I do not know when, someday I believe there will be an overwhelming consensus that we should not have been doing that for so long.

We have 40 million kids in this country who have died from abortions since 1973. That is more than the combined populations of many of our States who have been killed by dismemberment, chemical poisoning or some other hideous means. To tell us we have to fund it goes beyond the pale.

I urge a strong no vote on the DeLauro amendment.

Ms. DELAURO. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I rise in favor of the DeLauro amendment and against the provision in this bill that denies women who are Federal employees a constitutional right that other citizens of this country currently enjoy.

Now I would say to my friend who had 8 minutes of graphic testimony to share with us that partial-birth abortions are banned. I even voted to ban such partial-birth abortions.

So that is not the reality, and neither is it the reality that Federal funds are being used for abortion services. If in fact they were, then the Hyde amendment of 1974 would apply, and we would not have this amendment on the floor.

The only reason we have this amendment on the floor is because these are not Federal funds. This is the compensation that Federal employees receive for work that they provide to the citizens of this country. They receive compensation the same way that every other working family does, salary, health benefits, retirement; and with virtually every other working situation, every other employer, there is some subsidy of that health benefit. But this is their income, and my colleague has no more right to restrict what they can do with their private income than he does to restrict what other families receiving income from the private sector are able to do.

Now let me also share with my colleagues some reality, what this really means, and I will get a little graphic, too, although not nearly as graphic as my friend from New Jersey has gotten.

I received a letter from a constituent from northern Virginia who happened to be a Federal employee. She writes:

> I was 20 weeks pregnant when I got the bad news. My baby had Trisomy 18, a fatal genetic defect that causes the heart and lungs to fail after birth. There is no possibility that a baby can survive after birth. My doctor strongly recommended that I terminate the pregnancy. He was astounded to learn that the insurance company was not the problem because our insurance covered abortion services for situations like this. The problem was the United States Government and specifically the United States Congress. My husband and I were faced with a terrible decision, go to term with a baby that could not possibly live or spend a year's worth of our savings to terminate the pregnancy. I could not face the thought of spending another 5 months pregnant knowing my baby would not live.

Imagine having to explain, Mr. Chairman, this is reality, having to explain to everyone who asked, which people do, that we have not chosen a name or made any preparations because the baby is not going to live. This law amounts to discrimination against Federal Government employees, against Federal female government employees. It is absolutely wrong. This amendment should be approved; the provision should be struck.

Mr. KOLBE. Mr. Chairman I yield 2½ minutes to the gentleman from South Carolina (Mr. DEMINT).

Mr. DEMINT. Mr. Chairman, I rise in opposition to the DeLauro amendment. As Members of Congress from across the country, we come representing various positions on the life issue, but the fundamental question presented to us by this amendment is should the Federal Government be in the business of subsidizing abortions.

Make no mistakes. Taxpayers do pay for the salaries and benefits of Federal workers. The taxpayers are our employers, and they do have the right to decide what benefits that they offer.

This amendment is supposedly about fairness, being fair to women who choose to have an abortion. I ask my colleagues this: How is it fair to ask millions of Americans who oppose abortion because they believe it is the taking of human life to pay for the very procedure they oppose? In addition to taxpayers' funds paying for abortion, insurance premiums contributed by all Federal employees would also be used to subsidize abortions on demand.

In a 1994 poll published by the Journal of American Medical Association, only 4 percent of the respondents answered that they thought the government should pay for the expense of an abortion. A New York Times poll indicated that 72 percent of poll respondents said the cost of abortion should be paid for directly by the women who have them, not by a national health plan. And, remember, we are not taking the choice away. All we are saying is do not ask taxpayers to pay for it.

Regardless of one's position on life issues, it is frankly surprising that there would be a push to ask taxpayers of America who subsidize 72 percent of the purchase of Federal employees health insurance to pay for abortions. In fact, this amendment would create a situation in which Americans, both Federal and others who are struggling to make ends meet, are asked to subsidize the abortion decision of a Federal worker who may make five times as much as they do. Regardless of the salary level, it is fundamentally unfair to ask Americans to subsidize a procedure which ends with the taking of a human life.

To conclude, I ask all of my colleagues on both sides of the aisle, both sides of the issue, to oppose this unfair and unreasonable amendment.

Ms. DELAURO. Mr. Chairman, I yield 1½ minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, I thank the gentlewoman for yielding this time to me and for her leadership on this issue. I rise in strong support of the DeLauro amendment and oppose this continuing discrimination against women who are Federal employees by denying those women enrolled in the Federal Employee Health Benefit Plan access to abortion services.

Until 4 years ago, Federal employees, like their private sector counterparts, could choose a health plan which covered the full range of reproductive services including abortion. Two-thirds of private health plans and 70 percent of HMOs today provide abortion services. We are not talking here about the government or the taxpayer subsidizing abortion. Federal employees purchase their own private health insurance. The government contributes to the premium. The health benefit, like their salary, belongs to the employees. Employees who do not choose a plan with abortion coverage are not required to.

This provision discriminates again women in public service. It is egregious, reprehensible and arrogant that Members of Congress think they have a right to tell women who in many cases have dedicated their lives to public service that they do not have the choice of receiving legal abortion services.

The real agenda here, of course, is to make the women's constitutional right to an abortion as difficult as possible. Since some Members cannot amend the Constitution to appeal the constitutional right, they will do everything possible to place roadblocks in the way of women who want to exercise their constitutional right to have a an abortion.

I can respect honest disagreement. They should amend the Constitution, if they can. We will oppose that, we will have an honest debate, and the American people will make a decision. But do not skulk in the rear and use a thousand different ways to violate women's constitutional rights.

Ms. DELAURO. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. CUMMINGS).

Mr. CUMMINGS. Mr. Chairman, this body is made up of 435 Members, 22 of which are in the health profession, and 10 are medical doctors. Yet today we stand ready to determine the type of reproductive health services Federal employees should be provided, basically infringing upon the rights of women, their doctors and health plans to make this determination.

I believe that public policy should advocate the provision of comprehensive reproductive health care services in a manner that protects the essential privacy and rights of our Nation's women. Unfortunately, provisions in this legislation would work to chip away at this very important principle.

I believe that we must uphold the constitutional protections provided to women by giving doctors the ability to consider a woman's life, extenuating circumstances such as rape or incest and health when making reproductive health decisions.

The significance of this issue comes to light when we answer the following questions:

First, who does it affect? 1.2 million of our Nation's women of reproductive age who rely on FEHBP for their medical care.

Second, why should plans participating in FEHBP provide expanded reproductive health coverage? Attempts to prohibit comprehensive coverage discriminate against women in public service who are denied access to legal health services and procedures based on who they work for. Federal employees, like private sector workers, should be able to choose an insurance plan that covers a full range of reproductive health services including abortion. Approximately two-thirds of private fee for service plans and 70 percent of HMOs provide such coverage.

Lastly, how will expanded reproductive health coverage make a difference? These women, along with those in private insurance plans, currently spend 68 percent more in out-of-pocket health care costs than men, and much of this gap is due to reproductive health services.

I urge the adoption of this amendment.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Chairman, the gentleman from New Jersey (Mr. SMITH) talked about violence in very graphic terms, violence to unborn children. Well, let us talk about violence. Maybe he could explain about violence to the parents of Becky Bell, Karen and Bill Bell, whose 17-year-old daughter died from a botched illegal abortion. Maybe Becky's doctor could come and talk about what happened inside of her and the ripped organs and the bleeding that she had before she died from having that abortion. Maybe we can have doctors come in and talk about what happens when a hanger is used by a desperate woman who cannot bring another baby into poverty, who has gone through everything to try and get a legal abortion and, now has taken things into her own hands.

□ 1800

We have seen the violence against women who are deprived of a safe and a legal, a legal procedure.

All we are asking is that women who are Federal employees, whose doctor says they can have an abortion, who have discussed it probably with their families, who have talked to their rabbis, who are denied that, that is what I call violence against women.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I just want to remind Members that the language in the bill constitutes the Hyde amendment of the Federal Employees Health Benefits Program. On average, approximately 72 percent of the money that is in the federal health plan system comes from the U.S. taxpayers, and the premium payers donate the remainder of that amount of money.

An earlier speaker spoke about violence. So let me remind you that many women are dying from so-called safe and legal abortions, as well. There are many of them. One recent mother-victim is the woman who was butchered by an abortionist in Arizona. This woman who died of a botched abortion by a totally legal, so-called reputable abortionist. She bled to death, so both mother and baby were the victims of that violence.

Let me again remind Members that approximately 40 million children have died from abortion in this country, a staggering loss of babies through dismemberment, chemical poisoning, and other types of poison shots.

Do not make us subsidize any more child killing.

Ms. DELAURO. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the DeLauro-Morella amendment to strike the ban on abortions in this bill. I applaud this stalwart commitment to stop discrimination, discrimination by the far right that would place 1.2 million women in the Federal government that work for this government, discriminate against them and them alone.

The reality is that the Congress' political antics have no place in a woman's health care decisions, reproductive or otherwise. Let us be very clear about this, a woman's health decisions should be made between herself and her doctor, not by the Federal government, and certainly not by Members of Congress.

Mr. Chairman, women in public service deserve a full range of reproductive health care services, including abortion. They deserve this in their Federal health plans, no different from a worker in private industry. Please vote for the DeLauro amendment.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Chairman, I just think we ought to be honest about this debate. There is nothing in law today that prohibits women who work for the Federal government from obtaining an abortion. There is nothing in the legislation that is before us that would overturn Roe versus Wade. Every Federal employee has the opportunity to procure an abortion if she chooses to terminate the life of her child. So I think we ought to be honest about the debate.

The question is whether the taxpayers of the country are going to subsidize that process. I think, just in the way that they would not want to subsidize the purchase and ownership of a slave, they would not want to subsidize and purchase an abortion. A majority of American taxpayers do not want to see their tax dollars going to fund someone else's abortion.

So let us simply be honest about the debate. This is not whether we can have abortions in America. The question is whether we are going to subsidize abortions for people who work for the Federal government. I do not think we should do that. I think if they make that choice, they should pay for it out of their own pocket.

Ms. DELAURO. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentlewoman from Connecticut (Ms. DELAURO) is recognized for 2 minutes.

Ms. DELAURO. Mr. Chairman, we have heard several different arguments in this debate. I, too, agree we must be very honest in this debate. It comes down to a simple fact, that no amount of debate will change the fact that many of my colleagues just fundamentally oppose a woman's right to choose.

Like it or not, abortion is a legal medical procedure. The majority of Americans support keeping it a legal medical procedure. This amendment would simply ensure that Federal employees have access to that legal medical procedure. It would not require a health plan to offer abortion coverage, it does not require any employee to choose a health plan which covers abortion. It simply ensures that our Nation's public servants have the choice to health insurance which would provide coverage of legal, doctor-recommended abortions which are necessary to preserve a woman's health.

This is not a question of taxpayer money being used to subsidize abortion. The health insurance premiums are earned by employees of our government every bit as much as their paycheck. The paycheck and the premium belong to the employee, not to the government and not to the taxpayers. What right do we have to dictate what someone can or cannot do with the paycheck or with the health benefit that they receive?

This amendment is about basic fairness, about allowing the women who serve in our Federal Government to choose a health insurance plan which covers an important aspect of women's health.

Under the existing language in the bill, health plans cannot cover an abortion, even when a doctor tells a patient that it is needed to preserve the mother's health. Why are women who work in the Federal government treated as second-class citizens? This is not acceptable.

I urge my colleagues, do not impose their personal beliefs on our public servants. Give women the dignity of being able to choose for themselves. Support this amendment to strike this dangerous provision.

Mr. KOLBE. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I am not against a woman's right to choose. I am not even against a woman's right to have insurance coverage for abortion procedures when they are deemed necessary. But Mr. Chairman, I am not entirely, in this instance, a free agent in the sense that as chairman of this subcommittee, I believe I have a responsibility to bring a bill to the floor which can and will pass this body, as well as the Senate, and be enacted into law.

This body has debated this issue on many numerous occasions. I have been on the other side of this issue. But I believe that the will of this body ought to stand at this point. I believe that this bill is balanced in the coverage, the provision that prohibits Federal funding for abortions, but on the other hand, permits contraceptive coverage. I would certainly vote against any effort to strike that provision from this bill.

I believe we should keep this bill intact as it is. I hope that my colleagues will join me in voting to keep this provision in the bill so that we may pass a piece of legislation that can ultimately be enacted into law. It is for that reason that I urge a "no" vote on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today in support of the amendment offered by several Members on the Appropriations Committee—Representatives DELAURO, MORELLA, HOYER, GREENWOOD, MORAN, KILPATRICK, and LOWEY. This amendment strikes Section 509 of the Federal Employee Health Benefits Program that prohibits coverage of abortion services for those covered by the plan. For those who rely on the Federal Employee Health Benefits Program for their medical care, they are unable to take advantage of the same reproductive health care services that are available to private sector employees.

Approximately 1.2 million women rely on this program for their medical care. Some of these women work here in this Congress as members of our respective staffs. Until 1995, federal employees could select health care plans that covered the full range of reproductive services, including abortion.

The current provision discriminates against women in public sector service. Federal employees should not be denied this legal health procedure simply because of the political nature of abortion. For a government employee faced with the decision about a serious fetal health condition, this provision leaves her with few options.

Although 509 does contain exceptions for cases of rape and incest or in cases where the life of the mother is in danger, this language contains no health exception. This omission places many women in the painful decision to continue a potentially health-threatening pregnancy.

This section places federal employees on unequal footing with private sector employees, many of whom receive health care coverage from private fee-for-service plans or from HMO's. Approximately two-thirds of private fee-for-service plans and seventy percent of HMO's provide abortion coverage.

It is rather ironic that we have been debating patient protection legislation because many of us believe private insurance companies and HMOs need to provide specialized services as needed by patients. Yet, the Federal Employee Health Benefits Program, our health plan for our employees, does not provide a specialized service that is provided by the HMOs.

Like most health insurance plans, the Federal government contributes to the premiums, but the employees purchase private health insurance. For those employees who do not want a plan with abortion coverage, they may simply choose not to.

I hope that my colleagues support this amendment because it does not in any way mean that the government is subsidizing abortion services. There are specific limitations governing the conditions which a woman would be eligible for those services—rape, incest, danger to the life of the mother, and certain health conditions.

Please support the DeLauro-Morella-Hoyer-Greenwood-Moran-Kilpatrick-Lowey amendment to this bill. Let's extend coverage for the full range of reproductive health services, including abortion services to our employees.

Ms. DEGETTE. Mr. Chairman, this is an amendment about restoring equal access and equal rights to women and families who devote their careers to public service. There are over 1 million women of child bearing age who are enrolled in the Federal Employees Health Benefits Program that are being denied comprehensive access to reproductive health care.

Three years ago, Congress decided that federal employees do not deserve the same rights that private sectors employees have—the right to choose and pay for a health plan that covers a full range of reproductive services, including abortion.

Opponents will try to mislead their colleagues and the American people by arguing that this amendment means that taxpayers will pay for abortions. That is absolutely not true. Federal employees purchase private health insurance of which the government contributes a share to the premium. The health benefit, like the salary, belongs to the employee. Employees are given the freedom to choose from a range of health plans and the Delauro amendment merely ensures that an employee can choose a health plan that does or does not cover abortion.

Until this anti-choice Congress succeeds in making abortion illegal, they are intent on making it more dangerous and difficult. I believe as should anyone in this body who cares about the health of American women and their families, that abortions should be safe, legal and RARE.

Last year, Congress was right to pass legislation to cover prescription contraceptives for federal employees. Let us value the nation's public servants—not turn their health care coverage into yet another political game. I urge my colleagues to stand up for the reproductive health care needs of America's women and vote yes on the DeLauro amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. DELAURO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 188, noes 230, not voting 16, as follows:

[Roll No. 301]

AYES—188

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berkley
Berman
Biggert
Bishop
Blagojevich
Blumenauer
Boehlert
Bonilla
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner

Foley
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hastings (FL)
Hill (IN)
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kelly
Kennedy
Kilpatrick
Kind (WI)
Kuykendall
Lantos
Larson
Lazio
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Obey
Olver
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Sweeney
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Wise
Woolsey
Wu
Wynn

NOES—230

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonior
Bono
Borski
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Coburn
Collins
Combest
Cook
Costello
Crane
Crowley
Cubin
Cunningham
Danner
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Everett
Ewing
Fletcher
Forbes
Fossella
Fowler
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kasich
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Largent
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller, Gary
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Portman
Radanovich
Rahall
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

Baldwin
Barton
Brown (CA)
Chenoweth
Coble
Cooksey
Cox
Frost
Gilchrest
Hilliard
Latham
Luther
McDermott
McNulty
Quinn
Thurman

☐ 1828

So the amendment was rejected.

The result of the vote was announced as above recorded.

☐ 1830

Mr. RYAN of Wisconsin. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage the gentleman from Arizona (Mr. KOLBE) in a colloquy.

Mr. KOLBE. Mr. Chairman, if the gentleman will yield, I am pleased to join the gentleman from Wisconsin (Mr. RYAN) in a colloquy.

Mr. RYAN of Wisconsin. Mr. Chairman, the committee has included language in its report directing the U.S. Customs Service to continue to provide service to the Port of Racine, Wisconsin, and that any change in service shall only be an improvement.

I would like to clarify the term "service" as used in the committee's report. The Port of Racine is a growing area. It is home to modern industrial corporations and businesses that depend on continuous availability of Customs' services to ensure the rapid clearance of cargo to support their business operations in what has really become a growing business hub. The importance of having Customs' presence in Racine cannot be underestimated, given the growth of just-in-time manufacturing that allows very little room for delays in the delivery of trade goods in the Racine community.

I recognize that the committee has attempted to ensure with the report language that Racine will continue to be well served. However, I would like an assurance that there will be no attempt to reduce the level of services, including, perhaps, the closing of the Customs office in Racine. Can the gentleman from Arizona (Chairman KOLBE) provide such assurances that this is the intention of the committee by this report language?

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. RYAN of Wisconsin. Yes, I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank the gentleman from Wisconsin for yielding to me. He has spoken with me at some length about this issue. I believe that he has raised some very, very good points; and I appreciate the tenacity with which he has pursued this.

I want to share with the gentleman my understanding of the need to ensure that Racine does continue to be served by the U.S. Customs Service.

The committee does not, as I think the gentleman knows, as a matter of fact, support specific designations or expansions of Customs' districts or ports in this appropriations bill. It is the intent of the committee that timely services at the Port of Racine will not be adversely affected in any way.

I, therefore, would emphasize for the RECORD that this committee would expect to see and approve any Customs' proposal before actions are taken to close the offices of the Port of Racine or to otherwise change service in any way to Racine.

No action could be taken by the Customs Service until it has been proven to the satisfaction of the committee that no reduction in timely service to Racine would result.

I would also commit to the gentleman from Wisconsin that we will work in close consultation with him to ensure that, if there were to be any proposed changes, that they are in the best interest of Racine and of the business community there.

Mr. RYAN of Wisconsin. Mr. Chairman, reclaiming my time, I would like to thank the gentleman from Arizona for his support and his willingness to work with us on this very, very important matter. I look forward to reviewing any possible proposal from the Customs Service before anything would be implemented.

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that the bill through page 99, line 20 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The text of the remainder of the bill through page 99, line 20 is as follows:

SEC. 510. The provision of section 509 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 511. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2000 from appropriations made available for salaries and expenses for fiscal year 2000 in this Act, shall remain available through September 30, 2001, for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with reprogramming guidelines.

SEC. 512. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 513. Notwithstanding section 515 of Public Law 104–208, 50 percent of the unobligated balances available to the White House Office, Salaries and Expenses appropriations in fiscal year 1997, shall remain available through September 30, 2000, for the purposes of satisfying the conditions of section 515 of the Treasury and General Government Appropriations Act, 1999.

SEC. 514. The cost accounting standards promulgated under section 26 of the Office of Federal Procurement Policy Act (Public Law 93–400; 41 U.S.C. 422) shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2000 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 604. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–5924.

SEC. 605. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person: (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 606. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 607. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 13101 (September 14, 1998), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 608. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 609. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 610. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) that do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 611. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 612. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 613. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 2000, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 614 of the Treasury and General Government Appropriations Act, 1999, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 2000, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 614; and

(2) during the period consisting of the remainder of fiscal year 2000, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 2000 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 2000 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1999 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1999, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1999, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1999.

(f) For the purpose of administering any provision of law (including any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the word "office" shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 615. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 616. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for fiscal year 2000 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

SEC. 617. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 618. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2000 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 619. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: *Provided*, That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 620. None of the funds appropriated in this or any other Act shall be used to acquire information technologies which do not comply with part 39.106 (Year 2000 compliance) of the Federal Acquisition Regulation, unless an agency's Chief Information Officer determines that noncompliance with part 39.106 is necessary to the function and operation of the requesting agency or the acquisition is required by a signed contract with the agency in effect before the date of enactment of this Act. Any waiver granted by the Chief Information Officer shall be reported to the Office of Management and Budget, and copies shall be provided to Congress.

SEC. 621. None of the funds made available in this Act for the United States Customs Service may be used to allow the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 622. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 623. Section 627(b) of the Treasury and General Government Appropriations Act, 1999 (as contained in section 101(h) of division A of Public Law 105-277) is amended by striking "Notwithstanding" and inserting the following: "Effective on the date of the enactment of this Act and thereafter, and notwithstanding".

SEC. 624. Notwithstanding any provision of law, the President, or his designee, must certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

SEC. 625. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988; or

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 626. No funds appropriated in this or any other Act for fiscal year 2000 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: "These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.": *Provided*, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 627. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 628. (a) IN GENERAL.—For calendar year 2001, the Director of the Office of Management and Budget shall prepare and submit to Congress, with the budget submitted under section 1105 of title 31, United States Code, an accounting statement and associated report containing—

(1) an estimate of the total annual costs and benefits (including quantifiable and nonquantifiable effects) of Federal rules and paperwork, to the extent feasible—

(A) in the aggregate;

(B) by agency and agency program; and

(C) by major rule;

(2) an analysis of impacts of Federal regulation on State, local, and tribal government, small business, wages, and economic growth; and

(3) recommendations for reform.

(b) NOTICE.—The Director of the Office of Management and Budget shall provide public notice and an opportunity to comment on the statement and report under subsection (a) before the statement and report are submitted to Congress.

(c) GUIDELINES.—To implement this section, the Director of the Office of Management and Budget shall issue guidelines to agencies to standardize—

(1) measures of costs and benefits; and

(2) the format of accounting statements.

(d) PEER REVIEW.—The Director of the Office of Management and Budget shall provide for independent and external peer review of the guidelines and each accounting statement and associated report under this section. Such peer review shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 629. None of the funds appropriated by this Act or any other Act, may be used by an agency to provide a Federal employee's home address to any labor organization except when the employee has authorized such disclosure or when such disclosure has been ordered by a court of competent jurisdiction.

SEC. 630. The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by Federal agencies, or other agencies providing explosives detection services at airports in the United States.

SEC. 631. None of the funds made available in this Act or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

SEC. 632. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 633. (a) In this section the term "agency"—

(1) means an Executive agency as defined under section 105 of title 5, United States Code;

(2) includes a military department as defined under section 102 of such title, the Postal Service, and the Postal Rate Commission; and

(3) shall not include the General Accounting Office.

(b) Unless authorized in accordance with law or regulations to use such time for other purposes, an employee of an agency shall use official time in an honest effort to perform official duties. An employee not under a leave system, including a Presidential appointee exempted under section 6301(2) of title 5, United States Code, has an obligation to expend an honest effort and a reasonable proportion of such employee's time in the performance of official duties.

SEC. 634. None of the funds made available in this or any other Act with respect to any fiscal year may be used for any system to implement section 922(t) of title 18, United States Code, unless the system allows, in connection with a person's delivery of a firearm to a Federal firearms licensee as collateral for a loan, the background check to be performed at the time the collateral is offered for delivery to such licensee: *Provided*, That the licensee notifies local law enforcement within 48 hours of the licensee receiving a denial on the person offering the collateral: *Provided further*, That the provisions of section 922(t) shall apply at the time of the redemption of the firearm.

SEC. 635. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with—

(1) any of the following religious plans:

(A) Providence Health Plan;

(B) Personal Care's HMO;

(C) Care Choices;

(D) OSF Health Plans, Inc.;

(E) Yellowstone Community Health Plan; and

(2) any existing or future plan, if the plan objects to such coverage on the basis of religious beliefs.

(c) In implementing this section, any plan that enters into or renews a contract under this section may not subject any individual to discrimination on the basis that the individual refuses to prescribe contraceptives because such activities would be contrary to the individual's religious beliefs or moral convictions.

(d) Nothing in this section shall be construed to require coverage of abortion or abortion-related services.

SEC. 636. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, funds made available for fiscal year 2000 by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP), shall be available to finance an appropriate share of JFMIP administrative costs, as determined by the JFMIP, but not to exceed a total of $800,000 including the salary of the Executive Director and staff support.

SEC. 637. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, the head of each Executive department and agency is hereby authorized to transfer to the "Policy and Operations" account, General Services Administration, with the approval of the Director of the Office of Management and Budget, funds made available for fiscal year 2000 by this or any other Act, including rebates from charge card and other contracts. These funds shall be administered by the Administrator of General Services to support governmentwide financial, information technology, procurement, and other management innovations, initiatives, and activities, as approved by the Director of the Office of Management and Budget, in consultation with the appropriate interagency groups designated by the Director (including the Chief Financial Officers Council and the Joint Financial Management Improvement Program for financial management initiatives and the Chief Information Officers Council for information technology initiatives). The total funds transferred shall not exceed $7,000,000. Such transfers may only be made 15 days following notification of the House and Senate Committees on Appropriations by the Director of the Office of Management and Budget.

CHIEF FINANCIAL OFFICER IN THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 638. (a) IN GENERAL.—Section 901 of title 31, United States Code, is amended by adding at the end the following:

"(c)(1) There shall be within the Executive Office of the President a Chief Financial Officer, who shall be designated or appointed by the President from among individuals meeting the standards described in subsection (a)(3). The position of Chief Financial Officer established under this paragraph may be so established in any Office (including the Office of Administrator) of the Executive Office of the President.

"(2) The Chief Financial Officer designated or appointed under this subsection shall, to the extent that the President determines appropriate and in the interest of the United States, have the same authority and perform the same functions as apply in the case of a Chief Financial Officer of an agency described in subsection (b).

"(3) The President shall submit to Congress notification with respect to any provision of section 902 that the President determines shall not apply to a Chief Financial Officer designated or appointed under this subsection.

"(4) The President may designate an employee of the Executive Office of the President (other than the Chief Financial Officer), who shall be deemed 'the head of the agency' for purposes of carrying out section 902, with respect to the Executive Office of the President.".

(b) PLAN FOR IMPLEMENTATION.—Not later than 90 days after the date of the enactment of this Act, the President shall communicate in writing, to the Chairman of the Committee on Appropriations of the House of Representatives, Chairman of the Committee on Government Reform of the House of Representatives, and the Chairman of the Committee on Governmental Affairs of the Senate, a plan for implementation of the provisions of, and amendments made by this section.

(c) DEADLINE FOR APPOINTMENT.—The Chief Financial Officer designated or appointed under section 901(c) of title 31, United States Code (as added by subsection (a)), shall be so designated or appointed not later than 180 days after the date of the enactment of this Act.

(d) PAY.—The Chief Financial Officer designated or appointed under such section shall receive basic pay at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(e) TRANSFER OF FUNCTIONS.—(1) The President may transfer such offices, functions, powers, or duties thereof, as the President determines are properly related to the functions of the Chief Financial Officer under section 901(c) of title 31, United States Code (as added by subsection (a)).

(2) The personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, of any office the functions, powers, or duties of which are transferred under paragraph (1) shall also be so transferred.

(f) SEPARATE BUDGET REQUEST.—Section 1105(a) of title 31, United States Code, is amended by inserting after paragraph (30) the following new paragraph:

"(31) a separate statement of the amount of appropriations requested for the Chief Financial Officer in the Executive Office of the President.".

(g) TECHNICAL AND CONFORMING AMENDMENTS.—Section 503(a) of title 31, United States Code, is amended—

(1) in paragraph (7) by striking "respectively." and inserting "respectively (excluding any officer designated or appointed under section 901(c)).": and

(2) in paragraph (8) by striking "Officers." and inserting "Officers (excluding any officer designated or appointed under section 901(c)).".

ELECTRONIC FILING THRESHOLD

SEC. 639. Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

"(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

"(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

"(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form if not required to do so under the regulation promulgated under clause (i).

"(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

"(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.".

ALTERNATIVE PROCEDURES FOR IMPOSITION OF PENALTIES FOR REPORTING VIOLATIONS

SEC. 640. (a) IN GENERAL.—Section 309(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(4)) is amended—

(1) in subparagraph (A)(i), by striking "clause (ii)" and inserting "clauses (ii) and subparagraph (C)"; and

(2) by adding at the end the following new subparagraph:

"(C)(i) Notwithstanding subparagraph (A), in the case of a violation of any requirement under this Act relating to the reporting of receipts or disbursements, the Commission may—

"(I) find that a person committed such a violation on the basis of information obtained pursuant to the procedures described in paragraphs (1) and (2); and

"(II) based on such finding, require the person to pay a civil money penalty in an amount determined under a schedule of penalties which is established and published by the Commission and which takes into account the amount of the violation involved, the existence of previous violations by the person, and such other factors as the Commission considers appropriate.

"(ii) The Commission may not make any determination adverse to a person under clause (i) until the person has been given written notice and an opportunity for the determination to be made on the record.

"(iii) Any person against whom an adverse determination is made under this subparagraph may obtain a review of such determination in the district court of the United States for the district in which the person is found, resides, or transacts business, by filing in such court (prior to the expiration of the 30-day period which begins on the date the person receives notification of the determination) a written petition requesting that the determination be modified or set aside."

(b) CONFORMING AMENDMENT.—Section 309(a)(6)(A) of such Act (2 U.S.C. 437g(a)(6)(A)) is amended by striking "paragraph (4)(A)" and inserting "paragraph (4)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after January 1, 2000.

CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS

SEC. 641. Section 304(b) of such Act (2 U.S.C. 434(b)) is amended by inserting "(or election cycle, in the case of an authorized committee of a candidate for Federal office)" after "calendar year" each place it appears in paragraphs (2), (3), (4), (6), and (7).

PROFESSIONAL LIABILITY INSURANCE

SEC. 642. (a) IN GENERAL.—Section 636 of the Treasury Postal Service, and General Government Appropriations Act, 1997 (5 U.S.C. prec. 5941 note) is amended in the first sentence by striking "may" and inserting "shall, subject to the availability of appropriations,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1999, or the date of enactment of this Act, whichever is later.

SEC. 643. IN GENERAL.—Hereafter, an Executive agency which provides or proposes to provide child care services for Federal employees may use appropriated funds (otherwise available to such agency for salaries) to provide child care, in a Federal or leased facility, or through contract, for civilian employees of such agency.

(b) AFFORDABILITY.—Amounts so provided with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by such facility or contractor.

(c) REGULATIONS.—The Office of Personnel Management shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) DEFINITION.—For purposes of this section, the term "Executive agency" has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

COMPENSATION OF THE PRESIDENT

SEC. 644. (a) INCREASE IN ANNUAL COMPENSATION.—Section 102 of title 3, United States Code, is amended by striking "$200,000" and inserting "$400,000".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect at noon on January 20, 2001.

The CHAIRMAN. Are there any amendments to that portion of the bill?

AMENDMENT OFFERED BY MR. WELDON OF FLORIDA

Mr. WELDON of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WELDON of Florida:

In section 635 (relating to contraceptive coverage), redesignate subsection (d) as subsection (e) and insert after subsection (c) the following new subsection:

(d)(1) None of the funds appropriated by this Act may be used by the Office of Personnel Management to enter into or renew a contract with a health benefits plan which does not offer health plan enrollees at the time of enrollment the option of choosing an enhanced benefit described in paragraph (2) in lieu of the contraceptive coverage mandated by this section.

(2) An enrollee may elect enhanced benefits for any one of the following categories of benefits: dental, optometry, prenatal, infertility, or prescription drug. Each enhanced benefits option shall be designed by the plan involved and shall be equivalent in value to what the plan spends for the average enrollee who chooses the contraceptive coverage.

(3) Nothing in this subsection shall be considered to require a plan to offer an enhanced benefits option for any category of benefits for which no coverage would otherwise be available under the plan.

Mr. WELDON of Florida (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Arizona reserves a point of order.

Mr. WELDON of Florida. Mr. Chairman, last year, Congress adopted the Lowey mandate that all FEHBP plans include coverage of contraceptive care. This year, that language was considered in the base text of the bill. There are millions of Americans who object to being forced to subsidize, through higher premiums, contraceptive benefits for other plan enrollees, for one reason or another, including many Federal employees.

They have many reasons to object to being forced to subsidize these benefits. They may have moral and religious objections. They may be a single person, and they feel that they should not be forced to subsidize this benefit. They may be an infertile couple facing the tragedy of having to pay tens of thousands of dollars in medical bills for infertility work-ups while they are simultaneously paying a higher premium for this benefit for others.

Why should those older Federal employees who may be beyond the child-bearing years pay the higher premium when they might prefer better dental care coverage or preventive care?

My amendment ensures that Federal employees are given the choice of opting out of this mandate of contraceptive benefits. My amendment would give enrollees the choice to select the contraceptive benefit currently required in the bill, or they could, if they preferred, exercise and choose enhanced dental, optometry, prenatal, infertility, or prescription drug benefits.

My amendment will not result in additional costs to plans, because the language in my amendment calls for these benefits to be of equivalent value of what the plan spends for the average beneficiary choosing the contraceptive benefit.

My amendment does not require a plan to offer any new benefits that they do not already offer. Plans could opt to provide these enhanced benefits through lower copays for doctors visits or lower copays for prescription drugs. They could enhance preventive care benefits like providing free dental checkups. I believe that my amendment is a significant improvement over the base text language.

I understand the decision of the gentleman from Arizona (Chairman KOLBE) to raise a point of order against my amendment. I will, therefore, withdraw my amendment from consideration. But I would encourage members of this subcommittee to consider language such as this when they go to conference or when they take this bill up next year.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Florida. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for withdrawing his amendment. As the gentleman knows, I would have supported the chairman's point of order. But I do want to commend the gentleman. Significantly, Federal employees do not have the dental benefits that are available in some other policies.

I think the gentleman raises a good issue, not in the context he raises it, he and I would disagree on that, but in a separate context outside of that. I think that it is a good issue, and I am pursuing it, along with others.

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from Maryland (Mr. HOYER) for his input. I would be very happy to work with him on this issue in the future.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT NO. 10 OFFERED BY MR. SESSIONS

Mr. SESSIONS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. SESSIONS:

Strike section 644 (relating to compensation of the President).

Mr. SESSIONS. Mr. Chairman, this amendment strikes section 664, which doubles the President of the United States' salary from $200,000 to $400,000 effective January 20 at noon in the year 2001.

I believe that doubling the President's salary in an era when we are expected to make tough, responsible decisions to save the American people's money, to save Social Security, and to ensure a smaller, smarter, common sense budget, means that we did not attempt to invoke reason or balance in this process.

Our amendment is sponsored by the National Taxpayers Union, Citizens Against Government Waste, and Americans for Tax Reform.

I am joined in this effort by the gentleman from South Carolina (Mr. SANFORD).

Mr. Chairman, I yield to the gentleman from South Carolina (Mr. SANFORD).

Mr. SANFORD. Mr. Chairman, I concur wholeheartedly with what the gentleman from Texas (Mr. SESSIONS) said and what this amendment is about. As the gentleman suggested, it is simply about leaving the presidential salary at $200,000 rather than doubling it to $400,000. That has absolutely nothing to do with Bill Clinton. It has absolutely nothing to do with George Bush. It has everything to do with George Washington.

Because our Founding Fathers, and George Washington in particular, went to absolutely great degrees to make sure that we did not elect a king but that we had representative government.

The idea of representative government was that it would be of the people, by the people, for the people. Instead, we have gone from there to the point where, and as we all remember, George Washington was going through the checkout line at the grocery store, and he could not remember how much a gallon of milk cost.

People have become very removed in this political process from what regular day people feel. So what this amendment is about is simply trying to keep some small thread of connection between elected leadership and what people feel on a daily basis.

This is very much a back-of-the-envelope kind of write-up here, but what it points to is that the President's compensation is about $20 million. I think that that is the back of the envelope. An average CEO compensation, according to Forbs magazine is $2.3 million. So I think that he is adequately paid.

Let me just walk through a few of these numbers. The numbers up here, we begin with the White House. If a corporate CEO is paid, he has to go out and rent a place or buy a place. One gets a pretty nice pad, if one wants to call it that, if one is staying down at the White House. One has a staff of about 100 on the domestic side. One has got cooks. One has got housekeepers. One has got calligraphers. One has got a pool. One has got a hot tub. One has got a bowling alley. One has got a theater. One has got a few goodies in there. It costs about $10 million to run. That is not including security. That is just, again, on the domestic side.

One also has a vacation home. It is called Camp David. I do not know exactly what it costs to run, but I do know that if one is to go into the mountains and rent a vacation place like that that had stables, a tennis court, a swimming pool, a theater, it would run one maybe $10,000 a week. So let us just throw it in at $40,000 a month. So that would be about $480,000 of compensation there.

One has got a plane called Air Force One. It is a pretty nice jet. One can go with Marine One. I do not know what the numbers would be in terms of operating costs. An executive jet would run one $5,000 an hour. A 747 would surely run one a lot more than that.

One has got a retirement plan. Every President, after he becomes President, gets $151,000 a year for the rest of his life in a pension plan.

□ 1845

And if we were to blow that number backward, what that means is that wealth is accruing at about the rate of $275,000 a year on top of the $200,000 base pay the President is already getting.

There is the Presidential office, the Presidential library, there is unlimited earning power after they get out of office. There is a fair bit of prestige. We have the Ronald Reagan National Airport, the Ronald Reagan Federal Building, the Ronald Reagan Aircraft Carrier. The President gets a few benefits and he has a chance to affect public policy.

The point of all that is that the President is by no means undercompensated, and I think that is what the heart of the gentleman from Texas is trying to get at.

Mr. SESSIONS. Mr. Chairman, reclaiming my time, what we have talked about tonight is we believe this decision to raise the rate of pay for the President of the United States, doubling it from $200,000 to $400,000, should be challenged by Members of Congress.

Mr. HOYER. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Mr. Chairman, I moved my place and I went over to the seat on the other side of the aisle so I would have a better opportunity to see this sort of monologue stand-up comedy routine that we had. It was a great routine. But I thought to myself, I wonder if the President calls up the comptroller at Stanford and says, "By the way, can I send you a picture of Air Force One, and maybe you can even get a picture of the White House, because it's a worth a lot, for my tuition payment this semester." And the bursar at Stanford is going to say, "Send money."

My colleagues, with all due respect, let us look at what we are talking about. The President of the United States in 1969 had his salary set at $200,000. Now, hear me now, my colleagues. The Founding Fathers, not in the Constitution, but in their early legislation set the President's salary in 1789 at $25,000 cash money that he was paid. Twenty-five thousand dollars 210 years ago. In today's dollars our Founding Fathers set the President's salary at $4 million per year.

Frankly, when I go to the grocery store, I do not say, "Hey, I am a Congressman. I have a heck of a good office, I've got a great view there and all kinds of things, so can I get my groceries for that?" No. They say, "Give me the money."

We have an insurance executive in America who made last year $400 million. Now, my colleagues, Mr. SUNUNU, whose son is a Member of Congress, testified, and he is the one that, by the way, said that the President's salary effectively in 1789 was in today's dollars $4 million per year.

Mr. SANFORD. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from South Carolina.

Mr. SANFORD. Mr. Chairman, I would just say to the gentleman that I think that one has to look at how George Washington got around. He did not get around in Air Force One; he did not get around in Marine 1. He got around on a horse.

Mr. HOYER. Reclaiming my time, Mr. Chairman, is it the gentleman's perception that George Washington said, "I know Air Force One is out at Andrews, but I am a good guy, and I am just not going to use it"? Because if that is the gentleman's perception, I must inform him, with all due respect, that Air Force One was not there to use. But I have a sneaking hunch if he had had a horse that flew, he would have used it.

Mr. SANFORD. If the gentleman will continue to yield, I would agree with him on that, but I guess the point I'm getting at, as we both know, there was no White House when George Washington was here. There are a number of different things that go into the package now.

Mr. HOYER. Has the gentleman noticed the House that George Washington lived in?

Mr. SANFORD. Mount Vernon.

Mr. HOYER. It was not a bad place.

Mr. SANFORD. His own, though.

Mr. HOYER. Yes. How did he support that house?

I do not want to get into that, but the fact is, the point I am making is that $400,000 is a very significant sum of money, but it is only 10 percent of what our Founding Fathers determined the President ought to be paid. Ten percent.

Of course we have him live in the White House, but that is the People's house, America's house. The President lives there because that is where we tell him to live. Of course we fly him on an airplane, because he has international global responsibilities, and we want him to get from place A to place B safely and fast so he can conduct the People's business.

Of course he has benefits of being the President of the United States, which he will lose when he leaves that office. Of course I agree with the gentleman from South Carolina (Mr. SANFORD) on that.

But the fact of the matter is, the President of the United States, unlike the Congress, that has had numerous raises since 1969 when we were making $42,500, we will now be making approximately 3½ times that, the President has not had a raise in that period of time. If we did 3½ what we have gotten, clearly the President would be making about $750,000.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 2 additional minutes.)

Mr. HOYER. Mr. Chairman, I tell my colleague from South Carolina that if the President had gotten simply a cost of living adjustment since 1969, he would be making $758,000 today. Just a cost of living.

So I think the chairman, the gentleman from Arizona (Mr. KOLBE), has been very modest in his proposal. And as a matter of fact, all the testimony before the Committee on Government Reform, chaired by the gentleman from Indiana (Mr. BURTON), was that a higher salary was justified.

So I enjoyed the back of the envelope presentation. I tell the gentleman from South Carolina, notwithstanding the fact that it was written on the back of the envelope, it was not given at Gettysburg, and may not last quite as long. I think his compilation was interesting but not particularly relevant.

It is important for us, I think, to compensate the President not in the sense of a king or lavishly, but certainly appropriately as it relates to the rest of the people in government. And as the gentleman knows, the Speaker makes $175,000. In 1969 the Speaker was making less than half of that.

So it is appropriate, in my opinion, to at this point in time, for the next President, this will not affect, as the gentleman knows, the incumbent

President. Under the Constitution, we cannot do that and should not be able to do that. But this will reflect an appropriate salary for arguably the person who has the toughest job in the world and on whom billions of people rely for good judgment and honest service.

So I would hope that the House would reject this amendment and approve the committee's recommendation.

Mr. SANFORD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not take all that time, and I would agree with many of the things that the gentleman from Maryland said. He makes very good points in the fact that we by no means want to have an underpaid President of the United States.

I guess the only point I was trying to make is that, A, there are a number of other ways that one is compensated besides just the base pay, and there are some benefits that, frankly, come with the job of being the President of the United States. I guess that was all I was trying to point out.

And, too, I would point out the fact that I know of no poor Presidents. Thomas Jefferson, in other words, if we look back into the history books, Thomas Jefferson basically died broke. I am not suggesting that we want that to be the case, by any means, but that was the end of public service for him.

That is not at all the case with modern-day public servants. We do not hear any stories of past Presidents being poor Presidents. In fact, Ronald Reagan makes, when he was giving speeches, was making about $2 million per speech. And there was the big write-up on the speech George Bush gave in Japan wherein he took stock in lieu of the speech, and it turned out to be worth $13 million.

So these guys do pretty well on their compensation package that seems to follow their time in office, and that is all I am trying to suggest.

I guess tied to that would be the fact that I do not know of a shortage of people running for President. When compensation is out of whack in a given job, we generally do not see people seeking that job. But that is not at all the case that we see these days in Washington in terms of people seeking the office.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SANFORD. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding. Let me respond to two points.

First of all, I will tell my colleague that there would be no shortage of people who would be President of General Motors if they paid at $100,000. We could get a president of General Motors, perhaps not a very good one.

There would be no shortage of players to play on the Washington Wizards for $100,000. Now, the fact is, the gentleman and I both know they would not win any games, ever, but there would be five players on the court.

So I would make that point. We are not recruiting anybody if we paid them zero.

Let me make another point. The gentleman talks about former Presidents. President James Carter, who was relatively wealthy when he came to the office, that is correct, but there is a perfect example of someone who has used his time in a voluntary way to make life better for his fellow citizens here and around the world.

So I understand the gentleman's point, and people do different things. Both President Bush and President Reagan did make a lot of money in speeches. Maybe this President and future Presidents will do the same. But I think we ought to, nevertheless, appropriately compensate them relative to what the rest of us in government make.

Because if an individual had the responsibility that the President of the United States has, they would be paid millions and millions of dollars in the private sector for comparable responsibility. I do not think we ought to do that. That is not appropriate, the gentleman is right. People should not seek this to become millionaires.

Mr. SANFORD. Reclaiming my time, Mr. Chairman, I would simply say that the gentleman from Maryland raises great points. I guess it is just a philosophical divide on this particular one issue.

Mr. SESSIONS. Mr. Chairman, will the gentleman yield?

Mr. SANFORD. I yield to the gentleman from Texas.

Mr. SESSIONS. Mr. Chairman, I think this debate has been worthy. I think we have gone through the process. Hearings have been held on this matter.

I believe that it is an honest request that we would ask Members of Congress to take seriously that which they have before them, to make a determination about whether we are going to double the President's salary. I believe in a time when we are trying to do the responsible thing, it does not pass the smell test to think that we would double someone's salary.

With that said, I hope that this debate has ended.

Mr. HORN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was also enjoying the recitation that the President has as fringes, but that is not the point. We do not know who the President of the United States will be after the 2000 election, and this will strictly apply solely to that individual and his successors.

Now, there has only been a few times in American history that salaries have been increased. George Washington's salary was mentioned. By the way it, is $4.6 million adjusted for inflation, states the Congressional Research Service and the Office of Personnel Management. The Constitution authorizes in Article II that "The President shall, at stated times, receive for his services, a compensation: . . ." Washington was an outstanding President. The first Congress set his compensation at $25,000.

I heard this comment that several post war Presidents were not very poor. Well, they sure were in the 19th century. When General Grant was dying of cancer he worked all days and nights to finish his memoir. Why? Because his spouse had no money. And there were, in the 1850s, presidential widows with no pensions. Mary Lincoln was one of them. We have solved that problem.

And also in this century we have had widows that lived on very little. That should not be a factor for a President of the United States when they serve their country ably. And whether ably or not when they give the service, they are the People's choice.

□ 1900

We do not choose Presidents. The people do.

Based on the testimony we had before our Subcommittee on Government Management, eleven chiefs of staff representing every administration since Lyndon Johnson—three Democratic Presidents and three Republican Presidents—all of them were unanimous that the President's compensation should go to $400,000. Some of them thought it should go to $500,000. We took the $400,000 and felt that was appropriate.

Now, in addition to what was said about the salaries early in the government, it was not just the President of the United States that received $25,000 which is now equal to $4.6 million. John Adams earned $5,000 a year as Washington's Vice President, John Jay received $4,000 a year as the first chief justice of the United States.

If we do not make an adjustment for the President, we are going to find that by 2002 the Speaker, the Chief Justice, and the Vice President will have a higher salary than the President of the United States.

It is not unreasonable to come in this chamber and ask our colleagues to support $400,000. Why? Because it is the right thing to do. We cannot always say that Presidents of the United States will match the salaries of many of our corporate heads in this country and even the compensation of a few university presidents. A handful are in that range.

So I would hope my colleagues would vote down this particular amendment. I do not think it is appropriate. We have to face up to it. Times change. Congress first faced up to increasing the compensation in the Grant administration. And the latest facing up to the realities of presidential compensation was in the Lyndon Johnson administration. LBJ signed our act which doubled the salary from $100,000 to $200,000 a year. That decision benefited the three Democratic Presidents and the three Republican Presidents who occupied the White House since Johnson's time.

$400,000 is appropriate because there has been steady inflation in this country, and $400,000 is about what $200,000 would really be back in 1969, when the latest law was passed. I think there is a need for equity between the heads of each of the three branches of government. So I think this is in order for the chief of the executive branch, which every one of us knows is the most complex job and most amazing managerial job.

It does not mean Presidents have been good managers. Some of them have been horrible managers. We will deal with that matter later in the year. But the fact is they have the responsibility. They have to make key decisions. They are tough decisions: life, death, dollars, no dollars for programs. I think we know that. Many people do not.

Some see the Presidency as "fun and games." There are probably some White House occasions when a President, who has worked a 12 hour day is not excited by being the gracious host four or five more hours. "How glorious," people think.

We must compensate the individual who has the popular vote from the American people to represent our country with honor at home and abroad. Presidents also have children in school, as we have with this President, and tuition is high.

So vote down this amendment and let us be sensible about it and give the next President a raise.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I just want to make a couple of things very clear. I do rise in opposition to this amendment. I do believe this is not about, and I think all of us would agree with this, this is not about the current occupant of the White House. This salary change would not affect that individual.

I think there are some other points that go along with that, and that is that this is the right time to do this. This is the right time to do this for a couple of reasons. One, we are 18 months away from an election and having another President. That gives us a moment to look at this for the future.

Another reason that we need to think about it now is that, unlike Members' compensation where the courts have ruled that, under the 28th amendment, a cost-of-living adjustment is not a change or a compensation, the Constitution is very clear, there can be no change to the President's compensation during the term of office. So that, if we do not do this now, we are really looking at 2005 as the next time any kind of change could be made to the compensation of the President.

The gentleman from California (Mr. HORN) I thought speaks both very eloquently and clearly about why this is justified. And his subcommittee has done some yeoman's work on this, as the work of his subcommittee I think has brought us where we are today and caused us to include this in our bill.

As he has pointed out and the gentleman from Maryland (Mr. HOYER) has pointed out, the President's salary has not been adjusted since 1969. That is quite a time. And as I have just pointed out, if we do not make this adjustment now, this one, which, by the way, has no effect on the appropriations bill for this year and only for part of the following year, that is anything after January 20, 2001, if we do not make the change now, we are looking, as the gentleman from California (Mr. HORN) has pointed out, at a situation where the Speaker of the House and the Vice President would actually be making more than the President of the United States might by the year about 2003.

Now, if we go back to the last time we adjusted the President's salary in 1969 and we gave just the cost-of-living adjustments that other Federal employees have had since that time, the salary today would be $726,000. If the salary had kept pace with inflation, it would be $936,000, which suggests that we have perhaps not kept Federal employees in pace with inflation. Or, stated another way, in today's dollars the value of that $200,000 that we paid in 1969 is $45,367.

Or we can look at the last time there was a formal recommendation on President's pay, and that was 1989 when the Commission on Executive, Legislative and Judicial Salaries met and they recommended the President's pay be increased from $200,000 to $350,000. If we assumed inflationary adjustments just since that time, the same inflationary adjustments that the Federal employees have had, the President's salary would be approximately $458,000.

So I think that by any measure that we look at this, by purchasing power, by what we paid in 1969 and what it might have been adjusted, what we recommended in 1989 and how that might be adjusted, we are considerably under that level.

But, Mr. Chairman, there is a more substantive reason for this. The United States is the preeminent power in the world. We are the major power in the world. And I believe that the job of the Chief Executive of the United States is an incredibly important and difficult job. There is not going to be any compensation that we can pay that can cover that, in my opinion.

And as has been pointed out correctly by the gentleman from South Carolina (Mr. SANFORD), there are a lot of things that the President of the United States enjoys that are not available to the rest of us. But, nonetheless, the President has to think about his future, about his retirement, about his family, about how he covers those expenses during time in office and after the time in office.

If we are going to attract the right people to run for office, whether it is this office or the President's office, we have to, I think, have compensation that makes sense. And when we are paying the President of the United States less than we pay in many cases branch managers of banks, it simply makes no sense to me.

I believe that this compensation is long overdue. It is a modest increase. I believe that it is fully justified under any analysis that my colleagues might give to this issue.

I hope we will defeat this amendment.

Mr. OSE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the opportunity to come down. I have listened attentively to the speakers who have preceded me. I rise in opposition to the amendment.

Sitting here listening to my good friend, the gentleman from Arizona (Mr. KOLBE), I am reminded of the scope and breadth of the President's responsibilities. Whoever the occupant of this office is is required to know things related to the minutia of trade agreements to nuclear waste responsibilities, to the minutia again of START contracts, to environmental questions in Antarctica, to what it takes for NASA to put a missile or a space shuttle up in the air.

The responsibilities bearing on the occupant of the office of President of the United States are enormous, and we need to compensate this person accordingly.

Just for comparison's sake, I wanted to go through a couple of the other countries of the world who also compensate their chief executive.

For instance, Hong Kong, arguably a country far smaller than the United States, pays its chief executive over $400,000 a year.

The country of Israel, whose economic challenges, security issues and the like and population is nowhere near the breadth and scope of ours, they pay their executive $90,000 a year.

Panama, a country that we have a long historical association with, pays its chief executive $180,000 a year. We are currently paying the President of the United States $200,000 a year, essentially equivalent to the amount that the President of Panama is earning.

The responsibilities of the President of Panama, are they equivalent to the responsibilities of the President of the United States? On a comparative basis alone, this body should move forward expeditiously to increase the rate of pay for the President of the United States.

I also want to associate myself with the remarks of the gentleman from Arizona (Mr. KOLBE). What we pay will be reflected in the quality of the person we get. That is a dictum of business that has been proven year after year, decade after decade, century after century. We need to take advantage to the extent we can.

And $400,000 is lot of money, but not for this job. Whoever the occupant of this office is, is gone from their family, loses any semblance of private life, is at the beck and call of the people of the United States, and stands under enormous stress day after day after day. We need to compensate this person appropriately. We need to have people who are good people in this office. We need to pay them to sacrifice their personal lives and come to the service of their country.

I think the amendment, however well-meaning, does not serve that purpose; and I oppose it.

Mr. KANJORSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in opposition to this amendment. Serving with the gentleman from California (Mr. HORN) on his committee, I think he has done the country and the Congress a great service in bringing this issue to the forefront at this particular moment, for the precise reasons as the gentleman from Arizona (Mr. KOLBE) mentioned. If we do not do it now, we will not be able to do it successfully for another 5 years. This is not a raise for the incumbent President. It is for the next President.

I have to confess to my fellow colleagues that last week I had the occasion to spend the week with the President and sort of live in his shoes, if you will. It is a 20-hour-a-day job. There are a myriad of issues, great and small, that he must deal with every day.

Obviously, his full commitment has to be to the job of executing the administration of the government of the United States. I would hope that we would want our Chief Executive to dedicate himself fully to that and think of nothing materialistic in his nature because this is, without a doubt, the most important office in the world. I think we, as Americans and Members of Congress, ought to be proud to say that.

I understand that there are some Members of Congress that like to put a dollar value on public service. But I remember several years ago a story told to me at a hearing by the then and present Chief Justice of the United States. We were talking about pensions and salaries at that hearing, and he remarked to me that he was a little disappointed as Chief Justice because that day when he returned to the court he was going to lose his Chief Clerk. And we all know the Chief Clerk is an excellent law student out of law school who serves with the Chief Justice for a period of a year or two. And he said it was ironic how he was losing his Chief Clerk, who in the next day who would be earning in excess of two times the salary of the Chief Justice of the United States.

He threw out another important figure to me, that when we take the comparison of the entire Bar of the United States, the Chief Justice does not earn in up to the 75th percentile of the earning capacity of the Bar of the United States.

And of course, the President of the United States, if we made that comparison to CEOs of corporations or, as the gentleman recently said, to other chief executive officers of what we would call minor states in the world, it is ludicrous the $200,000 that was allocated in 1969 for this President.

I would just suggest one other thing. We heard value for inflation. If we took the stock market of 1969 at $200,000 and the stock market today, the President's salary would be over $2 million.

□ 1915

I do not know what measure we should use, but clearly there are few constituents of mine, I am sure, and many constituents of my colleagues that do not consider the salary of $200,000 as extravagant for the President of the United States.

There is a special thing about being President. I learned it on the trip this week. It is not necessarily the individual. It is that office. Wherever he went and whoever he talked to, those people would remember until the day they died that they had an opportunity to meet and shake hands and welcome the President of the United States.

We ought to be proud of that fact and we as Congressmen should not pander to the sympathies of Populism that says no pay, nothing. I know people who would accept the presidency for zero. The power is extraordinary, and if you were wealthy, you could afford it. But this is a country of average, common people and let us hope that common men can aspire to be President, and if they ever do, the salary of $400,000 a year at the end of this millennium will not sound like very much.

I urge my colleagues on both sides to put aside our foolishness and stay with this bill and set the salary of the President of the United States at $400,000 a year.

Mr. DAVIS of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is an issue that I think reasonable people can disagree on. I respect my colleagues for bringing forward this amendment, but I wholeheartedly disagree with them on this particular issue at this time.

As we look through history, we look back to 1873 when the salary was $50,000; it was 36 years later that salary was moved to $75,000; in 1949 it went to $100,000; 20 years later to $200,000, and it has not been changed for 30 years.

We do not run for office and people do not aspire to serve in government for the money. If we did this for the money, we would be doing something else. I took a pay cut to come here. A number of my colleagues did that. We do it for the ability to serve. But the President of the United States I think arguably has the most challenging job on this planet. We do not want that individual worried about pinching pennies, worried about their financial future, the future of their kids, worried about putting their kids through college, about maintaining their homes back in their native States.

We do not want only the wealthy to be able to aspire to the presidency because they can afford the other entertainment expenses that go along with this because their expenses could be cut in any given year.

To give my colleagues a global perspective, it has been mentioned that the President of Hong Kong, not even an independent country, the Chancellor there gets $400,000 a year, in excess. The President of Japan, a country smaller than ours, an economy smaller than ours, $381,000 year. The President of Singapore gets almost a half million dollars a year in annual salary. The President of Switzerland gets more than our President gets today, $230,000. The President of Taiwan gets over $300,000 a year. This is not out of line. This is a reasonable, incremental increase that is commensurate with what we have done in the past to provide for our chief elected officers.

I do not want government on the cheap, but I want that person in the Oval Office, of whatever party, of whatever persuasion, to not have to worry about the financial aspects of the job. I want him to concentrate on running the country. I think the increase that is in this bill, that has gone through extensive hearings, that is supported by the gentleman from California (Mr. HORN) of the authorizing subcommittee and others, is the right approach at this time. I ask my colleagues to reject this amendment.

Mr. BACHUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would say that I was undecided on this issue before a few minutes ago. I have tried to listen to the debate on both sides.

Over the past few weeks, I have had conversations with friends of mine, and I will tell my colleagues what their advice was. They said, "Don't vote for a pay raise." They said that this is not a popular thing to do. We have discussed certain things and they have actually said, "This is how I feel. My gosh, don't get out on the floor of the House and say that," because it is not a popular thing.

Let us just sit back for a minute and imagine that we did not know how much the President of the United States made. Let us start from that reference point. We would consider certain things. We would look at what our forefathers paid the first President. That would be one calculation. I am sure major league baseball players would come into it. I am sure there would be other people that would say they ought to take the job for free. Most people that now run for President, they are independently wealthy and they could afford to do that. There are some that are not. If we wanted to approach it is to take the job for free and we would rule out anyone who was not a multimillionaire, that is the way some people might like it. But again, go back. We do not know what the President makes. What do you think we would guess he makes? I have asked some people that and the figure a million dollars is the most often response. "I think the President ought to make a million dollars."

Now, we will discuss an amendment in a few minutes that the gentleman from Vermont (Mr. SANDERS) is offering as to whether or not we have oversight when we pay out a billion dollars. We deal in those type figures. It is important that we focus on this figure and what the President makes.

I will agree with the gentleman from Virginia that there are certain people that come here in all honesty and argue that $200,000 is fine. But when you talk to executives, when you talk to professionals, I think that they would probably tell you that the President ought to make a million dollars.

I will not be doing the popular thing. I will be opposing this amendment. But in doing so, I will be doing the right thing, because I think the President of our country, the leader of the free world, ought to make at least what is proposed in this legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. SESSIONS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANFORD. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 246, further proceedings on the amendment offered by the gentleman from Texas (Mr. SESSIONS) will be postponed.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey:

In section 635 (relating to contraceptive coverage), strike paragraph (2) of subsection (b) and insert the following:

(2) any existing or future plan, if the carrier for the plan objects to such coverage on the basis of religious beliefs or moral convictions.

In subsection (c) of such section 635, strike "prescribe" and insert "prescribe or otherwise provide for".

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Arizona reserves a point of order.

Mr. SMITH of New Jersey. Mr. Chairman, let me be very brief. This should be and I hope it will be a noncontroversial amendment.

Mr. Chairman, the effect of the policy enacted last year and carried over in this bill is to force health plans participating in FEHB to cover controversial abortifacients, such as the new "morning after" pill, Preven. Preven and some other new drugs, as we all know, destroy a developing embryo. They are really not contraceptives, but unfortunately they are included in this bill.

While I oppose that mandate as bad public policy, I am not here today in an effort to strike it or even to limit it. Rather, I want to ensure that the conscience protection does what many already believe that it does, and that is to protect individuals in plans with moral or religious objections from the requirements of the mandate.

This is a conscience clause. Right now the FEHB mandate lacks adequate conscience protection for some of the potential sponsors of health plans and individual providers who are opposed to providing such drugs and devices. As we know from the language of the bill, five religious plans are exempt by name as well as any existing or future plan if the plan objects to such coverage on the basis of religious beliefs. Left out is "moral convictions." We believe, I believe, they should be protected as well.

Finally, the conscience protection for individual providers also needs to be expanded and clarified to protect any health care worker—I repeat any health care worker—including physicians, nurses, pharmacists and physician assistants.

The second part of my amendment provides conscience protection to everyone in health—all health care workers who might object on either moral or religious grounds to the contraceptive mandate. I would hope that this amendment would be agreed to.

POINT OF ORDER

Mr. KOLBE. Mr. Chairman, I make a point of order against the amendment. Again, this was just handed to us.

I make a point of order against the amendment, because it appears to me that it proposes to change existing law and constitutes legislation on an appropriations bill and would violate clause 2 of rule XXI.

The rule states that an amendment to a general appropriations bill shall not be in order if changing existing law imposes additional duties. This adds a word, in this case, to the current legislation, by adding "moral convictions." For that reason, it would seem to impose an additional requirement on the Office of Personnel Management that administers these plans and in my view it would, for that reason, violate clause 2 of rule XXI. I would make that point of order.

Mr. SMITH of New Jersey. Mr. Chairman, if I could be heard, I would very briefly say that this is not legislating on an appropriations bill but merely perfecting legislation permitted to remain.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, I too have just seen the amendment, but it does appear to require action beyond what would be solely a perfecting amendment with respect to the paragraph 2 that is being added, in that the plan objects to such coverage on the basis, one would have to make a judgment as to the objection, the reason for the objection, and, therefore, it imposes an additional duty on the administrator. Under those circumstances, it seems to me that this would be in violation of the rule cited by the gentleman from Arizona.

The CHAIRMAN. Does any other Member wish to be heard?

Mr. KOLBE. Mr. Chairman, I would like to be heard additionally.

Again, I would point out that the legislation as it exists now refers to any existing or future plan if the plan objects to such coverage on the basis of religious beliefs. That clearly is a particular limitation and says none of the funds appropriated may be used for that purpose.

Now we have added in an additional duty to the Office of Personnel Management, by saying "moral convictions." So they clearly have additional responsibilities that are going to be required in order to carry this out.

In addition, subsection (c), and I am not sure I understand exactly what the impact of this is, but by striking "prescribe" and inserting "prescribe or otherwise provide for" would seem also to require some additional duties, and I believe that this clearly is additional legislation, additional duties.

The CHAIRMAN. Are there any other Members who wish to be heard? If not the Chair is prepared to rule.

The amendment must be judged against all the language found in section 635. Such language covers contraceptive "coverage" and "moral convictions" as addressed in the pending text. The amendment appears to be merely perfecting and the Chair overrules the point of order.

Mrs. LOWEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I was walking in, I heard the amendment, part of the amendment, but I would like to address the first portion of the amendment as I believe I heard it. I believe the gentleman is attributing to a plan a conscience. We debated this point quite fully in the last session of the Congress. And, in fact, we were quite concerned that a plan could suddenly develop a conscience and not allow this service to be provided, and, therefore, working in a bipartisan way with Members on both sides of the aisle, there was an agreement that any individual provider could opt out as long as that plan would provide the service.

□ 1930

So I would like to ask the gentleman how a plan could suddenly develop a conscience, number one.

Now I would like to continue. Number two, I would like to make another point. It is my understanding, Mr. Chairman, that 1.2 million Federal employees currently have this service covered. There has not been any concern; there has not been any criticism. Under the conscience clause included in this provision, which the chairman has included in his mark which has been brought to this floor, it is my understanding that there are no other plans that have requested to even be part of the conscience clause. There were religious plans included in the conscience clause that was developed, and it is my understanding from talking to the Federal Employee Health Benefit Plan that no other plans have asked to be included in the conscience clause in the exemption.

So, Mr. Chairman, every once in a while we tend to pass legislation that really works, that is really providing a service, that is basic health care for women, and based upon all the information that I have there has been no objection.

So, therefore, Mr. Chairman, I would just ask us to allow a program that is really working, that is providing basic health care for women, to move along as it is. And I would like to work with the gentleman, as I mentioned many times, in preventing unintended pregnancy, and it seems to me that one of the best ways to do this is to provide for contraceptive services. That is the way we reduce the number of abortions and prevent unintended pregnancies.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we had a very extensive debate on this issue last year. The extensive debate really dealt with the gravamen of the central point of the providing of contraceptive services through the insurance plans. Very frankly, the gentleman from New Jersey (Mr. SMITH) and I, as many people in this body know, are very close personal friends and work very closely together, and I have the greatest respect and affection for him, but we disagree on this issue. We have a different perspective.

But during the course of that debate and during the course of the compromise on trying to come to grips with how to provide for what the overwhelming or significant majority of this House believed ought to be provided in the health care plans available Federal employees was the fact that we ought not to have insurance companies who had a religious affiliation and religious base do something that was inconsistent with their religious tenets. Most of us agreed that that was appropriate. What the gentlewoman who worked so hard on this amendment and so effectively on this amendment said when developing a conscience, the gentleman from New Jersey now seeks to add moral conviction to the language that exists for religious organizations.

Now, clearly, executives of insurance companies have moral convictions; clearly, employees of insurance companies have moral convictions. But those moral convictions, I would suggest to my colleagues, are probably pretty diverse. And the executive vice president in charge of negotiations with the Federal Employee Health Benefit Plan may have one moral conviction, and the operating vice president may have another moral conviction. Now I am not sure whether the stockholders would vote on what a moral conviction is at any given time, but clearly, in fairness, that is an impractical standard to add to the standard that exists.

What we were trying to do is make sure that religiously based and centered insurance offerers were not compelled to do something that was against their religious beliefs. We all understand that. But I defy anybody to explain to me how one is going to determine on insurance plan A or B or C that are not religious affiliated what their moral convictions are without, in effect, polling or voting or having included in their charter something that says moral convictions.

The fact of the matter is that we had this debate last year, and we rejected this proposal because of the lack of clarity in the proposal.

So I would hope my colleagues would reject this again this year because, quite clearly, it goes far beyond the exemption that we all agreed was appropriate; that is, the religious-based exemption, and goes to a further step, which moral convictions are critically important. Hopefully, all of us hold moral convictions; and, hopefully, as I said, insurance executives hold moral convictions as well. But they do not operate, unlike religiously based insurance companies, to promote their moral convictions. They hopefully operate legally, ethically and morally, but they operate to offer insurance programs to their clients. And, therefore, Mr. Chairman, this amendment, while I frankly would call it an imperfecting amendment, Mr. Chairman, in that it adds a provision that will be extraordinarily if not impossible to apply and interpret, for that reason I would hope the House would reject this amendment.

Mr. WELDON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Smith amendment. I believe the Smith amendment is a significant enhancement to the current conscience clause language in the bill. The current conscience clause language does not sufficiently cover all those individuals who would like to take a moral as well as a religious exemption.

It is well known that some of these products that are being referred to as contraceptives are not in reality contraceptives but are abortifacients, and this indeed causes many people who are of strong personal moral conviction, pro-life, or people who take a very strong religious perspective on this issue to have a problem, and I believe the gentleman's amending language is a significant improvement over the underlying bill.

Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, I just want to point out to our colleagues that there are at least four laws, and I can give my colleagues all the citations, and I will put them in the RECORD, where plans organizations and institutions can raise objections on either moral or religious grounds.

Why "moral" was left out is a gaping oversight, and I hope it was an oversight, and to suggest that people with moral convictions should not be able to express them and somehow manifest them, maybe through a vote of the board of directors or in some other way, would be wrong and would disenfranchise people, especially those who do not believe in God. Say someone is an agnostic, but has a strongly held conviction about a certain practice. To disenfranchise that person would be wrong.

Let me also point out that the language of this amendment says, the underlying language says, the prescriber, the doctor that writes the prescription, does not have to do so if he or she, as a matter of moral conviction, does not want to prescribe an abortifacient, for example, an abortion-producing pill or drug. Well, everyone else in the line, including the dispenser, the person that actually gives the abortion chemical, cannot conscientiously object and say, "Wait a minute, I'm all for family planning, but this crosses the line."

And there is a case of that right now that just made the Associated Press, and it was in the San Diego Union Tribune, of five nurses who quit their positions at a county-run health clinic because they did not want to be compelled to dispense abortifacients. These are women who routinely counsel and provide family planning. They are all for family planning, but they felt that they hit their breaking point when a clinical administrator said that they had to cross this line, and this could be the beginning.

Let us not compel people in the health care delivery service to do something against their deeply held convictions. This is a conscience clause. Unfortunately, we did not vote on anything comprehensive last year, as the membership will note. Much of this was done in conference. It is infirm as it exists today. We ought to make it a real conscience clause. Do not force people to do things they do not want to do. Please do not do that.

Mr. WELDON of Florida. Mr. Chairman, in closing let me just say that the gentleman's amendment, I believe, is a relatively modest amendment. By adding this moral clause I believe it will allow people to exercise their moral convictions and in many ways improve the underlying provisions in the language of the bill.

In 1998, Congress included an amendment in the Treasury-Postal Appropriations bill requiring almost all health plans that participate in the Federal Employees Health Benefits (FEHB) Program to provide "contraceptive coverage," including early abortifacient methods, to the same extent that they provide prescription drug coverage generally. (The Treasury-Postal Appropriations bill became law as part of the FY 1999 Omnibus Supplemental Appropriations Act, H.R. 4328, PL 105–277.)

The FY 2000 Treasury-Postal contains the same language.

The effect of this policy is to force health plans participating in FEHB to cover controversial abortifacients such as the new so-called "morning after" product, Preven, approved by the FDA for use as "postcoital emergency contraception." Preven and similar drugs work up to three days after unprotected intercourse or contraceptive failure to destroy a developing embryo. Clearly, this is not contraception but it is called contraception by the FDA.

The latest edition of the nation's leading embryology textbook explains the mode of action of such drugs: "The administration of relatively large doses of estrogens ("morning after" pills) for several days, beginning shortly after unprotected sexual intercourse, usually does not prevent fertilization, but often prevents implantation of the blastocyst." K. Moore and T. Persaud, The Developing Human: Clinically Oriented Embryology (6th ed.: 1998), p. 58.

The FEHB mandate lacks adequate conscience protection for some sponsors of health plans and individual providers who are opposed to providing such drugs and devices. Five religious plans are exempt by name, as well as any "existing or future plan, if the plan objects to such coverage on the basis of religious beliefs." Plans and individuals objecting to such coverage based on moral convictions should be protected as well, as they are under many state and federal laws.

The conscience protection for individual providers also needs to be clarified to protect any health care provider—including but not limited to physicians, nurses and physician assistants—who objects to providing these drugs or devices on the basis of religious beliefs or moral convictions. The current law only protects individuals who decline to "prescribe" such drugs and devices and may be interpreted too narrowly.

The conscience protection language enacted in 1998 and currently in this year's bill marks a departure from other federal conscience laws. The lack of an exemption for those whose moral convictions are offended by abortion sends the message that religious beliefs are the only foundation for respecting human life before birth. In fact, objections to the destruction of living human embryos—and, in particular, forcing taxpayers and others to support this killing—is widely opposed by many people. We saw this in 1996 when 256 Members of House Representatives voted against funding research in which human embryos are destroyed, discarded or even put at risk.

Prior to last year's enactment of the contraceptive mandate, most health plans participating in the Federal Employees Health Benefits (FEHB) Program paid for prescription drugs approved by the FDA as "contraceptives"—including abortifacients. In 1998, each woman who participated in FEHB and who used contraception already had the choice of at least three (3) plans which provided coverage for whatever prescription method she used.

Last year pro-life Members did not try to end this coverage, but to preserve the right of federal employees—including many women—to choose a health plan which did not cover abortion-inducing drugs characterized by the FDA as "contraceptives." That choice was taken away from Federal employees when the mandate was enacted.

One significant effect of the new coercive mandate was to force plans to cover—and force federal employees and taxpayers to pay for—the new "morning after" drug regimens such as Preven, which is to be taken after intercourse, or in the case of "contraceptive failure," to ensure that a developing embryo will be expelled and not implant in the mother's womb.

The controversy surrounding this drug is widespread. Many pharmacists, who have no objection to dispensing contraceptives, are strongly opposed to dispensing a drug which is primarily intended to kill a developing human embryo.

Outside the federal context, individual pharmacists have had their jobs threatened because of their refusal to provide so-called "emergency contraception."

Just this year, five nurses in Riverside, CA, quit their jobs at a county health department because of the department's insistence that they violate their religious beliefs and provide "emergency contraception." (These nurses had spent years working in family planning, telling women about contraception.)

Walmart, the nation's fifth largest distributor of pharmaceuticals, including contraceptives, recently announced that it would not dispense Preven in its stores because of concerns with objections from its customers.

Conscience clauses are common both in federal and state law and are based on respect for individual freedom and individual beliefs. Forcing someone to engage in activity that violates his or her deeply and conscientiously held beliefs is a violation of human rights and a gross abuse of the power of government.

Among the more recent conscience clauses enacted into law is legislation passed by Congress in 1996 to protect medical education programs from being required to provide abortion training. The exemption was provided regardless of whether their opposition is religiously or morally based. We recognized that abortion—the killing of an innocent human being—is simply not the kind of practice in which anyone should be forced to participate for any reason.

As Senator OLYMPIA SNOWE—who is also a supporter of the contraceptive mandate—said during the debate on the amendment to protect doctors and training programs from having to perform abortions:

> This amendment accomplishes two things. One, it does protect those institutions and those individuals who do not want to get involved in the performance or training of abortion when it is contrary to their beliefs.
>
> I do not think anybody would disagree with the fact—and I am pro-choice on this matter, but I do not think anybody would disagree with the fact that an institution or an individual who does not want to perform an abortion should do so contrary to their beliefs.

By mandating coverage of contraception and abortifacients by health plans, Congress has increased the pressure on individual physicians, nurses and pharmacists providing services under these plans to violate their own consciences. In fact, currently only those who may be asked to "prescribe" the drug have any conscience protection under the law, and unless they are familiar with it, they may not even know of their right to refuse.

In addition to the abortion training conscience protection described above, Congress provided conscience clauses for plans offered under Medicare+Choice if the sponsoring organization offering the plan objects on "moral or religious grounds." (42 U.S.C. §1395w–22(j)(3)(B))

Another section protects Medicaid managed care organizations from being required to "provide, reimburse for, or provide coverage of, a counseling and referral service if the organization objects to the provision of such service on moral or religious grounds." (42 U.S.C. §1396u–2(b)(3)

Also, in yet another section, Congress provided that Legal Services Corporation funds could not be used to attempt to "compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution. . . . (42 U.S.C. §2996f(b)

Clearly federal law has established that conscience protection should not be limited to individuals, nor should it be limited to objections based on religious beliefs.

Ironically, some who support the mandate have been critical of attempts to clarify the conscience provisions in the mandate, claiming that it already exempts health plans with "moral or religious" objections (The Boston Globe, October 1, 1998) and that, under the mandate, "individual doctors and nurses can refuse to provide contraceptives on moral grounds." (The New York Times, October 16, 1998). Neither of these protections is actually in the contraceptive mandate's conscience exemption. Presumably they would not object to their addition now.

While some pro-abortion Members may in fact believe that a drug which does not prevent fertilization but prevents implantation of an embryo is not an abortion-inducing drug, what these Members think is not important. What is important are the beliefs and convictions of those who will be required to carry out the mandate.

No one should be forced to do what he or she believes would cause the death of an innocent human being, particularly in the name of health care.

This is not, however, the view of those at the front of the fight for abortion on demand throughout pregnancy.

At a March 5, 1999, briefing sponsored by the Center for Reproductive Law and Policy (CRLP)—which has challenged state Partial-Birth Abortion Ban laws around the country—and the People for the American Way, Janet Benshoof, President of CRLP said, "I don't think there should be conscience clauses."

Do you?

Mr. PITTS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Smith amendment. This amendment is common sense. It is not a threat to any contraceptive coverage. What it does is expand the choices of women and health providers. All this amendment does is add two simple things to the current conscience clause in the contraceptive mandate.

Number one, it expands the conscience protection to plans which object on moral not just religious grounds. Religion is not the only reason one would object to abortion, and this should be accounted for.

Number two, it expands the conscience protection not only to those who prescribe medication as in current law but also to those who provide for the abortifacient drug. All this means is that a nurse who does not prescribe but might be asked to administer an abortifacient drug has a right to refuse if it goes against her conscience.

Conscience clauses are common both in Federal and State law. They are based on respect for individual freedom and on individual beliefs. Forcing someone to engage in activity that violates his or her deeply and conscientiously held beliefs is a violation of human rights. It is a gross abuse of the power of government.

We have similar moral and religious provisions in conscience clauses in medical education programs, in the Medicaid managed care organizations law, in the Legal Services Corporation law. By mandating coverage of contraception and abortifacients by health plans, Congress has increased the pressure on individual physicians, nurses and pharmacists providing services under these plans to violate their own consciences. In fact, currently only those who may be asked to prescribe the drug have any conscience protection under the law, and unless they are familiar with it, they may not even know of their right to refuse.

If the contraceptive abortifacient mandate in this bill were imposed on all plans, the president of a business who objects or whose employees object to covering abortifacients would not be able to work with an insurance carrier to design a plan that reflects those convictions. The plan would have to cover them, and the business owner and the employees would have to pay for them. No one should be forced to do what he or she believes would cause the death of an innocent human being, particularly in the name of health care.

Mr. Chairman, this is a rational, common-sense reform. I urge my colleagues on both sides of the aisle to protect the consciences of all those in the medical profession and American women.

□ 1945

AMENDMENT OFFERED BY MRS. LOWEY TO THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mrs. LOWEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mrs. LOWEY to the amendment offered by Mr. SMITH of New Jersey:

In the text of the matter proposed to be inserted, on line 3, strike the words "or moral convictions".

Mrs. LOWEY. Mr. Chairman, I would like to explain the amendment.

Mr. Chairman, I have no objection to the part C of my good friend, which talks about implementing the section, "Any plan that enters or renews a contract under this section may not subject any individual to discrimination on the basis that the individual refuses to prescribe or otherwise provide for contraceptives because such activities would be contrary to the individual's religious beliefs and moral convictions."

If an individual, be it another provider or a nurse, chooses not to provide this service, as long as the plan will continue to provide this service, we think this would be a perfecting provision. My objection, Mr. Chairman, is to to the first part, that a plan should develop a moral conscience.

We were very careful last year in crafting this to respect every plan's religious conviction. We included five religious plans: Providence Health Plan, Personal Care's HMO, Personal Choices, OSF Health Plans, Yellowstone Community Health Plan, and any existing or future plan, if the plan objects to such coverage on the basis of religious belief.

However, Mr. Chairman, in the year that this has been implemented there were no objections. There were no additional plans that appealed to be included in this opt out provision.

I have real concerns, Mr. Chairman, that we should suddenly give Blue Cross-Blue Shield or any other plans a conscience. I would expect that a plan that wanted to opt out because of their deeply held convictions would have done so in the last year.

This year, the religious exemption that is in effect today and is contained in the bill continues to specifically exempt the five plans, and again, beneficiaries who want contraceptive services but whose provider choose not to offer them can be referred to other providers by their health plan.

I want to also remind my colleagues, because this is a very important point, that providing coverage of contraception does not compel provision of services contrary to moral or religious convictions by any individual or health care provider. It merely requires the Federal Employees Health Benefit Plan to provide the coverage, write the check, in other words, for the contraceptives.

Again, OPM has reported that no other Federal employee health plan has requested a religious-based exemption, and no other plan has complained that the exemption is inadequate. No provider, no beneficiary, has complained.

So in conclusion, Mr. Chairman, many of us on both sides of the aisle worked very hard to be sure that the religious exemption was well thought out. It was extensively negotiated between the House leadership, the White House, and myself, and most importantly, it is working. It strikes the appropriate balance between the legitimate religious concerns of individuals and plans participating in FEHBP with an equally compelling public policy goal facilitating access to the broad range of contraceptive methods in order to reduce unintended pregnancies.

Again, I respect the personal views of my colleagues, on whichever side of the issue they fall. We should have respect for each other. But let us not impose our beliefs on any other individual. This provision is working. Let it continue to work. Please reject the motion and please accept this second degree, which we believe is a perfecting motion.

Mr. SMITH of New Jersey. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, it is Orwellian double speak—a gross distortion of reality to somehow suggest that pro-lifers are imposing our view in proffering this amendment when we are carving out a conscience clause so women and men, or by extension, groups of people, collections of people, who make up plans and administrators of plans don't have a contraceptive/abortion chemical mandate imposed upon them against their moral convictions. The imposition by force of law is by the pro-abortion side.

I happen to believe that people who object to abortion chemicals on a basis other than religious beliefs should not have their deeply held moral convictions overruled.

Not all moral convictions are based on religions. Many of my deeply held beliefs on human rights, including for the unborn, were first arrived at that belief that the unborn child should be protected as a matter of human rights and moral convictions, not religion. Religion inspires a belief in the value of persons but others can value life absent religion.

Dr. Nathanson, I mentioned him earlier in the debate, was an atheist who came to his view concerning the value of an unborn child not based on religious beliefs. He did not believe in God. He had no religious beliefs. He came to that as a matter of moral conviction buttressed by science and logic.

This is an imposition of the contraceptive, but more importantly, from my point of view, the abortifacient, chemicals used early in pregnancies or early after fertilization to destroy the growing embryo. That is a terrible, terrible precedent to be set.

It is outrageous, I say to my colleagues. Where is the choice of those people who say no, I do not want to be involved with this? I think this is outrageous. To strike moral convictions, Mr. Chairman, would set us back in terms of conscience clauses.

Let me also point out to my colleagues that among the more recent conscience clauses enacted into law is legislation passed by Congress in 1996 to protect medical education programs from being required to provide abortion training. The exemption was provided regardless of whether their opposition was religiously or morally based. We recognize that abortion, the killing of an innocent human being, is simply not the kind of practice that should be forced on anyone.

Let me also point out that some of our friends on the other side of the issue, including Senator SNOWE, pointed out that institutions and individuals could be and should be protected.

Let me also point out to my colleagues that in addition to abortion training conscience protection that I just described, Congress has provided conscience clauses for plans under Medicare Plus Choice, if the sponsoring organization offering the plan objects on, and I quote, "Moral or religious grounds; not just religious ground, moral or religious grounds.

Another section protects Medicaid managed care organizations from being required to provide reimbursement or provide for coverage of counseling and referral services if the organization objects to the provision of such service on moral and religious grounds. Moral and religious, they go hand-in-hand. But to just have one is to just have half a loaf.

Also, in yet another section, Congress provided that the Legal Services Corporation fund could not be used to attempt to compel any individual or institution to perform an abortion or assist based on religious beliefs on moral convictions.

I am amazed, I am shocked, I say to the gentlewoman from New York (Mrs. LOWEY), that she wants to strike moral convictions. Why should she impose her views on those who would otherwise not want to do it?

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mrs. LOWEY. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, I would like to respond to the shock of my good friend and colleague, the gentleman from New Jersey (Mr. SMITH).

I would like to make it very, very clear that what our provision does is allow an individual, a person, a group of people, a provider, to have a religious or moral conviction. I respect that. I want to make that very clear, that be it a doctor or a nurse or a provider, that person, in our provision, certainly may have a religious or a moral conviction.

But I would like to remind my colleague what my provision does not do is allow a plan to have a moral conviction. A Blue Cross-Blue Shield, or another plan, in our judgment, in my judgment, it cannot have a moral conviction. If it has a religious objection, if it is religiously-affiliated, there were five plans that were included. Again, I would like to repeat, any existing or future plan, if the plan objects to such coverage on the basis of religious beliefs, that plan can opt out. No one, not one plan in the past year, requested to opt out.

So Mr. Chairman, I would like to explain again, we are willing to accept their provision which perfects the one from last year, which gives any provider the right on religious or moral convictions to opt out. That is just fine. But a plan does not have a conscience, and there is no plan that requested to be included in this opt out provision.

Mr. HOYER. Reclaiming my time, Mr. Chairman, I want to ask my friend, the gentleman from New Jersey (Mr. SMITH), a question, because I know of his very sincere beliefs, and do not question them at all. I agree that we should not question moral convictions, either.

Is there a problem? Have we had some plan, an insurance company that deals with the FEHBP, i.e., a plan, come to us and say that they were being compelled to do something that they did not want to do?

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, the language in the amendment says "Any existing or future plan." I think it wise and provided the future to anticipate.

I know of no plan at the moment to carried a plan may spent nor have I surveyed every plan but that does not mean it has not happened. That does not mean that sitting in the boardrooms around the nation men and women who offer specific plans haven't grappled with this and said, we have to provide this no matter what conditions it violates.

We have to provide maximum freedom in regard to a moral conviction for people who manifest opposition and dissent, and to opt out. And again, let me also point out that I did say with regard to the future plan. There could be plans that would love to participate in the Federal Employees Health Benefit Plan program but conclude wait a minute, there is a mandate there that violates our moral convictions.

And that is why I would hope and believe this should be a totally noncontroversial amendment, unless its opponents have designs on using the coercive power of the state to force compliance not withstanding moral convictions.

Mr. HOYER. Reclaiming my time, Mr. Chairman, I probably do not have much left, but I would say that the gentlewoman I think has tried to reach a resolution within the framework of what we know exists now.

I asked the gentleman if there was a plan, because if there is a problem and we are compelling them to do something that they have a moral conviction against, we ought to look at that. I agree with the gentleman from New Jersey. He is absolutely right.

On the other hand, apparently we do not at least now have a problem with respect to this. However, we may, as the gentlewoman from New York has pointed out, have a problem, and we want to make sure that not only do individuals not have to prescribe, but they do not have to involve themselves in providing.

The gentlewoman's amendment deals with individuals' rights to certainly say, no, I have a moral conviction or religious belief, and I am not going to do that. I really do believe the gentlewoman has tried to reach a middle ground, if any such exists; and I do not know that that is the case, but if any such exists on this particular issue, because I think in the first instance that problem does not exist, but on the second instance, it may exist and she provides a protection against it.

I would hope that we can adopt the gentlewoman's amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I certainly will not use the 5 minutes, but it seems to me this really is much ado about nothing; not that the issue is a nothing issue, but the distinctions that should be made.

Conscience and moral conviction are really facets of the same issue. Religious reasons may motivate a conviction, but ethical reasons, without any religious foundation, are of the same stripe. They are a nuanced way of expressing one's conscience.

If we want to protect peoples conscience which flows from religious conviction, we want to similarly treat people's moral convictions that do not have a religious foundation but are just as strongly felt.

Now, does a plan have a conscience? That should not bother anybody. Corporations can act immorally. They can dump toxic wastes in the ground. By continuing to do that, we say that corporation is immoral, is acting immorally.

□ 2000

Plans operate through people. It is not some sort of entity out there. It is an intangible. But people make decisions and have consciences and violate their conscience or protect their conscience or act pursuant to it. But there is nothing strange about a plan acting morally.

We say the profits for this corporation were "obscene." So corporations and these entities can have a conscience, can act pursuant to a conscience because they are run by directors and by people.

So why do we not protect moral conviction just as strongly as we protect religious conscience? They are two sides of the same coin. And I do not understand why we are doing this.

Mrs. LOWEY. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentlewoman from New York not just with pleasure, but with great pleasure.

Mrs. LOWEY. Mr. Chairman, I thank the gentleman from Illinois (Mr. HYDE) for yielding to me. We have been discussing this issue for many years.

Mr. Chairman, a plan is a corporate entity, and it is organized often for profit. Its role is to write a check. I do not think that we want a plan to begin to claim a moral conviction, moral objection to writing a check.

Now this is not about examining a patient, talking about patients, because we have already included in the language that any individual provider, a nurse or other provider, may opt out based on religious or moral conviction. But we are saying if a plan suddenly has 50 people outside protesting, they could develop a moral conscience and say, "I do not want to write a check."

Now, I want to make it clear again that the provision which the gentleman and I negotiated very carefully last year listed all the religiously based plans that wanted to opt out. We gave other plans the option of opting out, but no one took that option.

Mr. HYDE. Mr. Chairman, before my time lapses if I could recapture it briefly to say we do not suffer from too much moral conviction; perhaps too little. And where we find it, we ought to nurture it and protect it.

Ms. DELAURO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, earlier today this House voted down an attempt to strike the abortion restriction from this bill. And if Members oppose abortion, there is no better way to try to avoid it than to increase access to contraceptives. My colleagues are offbase with their amendment which is a transparent attempt to cut off access to birth control.

The amendment offered by the gentlewoman from New York (Mrs. LOWEY) already has a conscience clause that allows religious plans to opt out if they choose to. In fact, five plans have chosen to do just that.

I also take issue with the contention that a health plan, a nonhuman entity, can have a moral objection to anything. Individual providers do not have to prescribe contraceptives if they do not choose to.

Mr. Chairman, let us get to the base of this discussion. We know what this is about. We know that those offering this amendment do not believe in birth control. They have said this outright, that they believe that oral contraceptives used by tens of millions of American women every day are a form of abortion. And to imply that those women are abortionists is an affront to every American woman and shows how out of touch some of my colleagues on the other side of the aisle really are.

I ask again and again and again that they do not impose their personal agenda on others. If my colleagues want to reduce abortions in this country, and we all want to do that, there is no better way than to support contraceptives and to support birth control.

Mr. Chairman, I urge my colleagues to support the Lowey amendment and to oppose the Smith amendment.

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that all debate on the amendment offered by the gentleman from New Jersey (Mr. SMITH), and all amendments thereto, close in 20 minutes, and that the time be equally divided and controlled by the gentleman from New Jersey (Mr. SMITH) and the gentlewoman from New York (Mrs. Lowey).

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. SMITH) for 10 minutes.

Mr. SMITH of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Chairman, I rise to strongly support the SMITH amendment. I cannot imagine the Congress of the United States not allowing health plans in this Nation, the United States of America, to include such exceptions.

All this amendment does, and it has been said here today already but let me reiterate two simple things to the current conscience clause in the contraceptive mandate. Number one, it expands conscience protections to plans which object on moral, not just religious grounds. Religion is not only the reason one would object to abortion. This should be accounted for.

And number two, expands conscience protection to not only those who prescribe medication, as is the current law, but also to those who provide for the abortifacient drug. All this means is that a nurse who does not prescribe but might be asked to administer an abortifacient drug has a right to refuse it.

I would simply ask my colleagues, Democrats and Republicans alike, to vote to protect the conscience of all women.

Mrs. LOWEY. Mr. Chairman, I am pleased to yield 3 minutes to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of the amendment to the amendment. The example that my colleague just gave about a nurse having the right not to administer a contraceptive that they believed was abortifacient because they believed it was an abortion is a right that is protected under the underlying bill. The nurse, as a provider, has a right not to provide services to which she morally objects. Any provider and any entity has that right under this bill. No hospital has to provide abortions if they do not want to. No physician has to. That is a very important right that is protected in the law.

It is also true that if an insurance company offers contraceptive coverage, every woman covered by that insurance policy has a right to use it or not. If they have moral objections to contraceptives, they do not have to use contraceptives. There is nothing in the insurance policy that mandates that they use any of the health care services that the health care plan provides. It is a menu of services that they have the option of choosing, depending on their personal conviction, their religious convictions, and their moral convictions.

But to give to a plan the power to deny because the plan, which is a piece of paper, it is not a person, but because the plan decides that I, as a woman, do not have the right to take the common contraceptives that 90 percent of American women depend on so that they can have a healthy marriage and be a good mother, that is what family planning does. It spaces our children and limits the number so parents can support them and send them to college, so women can be a loving wife in a happy partnership. That is what family planning is about.

It is about good healthy married sex. And I am proud to say that. And I think every woman in America has a right not only to limit the number of children, but to enjoy a healthy relationship with her husband.

Mr. Chairman, one thing I wanted to add, the gentleman from Illinois (Mr. HYDE), my dear friend said that we do not suffer from too much morality. That is true. But there is no question that in America we suffer from too much government regulation. And the idea that government is going to regulate, give to a plan on a piece of paper the moral authority to dictate to me, a woman of religious integrity, whether or not I can choose to use a contraceptive is a level, frankly, of intrusiveness into personal freedom that I as a Republican object to and reject.

I find it very hard to believe that Republicans who believe in less government and more freedom could endow a plan with the moral authority to limit my right not only to manage when I have children in accord with my good health and my family's ability to support them, but also regulate my right to have confidence, the confidence that frankly healthy sexual relationships among married couples demands, and that is just true.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all the gentlewoman from Connecticut, my good friend, is factually incorrect when she suggests that the underlying legislation which repeats language that has been in existence for a year, protects health care workers' right to conscience. Nothing could be further from the truth. The plan language that is in the bill, the plan language that has been on the books, for the last year, only says that the prescriber, the person that "prescribes" the contraceptives, or abortion chemicals—those drugs or devices that have the capacity to prevent implantation for example, have "conscience" protection. Every other health care worker—nurses, nurse practitioners and others—have absolutely no "conscience" protection whatsoever.

Mr. Chairman, my amendment, which the gentlewoman from New York (Mrs. LOWEY) has said she supports, expands conscience protection to all health care workers. There has been a serious omission in the current law and the proposal that is before the House tonight that is remedied by my amendment.

Now, when we talk about a plan, a plan and a provider of a plan, the carrier is a collection of people. These plans—BlueCross or BlueShield for example—have a board of directors, a chain of command. They are made up of people. People who have religious beliefs are protected. But there are also some and maybe many who do not have religious beliefs. They may be agnostics or atheists or people for whom religion carries little weight, but have a moral conviction, individually or collectively, who object on moral grounds to the provision of contraceptives. They may feel, as a matter of moral conviction, that abortion chemicals have no place in their provision of health care.

Ironically, there is no right to choose here contemplated by the gentlelady from New York. It would be wrong to force them to say they have got to provide it. That is using the coercive power of the Federal Government to make them do something that is against their "moral conviction." This is about moral conviction. I am amazed and really shocked and disappointed that the gentlewoman from New York has offered this amendment to strike the words "moral conviction". It trivializes people who oppose certain practices on a basis other than their religious belief.

As the gentleman from Illinois (Mr. HYDE) pointed out so well, corporations do have consciences. There are mutual funds that are "green," in other words, pro-environment. They only invest in that which is environmentally protective. There are mutual funds that do not invest in corporations dealing with the weapons industry because they feel that is wrong. That is their choice. They can do it. And I respect it. Disinvestment from corporations doing business in South Africa in the 80's sharpened the "conscience" of many corporations.

Carriers, health plans and the like do have a conscience expressed through their board of directors and expressed perhaps through their shareholders. Any attempt to stifle moral conviction or repress it is absolutely wrong. And, again, I am really disappointed that some would force their moral convictions on those who want to say they have a moral objection to this.

In terms of individual men and women who want to get abortion chemicals, there are a myriad of programs that provide that. Sadly. But it is not like there is a lack of provision of that kind of service. But do not tell everybody that they have to get in lockstep and provide this.

Mrs. LOWEY. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I thank the gentlewoman from New York (Mrs. LOWEY) for yielding me this time. She is my stalwart friend who introduced this legislation last year that passed that we spoke about earlier today. I also thank her for the work that she has done to make sure that Federal employees have an opportunity for coverage for contraception within the Federal Employee Health Benefit Plan. I consider it an equity provision containing the religious exemption that specifically exempts the five religious-based plans within the Federal Employee Health Benefit Plan.

□ 2015

I have talked to the Office of Personnel and Management, and they report that no other FEHB plan has requested any kind of an exemption, nor have they complained that the conscience language that is currently there is inadequate.

So I do not know. We talk about a plan based on moral convictions. The Office of Personnel Management is the one that negotiates with the proposed planners for any kind of a plan that they would offer. None of them have asked for a plan based on moral convictions, that they want to be exempted. There are the five. They are specifically mentioned.

Implementation of the policy has gone very well. No insurer, provider, or beneficiary has complained to the Office of Personnel Management about that provision. Additionally, the Congressional Budget Office has estimated that the cost of delivering contraceptive coverage is so minimal that the provision has no negligible budgetary effect.

I think this coverage is necessary for families where contraception decisions are most often made. Women spend 80 percent of their productive years, or reproductive years, I should say, trying not to get pregnant.

Actually, currently, women pay 68 percent more for out-of-pocket health care costs. The majority of these costs come from contraception. Providing prescription contraceptive coverage is important for our Federal employees. It is essential to setting a model for private insurance plans.

Actually, this issue comes up because of abortion. The way to prevent abortion is to offer the opportunity for appropriate contraception. That is what we are now doing for Federal employees. Let us not change it on the basis of a plan based on moral convictions. We have a plan that does work.

Mrs. LOWEY. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the contraceptive coverage provisions in this bill.

Last year, Congress got smart and voted to give women who work for the Federal Government access to contraceptives. But now it seems like the appropriations process is signalling the beginning of another hunting season on a woman's reproductive rights, particularly if that woman works for the Federal Government.

Go figure it out. Unwanted pregnancy and abortion rates drop when women have access to preventive productive health care.

I ask Members to look at their female employees. Look at the staff who work so hard for them to serve their district. Look at those women and tell them that we do not care about their reproductive health. Then look at the millions of Federal workers that work for the Federal Government, who work day in and day out to serve the people of this country. Go ahead. Tell them that we do want to deny them the rights that are made accessible to other women but not to them.

Contraceptives give women and their families new choices and new hope. They increase child survival. They increase safe motherhood. Prohibiting Federal workers from using their health care coverage for prescription contraceptive coverage as they see fit discriminates against women just because they work for the Federal Government. This is a total disgrace.

Mr. Chairman, I urge my colleagues to support contraceptive coverage for our Federal employees.

The CHAIRMAN. The Chair advises all Members that the gentlewoman from New York (Mrs. LOWEY) has 2½ minutes remaining and the right to close. The gentleman from New Jersey (Mr. SMITH) has 6 minutes remaining.

Mrs. LOWEY. Mr. Chairman, I am delighted to yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman from New York (Mrs. LOWEY) for her leadership.

Late into the night, let me simply say it is a crying shame. It is a crying shame that, in 1999, we would not address this question of dealing with the rights of women in the Federal employment in the way that it should be, giving them real reproductive rights.

I respect the disagreement that the gentleman from New Jersey (Mr. SMITH) has, and he has been strong on his disagreement. But we already have a religious exemption. We already allow for plans who, because of religious beliefs, do not want to engage in contraceptive education or prescription to opt out. We allow for those who are medical professionals and particular physicians to opt out.

But now what we are being asked to do is to simply gut the right of women in the Federal employment to have the right for reproductive rights, to be protected, to be safe, to be secure. What we are suggesting now is a return to the coat hanger for those who work in the Federal employ.

Our medical plans are a nonperson. They do not exist as a person. To give them a moral exemption does not seem to be realistic. This is a question of choice. It is a question of privacy. It is a question of their very personal decision.

While we can respect the religious differences of those who wish to conspicuously opt out, whether it is a Catholic or a Baptist plan, how can we attribute to any plan the ability to rise up and say, "I have a moral reason. Oh, it is not religion, but it just happens to be in the back of my mind. I do not want to do it." Therefore, we endanger the lives of women who are serving this country as Federal civil servants.

Mr. Chairman, I would simply ask my colleagues, can we make our Federal employees second-class citizens? Are women now to go to the back of the bus and be able to suffer under this unequal plan?

I ask support for the Lowey amendment.

Mrs. LOWEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I urge my colleagues to vote for this language. The contraceptive provision in this bill that has been very successfully implemented for the past year has not received any, any, any challenges from one plan. I believe the gentleman from New Jersey (Mr. SMITH) agreed with that.

We have given the individual the right to opt out before of a moral conscience. But, Mr. Chairman, a plan in my judgment does not have a moral conscience, and we do not want to give these plans the right to opt out from writing a check to cover basic health care for women.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, just let me make a couple of points.

I respect the gentlewoman from Texas (Ms. JACKSON-LEE). We recently traveled to Macedonia and Albania, we talked going and coming, and I think we struck up a very good friendship during the course of that trip. Regrettably, I believe the gentlewoman engaged in some very real hyperbole on the floor tonight.

First, the mandate that is in this bill, that is in existing law, remains the same.

What I am offering is a conscience clause, a real, honest-to-goodness conscience clause. Frankly, I am amazed. I said it earlier. I am very, very disappointed that those who take the view that abortions are okay, but for purposes of this language we are talking about chemicals that induce an early abortion, they want carriers to jettison their conscience. A carrier, obviously, is a group of people who form a corporation. Say it is Blue Cross/Blue Shield, Kaiser Permanente, NYL Care. Name the carrier, and say it does not have people behind it, it does not have a board of directors, it does not have people who might have a very strong sense of conscience regarding these things that is not related to their religious beliefs.

Moral convictions and religious beliefs, as I pointed out earlier in the U.S. Code, usually go hand in hand. Why the exception when it comes to abortion chemicals?

I am truly dismayed by this, that the conscience of those people who have a moral objection that is not rooted in religious beliefs, they may not have any, religious faith, there are a lot of agnostics out there, and some atheists out there who might have strong beliefs based on moral conviction why they do not want to proceed with this. If they collectively say, through a vote of board of directors, that they do not want to have abortion chemicals being provided, they should be able to object as a matter of moral conviction.

The amendment of the gentlewoman from New York (Mrs. LOWEY), an imperfecting amendment, to use what the gentleman from Maryland (Mr. HOYER) said earlier, undermined that and suggests that moral convictions don't count. I would respectfully submit to all of my colleagues that moral convictions should count, and they should count equally with religious beliefs. Equally.

Again, I think it trivializes those people who do not have religious beliefs to say their moral convictions should be thrown over the side simply because we do not happen to agree with them.

Let me just also say once again, that my language comports with several existing statutes. It is very important. I will put all of them that I have compiled so far into the RECORD and ask my colleagues to take a look at it.

Let me just read the language of my amendment just so everyone is very clear. It talks about a conscience clause for any existing or future plan if the carrier for the plan objects to such coverage on the basis of religious beliefs or moral convictions.

Very simple and straightforward. The Lowey amendment strikes moral convictions. Again, I think that is a very, very serious imposition on those who have moral convictions that are not based on religious beliefs.

Again, we are not talking here about what our conscience would suggest in this. We are providing a framework for other people to exercise their consciences.

Why this idea of forcing people to all march down the same road if they have a moral conviction and sense they should go in the other direction? Again, that is why I urge a "no" vote on the Lowey amendment.

It is antithetical to the purported belief on choice on the other side. A man and woman, collectively as a plan, a carrier, does not have a choice anymore. Big brother in Washington is going to tell them they have to do this under pain of not being within the Federal Employees Health Benefits Program.

So let me just conclude by saying this is a conscience clause. Let me say it again. It is a conscience clause that is good, solid. It is rooted in boilerplate language that we find in other parts of the U.S. Code. I urge a strong no vote on the Lowey amendment and a yes vote on the Smith amendment.

FEDERAL STATUTES PROTECTING MORAL AND RELIGIOUS CONVICTIONS

8 U.S.C. §1182(g). Bond and conditions for admission of alien excludable on health-related grounds. The Attorney General may waive the application of ... subsection (a)(1)(A)(ii) of this section [requiring documentation of having received vaccination against certain diseases] in the case of any alien ... under such circumstances as the Attorney General provides by regulation, with respect to whom the requirement of such a vaccination would be contrary to the alien's religious beliefs or moral convictions....

18 U.S.C. §3597(b). Excuse of an employee on moral or religious grounds. No employee of any State department of corrections, the United States Department of Justice, the Federal Bureau of Prisons, or the United States Marshals Service, and no employee providing services to that department, bureau, or service under contract shall be required, as a condition of that employment or contractual obligation, to be in attendance at or to participate in any prosecution or execution under this section if such participation is contrary to the moral or religious convictions of the employee. In this subsection, "participation in executions" includes personal preparation of the condemned individual and the apparatus used for execution and supervision of the activities of other personnel in carrying out such activities.

21 U.S.C. §848(r). Refusal to participate by State and Federal correctional employees. No employee of any State department of corrections or the Federal Bureau of Prisons and no employee providing services to that department or bureau under contract shall be required, as a condition of that employment, or contractual obligation to be in attendance at or to participate in any execution carrier out under this section if such participation is contrary to the moral or religious convictions of the employee. For purposes of this subsection, the term "participation in executions" includes personal preparation of the condemned individual and the apparatus used for execution and supervision of the activities of other personnel in carrying out such activities.

42 U.S.C. §300a-7(b). Prohibition of public officials and public authorities from imposition of certain requirements contrary to religious beliefs or moral convictions. The receipt of any grant, contract, loan, or loan guarantee under the Public Health Service Act [42 U.S.C. §201 et seq.], the Community Mental Health Centers Act [42 U.S.C. §2689 et seq.], or the Developmental Disabilities Services and Facilities Construction Act [42 U.S.C. §6000 et seq.] by any individual or entity does not authorize any court or any public official or other public authority to require—

(1) such individual to perform or assist in the performance of any sterilization procedure or abortion if his performance or assistance in the performance of such procedure or abortion would be contrary to his religious beliefs or moral convictions; or

(2) such entity to——

(A) make its facilities available for the performance of any sterilization procedure or abortion if the performance of such procedure or abortion in such facilities is prohibited by the entity on the basis of religious beliefs or moral convictions, or

(B) provide any personnel for the performance or assistance in the performance of any sterilization procedure or abortion if the performance or assistance in the performance of such procedure or abortion by such personnel would be contrary to the *religious beliefs or moral convictions* of such personnel.

42 U.S.C. §300a-7(c). Discrimination prohibition. (1) No entity which receives a grant, contract, loan, or loan guarantee under the Public Health Service Act [42 U.S.C. §201 *et seq.*], the Community Mental Health Centers Act [42 U.S.C. §2689 *et seq.*], or the Developmental Disabilities Services and Facilities Construction Act [42 U.S.C. §6000 *et seq.*] after June 18, 1973 may——

(A) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

(B) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of a lawful sterilization procedure or abortion, because he refused to perform or assist in the performance of such a procedure or abortion on the grounds that his performance or assistance in the performance of the procedure or abortion would be contrary to his *religious beliefs or moral convictions*, or because of his *religious beliefs or moral convictions* respecting sterilization procedures or abortions.

(2) No entity which receives after July 12, 1974, a grant or contract for biomedical or behavioral research under any program administered by the Secretary of Health and Human Services may——

(A) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

(B) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of any lawful health service or research activity, because he refused to perform or assist in the performance of any such service or activity on the grounds that his performance or assistance in the performance of such service or activity would be contrary to his *religious beliefs or moral convictions*, or because of his *religious beliefs or moral convictions* respecting any such service or activity.

42 U.S.C. §300a-7(d). Individual rights respecting certain requirements contrary to religious] beliefs or moral convictions. No individual shall be required to perform or assist in the performance of any part of a health service program or research activity funded in whole or in part under a program administered by the Secretary of Health and Human Services if his performance or assistance in the performance of such part of such program or activity would be contrary to his *religious beliefs or moral convictions.*

42 U.S.C. §300a-7(e). Prohibition on entities receiving Federal grant, etc., from discriminating against applicants for training or study because of refusal of applicant to participate on religious or moral grounds. No entity which receives, after September 29, 1979, any grant, contract, loan, loan guarantee, or interest subsidy under the Public Health Service Act [42 U.S.C. §201 et seq.], the Community Mental Health Centers Act [42 U.S.C. §2689 et seq.], or the Developmental Disabilities Assistance and Bill of Rights Act [42 U.S.C. §6000 et seq.] may deny admission or otherwise discriminate against any applicant (including applicants for internships and residencies) for training 'or study because of the applicant's reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilizations contrary to or consistent with the applicant's *religious beliefs or moral convictions.*

42 U.S.C. §1395w-22(j)(3)(B). Conscience protection. Subparagraph (A) [prohibiting interference with provider advice to enrollees] shall not be construed as requiring a Medicare + Choice plan to provide, reimburse for, or provide coverage of a counseling or referral service if the Medicare + Choice organization offering the plan—(i) objects to the provision of such service on *moral or religious grounds*; and (ii) in the manner and through the written instrumentalities such Medicare + Choice organization deems appropriate, makes available information on its policies regarding such service to prospective enrollees before or during enrollment and to enrollees within 90 days after the date that the organization or plan adopts a change in policy regarding such a counseling or referral service.

42 U.S.C. §1396u-2(b)(3). Construction. Subparagraph (A) [protecting enrollee-provider communications] shall not be construed as requiring a medicaid managed care organization to provide, reimburse for, or provide coverage of, a counseling or referral service if the organization (i) objects to the provisions of such service on *moral or religious grounds*; and (ii) in the manner and through the written instrumentalities such organization deems appropriate, makes available information on its policies regarding such service to prospective enrollees before or during enrollment and to enrollees within 90 days after the date that the organization adopts a change in policy regarding such a counseling or referral service.

42 U.S.C. §2996f(b). Limitations on uses. No funds made available by the [Legal Services] Corporation under this subchapter, either by grant or contract, may be used . . . (8) to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the *religious beliefs or moral convictions* of such individual or institution.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. LOWEY) to the amendment offered by the gentleman from New Jersey (Mr. SMITH).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. LOWEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 246, further proceedings on the amendment offered by the gentlewoman from New York (Mrs. LOWEY) to the amendment offered by the gentleman from New Jersey (Mr. SMITH) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 246, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: The amendment offered by gentleman from Texas (Mr. SESSIONS), the amendment offered by the gentlewoman from New York (Mrs. LOWEY), and the amendment offered by the gentleman from New Jersey (Mr. SMITH).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 10 OFFERED BY MR. SESSIONS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. SESSIONS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 82, noes 334, not voting 18, as follows:

[Roll No. 302]

AYES—82

Aderholt
Barcia
Bartlett
Berkley
Berry
Bono
Boswell
Brady (TX)
Bryant
Chabot
Combest
Cook
Crane
Danner
DeMint
Duncan
Dunn
Emerson
Everett
Fletcher
Fossella
Gibbons
Goode
Graham
Green (WI)
Hall (TX)
Hansen
Hastings (WA)
Hayworth
Hefley
Hill (IN)
Hilleary
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kind (WI)
Kucinich
Largent
Lewis (KY)
LoBiondo
Lucas (KY)
Manzullo
McCollum
Metcalf
Mica
Moran (KS)
Myrick
Nethercutt
Paul
Pryce (OH)
Radanovich
Ramstad
Riley
Rogan
Ryun (KS)
Salmon
Sanders
Sanford
Schaffer
Sensenbrenner
Sessions
Shimkus
Shows
Skeen
Stabenow
Stearns
Stump
Tancredo
Taylor (MS)
Thornberry
Thune
Tiahrt
Toomey
Turner
Udall (CO)
Upton
Vitter
Wamp
Watkins
Wu

NOES—334

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Filner
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gephardt
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Granger
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hayes
Herger
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
Lofgren
Lowey
Lucas (OK)
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Rahall
Rangel
Regula
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shuster
Simpson
Sisisky
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stark
Stenholm
Strickland
Stupak
Sununu
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tierney
Towns
Traficant
Udall (NM)
Velazquez
Vento
Visclosky
Walden
Walsh
Waters
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—18

Baldwin
Brown (CA)
Burton
Chenoweth
Coble
Cooksey
Fattah
Frost
Gejdenson
Gilchrest
Latham
Luther
McDermott
McNulty
Peterson (PA)
Quinn
Royce
Thurman

□ 2048

Mrs. CUBIN, Mr. THOMAS, and Mr. CONYERS changed their vote from "aye" to "no."

Messrs. TAYLOR of Mississippi, ROGAN, RADANOVICH and KUCINICH changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 246, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT OFFERED BY MRS. LOWEY TO THE AMENDMENT OFFERED BY MR. SMITH of NEW JERSEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York (Mrs. Lowey) to the amendment offered by the gentleman from New Jersey (Mr. SMITH) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 217, noes 200, not voting 17, as follows:

[Roll No. 303]

AYES—217

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cook
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Granger
Green (TX)
Greenwood
Gutierrez
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel

Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kilpatrick
Kind (WI)
Kleczka
Klink
Kolbe
Kuykendall
Lampson
Lantos
Larson
LaTourette
Lazio
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Nethercutt
Obey
Olver
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shaw
Sherman
Simpson
Sisisky
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Strickland
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Walden
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOES—200

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Brady (TX)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Coburn
Collins
Combest
Costello
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Everett
Ewing
Fletcher
Forbes
Fossella
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Kasich
Kildee
King (NY)
Kingston
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Paul
Pease
Peterson (MN)
Petri
Phelps
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shows
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—17

Baldwin
Brown (CA)
Burton
Chenoweth
Coble
Cooksey
Frost
Gilchrest
Gordon
Latham
Luther
McDermott
McNulty
Peterson (PA)
Royce
Schaffer
Thurman

□ 2058

Mr. BILBRAY and Mr. LAZIO changed their vote from "no" to "aye".

Mr. UPTON changed his vote from "aye" to "no."

So the amendment to the amendmnet was agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. SCHAFFER. Mr. Chairman, on rollcall No. 303, the Lowey amendment, I was inadvertently detained. Had I been present, I would have voted "no."

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY, AS AMENDED

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. SMITH), as amended.

The amendment, as amended, was agreed to.

□ 2100

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CUSTOMS COMMISSIONER'S PAY CLASSIFICATION

SEC. 645. (a) Section 5315 of title 5, United States Code, as amended, is amended by deleting the position of "Commissioner of Customs, Department of the Treasury".

(b) Section 5314 of title 5, United States Code, as amended, is amended by adding the position of "Commissioner of Customs, Department of the Treasury" after "Administrator, Research and Special Programs Administration".

SEC. 646. Effective October 1, 1999, all personnel of the General Accounting Office employed or maintained to carry out functions of the Joint Financial Management Improvement Program (JFMIP) shall be transferred to the General Services Administration. The Director of the Office of Personnel Management shall provide to the General Services Administration one permanent Senior Executive Service allocation for the position of the Executive Director of the JFMIP. Personnel transferred pursuant to this section shall not be separated or reduced in classification or compensation for one year after any such transfer, except for cause.

SEC. 647. (a) None of the funds made available in this or any other Act with respect to any fiscal year may be obligated or expended for any new construction, renovation, alteration to existing facilities, or other improvement, at the Border Patrol Academy, located in Charleston, South Carolina.

(b) Subsection (a) shall not prevent any obligation or expenditure, approved in advance by the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, for minor improvements.

(c) No appropriated funds may be used to continue operating the Border Patrol Academy, located in Charleston, South Carolina, after September 30, 2004.

SEC. 648. It is the sense of the Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and the adjustments in the compensation of civilian employees of the United States.

This Act may be cited as the "Treasury and General Government Appropriations Act, 2000".

AMENDMENT OFFERED BY MR. ANDREWS

Mr. Andrews. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS:

Page 101, after line 10, insert the following new section:

SEC. 649. No funds made available by this Act may be obligated or expended for offices, salaries, or expenses of the Department of the Treasury in excess of the amounts made available for such purposes for fiscal year 1999 until the Secretary of the Treasury has, pursuant to section 1610(f) of title 28, United States Code, released property described in section 1610(f)(1)(A) of such title, to satisfy all pending judgments for which such property is subject to execution or attachment in aid of execution under section 1610(f) of such title.

Mr. ANDREWS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Arizona reserves a point of order.

Mr. ANDREWS. Mr. Chairman, this is a matter of a job that is only half done that needs to be completed. In the last few years, this Congress addressed the problem of American citizens who win civil judgments against foreign governments for acts of terrorism and find it impossible to recover money damages because of the protections of sovereign relations. Very wisely in recent years, this Congress made modifications to title XXVIII, section 1610, to provide for ways that American citizens who were wronged, who were able to prove that wrong in a court of competent jurisdiction, then could receive a judgment and who were then able to identify assets which are carefully delineated as assets that do not touch or concern or interfere with in any way the sovereign operations of foreign nations should be able to have their judgment satisfied, should be able to be made whole for the wrongs that they have suffered.

Despite the good work of the Congress, it has been unfortunate that the administration has aggressively used its waiver authority to render this law to be effectively ineffective, to render it rather meaningless for people that have been successful in recovering these judgments.

The purpose of my amendment is to compel the effective use of the law that we passed a few years ago. It is to make sure that when an American is injured by a terrorist act of a foreign state, pursues his or her injuries through a court of law, wins the case and goes to satisfy that judgment, the same way we would satisfy a judgement against General Motors in the suit involving a car that explodes or the same way that we would pursue a judgment and satisfy it against a bank or any other institution in American society, that people have the opportunity to satisfy the judgment against a foreign government.

The purpose of this amendment is to compel the release of assets held by foreign powers under the terms of the statute that we passed a few years ago so that Americans who have been wronged may recover as is their right.

Frankly, I believe that the administration has abused its waiver authority, and the purpose of this amendment is to restore that right under the statute to its rightful place so people can recover the judgments that are rightfully theirs.

This is a matter, I think, of simple fairness and justice. I would urge my colleagues to support this amendment, because I believe that it will right the wrongs that I have described in my statement here and it will finish the job that the Congress wisely began just a few years ago.

I have discussed this with both my friend the ranking subcommittee member and the chairman.

Mr. Chairman, I would be happy first to yield to my friend from Maryland who is our ranking member.

Mr. HOYER. I thank my friend for yielding and want to congratulate him on the offering of this amendment and the pursuing of this very compelling case. Quite obviously the Flato family has suffered a very significant loss, has received a judgment which obviously cannot compensate for their loss but is a money judgement as we have in our system which is the best we can do. Clearly the Congress intended for an American citizen, as the gentleman has pointed out, to collect on this judgment.

The only difference I would have with him, while it is a case of justice, quite obviously it is not as simple, and there are different perspectives on the ramifications beyond this case. But I congratulate the gentleman, and I have indicated to him and to others that I will work closely with the chairman to see if this matter can be resolved successfully.

Mr. ANDREWS. Reclaiming my time, I thank the ranking member for his active cooperation and involvement and would point out that it is not simply one family, it is many that would be affected by the terms of this. This is a proposal that would be both prospective and retroactive, to cover the claims of any American family with that problem. I thank him for his help.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Arizona.

Mr. KOLBE. I would just, if I might, Mr. Chairman, say I appreciate the gentleman's bringing this issue to our attention. We had a lot of discussion about this last year. I think we are all familiar with the plight of the Flato family. I certainly worked with him and with the gentleman from New Jersey (Mr. Saxton) last year on this issue. But I do have the concerns that I raised before and will at the appropriate time here raise my point of order if that is necessary.

Mr. ANDREWS. Mr. Chairman, reclaiming my time, based on my discussions with the gentleman from Arizona, it is my understanding this is very likely a conferenceable item with the Senate.

Mr. KOLBE. If the gentleman will yield further, yes. Because of the provisions that exist in the Senate legislation, this clearly will be an item for discussion in conference.

Mr. ANDREWS. Reclaiming my time, given that action by the other body and given the very good faith representations by the chairman and the ranking member that they are aware of the concerns that we have raised tonight and will do their best to validate those concerns and serve our interests here, I would ask for unanimous consent to withdraw my amendment based upon the chairman's representation.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT OFFERED BY MR. DAVIS OF ILLINOIS

Mr. DAVIS of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Illinois:

Page 101, after line 10, add the following:

SEC. 649. The Secretary of the Treasury shall prepare and submit to the Congress on an annual basis a report on the conduct of strip searches by employees of the United States Customs Service of individuals subject to such searches in accordance with regulations established by the Customs Service. The information contained in such report shall include data on the ethnicity, gender, nationality, and race of the individuals subject to such searches.

□ 2115

Mr. KOLBE. Mr. Chairman I reserve a point of order against this amendment.

Mr. DAVIS of Illinois. Mr. Chairman, first of all, I want to thank the gentleman from Arizona (Mr. KOLBE) and the ranking member, the gentleman from Maryland (Mr. HOYER), for their cooperation with this amendment.

The amendment that I am offering today is designed to assure travelers that they will be treated fairly when going through Customs. Recently, there have been numerous incidents of allegations of searches at airports throughout our country that have resulted in humiliation and pain for the individuals involved. Incidences of racial profiling and misconduct by law enforcement have shaken the faith of many people with regard to our judicial system. The erosion of any segment of our population's confidence in law enforcement agencies can lead to anarchy.

Mr. Chairman, the United States Customs Service has an important job to do in terms of keeping out illegal contraband as well as interdicting drugs. However, this job must be done with protection of human rights and civil rights intact. Strip searches and racial profiling are humiliating, dehumanizing and degrading. When these strip searches disproportionately effect Africans, African Americans, Hispanics, Asians, Asian Americans or any other segment of our society, then we must ask the question, why? Are African Americans more prone to be drug carriers or to smuggle in illegal contraband? I do not think so. However, we believe that it is important that the U.S. Customs be required to keep data on who is strip searched and that it be made available to Congress. We cannot and should not fund agencies that intimidate, degrade and dehumanize our citizens.

Let me share with my colleagues a story of a few individuals who happened to be strip searched. After a long flight from Hong Kong, Amanda Baritca was just looking forward to getting a good night's sleep, but as she arrived at the San Francisco International Airport and prepared to pass through Customs she was subjected to the most humiliating, degrading experience of her life. Without any explanation she was subjected to an intensive strip search. She was told, "Take off your clothes, bend over." The inspector found nothing. She was forced to take powerful laxatives. The inspector found nothing. She was x-rayed, and still Customs found nothing. Throughout such humiliation she was never even allowed a phone call. Twenty-four hours later, after finding no drugs, she was released.

Amanda's story is just one of many stories that could be told, but the fact of the matter is, as these unfortunate stories are told, they are not isolated. More than 60 women were recently brought together to share their horror stories. One woman described the experience as feeling like she was raped. These 60 women all shared one thing in common. None of them had any drugs.

At O'Hare and Atlanta's Hartsfield airports class action lawsuits have been filed by women who have alleged that they were illegally strip searched. The over 600 million passengers who go through Customs deserve to know that their rights will be protected while at the same time knowing that our vigilance is maintained in fighting drugs.

I want to commend Commissioner Kelley for beginning to do something about this issue. However, I do believe that class action lawsuits have had something to do with it. I think it time that we make sure that every person traveling our airways and railways know that they will be treated fairly; and hopefully we can deal with this in such a way, Mr. Chairman, that it will not be necessary to go through with this amendment.

And I would like to invite comment from the gentleman from Arizona (Mr. KOLBE) at this time and from the gentleman from Maryland Mr. HOYER).

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Illinois. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I appreciate the gentleman bringing this matter to our attention, and this is something the subcommittee is aware of, and we have heard about this not only from members of the subcommittee and the full committee, but we did inquire of the Commissioner of Customs about this problem, and I think the gentleman has raised a very valid point. We need to understand whether or not strip searches have been used in an inappropriate manner.

Let me just share with my colleagues, if I might, a couple of things that Commissioner Kelley is doing. I think he is really making a real effort to address the concerns that have been raised about this problem of personal searches, and I would also note that this legislation that we are considering this evening includes $9 million to help put in place non-intrusive inspection technologies at airports and other locations which would reduce the need for such searches. This is non-intrusive technology. That means one does not have to go through a strip search. It also includes $5 million in super surplus funding. It would go to Customs training initiative, some of which would support their inspectors training in this issue in not only the technology but in the procedures that are to be used.

So I do believe that the Commissioner has a real concern about this.

I will tell the gentleman from Illinois (Mr. DAVIS) that we intend to follow this matter very closely in further hearings with Customs and in our regular appropriations hearings next year. The gentleman has raised a very valid point, and I appreciate the fact that he has brought this to our attention.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank the gentleman from Illinois (Mr. DAVIS) for raising this very important issue. I agree with the gentleman from Arizona. I want to say to my friend from Illinois that Commissioner Kelley is vigorously pursuing this and is very concerned. He agrees with the gentleman that incidents of this type have no place with respect to the Customs Service or in this country.

So I am very pleased that the gentleman has introduced this. It is my understanding he is going to withdraw it, but I know that the chairman and I both committed to the gentleman that we are going to vigorously pursue this and work with him to make sure that we know exactly what is going on and that corrective action is taken that is effective and precludes these kind of incidents from happening at any time in the future.

I will say to the gentleman once again that I think the gentleman from Arizona is right. Commissioner Kelley shares our concern and is going to, I think, therefore be an ally of ours in pursuing this very strongly; and I thank the gentleman for raising this important issue, Mr. Chairman.

Mr. DAVIS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Illinois.

Mr. DAVIS of Illinois. Mr. Chairman, I want to thank the gentleman from Maryland as well as the gentleman from Arizona; and after listening to their comments and expressions of concern, I ask, Mr. Chairman, unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The amendment of the gentleman from Illinois (Mr. DAVIS) is withdrawn.

Mr. MEEKS of New York. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had intended to submit an amendment to the floor, but the amendment deals with some of the same subject matters that the gentleman from Illinois (Mr. DAVIS) did, and I just want to add on that the issues which Mr. Davis talked about which have recently been aired on NBC television a few weeks ago is an issue with reference to civil rights violations by the Customs Service at airports throughout the country.

John F. Kennedy International Airport, what I believe is the world's premier international gateway located in the Sixth Congressional District of New York, was one of the airports cited by the NBC News report. Here and at other airports Customs agents are engaged in discriminatory practices on people of color.

This simple amendment that was offered by the gentleman from Illinois (Mr. DAVIS) is an amendment which ensures the integrity of civil rights laws passed by Congress. For too often at a great human expense many individuals who happen to be of color have been unfairly detained, examined and dehumanized at airports by Customs agents. African Americans and Latino women are asked by Customs agents to go into a room at an airport, strip naked and subject themselves to cavity searches and other dehumanizing tactics. Many times these searches on these women are done by males.

This amendment would encourage the Customs Service to meet their obligation under existing civil rights laws and stop the practice of racial profiling and discrimination in our Nation's airports. Every American and every legal entrant into this country has a right to travel freely regardless of his or her race, nationality or ethnicity. It is the responsibility of this body to ensure that the civil rights of all people are protected.

Let us send a sound and loud message to the Customs Services that their practices and patterns of abuse against people of color will no longer be tolerated.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. MEEKS of New York. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate his action, I know the chairman does as well, and I look forward to his joining with the gentleman from Illinois (Mr. DAVIS) and ourselves in working on this issue.

I know from having talked to Commissioner Kelley that he shares our concerns. As my colleagues know, he is relatively new as the commissioner, but he is going to, I am sure, vigorously pursue this, and working together I think we will get at this problem and make sure that we resolve it.

Mr. Chairman, I thank the gentleman for his efforts and for his interest.

Mr. MEEKS of New York. Mr. Chairman, I thank the gentleman from Maryland.

AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANDERS:

At the end of the bill, insert after the last section (preceeding the short title) the following new section:

LIMITATION ON USE OF EXCHANGE STABILIZATION FUND FOR FOREIGN LOANS AND CREDITS

SEC. . None of the funds made available in this Act may be used to make any loan or credit in excess of $1,000,000,000 to a foreign entity or government of a foreign country through the exchange stabilization fund under section 5302 of title 31, United States Code, except as otherwise provided by law enacted by the Congress.

Mr. SANDERS. Mr. Chairman, this amendment is a very simple amendment. It prohibits loans in excess of $1 billion to foreign countries from the

Treasury Department's exchange stabilization fund unless approved by Congress.

Now this is an unusual amendment in that the sponsors come from a wide and broad spectrum of political life. This amendment is being cosponsored by the gentleman from Alabama (Mr. BACHUS), the gentlewoman from Ohio (Ms. KAPTUR), the gentleman from California (Mr. ROHRABACHER), the gentleman from Ohio (Mr. KUCINICH), the gentleman from Florida (Mr. STEARNS), the gentleman from Texas (Mr. PAUL), the gentleman from Indiana (Mr. VISCLOSKY), the gentleman from Oregon (Mr. DEFAZIO), the gentleman from California (Mr. MILLER), the gentleman from Illinois (Mr. EVANS) and the gentleman from California (Mr. STARK). And not only are the Members who are endorsing this amendment from a wide spectrum of political life, so are the organizations who are endorsing this amendment. They include such unions as the United Steelworkers, the Atomic Chemical and Energy Workers, the United Union. They include the Americans for Tax Reform, the National Taxpayers Union, the Alliance for Global Justice, the Competitive Enterprise Institute and many other organizations.

Now why are we all united on this issue? For a very simple reason, and that reason is that the great crisis in American society today is that the vast majority of our people are giving up on the political process.

□ 2130

They do not believe that it is worth their energy to vote. In the last election, 64 percent of the American people did not vote. Over 80 percent of the young people did not vote.

What this amendment tries to do right here in the United States Congress is to reinvigorate our democracy. It says that if the President of the United States wants to spend more than $1 billion as part of a loan or a bailout, he must come to the United States Congress to get approval.

As all of us know, the Exchange Stabilization Fund was originally developed in the 1930s to stabilize our currency. That is what it has done. This amendment leaves that function untouched. The President of the United States can continue to do that. But what it does say is that if the President spends more than $1 billion, he must get the approval of the United States Congress.

Once again, this amendment will not in any way restrict the Treasury Department's use of the ESF to stabilize currencies, because currencies stabilization is the purpose for which Congress established the ESF.

The point here is that, as everybody Member of this body knows, that we on occasion spend hours debating how we are going to spend $1 million here or $1 million there. Given that reality, some of us think that maybe we should participate in debates when billions of dollars are appropriated.

Mr. Chairman, in recent years, whether it has been Mexico, whether it has been Asia, whether it has been Latin America, in Brazil, the President has acted unilaterally. I would argue that those of us who believe in the democratic process, those of us who get up here and argue about how we spend $1 million here or there, have a right to participate in how billions of taxpayer dollars are going.

Mr. Chairman, our opponents in this amendment, and they are legion, they are all over the place, no doubt, from both political parties, they are going to say, well, the President has to act in an emergency. But take that argument to its logical extreme. What are we doing here? Are we chopped liver, or what? Is it not time that we revitalize American democracy and get involved in the process?

Now, everybody knows that there are great concerns about the global economy, and honest people have differences of opinion about that economy. I have real fears. I have real fears that when a financial problem in Thailand develops, it spreads all over Asia and it affects the United States. It is amazing to me how little this Congress participates in that debate.

The gentleman from Arizona (Mr. KOLBE) and I may disagree, but he should not disagree that that debate should taken here on the floor of the House. Has the ESF program worked? Has the IMF program worked? Honest people have differences of opinion. Let us have that debate here on the floor of the House.

Once again, let me inform Members of what this amendment does and what it does not do.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(On request of Mr. HOYER, and by unanimous consent, Mr. SANDERS was allowed to proceed for 1 additional minute.)

Mr. SANDERS. Mr. Chairman, let me reiterate, this amendment is similar to an amendment that was passed in 1995 under which the United States government functioned quite well, functioned quite well. This amendment recognizes the historical and traditional role of the Exchange Stabilization Fund, and allows the President to do what presidents have done since 1934.

But this amendment says that when we are going to spend more than $1 billion, come to the United States Congress for approval, so that the American people can be involved in that process.

Mr. STEARNS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I also rise on behalf of this coalition, in support of this amendment, as one of the cosponsors to limit the use of the Exchange Stabilization Fund. Mr. Chairman, this sounds a little complicated, but it is not. It is basically that the President has the ability to spend money without Congress' approval.

Last year, Mr. Chairman, we offered a similar amendment, and we were accused at that time, you are trying to take advantage of the Asian economic crisis. The administration even felt threatened by it. Last year the former Treasury Secretary, Mr. Robert Rubin, sent us a letter saying that the President would veto the appropriations bill because of our efforts.

We are back, and we think it is so important that I hope my colleagues will listen to this debate carefully. We are pushing this issue for one reason and only one reason: Each of us believes that the use of the Exchange Stabilization Fund by our president without congressional authorization is simply unconstitutional.

The ESF was established in 1934 solely, solely, Mr. Chairman, to stabilize the exchange value of the U.S. dollar. That was it. The ESF's purpose was to give the U.S. adequate financial resources to counteract the activities of the European fund. The fund was established essentially with $2 billion, appropriated from profits realized from the reevaluation of U.S. gold holdings.

But slowly, through history, the Exchange Stabilization Fund has been perverted and altered from protecting the U.S. dollar, which would be its proper use, to bailing out foreign currencies. The ESF's purpose was changed, just the same as the IMF's purpose and mission was unilaterally changed from being one that was used to ease temporary currency exchange rate problems to one that is used to bailing out foreign governments.

By our last count, the ESF had about $30 billion in reserve, ready to be used as a presidential slush fund without congressional oversight. Tonight Members are going to hear the proponents of using the ESF fund and the IMF fund typically say, using these funds are risk-free, we are going to hear that argument time and time again, because borrowing nations always pay back these loans. We have heard that.

The proponents also treat such funds as if they are surplus accounts, free to be used by benevolent administrations.

First of all, Mr. Chairman, the $30 billion in the ESF fund belongs to the American taxpayers, and only Congress, only Congress should have the power to disburse the ESF funds.

Secondly, use of the funds is not risk-free to the American taxpayers. If a borrowing Nation defaults on a loan, it is the American taxpayers who lose, because it is their funds to begin with.

There is also this myth that nations pay back such loans, when in fact they usually borrow more money from other sources in order to pay off the previous

IMF or ESF fund, which simply increases their debt level again and again and again.

Others will argue that we have only pursued this amendment because, well, this is a political shot. This is a bipartisan amendment that the gentleman from Vermont (Mr. SANDERS) has offered, so that argument does not hold water.

Mr. Chairman, last year the amendment had restricted the President from using ESF funds beyond $250 million without our approval. This year we have upped it to $1 billion, which is still a moderate and I think a sensible amount to put as a condition before the President can spend the money. Unilateral executive authority on international financial matters is not what our Founding Fathers intended when they drafted the unique concept of separation of powers in the Constitution.

It is once again time to reassert, Mr. Chairman, reassert our constitutional prerogatives that give Congress the rightful authority to authorize and to appropriate these funds.

So, Mr. Chairman, this is one of a constitutional question. I ask all of the Members to support this amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have great respect for the gentleman from Vermont (Mr. SANDERS). I think if all Members of this institution cared as much about working people as he does, that this country just might give everybody in this society an even shake. We have stood together on NAFTA, we have stood together on GATT, and we will stand again together tomorrow on another trade issue, I suspect, and I mean immediately, tomorrow.

However, I simply want to say that I think this amendment is an absolute recipe for disaster. I am very much an economic populist, but I am also a committed internationalist. It seems to me that the use of the Economic Stabilization Fund should be determined by the merits of the case, and not how popular an individual country is within the United States Congress, or who happens to be lobbying the Congress if the country in question happens to be involved in foreign policy disputes which significant portions of our own society do not happen to like.

The use of the Economic Stabilization Fund is not foreign aid. When the Exchange Stabilization Fund is used, it is used to try to stabilize the world economy, not to help another country but to defend our own country, to defend our own prosperity, to defend our own jobs.

In 1929, the collapse of the world economy was not caused by the collapse of the stock market. That was just a very public event. It was started when we had a currency collapse in Austria and the CreditAnstalt bank collapsed. That was followed by a run on the German banking system, and their system collapsed. Then the crisis jumped to Britain, and after the British banks were mowed down in the crisis, then the crisis jumped across the Atlantic and it hit the United States economy. It went worldwide.

We know the results. Not only did the economies collapse of the countries involved, we had tremendous political instability as a result. People like Adolph Hitler and Mussolini came to power, and 50 million people died. That is why we have had actions taken to establish not just the Economic Stabilization Fund, but some of the other international economic institutions that some people in this institution love to chastise.

It just it seems to me, Mr. Chairman, that there is a reason for the separation of powers. It seems to me that any administration needs to have the authority to deal with an economic crisis internationally in any way that it needs to deal, without having to be second-guessed by the Congress.

We saw what happened just a year ago when we had a crisis in Korea that demanded that we marshal more resources to deal with the possible worldwide economic collapse. Disgracefully, it took almost a year and a half for this Congress to act. I would hate to God to think that that would be the pattern, but that would most certainly be the pattern if this amendment were adopted.

Mr. Chairman, I would say, should we give a president a blank check? Absolutely not. What this Congress ought to do is exercise its sharp oversight responsibility. It ought to critique administration actions whenever it differs. The executive needs to act, but the Congress also needs to, in my view, to skin the executive if he plays it wrong, or plays it incompetently.

But do not handicap and do not hamstring the President of the United States, who is charged with being the steward of America's economic interest in the international arena. That is what this amendment does, and that is why it ought to be defeated.

Mr. BACHUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I speak in strong support of this amendment. Mr. Chairman, what this amendment simply says is this: no multi-billion dollar loans of taxpayer money to foreign countries without congressional approval. Let me repeat that: no multi-billion dollar loans of taxpayer monies to foreign countries without congressional approval.

Mr. Chairman, the gentleman from Vermont (Mr. SANDERS) spoke first. We are talking about billion dollar loans. Now hear me, we are not talking about million dollar loans, we are talking about billion dollar loans, a thousand million dollars. Is it not reasonable, is it not rational, that before the President or the Secretary of the Treasury writes a check or makes a loan to a foreign country for $1 billion, for a thousand million dollars, Congress ought to approve that, if it is for a loan? We are talking about for a loan.

People have said the Exchange Stabilization Fund, which was started in 1934, has grown to $34 billion today. They have said that that money is necessary to stabilize currencies. There is absolutely nothing in this bill, and let me repeat, our amendment will not in any way restrict the Treasury Department's use of the Exchange Stabilization Fund to stabilize currencies, which is what the fund is designed to do, and what it was used for until 1995. That is what the fund was established for. It is what it is supposed to do.

□ 2145

It is not this type of transfers that we are trying to ask for congressional approval of. It is only loans to foreign governments. One reason that we ought to review these is when we have made these $5 billion loans and $3 billion loans and $5 billion loans we have said to these foreign governments that they will start an austerity program where the recipient countries will increase their exports to the United States and decrease their imports from the United States. When they have done those, they have cost jobs in the United States.

That is not free trade when we send billions of dollars to foreign countries to prop up competition, companies that compete with us. That is not free trade. It has cost us thousands, hundreds of thousands of jobs in this country. But we are not saying they cannot make these loans; we are saying come to Congress and get approval.

We just spent 2 hours debating a $200,000 expenditure a year for the next few years. We are not talking about $200,000 here. We are talking about a $34 billion fund.

Mr. Chairman, let me say in conclusion, we passed this measure in 1995. In 1995, this Congress, most of the Members that will be voting tonight said it is prudent for us to approve these loans. And it is still prudent today. We have had a loan of $5 billion from this fund to Korea. We have had a loan of $5 billion or commitment from this fund to Brazil. We have had a commitment of $3 billion from this fund to Indonesia. There is an honest disagreement here.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I have to take issue with a number of points that have been made. There is some question about the comments of the gentleman from Vermont (Mr. SANDERS), the author of the amendment who is a friend, we do not always agree, and the comments of the gentleman from Alabama (Mr. BACHUS), chairman of the Subcommittee on Domestic and International Monetary Policy of the House Committee on Banking and Financial Services on which I serve.

First of all, Mr. Chairman, I would ask the author of the amendment, would a loan or an extension of credit for the stabilization of currency apply under the gentleman's amendment, or would it be subject to oversight or subject to congressional approval?

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. BENTSEN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, it would not be subject to congressional approval. It would continue to do as the purpose of this program was meant to.

Mr. BENTSEN. So, reclaiming my time then, to the extent an extension of credit was made to the Mexican Government to stabilize the peso, then that will be allowed apparently under this, and it would be up to the general counsel of the Treasury Department.

Mr. SANDERS. Mr. Chairman, if the gentleman would continue to yield, he would have to define what currency stabilization means. But in the current sense of what currency stabilization means, and what has historically been done under this fund, this amendment would allow that to continue.

Mr. BENTSEN. Mr. Chairman, again reclaiming my time, I think this amendment is fraught with uncertainty and problems. Back in 1995 when this amendment passed and we were in the midst of the crisis in Mexico, we were not sure what was going to happen. We now know that the Mexican economy did not collapse; and had it collapsed, it would have had broad ramifications for the United States.

Certainly my State of Texas would have felt it a great deal since Mexico is our number one trading partner. We would have lost jobs. We would have lost exports to that country. We would have had an increase in the immigration problem as a result of it.

But instead, Mr. Chairman, we have seen the Mexico bolsa coming back and the peso has stabilized some. Yes, they still have problems, but they would have been a lot worse out if we had not done anything. And in fact we have half a billion dollars more than the principal that was returned to the economic stabilization fund.

With respect to South Korea, the commitment was made at a very delicate time when the South Korean won was going down; The South Korean market was going down. Rapid unemployment. And part of that commitment, which was a multinational multilateral commitment to defend the currency, the South Korean currency for the benefit of the United States currency, in a large export market where we actually run a trade surplus, and the fact that that opportunity, that we were able to participate in that and never actually spent the funds or lent the funds, no funds went from the Treasury, it has worked now because the South Korean economy has stabilized. Yes, they have to continue to make changes but it worked.

In Brazil, where the commitment was made, we now see the real has stabilized and the Brazilian markets have stabilized because we have to do it. Why would we want to go and change something that works?

I would argue to my colleague from Florida, who I think has left the floor, we exercise our constitutional prerogative every day we are in session. And every day we are in session we can look at this and say if this is not working, we want to change it. If we want, 218 Members can file a bill and go sign a discharge petition to get it on the floor, if we cannot get the leadership to do it.

But this is something that works, and it has been to the benefit of the United States economy. If we had allowed the Mexican economy to go down in 1995, as it surely would had we not done this, or if we had allowed the Asian economy to go down as it was heading a year and a half ago, we would have felt it in the United States and we would have lost more jobs.

And, yes, austerity programs come in. We have problems with how the IMF does some things. But the fact is if we had done nothing, they would have been worse off. A complete collapse of the economy would have brought anarchy in the countries and increased unemployment and what good would that be? Maybe philosophically my colleagues would have felt more pure, but more people would have been unemployed and not just in those countries but in the United States as well.

Mr. Chairman, this is a program that has worked. We have oversight quarterly. The Treasury reports to the Committee on Banking and Financial Services, which the gentleman from Vermont sits on along with myself and the gentleman from Alabama (Mr. BACHUS) and the gentleman from Texas (Mr. PAUL). Annually it reports to the entire Congress. We know what is going on there. We know how it is working. And if was not working, then it would be a problem and then we would have to address it.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. BENTSEN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I appreciate the words of my good friend. Is there anything in this amendment which would suggest that anybody here is not deeply concerned about what is happening around the world, that we do not want to see the economies of Mexico, Russia, Asia strong?

All that we are saying is, for example, maybe if the Congress had been involved in the discussion over the bailout of Russia, maybe the Russian economy would not be in the pits that it is in now.

Mr. BENTSEN. Mr. Chairman, reclaiming my time, this has nothing to do with Russia.

Mr. PAUL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment, and I thank the gentleman from Vermont (Mr. SANDERS) for bringing this amendment to the floor.

I would like to clarify one thing about the original intent of the Exchange Stabilization Fund. It was never meant to be used to support foreign currencies. It should not be so casually accepted that that is the proper function of the Exchange Stabilization Fund.

The Exchange Stabilization Fund was set up, I think in error; but it was set up for the purpose of stabilizing the dollar in the Depression. How did that come about? Well, it started with an Executive order. It started with an Executive order to take gold forcefully from the people. And then our President then revalued gold from $20 an ounce to $35 an ounce, and there was a profit and they took this profit and used some of those profits to start the Exchange Stabilization Fund. They set it up with $200 million. It does not seem like a whole lot of money today.

How did it come about over these many years that this fund has been allowed to exist without supervision of this Congress, and now has reached to the size of $34 billion and we give it no oversight? It is supposed to send reports to us, very superficial reports to the Congress. We don't know how they got $34 billion. They earned interest on some of the loans, and all the loans are paid back because the countries who get the loans borrow more money.

Mr. Chairman, the Mexico bailout did not solve the Mexico problem. It is ongoing. The peso is in trouble again. They are in more debt than before. We only encourage the financial bubble around the world. This is a dangerous notion that we can take something that was set up to stabilize the dollar, and now we are pretending we can stabilize all the currencies in the world and use it as foreign aid to boot without the congressional approval. There is something seriously flawed with this.

It has also been suggested by many who know a lot more about the details of the Exchange Stabilization Fund than I do, and it has been suggested that possibly, quite possibly, what happens is Treasury deals in currencies all the time and there are profits to be made. And when there is a profit, it goes into the Exchange Stabilization Fund. When there is a loss. It is sent over to the Treasury and then recorded as a loss.

This is a magnificent thing, but in a free society, in a democracy, in a republic where we are supposed to have the rule of law, we are not supposed to have a slush fund that is run by our Treasury without supervision to be doing things that was never intended. This is a serious problem. And I think economically it is serious because it is contributing to the bubble. It is contributing to a financial bubble.

So, yes, we tide Mexico over for a year or two, but what are we going to say next year when there is another peso crisis? Are we going to close our eyes and say we will do whatever we want, it is a major crisis? Our obligation here in the Congress is to have a sound dollar, not to dilute the value of the dollar without our permission and for our President and our Treasury Department and the IMF and the World Bank and the internationalists to destroy the value of the dollar. That is not permissible under the rule of law, and yet we have casually permitted this to happen and we do not even ask the serious questions.

We should make it certain that all loans, all use of that is reviewed by the Congress. This is a very, very modest request by the gentleman from Vermont. It should be absolutely approved. But then some day we ought to give a serious study about how we as a Congress allow these kind of things to happen without our supervision.

What is the purpose of having a Congress? What is the purpose of the Constitution if we have an obligation to guarantee the value of the dollar and if we permit somebody not under our control to do whatever they want to the dollar under the pretense that we are going to protect the value of all the currencies of Asia?

Mr. Chairman, are we going to protect the Euro now? The Euro is getting pretty weak. I guess we are going to bail out the Euro. When it drops down under a dollar, we will expect the Exchange Stabilization Fund to come and bail out the Euro. This has to be looked at. This is the first very modest, very minimal step that we are making tonight. It should be overwhelmingly supported.

It is up to us to assume our responsibility to protect the dollar, have the rule of law, make sure that we assume the responsibilities that have been delegated to us and not close our eyes and let this slush fund of $34 billion that has existed for now these many decades and have allowed the Treasury Department to run it without us caring. So I plead with my colleagues, support the amendment.

Mr.LAFALCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. So many things have been said that are so blatantly false. First of all, one of the distinguished gentlemen said that the actions of the executive branch under the Exchange Stabilization Fund are unconstitutional and this is, therefore, primarily a constitutional question. Well, we have used this now since the early 1930s and never has this been found unconstitutional. That is simply not before us.

Other individuals have said we should not have these wasteful expenditures of government monies as if we were giving foreign aid or grants. And yet we are talking about loans or credits, money that absolutely must be repaid and in every instance has been repaid.

Charges have been made, well, the chief executive acts in an unaccountable manner; and yet by law we have mandated monthly reports. Not simply annual reports, but monthly reports, as the gentleman from Texas (Mr. BENTSEN) said. We know everything they do.

A few days before he left office as Secretary of the Treasury, Bob Rubin had dinner with a number of Members of Congress and he did not talk about this issue. He talked about one of his concerns, perhaps his chief concern, and that was the ability of the United States Government to function in the future, given its cumbersome way of working.

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Other governments have a parliamentary form of government so the prime minister can make a decision and act upon it. We have chosen our way with the separation of powers, et cetera. But Congress wisely realizes that there are certain times and certain events where we must delegate authority.

We have delegated authority with respect to the Exchange Stabilization Fund, going back to the early 1930s. What has happened since the 1930s? Well, the world has become unbelievably smaller. We have had an integrated global economy involving trillions and trillions of dollars where what goes on in Korea or Brazil or Germany or Mexico profoundly impacts citizens of the United States.

There has been a huge increase in technology, too. So trillions of dollars are transferred today every day in fractions of a second. We must be able to respond. We have the Exchange Stabilization Fund so that we can respond.

If we were to say one cannot act with a loan or credit in excess of $1 billion, and very, very frequently when the Secretary of the Treasury and the President act, it must be in excess of a billion dollars, whether it is Mexico, Brazil, Korea, name it, it must be, if one must have the Congress of the United States work its will, one might as well say that the United States must abdicate its leadership, and not only abdicate its leadership, abdicate its role in dealing with any future international financial crisis.

That is what the effect of this amendment would be if it were passed. That is why the past Secretary of the Treasury, the Secretary of the Treasury before him and before him and the current Secretary of the Treasury has said any bill that contains such a provision should be vetoed.

Please vote against this. My colleagues would not just abdicate the United States economic leadership, they would forfeit any United States role in dealing with any future international financial crisis.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Exchange Stabilization Fund is being misused by Treasury to bail out foreign investment failures. When some aspects of corporate foreign investment policy fails, the Treasury taps the ESF to cover over the failure.

Here is a recent example, Mr. Chairman. In Indonesia, the International Monetary Fund caused a run on Indonesian banks when it directed the closure of 16 banks there. A confidential internal IMF memo even acknowledged the failure. The IMF caused a panic by making a bad situation much worse. So what does this "Foreign Investment Failure Fund" do? Without congressional approval, Treasury dispatched a credit line of $3 billion to cover the mistake.

NAFTA caused a flood of U.S. investors to abandon their investments in the U.S. for higher rates of return in Mexico. Then the already over-valued Mexican currency collapsed. Guess what? The "Foreign Investment Failure Fund" was used without congressional approval to cover the multi-billion dollar failure.

Indeed, the ESF was used in this way because Congress refused to pass a $20 billion package to benefit the Mexican elite at the expense of the Mexican people. The use of the ESF by Treasury thwarted the will of the Congress.

The "Foreign Investment Failure Fund" is used to accomplish policy changes that often make international financial problems worse. In Korea, important consumer and labor standards and regulations were overturned as conditions for $5 billion in "Foreign Investment Failure" funds from the U.S.

Koreans now talk about "IMF suicides" to characterize the wave of suicide among jobless and hopeless Koreans. Korean labor unions are conducting massive protests and strikes. Without Congress' approval or involvement, global economic policy is being forged for the benefit of the few with the funds of the American people as leverage.

This amendment will correct the abuses, but it will not tie Treasury's hands. If Treasury needs to stabilize another country's currency, it will be able to use the ESF to do so unilaterally and without Congress' approval. The amendment allows Treasury to do currency swaps and other currency stabilization aids without Congressional approval.

But if Treasury is making a large loan to another country, they will have to come to Congress, which is the only appropriate process, given the American system of checks and balances.

This amendment is nearly identical to one that Congress passed in 1995. Many of my fellow Democrats voted for that amendment then. Unfortunately, the authority of that provision lapsed in October of 1997. Today, we need to repeat our correct action.

So long as the Exchange Stabilization Fund is used to extend credit or give loans to foreign nations without Congress' approval, these foreign investment failures will get larger and will become more frequent. More of the U.S. Treasury will be exposed to paper over them, benefit foreign elites, bail out big banks, and underwrite austerity, joblessness and hopelessness for the majority of people around the globe.

Let us stabilize the power of Congress by voting yes on this amendment.

Mr. DOOLEY of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment. The world is going through one of the most fundamental changes in its economy in history. As we move from the industrial age to the information age, we are moving to an economy that is based much more on speed, whether it be the speed of commerce, the speed of innovation, the speed of communication.

As we move into this information-based economy, we are seeing the world shrink. We are seeing national borders are becoming increasingly porous to the flows of information as well as capital. It is leading to the integration of our economies.

The United States can no longer insulate itself from the affairs and the impacts of other countries and the financial situations and crises that occur there. So it is becoming increasingly important that the administration have the ability and the flexibility to use most effectively the Exchange Stabilization Fund.

We can look back at how effectively it has been used to stabilize some crises in Asia, in South America, which is in the interest of United States' working people and the interest of United States' businesses.

When we want people to advocate that this is something that Congress ought to take a role in to approve almost every loan that the United States might participate in through the Exchange Stabilization Fund, it certainly would be something that would almost render this inoperable, because in Congress, quite honestly, it almost takes us a year to name a Federal Post Office. To have Congress coming in and trying to okay and approve every loan is certainly going to be too cumbersome. That would render the effectiveness of the Exchange Stabilization Fund almost obsolete.

This is a tool that is benefiting not other countries so much, it is a tool which is benefiting working men and women in the United States, and we should oppose this amendment.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment. We have heard arguments on both sides tonight. But I would ask people to use their common sense. I would ask the people at home to listen very carefully to the arguments, those reading the CONGRESSIONAL RECORD to read the words very carefully.

The proposition is very simple. If there is a $1 billion transaction or more from the Exchange Stabilization Fund, which means American tax dollars, the American people's money, there should be approval by Congress. It is almost nonsensical for us to suggest that the American people do not deserve accountability for expenditures of over $1 billion. I do not understand it.

I hope the people listening to this debate, I hope those people reading the CONGRESSIONAL RECORD begin asking themselves, why is it that we have such heavy debates on issues, for example, of whether we should increase spending for veterans benefits by $100 million or $50 million, yet we have people that are going to the floor defending a policy of having unelected officials, shadowy figures, who we do not know who exactly is making the decision, spending billions of dollars of American tax dollars to help foreign currencies?

The gentleman from Texas (Mr. PAUL) made a very important point tonight. The original purpose of the Exchange Stabilization Fund was to stabilize the American currency. At least, there is some justification, or perhaps there was at that time, that we were watching out for the interest of the American people.

Now, what we have here is yet another example, and I hope people look at this example, of American liberty being sacrificed on the alter of globalism: America has to come second. The interest of the American people should not be considered. We cannot hold ourselves accountable to the American people, even though it is billions of dollars of their money.

Count me out on that, please. I came here to Congress to be held accountable.

Now, we disagree on a lot of things. The gentleman from Massachusetts (Mr. FRANK) and I, we disagree on a lot of things. The gentleman from Vermont (Mr. SANDERS), the author of this amendment, and I disagree. We debate about them on the floor.

I happen to believe that less expenditures are good. That is a good policy for the United States. The gentleman from Vermont (Mr. SANDERS) thinks that we should have more government intervention here at home. But that is an honest debate. We are held accountable for that.

To have people here say that, for the government of Brazil or Indonesia or some crooked regime in some other country, far-off country of the world, we have to give the power to some unelected officials to spend billions of dollars of our money without a vote of Congress, talk about undermining the democratic principles on which this country is founded.

I think this is very clear. I hope everyone pays attention to the debate. Unfortunately, it is happening at 10 o'clock at night. But I hope the American people pay attention to who is making the arguments and who is on their side.

Unfortunately, when one gives the power to an unelected elite to spend the money without any approval of Congress, and that is what we are talking about, billions of dollars being spent by an unelected elite, sometimes that money does not go to people who really share our values. Sometimes it goes to people like in Indonesia when it was being controlled by an autocratic regime. Sometimes it goes to people who are just part of the same international country club, the guys making the decisions, these Ivy Leaguers who get hired to make these decisions.

Now, after all, we Members of Congress cannot be trusted to make decisions like that. We have to leave it up to these guys from the Ivy League schools who are not elected by anybody to watch out for the American people.

No, I am sorry. That is not the way it works here in America. What works here in America is we have trust in the people. We have trust that, if we make the wrong decision, we are going to get kicked out. But everything is supposed to be up front.

Unfortunately, over the decades, we have permitted the freedom and the accountability of the democratic system to be eroded, and this is perhaps the best example in our government today.

My hat is off to the gentleman from Vermont, again a man who I disagree with philosophically on a number of issues, but who stands for democracy, stands for accountability, stands for liberty. And under those concepts, we can disagree on what the government should do.

Mr. KOLBE. Mr. Chairman, we have gone for an hour on this issue, and I have a proposal so that we can bring this debate on this issue to a close.

I ask unanimous consent that all debate on this amendment and all the amendments thereto close in 20 minutes, the time to be equally divided between the sponsor and myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. The gentleman from Arizona (Mr. KOLBE) and the gentleman from Vermont (Mr. SANDERS) each will control 10 minutes.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding to me. The Exchange Stabilization Fund has never been more important than now. We are in an interlinked global economy where currency is transferred in the blink of an eye over an electronic infrastructure.

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Capital flows can cause a national treasury to hemorrhage. And let me tell my colleagues how this works, briefly. If there is great investor uncertainty, money is pulled out. Without the Exchange Stabilization Fund able to assist for a brief period of time in shoring up currency, providing investor, stabilizing investor confidence, we literally have a run on the bank situation which can lead to catastrophic national bankruptcy.

I read from a letter that I will introduce for the RECORD from Secretary Larry Summers, who played such a critical role in stabilizing Korea that was teetering on the very brink of bankruptcy. On Christmas Eve, the ESF permitted the United States to participate in a critical time-sensitive effort to forestall financial default in Korea, where 37,000 American troops are stationed. The economic and national security consequences of default were clearly unacceptable to the United States.

That was on December 24, 1997. Do my colleagues know when Congress went home that year? November 13. And when did the Congress come back? January 27. Congress was missing in action for nearly 3 months, and in the middle of this period we had almost an Asia financial meltdown, forestalled just barely by the extraordinary work of Secretary Summers, using as an integral part of his effort the Exchange Stabilization Fund.

It would not have worked, it would not have been there if the congressional requirement the amendment seeks would have been in place. Congress was home. We must defeat this amendment.

Mr. Chairman, the letter from Secretary Summers I earlier referred to follows for the RECORD:

DEPARTMENT OF THE TREASURY,
Washington, DC, July 15, 1999.

Hon. STENY HOYER,
Subcommittee on Treasury, Postal Service, and General Government, Washington, DC.

DEAR STENY: I am extremely concerned that an amendment to restrict severely the use of the Exchange Stabilization Fund (ESF) may be considered during House action on the Treasury, Postal Appropriations bill. Such an amendment would constitute an unacceptable limitation on the executive branch's ability to protect critical U.S. economic interests, and I would be forced to recommend a Presidential veto if the final bill contained such restrictions.

The original ESF statute deliberately provided the executive branch with the flexibility needed to respond expeditiously and effectively when justified by important national economic interests. Because the nature of financial crises sometimes requires urgent action to stabilize markets and protect the U.S. economy, it is necessary to act more quickly than is permitted by the deliberative procedures of the legislative branch. This is particularly true in today's large, fast-moving financial markets.

Two recent examples illustrate how the ESF works to protect American interests. On Christmas Eve, 1997, the ESF permitted the United States—with broad international cooperation—to participate in a critical, highly time-sensitive effort to forestall financial default in Korea, where 37,000 American troops are stationed. The economic and national security consequences of Korean default were clearly unacceptable risks for the U.S., and the availability and flexibility of ESF resources were indispensable to our stabilization efforts. Similarly, the ESF and bilateral resources from other countries were essential to the international effort last year to help Brazil avert the kind of financial collapse that could have had very severe consequences in our own hemisphere, with obvious implications for the U.S. economy.

Let me make clear that we fully accept our responsibility to account to Congress for our actions under the ESF statute. Treasury submits detailed monthly reports on ESF transactions to the Banking Committees, and the President submits an annual report to the Congress. We believe strongly that our use of the ESF has been prudent and consistent with the spirit and letter of the law.

We simply cannot afford to compromise our nation's vital economic and financial interests by limiting our ability to act responsibly and expeditiously during times of urgent crises, and I urge the Congress to preserve the ESF statute in its current form.

Sincerely,

LAWRENCE H. SUMMERS,
Secretary.

Mr. SANDERS. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time. The issue here is not the Exchange Stabilization Fund as set up by President Roosevelt. I believe there is broad agreement among Members of the House and others about the value of that fund to defend the American dollar and to intervene in currency stabilization around the world which would have a dramatic impact on our dollar or on the American economy.

The issue is should unsecured loans to foreign nations, most of the time being made to bail out extraordinary speculation, sometimes by U.S., sometimes by U.S. multinational, and sometimes by foreign interests, be made in excess of $1 billion of our taxpayers' money by a Cabinet member, with or without the consent of the President of the United States and without any consultation or consent of the elected representatives of the people?

Now, I think most people would have to raise a question about that. We are not talking about the reasons for which the fund was established, which was to shore up or defend the dollars against attacks. We are not talking about currency stabilization generally. We are talking about unsecured loans to foreign governments, foreign interests, to bail out failed speculative activities.

Now, some have gone to the floor to talk about the great success of bailing out these failed speculative activities. Guess what? If we do not have market discipline, if we bail out the speculators every time their 50 and 100 percent loans go sour, and give them back their capital after they have already gained it two or three times over in interest, then they will go out and do it again and again and again. And now they are doing it with the support of U.S. taxpayers' money and at the risk of U.S. taxpayers' money.

Oh, yes, the speculation has worked out pretty well so far, as far as we know, since the fund is not fully accountable. In fact, in the past, and we have heard accounts of that earlier this evening, the fund was used to buy rugs and special trips and all sorts of things. Yes, it was cleaned up a number of years ago. But, still, it is not fully accountable to the American people. No full accounting is rendered. And it continues in these activities.

Now, I think we as the elected representatives of the people have got to question. Maybe $1 billion is the right figure. Maybe we should let them do $2 billion. I do not know. I do not know exactly what it is. But I can say that before we extend a loan without security of taxpayers' dollars, which is not in direct defense of the interests of the United States of America, of our economy, of our currency, of our people, of our taxpayers, of our workers, yes, maybe in defense of a few bankers who made some really stupid loans at extraordinary rates of interest, then we have to question whether it should continue in that vein.

For 2 years this amendment stood. Were there any international crises during that time to which the United States could not respond? No. There are other tools. We can go to the World Bank, which basically is an arm of the U.S. Treasury, or the International Monetary Fund, another arm of the U.S. Treasury. At least, though, it would be diluted by other countries' money and other taxpayers' from other countries' money. It was not directly funds allocated from our taxpayers to foreign governments. Interventions took place during those 2 years that this amendment was in effect to bail out speculators.

Now, if we think it should be the policy of the United States to bail out speculators so all their investments are always guaranteed, then we should vote against this amendment. That will be a fine day for some people, but not for the American people. Not a proud day for me as a representative of the American people. And I urge my colleagues to think long and hard and remember this amendment was in effect for 2 years and none of these horrible things happened, because other tools are available that do not put our taxpayers' dollars at risk.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER), the distinguished ranking member.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me this time. I listened to my good friend, the gentleman from Vermont (Mr. SANDERS), who, I agree with the gentleman from Wisconsin (Mr. OBEY), cares a great deal about the policies of this government, a great deal about the working men and women of this country and is one of our finest Members. I also listened to the gentleman from Oregon (Mr. DEFAZIO), who I also believe is a very fine Member. We happen, however, to disagree on this particular issue.

I understand what is being said. I understand about the multinationals and those who have extended credit wisely. I agree with all that, and that angers us. But the fact of the matter is the real adverse ramifications are not to those necessarily who have acted so irresponsibly. Destabilization impact is not on those rich guys who did things speculatively that may have made them a lot of money and at great risk, and when the deal went bad they maybe either expect to bail out or just bail out themselves and leave others holding the bag.

The real problem, from my perspective, is that the destabilization that occurs if they are not bailed out is to those working men and women in this country and in other countries; and they are the ones who suffer, from my perspective, unfortunately.

It is like bailing out the savings and loans that was so controversial. Yes, we bailed out some big guys who were bad people, but the fact is what we tried to do really was to save harmless, an awful lot of depositors who had relatively small amounts of money invested.

I believe he has been quoted of course, and there are some people who obviously disagree, but Secretary Summers has been very much involved in the utilization of this fund over recent months, to, in my opinion, the great benefit not only of the governments of Korea and Brazil and of Mexico but also this government and our people as well.

Mr. Chairman, I would urge the defeat of the amendment.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

It seems to me that this important and interesting debate is primarily about two fundamental issues, both of great importance. The first is the issue of democracy, which I hold to be the most important issue.

I want to reiterate the fact that I believe the great crisis facing this country is that we are losing our Democratic traditions. Every Member of this body should be terribly frightened that in the last election over 80 percent of the people 24 years of age or younger did not vote. And every poll that is taken shows the young people are not interested about what is going on in government or are extremely alienated from the process. With big money controlling both political parties, many, many people have given up on the political process.

One of the reasons they have given up is they do not see the Members who they send to Congress, who supposedly represent them, fighting for their interests and participating in the important issues facing their lives. How can we stand to defend democracy when we say, oh, yes, we will have no say when the President, Democrat, Republican, liberal, conservative, can put at risk billions and billions of dollars and we have no say about that. And then we go home and we tell our constituents, get involved in the political process. They are not going to do that. That is issue number one and the most important issue.

But the second issue we hear about is the global economy. Well, if these ideas are so good, then let the President of the United States come to the Congress. He will get support if the ideas are good. What a statement it is to say that we are incapable of responding to a crisis. What a terrible and awful thing to say. If the President feels that it is necessary to appropriate or to lend substantial sums of money to a foreign government, he can come to the United States Congress, make his case; and if it is a good case, the American people will support him and the Congress will support him.

But when we talk about the global economy and all the glowing accords, I would mention to my friends go and tell that to the average American worker, whose wages today are 12 percent less than they were in 1973. Tell that to the average American worker today, who in the midst of this great global economy is working 160 hours more than he or she worked 20 years ago. Tell that to the people of Mexico, whose standard of living has declined. Tell that to the people of Russia, who have almost descended into Third World living standards.

Now, people have honest disagreements about the global economy. That is what we should be debating on the floor of the House. That is a good debate. And maybe if we do that our constituents would know that we are involved in the important issues of their lives. Is the global economy working for the steelworker, for the textile worker, for the family farmer in my State of Vermont? Some think it is, some think it is not. Let us debate that issue.

So, Mr. Chairman, I would argue for strong support for this amendment. Let us restore the democratic traditions of this country. Let us get the Congress involved on the most important issues.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I rise in opposition to this amendment.

I understand the good intentions of my colleague, but the fact of the matter is in our global economy, our economies are all more interrelated. This, in fact, is of course an authority. Although it is referred to as the exchange stabilization rate, it has evolved to be used, and used very effectively, in terms of preventing the type of economies in many countries from spinning out of control and to go back to economic ground zero.

The fact we do not have a perfectly functioning economy on a global basis is self-evident. But to deny our Nation and our leadership the type of tools that need to be used essentially in a crisis, whether that crisis is occurring in Korea or whether it is occurring in Mexico or whether it is occurring in Russia is a fundamental mistake, not only because it would devastate the economies of those countries but invariably that type of contagion and those types of impacts would be felt by the workers in this country and in our total global economy.

So the fact of the matter is we need to have these tools, and in fact they have evolved and we have oversight responsibilities. And there are plenty of mistakes to go around in terms of what happens in these economies, why they are not functioning; but in fact we have and continue to work for the type of transparency, the type of market forces that, in fact, will provide, I think, for a better working global economy.

☐ 2230

I am an interventionist. I believe that we ought to intervene at home when we have problems in our economy and respond to people, and I believe we ought to do so internationally when we can to try and mitigate the adverse impacts that that has on people around this globe.

In fact, this type of crisis, these types of tools are absolutely essential. We have not lost money with this program I would underline to my colleagues. That money is fungible and that money was spent in Russia or spent in other countries improperly is not even debatable or that mistakes are made in these economies. If they were perfect, we would not need these types of tools. But we need the resources, we need these tools in the hands of our decisionmakers so they can exercise responsible policy and economic action.

Mr. SANDERS. Mr. Chairman, I yield 45 seconds to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, let me briefly sum up two things.

First of all, the Sanders-Bachus amendment was passed in 1995 and was in effect from 1996 and 1997 in the midst of this global crisis. The idea that if this were passed by the Congress it would be a recipe for disaster, it was in effect for 2 years and it was not.

It does not restrict transfers of funds in any amount to stabilize currencies, which is the statutory use of the fund. What it does limit is loans to foreign countries of a billion dollars plus.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I believe I would be among the first to acknowledge there were problems arising out of globalization, and we need to attend to them. But the worst thing we can do is kind of take a sledgehammer and somewhat blindly whack at them. They are more serious than that.

It is true there was a 2-year moratorium. It expired. And since then this fund has been used. It has been used in several instances. I think there is evidence it has been used constructively and effectively in the interest of U.S. workers and families. If that is not true, let us have a full debate about it.

There needs to be oversight. Those on the Committee on House Oversight should be diligent. But let us not come here somewhat out of the blue and make a major change in policy when the evidence of the last couple of years is that this may well be a useful fund. It is not giving a billion dollars to another country. These are loans that are guaranteed that have been invariably, or almost so, paid back.

Mr. SANDERS. Mr. Chairman, I yield 45 seconds to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I plead with my fellow Republicans, and I say "plead" with them, to pay attention to what is happening here.

How can we claim the mantle of being responsible in the budget process, in the budget decisions we have to make, when we are providing the President of the United States with a slush fund to spend billions and billions of dollars on foreign interests?

How can we look our people in the face, the veterans in the face that we have to sometimes, or the jobless or the seniors and say we cannot spend $10 million more here or $100 million more here because we are trying to be responsible?.

If we do not vote for the Sanders amendment to say there must be a vote in Congress to spend these billions of dollars overseas, we are betraying these citizens of our country. How can we look at them in the face and say we are being responsible at home when we prevent unaccountable spending overseas?

Please support this amendment.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas (Mr. STENHOLM), the ranking member of the Committee on Agriculture.

Mr. STENHOLM. Mr. Chairman, it just popped into my mind when I heard the word "budget," this body spent all last year and never passed a budget, and we spent 1 trillion, 700 billion dollars of the taxpayers' money.

But here is the point I wanted to make in this 1 minute. There has been some I am sure unintentional but some very misrepresentational statements made concerning congressional oversight.

There are monthly reports submitted to the Congress regarding all of the expenditures from the Economic Stable Stabilization Fund, monthly reports, annual reports to the Congress in which we have ample opportunity to oversee.

If anyone had the problems that we have heard in the overuse of the English language tonight about what has happened, we can certainly have that debate. And we will have that debate, and we should have that debate. But for us to take away the flexibility that an administration might need in order to meet with an international crisis, if we do not have that flexibility, I would submit to my colleagues that we are literally taking the jobs of millions of men and women and putting them in our hands and in a situation in which we will be almost totally incapable of acting.

Mr. SANDERS. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, let me just conclude by thanking the chairman for this interesting debate. This amendment is endorsed by progressitives, conservatives, and many people in between, by the United Steelworkers, by Unite, some of the great unions in this country, by the National Taxpayers Union, by the Competitive Enterprise Institute.

I would ask for the support of all Members for this amendment.

Mr. KOLBE. Mr. Chairman, obviously I rise in opposition to the amendment which is being considered here. But I agree with the gentleman from Vermont, this has been a good debate. It has not been enough of a debate with the right kinds of people in the right kind of forum, and that means we should have had this debate in the Committee on Banking and Financial Services and then here on the floor as a separate bill. Because the issue of what we should do with the Exchange Stabilization Fund and the levels of its loan authority, of its guarantee authority, is clearly an issue that this body should debate.

But surely we ought to at least have pause to consider the fact that the Secretary of Treasury has said that this amendment alone would be a reason that he would recommend a veto to the President. Now, that is not a reason for us to vote for or against it. But it certainly ought to give us pause.

And it ought to give us pause that the chairman of the Federal Reserve Board, somebody who I think most Members of this body respect very greatly, has said: "I also believe it is important to have mechanisms such as the Treasury Department's Exchange Stabilization Fund that permit the United States in exceptional circumstances to provide temporary bilateral financial support, often on short notice and under appropriate conditions and on occasion in cooperation with other countries."

That ought to at least give us pause when somebody like Alan Greenspan says that.

Now, the question was raised here earlier, somebody said, well, we are going to claim that it is risk free. No, of course it is not risk free. But it is also not a hundred percent risk. Just as a bank does not have to reserve a hundred percent of all of its loans in reserve, we do not reserve a hundred percent of this either. It is a credit issue, and that is how it is scored appropriately.

We have other kinds of funds like this. We have the Trade Adjustment Assistance that we provide these funds in-ready when it is needed for workers. We have FEMA's Diaster Fund.

It is not we come to Congress every time there is a disaster in order to get a fund. We have a fund in order to provide that. And that is exactly what I think we have here.

We live in a world where these kinds of economic crises are becoming more and more real. I believe very strongly that we should give this kind of flexibility for economic crises, just as we do for the kinds of fiscal disasters which can afflict our country.

I would urge my colleagues to vote against this amendment. It is wrong policy. It is not the right thing to be doing on this legislation. I urge a "no" vote.

Mr. STARK. Mr. Chairman, I rise today in support of the Exchange Stabilization Fund (ESF) amendment to the Treasury Dept. Appropriations bill. Congress is the only body of this government that is legally able to authorize the treasury to spend any money. That is why I support this amendment, it returns control of US funds to the Congress, where it belongs.

Our Constitution states that the government spending is restricted in that "No payment (shall be made) from the Treasury except under appropriations made by law". The Constitution shows no concern whether the funds in the Treasury come from taxes, or sales of assets, or even investment and trading of foreign currency. Therefore Congress, not the Executive or some Agency of the Government, is the only body that can allocate funds from the Treasury for any purpose.

I understand some concerns that this body may not be swift enough to react to the rapidly changing international economy, however some compromise weighing the importance of the Constitution with the rapidly changing nature of the economy must be made. This amendment does not stop the Treasury from reacting to an emerging financial crisis, it simply allows the Congress to live up to its Constitutional responsibility to make sure that America's money is spent in a manner that promotes American interests. In 1997 a provision similar to the amendment we are debating today expired. In the year following this expiration, the Treasury provided $3 billion to Indonesia, $5 billion to South Korea, and $5 billion to Brazil, through the ESF. Which means that $13 billion of the American citizen's money was spent at the discretion of the Treasury with no need to consult representatives of the American people.

The Exchange Stabilization Fund was established in order to stabilize the US dollar. Some may argue that the stability of foreign governments is vital to the stability of the international economy, and therefore the American currency. That may even be true, but no member of Congress was able to make that argument. It was simply a decision handed down to us by some officials in the Department of the Treasury.

Passing this amendment will restore the power of this body to control how the American citizen's dollars are spent. I urge all members who understand the Constitution and believe that they are responsible to their constituents, to vote for this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 246, further proceedings on the amendment offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

AMENDMENT OFFERED BY MR. DAVIS OF ILLINOIS

Mr. DAVIS of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Illinois:

Page 101, after line 10, add the following:

SEC. 649. None of the funds appropriated or otherwise made available by this Act in title 1 under the heading "UNITED STATES CUSTOMS SERVICE" may be made available for the conduct of strip searches by employees of the Customs Service of individuals subject to such searches in accordance with regulations established by the Customs Service unless the employee who conducts the strip search is of the same gender as the individual subject to the strip search.

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

Mr. DAVIS of Illinois. Mr. Chairman, again, I want to thank the chairman of the committee and the ranking member for their cooperation.

Mr. Chairman, this amendment basically requires that no funds under this bill be used for male employees at the United States Customs Service to strip search women or for women employees to strip search males.

It is my understanding that the Customs Service currently prohibits such searches. However, there have been allegations by several complainants who have stated that men have participated or been present during strip searches of women.

Therefore, this amendment simply underscores what is already the policy at the U.S. Customs Service to prohibit men from strip searching women and vice versa.

I believe it is important to speak to this issue because Federal funds are involved and because of the allegations which are being made. In addition, what is agency policy may not be adhered to by individual employees. Therefore, we simply want to underscore that it should not be tolerated.

Now, I would hope that I could work again with the chairman and ranking member to ensure that this important policy is adhered to by all employees of the U.S. Customs Service.

Mr. Chairman, I yield to the chairman for comment.

Mr. KOLBE. Mr. Chairman, I appreciate the gentleman yielding.

Again, the gentleman from Illinois has raised a very important policy issue. I might just add that it is now the policy of the Customs Service to require that a strip search of an individual must be conducted by an individual of the same gender. But this is certainly something that we would want to monitor very closely.

We intend to do that. We intend to gather the statistics to make sure that they are doing that. I will work with the gentleman from Illinois to share that information. And if he is not satisfied, we will make other inquiries in our hearings of the Customs Service and can pursue this in another way if it is not to the satisfaction of the gentleman from Illinois.

Mr. DAVIS of Illinois. Mr. Chairman, reclaiming my time, I thank the chairman very much for his comments.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Illinois. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate the gentleman yielding and concur with the chairman.

Obviously, this is now, as the gentleman from Illinois has pointed out, the policy. What we need to ensure is that the policy is being followed so that no American or no foreign visitor is subjected to unwarranted and inappropriate processing by Customs or searches by Customs.

I appreciate the gentleman raising this issue and look forward to working with him on it.

Mr. DAVIS of Illinois. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT NO. 6 OFFERED BY MRS. MALONEY OF NEW YORK

Mrs. MALONEY of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mrs. Maloney of New York:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used to implement, administer, or enforce any prohibition on women breastfeeding their children in Federal buildings or on Federal property.

Mrs. MALONEY of New York. Mr. Chairman, first, I would like to thank the chairman and the ranking member for their leadership on this committee and in so many ways and particularly Mr. HOYER for his assistance on this particular amendment. I am pleased to offer it on behalf of myself, the gentleman from Connecticut (Mr. SHAYS), the gentlewoman from Maryland (Mrs. MORELLA), the gentlewoman from California (Ms. LEE), the gentlewoman from California (Ms. MILLENDER-MCDONALD) and many, many others.

Our amendment is very simple and family friendly, as American as motherhood. Our amendment will protect a woman from being escorted off of Federal property when she is breast-feeding her child. We originally put forward our right to breast-feed legislation because our offices were contacted by women across this country who are ashamed or ridiculed or ordered off of Federal property merely because they choose to breast-feed their child.

□ 2245

We have many, many examples from across the country. In one particular case, a woman in Virginia was ordered to stop breast feeding and the incident led to the passage of Virginia's legislation exempting breast feeding mothers from indecent exposure statutes. Thirteen other States have enacted similar laws.

Instead of citing all these examples and the State legislation and the medical reports, it is my understanding that the gentleman from Arizona will be accepting this amendment.

Mr. KOLBE. If the gentlewoman will yield, I would urge that the committee adopt this amendment.

Mrs. MALONEY of New York. I thank the gentleman.

Our amendment is very simple, and is as American as motherhood.

The language of the amendment states:

> None of the funds made available in this Act may be used to implement, administer, or enforce any prohibition on women breastfeeding their children in Federal buildings or on Federal property.

Our amendment will protect a woman from being escorted off of federal property when she is breastfeeding her child.

As you may know, a similar amendment was adopted by the full Appropriations Committee on the Interior Appropriations bill, allowing breastfeeding at federal parks and in the Smithsonian and other federal museums. I would like to point out that the amendment on Interior passed unanimously by voice vote.

Our amendment, which was also introduced as a stand-alone bill (H.R. 1848, the Right to Breastfeed Act), would extend this policy to all federal property covered by the Treasury-Postal appropriations bill.

We initially introduced H.R. 1848 because we have heard from many women across the country who have been shamed and ridiculed when they have chosen to breastfeed their children in federal buildings, and other federal property. Often, the are simply asked or told to leave a federal building, park, or office.

We would like to share with you a few of these examples:

A New York woman was to leave a Post Office while she was breastfeeding her child.

A New Jersey woman was stopped from breastfeeding when she visited a federal park in New Jersey. She was ordered by a tour guide to go outside to continue breastfeeding.

Another woman was waiting for several hours in a court house to present her case when she began to nurse her son and was told to leave the holding room.

Another woman was asked to stop nursing in Yosemite by a park ranger. Her husband, a pediatrician, cited all of the medical benefits to breastfeeding, and eventually the ranger backed down. Many other women would have simply backed down and decided that breastfeeding was not "acceptable" in public.

A Delaware woman was visiting a Washington, D.C., museum and began nursing her son in the back corner of the bookstore. She was harassed by the bookstore clerk and 4 security guards before being allowed to leave.

A Virginia woman visited Wolf Trap Farm Park's Theatre-in-the-woods (a federal park) in the summer of 1993 with her children. She began nursing her then 10-month-old daughter, Amy, and was approached by park rangers who told her to stop breastfeeding because the breast milk "attracts bees." This incident led to the passage of Virginia's 1994 legislation exempting breastfeeding mothers from indecent exposure statutes. Thirteen other states have enacted similar laws.

Another woman was visiting the U.S. Capitol where she was observing a session of Congress with her 3 daughters. When the youngest daughter became hungry, she began to nurse her discreetly. A guard approached her and asked her to "do that somewhere else." The same thing happened outside in the hallway.

While visiting the National Museum of Natural History, a guard instructed a Maryland woman who was breastfeeding her child to leave because there is "No food or drink" allowed in the museum. A woman nearby was feeding a child with a bottle.

When public breastfeeding is restricted, so is a breastfeeding woman's access to public facilities and functions.

Many states have already enacted similar legislation. They include: Alaska, California, Delaware, Florida, Illinois, Michigan, Nevada, New Jersey, New Mexico, New York, North Carolina, Texas, Utah, Virginia, and Wisconsin. Others are still working to pass such legislation.

Why is this such an important issue? Many of you are aware that breastmilk is the first line of immunization defense for infants and enhances the effectiveness of vaccines they receive.

Research studies show that breastfeeding can reduce the risk of allergies, meningitis, some types of cancers, juvenile diabetes, asthma and other respiratory illnesses, and ear infections.

And the benefits flow both ways. Breastfeeding has been shown to reduce the mother's risk of breast and ovarian cancer, hip fractures, and osteoporosis.

In fact, in 1997, the United States had one of the lowest breastfeeding rates of all industrialized nations and one of the highest rates of infant mortality.

I would like to point out that while there are no laws specifically against breastfeeding, a woman asked to leave federal property has no recourse, and that is why we hope this Congress will send the message to women in America:

Breastfeeding is an important choice that many women make.

Breastfeeding is natural.

And breastfeeding is welcome on federal property.

I urge a "yes" vote on this common-sense, bipartisan amendment.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I simply want to commend the gentlewoman for the work that she has done on this issue. I also want to mention the gentlewoman from California (Ms. ROYBAL-ALLARD) who has also in the Committee on Appropriations worked on this issue. Obviously this is, we think, a very fundamental and appropriate policy. The Federal Government ought to be encouraging this healthy activity on behalf of families in America and would hope that we would adopt it.

Ms. MORELLA. Mr. Chairman, I rise in support of the Maloney amendment. This amendment will ensure that women have the right to breast-feed on any federal property where a woman and her child are otherwise authorized to be.

As you know, breastmilk contains all the nutrients a child needs for ideal growth and development, promotes closeness between mother and child, and is easy to digest. It is the first line of immunization defense and enhances the effectiveness of vaccines given to infants. Research studies show that children who are not breast-fed have higher rates of mortality, meningitis, some types of cancers, asthma and other respiratory illnesses, bacterial and viral infections, allergies, and obesity. Additionally, breastmilk and breast-feeding have protective effects against the development of a number of chronic diseases, including juvenile diabetes and lymphomas.

In 1997, the United States had one of the lowest breast-feeding rates of all industrialized nations and one of the highest rates of infant mortality. While there are no laws specifically against breast-feeding, a woman asked to leave federal property has no recourse.

Twenty-three states have already enacted similar legislation and it is time to set a federal example by ensuring a woman's right to breast-feed.

Women should not encounter obstacles or be made to feel embarrassed when attempting to breast-feed on federal property. I urge my colleagues to join me in supporting this important amendment.

Mr. SHAYS. Mr. Chairman, I rise in support of the Maloney-Shays-Morella amendment to ensure a woman's right to breastfeed her child in federal buildings and on federal property.

As an original cosponsor of the Right to Breastfeed Act, I strongly support this common-sense reform.

Breastfeeding is a natural and healthy choice. Breast milk helps protect against a number of childhood diseases, including ear infections, juvenile diabetes, lymphoma, some chronic liver diseases, and allergies.

In addition to containing all the nutrients a child needs for ideal growth and development, breastfeeding promotes closeness between a mother and child, and is easy to digest.

While not all mothers choose to breastfeed, those who do should be able to feed their child on federal government property without fear of harassment.

It is unfortunate that this amendment is necessary. Women across the country—indeed in the U.S. Capitol where we stand today—have been asked or told to leave a federal building park or office because they were breastfeeding.

Examples include the story of a woman who was visiting the U.S. capitol to observe a session of Congress with her three daughters, and began to nurse her youngest daughter discreetly. A guard approached her and asked her to "do that somewhere else." The same thing happened outside in the hallway.

A New York woman was asked to leave a Post Office while she was breastfeeding her child and another woman was waiting for several hours in a court house to present her case was told to leave the holding room when she began to nurse her son.

While visiting the Nation Museum of Natural History, a guard instructed a Maryland woman who was breastfteeding her child to leave because there is "no food or drink" allowed in the museum.

These examples sound crazy, I know, but they reflect the very real problem women are having when breastfeeding their children on federal property.

While there are no laws specifically against breastfeeding, a woman asked to leave federal property often has no recourse. When public breastfeeding is restricted, so is a breastfeeding woman's access to public facilities and functions.

I am pleased the Fiscal Year 2000 Interior Appropriations Act included a similar amendment to allow breastfeeding at federal parks, the Smithsonian and other federal museums.

Let's close the loop and preserve a woman's right to breastfeed on all federal property.

I urge you to support this common-sense amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today to support Representative Maloney, Shays, and Morella's amendment regarding breastfeeding on federal property.

The amendment will protect a woman who chooses to breastfeed her child while she is visiting federal property.

Although there are no laws specifically prohibiting breastfeeding, this amendment will ensure that women are welcome on federal property when they are breastfeeding, and that they will never be turned away from federal buildings.

Many women across the country who have been shamed and ridiculed when they have chosen to breastfeed their children in federal buildings, and other federal property. Often, they are simply asked or told to leave a federal building, park, or office.

For example: A New York woman was asked to leave a Post Office while she was breastfeeding her child. A New Jersey woman was stopped from breastfeeding in July, 1998, when she visited the Edison National Historic Site (a federal park in NJ).

A woman was waiting for several hours in a court house to present her case when she began to nurse her son and was told to leave the holding room. A woman was asked to stop nursing in Yosemite by a park ranger. A Virginia woman was told to stop breastfeeding at the Wolf Trap Farm Park's Theatre-in-the-Woods (a federal park) in the summer of 1993 because, she was told, "it attracts bees."

Another woman was visiting the U.S. Capitol where she was observing a session of Congress with her 3 daughters. When her youngest daughter became hungry, she began to nurse her discreetly. A guard approached her and asked her to "do that somewhere else." The same thing happened outside in the hallway.

While visiting the National Museum of Natural History, a guard instructed a Maryland woman who was breastfeeding her child to leave because there is "no food or drink" allowed in the museum. When public breastfeeding is restricted, so is a breastfeeding woman's access to public facilities and functions.

Many states have already enacted similar legislation. They include: Alaska, California, Delaware, Florida, Illinois, Michigan, Nevada, New Jersey, New Mexico, New York, North Carolina, Utah, Virginia, Wisconsin including my state of Texas. Many others are working to pass similar legislation.

A similar amendment was adopted by the full Appropriations Committee on the Interior Appropriations bill, allowing breastfeeding at federal parks and in the Smithsonian and other federal museums. The amendment on Interior passed unanimously by voice vote.

Breastmilk contains all the nutrients a child needs for ideal growth and development, promotes closeness between mother and child, and is easy to digest. It is the first line of immunization defense and enhances the effectiveness of vaccines given to infants.

Research studies have also shown that breastmilk and breastfeeding have protective effects against the development of a number of chronic diseases, including juvenile diabetes, lymphomas, Crohn's disease, celiac disease, some chronic liver diseases, and ulcerative colitis.

Breastfeeding has been shown to reduce the mother's risk of breast and ovarian cancer, hip fractures, and osteoporosis. I ask my colleagues to support this very vital and important amendment.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in support of the amendment offered by our colleague, CAROLYN MALONEY, to permit breast-feeding in federal buildings or on federal property.

Congresswoman MALONEY has been a leader in promoting the importance of breast-feeding and in removing the obstacles facing nursing mothers.

Based on legislation Ms. MALONEY introduced, I offered an amendment to the Interior Appropriations bill permitting breast-feeding in our national parks and Washington-based museums and cultural attractions.

Unfortunately, there had been a series of anecdotes where mothers were confronted by museum guards or park rangers while nursing their babies.

I was pleased that the full appropriations committee unanimously accepted the amendment, and it was part of the bill that we passed last night.

The amendment in front of us today would expand that same concept to federal buildings and federal property. Some colleagues have asked me: is this really a problem?

That question goes to the real importance of this amendment. The fact is, we all know the benefits of breast-feeding. And this amendment ensures that women can continue to live the active lives that American society requires of them in the 1990's.

It means women can be mothers and be all the other things we expect them to be. Who knows what daily activities will bring mothers and their nursing children in contact with the 8400 federal buildings nation-wide. For example, maybe a farm family is visting U–S–D–A to put the farm's crop insurance package together.

Or maybe a new American is visiting the I–N–S to obtain visas for family members. Or maybe a small businesswoman has an appointment to receive technical advice from the S–B–A. Or maybe she and her child are mailing letters and packages at the post office. Or maybe a military family is going about its day-to-day activities on a military base.

The undeniable fact of life is that hungry babies demand to be fed no matter where they are. And in 1999, American mothers and their children are everywhere. Unfortunately, breast-feeding obstacles are a fact of daily life. La Leche League International, the well-known breast-feeding organization, reports that up to 60 mothers a month contact them to inquire about their legal rights after being asked to stop breast-feeding by a security guard, a store manager, or someone else in authority.

We can't transform the sensibilities of everyone overnight, but we can send a positive message to mothers and families trying to fulfill their responsibilities of everyday life in our increasingly complex society. The Maloney amendment is a positive step forward, and I urge my colleagues to support this strong signal of support to American mothers and families.

Ms. LEE. Mr. Chairman, on behalf of women, children and Barbara Lee, I thank my colleague from New York for her leadership. I rise in strong support of the Maloney, Shays, Morella, Lee amendment.

It is a shame that women who breast-feed their babies have to worry about being told to leave federal property or that they are engaging in inappropriate behavior while breast-feeding on federal property. Children should not have to be uncomfortable with hunger because their mother cannot breast-feed them while on federal property. Breast-feeding reduces the risks of many diseases and promotes a child healthy development. We should not penalize women and babies by refusing to be clear that it is not a crime to breast-feed on federal property.

I am proud to say that in 1997 a bill was signed into law in California that authorizes a mother to breast-feed her child in any location, public or private except in the private home or residence of another. This law has heightened public awareness of the need of breast-feeding. It is time that now in 1999, the federal government sends a strong message that no longer women can be asked or told to leave federal property if they are breast-feeding. This is an amendment that will go a long way in reassuring women that they have a right to breast-feed on federal property, that we support the healthy development of babies and in no way will allow mothers and children to be subject to harassment and intimidation any more for doing what is natural and necessary.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. ANDREWS

Mr. ANDREWS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. Andrews:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used by the United States Customs Service to admit for importation into the United States any item of children's sleepwear that does not have affixed to it the label required by the flammability standards issued by the Consumer Product Safety Commission under the Flammable Fabrics Act (15 U.S.C. 1191 et seq.) and in effect on September 9, 1996.

Mr. ANDREWS. Mr. Chairman, this is an attempt to right what I believe is a shameful abandonment of consumer protection here in the United States.

In 1972, the Consumer Product Safety Commission adopted a rule with respect to sleepwear, pajamas, for infants and toddlers. That rule said that if the sleepwear was not treated with flammable-resistant material, that is to say, if it was not put together in such a way that it was flame retardant, you had to put a clear label on it that explained that to the buyer of the sleepwear. Nurses, firefighters, emergency service personnel, emergency room technicians, doctors understood and supported this standard for 24 years. It resulted in a dramatic reduction in the number of deaths and serious injuries suffered by children and infants as a result of burns.

Inexplicably, in 1996, the Consumer Product Safety Commission, by a 2 to 1 vote, changed that standard and weakened it, created a standard for disclosure and labeling on children's sleepwear that is frankly baffling. If you go into a store in this country and try to figure out which of the little pajamas are flammable and which are not, it is virtually impossible to tell because of the confusion that has been created.

Last year, thanks to the leadership of the gentleman from Pennsylvania (Mr. WELDON) and the gentlewoman from Connecticut (Ms. DELAURO), we were successful in getting the Consumer Product Safety Commission to reconsider this decision. In June of this year, the Consumer Product Safety Commission made a decision, and I believe fervently they made the wrong decision, because they kept in place the new standard that is a weaker standard, that does not protect the children of this country. Therefore, this amendment.

This amendment would prohibit the importation into this country of infant and children's sleepwear that does not have the disclosure standards that were in effect prior to the 1996 change. In other words, if you are going to import infant sleepwear or pajamas, as the vast majority of pajamas are imported, you could not import them into this country unless they had that real and strong consumer protection standard which I believe was a serious and egregious mistake to abandon.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Chairman, I had understood there were some members of the Committee on Ways and Means that might object to this, but they have not shown up and I am prepared to accept this amendment if we can move it along as quickly as possible.

Mr. ANDREWS. I would gratefully accept. I thank the gentlewoman from Connecticut (Ms. DELAURO) for her participation and the gentleman from Maryland (Mr. HOYER). I would be delighted.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I am a strong supporter of the gentleman's amendment and the gentlewoman from Connecticut's amendment and would hope that we would adopt it.

Mr. ANDREWS. I yield briefly to my coauthor the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, I commend the gentleman from New Jersey for offering the amendment. The gentleman from New Jersey (Mr. ANDREWS), the gentleman from Pennsylvania (Mr. WELDON) and myself were as, as has been pointed out, shocked and dismayed with what happened with the Consumer Product Safety Commission. We have had a strong standard for two decades. The interest here is to make sure that our infants and children are protected and that the clothing that they wear has the fire-resistant material that for so many years has made a real difference in the lives and well-being of children in this country.

I want to commend my colleague ROB ANDREWS for offering this very important amendment today and I thank him for his hard work on this issue which is so important to the safety of our nation's children.

I know Congressman ANDREWS and Congressman WELDON shared my shock and dismay at the Consumer Product Safety Commission's actions in weakening the fire safety standard which governed children's pajamas.

For more than two decades, children's sleepwear has been held to a more stringent standard of fire safety than any other type of clothing. The National Fire Protection Association estimates that without this strict standard, there would have been ten times as many deaths and significantly more burn injuries relating to children's sleepwear.

Yet for reasons I can not understand, the CPSC has weakened that standard, so that now there is no fire safety standard for infants up to nine months, and no fire safety standard for "tight fitting" clothes up to children's size 14. This action leaves children in grave danger of being burned or killed in a fire. Infants are completely defenseless in this type of situation. If we don't act, the numbers of children burned in these types of incidents will only rise.

This amendment will make sure that only sleepwear which conforms to the fire safety standard passed in the Flammable Fabrics Act more than two decades ago is imported into our country. As the CPSC has again decided—for reasons which quite frankly mystify me—to stay with the weaker standard, this is a step in the right direction. It will also send a strong message to the Consumer Product Safety Commission, letting them know that the Congress is extremely concerned about this issue and is not content to let it drop.

Congress has the responsibility to do all that we can to protect the health and safety of our nation's children. This amendment will help us to do just that. I urge all of my colleagues to support this amendment and help to ensure that children are kept safe from burn injuries and even death. Support the Andrews amendment.

Mr. ANDREWS. Reclaiming my time. I want to express my deep appreciation to the gentleman from Arizona and the gentleman from Maryland.

Mrs. MORELLA. Mr. Chairman, I rise in support of the Andrews, Weldon, Towns, Farr, English, Capuano, Luther, Hoyer, DeLauro, Morella, Kilpatrick amendment. This provision would prohibit the importation of any item of children's sleepwear without a label as required by the flammability standards issued by the Consumer Product Safety Commission (CPSC).

Our children are precious and we must make every effort to keep them safe. But there are so many hidden hazards in the world, and parenting doesn't come with an instruction manual. It's strictly on-the-job training.

When my children were little, we didn't know that we had to worry about keeping them safe in their pajamas. For more than 25 years, with passage of the Flammable Standards Act in 1972, children in America were protected from the risk of fire from their sleepwear. The CPSC, in 1996, voted to relax the fire safety standard for children's sleepwear. The new standard exempts all sleepwear for infants aged nine months and younger, and tight-fitting sleepwear for children sizes 7–14. I have been particularly concerned about the exemption from flammability standards for infants. As any parent or grandparent knows, children under 9 months of age often are active and may come in contact with ignition sources.

That is why I am a cosponsor of H.R. 329, which directs the CPSC to return to stricter flammability standards that were in effect for two decades prior to 1996. If we allow children's sleepwear products to be imported without any safety standards, we will be sending a message to the CPSC that their relaxed standards are acceptable.

You know, unintentional injury is the number one killer of children ages 14 and under. Each year, unintentional injuries kill 7,200 kids and leave an additional 50,000 disabled.

This year approximately 14 million children will require emergency treatment for preventable injury and will cost this country an estimated $13.8 million. Fortunately, we know that prevention saves lives and money. If we allow sleepwear to be imported from other countries that is not flame resistant, we will be putting our children at great risk. This amendment is a Measure of Prevention to protect our children from harm.

I urge a "yes" vote on the Andrews Children's Sleepwear Amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. ANDREWS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SANDERS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 228, not voting 14, as follows:

[Roll No. 304]

AYES—192

Abercrombie
Aderholt
Andrews
Armey
Bachus
Baker
Barr
Bartlett
Bass
Bateman
Bilbray
Bilirakis
Bliley
Blunt
Bonilla
Brown (OH)
Bryant
Burr
Buyer
Camp
Campbell
Canady
Cannon
Chabot
Clay
Coburn
Collins
Condit
Conyers
Cook
Costello
Cox
Crane
Cubin
Cunningham
Danner
Davis (IL)
Deal
DeFazio
DeMint
Diaz-Balart
Doolittle
Duncan
Ehrlich
Emerson
English
Evans
Everett
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Ganske
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Graham
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (TX)
Hastings (WA)
Hayes
Hayworth
Hefley
Hill (MT)
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
Johnson, Sam
Jones (NC)
Kaptur
Kasich
Kingston
Klink
Kucinich
Largent
Lee
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Metcalf
Mica
Miller, George
Mink
Moran (KS)
Myrick
Ney
Norwood
Owens
Packard
Pascrell
Paul
Pease
Peterson (MN)
Petri
Phelps
Pickering
Pitts
Pombo
Pryce (OH)
Quinn
Rahall
Ramstad
Regula
Reynolds
Riley
Rivers
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Serrano
Sessions
Shadegg
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stark
Stearns
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Taylor (MS)
Terry
Thornberry
Thune
Tiahrt
Toomey
Traficant
Turner
Upton
Velazquez
Visclosky
Vitter
Walden
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wise
Wolf
Woolsey

NOES—228

Ackerman
Allen
Archer
Baird
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bishop
Blagojevich
Blumenauer
Boehlert
Boehner
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Callahan
Calvert
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clayton
Clement
Clyburn
Combest
Coyne
Cramer
Crowley
Cummings
Davis (FL)
Davis (VA)
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Engel
Eshoo
Etheridge
Ewing
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frelinghuysen
Gallegly
Gejdenson
Gekas
Gephardt
Gilman
Gonzalez
Gordon
Goss
Green (TX)
Hall (OH)
Hansen
Hastings (FL)
Herger
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McGovern
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Pallone
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Portman
Price (NC)
Radanovich
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schakowsky
Scott
Shaw
Shays
Sherman
Sisisky
Skelton
Smith (WA)
Snyder
Spratt
Stabenow
Stenholm
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Vento
Walsh
Waters
Watkins
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wilson
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Baldwin
Brown (CA)
Burton
Chenoweth
Coble
Cooksey
Frost
Gilchrest
Latham
Luther
McDermott
McNulty
Peterson (PA)
Thurman

□ 2313

Messrs. MOAKLEY, TIERNEY, and GARY MILLER of California, Ms. DUNN, Mrs. KELLY, Mr. BARCIA, and Ms. SANCHEZ changed their vote from "aye" to "no."

Messrs. RILEY, SWEENEY, LEWIS, TIAHRT, BLUNT, and WELDON of Florida, Ms. WOOLSEY, Ms. GRANGER, Mr. MICA, Mr. BUYER, Mrs. FOWLER, and Mr. LARGENT changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2490) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes, pursuant to House Resolution 246, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. HOYER

Mr. HOYER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. HOYER. I am, Mr. Speaker, opposed to the bill in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HOYER moves to recommit the bill, H.R. 2490, to the Committee on Appropriations.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 210, nays 209, not voting 16, as follows:

[Roll No. 305]

YEAS—210

Abercrombie
Aderholt
Archer
Armey
Bachus
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla

Bono
Brady (TX)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chambliss
Coburn
Collins
Combest
Condit
Cook
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Largent
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Matsui
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pease
Petri
Pickering
Pickett
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—209

Ackerman
Allen
Andrews
Baird
Baker
Baldacci
Barcia
Barr
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Chabot
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilleary
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Pitts
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Scarborough
Schaffer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOT VOTING—16

Baldwin
Brown (CA)
Burton
Chenoweth
Coble
Cooksey
Frank (MA)
Frost
Gilchrest
Latham
Luther
McDermott
McNulty
Peterson (PA)
Sanford
Thurman

☐ 2335

Messrs. BERMAN, HALL of Ohio, STENHOLM, DINGELL, Ms. BROWN of Florida, and Messrs. DIXON, BOYD and LAMPSON changed their vote from "yea" to "nay."

Messrs. GOODLATTE, WATKINS, and METCALF changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF ADDITIONAL CONFEREES ON S. 1059, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2000

The SPEAKER pro tempore (Mr. PEASE). Without objection, the Chair appoints the following conferees from the Committee on House Administration, for consideration of section 1303 of the Senate bill and modifications committed to conference:

Messrs. THOMAS, BOEHNER and HOYER.

There was no objection.

The SPEAKER pro tempore. The Clerk will notify the Senate of the change in conferees.

PRIVILEGES OF THE HOUSE—RETURNING TO THE SENATE S. 254, VIOLENT AND REPEAT JUVENILE OFFENDER ACCOUNTABILITY AND REHABILITATION ACT OF 1999

Mr. PORTMAN. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a resolution (H. Res. 249) returning to the Senate the bill S. 254.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 249

Resolved, That the bill of the Senate (S. 254) entitled the "Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act of 1999", in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectively returned to the Senate with a message communicating this resolution.

The SPEAKER pro tempore. The resolution constitutes a question of the privileges of the House.

Pursuant to clause 2(a)(2) of rule IX, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution is necessary to return to the Senate the bill S. 254 of the Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act of 1999. S. 254 contains an import ban and thus contravenes the constitutional requirement that revenue measures shall originate in the House of Representatives.

Section 702 of S. 254 would impose the ban by amending section 922(w) of Title 18, U.S. Code, to make it unlawful to import large capacity ammunition feeding devices.

☐ 2340

While violators would be subject to criminal penalties, existing tariff laws also generally provide that merchandise introduced into the United States contrary to law is subject to seizure and forfeiture. Therefore, by criminalizing the importation of these items, the amendment would cause the merchandise to be denied entry into the United States by these Customs officers at the border. This proposed change in law would be identical in law in operation, Mr. Speaker, to a direct import ban.

Further, the items covered by the amendment includes items that are subject to duty and Customs in fact collects measurable amounts of duty on them.

Accordingly, the change in law would have a direct impact on Customs revenues. The provision, therefore, is revenue affecting and constitutes a revenue measure in the constitutional sense. On that basis, I am asking that the House insist on its constitutional prerogatives.

Mr. Speaker, there are numerous precedents for the action I am requesting. For example, on October 22, 1991, the House returned to the Senate S. 1241, the Violent Crime Act of 1991, containing, among other things, a provision amending Section 922 of Title 18 U.S.C. making it illegal to transport or possess assault weapons.

I want to emphasize that this action speaks solely to the constitutional prerogative of the House and not to the merits of the Senate bill. In fact, the House spoke on this issue when it recently approved an identical proposal made by our colleague and chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE).

This proposed action, thus, is strictly procedural in nature and is necessary to preserve the prerogatives of the House to originate revenue measures, a point on which there has been longstanding and bipartisan agreement.

It makes clear to the Senate that the appropriate procedure for dealing with revenue measures is for the House to act first on a revenue bill and for the Senate to accept it or amend it as it sees fit. This will allow this legislation to proceed forward to conference in an orderly and expeditious manner.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, unfortunately, this resolution is necessary because the Constitution requires that revenue legislation originate in the House of Representatives.

Our action tonight is not a rejection of the merits of the Senate's so-called "ammo ban provisions." Rather, their so-called "blue slip" simply makes it clear to the Senate that the appropriate procedure for dealing with tax and tariff matters that affect revenues is for the House to act first and the Senate to add its amendment and to seek a conference.

With that said, no one supports the elimination of guns in our inner cities and in the hands of our children more than I do.

The dominance of guns in our community continues to threaten the lives of too many law-abiding citizens. The situation cannot be ignored any longer and must start with the cleanup of the deadliest murder weapons on our streets.

Why do some feel so threatened by preventing the importation of high-capacity ammunition clips? How many of us have even seen, let alone owned, these magazine belt drum belt strips and other types of ammunition devices that have the capacity to accept more than 10 rounds of ammunition?

The troubled young man who killed two and injured 15 people in Springfield, Oregon, had a 30-round clip. The misguided youths who engaged in this horrific shooting spree at the Columbine High School were equipped with a TEC DC–9 with multiple round ammunition. These types of ammunition clips are not for hunting or sport. These clips are designed to kill a lot and to kill a lot quickly.

Yes, people will continue to kill with guns. And, yes, these criminals must not escape justice. However, the death count criminals are able to achieve before getting caught is unnecessarily much greater with the high-capacity ammunition clips.

No one has explained to me how society benefits from high ammunition clips or cop killer bullets, for that matter.

Mr. Speaker, the gentlewoman from Colorado (Ms. DEGETTE) is a leader on this issue and is the author of the House-passed ammunition import ban. She should be commended for her commitment to ensuring that these provisions become law. I am confident that once the procedural problems created with the Senate's action are resolved, she will prevail on the merits.

Mr. Speaker, I yield 5 minutes to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, this week, 80 Colorado high school students came to Washington to visit with Members of Congress. These students were literally lobbying for their lives. They eloquently insisted that Congress support child gun safety legislation in the name of the Columbine students who were so senselessly murdered. They were asking Congress to forward at least the three Senate-passed child gun safety provisions to the President's desk so they may return to a safer school next year.

After 15 funerals in one year, one student sadly stated to us that he refused to attend another. That is why he was here today, to give us a reality check.

In light of these kids' pleas, it seems ironic that here tonight the House is forced on procedural grounds to request the Senate to remove one of only three child gun safety provisions in the bill, a high-capacity ammunition ban.

There are, however, some actions this body can take to correct this technicality and ensure the passage of this important legislation to finally stop these deadly weapons from crossing into our country. When a dynamic group of young men and women like the kids from SAFE Colorado emerge to promote something the House has already passed, the least we can do is preserve the few provisions we all in good conscience supported last month.

Last month, when the House considered child gun safety legislation, there were many passionate disagreements and little agreement on which amendments we should pass. Just like now, at about midnight or a little after, one provision passed in the middle of the night with little fanfare and no objection on a voice vote.

Along with the chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), and the gentlewoman from California (Ms. LOFGREN) and the gentleman from Massachusetts (Mr. MEEHAN), I introduced an amendment to the bill, my pending legislation, to ban high-capacity ammunition magazines.

As I said, this amendment passed with no objection and by a voice vote and strong bipartisan support. Unfortunately, the underlying juvenile justice bill did not. Therefore, the House has not communicated its will to the Senate or to the conference committee. We need to bring this bill to the floor, and we need to pass it once and for all so that it is included in any final conference committee report that is approved.

Mr. Speaker, in 1994, when Congress passed the Violent Crime Control Law Enforcement Act, we thought we banned magazines for semi-automatic weapons which hold more than 10 rounds of ammunition. However, because of a concession to firearms distributors, high-capacity ammunition magazines manufactured prior to September, 1994, were exempted by Congress. We only agreed to this compromise with the expectation that manufacturers would sell off existing stockpiles.

Unfortunately, contrary to the spirit of this compromise, supplies have been seemingly limitless because of uncontrolled imports of magazines from such countries as China and Russia.

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As a result, these deadly clips are as readily available today as they were in 1994 and the only purpose for these clips is to kill human beings.

Denver police officer Bruce Vander Jagt, for example, was shot 15 times in the head, neck and torso by the rapid-fire capabilities of his assailant's weapon.

One answer to this technical flaw that we are seeing here tonight, I think, must be a bipartisan solution. I want to thank the gentleman from Illinois (Mr. HYDE) for his steadfast commitment to fighting for this ban in the conference committee, but I am concerned that without a strong message from this House, a single conferee could procedurally block the ammunition ban from inclusion in the conference report.

Therefore, Mr. Speaker, I believe it is incumbent upon this House to pass H.R. 1037 which is the bill which has one purpose, and that is to ban these high capacity magazines, to pass it and say to the Senate, include it in the conference report. People will no longer tolerate a country where thousands of people die of gunshot wounds every year and seven school shootings occur within a 2-year period. We all supported this ban before. Let us send a message and support it now again as a full House.

Mr. Speaker, I have filed House Resolution 192, a discharge petition, to bring my ammunition magazine ban, H.R. 1037, to the House floor for a vote. It is at the desk, and in a moment I am going to ask for unanimous consent to bring H.R. 1037 to the floor for immediate consideration. If this motion is ruled out of order, I urge all Members from both parties who are for reasonable gun control legislation to sign the discharge petition.

Mr. Speaker, I ask unanimous consent to bring H.R. 1037 which would ban the sale, transfer and possession of high capacity ammunition magazines to the House floor.

The SPEAKER pro tempore (Mr. PEASE). There is a question of privilege pending before the House.

In any event, under the guidelines consistently issued by successive Speakers and recorded on page 534 of the House Rules Manual, the Chair is constrained not to entertain the gentlewoman's request until it has been cleared by the bipartisan floor and committee leadership.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. I thank the distinguished gentleman for yielding me this time.

I wish we were here, Mr. Speaker, in fact this evening to seriously deal with the concerns that have been expressed by the students from Columbine High School, to seriously deal with the issue of 13 children dying every day from gunfire, and realizing that the responsibility of the House of Representatives is to answer the question about gun safety and gun safety responsibility. Yet what we find ourselves doing at 11:50 at night is to deal with a procedural question which would in fact stymie the opportunity to pass legislation banning large capacity ammunition clips.

Mr. Speaker, during the work recess, I had the opportunity to visit one of the many gun shows that show up in the Houston area. It reminded me of the very intense debate that we had just a couple of weeks ago around the issue of gun safety and safety as it relates to our children. The McCarthy amendment, for example, that would close the gun show loophole. We failed to do our job at that time, Mr. Speaker, and now we come at 11:50 again to deal with the procedural constitutional question to make in order the Senate bill because it is not consistent with the House legislation. While we are doing that, we are ignoring why we should be here. Every day we are allowing large capacity ammunition clips to be available, gun shows continue to proliferate around the Nation, guns are proliferating in the hands of children, there is no waiting period. In fact, we are finding individuals, felons who are not supposed to have guns in their hands, every day are securing them. Tragedies are occurring in places like Chicago where hate crimes are being perpetrated against blacks and Jews and others because guns are so freely utilized in this Nation.

Mr. Speaker, we are not opposed to the second amendment. We want to just get to work. It is unfortunate tonight that we cannot cure the problem and provide a ban for large capacity ammunition clips, but more importantly it is very sad that we cannot respond to the children of America as they are playing and enjoying their summer but looking toward to the start of a new school year, we cannot say to them that this Congress has joined together to ensure that they will enter the new school year with dreams and aspirations and the belief that they will be safe.

Let us not perpetrate another Columbine. Let us tell the students of America that we are much more willing to stand with them than we are to stand with the National Rifle Association. Although this is a procedural discussion tonight, I want to offer my sadness and encourage the Speaker and encourage my colleagues in a bipartisan way to get back to work on gun safety legislation, to look seriously at juvenile justice and really look seriously at banning large capacity ammunition clips as was noted by my colleague from Colorado that was passed by voice vote. We can get to work and stand on the side of our children and against those who would provide or create an atmosphere that was not safe.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DeLAURO. Mr. Speaker, it is unconscionable that Congress has not yet enacted common sense gun safety legislation to save the lives of American children. Today, we heard firsthand from Colorado students who pleaded for Congress to take the steps needed to keep guns out of the hands of criminals and children.

But congressional leaders have not acted. Congress has not listened to the children whose classmates' lives were claimed by gun violence. And today we see even more delay, more obstacles blocking efforts to save children's lives. The time is long past to enact gun safety measures, but sadly the leaders of this Congress have consistently turned their backs on limited common sense measures that would take children out of the line of fire.

Today I listened to a young woman named Erin from Columbine High School talk about the tragic loss she suffered when close friends of hers were shot dead. She fought back tears as she said that no one should have to experience the loss that she has. Erin and her fellow Colorado high school students urged the Congress to move forward to protect young people with reasonable gun safety measures such as those passed by the Senate. Ensuring that criminals will not be able to buy weapons at gun shows, that child safety locks will be provided with handguns and that unnecessarily lethal high capacity ammunition clips will be kept out of the country.

This effort tonight is just one more excuse not to do what the American public would like us to do. If this was a problem, why did we not deal with it weeks ago? If it is not a problem, it appears that Republican leaders are using procedural gimmicks to go back on the commitment made to appoint conferees who will support gun safety measures, including a ban on importing dangerous high capacity ammunition clips. The clip ban passed without objection in the House and must be part of any gun safety package that this Congress passes.

When students who have experienced tragic gun violence put their pleas in heartfelt and straightforward terms as Colorado students did today, how in good conscience can Congress delay any longer? Let us go to conference, let us do what it takes to make our schools and our streets safer for our young people by passing gun safety legislation. Let us stop making excuses and start making progress.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. McCARTHY of New York. Mr. Speaker, a lot of people do not understand the damage that large capacity clips can do. I know firsthand the damage they can do. On the Long Island Railroad, Colin Ferguson had large capacity clips. Many people said it would not have made any difference. It would not have made a difference to the people that were killed in the front of the train, but at the end of the train where the clips were finally taken away from him, we might have been able to save some young people at the end of the train. That is what large capacity clips do.

I beg the Speaker to bring it forward again so we can get going on this. We saw so many young people here today in Washington, bright young people, people I think that are smarter than us here in Congress. If you listen to them, they are the ones that were facing the violence in the schools.

The other day in my district, we talked about gun violence. Our parents, our children, they are scared. We have to do something. We can do it bipartisanly. We can. We can work together and work something out. The bottom line is we have to keep guns, high capacity clips, away from criminals. And we certainly have to make sure guns do not get into the hands of children. That is all we are asking. Nothing more, nothing less. I think if we all sit down together and work together, we can do this.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LOFGREN).

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Ms. LOFGREN. Mr. Speaker, what are we waiting for? Instead of moving forward and appointing conferees, we are playing more political games with the lives of children, using the cloak of what is unobjectionable through unnecessary procedure to create the illusion of forward progress, doing nothing while we create the illusion of progress, doing nothing while 13 children are killed as a result of gun violence in this Nation every day.

In one month exactly the children who attend Columbine High School in Littleton, Colorado, will be returning to school. That means we have only 3 weeks to settle the gun safety issues before we adjourn for summer recess. It has been 3 months, 90 days, since the tragedy in Columbine occurred.

Just several years ago the Republicans took 1 week to propose legislation to undo the assault weapons ban, but a simple proposal to close the gun show loopholes to keep guns out of the hands of children takes months and months. We all know it is a stall.

The entire process on gun violence has been a shell game, but as parents and children shop for clothes and notebooks and backpacks, and my children and I will be shopping for backpacks in the next 3 weeks, they should be free from worries about their children's safety from gun violence in schools.

We have differences to settle between the House and Senate passed gun safety and juvenile justice bills. We should be appointing conferees and getting down to the serious work of debating and voting on the gun safety provisions passed by the Senate instead of wasting more time.

This conference should be a careful and deliberative process that American families and schoolchildren can be proud of. We should get started today.

All we are proposing are modest and reasonable steps to make all of us, especially the children, safer from dangerous people and disturbed kids with guns, plugging the gun show loophole, requiring the gun safety locks, banning the high capacity ammo clips, the Hyde-Lofgren amendment banning juvenile possession of semiautomatic assault weapons.

What criminals are stopped from getting guns from licensed dealers because of the Brady background check? Murders, rapists, child molesters, fugitives, stalkers, batterers, and who wants these people to buy guns and threaten us and our children? Why would anyone want criminals to get guns?

We should plug the loophole and stand up to the gun lobby.

Mr. Speaker, kids are going back to school. It is time for Congress to act before they end up there. Let us stop the stalling. Let us stop the games. Let us do our job.

Mr. RANGEL. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. LOWEY), beloved former candidate for the United States Senate.

Mrs. LOWEY. Mr. Speaker, I thank the dean for his generosity at midnight.

I do think, Mr. Speaker, that it is extremely unfortunate that we are here tonight at midnight debating this procedural motion, but I have to say that it is just typical of the way the leadership has managed the gun safety issue. Instead of appointing conferees and enacting meaningful gun safety measures, they are once again throwing an obstacle in the way of legislation to protect our children from gun violence. The truth is that there have been delaying tactics at every turn.

The long, sad saga of this bill is a disgrace to this House. First we were told not to offer gun safety amendments to an appropriations bill because we would consider the juvenile justice bill in regular order. Then, after the Committee on the Judiciary was totally bypassed and a sham juvenile justice bill was put up on the floor and defeated, we were told that conferees would be appointed before July 4. Then we were told again just 2 days ago not to offer or vote for amendments to appropriation bills on gun safety because the conference would be meeting soon on juvenile justice.

Well, here we are months after the tragedy of Columbine High School, we still do not have conferees appointed. What is it going to take for the leadership to wake up and listen to the cries of American families? When are our colleagues going to understand that the issue is not going away? How long will we have to wait before Congress does something to protect our schools from gun violence?

Each time we are faced with a delay, our calls will only get louder. We will not back down, we will not go away, we will continue to insist that Congress do its part to make our communities safer.

It is clear that the American people are demanding action now, and it is time for us to say loud and clear that we cannot allow the NRA to write our Nation's gun laws any more.

Mr. Speaker, after talking to these young people that came to Washington today, I do not know how any of us can look in their eyes and not make a very clear commitment that we are going to do our best to pass common sense gun legislation now.

Mr. RANGEL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PORTMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to remind my colleagues again that tonight we are only dealing with a procedural issue, and it is one that is very important because it is necessary to protect the prerogatives of the House, something I know the gentleman, the courteous gentleman from New York, and many other Members of this House feel very strongly about. This is not about the substantive policy issue of the legislation. In fact, the action tonight will allow the juvenile justice legislation to move toward conference in a more expeditious and orderly manner.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 434, AFRICA GROWTH AND OPPORTUNITY ACT

Mr. DIAZ-BALART from the Committee on Rules, submitted a privileged report (Rept. No. 106–236) on the resolution (H. Res. 250) providing for consideration of the bill (H.R.434) to authorize a new trade and investment policy for sub-Sahara Africa, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF H.R. 2415, AMERICAN EMBASSY SECURITY ACT OF 1999

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 247 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 247

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2415) to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. Before consideration of any other amendment it shall be in order to consider the first amendment printed in part A of the report of the Committee on Rules accompanying this resolution, if offered by Representative Gilman or his designee. That amendment shall be considered as read, shall be debatable for 10 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. After disposition of that amendment, the provisions of the bill as then amended shall be considered as original text for the purpose of further amendment under the five-minute rule. No further amendment to the bill shall be in order except those printed in the report of the Committee on Rules accompanying this resolution and amendments en bloc described in section 2 of this resolution. Each amendment printed in the report of the Committee on Rules may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. It shall be in order at any time for the chairman of the Committee on International Relations or his designee to offer amendments en bloc consisting of amendments printed in part B of the report of the Committee on Rules not earlier disposed of or germane modifications of any such amendment. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported), shall be debatable for 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of a germane perfecting amendment to the text originally proposed to be stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc.

SEC. 3. After passage of H.R. 2415, it shall be in order to take from the Speaker's table the bill S. 886 and to consider the Senate bill in the House. All points of order against the Senate bill and against its consideration are waived. It shall be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 2415 as passed by the House. All points of order against that motion are waived.

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The SPEAKER pro tempore (Mr. PEASE). The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 247 is a structured rule providing for the consideration of H.R. 2415, the American Embassy Security Act of 1999. The rule provides for 1 hour of general debate, equally divided between the Chairman and the ranking minority member of the Committee on International Relations.

In addition, the rule provides that before consideration of any other amendment, it shall be in order to consider the first amendment printed in the report of the Committee on Rules, if offered by the gentleman from New York (Mr. GILMAN) or his designee.

This amendment, which shall be considered as read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to an amendment. Further, this amendment shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole, and all points of order are waived against that amendment.

The rule also provides that no further amendment to the bill shall be in order except those printed in the Committee on Rules report and the amendments en bloc described in section 2 of this resolution.

The rule provides that each amendment may be offered only in the order printed in the report and may be offered only by a Member designated in the report. Each amendment shall be considered as read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Further, the rule authorizes the chairman of the Committee on International Relations or his designee to offer amendments en bloc consisting of amendment numbered 4 through 41 printed in the report of the Committee on Rules, or germane modifications of any such amendment which shall be considered as read, except that modifications shall be reported, and shall be debatable for 20 minutes, equally divided and control by the chairman and ranking minority member of the Committee on International Relations or their designees.

The en bloc amendments shall not be subject to amendment, and shall not be subject to a demand for division of the question.

The rule allows the chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote. Also, the rule provides 1 motion to recommit, with or without instructions.

The rule further provides that after passage of H.R. 2415, it shall be in order to take from the Speaker's table the bill, S. 886, and to consider the Senate bill in the House. The rule waives all points of order against the Senate bill and against its consideration.

Finally, the rule provides that it shall be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 2415 as passed by the House. All points of order against that motion are waived.

Mr. Speaker, I would like to explain why we are making H.R. 2415, the American Embassy Security Act of 1999, in order as the base text. Unfortunately, H.R. 1211, the Foreign Relations Authorization Act, as reported by the Committee on International Relations, increased discretionary spending in excess of what the committee was allowed to spend under the budget.

In full consultation with the minority on the Committee on International Relations, the gentleman from New Jersey (Mr. SMITH) and the gentlewoman from Georgia (Ms. MCKINNEY) introduced H.R. 2415 on July 1 to make their bill comply with the budget.

Also on July 1, the chairman of the Committee on Rules, the gentleman from California (Mr. DREIER) announced on the House floor and the Committee on Rules sent out a Dear Colleague informing Members of the likely consideration of this new bill, H.R. 2415, this week. In this announcement, Members were advised that their amendments should be drafted to 2415 and not 1211.

I hope that this clears up any confusion over the process involved with with today's legislation.

In considering amendments, Mr. Speaker, the Committee on Rules was as fair and open as possible, while keeping the commitment made to refrain from allowing any U.N. arrearages amendments or Mexico City policy amendments.

Aside from the manager's amendment, which was given waivers so that it may be considered separately, as opposed to being self-executed by the rule, only amendments which would have otherwise been in order under an open rule were allowed. In fact, of the 50 amendments filed before the Committee on Rules, we were able to make 41 of them in order. Twenty-two from Democrats, 12 from Republicans, and 7 bipartisan amendments have been made in order. I believe this is a generous composition, and I applaud the gentleman from California (Mr. DREIER) and my colleagues on the committee for reaching this balance.

I am pleased to support, Mr. Speaker, this fair rule, which brings forth very important legislation aimed at providing U.S. diplomats, security agents, and law enforcement personnel the ability to safely defend U.S. interests around the world.

Among the many strong points in this legislation, I am pleased to see that we are taking effective steps toward enhancing security at our embassies. I know none of us would like to relive the tragedies that occurred almost a year ago in some of our embassies in Africa, and I believe H.R. 2415 will provide necessary resources to help prevent such acts of terrorism.

I am also encouraged that the bill is moving in the right direction in our fight against narco-trafficking by requiring the Clinton administration to inform Congress on the extent, the genuine extent of international narcotics trafficking through Cuba.

Mr. Speaker, the bill also correctly expresses the sense of Congress, and I would like to thank my colleague, the gentlewoman from Florida (Ms. ROS-LEHTINEN) for her leadership on this, that the U.S. should increase its support for pro-democracy and human rights activists in Cuba. The time has clearly come to implement a plan to assist the brave internal opposition in Cuba like the administration of President Reagan did with such brilliance with the Polish opposition during the dark years of martial law there.

This rule is not without precedent, Mr. Speaker. In the 103rd Congress, at the request of the Committee on International Relations chairman, the State Department authorization bill was considered under a structured rule. I look forward to a vigorous debate on this bill.

I see that a primary author, the gentleman from New Jersey (Mr. SMITH) is here and will address us, as well as the distinguished chairman of the Committee on International Relations, the gentleman from New York (Mr. GILMAN). It is an honor to serve with both of them in this House, and I look forward to listening to them, as I am sure all of our colleagues do, as well.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a structured rule. It will allow for the consideration of H.R. 2415, which is a bill that authorizes funding for the operations of the State Department in fiscal year 2000.

As my colleague, the gentleman from Florida (Mr. DIAZ-BALART) has explained, this rule provides for 1 hour of general debate, which will be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations.

Only amendments specified in the report of the Committee on Rules to accompany this rule will be permitted to be offered on the House floor. The bill authorizes more than $1 billion for much needed improvements in the security of U.S. missions abroad, and in order to carry out foreign policy, our diplomats and their staffs in other countries must be able to work without fear.

Last April I was in Phnom Penh, Cambodia, and was astonished at the low security in the American Embassy there. This was as precarious as any I have ever seen in some of the embassies I have visited. The embassy's vulnerability is compounded by the unrest that is common in the city. I hope that the money from this bill will be used to improve the security in our Cambodian embassy.

Though this rule is restrictive, the Committee on Rules made in order nearly all of the germane amendments that were submitted in advance. I am pleased that the committee was generous in making in order a large number of Democratic amendments.

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Unfortunately, the bill does not authorize the United States to pay the Dreierback dues it owes to the United Nations. This is a major embarrassment for the United States. We owe more than $1 billion to the United Nations, going back almost a decade. We are the world's greatest superpower, but also the world's biggest deadbeat.

For all its faults, the United Nations is one of the best hopes for world peace. The UN's food and health programs have improved the lives of countless people. We should be supporting the UN, not causing a financial drain.

If we do not pay our back dues, eventually we will lose our vote in the UN General Assembly. We cannot let that happen.

The Senate version of the State Department Reauthorization Act, as passed by the committee, does include some money to pay back our back dues to the UN. I hope that the Senate language will prevail in conference.

One of the amendments made in order under this rule is an amendment I plan to offer expressing the sense of Congress in support of humanitarian assistance to the people of Burma.

Earlier this year, I visited humanitarian projects in Burma. I also met with government leaders, the leader of that country's democracy movement, and humanitarian aid workers. I heard a lot about hunger and disease in Burma.

President Reagan said, "A hungry child knows no politics." That is every bit as true in Burma as it is anywhere else in the world. The people of Burma have the added misfortune of not living under a democracy. My amendment affirms the concern of Congress for the people of Burma without endorsing the policies of their government.

I urge adoption of the rule and of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, it is my privilege to yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I would like to begin by congratulating, not only the gentleman from Miami, Florida (Mr. DIAZ-BALART) for his superb management of this rule, but also the gentleman from Florida (Mr. GOSS), the vice chairman of the committee who joins us here, and the entire Committee on Rules staff, well not the entire staff, but many members of the Committee on Rules staff who are here.

I am proud of the fact that we, well many hours ago, opened this legislative day with work of the Committee on Rules. We are ending what will be this legislative day with work of the Committee on Rules. In just about 8½ short hours, we will be beginning the next legislative day with work of the House Committee on Rules. So we thank them very much. We enjoy this support and enthusiasm.

We also have a Committee on Rules member and staff members of the minority side who are here.

So I think that it is a great testimony to the hard work of this very important committee, which I am proud to chair.

As has been said by both the gentleman from Florida (Mr. DIAZ-BALART) and the gentleman from Ohio (Mr. HALL), we were able to make a large number of amendments in order for the minority. In fact, by a 22 to 12 ratio, the Democrats are favored when it comes to amendments here. As the gentleman from Florida (Mr. DIAZ-BALART) said, we have seven bipartisan amendments.

Now, frankly, this is a very, very serious measure. It was just a little less than a year ago that we saw the tragic bombings that took place in Nairobi and Dar es Salaam. It had a very, very devastating effect on, not only Americans here at home, but obviously on any American who was overseas.

This bill is designed to ensure that those Americans who proudly stand and represent the greatest Nation on the face of the earth and missions around the world have enhanced safety as they proceed with that very important work.

I want to say that we have successfully seen the demise of the Soviet Union and an end to the Cold War due in large part to the stellar leadership of President's Ronald Reagan and George Bush.

We have, however, come to the realization that we do not live in a world that is free of any kind of threat. We not only face military threats, but we of course, as this bill addresses, continue to face the threat of terrorism.

So it is my hope that we will be able to move ahead with, again, what I believe to be a very fair and balanced rule.

I congratulate the gentleman from New York (Chairman GILMAN), the gentleman from Nebraska (Chairman BEREUTER) and the gentleman from New Jersey (Chairman SMITH), all of whom are again here at this late hour to help us proceed with debate on the rule.

Then we will, in the coming days, consider this important legislation. I hope that we will finally be able to see this bill, the State Department authorization language, become public law, which is something to which many of us have aspired for a long period of time.

Mr. DIAZ-BALART. Mr. Speaker, I am privileged to yield as much time as he may consume to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Florida for yielding me this time.

Mr. Speaker, I, too, want to commend the Committee on Rules for their excellent job in presenting this measure to the floor at this time. We thank the gentleman from Florida (Mr. DIAZ-BALART) for his astute leadership, the gentleman from California (Mr. DREIER), our distinguished chairman, and the gentleman from Ohio (Mr. HALL), the ranking minority member, for being here with us today, and the staff members, at this late hour as well as the staff of our Committee on International Relations.

I rise in strong support of the rule on H.R. 2415, the American Embassy Security Act. The Committee on Rules, as I indicated, has done an outstanding job in working through the process to produce a fair rule. This rule, although technically structured, accommodates most all of the submitted amendments, and I think we will have some 40 amendments before us before we are done.

We have a very important bill to be considered by the House, one that will provide the authorization of funds to invest in the security of our Nation's personnel overseas and their workplaces, the 260 United States embassies and consulates around the world.

This bill also authorizes the operations and programs of the United States Department of State that will allow this agency to conduct diplomatic relations to provide our U.S. citizens services, passports, screen visa applicants, and provide antiterrorism assistance.

Accordingly, I urge my colleagues to fully support the rule if they support securing the lives of our American citizens and foreign national employees presently serving overseas.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Ohio for yielding me time on the rule for the American Embassy Security Act.

Mr. Speaker, I wanted to address my concerns briefly with regard to U.S.-India relations and how this legislation would affect that vitally important relationship between the world's two largest democracies.

The rule makes in order a manager's amendment introduced by the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations. This manager's amendment contains an important provision regarding the sanctions that were imposed last year on India and Pakistan following the nuclear tests conducted by the two South Asian nations.

It would extend for another year the waiver authority provided for under the Omnibus Appropriations Act for fiscal year 1999, giving the President the authority to waive the unilateral U.S. sanctions that were proposed pursuant to the Glenn amendment of the Arms Export Control Act.

I wanted to stress, however, I believe we should be going further than the 1-year extension provided for in this legislation. Recently, the Senate approved an amendment to the fiscal year 2000 Defense Appropriations bill that would suspend for 5 years the sanctions against India and Pakistan as opposed to continuing to waive the sanctions for only 1 year.

□ 0030

When we discussed the legislation of the gentleman from New York (Mr. GILMAN), the Security Assistance Act, in the House about a month ago, the chairman indicated his support for lifting the sanctions on a longer-term basis, and I look forward to working with him on that effort.

But, Mr. Speaker, the rule also makes in order an amendment offered by the gentleman from Pennsylvania (Mr. GOODLING) that would prohibit foreign military assistance to countries which fail to support the U.S. at least 25 percent of the time in the U.N. General Assembly. I hope the House will defeat this amendment.

According to the Goodling amendment, the sole method for determining how pro- or anti-U.S. a country is would be how the country votes in the U.N. General Assembly. This is largely an irrelevant way of determining who our friends and foes are, in my opinion. Under the Goodling amendment, all of our other diplomatic political strategic or economic interests would be sacrificed to the mostly symbolic indicator of General Assembly votes, often on issues of peripheral importance.

In practical terms, the Goodling amendment would serve as a symbolic slap at India at a time when Congress is working on a bipartisan basis to lift the unilateral sanctions imposed on India last year, as evidenced by the manager's amendment; and enactment of the Goodling amendment would set back much of the progress we are trying to make. It would be seen as purely a punitive action, creating an atmosphere of distrust that would make it much more difficult to achieve vitally important goals.

Mr. Speaker, the vast majority of resolutions adopted by the General Assembly are adopted by consensus. When we count those votes, India votes with the U.S. 84 percent of the time. If we look at the votes identified as important by our State Department, including the consensus votes, India is with us 75 percent of the time. And India also cooperates with the U.S. on a wide range of other U.N. activities, ranging from health issues to cultural and scientific matters. India has sent significant troop contingents to various peacekeeping missions around the world.

But the U.N. is only a small part of the story of how the U.S. and India work in partnership. Passage of the Goodling amendment would create a poisonous atmosphere that would set back these other efforts.

Mr. Speaker, if I could just say, in conclusion, most of the other countries that would be affected by this amendment are already barred from receiving U.S. assistance under various sanctions; and thus, realistically, the Goodling amendment would cut $130,000 in IMET funding to one country, India, a democracy that shares many of our values.

When we get to debate and votes on the bill, I hope we will approve provisions to build on the significant issues that unite America and India and not magnify our minor disagreements.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding me this time and for managing this rule, and I also thank the gentleman from Ohio (Mr. HALL) for his statements as well.

I also wish to thank the gentleman from New York (Mr. GILMAN), the chairman of the full Committee on International Relations; the gentleman from Nebraska (Mr. BEREUTER), chairman of the Subcommittee on Asia and the Pacific, both of whom have been very instrumental in working on this bill. And my thanks also to my good friend, the gentlewoman from Georgia (Ms. MCKINNEY), who is a cosponsor of this legislation. She is the ranking member of our subcommittee, and we have worked very cooperatively on this legislation as well.

Mr. Speaker, I am very proud to be the prime sponsor of H.R. 2415, the American Embassy Security Act. This legislation is the result of four hearings that we held, several days of markup in both subcommittee and full committee, and several weeks of negotiations with our friends on the other side of the aisle. Virtually every member of the committee had some input, had provisions that he or she thought should be included.

We worked very, very hard during a lengthy process. And Joseph Rees, my chief of staff and general counsel, and other members of the full committee on the other side of the aisle all worked in a cooperative way to try to craft a bipartisan bill.

The bill's unifying theme is about the promotion of American values. I am particularly proud that the bill authorizes $1.4 billion in fiscal year 2000 in security upgrades for our missions and for our personnel around the world. This is the worldwide security budget recommended by Admiral Crowe's commission, which was charged with investigating the terrorist bombings of our embassy in Kenya and Tanzania and determining how to protect our embassies and overseas personnel from future attacks.

Unfortunately, the administration recommended only $290 million for embassy security in its fiscal year 2000 budget, about one-fifth of the Crowe recommendation, and a fifth of what Congress appropriated last year. So without this bill, we would have faced an 80 percent cut from the recommendation in security of our overseas missions and personnel.

I do believe, Mr. Speaker, that if our Congress has one single responsibility with respect to foreign policy, and to me this is the most important, it is the protection of our people who work overseas in our embassies, our consulates, and other missions. They have to be our priority number one. This bill reflects that concern.

Let me also point out that we held, as part of those hearings, a hearing on March 12 on the security of U.S. missions abroad. Admiral Crowe testified, and I would like to just quote him briefly in talking about security, "the Boards were most disturbed regarding two interconnected issues," he said. "The first of these was the inadequacy of the resources to provide security against terrorist attacks, and the second was the relatively low priority accorded security concerns throughout the U.S. Government and by the Department of State." He also pointed out, and I just want to continue quoting him, that he found it very "troubling," the failure of the U.S. Government to take the necessary steps to prevent such tragedies, talking about the time since Bobby Inman's report on terrorism.

We also heard, Mr. Speaker, from David Carpenter, the Assistant Secretary for Diplomatic Security at the United States Department of State, and he pointed out, and I quote briefly, "The terrorist threat is global, lethal, multidimensional and growing. Our analysts estimate that during the 12-month period, there were over 2,400 threats or incidents against U.S. interests overseas. Their estimate for the same period for a year ago," he goes on, "is approximately 1,150 such threats or incidents. This is an increase of over 100 percent in the past year."

We also heard at the hearing, Mr. Speaker, from Daniel Geisler, who is the President of the American Foreign Service Association, and he pointed out that our core message to the committee, to the Congress, to all of us is that we must commit ourselves to never again suffer needless loss of life from terrorism and directed violence. He pointed out in his testimony that he had "grave doubts," and I am quoting him now, "that this failure will be corrected. Our doubts were heightened by the administration's grossly inadequate request for funds to build safer embassies. The fiscal year 2000 budget request," he goes on, "does not have a single penny for construction funds, even though the State Department has proposed that OMB request $1.4 billion for worldwide security."

This legislation meets that commitment of $1.4 billion, and I think it is very important. The gentleman from Nebraska (Mr. BEREUTER) had a hand in this, and we all are working to make sure that that happens. We hope the appropriators will do likewise.

The bill also promotes American values by promoting human rights and protecting refugees. We authorize a modest increase for refugee protection, bringing the total to $750 million. And at a time when the world seems awash in refugees, we must do our fair share.

I think it is worth noting that year after year the State Department has requested and gotten a raise for its own operating expenses, while at the same time cutting the budget for refugee protection. Our bill includes special provisions for protection of refugees from Kosovo, Tibet, Burma, Viet Nam, and Sierra Leone, as well as refugees resettling in Israel.

We also single out the grossly underfunded Human Rights Bureau for an increase as well. This bureau of the State Department is charged with ensuring that the protection of fundamental human rights is afforded its rightful place in our foreign policy; yet it has only 65 employees, about half the size of the Office of Public Affairs and about the same size as the Office of Protocol.

Mr. Speaker, the $7 million the Department now spends on human rights in its bureau is only slightly more than half the amount, and that is $12 million, it plans to spend on public relations next year. If human rights matter, we ought to be putting more not less resources into the bureau charged with seeing to it that our embassies abroad and also the reporting and our message is that human rights do matter.

The bill further promotes American values by permanently authorizing Radio Free Asia, which would otherwise be required to close its doors on September 30 of this year. It continues the effort to ensure 24-hour freedom broadcasting into the People's Republic of China, and will also make possible additional RFA broadcasts to the people of North Korea and Vietnam. It also ensures the survival of Radio Free Europe and Radio Liberty into the next millennium and increases funding for the National Endowment for Democracy.

□ 0040

Mr. Speaker, these relatively small programs are among the most cost effective of efforts to promote freedom and democracy around the world.

H.R. 2415 also directs that our international exchange programs be conducted in a way that again promotes American values and fundamental beliefs. It authorizes carefully targeted exchange programs for the peoples of Tibet, Burma, East Timor, and sub-Saharan Africa. It requires that all of our exchange programs be administered so as to prevent them from being taken advantage of by spies and thugs from totalitarian governments and to include more people who are genuinely open to the principles of freedom and democracy.

There are a number of amendments that will be offered. There will be an amendment that will get an hour's time on the United Nations Population Fund. I continue to believe that until the U.N. Population Fund gets out of China and stops its complicity with the most brutal and barbaric programs that have been used against women that we should stop our funding, as we did last year, Mr. Speaker, in a bipartisan way.

The current law for fiscal year 1999 that was signed by the President says no money to the UNFPA, and our language says no money again unless they get out of China. And we will have that debate, of course, when that amendment is offered next week.

This is a bipartisan bill. I support the rule, as well.

Mr. DIAZ-BALART. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. BEREUTER) distinguished chairman of the Subcommittee on Asia and the Pacific.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Florida for yielding me the time.

Mr. Speaker, I rise in strong support of the rule for H.R. 2415 and, of course, the legislation.

I want to particularly thank the gentleman from California (Mr. DREIER) and the members of the Committee on Rules and their staff for crafting a very fair, thorough, well-structured rule. I know that they gave intense and very thorough consideration to the amendments that are offered. They will make it easier for the Committee on International Relations to discharge its duties and to pass an authorization bill for the State Department and related agencies.

I think it is particularly appropriate that the legislation is indeed called the American Embassy Security Act. As the gentleman from New Jersey (Mr. SMITH) explained, the chairman of the relevant subcommittee, this is a priority for our committee. It should be a priority for the Congress and the American people.

Those of us who visit the embassies, the consulates and missions abroad have on our conscience the concerns about the security of our personnel working abroad. They need attention. We have seen too many problems that exist today.

We have, as the gentleman from New Jersey emphasized, authorized the full amount requested and suggested by the distinguished commission led by Admiral Crowe. We believe that is appropriate emphasis. We look forward to the debate on the legislation upcoming.

Again, I want to thank the Committee on Rules for their excellent job in crafting this fair rule, which will bring the legislation before the floor.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, supporting the underlying legislation, as well as the rule, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TRIBUTE TO ADMIRAL DONALD D. ENGEN

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. OBERSTAR. Mr. Speaker, I rise to pay tribute to Admiral Donald D. Engen, a truly great American whose life was taken in a tragic plane crash on Tuesday.

Our country owes Don Engen a great debt of gratitude for his service to our country in three wars and later as a test pilot, a member of the National Transportation Safety Board, administrator of the FAA, and, at his death, Director of the National Air and Space Museum.

I believe Don Engen's greatest contribution was to aviation safety. I recall particularly his courageous order prohibiting U.S. and foreign airlines from removing over-wing exits on 747 aircraft, while he was at the witness table, in the midst of a hearing I was conducting on that issue.

All air travelers owe Don Engen a great debt of gratitude for his gigantic contribution to aviation safety. He stands as a giant in the field of aviation.

I extend to his widow, Mary, my very heartfelt deepest sympathy and love.

[From the Washington Post, July 14, 1999]

Air & Space Director Engen Dies in Crash—Naval Aviator Also Headed FAA

(By Martin Weil and Don Phillips)

Donald D. Engen, 75, the director of the National Air and Space Museum who also was a decorated Navy pilot and a former chief of the Federal Aviation Administration, died yesterday in Nevada when the glider plunged to the ground from two miles up, disintegrating as it fell, authorities said.

Engen, of Alexandria, and another man were killed near Minden, just east of Lake Tahoe, about 1 p.m. Pacific time in a glider fitted with a small motor, according to the Douglas County sheriff's office. Witnesses told investigators that as the glider began spiraling down, "major portions of the wings" and other parts of the aircraft fell off, the sheriff's office said.

Engen, a former test pilot and a retired Navy admiral who served in three wars, was killed instantly, along with William S. Ivans, 89, of Incline Village, Nev., who was a holder of many glider flight records, the sheriff's office said. It was not immediately clear who was at the controls.

Engen, a World War II dive bomber pilot sank a Japanese cruiser, held the Distinguished Service Medal and the Navy Cross, which is awarded for extraordinary heroism. He took over at Air and Space three years ago, in the wake of a controversy over display of the Enola Gay, the airplane that dropped the first atomic bomb on Japan.

Engan "labeled himself as part of the fix" of the museum when he took over, "and he was," said David Umansky, a spokesman for the Smithsonian Institution, of which Air and Space—the world's most visited museum—is part.

Engen also was the prime mover behind plans to open an annex to Air and Space at Dulles International Airport. A target opening date in 2003 has been set for the facility, which is to provide vastly increased exhibit space for the museum's aeronautical holdings.

"He has been the guiding light behind the Dulles center," Smithsonian spokeswoman Linda St. Thomas said last night. "It was his big project."

"Don has been a wonderful director for the past three years," said Smithsonian Secretary Michael Heyman.

Calling Engen's death a "terrible tragedy," Jane F. Garvey, administrator of the FAA, said Engen continued to offer "advice and counsel" on aviation issues and to show concern about the welfare of those who had worked for him at the agency, she said.

"People just had enormous respect for him, "Garvey said.

Donald Davenport Engen, who was born in Pomona, Calif., on May 24, 1924, had flying and the Navy in his thoughts since boyhood.

When he was in the fourth grade, he told his parents that he wished to be a "naval officer and go to sea" On Dec. 7, 1941, only a few months after he entered Pasadena Junior College at 17, the Japanese attacked Pearl Harbor, and Engen got a strong push toward realizing his early ambition.

After the attack, he dropped out of college and enlisted as a seaman second class in a Navy training program, according to a memoir he published in 1997, "Wings and Warriors: My Life as a Naval Aviator."

By 1943, he was headed west across the Pacific, where he was based on the carrier USS Lexington and took part in the campaign to liberate the Philippines.

He was involved in fierce combat.

"Almost everyone experienced fear from time to time," he wrote. But, he said, "we junior pilots felt invincible, even though our loss rate seemed to indicate otherwise."

After the war, he gave civilian life a try, enrolling in the Naval Reserve and flying on weekends. That did not satisfy his passion for life in the air, and he reenlisted for active duty. Given a second chance at a Navy career,' he said, "I could have walked on water."

He made a career as a test pilot, helping to develop many of the safety mechanisms that have become standard for the aviators who were to follow him.

A test he made of an ejection seat at a factory in Philadelphia left him with a compressed disc in his spine. He regarded the sacrifice as worthwhile, however, for the seat was credited with helping to save the lives of more than 6,000 pilots.

In 1950, after the outbreak of the Korean War, Engen was an officer on board the USS Valley Forge. While flying from its deck, he took part in the first aerial strike over Pyongyang, the North Korean capital.

Later, he commanded a squadon and an air wing during the Vietnam War, although he did not see action there. While serving in the Navy, he received a bachelor of science degree from George Washington University in 1968 and also attended the Naval War College.

He served as commanding officer of the USS Katmai and the USS America and of the Navy's Carrier Division 4. He was deputy commander in chief of the U.S. naval forces in Europe from 1973 to 1976 and of the U.S. Atlantic Fleet from 1976 to 1978.

He advanced through the officer ranks to vice admiral.

After retiring from the Navy in 1978, he become general manager of a division of the Piper Aircraft Corp. and in 1982 was appointed by President Ronald Reagan to the National Transportation Safety Board—one of the agencies that is investigating his death.

Engen encountered some turbulence during his 1984–87 FAA tenure. Public attention focused on his agency in 1987, in particular, when airline passengers complained about flight delays. He warned early in the summer vacation season that delays would occur, largely because there were not enough airports to handle increased traffic.

Speaking not long after the NTSB warned that there had been "an erosion of safety" in aviation, Engen called U.S. aviation the world's safest, asserting that criticism of the system was often based on "emotion and misinformation."

In a speech at the National Press Club, the soft-spoken admiral said that the holder of his post would never lack for critics looking over his shoulder.

"There is a fine line between constructive oversight and unconstructive meddling," he said.

Engen said more airports were needed, rather than re-regulation of the airlines, as some critics had proposed.

The reasons for his resignation were not made known, but in aviation circles it was said that friction had occurred between him and then-Transportation Secretary Elizabeth Hanford Dole. The FAA is part of the Transportation Department.

Of his departure, Engen said only, "There's never a good time to leave, but the time has come."

After a long search, he was picked in June 1996 to head Air and Space. Critics had contended that the proposed Enola Gay exhibit depicted the United States as the aggressor during World War II. At the time of his appointment, one of the critics called Engen "a true aviator," and said "we are all exalted."

Engen married the former Mary Ann Baker in 1943, and they had four children.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Frost (at the request of Mr. Gephardt) for today and July 16 on account of family business.

Mr. Coble (at the request of Mr. Armey) for after 3:30 today until July 21 on account of official business.

Mr. Peterson of Pennsylvania (at the request of Mr. Armey) for after 8 p.m. today and July 16 on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hall of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. Pallone, for 5 minutes, today.

Mr. Davis of Illinois, for 5 minutes, today.

Ms. Jackson-Lee of Texas, for 5 minutes, today.

Mr. Clyburn, for 5 minutes, today.

Mr. Scott, for 5 minutes, today.

Mr. Rangel, for 5 minutes, today.

Mr. Lewis of Georgia, for 5 minutes, today.

Mr. Cummings, for 5 minutes, today.

Ms. Carson, for 5 minutes, today.

Mr. Payne, for 5 minutes, today.

Mr. Fattah, for 5 minutes, today.

(The following Members (at the request of Mr. Diaz-Balart) to revise and extend their remarks and include extraneous material:)

Mr. Bereuter, for 5 minutes, today.

Mr. Wamp, for 5 minutes, today.

Mr. Weldon of Pennsylvania, for 5 minutes, today.

SENATE BILL REFERRED

A Bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 604. An act to direct the Secretary of Agriculture to complete a land exchange with Georgia Power Company; to the Committee on Agriculture.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker.

H.R. 775. An act to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes.

ADJOURNMENT

Mr. DIAZ-BALART. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 45 minutes a.m.), the House adjourned until today, Friday, July 16, 1999, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3047. A letter from the President and Chairman, Export-Import Bank, transmitting notification of a transaction which involves U.S. exports to a private company in the energy sector of Russia; to the Committee on Banking and Financial Services.

3048. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Lordsburg and Hurley, New Mexico) [MM Docket No. 98–222 RM–9407] received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3049. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Shelby and Dutton, Montana) [MM Docket No. 99–63 RM–9398] received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3050. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Madison, Indiana) [MM Docket No. 98–105 RM–9295] received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3051. A letter from the Special Assistant of the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, TV Broadcast Stations. (El Dorado and Camden, Arkansas) [MM Docket No. 99–45 RM–9401] received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3052. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Giddings and Buda, Texas) [MM Docket No. 99–69 RM–9468] received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3053. A letter from the Secretary of Health and Human Services, transmitting the Fiscal Year 1996 report on the administration of the Maternal and Child Health Program; to the Committee on Commerce.

3054. A letter from the Under Secretary for Export Administration, Department of Commerce, transmitting notification that the Department of Commerce, in consultation with the Department of State, is imposing on the Portuguese Colony of Macau certain foreign policy-based export controls; to the Committee on International Relations.

3055. A letter from the Ambassador, Embassy of the State of Qatar, transmitting a letter from Mr. Mohamed bin Mubarak Al-Kholiefi, Speaker of the Advisory Council of the State of Qatar; to the Committee on International Relations.

3056. A letter from the Executive Director, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting a Resolution and Order Approving Fiscal Year 2000 Financial Plan and Budget; to the Committee on Government Reform.

3057. A letter from the Secretary, Judicial Conference of the United States, transmitting the Biennial Survey of Article III Judgeship Needs in the U.S. courts of appeals and the U.S. district courts; to the Committee on the Judiciary.

3058. A letter from the Office of the Attorney General, transmitting a report containing a recommendation for continuing authorization of the State Criminal Alien Assistance Program; to the Committee on the Judiciary.

3059. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model 2000, 900EX, and Mystere Falcon 900 Series Airplanes [Docket No. 99–NM–63–AD; Amendment 39–11218; AD 99–14–07] (RIN: 2120–AA64) received July 9, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3060. A letter from the Secretary of Health and Human Services, transmitting a report on participation, assignment, and amounts of extra billing in the Medicare program; jointly to the Committees on Ways and Means and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REYNOLDS: Committee on Rules. House Resolution 250. Resolution providing for consideration of the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa (Rept. 106–236). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CHABOT (for himself, Mr. PORTMAN, Mr. BOEHNER, Mrs. MINK of Hawaii, Mr. CUNNINGHAM, Mr. ABERCROMBIE, Mr. MALONEY of Connecticut, Mr. RAHALL, Mr. ACKERMAN, and Ms. JACKSON-LEE of Texas):

H.R. 2527. A bill to amend the Public Health Service Act to provide for research on the disease known as lymphangioleiomyomatosis (commonly known as LAM); to the Committee on Commerce.

By Mr. ROGERS (for himself, Mr. SMITH of Texas, Mr. REYES, Mr. BARR of Georgia, Mr. BARRETT of Nebraska, Mr. BECERRA, Mr. BENTSEN, Mr. BILBRAY, Mr. BONILLA, Mrs. BONO, Mr. BOSWELL, Mr. BOYD, Mr. BRADY of Texas, Mr. CALLAHAN, Mr. CANADY of Florida, Mr. CANNON, Mrs. CAPPS, Mr. CHAMBLISS, Mr. CLEMENT, Mr. COLLINS, Mr. CONDIT, Mr. COSTELLO, Mr. CUNNINGHAM, Mr. DAVIS of Illinois, Mr. DEAL of Georgia, Mr. DOOLEY of California, Mr. DUNCAN, Mr. EDWARDS, Mr. FARR of California, Mr. FILNER, Mr. FORD, Mrs. FOWLER, Mr. GALLEGLY, Mr. GONZALEZ, Mr. GOODLATTE, Ms. GRANGER, Mr. GREEN of Texas, Mr. HINOJOSA, Mr. HOBSON, Mr. HUNTER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KINGSTON, Mr. KOLBE, Mr. LATHAM, Mr. LEWIS of California, Mr. LEWIS of Kentucky, Mr. MARTINEZ, Mr. METCALF, Mr. MILLER of Florida, Mr. MINGE, Mrs. NAPOLITANO, Mr. ORTIZ, Mr. PACKARD, Mr. PASTOR, Mr. ROHRABACHER, Mr. ROMERO-BARCELÓ, Mr. ROTHMAN, Mr. ROYCE, Mr. SENSENBRENNER, Mr. SHERMAN, Mr. SKEEN, Mr. SNYDER, Mr. SPRATT, Mr. STUMP, Mr. SUNUNU, Mr. TRAFICANT, Mr. TURNER, Mr. UNDERWOOD, Mr. WAMP, Mr. WELDON of Pennsylvania, and Mr. WHITFIELD):

H.R. 2528. A bill to establish the Bureau of Immigration Services and the Bureau of Immigration Enforcement within the Department of Justice; to the Committee on the Judiciary.

By Mr. REYNOLDS (for himself, Mr. DREIER, Mr. DELAY, Mr. BLUNT, Mr. FOLEY, Mr. LINDER, Ms. PRYCE of Ohio, Mr. EHRLICH, Mr. LAZIO, Mr. PORTMAN, Mr. QUINN, Mr. SWEENEY, Mr. DIAZ-BALART, Mr. MCCOLLUM, Mr. RYAN of Wisconsin, Mr. SHAW, Mr. FORBES, Mr. LOBIONDO, Mr. WALDEN of Oregon, Mr. FOSSELLA, Mr. WELLER, Mr. WATTS of Oklahoma, Mrs. KELLY, Mr. SHIMKUS, Ms. ROS-LEHTINEN, Mr. TERRY, Mr. SMITH of New Jersey, Mr. SIMPSON, Mr. WELDON of Florida, Mr. MCHUGH, Mr. SESSIONS, Mrs. MYRICK, Mr. GOSS, Mr. SAXTON, Mr. ENGLISH, Mr. CAMP, Mr. MILLER of Florida, Mr. NETHERCUTT, Mr. GARY MILLER of California, Mr. GREEN of Wisconsin, Mr. BARTON of Texas, Mr. BOEHLERT, Mr. PICKERING, Mr. SCHAFFER, Mr. TANCREDO, Mr. MICA, Mr. WICKER, Mr. OSE, Mr. SMITH of Michigan, Mr. SCARBOROUGH, and Mrs. FOWLER):

H.R. 2529. A bill to take certain steps toward recognition by the United States of Jerusalem as the capital of Israel; to the Committee on International Relations.

By Mr. BARRETT of Nebraska (for himself, Mr. EWING, Mrs. EMERSON, Mr. BISHOP, Mr. HAYES, Mr. WHITFIELD, Mr. HILL of Montana, and Ms. DANNER):

H.R. 2530. A bill to amend the Food Security Act of 1985 to increase the maximum amount of marketing loan gains and loan deficiency payments that an agricultural producer may receive during the 1999 crop year; to the Committee on Agriculture.

By Mr. BARTON of Texas (for himself and Mr. HALL of Texas) (both by request):

H.R. 2531. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal year 2000, and for other purposes; to the Committee on Commerce.

By Mr. HEFLEY:

H.R. 2532. A bill to provide for the establishment of national heritage areas; to the Committee on Resources.

By Mr. HYDE (for himself, Mr. GEKAS, and Mr. GOODLATTE):

H.R. 2533. A bill to amend the Clayton Act and the Administrative Procedures Act; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LARSON (for himself, Mr. SENSENBRENNER, Mr. BROWN of California, Mr. COSTELLO, Ms. WOOLSEY, Mr. ETHERIDGE, Mr. COOK, Mr. LAMPSON, Mr. CAPUANO, Mr. WU, Ms. JACKSON-LEE of Texas, Mr. UDALL of Colorado, Mr. GEJDENSON, Ms. BALDWIN, Mr. PRICE of North Carolina, Mr. CROWLEY, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 2534. A bill directing the National Science Foundation to develop a report on the establishment of high-speed, large bandwidth capacity Internet access for all public elementary and secondary schools and libraries in the United States, and for other purposes; to the Committee on Science.

By Mr. WAXMAN (for himself, Mr. FATTAH, Mr. OWENS, Mr. DAVIS of Illinois, Mrs. MALONEY of New York, Ms. NORTON, Mr. CUMMINGS, Mr. KUCINICH, and Ms. SCHAKOWSKY):

H.R. 2535. A bill to preserve, protect, and promote the viability of the United States Postal Service; to the Committee on Government Reform.

By Mr. GEORGE MILLER of California:

H.R. 2536. A bill to reduce the risk of oil pollution and improve the safety of navigation in San Francisco Bay by removing hazards to navigation, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. NETHERCUTT:

H.R. 2537. A bill to amend the Internal Revenue Code of 1986 to exempt farm equipment and other property used in farming from the requirement that all gain on the sale of such property be recognized in the year of the sale; to the Committee on Ways and Means.

By Ms. ROYBAL-ALLARD (for herself, Mrs. EMERSON, Mr. ABERCROMBIE, Mr. ADERHOLT, Mr. BARCIA, Mr. BECERRA, Mr. BENTSEN, Ms. BERKLEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BONILLA, Mr. BONIOR, Mr. BOSWELL, Ms. BROWN of Florida, Mrs. CAPPS, Ms. CARSON, Mrs. CLAYTON, Mr. COX, Mr. CRAMER, Mr. CUMMINGS, Mr. CUNNINGHAM, Ms. DANNER, Mr. DEFAZIO, Ms. DEGETTE, Ms. DELAURO, Mr. DICKEY, Mr. DICKS, Mr. DIXON, Mr. DOOLEY of California, Mr. EDWARDS, Mr. EVANS, Mr. FARR of California, Mr. FORBES, Mr. FRELINGHUYSEN, Mr. FROST, Mr. GONZALEZ, Ms. GRANGER, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. HINOJOSA, Ms. NORTON, Ms. HOOLEY of Oregon, Ms. JACKSON-LEE of Texas, Ms. KAPTUR, Mrs. KELLY, Mr. KILDEE, Ms. KILPATRICK, Mr. KINGSTON, Mr. KNOLLENBERG, Mr. LANTOS, Mr. LEWIS of Georgia, Mrs. MALONEY of New York, Mr. MALONEY of Connecticut, Mr. MATSUI, Mrs. MCCARTHY of New York, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MENENDEZ, Ms. MILLENDER-MCDONALD, Mr. MILLER of Florida, Mr. GEORGE MILLER of California, Mrs. MINK of Hawaii, Mr. MORAN of Virginia, Mrs. MORELLA, Mrs. NAPOLITANO, Mr. NEAL of Massachusetts, Mr. NETHERCUTT, Mrs. NORTHUP, Mr. ORTIZ, Mr. PACKARD, Mr. PASTOR, Mr. PAYNE, Ms. PELOSI, Mr. PETERSON of Pennsylvania, Mr. POMEROY, Mr. PRICE of North Carolina, Mr. REYES, Ms. RIVERS, Mr. RODRIGUEZ, Mr. ROMERO-BARCELÓ, Mr. RUSH, Ms. SANCHEZ, Mr. SANDLIN, Mr. SCOTT, Mr. SERRANO, Mr. SHOWS, Mr. SKELTON, Ms. SLAUGHTER, Ms. STABENOW, Mr. STARK, Mr. STUPAK, Mrs. TAUSCHER, Mrs. THURMAN, Mr. TOWNS, Mrs. JONES of Ohio, Mr. UDALL of New Mexico, Ms. VELÁZQUEZ, Mr. WALSH, Ms. WATERS, Mr. WAXMAN, Mr. WICKER, Mr. WISE, and Ms. WOOLSEY):

H.R. 2538. A bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes; to the Committee on Commerce.

By Ms. SANCHEZ (for herself, Mr. BERMAN, Mr. BROWN of California, Mrs. CAPPS, Mr. CONDIT, Mr. FARR of California, Mr. HORN, Ms. LEE, Mrs. NAPOLITANO, Ms. LOFGREN, Ms. PELOSI, Mr. RADANOVICH, Ms. ROYBAL-ALLARD, Mr. SHERMAN, Mr. STARK, Mrs. TAUSCHER, Mr. THOMPSON of California, Mr. WAXMAN, and Ms. WOOLSEY):

H.R. 2539. A bill to designate the United States Post Office building located at 3101 West Sunflower Avenue in Santa Ana, California, as the "Hector G. Godinez Post Office Building"; to the Committee on Government Reform.

By Mr. SMITH of New Jersey (for himself and Mr. OBERSTAR):

H.R. 2540. A bill to establish grant programs and provide other forms of Federal assistance to pregnant women, children in need of adoptive families, and individuals and families adopting children; to the Committee on Education and the Workforce, and in addition to the Committees on Ways and Means, Commerce, the Judiciary, Banking and Financial Services, Armed Services, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TAYLOR of Mississippi:

H.R. 2541. A bill to adjust the boundaries of the Gulf Islands National Seashore to include Cat Island, Mississippi; to the Committee on Resources.

By Mr. PORTMAN:

H. Res. 249. A resolution returning to the Senate the bill S. 254; considered and agreed to.

By Mr. LUTHER (for himself, Mr. LANTOS, Mr. HORN, Mrs. LOWEY, Mr. BLAGOJEVICH, Mr. MEEHAN, Mr. MINGE, Mr. VISCLOSKY, Mr. FARR of California, Mr. STARK, and Mr. CAPUANO):

H. Res. 251. A resolution expressing the sense of the House of Representatives with regard to the escalating violence in East Timor; to the Committee on International Relations.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

156. The SPEAKER presented a memorial of the House of Representatives of the State of Michigan, relative to House Concurrent Resolution No. 29 and House Resolution No. 56 memorializing the Department of Energy and the Nuclear Regulatory Commission to fulfill their obligation to establish a permanent repository for high-level nuclear waste; to the Committee on Commerce.

157. Also, a memorial of the General Assembly of the State of Nevada, relative to Assembly Joint Resolution No. 2 memorializing Congress to amend the provisions of the Wild Free-Roaming Horses and Burros Act to require the Secretary of the Interior and the Secretary of Agriculture to establish the necessary regulations and procedures whereby horses and burros in excess of the appropriate management levels are gathered in a timely fashion, and unadoptable horses and burros are made available for sale at open market; to the Committee on Resources.

158. Also, a memorial of the Legislature of the Commonwealth of Guam, relative to Resolution No. 101 memorializing Congress to authorize the Guam Legislature to appropriate some or all of the Ten Million Dollars, currently earmarked to Guam for infrastructure costs due to the impact of the Compacts of Free Association, for use in job training and job development, entrepreneurial and business development programs as shall be enacted by the laws of Guam; to the Committee on Resources.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. MASCARA, Mr. FROST, and Mr. WATKINS.

H.R. 82: Mr. DAVIS of Virginia, Mr. FRANK of Massachusetts, and Mr. SMITH of New Jersey.

H.R. 110: Mr. LUCAS of Kentucky.

H.R. 123: Mrs. KELLY.

H.R. 303: Mr. KING, Mr. UNDERWOOD, Mr. BISHOP, Mr EHRLICH, Mr. NEY, Mr. PALLONE, Mr. STRICKLAND and, Mr. WATKINS.

H.R. 354: Mr. MEEKS of New York.

H.R. 486: Mr. DEMINT, Mr. LINDER, Mr. CHAMBLISS, and Mr. KINGSTON.

H.R. 498: Mr. SAM JOHNSON of Texas.

H.R. 531: Mr. GRAHAM and Mr. WU.

H.R. 583: Mr. LEECH.

H.R. 595: Mr. MASCARA.

H.R. 601: Mr. WATKINS and Mr. FROST.

H.R. 721: Mr. PETRI, Mr. SPRATT, Mr. JENKINS, and Mr. WHITFIELD.

H.R. 750: Mr. DEMINT, Mr. MANZULLO, and Ms. PELOSI.

H.R. 773: Mr. MOORE.

H.R. 783: Mr. KING, Mr. WHITFIELD, and Mrs. MORELLA.

H.R. 784: Mr. FRANKS of New Jersey, Mr. BRYANT, Mr. SWEENEY, and Mr. FRELINGHUYSEN.

H.R. 798: Mr. THOMPSON of California.

H.R. 815: Mr. MCINTOSH, Mr. GEKAS, and Mr. SPENCE.

H.R. 827: Mr. OLVER.

H.R. 852: Mr. DAVIS of Illinois.

H.R. 864: Mr. EHRLICH, Mr. BOYD, Mr. MANZULLO, Mr. GILLMOR, Mr. GOODLATTE, Ms. BROWN of Florida, Mr. BROWN of Ohio, Mr. CASTLE, Mr. OXLEY, and Mr. TOOMEY.

H.R. 865: Mr. PICKETT, Mr. SHOWS, Mr. BOUCHER, Ms. LEE, Mr. SCARBOROUGH, Mr. HYDE, Mr. RAHALL, Mr. STUPAK, Mr. GOODE, Mr. MASCARA, Mr. GEJDENSON, Mr. HILL of Montana, Mr. FROST, Mr. WATKINS, Mr. SUNUNU, and Mr. PETERSON of Minnesota.

H.R. 969: Mr. ISAKSON.

H.R. 987: Mr. REYNOLDS.

H.R. 1046: Mr. MINGE.

H.R. 1053: Ms. ESHOO.

H.R. 1083: Mrs. CLAYTON.

H.R. 1093: Mr. LIPINSKI, and Mr. FRANKS of New Jersey.

H.R. 1102: Mr. CONDIT, and Mr. HINCHEY.

H.R. 1111: Mrs. CAPPS, Mr. PETERSON of Minnesota, and Mr. FARR of California.

H.R. 1116: Mr. HALL of Texas.

H.R. 1164: Mr. BORSKI.

H.R. 1168: Ms. STABENOW, Mr. LEVIN, and Mr. KIND.

H.R. 1193: Mr. BENTSEN, Mr. BACHUS, Mr. BILBRAY, and Mr. ADERHOLT.

H.R. 1195: Mr. HULSHOF and Mr. WATT of North Carolina.

H.R. 1200: Mr. BONIOR.

H.R. 1216: Mr. STUPAK, Mr. WYNN, and Mr. SABO.

H.R. 1222: Mr. FLETCHER.

H.R. 1256: Mr. PICKERING and Mr. BURR of North Carolina.

H.R. 1275: Mr. DEAL of Georgia, Mrs. MORELLA, Mr. SHERMAN, Mr. FRANK of Massachusetts, Mrs. THURMAN, Mr. WAXMAN, and Mrs. MEEK of Florida.

H.R. 1300: Mr. TANNER.

H.R. 1304: Mr. DUNCAN.

H.R. 1315: Mr. WAXMAN and Mr. BECERRA.

H.R. 1325: Ms. LOFGREN and Mr. PASTOR.

H.R. 1328: Mr. BLUNT.

H.R. 1345: Mr. YOUNG of Alaska.

H.R. 1347: Mr. PASCRELL.

H.R. 1352: Ms. MCKINNEY.

H.R. 1355: Mr. TIERNEY.

H.R. 1416: Mr. JEFFERSON.

H.R. 1454: Mr. HOEFFEL.

H.R. 1485: Mr. ABERCROMBIE.

H.R. 1505: Mr. CUMMINGS.

H.R. 1507: Mr. ROGAN.

H.R. 1510: Mr. BONIOR.

H.R. 1525: Ms. SCHAKOWSKY, Mr. BARCIA, Mr. RODRIGUEZ, Mr. BECERRA, Ms. PELOSI, and Ms. BROWN of Florida.

H.R. 1547: Mr. PETERSON of Minnesota.

H.R. 1585: Mr. MCINTOSH.

H.R. 1592: Mr. ADERHOLT, Mr. CRAMER, Mr. SHADEGG, Mrs. CHRISTENSEN, Mr. HILLIARD, and Mr. KNOLLENBERG.

H.R. 1594: Mr. PETERSON of Minnesota, Ms. WOOLSEY, Mr. MARTINEZ, Mr. FRANK of Massachusetts, Mr. SCOTT, Ms. LEE, Ms. JACKSON-LEE of Texas, Mr. LANTOS, and Mr. HUTCHINSON.

H.R. 1617: Mr. BUYER, Mr. RAHALL, and Mr. PAUL.

H.R. 1622: Ms. PRYCE of Ohio, Mr. UDALL of New Mexico, Mr. SHERMAN, Mr. CAMPBELL, Mr. HILL of Indiana, and Mr. COSTELLO.

H.R. 1684: Mr. BRADY of Pennsylvania, Mr. LUTHER, and Mrs. CHRISTENSEN.

H.R. 1685: Mr. ORTIZ.

H.R. 1775: Mrs. JOHNSON of Connecticut and Mr. LAZIO.

H.R. 1838: Mr. WHITFIELD, Mr. BARTON of Texas, and Mr. FRANK of Massachusetts.

H.R. 1841: Mrs. CHRISTENSEN, Mr. FILNER, and Mr. HOLT.

H.R. 1844: Mr. BERMAN and Mr. MCGOVERN.

H.R. 1863: Mr. DEFAZIO.

H.R. 1871: Mrs. MEEK of Florida.

H.R. 1887: Mr. BACHUS, Mr. BERMAN, and Ms. BALDWIN.

H.R. 1890: Ms. LEE.

H.R. 1907: Mr. MCDERMOTT and Mr. BOUCHER.

H.R. 1932: Mr. GONZALEZ, Mr. TOOMEY, Mrs. FOWLER, Mr. OBERSTAR, Mrs. MINK of Hawaii, Ms. NORTON, Mr. KANJORSKI, Ms. PELOSI, and Mr. MCINTOSH.

H.R. 1948: Mrs. CHRISTENSEN.

H.R. 1958: Mr. COYNE.

H.R. 1986: Mr. MCDERMOTT.

H.R. 2015: Mr. PASTOR, Mr. DAVIS of Florida, and Mr. PAUL.

H.R. 2028: Mr. FLETCHER.

H.R. 2053: Mr. OWENS, Ms. VELÁZQUEZ, Mr. SERRANO, Mr. WYNN, and Mr. WEINER.

H.R. 2068: Mr. TERRY.

H.R. 2086: Mr. BOEHLERT, Mr. DREIER, Mr. WU, Mr. LAFALCE, Mr. WICKER, Mr. ENGLISH, Mr. GOODLATTE, Mr. BAIRD, and Mr. MARTINEZ.

H.R. 2116: Mr. HANSEN, Mr. LAHOOD, Mr. REYES, Ms. CARSON, Ms. BROWN of Florida, Ms. BERKLEY, Mr. HILL of Indiana, Mr. FILNER, Mr. UDALL of New Mexico, and Mr. SHOWS.

H.R. 2159: Mr. COLLINS.

H.R. 2172: Mr. FOLEY.

H.R. 2243: Mr. FROST.

H.R. 2247: Mr. RYUN of Kansas and Mr. WELDON of Florida.

H.R. 2258: Mr. LAFALCE.

H.R. 2260: Mr. CANNON and Ms. PRYCE of Ohio.

H.R. 2294: Mr. KENNEDY of Rhode Island.

H.R. 2332: Mr. VISCLOSKY, Ms. KAPTUR, Mr. PETERSON of Minnesota, Mr. TRAFICANT, Mr. STUPAK, Mr. RUSH, Mr. ENGLISH, Ms. RIVERS, Mr. DAVIS of Illinois, Mr. LIPINSKI, Mr. BARCIA, Mr. CONYERS, Ms. KILPATRICK, and Mr. HOUGHTON.

H.R. 2339: Mr. GOODLATTE and Mr. RODRIGUEZ.

H.R. 2378: Mr. SMITH of Washington.

H.R. 2380: Mr. DELAHUNT.

H.R. 2384: Mr. GILLMOR, Ms. KILPATRICK, Mr. ENGEL, and Mr. KILDE.

H.R. 2389: Mr. HERGER and Mr. SCHAFFER.

H.R. 2396: Mr. ARMEY and Mr. HAYWORTH.

H.R. 2409: Mr. LAMPSON and Mr. SANDLIN.

H.R. 2420: Mr. WHITFIELD, Mr. BOEHLERT, Mr. GONZALEZ, Mr. MEEKS of New York, and Mr. BAKER.

H.R. 2436: Mr. BACHUS, Mr. HUTCHINSON, Mr. LAHOOD, and Mr. TANCREDO.

H.R. 2446: Ms. ROYBAL-ALLARD, Mr. BISHOP, Mr. BORSKI, Mr. MCDERMOTT, Ms. KAPTUR, Mr. SHERMAN, Mr. JACKSON of Illinois, Mr. BAIRD, Mr. BALDACCI, Mr. HOLDEN, Mr. OBEY, Mr. TRAFICANT, and Mr. PALLONE.

H.R. 2453: Mr. DUNCAN.

H.R. 2503: Mr. LUTHER.

H.R. 2506: Mr. WAXMAN, Mr. BONIOR, Mr. WHITFIELD, Mr. FARR of California, and Mr. DAVIS of Florida.

H.R. 2515: Mr. WEYGAND, Mrs. TAUSCHER, Ms. BERKLEY, Mr. CROWLEY, Mrs. MALONEY of New York, and Mr. PHELPS.

H.J. Res. 46: Mr. RANGEL and Mrs. MCCARTHY of New York.

H. Con. Res. 30: Mr. SPENCE.

H. Con. Res. 38: Ms. CARSON, Mr. HASTINGS of Florida, Mr. JACKSON of Illinois, Mr. OWENS, Mr. TOWNS, Ms. WATERS, Mr. FATTAH, Mr. CONYERS, Ms. MILLENDER-MCDONALD, and Mr. CLAY.

H. Con. Res. 60: Mrs. CUBIN, Mr. KING, and Ms. ESHOO.

H. Con. Res. 111: Mr. RANGEL, Mr. DAVIS of Illinois, and Mr. NADLER.

H. Con. Res. 112: Mr. GANSKE, Mr. STENHOLM, Mr. LEVIN, Ms. PELOSI, Ms. DELAURO, Mr. STRICKLAND, Mr. OBEY, Mr. WU, Mr. HINOJOSA, Mr. FRANK of Massachusetts, Mr. SANDERS, Mr. BARTLETT of Maryland, Mr. DIAZ-BALART, Mrs. ROUKEMA, Mr. BOEHNER, Mr. PAUL, Mr. DOOLITTLE, Mr. HOYER, Mr. ANDREWS, Mr. LUCAS of Kentucky, Mrs. BIGGERT, Mr. COLLINS, Mr. DINGELL, Mr. BERRY, Mr. SHIMKUS, Mr. SKELTON, Mr. WAMP, Mr. BUYER, Mr. ROYCE, Mr. HEFLEY, Mr. SESSIONS, Mr. DEMINT, Mr. REYNOLDS, Mr. TANCREDO, Mr. HAYWORTH, Mr. SUNUNU, Mrs. CAPPS, Mr. BERMAN, and Mr. CROWLEY.

H. Con. Res. 134: Mr. MCGOVERN.

H. Con. Res. 136: Mrs. MINK of Hawaii, Mrs. KELLY, Mr. BRYANT, Mr. SISISKY, Mr. FILNER, and Mr. DAVIS of Illinois.

H. Con. Res. 145: Mr. RUSH.

H. Con. Res. 152: Ms. MILLENDER-MCDONALD, Mr. SHOWS, Mr. MCNULTY, Mr. BROWN of Ohio, Mr. HINCHEY, Mr. LATOURETTE, and Mr. MEEHAN.

H. Res. 172: Mr. MCHUGH and Mr. LOBIONDO.

H. Res. 203: Mr. MARTINEZ, Mr. ENGLISH, Mr. PORTER, and Mr. COYNE.

H. Res. 228: Mr. SAWYER, Ms. BALDWIN, and Mr. LEACH.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

35. The SPEAKER presented a petition of the Board of Education of the Leggett Valley School District, relative to a resolution petitioning Congress to keep its promise and pay for 40 percent of the costs of special education, or, in the alternative, remove federal mandates requiring the provision of these services; to the Committee on Education and the Workforce.

36. Also, a petition of the governing board of the El Centro Elementary School District, relative to Resolution No. 051199-476 petitioning Congress to restore parity to two classes of students by appropriating funds for IDEA to the full authorized level of funding for 40 percent of the excess costs of providing special education and related services; to the Committee on Education and the Workforce.

37. Also, a petition of the Knox County Commission, relative to Resolution 906 petitioning Congress to fully fund the state and local share of the Land and Water Conservation Fund; to the Committee on Resources.

EXTENSIONS OF REMARKS

J.C. WATTS, JR.—A BUILDER

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SHUSTER. Mr. Speaker, it is with mixed emotions that I submit this statement for the RECORD. On one hand, I am always eager to express my great appreciation for the significant impact my friend and colleague, the Honorable J.C. WATTS, Jr., has had on the direction and legislation developed during his tenure on the Transportation and Infrastructure Committee. On the other hand, I regret that I must announce a temporary leave of absence for Mr. WATTS from the Transportation and Infrastructure Committee for the remainder of the 106th Congress.

As a member of the Committee J.C. provided critical support to legislation that impacted his congressional district, the state of Oklahoma, and the nation. Nearly 50 years ago, President Eisenhower recognized the need for a massive effort to build the infrastructure system of this great nation. He recognized that a robust infrastructure is vital to the economic health of America. In the same spirit of enterprise, J.C. WATTS demonstrated his commitment to the nation by ensuring the committee continue its work in building America's infrastructure.

J.C. WATTS was a member of the Surface Transportation Subcommittee during the 105th Congress when the subcommittee developed landmark legislation, the Transportation Equity Act for the 21st Century (TEA–21), creating a firewall around the Highway Trust Fund, enabling America to build its infrastructure at a level unprecedented in history. His leadership was also instrumental during the first session of the 106th Congress as J.C. served on the Aviation Subcommittee. In the same way, the Aviation Subcommittee was successful in sponsoring watershed legislation for the aviation community, the Aviation Improvement and Reform Act for the 21st Century (AIR–21), that took the aviation trust fund off budget and released unparalleled funding for the building of our nation's aviation infrastructure.

I am proud to have had the opportunity to have J.C. represent Oklahoma and the rest of the Nation on a committee so vital to the heart of our economic stability and growth. While always focused on ensuring the nation's benefit was considered foremost, J.C. fought for and succeeded in ensuring an equitable distribution of funding for the state of Oklahoma.

I am also pleased with the relationship I have developed with J.C. over the past four and one-half years. I have assured my friend that, although he may have accepted a leave of absence from the Transportation and Infrastructure Committee, he will continue to play a significant role on legislation impacting infrastructure issues as we continue to strive to build the heart of America.

IN HONOR OF ALINA DUNAEVA AND DAVID JOHNSON

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Alina Dunaeva and David Johnson, two recent high school graduates who have worked diligently to improve their community.

Alina and David are ending their terms as the leaders of the Tenth Congressional District Youth Congress, a group dedicated to making a difference for young people in the Cleveland area. This year, they lead members in following the group's mission to improve educational opportunities, community resources for students, and their environment, in part by holding a press conference about local levies and participating in a clean-up project on Cleveland's west side.

In guiding this group through its first full school year, Alina and David have helped to build a forum for a diverse group of students to share their ideas and create constructive solutions to issues that are important to young people.

My fellow colleagues, please join me in honoring Alina Dunaeva and David Johnson for their outstanding commitment to encouraging youth to become involved.

PERSONAL EXPLANATION

HON. JIM NUSSLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. NUSSLE. Mr. Speaker, on Thursday, July 15, my vote was not recorded on rollcall vote No. 296. Had my vote been recorded, I would have voted "aye."

PERSONAL EXPLANATION

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. ROGERS. Mr. Speaker, on Monday, July 12, I was unavoidably detained for rollcall votes Nos. 277, 278, and 279. The votes were on agreeing to the day's journal, on passage of H. Con. Res. 107, and on passage of H. Con. Res. 117. If I had been present, I would have voted "aye" on all of these measures.

TRIBUTE TO STANLEY REMELMEYER

HON. STEVEN T. KUYKENDALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. KUYKENDALL. Mr. Speaker, I rise today to remember and honor a beloved figure from my district, Mr. Stanley Remelmeyer. Stan recently passed away at the age of 81, and he will forever be remembered for his unconditional dedication to the City of Torrance.

From 1995 to 1988, Stan Remelmeyer diligently served Torrance as City Attorney. During his tenure, small town Torrance with a population of 35,000 grew into a large urban center of more than 140,000 residents. Local officials credit Remelmeyer with guiding the city through years of complicated legal matters associated with the development.

Upon retirement in 1988, Remelmeyer fondly recalled his years as City Attorney and reaffirmed his belief that city government was "the heart of the country." He remained active as a consultant for the Redondo Beach City Attorney's Office right up until the day he died. Remelmeyer continued to keep a busy schedule, regularly traveling throughout California on behalf of Redondo Beach. A graduate of Harvard Law School, he remained dedicated to his two loves, the law profession and city government.

Remelmeyer was a pioneer and he leaves a lasting imprint upon the City of Torrance. He fought to preserve Madrona Marsh, now a Torrance landmark, and the city's telecommunications center bears his name.

The City of Torrance has lost a true friend. His lifelong career of service will forever be remembered in Torrance. Stanley Remelmeyer will be dearly missed, but his legacy will live on in the City of Torrance.

TRIBUTE TO CAPTAIN JEFFREY J. HATHAWAY, UNITED STATES COAST GUARD

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. COBLE. Mr. Speaker, I rise today to recognize an exceptional United States Coast Guard Officer, Captain Jeffrey Jay Hathaway. This week Captain Hathaway completes an extremely successful three-year tour as the Coast Guard's Liaison to this body and to the United States Senate. It is a pleasure to recognize a few of his many achievements.

A native of Whittier, California, Jeff Hathaway began his career by attending the United States Coast Guard Academy in New London, Connecticut graduating in 1974 with a Bachelor of Science degree. Upon entering the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Coast Guard fleet after graduation, then Ensign Hathaway was assigned to USCGC *Venturous* (WMEC 625) in Long Beach, California as a deck watch officer. Subsequent afloat tours have included duty as Operations Officer aboard *Venturous* and as Commanding Officer of USCGC *Citrus* (WMEC 300) in Coos Bay, Oregon, USCGC *Legare* (WMEC 912) in Portsmouth, Virginia and USCGC *Munro* (WHEC 724) in Alameda, California.

Captain Hathaway's experience ashore has included assignments as a duty officer in the Coast Guard Pacific Area Command Center, assignment officer in the Officer Personnel Division of Coast Guard Headquarters, and cutter management duty on the Pacific Area Operations Division staff. In 1989, he was handpicked to serve as the Military Assistant to the U.S. Secretary of Transportation and served in that assignment until 1991.

Captain Hathaway earned a Master of Business Administration degree from the University of California at Irvine in 1983 and a Master of Science Degree in National Resources Strategy from the Industrial College of the Armed Forces in 1994.

His continued exemplary performance led him to be selected ahead of his peers for the ranks of Commander and Captain. His numerous personal awards include two Legions of Merit, two Meritorious Service Medals, two Coast Guard Commendation Medals and three Coast Guard Achievement Medals.

Jeff Hathaway arrived for duty as the Chief of the Coast Guard's Congressional and Governmental Affairs Staff in July 1996. In this capacity, he has been instrumental in providing the Congress with an in-depth knowledge and understanding of the Coast Guard. Most importantly, Captain Jeff Hathaway has come to epitomize those qualities we expect from our Coast Guard men and women—an intense sense of honor, respect and above all devotion to duty.

Mr. Speaker, Jeff Hathaway has served our country with distinction for the past 25 years. As he continues to do so, I call upon my colleagues from both sides of the aisle and the other body to wish him, his lovely wife Rebecca, and their four children, Allison, Paul, Brianna, and Kenneth, much continued success in the future, as well as fair winds and following seas.

IN HONOR OF THE JOHN ADAMS HIGH SCHOOL CLASS OF 1969

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to recognize The John Adams School Class of 1969 as they are to celebrate their 30 year reunion on August 21st, 1999. The reunion committee has worked hard and been highly successful in tracking the class of 1969, holding a database of 400 out of the original 521 students who attended John Adams in that year. An amazing feat when it is considered that the former students are scattered the length of the country from California to New York, including those who have remained in Cleveland, where they began their education.

The John Adams High School, which opened in Cleveland in 1923, was unfortunately closed on June 13th 1995, making the reunion all the more important as a reminder of the exceptionally hard work done by the school staff in educating thousands of young people. In its seven and half decades, John Adams was a proud symbol of public education, an inspiration for many as a place were working class families sent their children to be educated in an environment rich in racial and cultural diversity. This proved to be decisive for many of the students of John Adams, lending them to use their experiences to motivate others.

The class of 1969 were a good, cohesive group, a rich pool of talent that has created a group of highly successful and motivated individuals. Of particular inspiration to the group has been the dedicated work and commitment of their former principal, Mr. J. Robert Kline, an attendee at every reunion held by the Alumni Association, and a highly instrumental player in the success of every reunion held by the Alumni Association, and a highly instrumental player in the success of the class.

My fellow colleagues, join me in saluting The John Adams High School Class of 1969 in their continual dedication to our community. They all benefited from their inspirational education in Cleveland and I am pleased to recognize their accomplishments.

CONGRATULATIONS TO THE PRESIDENT FOR MEDICARE PREVENTIVE CARE PROPOSALS: CONGRESS SHOULD ENACT THEM THIS YEAR

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. STARK. Mr. Speaker, I rise today in strong support of enhancing the preventive benefits available in the Medicare program. The President's Medicare reform plan has taken a step in the right direction by eliminating cost sharing on preventive services. This will encourage more beneficiaries to seek out mammography and other valuable screening tests. Let's continue this work by encouraging outreach efforts targeting preventive care.

The number don't lie. Prevention saves lives. The Centers for Disease Control and Prevention has stated that "our country cannot decrease its enormous healthcare costs, much less its priority health problems, without addressing in a fundamentally more aggressive manner, the prevention of chronic disease." (Unrealized Prevention Opportunities; Reducing the Health and Economic Burden of Chronic Disease, CDC Publication March, 1997)

The most preventable cause of death in our society is tobacco use. Although we hope to target new initiatives for preventing tobacco use primarily to children and adolescents, a lot can be accomplished with smoking cessation efforts in the senior population. The President's decision to include such programs in his reform plan makes good sense. Studies have shown that health risks attributable to smoking decrease significantly within a few years after quitting, regardless of age. Tobacco use costs the nation $50 billion annually, in medical expenses alone. Smoking cessation efforts can help to reduce this immense burden on the health care system.

With most chronic diseases, early detection is the key to successful treatment. Early detection also has the potential to save money. For example, treatment costs for breast cancer diagnosed in the localized stage are as much as 32 percent lower than treatment costs for later state diagnosis. Regular screening can detect cancers of the breast, colon, cervix, among others, at early stages. Currently, about 66 percent of people with these cancers survive for more than 5 years. With improved early detection efforts, about 95 percent or an additional 115,000 people would survive for 5 years or more. You can't put a price tag on that.

In the case of diabetes, the CDC has found that enhanced prevention could save the Medicare program nearly a billion dollars per year. For example, if all people with diabetes received recommended eye disease screening and followup, the annual savings to the federal budget could exceed $470 million. Second, over half of the 57,000 lower extremity amputations associated with diabetes could be prevented. These preventable amputations currently cost $285 million annually.

Finally, at least half of the 19,000 new cases of diabetes related kidney disease could be prevented. These preventable cases cost over $350 million annually.

Prevention makes good sense in terms of both human and monetary costs. To not support the prevention of chronic diseases is to turn our backs on addressing the major health issue of our time.

CONGRATULATING HAWTHORNE FIRE CO. NO. 2

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate Hawthorne Fire Co. No. 2 on the completion of extensive renovations as its firehouse in Hawthorne, NJ. This virtually new structure will enhance the ability of the fire company's dedicated volunteers to protect the lives and property of community residents in the most efficient and modern manner possible.

Organized in 1910 by 25 Hawthorne residents concerned about the need for fire protection in their town, Fire Co. No. 2 is seen nearly a century of service. In the beginning, the fire company possessed a horse-drawn hose cart purchased by the town, but no formal firehouse. Since 1919, the company has been headquartered in a firehouse at 10 Llewellyn Ave.

Many changes and additions to the firehouse have been made in the past 80 years to accommodate new equipment, functions, and firefighting technique. With an increasingly large fleet of fire engines and the increasing size of fire apparatus—including a recently purchased 85-foot ladder truck—it became clear in recent years that a new facility was needed, however.

The fire company launched a $280,000 fund-raising drive coordinated by a renovation committee chaired by veteran volunteer Tom Furrey. The committee conducted a number of fund-raisers and obtained both a mortgage and a loan from the New Jersey Division of Fire Safety to finance the project.

The result is an extensively renovated and enlarged firehouse. Additional space, a new roof, new heating and air conditioning and floor repairs were among the many improvements.

This weekend, the building will be dedicated with a major celebration including a dinner and ceremony to than those who have helped raise funds and donated materials and equipment.

A fire company is more than just a firehouse and fire engines, of course, Special recognition goes to Chief Victor Tamburro, Assistant Chief Richard McAuliffe and fire company President Richard Garthwait for their leadership.

Mr. Speaker, volunteer firefighters are among the most dedicated public servants in our communities. They set aside their own convenience—indeed, their own safety—to protect the lives and property of their neighbors and ask nothing in return. Volunteer firefighters turn out to do their duty in the darkness of freezing winter nights and in the heat of suffocating summer days without hesitation. The officers and members of Hawthorne Fire Co. No. 2 deserve our deepest gratitude and heartfelt thanks. God bless and Godspeed to all.

HONORING THE BOROUGH OF CROSS ROADS ON ITS 100TH ANNIVERSARY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. GOODLING. Mr. Speaker, I rise today to pay tribute to the Borough of Cross Roads on the occasion of its 100th anniversary celebration. I am pleased and proud to bring the history of this fine borough to the attention of my colleagues.

On October 16, 1899, the Borough of Cross Roads was incorporated. At that time the Honorable Judge Pittenger described the town as one with the potential of growing greatly to meet the needs of the expanding society. Then the borough included 36 houses, one of which was vacant, and a population of 154, 44 of whom were registered voters.

Now, 100 years later, Cross Roads is a mixture of farms and homes. Cross Roads has lived up to those expectations set forth by Judge Pittenger in 1899. This borough has provided many people with a friendly, family-oriented, and safe community.

I send my sincere best wishes as the Borough of Cross Roads celebrates this milestone in its history. I am proud to represent such a fine place and look forward to watching it grow as we enter the new millennium.

SALVATORE “BUDDY” SCOTTO

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. TOWNS. Mr. Speaker, I rise today to honor Salvatore “Buddy” Scotto, son of Pasquale and Rose Scotto, who was born on October 1, 1928, and was raised in Carroll Gardens, Brooklyn, New York. He attended Sacred Heart & St. Stephens Grade School, Bishop Loughlin Memorial High School, and St. Francis College, where he graduated in 1953 with a Bachelors of Arts degree. In August of 1959, his National Guard unit was activated and sent to Korea. In April of 1951, he was sent on to the Guided Missile School at Ft. Sill, Oklahoma and received a commission. Buddy served three years of active duty and eight years of active reserve. He retired from the military in 1963 as a Captain.

As a seasoned U.S. veteran, he immediately became involved in the community. In 1964, Buddy was asked to head the Carroll Gardens Association. During his tenure, thousands of dollars was collected from landlords and tenants to revitalize the neighborhood and to improve the quality of life for all. Through his efforts, Carroll Gardens has become a model for local development. Later, in 1968, Buddy helped establish CIAO and provided assistance to securing funding for day care and senior citizen facilities. The Court Street Day Care Center at 292 Court Street, and the Eileen Dugan Senior Center, to name a few, were among the organizations to receive vital funding.

Through Buddy's dedication to improving Brooklyn and its surrounding boroughs, he was also a founding member of several organizations such as the Gowanus Canal Development Corporation and the New York City Partnership. These organizations had made tremendous strides towards developing affordable housing, local employment, and providing other vital community resources. As further testament to his unwavering commitment to the community, Buddy spearheaded the formation of the Cowanus Expressway Community Coalition. Recently, the Coalition secured $18 million from Congress to seriously investigate the viability of a tunnel replacing the elevated Gowanus Expressway.

Mr. Speaker, please join me in honoring Buddy Scotto, a jewel in Brooklyn's illustrious crown.

PAYING TRIBUTE TO HIS HOLINESS CATHOLICOS KAREKIN I

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to His Holiness Catholicos Karekin I who passed away Tuesday, June 29, 1999 after a long battle with cancer. He died in his residence in the town of Echmiadzin.

Born Nshan Sarkisian, in Syria on August 27, 1932, Karekin was admitted to the Theological Seminary of the Armenian Catholicate of Cilicia in 1946. He was ordained a deacon in 1949, and graduated with high honors in 1952. In the same year, he was ordained a celibate priest, receiving the name “Karekin,” and entered the religious order of the Catholicate of Cilicia. He was granted the ecclesiastical degree of “vardapet” in 1955 and joined the Theological Seminary in Antelias, Lebanon, first as a faculty member and later as dean. He took a brief hiatus from his duties as dean in 1957 to study theology at Oxford University in Great Britain, and returned to his position upon the completion of his thesis in 1960.

In the following decade, Fr. Karekin served as a key aide to His Holiness Khoren I, Catholicos of the Great House of Cilicia, while attending several historic religious conferences and lecturing on theology and other subjects at several schools and universities across the globe. In recognition of his service to the Church, he was elevated to the position of senior archmandrite in 1963, consecrated as bishop in 1964, and made Archbishop in 1973. During this time Bishop Karekin served the Church in many capacities in the Middle East and North America.

Archbishop Karekin was elected Catholicos of the Great House of Cilicia in 1977, serving in the capacity of “Catholicos Coadjutor,” along side His Holiness Khoren I until the latter's death in 1983. Subsequently, His Holiness Karekin II was fully installed as Catholicos of the Great House of Cilicia. In this capacity, Karekin II worked to improve and expand religious education in the Catholicate, as well as to expand its capacity to support research and publishing projects. In later years he acted as an Ambassador of the Church, making numerous visits to religious leaders all over the world. He also contributed to the leadership of the Middle East Council of Churches, and published extensively on a range of subjects.

In his travels, Karekin II made frequent visits to Armenia, both before and after the fall of the USSR. He visited Holy Etchmiadzin to express solidarity with His Holiness Vazgen I, the late Catholicos of All Armenians, during a trip to render spiritual assistance to the victims of the 1988 Spitak earthquake. He was also named to serve on the Central Board of Directors of the Armenia Fund, Inc. Karekin II was elected the Supreme Patriarch and Catholicos of All Armenians on April 4, 1995.

Mr. Speaker, I rise to extend my sincerest condolences to His Holiness and the Armenian Church. In the spring of 1996 I had the honor of meeting His Holiness when I traveled to Armenia. I am deeply saddened by his passing; June 29, 1999 will be remembered as a day of mourning for all Armenians.

JOETEN ENTERPRISES, INC.

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. UNDERWOOD. Mr. Speaker, fifty years ago, a dentist's office in the island of Saipan in the Northern Marianas was converted into a small grocery store. Jose Tenorio and his wife, Soledad Duenas Takai "Daidai" Tenorio, financed the opening of Tenorio's Grocery Store also known as "Daidai" Store. Through the proceeds of a house sale made in 1949, this "mom and pop" operation became the groundwork of an extensive group of family-run companies, currently the biggest business enterprise in the Northern Mariana Islands. For the past fifty years, Joeten Enterprises has been at the forefront in providing goods and services to the people of the Northern Marianas. This was all made possible by Jose Camacho "Joeten" Tenorio.

Born on July 6, 1923, Joeten grew up during the Japanese administration of the Northern Marianas. Completing the standard five-year education under Japanese rule, he mastered the Japanese language. After the war, he learned English from soldiers and was granted a high school equivalency diploma after receiving instruction from an American principal in Saipan's junior high school. From being a sugar cane field worker, he went on to become an elementary school teacher.

In 1947, Joeten used personal savings of $200 as capital for a beer and soft drinks retail enterprise. Two years later, in 1949, the Tenorios sold their house to open the grocery store which offered basic necessities to the island of Saipan's growing population. Realizing that, in an island economy, a huge chunk from the profit is taken each time goods are shipped into the island, Joeten found to maximize his profit potential by getting together with several local businessmen, in 1956, to form the Saipan Shipping Company. To support the newly created shipping business, the Saipan Stevedore Company was established soon afterwards. As the scope of the island's business community broadened, the Saipan Chamber of Commerce was founded in 1959. Joeten was at the forefront.

In 1962, the office of the Trust Territory of the Pacific Islands moved its headquarters from Guam to Saipan, leading to an influx of jobs and money. The favorable business climate enabled Tenorio's Grocery Store to expand and diversify. Stores selling food, dry goods, hardware items, appliances and furniture were incorporated, in 1963, to constitute the Joeten Center. Three years later, Joeten was awarded the Trust Territory government's copra contract through the United Micronesia Development Association. By the close of the 1960's, Joeten was doing $3 million worth of business.

A major turning point occurred In 1970. Joe Screen joined the team as vice-president and comptroller. Under Joe Screen's leadership, the Joeten stores were transformed into the J.C. Tenorio Enterprises. Their business went beyond wholesale, retail and shipping. By the time Joe Screen passed away in 1984, Joeten Enterprises expanded to include automobile dealerships, a real estate firm, shopping malls, hardware stores and construction supplies distributors. By this time the company was handling $17 million worth of business per year.

For his accomplishments and contributions to the business community, Joeten was chosen as Saipan Chamber of Commerce's Businessperson of the year in 1989. However, business was not his only interest. Genuinely concerned with the Northern Marianas' political future, he ran an unsuccessful campaign, in 1977, to be the commonwealth's first governor. In 1990, he was appointed chairman of the governor's council of economic advisors.

Joeten passed away in 1993, leaving behind a legacy and a business empire that has been at the forefront of the growth and progress of the Northern Marianas. His sons, Clarence and Norman, together with daughters, Annie, Francisca, Patricia and Priscilla, have taken over since his passing. In its fiftieth year, Joeten Enterprises enjoys unprecedented growth. Sales reports show an increase from $74.7 million in 1992 to $123 million in 1998. Employment figures rose from 789 employees in 1992 to roughly 1,000 employees in 1998.

On behalf of the people of Guam, I congratulate Joeten Enterprises, Inc. as they celebrate their golden anniversary. I hope that the next fifty years brings continued success.

TRIBUTE TO RETIRED READING INSTRUCTOR BILLIE HULVER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SKELTON. Mr. Speaker, it has come to my attention that second grade Title I Reading Instructor Billie Hulver, of Lexington R–V School District in Missouri, retired from the teaching profession on May 24, 1999.

Mrs. Hulver began her teaching career after earning her Bachelor of Arts degree from Central Missouri State University in 1977, where she also later earned a Masters degree in Remedial Reading. She taught at the Leslie Bell School in Lexington, MO, for 22 years, helping many children learn to read in the ensuing years.

A highlight of Mrs. Hulver's career occurred recently when she had the opportunity to present the district's early intervention reading program at the International Reading Association annual convention in San Diego, CA. Mrs. Hulver was instrumental in the development of the district's special 90-minute reading program for those students who could benefit from the extra help in learning this all-important educational skill.

With special assistance and encouragement from Leslie Bell Elementary School Principal Barbara Kitchell, Mrs. Hulver designed a "pull-out" program—where students are pulled out of their regular classroom for their extra reading instruction—in 1994. Most school districts have only a 30-minute duration reading assistance program.

In the "pull-out" program, each group attending a 90-minute session is broken down into smaller, more flexible groups of 3 or 4 students, with each small group spending a predetermined amount of time at several work centers set up around the room. At the end of each time period, the students at one learning center move on to the next learning center, eventually making their way around the room, having spent some time in each of the learning centers. Activities are directed by the teachers at some of the learning centers, with the students working independently at others. The program has resulted in significant improvement in the reading scores of participating students.

Mr. Speaker, I know my colleagues will join me in extending our heartfelt gratitude to Billie Hulver for her dedication and professionalism in helping the youth of our country develop their reading skills, and in wishing her a happy and healthy retirement.

HONORING MR. JOHN L. SAMPSON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. TOWNS. Mr. Speaker, I rise today to honor Mr. John L. Sampson, a new and welcome addition to the New York State Senate. Mr. Sampson was elected to the New York State Senate in 1996, representing the 19th Senatorial District which encompasses Canarsie, Starrett - of Spring Creek, East Flatbush, parts of Brownsville, Crown Heights, and East New York. He resides in Canarsie, Brooklyn with his wife Crystal, an experienced manager at Arthur Anderson, LLP., and their daughter Kyra.

Born to American and Guyanese parents on June 17, 1965, in Bedford Stuyvesant, Brooklyn, John Llewllyn Sampson moved to Brownsville/East Flatbush, Brooklyn with his family at the age of two. Mr. Sampson grew up in the Brownsville/East Flatbush section of Brooklyn and attended New York City Public Schools, graduating from Tilden High School in Brooklyn.

After graduating from Tilden High School in 1983, Mr. Sampson attended Brooklyn College and graduated in 1987. While in college, he was employed as a paralegal for the Corporation Counsel of the City of New York. Graduating with a Bachelor of Arts Degree in Political Science, Mr. Sampson worked for Proskauer Rose Goetz & Mendelsohn as a Litigation Assistant. In 1988, he entered Albany Law School. During his studies there, he worked with the Department of Environmental Conservation until his graduation in 1991. In April 1992, Mr. Sampson was admitted to the New York Bar, at which time he became a staff attorney for the Legal Aid Society of New York, repesenting clients in Real Estate, Criminal and Election matters.

Mr. Sampson has been an active participant in community affairs, conducting free legal clinics and representing candidates in election matters before the New York Supreme Court. Mr. Sampson is a member of several political organizations including the Rosetta Gaston Democratic Club, the New Era Community Democratic Club, the Thomas Jefferson Democratic Club and the New Era PAC.

Mr. Speaker, I would like you and my colleagues from both sides of the aisle to join me in honoring Mr. John L. Sampson.

TRIBUTE TO JAMES L. FARMER

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. DIXON. Mr. Speaker, I join my colleagues today in mourning the passing of one of America's greatest civil rights leaders, James L. Farmer, Jr. Mr. Farmer who served alongside Martin Luther King, Jr., and other civil rights giants of the 1950's and 1960s and led Freedom Rides throughout the South, died July 9 in a Fredericksburg, VA, hospital.

As one of the founders of the Congress of Racial Equality (CORE) in 1942, Farmer was considered one of the "Big Four" Civil Rights leaders along with Dr. King, NAACP chief, Roy Wilkins, and Urban League head Whitney Young. Farmer was the last surviving member of that courageous and august group.

James Farmer was born on January 12, 1920, in Marshall, TX. He was the son of Dr. James Leonard Farmer, who was the first African American in Texas to hold a doctorate, and Pearl Farmer. James entered Wiley College in Marshall as a 14-year-old freshman. He graduated from Wiley in 1938 and entered the Howard University School of Religion here in Washington, DC. He received his bachelor of divinity degree in 1941, and planned to follow his father into the ministry. However, upon learning that he would be required to preach to a segregated congregation, he declined ordination and set course on a path that would lead him into the civil rights movement.

In 1942, James Farmer and a few others organized CORE. Later that year in Chicago, Farmer initiated what is believed to be the first organized sit-in in United States history. In 1961, Farmer became CORE's national director. He organized and led the famous Freedom Rides of 1961, which took black and white protesters on Greyhound and Trailways buses from Washington, DC, to Jackson, MS, to challenge Jim Crow laws requiring racial segregation on public transportation. Soon after the famed Freedom Rides, Mr. Farmer met with Vice President Johnson and recommended what he called "preferential treatment" for black people trying to get into all-white schools and workplaces. This suggestion would later become the cornerstone of President Johnson's "affirmative action" policies.

Mr. Farmer's involvement with the civil rights movement often brought him face to face with threats of violence. He endured beatings and jailings and barely escaped lynching one night in Louisiana.

Mr. Farmer was an early proponent and follower of the nonviolent ideology espoused by Mahatma Gandi. In recognition of his esteemed contributions to equality and civil rights, President Clinton in 1998 bestowed on Mr. Farmer the highest government honor a civilian can receive, the Presidential Medal of Freedom.

James Farmer's contribution to the cause of equality cannot be understated. After stepping down as CORE's national director, Mr. Farmer went on to teach at Lincoln University, the alma mater of another of America's finest sons, Supreme Court Justice Thurgood Marshall. He also served a brief stint as the Assistant Secretary at what was then known as the Department of Health, Education, and Welfare, and authored two books. Mr. Farmer was a quiet but indefatigable warrior in helping to open doors and create opportunities for thousands of African-American citizens. He leaves a lasting legacy and will be sorely missed. I extend my condolences to his surviving daughters, Tami Farmer Gonzales and Abbey Farmer Levin.

JAMES LEONARD FARMER, JR.

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Ms. CARSON. Mr. Speaker, today I would like to honor and remember an American hero, James Leonard Farmer, Jr. who passed away on July 9 at the age of 79.

James Farmer was one of the leaders of the Civil Rights Movement who helped to shape America. He was a pioneer in both his ideas and actions. His accomplishments and courage over the course of his life are unparalleled.

James Farmer is often overshadowed in the Movement by Martin Luther King Jr. However, he was the first in the Movement to implement the ideas of Mahatma Ghandi and use non-violence and civil disobedience to fight segregation and hatred. He founded the Congress of Racial Equality (CORE) in 1942. He organized the first sit-in in the country in a restaurant with members of CORE. CORE was also responsible for the Freedom Rides in the summer of 1961. These accomplishments led to the desegregation of interstate buses in the South and, in part, led to the Civil Rights Bill of 1964.

His leadership led to great strides that were made early in the Civil Rights Movement. His intellect, bravery, and commanding oratory skills were a primary reason that the Movement was able to gain support from all people.

He continued his work in the Civil Rights Movement in other facets, such as running for Congress, working in the Nixon administration, and teaching, which is what he continued doing until the end of his career.

He continued to educate young people about the history of the Civil Rights Movement. He continued combating hate with ideas of love, brotherhood, and non-violence. He knew fear did not mean cowardice, and that hate was ignorance. He espoused that love and cooperation transcends race, gender, and differences and creates a better mankind. The better humankind for which he strived is a humankind that is truly one and truly unified, and when we as a people achieve this, it is then that we approach our Dream.

TRIBUTE TO RETIRING INSURANCE AGENT WES LANGKRAEHR

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SKELTON. Mr. Speaker, it has come to my attention that a distinguished career in the insurance industry has come to an end. Wes Langkraehr recently retired after 34 years as an American Family insurance agent.

Mr. Langkraehr was raised and educated in the Concordia, MO, area. After short stints at the Sweet Springs shoe factory and working construction at Whiteman Air Force Base, Mr. Langkraehr left Concordia in 1953 to work at the Kansas City Power and Light Company (KCP&L). In 1954, he joined the Army. Upon completion of his tour of duty as a soldier, he returned to KCP&L, where he worked for a total of 14 years.

While working at KCP&L, Mr. Langkraehr also started working part-time in the insurance business. By 1964, he was making more money with insurance than he was in his full-time job at KCP&L. He quit KCP&L in 1967 and began working full-time in the insurance business with American Family. In July 1969, he was selected as the Company Agent of the Month, boosting his confidence in his ability as an insurance agent. He never looked back.

With his insurance business booming, Mr. Langkraehr began to buy, sell, and develop real estate. He formed Metro East Corporation in the early 1980's. With his retirement from the insurance industry, Mr. Langkraehr now has time to devote more attention to Metro East.

Mr. Langkraehr is a full-time booster for the town of Concordia, MO. He remains active in the community, rarely missing meetings of either the Lions Club or the City Council.

Mr. Speaker, I know the Members of the House will join me in extending our best wishes in the years ahead to Wes Langkraehr.

JONI YOSWEIN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. TOWNS. Mr. Speaker, Joni Yoswein is President of Yoswein New York, Inc. (YNY), a government affairs and public relations firm based in New York City. Representing a range of clients that includes health care providers, educational institutions, community based organizations, trade groups, labor unions, Yoswein New York has become one of the fastest growing public policy and government relations firms in New York State.

Ms. Yoswein founded YNY in 1994. The firm quickly developed a reputation as a tireless governmental advocate for its clients, successfully representing many Brooklyn institutions.

Until 1992 Joni Yoswein served as a member of the New York State Assembly from Brooklyn's 44th Assembly District, joining the ranks of only several dozen women ever elected to legislative office in New York. During her tenure as an Assembly member she was instrumental in securing additional funding for the Higher Education Applied Technology Program, and for New York City's recycling programs. She was also a leader on voter access issues, initiatives focused on displaced homemakers, and on funding for New York City's infrastructure. Immediately prior to forming YNY in 1994, she was a Deputy Commissioner for the City of New York Department of Aging.

Joni Yoswein's career in State government began when she became a legislative representative for Brooklyn Assembly Member Mel Miller. She worked in the legislature for 14 years, becoming Director of Operations for the Assembly, responsible for its 2,000 employees statewide. At the time, Ms. Yoswein was the highest ranking woman on the Speaker's staff. She was a delegate to the Democratic National Convention in 1984 and 1988, and Democratic District leader and State Committee member for 10 years.

Ms. Yoswein is a graduate of the State University at Albany. She is married to Glenn C. Van Bramer, and resides in Brooklyn. I want to commend her dedicated service to both her government and community, and for being a role model for all women to follow.

TRIBUTE TO BISHOP ANDREW CHARLES JACKSON

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Bishop Andrew Charles Jackson who for over 36 years, tirelessly served his community and congregation as a spiritual leader and model citizen.

Bishop Jackson was born in Columbia, South Carolina, to Malcolm and Charlotte Jackson. He was educated in the public schools of Richland County, and Columbia Bible College. He married Jennie Lumpkin. They had 5 children, and currently have 7 grandchildren.

Early in his life, Bishop Jackson was baptized and immediately began strengthening his ties to the church. He served as a Sunday School teacher and Superintendent, Youth Leader, and Deacon at the Bible Way Church of Hampton Street. He was called to the ministry in 1963 and installed as a pastor in 1964.

In January, 1966 the Church building burned and he and the congregation held services in homes and a school on Atlas Road. In October, 1967 Bishop Jackson, "Mother" Elizabeth Simmons and 11 members established a new church on Bluff Road in Columbia, South Carolina.

In 1969, Bishop Jackson dedicated a new 350 seat sanctuary on Atlas Road and established a Nursery School. He was also ordained and Elder in 1969 and appointed a District Elder in 1970. He continued his building program on Atlas Road, adding a youth center and dining hall in 1971. He established a radio broadcast the following year.

In May of 1972, Bishop Jackson was appointed Diocesan Bishop of South Carolina, Eastern North Carolina and Prince Frederick, Maryland, and served in this capacity for many years. It was during this time that he established the Bible Way Social Action Foundation (BSAF) to serve needy community members. In 1980, he was appointed as Liaison Bishop for West Africa, and a school was named in his honor in West Africa in 1988. While sharing his faith around the world, he continued serving his home church and in 1981 they built a 1,000 seat sanctuary. From 1983–1988, Bishop Jackson assisted Bishop Chester Byrd with the Florida Diocese and was appointed Bishop of the Florida Diocese in addition to South Carolina, and was later appointed as Director of Finance for Bible Way Church World Wide.

Still remaining in the Columbia area, Bishop Jackson helped to establish a state of the art Family Life Center in May of 1995, and he was consecrated as Co-Vice Presiding Bishop of Bible Way Church in July of 1995. He retired from full time pastorate in November of 1996, after over 33 years in the ministry, and is now Pastor Emeritus of the Atlas Road Bible Way. Throughout his ministry, Bishop Jackson has received numerous honors and recognitions. Of particular note was his 1997 induction into the South Carolina Black Hall of Fame.

Mr. Speaker, we seldom meet people who give so tirelessly of their time and resources as Bishop Andrew Charles Jackson. Please join me in paying tribute to this wonderful South Carolinian, devoted Christian, and personal friend.

TRIBUTE TO MRS. BESSIE CANNON, PRESIDENT, SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) LOCAL 880 OF CHICAGO, ILLINOIS

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. RUSH. Mr. Speaker, I rise today to recognize and honor the life of Mrs. Bessie Cannon who made her heavenly transition on Friday, July 9, 1999 at the age of 57.

Mrs. Cannon served diligently as the President of the 10,000 member Service Employees International Union (SEIU) Local 880 for seven years. She was a strong and effective voice for the "little people", fighting in Chicago for the passage of the city's first "Living Wage" ordinance. She championed many causes within the labor movement in Chicago and across this nation during her 13 years as a member of SEIU.

A deeply devoted Christian woman, Mrs. Cannon served faithfully as a member of the Fellowship Missionary Baptist Church of Chicago, under the leadership of the Rev. Dr. Clay Evans. She had an unwavering commitment to the cause of Christ, believing that in Him we have everlasting life. Mrs. Cannon was a loving wife, mother, grandmother, sister and friend. She was an anchor in her home, in her church, in her community and indeed in this nation.

Mr. Speaker, I have known Mrs. Cannon for several years. She has been a supporter and friend. I want to encourage her family and many friends to always remember to look to the hills from which comes all of their help. I am truly honored to pay tribute to her distinguished life and am privileged to enter these words into the CONGRESSIONAL RECORD of the United States House of Representatives.

TRIBUTE TO MR. CHRIS CHIAVERINA AND MR. RICHARD BERNOTOS: TWO EXCELLENT EDUCATORS

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. MANZULLO. Mr. Speaker, I am proud to take this opportunity to officially recognize two outstanding gentlemen from the 16th District of Illinois for their important contributions to advancing educational excellence in Illinois.

Mr. Chris Chiaverina lives in Crystal Lake and is a physics teacher at New Trier High School in Winnetka, IL. He exemplifies the innovativeness and creativity that teachers can bring to education. Through his collaborations with fellow educators in math and science, Mr. Chiaverina has helped to develop the Connections Project, which has recently won a grant from the GTE GIFT (Growth Initiative For Teachers) program. GTE offers 60 grants to groups integrating math and science with technology in innovative ways. I would like to include a summary of this inspiring project that won this national award.

I also would like to praise the dedicated work of Mr. Richard Bernotos, Superintendent of School District 47 in Crystal Lake, IL, who was recently chosen as the Parade Grand Marshal for the Crystal Lake Fourth of July celebration. The Crystal Lake Gala Committee picked the Grand Marshal of the parade based on nominations from the community including that of Franklin McAnally, a sixth grade student from Lundahl Middle School. Franklin's letter is included as a testimony to Mr. Bernotos' legacy.

THE CONNECTIONS PROJECT

WHAT IS THE CONNECTIONS PROJECT?

The New Trier Connections Project is an ongoing endeavor which was initiated several years ago as a result of collaboration among art, mathematics and science teachers. The specific goals of the Connections Project include: (1) the production of interactive, interdisciplinary exhibits; (2) the creation of hands-on curricular resources that permit the integration of the exhibits into existing art, mathematics and science courses; (3) the promotion of sender school high school articulation; (4) the fostering of intra- and inter-departmental collaboration; (5) the implementation of in-service opportunities to acquaint faculty at New Trier and its sender schools with interactive, interdisciplinary resources; and (6) the operation of a web-site to provide on-line access to information about our project.

The teachers and students involved in this initiative have created more than 80 hands-on, museum-type exhibits that demonstrate interrelationships between art, mathematics, science and human perception. The multi-disciplinary exhibits are grouped in thematic clusters that currently include "bubbles", "curves", "illusion and perception", "iteration and fractals", "light, color and optics", "symmetry and reflection", "tessellation". These exhibits are used to create motivating experiences for students and to enhance and expand the curriculum.

The displays are being used in a variety of venues. In addition to being presented in exhibitions in the Brierly Gallery, the exhibits have been used in a wide range of classes at New Trier, in local and Chicago elementary schools, at professional meetings, and in university classes.

HOW DOES THE CONNECTIONS PROJECT BENEFIT NEW TRIER STUDENTS?

New Trier's motto, "to commit minds to inquiry", is at the heart of the Connections Project philosophy. Our exhibits are designed to encourage students to actively explore the world around them while discovering elements common to the arts, mathematics and science. Connections exhibits complement student course work in art, math, science, and other subjects by giving students a common set of experiences through which they may understand basic ideas, make connections between related concepts, and integrate newly acquired understanding with prior knowledge. By presenting seemingly disparate disciplines in a real-world context, the artificial boundaries between subjects become less pronounced.

While fun is not the main goal of education, the Connections Project exhibits permit students to experience interdisciplinary relationships in a less structured, more play-like atmosphere. Furthermore, interactive exhibits address the need to expose students to concrete examples of phenomena prior to the development of abstract concepts. A student's interaction with an exhibit is often the first step in the understanding of a more abstract idea.

APRIL 9, 1999.

CRYSTAL LAKE GALA COMMITTEE,
Crystal Lake, IL.

DEAR COMMITTEE: My family and I would like to nominate Mr. Richard Bernotos, District 47 School Superintendent, for Parade Grand Marshall. I feel Mr. Bernotos deserves this honor because of his dedication to the children of District 47. His outstanding services as a teacher, administrator, and now as Superintendent has shown commitment and the extra effort that has made Crystal Lake "A better place to live." The children of this district are always his number one priority as he makes sure that our schools are safe and that we get the best education possible. His commitment to children and his efforts on our behalf have made District 47 an outstanding place to live and learn. I don't think you can do more for a community than to help the children of that community. Even when Mr. Bernotos was in the hospital and undergoing treatment for an illness, he thought about the children of District 47. He returned to work earlier than he probably should have to be sure that our schools ran smoothly and safely.

For these reasons, I hope that you will honor Mr. Bernotos by naming him Grand Marshall of the Crystal Lake Gala's Parade. He has helped every single person in this community by working for the children of the community.

Thank you very much.

Sincerely,

FRANKLIN MCANALLY,
Lundahl Middle School.

DR. EUGENE STANISLAUS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. TOWNS. Mr. Speaker, I want to recognize the achievements of Dr. Eugene Stanislaus. Dr. Stanislaus was born and raised in Brooklyn, NY. He received his B.A. in Biology from New York University in 1980. He received his Doctor of Dental Surgery degree from the State University of Stony Brook, School of Dental Medicine in 1984. After dental school he completed a one year general practice dental residency program at The Long Island College Hospital, Department of Dentistry.

Upon completion of his residency, he joined the practice of his father Dr. Lamuel Stanislaus where he has practiced for the past 14 years. Presently he is an attending dentist at The Long Island College Hospital, Department of Dentistry. Some of his professional affiliations include memberships in the American Dental Association, the Second District Dental Society, the Academy of General Dentistry and the International Congress of Oral Implantology at the University of Pittsburgh for a 1-year course in the surgical replacement of dental implants.

Several times each year he visits public and private schools to speak to the students about dental health issues and to encourage them to consider a career in dentistry. He also participates in several community and church sponsored health fairs each year.

Dr. Stanislaus has been married for 13 years to his wife Koren. They have two children, Travis and Jeanine. During his free time he coaches Little League Baseball and he is an assistant Cub Scout leader at St. Thomas Aquinas Church. He is an Eucharistic minister at St. Vincent Ferrer Church and he is a former lector at St. Francis of Assisi Church.

I want to commend Dr. Stanislaus for his outstanding commitment to his community, and hope that he is able to continue such valuable work for many years to come.

THE FAIRNESS IN TELECOMMUNICATIONS LICENSE TRANSFERS ACT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. GEKAS. Mr. Speaker, today I am proud to join with my chairman on the Judiciary Committee, Mr. HYDE, to introduce a bill that will restore stability and fairness to the process by which telecommunications licenses are transferred.

In the House Judiciary Committee's Subcommittee on Commercial and Administrative Law, which I chair, we recently held a hearing where it was revealed that the Federal Communications Commission (FCC) has no administrative rules in place to govern license transfer proceedings. This is one of the most unusual oversight hearings I have ever conducted, because we are usually examining relatively narrow questions about whether given procedures have their intended effects. In this case, we observed bureaucrats unfettered by any rule or law. It inspired to confidence on my part, nor does it, I am sure, on the part of the American people.

At risk of boring the Speaker through the sheer obviousness of my comments, let me say this: Regular administrative procedures are an essential protection for Americans. They force the government to play by rules that are known in advance. They give the public a chance to be heard, and they give the public finality. This allows Americans to organize their affairs in compliance with the law. When procedures change, all the benefits of regular order disappear, and the stink of unfairness begins wafting.

In the absence of established procedures that stink has wafted over past and pending license transfer matters before the FCC.

Our legislation requires the FCC to promulgate procedures for considering license transfers, but pushes the agency in no direction on what the procedures should be, other than open, honest, and fair.

We are also interested in whether the FCC's "public interest" standard is a legal standard, or something different. A legal standard can be learned from public sources of law. It is written clearly so that the regulated public can predict what the agency will do. And a legal standard can be reviewed in court. It's unclear that the public interest standard meets any of these tests.

Therefore, this legislation calls for the FCC to define and articulate that standard in a public rulemaking.

Let me make something clear about this legislation, though, Mr. Speaker. It is an exercise of our jurisdiction over the administrative processes that govern this land. We require no particular outcome and offer no definition to guide the FCC's wisdom. We merely say, write whatever rules you like and adhere to them. I know of no way to ensure fairness in the regulatory process with a lighter touch than that.

I call on the FCC—and I'm confident that my Committee Chairman, Mr. HYDE does as well—to promulgate clear regulations, both procedural and substantive, so that the telecommunications industry can continue to evolve at a rapid pace. If the FCC fails to deal with the telecommunications world even-handedly and fairly, I will be prompted to join those in Congress who are calling for a top-to-bottom review of the agency's authority.

HATE CRIMES; INCOME TAX SYSTEM; AND INTERNATIONAL STUDENT ACTIVISM ALLIANCE

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SANDERS. Mr. Speaker, I submit for the RECORD statements by high school students from my home State of Vermont, who were speaking at my recent town meeting on issues facing young people today. I am asking that you please insert these statements in the CONGRESSIONAL RECORD as I believe that the views of these young persons will benefit my colleagues.

HATE CRIMES

(On behalf of Ryan Creedon, Jeff Davis, Demere Kasper, and Jesse McCall)

Ryan Creedon: Hate crimes have been prevalent in America's history since its conception. A hate crime has been legally defined by Congress in the Violent Crimes and Law Enforcement Act in 1994 as a crime in which the defendant intentionally selects a victim, in the case of property crime, property that is the object of a crime because of the actual or perceived race, color, national origin, ethnicity, gender, disability or sexual orientation of any person.

The Violent Crimes and Law Enforcement Act does not serve as the nation's hate crime law. The law that does act as the nation's hate crime law does not include crimes that are gender- and sexually-orientated and motivated.

Currently, it is being debated whether or not a hate crime should be separated from what would usually be a crime. Take for example the unfortunate suffering Matthew Shepard was subject to in Wyoming. Shepard, a homosexual man, was tied to a fence and assaulted numerous times with the butt end of a pistol by two men because of his sexual orientation. Should the two men be convicted of murder alone, or should they be charged for a hate crime as well?

Jeff Davis: In this case, it is not logical to take the time, energy or money to further try the subjects. They will spend the rest of their lives in jail. However, it does make sense to further punish less severe crimes that are committed by the aggressor because of the subject's race, ethnicity, religion, sexual orientation or gender.

In these circumstances, you can look at the case of Re Beaver St. Paul, 1992. The defendant, along with other juvenile delinquents, built a cross by taping together pieces of wood and burning it in a nearby neighbor's yard. The teenagers were punished under the St. Paul bias-motivated crime ordinance, which prohibits the placement of racial symbols on public property. The balancing test guarantees the rights of life, liberty, and the pursuit of happiness better than any other legislation to date, and sets forth a division line between what is personally offensive and what is free expression.

Demere Kasper: The balancing test weighs the importance of one's rights to express themselves against another's rights to live comfortably. This test is used in many cases. For example, the state of Kansas responds to the actions of Reverend Fred Phelps, the antihomosexual activist. Phelps, along with protesters, verbally directed antigay slander towards those of a homosexual AIDS victim. The Kansas legislature voted that Phelps' actions were immoral, and passed a ban which prohibited such acts, citing a balancing test as the reasoning.

When delivering biased beliefs, the line should be drawn when one begins to attack (inaudible). This insures that the freedom of free expression is still protected. The case of Comver versus Smith in 1949 proves this. When the Nazi party wanted to march through a predominantly Jewish town of Skokie, Illinois, they were denied a permit to march by civil courts. The Supreme Court cited the balancing test and overruled the decisions of the lower courts, which indicated that the denial was fair and just.

Jess McCall: Currently, in the Vermont state legislature, they are trying to pass a bill that would allow the victims of bias-motivated crimes to obtain a court order similar to abuse-prevention orders, prohibiting their attackers from further harassment.

To guarantee freedom of speech and the security of minorities, one's rights to freedom of speech must be outweighed when that speech is intended to harm an individual because of their minority status. Legislation must be passed to significantly increase punishment to those who violate this test. However, this must only be applied when trying a crime that does not already include a life sentence. While it is important to protect our nation's freedom of speech, it is more important to protect the individuals of our nation from racial, gender, ethnic, sexual-orientation, or religious-based slander.

INCOME TAX SYSTEM

(On behalf of Erin Gray and Sara Voight)

Sara Voight: The problem with the current tax system is it is complex, unfair, inhibits savings, and imposes a heavy burden on families. It cannot be replaced by a little change; it must be completely replaced.

The U.S. income tax code is a burden and a waste. The IRS publishes 480 tax forms, and 280 forms to explain the 480 tax forms. Annually, the IRS sends out 8 million pages of tax forms. If you were to lay these out end to end, they would circle the earth 28 times. This amount of paper is wasteful and would be better used for other things.

The main reason the tax code is so complex is the deductions, credits and other special preferences in the tax law. Because of all these loopholes, Americans with very similar incomes can pay vast differences in the amount of taxes. The progressive tax is complicated, but it has the right idea about giving a separate percentage to each income bracket.

Erin Gray: An example of a flat-tax solution was introduced by Congressman Dick Armey and Senator Richard Shelby. The Armey-Shelby flat tax scraps the entire tax code and replaces it with a flat-rate income tax. The flat rate would be phased in over a three-year period, with a 19-percent rate for the first two years and a 17-percent rate for later years.

Individuals and businesses would pay the same rate. This particular plan eliminates all deductions. The only income that is not taxed is a generous personal exemption that every American would receive. For a family of four, the first $35,000 in income are not taxed. No loopholes, no checks; just a simple plan that treats everybody in America the same.

Sara Voight: Both plans have their positive sides. The flat tax has its simplicity, but it also makes it unfair for people with largely different incomes. The progressive tax, which we have now, has the right idea, but all the loopholes and deductions make it unfair. But if you were to combine both plans, and make a progressive flat tax, you will have a tax system that is simple, fair, and works for everyone.

Congressman Sanders: Thank you for dealing with an issue that receives a great deal of attention and debate, and people have great differences of opinion on it.

INTERNATIONAL STUDENT ACTIVISM ALLIANCE

(On behalf of Jess Field, Claire Bove, and Tara Quesnel)

Tara Quesnel: The International Student Activism Alliance was formed almost three years ago by a group of high school students in Connecticut. Since then, it has grown to include over 1,200 members, with at least one chapter in each of the 50 states. The ISAA strives to empower students and give them a voice in issues that concern them.

Past and present ISSA issues include censorship of student publications, community curfews, and getting students with voting rights on state boards of education.

Claire Bove: The ISAA is different from any activism organizations and extracurricular opportunities open to students. First, it is entirely student-run. The power structure consists of a national chair, the official head of the organization, and a cochair in each state. The national chair is assisted by an executive board. Members of the board include the newsletter editor, the national technology fundraising and recruiting directors, and the national coordinators. At the chapter level, there are chapter representatives. All these positions are filled by high school students.

The second thing that differentiates the ISAA from any other organization is the freedom individual chapters have. Chapter members organize around issues that are important to them. The issues are not partisan, they're student. Additionally, there is no action required of any member.

Jess Field: I believe that organizations like the ISAA are very important. As Congressman Sanders said earlier, voter turnout in our country is incredibly law. We need to find ways to allow young people to become more involved and interested in the government. Opportunities like becoming active in organizations like ISAA should not be passed up.

The experience goes well beyond the actual activism. Organizations like this teach youth self-confidence and self-respect as well as giving us a sense of what power we actually hold in a democracy like this one.

Our government needs to endorse positive civic involvement with youth. This could be accomplished with grants toward student organizations like the ISAA. Forums like this one are also very effective ways of allowing students to speak out and have their voices heard. If any members of the audience are interested in becoming more involved with the ISAA, they should find me afterward.

Congressman Sanders: Thank you very much for an excellent presentation on an important issue.

HONORING AMY NORDQUIST, LANAY M. LINNEBUR, AND SHEILA NIGHTINGALE

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SCHAFFER. Mr. Speaker, I rise today to recognize three high school junior scholars; Amy L. Nordquist of Kit Karson, CO, Lanay M. Linnebur of Byers, CO, and Sheila Nightingale of Berthoud, CO, upon receiving the Discover Card Tribute Award Scholarship. This award is very competitive. There are 10,000 applicants and 470 recipients. Each scholar is noted for excellence in community service, leadership, special talents, unique endeavors and obstacles they have overcome. Each individual was rewarded for expertise in various fields. Ms. Lanay received $2,500 award in Trade and

Technical Studies, Ms. Nightingale received a $1,750 award in Arts and Humanities, and Ms. Nordquist received a $1,750 award in Trade and Technical Studies. I commend these students for their phenomenal work.

TRIBUTE TO WILLIE MAE RIVERS

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. BERRY. Mr. Speaker, I rise today to recognize a woman whose leadership and caring nature have influenced so many, Ms. Willie Mae Rivers.

Willie Mae Rivers was born in Charleston, SC. She aligned herself with Calvary Church of God in Christ in 1946, where she has served over the past 50 years. Ms. Rivers has also served as district missionary and assistant state supervisor for the state of South Carolina. Ms. Rivers has also held various positions on Screening and Program committees, District Missionaries, and instructor of the State Supervisor's class.

Ms. Rivers is the mother of 12 children. She currently maintains a satellite office in addition to the Church of God in Christ headquarters in Memphis, TN.

Ms. Willie Mae Rivers is a leader and giving individual who deserves the respect and admiration of everyone.

THE INTRODUCTION OF THE FAIRNESS IN TELECOMMUNICATIONS LICENSE TRANSFERS ACT

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. HYDE. Mr. Speaker, today I am pleased to join with Chairman GEKAS of the Subcommittee on Commercial and Administrative Law and Congressman GOODLATTE to introduce the "Fairness in Telecommunications License Transfers Act."

As chairman of the Judiciary Committee, the committee with jurisdiction over antitrust and administrative procedure matters, I have long been concerned about the treatment of mergers in the telecommunications industry. During the consideration of the Telecommunications Act of 1996, Ranking Member JOHN CONYERS and I were instrumental in updating the law to make sure that telecommunications mergers received a full antitrust review under the normal Hart-Scott-Rodino process in addition to the broader public interest review of license transfers by the Federal Communications Commission.

Since that time, the Committee on the Judiciary has continued to study this matter. On June 24, 1998, we held an oversight hearing on "The Effects of Consolidation on the State of Competition in the Telecommunications Industry." Chairman William Kennard of the FCC was invited to appear at that hearing, but he had a scheduling conflict. At that time, I remained hopeful that the dual review would enhance the process rather than detracting from it.

I have been pleased with the Department of Justice's role in these mergers. Although I may not agree with their substantive decisions in every respect, they have reviewed these mergers in a reasonable procedural manner under tight time deadlines. I think that their work has shown that Mr. CONYERS and I did the right thing in 1996 when we succeeded in getting these mergers into the Hart-Scott-Rodiono process.

The FCC's record on the other hand has been disappointing to say the least. On May 25, 1999, Chairman GEKAS's Subcommittee on Commercial and Administrative Law held an oversight hearing on that record entitled "Novel Procedures in FCC License Transfer Proceedings." Again, Chairman Kennard was invited to appear, but had a scheduling conflict. At that hearing, the Subcommittee heard disturbing testimony from Commissioner Harold Furchtgott-Rott about the utterly standardless decisionmaking process that the Commission employs in these matters. His testimony proved that the title of that hearing was instructive in at least two regards. First, as Commissioner Furchtgott-Roth testified, under current law, the FCC has authority to review license transfers—not mergers. Second, he told us that the FCC's procedures are novel indeed—they are not written down anywhere.

Let me address both these areas. On the substance of the review, I have not in the past opposed the FCC's consideration of competitive factors as part of its public interest review of license transfers. I thought that some additional competitive analysis might be helpful. Based on the experience of the last year, and particularly the experience of the SBC and Ameritech merger, however, I am now much more skeptical. Having reviewed the governing law and Commissioner Furchtgott-Roth's testimony. I have substantial doubts as to whether the FCC should be redoing the competitive analysis done under the Hart-Scott-Rodino process. It appears to me that the license transfer authority was primarily intended to allow the Commission to determine whether the transferee is a responsible and qualified party—not to launch a full scale competitive analysis. At the least, the kind of far-flung proceeding that SBC and Ameritech have faced strikes me as beyond the intent of the statute.

For that reason, Section 2 of the bill would clarify that the FCC is not an antitrust enforcement agency. It removes language in the Clayton Act that currently appears to give the FCC concurrent authority to enforce the antitrust laws against telecommunications carriers. That authority has rarely been invoked in any formal manner, but I think that this change will help to clarify the appropriate role of the FCC in license transfer review and in other areas.

Second, we must address procedural fairness in license transfer proceedings. I do not think I can say it any better than Commissioner Furchtgott-Roth put it to the Subcommittee: "debates about process are not trivial debates. To the contrary, regularity and fairness of process are central to a governmental system based on the rule of law. As the law recognizes in many different areas, the denial of a procedural right can result in the abridgment of a substantive right."

What is wrong with the FCC's procedures? Let's consider SBC and Ameritech as a case study. First, the FCC simply does not have any rules for dealing with license transfer—none. As Commissioner Furchtgott-Roth testified, there simply is no place to go to look up the rules. Rather, in the case of SBC and Ameritech, the Commission has adopted a "make it up as you go" approach. Whenever the deal has neared the goalposts, the goalposts have been moved. That is confusing and costly for all concerned.

Second, because there are no clear rules, some license transfers are treated in one fashion and some in another. Thousands are dealt with in a perfunctory fashion, and a few are dealt with extensively. There is nothing inherently wrong with that, but it ought to be done according to some neutral principle. For example, without commenting on their substance, it is hard to see why the AT&T–TCI transaction was approved in less than six months and the SBC-Ameritech transaction still is not completed after more than a year. That necessarily affects competition between these companies. A fundamental principle of fairness is that similarly situated parties ought to be treated similarly. Moreover, government bureaucracies ought not to be dictating market outcomes.

Third, as I just pointed out, the SBC-Ameritech transaction has been pending for over a year. I have usually been circumspect in commenting on pending matters, but because of the extraordinary delay here, I wrote to Chairman Kennard on March 22, 1999 asking him to act expeditiously. A month later, he wrote back to me stating that the Commission had instituted a new round of procedures and that a decision was possible by the end of June. The end of June has come and gone. The Commission and the parties have reached a tentative agreement on 26 conditions for the merger, but the Commission has not voted on it. Again, without commenting on the substance of the merger, this level of delay is simply unacceptable. These companies are involved in fiercely competitive markets, and time is of the essence. Billions of dollars of commerce have been held hostage to bureaucratic delay.

Fourth, I am concerned about the conditional nature of this tentative approval as a procedural matter. The statutory basis for such conditional approvals in FCC license transfer proceedings is unclear at best. When the number of conditions rises to 26 and they are as extensive as those we see here, I have to question whether this is a public interest review or something else. These conditions may well be helpful as a policy matter, and I am at least pleased that this lengthy process is coming to an end. However, the legal and procedural basis for them is less than clear to me.

All of these examples show what is wrong procedurally with the consideration of license transfers at the FCC. Section 3 of our bill would amend the Administrative Procedure Act to require the FCC to write rules governing their license transfer proceedings. We do not try to dictate what those rules should be. We simply require that there must be neutral rules accessible to all in advance. That seems to me simple fairness. With such rules in place, all parties will have an equal chance in these proceedings. If the FCC fails to write such rules or it does not follow them, parties to license transfers can bring a court action to have their transfers deemed approved.

Mr. Speaker, I believe these simple changes will bring order and fairness to what has become a chaotic and unfair process. I urge my colleagues to join me, Chairman GEKAS, and Congressman GOODLATTE in passing this important legislation.

THE FINANCIAL SERVICES ACT OF 1999

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. DINGELL. Mr. Speaker, as ranking member of the Committee on Commerce, which has jurisdiction over securities including the standards of financial accounting, and to whom was referred the bill H.R. 10, the Financial Services Act of 1999, I rise to clarify a matter involving the legislative history of this legislation. My remarks are an extension of remarks that I made during House consideration of H.R. 10 on amendment No. 8 offered by Mrs. ROUKEMA (July 1, 1999, CONGRESSIONAL RECORD at H5295 and H5299).

During House consideration of this amendment (July 1, 1999, CONGRESSIONAL RECORD at H5294–H5300), several Banking Committee Members were recognized for unanimous-consent requests to revise and extend their remarks on that amendment which related to the manner in which insured depository institutions or depository institution holding companies report loan loss reserves on their financial statements. Because the House adjourned following completion of H.R. 10 at midnight on July 1, 1999, until 12:30 p.m. on Monday, July 12, it was not possible to review the material inserted by these Members until after the Independence Day District Work Period.

In conducting that review, I have discovered nongermane and inaccurate remarks about an accounting practice known as "pooling." These remarks, which were not before the House when it voted on the Roukema amendment, assert that the Financial Accounting Standards Board (FASB or Board) "has not always sought adequate input from the accounting or banking communities on proposed changes in regulations"—a patently false statement when compared with both the public record and FASB's own procedures regarding due process—and asks the conference committee on H.R. 10 to "include language either in this bill or future legislation to ensure that this process is an open and fair one" (July 1, 1999, CONGRESSIONAL RECORD at H5296, bold type-face material, 2d column).

I have the following comments on that material which follows the statement that the gentleman from Alabama (Mr. BACHUS) actually delivered to the House:

Since 1996, FASB, the independent private sector organization that establishes and improves standards of financial accounting for the United States, has been publicly deliberating issues relating to the accounting treatment for business combinations.

Currently in the United States, companies can account for a business combination in one of two very different ways: the "purchase" method—in which one company is the buyer and records the company being acquired at the price it actually paid—and the "pooling-of-interests" method—in which two companies merge and just add together the book values of their net assets.

The availability of two different accounting methods for business combinations is problematic for several reasons. First, it is difficult for investors to compare the financial statements of companies that use the different methods. The purchase method of accounting provides investors with different and much more useful financial information than does the pooling method—because the financial statements of the acquiring company in a purchase business combination reflect the investment it has made and provide feedback about the subsequent performance of that investment. Second, it affects competition in the mergers and acquisitions market (both domestically and internationally). Because companies that can use the pooling method do not report the cost of goodwill and other similar costs of the acquisition, they may be more willing to pay more than companies that must use the purchase method. This obviously can have a dramatic effect on shareholders. Third, the United States is out of step internationally—most other countries either prohibit the pooling method entirely or permit its use only as an exception.

Finally, since the current accounting standards for business combinations were issued in 1970, the FASB, the American Institute of Certified Public Accountants, the Emerging Issues Task Force, and the United States Securities and Exchange Commission (SEC) have all been inundated with issues resulting from companies' seeking to use the pooling methods. Numerous interpretations of the pooling method rules have been required to address those issues. The high degree of required maintenance of those rules has led many to conclude that the current accounting rules are broken.

After over a dozen public Board meetings, public meetings with the Financial Accounting Standards Advisory Council and the Business Combinations task force (both of which include preparers, users, and auditors), the issuance of two documents for public comment, and after carefully considering the input from all of its constituents, including the accounting and banking communities, the Board has tentatively decided that only one method, the purchase method, should be used to account for all business combinations.

The Board's tentative decision reflects the view that virtually every business combination represents the purchase of one company by another and that the purchase method is the most appropriate method of reporting the economics of those transactions to investors. By allowing only one method of accounting for all business combinations: The investment made in the purchase of the other company is always reflected; feedback about the performance of those investments is provided; and investors can more easily make comparisons between investment opportunities, both domestically and internationally.

As part of the FASB's extensive and open due process, the tentative decision regarding the methods of accounting for business combinations will be exposed for public comment later this summer as part of an Exposure Draft of a proposed new business combination accounting standard. In addition, early next year, the Board will hold public hearings to provide constituents an additional opportunity to directly discuss any concerns with the Board. Comment letters received in response to the Exposure Draft and the public hearing testimony will be carefully and fully considered by the Board at public meetings prior to reaching any decisions on the content of a final standard on the accounting for business combinations. FASB has kept the Congress fully informed on these matters of substance and process through document submissions and staff briefings.

This accounting issue is controversial and will require extensive and careful review, realities that FASB fully recognizes and has taken steps to fully address. Legislation is not warranted. But I would like to point out that for some time, U.S. stock exchanges and many U.S.-based multinational companies have been pushing for adaption of international accounting standards. I find it ironic that some segments of the industry are now opposing the adoption of international standards in area where those standards are arguably tougher and more honest and accurate than the current U.S. standard.

The Securities Act of 1933, the Securities Exchange Act of 1934, and the Investment Company Act of 1940 are the basic laws that govern securities market regulation in the United States. Those laws, and related rules and regulations subsequently adopted by the SEC, establish the initial and continuing disclosure that companies must make if their securities are sold to or traded by the U.S. investing public. The goals of this disclosure system are to promote informed decisions by the investing public through full and fair disclosure, which includes preventing misleading or incomplete financial reporting. The success of this system has produced the world's most honest, fair, liquid, and efficient capital market. Financial statements are a cornerstone of this approach, and the quality and usefulness of those financial statements are directly dependent on the accounting principle used to prepare them.

While the federal securities laws grant the SEC the authority to establish U.S. generally accepted accounting principles of GAAP, the SEC historically has looked to the private sector, and has formerly endorsed FASB, for leadership in establishing and improving accounting principles to be used by public companies, while the SEC retains it statutory authority to supplement, override or otherwise amend private sector accounting standards in the rare occasions where such action may be necessary and appropriate. This partnership with the private sector facilities input into the accounting standard-setting process from all stakeholders in U.S. capitol markets, including financial statement preparers, auditors and issuers, as well as regulators.

This systems isn't broken and does not need to be fixed.

CRESSY LEAVES A GREAT IMPRINT

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. FRANK of Massachusetts. Mr. Speaker, the University of Massachusetts Dartmouth is an extremely valuable institution. It is an excellent educational facility, and it is a great example of a public institution of higher education that not only seeks to provide a first rate education to its students, but cooperates indeed often takes a leadership role—in regional economic development.

One of the reasons this University has been such a valued part of Southeastern Massachusetts in recent years is the leadership of its Chancellor, Peter Cressy. On behalf of my colleague from Massachusetts (Mr. MCGOVERN) and myself, I want to insert here in the RECORD the editorial from the New Bedford Standard Times, on Wednesday, July 14, which pays a well deserved tribute to the high quality leadership Peter Cressy provided.

In several areas of great importance to Southeastern Massachusetts economically, particularly including textiles and fishing, Peter Cressy has done everything possible to make sure that the University provided significant help to the broader community, while at the same time fully maintaining the educational mission that is the primary justification of a college.

At a time when some question the value of publicly funded enterprises, Peter Cressy's leadership at the University of Massachusetts Dartmouth gave us an excellent example of how tax dollars can be put to excellent use for the broadest possible public benefit.

My colleague (Mr. MCGOVERN) and I will miss his leadership, his energy, and his enthusiasm at the head of this extremely important institution. And we ask that the editorial from the New Bedford Standard Times be printed here as one example of how excellent leadership can help us get the best of our public efforts.

CRESSY LEAVES A GREAT IMPRINT

When Dr. Peter H. Cressy jumped from the Massachusetts Maritime Academy in Bourne after two years to take over at the helm of UMass Dartmouth, there were those who suggested that this energetic and effective leader might not stay more than two or three years. I wasn't his style.

Dr. (former Rear Adm.) Cressy's career was marked by one success after another, though his Navy days and then on his own. He made his mark and moved on. He had turned Mass. Maritime around when some thought that to be impossible; he then plunged into his UMass Dartmouth job with energy and enthusiasm that were rarely witnessed before. Sometimes controversial but always self-assured and outgoing, Dr. Cressy set about to remake the university and to multiply its ties to the surrounding community.

He stayed for six years, putting the university on the national map, bringing it up to full membership in the UMass system, vastly improving its fund raising, and as he said in his unexpected resignation announcement on Monday, established the marine science and technology program, improved the budget process, improved admissions and retention, increased research, added a Ph.D. program, established centers for business and so on.

Dr. Cressy's methods were not to everyone's taste; that is not uncommon for a bright, visionary individual. But there is no doubt that SouthCoast Massachusetts would be far behind where it is today without his leadership and his initiatives. We wish him the best in his new career in Washington, D.C., as president and CEO of the Distilleries Council of the United States, and we hope to see him follow through on his promise to eventually retire to our part of the world. We would be happy to put him back to work.

* * *

IN MEMORY OF WILLIAM CRAVEN (1921–1999)

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. CUNNINGHAM. Mr. Speaker, I rise to honor the memory of William A. "Bill" Craven: a husband and father, a public servant, a veteran of the Armed Forces of the United States, and a leading citizen of San Diego County, California, who has passed away.

Bill Craven was a courageous political leader who represented the citizens of San Diego County for more than a quarter century. Many of us will always remember Bill as a strong leader with a tremendous commitment to public service. During his storied life he served as a U.S. Marine, San Diego County Supervisor, California State Assemblyman, Oceanside Planning Commissioner, the City Manager for San Marcos and the Chief Assistant to a County Supervisor. However, it is his many accomplishments as a California State Senator that will ensure his legacy. The crown jewel of those accomplishments was the successful establishment of California State University San Marcos.

I submit for the RECORD a column from the San Diego Union Tribune and both an article and editorial from the North County Times, which further highlight the life of this great man.

To be loved by friends and admired by opponents and to serve the people is the goal of all great leaders; it is a goal that Bill admirably attained. Speaking for all the people of California's 51st Congressional District, my heart goes out to Bill's wife, Mimi, and his entire family upon their loss. I am honored to have been Bill's friend.

Let the permanent RECORD of the Congress of the United States show that Bill Craven was a tireless advocate for his constituents, and a friend of America.

[From the San Diego Union Tribune, July 13, 1999]

WILLIAM A. CRAVEN (1921–1999)—CAL STATE SAN MARCOS IS A LASTING LEGACY

(By Gerry Braun and Jeff McDonald)

William A. "Bill" Craven, the courtly North County legislator who was known for his candor and independence and for delivering a state university to the heart of his district, is dead at 78.

Craven, a heavy smoker for much of his life, suffered from congestive heart failure and complications of diabetes, a family member said. He died Sunday morning at the Villas de Carlsbad Health Center.

An old-school politician equipped with charm and a long memory for names and local problems, Craven represented the North County for a quarter of a century, from his election to the Board of Supervisors until term limits and failing health forced him from the state Senate last year.

He was an Oceanside planning commissioner, the city manager of San Marcos and a county supervisor's chief assistant before being elected a supervisor in his own right in 1970. The lifelong Republican moved up to the state Assembly in 1973, and then to the state Senate in 1978, without losing a race or facing serious competition.

In the Legislature, colleagues looked to the longtime Oceanside resident for his expertise in such unglamorous policy arenas as local government funding and mobile-home park regulation. Yet he also wielded considerable clout through his longtime seat on the powerful Senate Rules Committee and his ability to offset his party's minority status by cultivating personal relationships with his colleagues.

In his latter years, Craven was one of a dwindling species in Sacramento—a moderate Republican who prided himself on his bipartisanship and his friendships with Democratic leaders such as Willie Brown, Leo McCarthy, Bill Lockyer and David Roberti, the latter a longtime Senate president pro tempore whom Craven affectionately called "Boss."

Craven crossed party lines without apology, and many times delivered the final vote needed to send Democratic bills to the governor.

"Before government became the enemy, in the perspective of some, Bill was one who wanted government to work and to solve problems," said Lockyer, who served with Craven in both houses of the Legislature and is now California's attorney general. "He was a man with a devotion to public service and a wonderful, wonderful, giant heart."

Craven's district underwent explosive growth during his career—he represented nearly 1 million people in parts of three counties in the late 1980s—and he battled to steer state money to its water systems, parks, highways and courtrooms, and to sustain the growth with tax credits for first-time home buyers.

PRIDE IN ACCOMPLISHMENTS

He was proud of winning extra funding for Torrey Pines State Reserve; supporting anti-pollution legislation that targeted aerosol cans and vapor-recovery systems on gas pumps; increasing the size of Butterfield Park in San Pasqual; and raising from five to seven the number of judges at the Vista courthouse.

But the crown jewel of his legislative career was the creation of Cal State San Marcos, the North County public university that Craven started lobbying for even before he was elected to the Assembly in 1973. The university was finally christened in 1990, and the grand opening capped one of the longest and most ardent drives of Craven's years in Sacramento.

In gratitude, one of the main buildings of the growing San Marcos campus was named Craven Hall. A bust of the longtime legislator rests in front and a nearby thoroughfare was named in his honor.

"He had the vision for that university for as long as I've known him, which goes way back, I think 30 years ago," said banker Jim Rady, a former Escondido mayor.

"Throughout his career he put the well-being of North County ahead of politics. He was a moderate Republican in times when it was not fashionable, but people who knew him respected him," Rady said. "He was an honest man."

A MAN OF MANY TALENTS

In his many and varied careers, Craven worked as a newspaperman, a salesman, an ad man and an actor.

He was born on June 30, 1921, in Philadelphia and graduated from Villanova, where he earned a degree in economics. Craven enlisted in the Marines during World War II and returned to service when his country came calling at the outbreak of the Korean War.

During his second military stint, Craven devised and wrote a Marine Corps radio program that aired weekly over more than 130 stations. By 1951, he had turned to television and produced a weekly program that ran for more than three years.

He left the service as a major and a military buff who devoured the books of historian W.E.B. Griffin. The lessons of war stayed with him throughout his public service, as when he opposed a nuclear-freeze proposal in 1982, bluntly explaining, "I don't trust the Russians. I never have. I probably never will."

Between the wars, Craven turned to sales and promotion, working for a Kentucky-based company that specialized in leather and binding.

After the Korean War, Craven took a sales job with Philco Electronics, roaming the Eastern Seaboard for new clients. It wasn't long, however, before he migrated west, with his young wife, Mimi, to accept a management position at a Los Angeles concessions company that sold various goods to the military.

DEEP ROOTS

Much of that business took Craven south to San Diego County and Camp Pendleton, where he began planting deep roots in the Oceanside community.

His interest in writing was sparked by a short stint as a police reporter in his native Pennsylvania—skills that helped Craven launch his own public relations business in the 1950s.

He wrote advertising copy, did market research and consulted on merchandising and sales tactics for a variety of clients.

His years of public service began with 12 years on the Oceanside Planning Commission and working as an executive assistant to the Board of Supervisors from 1962 to 1969. He also served as the county's first public information officer.

He spent four months as the San Marcos city manager before winning election to the Board of Supervisors in 1970, when he was named North County Man of the Year by the Northern San Diego County Associated Chambers of Commerce.

But his service on the Board of Supervisors was not without its squabbles.

Craven was criticized in 1971 for accepting guest privileges to a local country club, then voting on a rezoning application filed by the company when it came before the Board of Supervisors. He gave up the membership soon thereafter.

In 1972, Craven was targeted for recall by a Chula Vista water company owner upset with a redistricting plan pushed by the supervisor. The attempt fizzled when the business owner was unable to muster enough support for the recall drive.

Like many county officials before him, Craven also tangled with the San Diego mayor, at that time a rising a powerful Republican named Pete Wilson. As early as 1972, Craven was warning county residents that the regional planning hierarchy favored the city of San Diego over the county.

"We shouldn't have to take a back seat to San Diego," he once boomed at a breakfast meeting in Fallbrook, where he criticized the distribution system for regional gas tax revenue.

SACRAMENTO BOUND

The supervisor beat out eight other Republicans—and 14 rivals overall—in the 1973 primary election for a vacant Assembly seat. Craven was the top campaign spender—reporting more than $43,000 in expenses, some $2.85 for every vote he received—and carried more than 65 percent of the vote.

He served three terms in the Assembly and was one of only two Republican assemblymen to head a legislative committee in the Democrat-controlled lower house—the Local Government Committee.

A self-described moderate Republican with "conservative leanings—especially in fiscal areas," he opposed Proposition 13, the landmark tax-slashing initiative approved by California voters.

After its passage, he pushed for a state constitutional amendment that would have made it easier for local governments to issue general obligation bonds—a key target of the 1978 measure.

Craven pointed to his seniority, and key Rules Committee assignment, in 1981 when he stunned constituents by announcing that he would forsake running for an open congressional seat to remain in the state Senate.

"I've come, with some degree of experience and years, to understand that service here is something that I've become very accustomed to," he told supporters at a weekend fundraiser.

CSU SAN MARCOS

By remaining in Sacramento, Craven was able to pull off his crowning legislative achievement—the funding for CSU San Marcos. It is widely considered the product of Craven's finely honed legislative skills.

Just last March, Craven donated $250,000 in leftover campaign funds to the university for the establishment of an academic scholarship with just one condition: That it go to "average" students with special qualities.

He is survived by his wife of 55 years, Mimi, and three children: sons William Craven Jr. and John Craven, and daughter Tricia Craven Worley.

In lieu of flowers, the family asks for donations to Tri-City Medical Center or to the William A. Craven Scholarship Fund at Cal State San Marcos.

[From the North County Times, July 13, 1999]

NORTH COUNTY STATESMAN DIES AT 78

(By Terry Wells)

OCEANSIDE.—Former state Sen. William A. Craven, a statesman whose nonpartisan style and flair for oratory led to the founding of Cal State San Marcos, died Sunday after a long battle with diabetes and emphysema.

He was 78.

Craven, an Oceanside Republican who held the 38th District state senate seat from 1978 to 1998, was fondly remembered Monday as a man who put getting the job done above politics—sometimes to the consternation of his GOP colleagues.

"He worked both sides of the aisle when he wanted to get something done, and the Democrats respected him as well as the Republicans," said Vista Mayor Gloria McClellan, whose long career in city politics parallels Craven's in Sacramento. "What an intelligent, thoughtful man he was. And very, very effective."

Born June 30, 1921, in Philadelphia, Craven attended a private high school and graduated from prestigious Villanova University with a bachelor's degree in economics.

He then joined the Marines during World War II and was commissioned as a lieutenant. Craven soon found himself landing on the beach at Iwo Jima, one of the most ferocious battles in the Pacific theater.

Craven emerged a major, remaining a Marine reserve officer and attaining the rank of brigadier general after being called back to active duty during the Korean War. Years later, an accomplished legislator in Sacramento, Craven chaired an informal social group of legislators who had served in the Marine Corps, the "Marine Legislative Brigade."

CRAVEN REMEMBERED

Craven's successor, state Sen. Bill Morrow, R-Oceanside, said there were a dozen or so brigade members in that group a decade ago, but Morrow himself is now the Legislature's only ex-Marine. It just isn't the same without him, Morrow said.

"Everybody here recognizes him to this day for what he was, a true gentleman who was compassionate in his politics—and also a real fightin' Marine," Morrow said. "It didn't take me too long to know that you don't replace a Bill Craven. You just carry on."

Craven and his wife, the former Marion "Mimi" L. Wahl, married in April 1944, and made their home in Oceanside, raising three children.

While Craven had worked various jobs including one as a leather salesman, he gravitated toward public life. Mimi Craven shared that tendency, and was a fixture at his side during decades of appearances at civic events.

Craven learned public administration from the ground up, serving as a staff aide to the San Diego County Board of Supervisors in the 1960s, and briefly as the city manager of San Marcos.

RUNNING FOR OFFICE

In early 1970, then-Gov. Ronald Reagan appointed Robert Cozens, the county's 5th District supervisor, to be the new director of the state Department of Motor Vehicles, and Craven decided to make his play for the empty seat.

But the four supervisors deadlocked 2-2 on naming a successor, and Reagan appointed the late Miles W. Kratka to finish out Cozens' term.

Undeterred, Craven entered the primary race and gathered more than half the vote in June, avoiding a November runoff.

Bill Dominguez, who later served as county Supervisor Craven's chief of staff, said it was no surprise that Craven won in the primary, despite never having held elected office.

In 1970, as one of a small handful of aides that served all the county supervisors, Craven "lived in his car" while visiting county residents who had called to raise concerns with the board of supervisors, Dominguez said.

"He had a great flair with people, and a great sense of humor," Dominguez said. "Once of his favorite mottos was, 'If you can leave them smiling, then you've won the war.'"

THE FIRST STEP

Craven's experience at the street level shaped his thinking, Dominguez said, but the former Marine sought and won a state Assembly seat in 1973, halfway through his first term.

In 1978, the year of California's property tax revolution, Craven jumped to the state Senate, a seat he held for 20 years.

The more collegial environmental of the Senate—where partisan fights are rare by comparison to the rough-and-ready Assembly—suited Craven's gentlemanly style, said Assemblyman Howard Kaloogian, R-Carlsbad.

"Republicans will vote for a Democrat to be the Senate leader, and here in the Assembly we don't understand that," Kaloogian said. "He epitomized the image of a state senator. And today, in an era of term limits, there will never again be a Bill Craven."

Craven specialized in legislation that concerned local governments—a "true policy wonk in the truest sense of that term," Dominguez said. But the senator will be remembered for generations for one accomplishment, according to those who knew him: the founding of Cal State San Marcos in 1992.

UNIVERSITY LEGACY

It was the first new Cal State campus in decades—for years the idea was only to build a satellite campus of San Diego State University.

"When it happened, it went beyond their wildest dreams and we got a full, four-year institution of our own in North County," Dominguez said.

ADVOCATES FOR SENIORS

Craven won respect throughout North County as an advocate for residents of mobile-home parks, many of whom are seniors living on fixed incomes.

When those efforts veered into rent control—a taboo topic among most Republicans—Craven didn't flinch. He also made it happen with a series of bills fought by mobile-home park owners.

"His highly developed sense of decency and his intellectual rigor made it possible for him to succeed where others were shuttled aside," said veteran GOP political consultant Jack Orr. "I disagreed with him on a lot of things, including rent control. But I respected him, and so did just about everybody else."

Mayo Jo Kerlin, who worked for Craven for 25 years, said the senator had a way of attracting and keeping loyal staff members because he didn't put politics at the top of his agenda.

Kerlin noted that Craven sponsored bills that created the state's network of freeway call-boxes; laid the groundwork for Coaster light-rail service; and bought habitat at Torrey Pines and in Poway before habitat preservation was in full swing in a rapidly developing state.

Craven also played a major role in the 1994 bailout of Orange County, where risky investments created the nation's largest municipal bankruptcy.

"He has touched more people's lives in North County than anyone I know, or I'm likely to know," Kerlin said. "It seems like everywhere I go, I see his fingerprints."

[From the North County Times, July 14, 1999]

A LONG LEGACY OF GOOD WORKS

An ex-Marine who stormed the beaches at Iwo Jima in his youth, former state Sen. Bill Craven could hold his own in most any fight in the Capitol's halls and cloakrooms, but he made his name in North County and Sacramento as a peacemaker and statesman.

Craven, who died Sunday morning at age 78, represented the bulk of North County in the California Senate for 20 years until declining health and term limits forced him to relinquish his seat last year. Many legislators, once they get to Sacramento, lose touch with their home districts and become more focused on statewide or national issues, but Craven never lost his focus on North County. He worked hard to make sure his constituents got the services and goods they paid for through their taxes and fought efforts to shift funding from local governments to state.

Most of his causes weren't glamorous—he pushed for tougher anti-pollution regulations and greater investment in highways, parks, courts and habitat protection—but his greatest legacy will always be Cal State San Marcos, who administration building and main road bear his name. He began campaigning for a North County university campus in 1973, five years before he was elected to the Senate. When it finally opened in 1990, it was the first new state university anywhere in the country in more than 20 years.

In this day of term limits, we won't see a long record of service like Craven's again, and in this era of bitter partisanship we're unlikely to see his form of statesmanship again.

"THE OMNIBUS ADOPTION ACT OF 1999"

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing the Omnibus Adoption Act of 1999. I am pleased that my friend and colleague, Congressman Jim Oberstar, is joining me in introducing this key piece of legislation, which seeks to promote and raise awareness about adoption.

As someone who has been a passionate advocate for helping families and children through adoption, I urge all of my colleagues to support this important proposal, because adoption is truly a loving option for women and families who find themselves in less than optimal circumstances.

The existing evidence shows that adoption generates overwhelmingly positive benefits to all persons involved in the process—including the birth mother. In fact, some research indicates that those women who choose to make a adoption plan for their child are less likely to live in poverty, more likely to complete high school, and less likely to have additional unplanned pregnancies.

Adoption also provides a child who might otherwise face a bleak or difficult childhood the prospect of having loving parents, a stable home, a higher standard of living and enhanced career opportunities as the child matures into adulthood. Adoption also provides adoptive parents who desperately want to raise children and form a family the opportunity to fulfill that dream. It is estimated that about 1 million children in the United States live with adoptive parents, and that between 2% to 4% of American families include an adopted child.

The statistics about adoption reveal a downward trend away from this life-affirming choice made by women who face an unplanned or difficult pregnancy. For instance, the estimated number of annual adoptions by couples who are not related to the birth mother has been as high as 89,200 in 1970 to an estimated 60,000 in 1998. The number of children placed with relatives, known as kinship care, is estimated at 200,000 clearly, the benefits of adoption as they pertain to non-familial placement are for being clearly articulated to women in American today.

We can and should do more to help women with difficult pregnancies as they seek life-affirming alternatives.

The Omnibus Adoption Act takes a three pronged approach to this important issue. First, it assists the birth mother who chooses to make an adoption placement for her child by providing her with the resources that she will need during and after her pregnancy. The bill authorizes new vouchers that can used for maternity homes, nutrition counseling and job training. Secondly, the bill assists the adoptive parents with the financial costs that come with an adoption by raising the current $5,000 tax credit for adoption expenses to $10,000. And, finally, it enhances the ability of non-profit organizations, such as maternity homes, who work with both birth mothers and adoptive parents by providing services to the birth mothers, including room and board and medical care, as well as advising and facilitating adoptions in many cases.

The Omnibus Adoption Act contains the following 12 titles:

Title I: Expansion of Adoption Tax Credit from Current Level of $5,000 to $10,000.

Title II: Family Leave Equity for Adoptive/Foster Families—Provides leave benefits to employees who need leave for the care of a newly placed son or daughter through foster care or adoption.

Title III: Adoption Counseling for Public Health Grant Recipients: Requires adoption counseling training for staff in certain federally-funded clinics including Title X recipients and Section 330 health centers. Requires certain federally-funded health clinics to provide non-directive counseling and referrals regarding prenatal care and delivery, infant care, foster care, and adoption.

Title IV: Adoption Information for Members of the U.S. Armed Forces: Requires that the Department of Defense and its service branches, as well as the Coast Guard, make available to military couples information about adoption as well as information to unmarried female members of the military about adoption placement for their child if they are pregnant.

Title V: Federal Prisons: Requires the Attorney General to make available information on adoption options available to pregnant female prisoners.

Title VI: Adoption Counseling Accreditation: Requires states to accredit individuals or organizations who provide adoption services, as well as requiring states to establish standards for such adoption providers.

Title VII: Adoption and Foster Care Data Collection: Within 6 months of enactment, the Secretary of Health and Human Services shall submit a report to Congress which would provide information on adoption and foster placement in the United States as contained in the Advisory Committee's Report to the Secretary put forth in 1987. States would be required to transmit data on adoption and foster care to the Secretary on a quarterly basis for future reporting.

Title VIII: Refundable Tax Credit for Medical Expenses Associated With Pregnancy: Would provide a $5,000 tax credit for the medical expenses of pregnant women who give their child up for adoption.

Title IX: Maternal Health Certificate Program: Pregnant women would be eligible for this program which could be used for maternity and housing services including room and board, medical care, counseling services, nutrition services and counseling, child and family development counseling, adoption counseling, vocational and educational counseling, and transportation services.

Title X: Rehabilitation Grants for Maternity Housing and Services Facilities: Requires the Department of Housing and Urban Development to establish a grant program for nonprofit entities to rehabilitate structures for use as maternity housing and services facilities. These facilities could provide a variety of services including room and board, medical care, counseling (nutrition, health, prenatal, family, adoption, vocational/educational), and transportation.

Title XI: Repeal of the National Clearinghouse on Adoption Information.

Title XII: National Commission on Adoption: Establishes a commission to review all adoption programs, all activities pertaining to adoption in the United States including a focus upon how adoption is presented as an option to unmarried pregnant women and the extent to which prospective adoptive parents are made aware of children waiting to be adopted. Nine appointees (2–Speaker, 1–House Minority Leader, 2–Senate Majority Leader, 1–Senate Minority Leader, 3–President). Commission will report back to Congress within 3 years and will subsequently disband.

Mr. Speaker, in conclusion, The Omnibus Adoption Act brings to the table a solid package of provisions which would benefit children, their prospective parents, and their birth mothers. Any adoption legislation that Congress enacts must ensure that each of these groups is represented because they are all part of the adoption equation.

HONORING BILL WATSON OF WEST UNIVERSITY PLACE, TX

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. BENTSEN. Mr. Speaker, I rise today to honor William (Bill) Watson for his outstanding contributions to West University Place, Texas where he has been selected as Citizen of the Year.

Bill Watson exemplifies the title Public Servant and well deserves the honor of being Citizen of the Year. Among his most outstanding professional accomplishments are:

Serving as a member of the West University City Council from 1989 to 1991 and as the city's Mayor from 1993 to 1997.

Founding Board Member of the Medical Center Chaplaincy, now known as the Lifeline Chaplaincy. The purpose of the organization is to provide training for chaplains to work in hospitals as well as provide housing and spiritual support for families.

Founding Board Member of the Christian Child Help Foundation that helps to place children in foster care.

Currently serving on the Board of Trustees of the Institute of Christian Studies, which is affiliated with the University of Texas.

Currently a member of the Greater Southwest Houston Chamber of Commerce, the West University Zoning and Planning Commission, and the West University Rotary Club, from which he recently received the 1997 Outstanding Vocational Service Award.

On a more personal note, Bill and his wife, Lois, have been residents of West University Place since 1961. They are active members of the Southwest Central Church of Christ where Bill has been teaching bible school since 1958.

While raising children in West University, Bill and Lois were active in Little League, the PTA, and Scouts. Bill was also President of the Parents Association at Southwest Texas State University. Bill and Lois will soon be retiring to their ranch in Luling, TX.

Mr. Speaker, I rise to congratulate Bill Watson. He is an ideal public servant and truly deserving of this award.

TRIBUTE TO ROBERT A. MUNYAN

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. PALLONE, Mr. Speaker, on July 20, 1999, a long and illustrious career will come to an end with the retirement of Mr. Robert A. Munyan, the Business Manager of the International Brotherhood of Electrical Workers (IBEW) Local Union 1289 in Wall, NJ.

Mr. Speaker, Mr. Munyan was hired by Jersey Central Power and Light Co. in 1956, and he retired in 1996 after four decades of loyal service. He became President and Business Manager for Local Union 1289 in 1980. Prior to becoming President and Business Manager, he has held the following positions in the Local: Shop Steward, Executive Board Member and Chairman, and Vice President. He has been involved in contract negotiations for the members of the Local and System Council U–3 since 1979.

Mr. Munyan has had a significant role in many of the key public policy issues facing our state. He represented the New Jersey State AFL–CIO in shaping the New Jersey Master Energy Plan. He has been actively involved in protecting workers' rights as the electricity deregulation issue is debated in the State Legislature. Throughout his career, Robert Munyan has been a strong proponent of the importance of political education. He has done a tremendous job of instilling in working men and women an appreciation of the need for organization and political awareness. He has also reached out to educate the political leadership about the needs and aspirations of working people.

Mr. Speaker, after his August 21st retirement dinner, I know that Mr. Munyan—who has been married for 40 years, with two children and two grandchildren—is looking forward to the opportunity that retirement will provide for him to spend more time with his family. But I hope he will continue to play an important role in public affairs. We will still benefit from his leadership, energy and dedication to the fight on behalf of the working men and women of our state and our nation.

IN CELEBRATION OF THE 30TH ANNIVERSARY OF THE APOLLO 11 MOON LANDING AND ANNIVERSARY CELEBRATION ABOARD THE U.S.S. HORNET MUSEUM IN ALAMEDA, CA

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Ms. LEE. Mr. Speaker, I rise in celebration of the 30th anniversary of the historic Apollo 11 moon landing by astronauts Neil Armstrong, Edwin "Buzz" Aldrin and Michael Collins. This milestone will be commemorated aboard the U.S.S. Hornet Museum with a nine-day festival, called "Moonfest 1999."

Moonfest 1999 is an event blending history, education and family entertainment together in celebration of one of the greatest achievements of the 20th Century. The festival will include an airshow, lectures, exhibits, moon and star gazing parties, a film series, receptions and youth activities beginning on Friday, July 16th and concluding on Saturday, July 24th, 1999.

The dates of the festival have special meaning because July 16, 1969, is the date the Apollo 11 crew departed from earth, landing on the moon on July 20th, and recovered safely by the aircraft carrier U.S.S. Hornet in the Pacific Ocean on July 24th.

Planning for the first human landing on the moon began in April 1957 and in July 1960, NASA named the program "Project Apollo" with five goals: (1) to land American explorers on the Moon and return them safely to Earth; (2) to establish the technology required to meet other national interests in space; (3) to achieve for the United States preeminence in space; (4) to carry out a program of scientific exploration of the Moon; and (5) to develop human kind's capability to work in the lunar environment. With Apollo 11's mission, these goals were met.

On the morning of July 24, 1969, the Aircraft Carrier U.S.S. Hornet, as the Primary Recovery Carrier, successfully recovered the Apollo 11 astronauts. On board the Hornet to welcome the astronauts back was the President of the United States, NASA personnel, distinguished guests and the Hornet's crew.

This historic landing, and the many that followed, was achieved in large part by the dedication and creatively of several California aerospace corporations and their subcontractors, as well as citizens, universities and government agencies of the State of California.

I proudly join citizens throughout the world in celebrating the 30th anniversary of the monumental achievement of the first lunar landing. I also want to thank the U.S.S. Hornet, her crew and all of the people involved with the Apollo Program for successfully bringing the Apollo 11 crew home safely. I am excited and honored to join in this celebration and encourage all to participate in the Moonfest 1999 activities.

A POINT OF LIGHT FOR ALL AMERICANS: REVEREND BOOKER T. McCOLLUM

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. OWENS. Mr. Speaker, I rise to honor Reverend Booker T. McCollum, an individual who has tirelessly dedicated his life to making society better. This individual has made a lifetime commitment to the church and to the community. His vision, generosity, and devotion have empowered Reverend McCollum to not only spread the word of God but to uplift all those he has encountered. Reverend Booker T. McCollum is a great "Point-of-Light" whose work has not gone unappreciated or unnoticed.

Although his roots are in Mississippi, Reverend McCollum began his ministry in Brooklyn, NY. After relocating to New York, he joined the Friendship Baptist Church in Brooklyn and faithfully served as assistant church clerk, chairman of the trustees and deacon boards, and later as assistant to the pastor. In 1964, Reverend McCollum accepted the call to preach. By 1966, the reverend became an ordained and licensed Baptist minister. He continued to work diligently at the Friendship Baptist Church until he was moved by God to pursue his vision of starting a new church mission.

The vision would materialize as the St. Anthony Baptist Church located at 425 Utica Avenue, Brooklyn, NY. Reverend McCollum adopted the philosophy: "St. Anthony Baptist Church is the church where everybody is somebody and God is over all and where there are no big I's and little U's." This philosophy has helped what was once a gathering of a few faithful members at the home of Mr. & Mrs. James Parker become a pillar in the Brooklyn community.

Reverend McCollum was educated at Cornell Labor College of Law and the Baptist Education Center. His professional career includes employment with The United Furniture Workers Labor Union, Local 140 where he held the position of secretary/treasurer. He served in a religious capacity as president of the Evangelical Minister's Union, and he is the recipient of countless awards and citations. In addition to serving God and his community, Reverend McCollum served his country with distinction in the U.S. Navy.

Reverend Booker T. McCollum married "Grace Barnes" in 1943. There were happily married for more than 50 years and had three children: David, Gloria and Russell. His distinguished life marks one of dedication to community, to God, and to family. Reverend McCollum is a great "Point of Light," not only for people of his New York community, but for all of the people of America.

IN RECOGNITION OF HOUSTON ASTROS MANAGER LARRY DIERKER

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. BENTSEN. Mr. Speaker, I want to offer my best wishes to Houston Astros manager Larry Dierker who will return to the dugout tonight, just four weeks after undergoing surgery that removed the cause of a grand mal seizure he suffered on June 13, 1999.

Although he must still take medication for the foreseeable future, Larry's doctors have told him he has little chance of recurrence of the seizure that struck without warning as he sat in the Astros' dugout. Like all Houstonians, I was shocked and alarmed by the severity of the seizure which played out on television and before nearly 30,000 fans at the Astrodome in Houston. In the moments following his seizure, I was struck by the presence and courage of the Astros players, personnel and paramedics who rushed to Larry's aid. In particular, I was impressed by the response of outfielder Derek Bell, who took direct, physical action to keep Larry from further injury.

As every Astros fan knows, Larry Dierker is in his third season as manager of the Astros. In 1998, he was named the National League Manager of the Year after leading the Astros to a record 102 wins. Before taking over as manager in October 1996, Dierker spent 17 seasons as an Astros radio and television broadcaster. He led the Astros to the National League Central title in his first season, then to their second straight division crown in 1998. For those of us that remember the early days of the Astros, we also know Larry for his 14 remarkable seasons as a top-notch pitcher in the National League who was the Astros' first 20-game winner in 1969. He was named to two All-Star games and pitched a no-hitter in 1976.

Mr. Chairman, many sports fans, including myself, can easily become caught-up in the importance of winning games, division titles and championships. We rejoice at the success of the great athletes, whose guile and ability seem to defy our human limitations. While winning is important, injuries and losses teach both athletes and fans alike to keep humility in check, for we are all mortal, and every moment of triumph and success can be quickly supplanted with bad fortune and loss. In many ways, the battles of winning and losing, through good times and bad, mirror the unpredictable course of our own lives.

On June 13, 1999, Larry Dierker, a quiet, humble man who has accomplished many great things in the arena of baseball, brought this lesson home to the sports fans of Houston. Now that he has rejoined the Astros, I join with Larry Dierker's family and many friends in the major leagues in celebrating his quick recovery and offering my best wishes in his able return to the Astros dugout.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 14, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2466) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes:

Ms. JACKSON-LEE of Texas. Mr. Chairman, today I rise to support Representative SLAUGHTER's amendment which will add money to the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH).

Ms. SLAUGHTER's amendment raises the appropriation level for the National Endowment for the Humanities (NEH) and the National Endowment for the Arts (NEA) by $10 million each.

The NEH is vital to our educational systems and provides numerous services in the area of the humanities. The NEH provides grants to individuals and institutions. These grants support valuable aspects of the humanities such as research in the humanities; educational opportunities for teachers; the preservation of texts and materials; translations of important works; museum exhibitions, television and radio programs; and public discussion and study.

The humanities encompass a wide variety of subject matter. They are all around us and evident in our daily lives. When you visit an exhibition on "The Many Realms of King Arthur" at your local library, that is the humanities. When you read the diary of a 17th-century New England midwife, that is the humanities. When you watch an episode of "The Civil War," that is the humanities, too. The humanities include the study of literature, history, philosophy, religion, art, history, and archaeology.

NEH also provides many educational tools for children. Most recently, the NEH has provided students with the educational foundations necessary for the use of the internet. NEH maintains EDSITEment, a gateway Web site that provides links to 49 sites carefully selected for their quality of educational content and design. Instead of having to sift through more than 65,000 humanities-related sites on the Web, anyone seeking the best humanities education materials on the Internet can easily find and access them through EDSITEment. Each site comes with lesson plans offering suggestions on how to use the materials effectively in the classroom.

NEH works closely with schools and is currently awarding grants to schools around the nation through an initiative called "Schools for a New Millennium," which will enable those schools to become models of how teachers, principals, librarians, and the community can fully incorporate CD–ROM's and the Internet into their everyday teaching.

To increase its efficiency, the NEH is organized into three divisions—Education and Research, Preservation and Access, and Public

Program—and three offices—Challenge Grants, Federal/State Partnership, and Enterprise.

The Hogg Middle School in my district received a grant from the NEH to do a historical study of the Heights, an area in my district, which will be published on the world-wide-web along the side and connected to the official online guide to Texas history. This is a tremendous achievement that could only be done with the help of the NEH.

The NEA is an independent agency of the Federal government charged with supporting the arts in America for All Americans. The NEA carries out their mission through grants, leadership initiatives, partnership agreements with state and regional organizations, partnerships with other Federal agencies and the private sector, research, arts education, access programs, and advocacy.

Since 1965, the example at the Federal level has led to the establishment of public arts agencies in every state and the creation of seven regional arts agencies. Public arts agencies in small towns and cities have grown to over 3,800. Through the NEA partnerships, they have helped to increase the amount of private donations to the arts. For every dollar the endowment awards, other sources contribute $12 to make art happen in thousands of communities.

The NEA in Texas has provided money for such programs to the Houston Symphony Society, the Houston International Jazz Festival, the Alley Theater and the Texas Institute for Arts in Education. These programs ensure that Houston, TX, will remain a hub of arts and culture for years to come, and I look forward to their continuing important work.

Mr. Chairman, I urge my colleagues to support funding for both the NEA and the NEH.

IN HONOR OF COLOMBIA AND THE COLOMBIAN PEOPLE ON THE 189TH ANNIVERSARY OF THEIR INDEPENDENCE FROM SPAIN AND OF THE COLOMBIAN COMMUNITY IN ELIZABETH, NJ

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. MENENDEZ. Mr. Speaker, I rise today to honor the 189th Anniversary of the Declaration of Independence of Colombia from Spain and to proclaim July 19–23, 1999, as "Colombian Week" in the City of Elizabeth, NJ.

The Colombian Community in the City of Elizabeth has made great contributions to my district, as well as to the State of New Jersey. They have provided many invaluable services, and their culture and heritage continues to enrich the entire 13th District. Repeatedly, they have worked diligently to realize every opportunity that American democracy provides.

Because of their spiritual and cultural values, the Colombian community of Elizabeth has exemplified civil responsibility. They have emerged as true role models for all Americans by working not only for the welfare of the Colombian community, but for the health, wealth, and welfare of the city at large.

The initiation of "Colombian Week" offers a time for the Colombian community to celebrate Colombia's growth as a nation and to share that feeling with the entire community of Elizabeth. Through teaching and learning from each other's experiences, we are able to build a strong and united community. I invite all the people of Elizabeth to unite and help to commemorate this great Colombian anniversary.

I am happy to honor the Colombian community for their many achievements and contributions to the City of Elizabeth. As the city unites to commemorate the 189th anniversary of Colombia, may we all take a moment to recognize their great efforts and accomplishments.

WHY I'M OPPOSED TO A PAY HIKE

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SCHAFFER. Mr. Speaker, very soon the House will decide on the matter of Congressional pay raises. This topic has also been considered by the State of Colorado. The Colorado General Assembly recently adopted Senate Joint Memorial 99–005—sponsored by Senate President Ray Powers of Colorado Springs, and State Representative Doug Dean of Colorado Springs, Colorado.

Mr. Speaker, the Constitution of the United States also speaks to the topic of legislative pay raises. It forbids Members of Congress from voting themselves pay raises. Amendment XXVII—"the Madison Amendment"—says, "No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened."

As one who has served in the Colorado State Senate, I am persuaded Colorado's official position on the matter of pay raises is thoughtful and representative of Coloradans generally. Therefore Mr. Speaker, I urge our colleagues to consider my state's perspective, as enumerated in SJM 99–005, which I hereby submit for the RECORD.

Furthermore, I offer this Memorial as the basis for my vote against the pay raise in question.

COLORADO STATE SENATE,
Denver, CO, May 21, 1999.

Hon. BOB SCHAFFER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN SCHAFFER: The Senate and the House of Representatives of the First Regular Session of the Sixty-second General Assembly of the State of Colorado have adopted the enclosed Senate Joint Memorial No. 99–5 and directed that a copy be forwarded to you for your information.

Sincerely,

PATRICIA K. DICKS,
Secretary of the Senate.

Enclosure.

SENATE JOINT MEMORIAL 99–005

Whereas, The twenty-seventh amendment to the constitution of the United States, also known as "The Madison Amendment", provides that "No law, varying the compensation for the services of the Senators and Representatives, shall take effect until an election of Representatives shall have intervened."; and

Whereas, The twenty-seventh amendment requires that an intervening election be held between the enactment of any congressional pay increase and its subsequent application to any member of Congress; and

Whereas, The twenty-seventh amendment requirement's requirement for an intervening election is intended to allow voters in each state and congressional district to obtain direct information regarding salary increases prior to the reelection of incumbents or the election of others in their stead; and

Whereas, Salary increases for members of Congress currently are regulated by "The Government Ethics Reform Act of 1989," ("The Act") pursuant to 2 U.S.C. sec. 31; and

Whereas, The Act gives members of Congress an immediate one-time salary increase and, in subsequent years, an annual cost of living adjustment increase to salaries or pensions; and

Whereas, Such annual cost of living adjustment is established in accordance with federal law and incorporated in an executive order of the President in December of each year to establish salary increases that are put into effect on January 1 of the next year; and

Whereas, Through the automatic operation of the cost of living adjustment provisions, congressional salaries have been increased on the first day of January for several years; and

Whereas, Without the action of legislation, each Congress effectively and automatically enacts for itself a cost of living adjustment salary increase in violation of the twenty-seventh amendment; and

Whereas, When each year's cost of living adjustment increase is paid on the following January 1 to members of Congress, former members, or spouses of deceased members without the process of an intervening election, the twenty-seventh amendment is violated; now therefore,

Be It Resolved by the Senate of the Sixty-second General Assembly of the State of Colorado, with the House of Representatives concurring herein:

That the General Assembly hereby expresses its opposition to automatic annual cost of living adjustment salary increases for members of Congress of the United States as violative of the twenty-seventh amendment to the United States Constitution and hereby memorializes the Congress to refrain from enacting any pay increase for members of Congress without an affirmative vote or that takes effect before the following Congress has been elected and fully sworn into office. Be it further

Resolved, That copies of this Memorial be sent to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each member of the Congressional delegation representing the state of Colorado.